

BUILD America 250 Act

Overview

H.R. 8870, the *Building Unrivaled Infrastructure and Long-term Development for America's 250th Act (BUILD America 250 Act)* totals approximately \$580 billion over five years in funding authorizations for federal surface transportation programs. This includes \$475 billion in spending out of the Highway Trust Fund for highway, transit, and safety programs – a roughly 4% increase over the IIJA – along with additional authorizations for future General Fund appropriations for rail and some transit programs.

The bill text, a section-by-section summary, and other resources are available [here](#).

Roads and Bridges

- \$375 billion total for Fiscal Years 2027-2031 for federal highway programs, including
 - \$9.2 billion per year for bridges, plus an additional \$2 billion authorization subject to future appropriations.
 - \$3.75 billion for Safe Streets and Roads for All, starting at \$500 million in FY'27 and growing to \$1 billion in FY'31.
 - \$2.4 billion annually for a new Surface Transportation Accelerator Grant program, which combines a variety of discretionary grants created under the IIJA into one funding pot, with allocations for local, regional, rural, and urban areas.
- Every State DOT will see an increase in their highway formula apportionments. Estimates show a 3.4% increase in average state highway funding versus FY'26.
- The bill eliminates the carbon reduction program, electric vehicle charging station program, and resilience grants created in the IIJA, but it makes those projects eligible for funding in other accounts.
- Consolidated Funding Pilot Program – the bill creates a pilot program to allow up to ten states to receive their apportioned federal formula funds in a single block grant. Under the pilot program, funds would be eligible for use for any project under existing highway formula programs. Participating states would be required to commit 25 percent of funding to regional and local areas in proportion to their relative shares of the population, consult with MPOs and regional transportation planning organizations representing those areas, and report on progress toward performance measures.

Transit

- \$87 billion over five years from the Highway Trust Fund for transit formula programs. This is roughly equivalent to what transit agencies were receiving in formula funds under the IIJA.
- An additional \$3 billion per year is authorized from the General Fund for Capital Investment Grants, consistent with current law.

Rail

- Authorizes a total of \$65 billion from the General Fund for Fiscal Years 2027-2031 for rail programs, including:
 - \$31 billion for Amtrak over five years – \$10.3 billion for the Northeast Corridor and \$20.7 billion for the National Network.
 - \$9 billion over five years for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program grants.
 - \$18.5 billion over five years for a consolidated National Intercity Passenger Rail Partnership program.
- These are not guaranteed funds and are subject to the annual appropriations process.

Engineering and Design Services

- Authorizes U.S. DOT to provide technical assistance, guidance and best practices to State DOTs on lump sum contracting, as requested by ACEC.
- Eliminates the exemption for the State of Minnesota from the prohibition on overhead caps and compliance with the FAR cost principles, as requested by ACEC Minnesota.
- Requires FHWA to develop a list of categorical design exceptions from standards for the National Highway System for categories of multimodal projects and features on Federal-aid highways.
- Adds classes relating to contract management, competition in contracting, contract scoping, and managing state contract officers and engineers to the National Highway Institute curriculum.
- Tasks U.S. DOT with developing and maintaining best practices for states to improve contract specificity and increase competition. States would be required to submit a plan to DOT on how they intend to implement best practices.
- Requires Amtrak to study its A/E services procurement practices, including contract provisions related to indemnification and standard of care, and consider the impact and report on recommendations for aligning with industry norms.

Disadvantaged Business Enterprise (DBE) Program

- Reauthorizes the DBE program, replacing the terms “minority- and women-owned business” with “socially and economically disadvantaged individuals”.
- Sets a “national, aspirational goal” of at least 10% of federal funding to be set for expenditure through good faith efforts by recipients through small businesses owned and operated by socially and economically disadvantaged individuals.
- Tasks U.S. DOT with developing objective criteria for how state certifying agencies will evaluate whether an individual qualifies as socially and economically disadvantaged, including the ability of individuals to submit evidence of discrimination and instances of economic hardship, systemic barriers, and denied opportunities.

Technology

- Reauthorizes and consolidates funding for the SMART grant program.
- Reauthorizes and modifies the Advanced Digital Construction Management System (ADCMS) grant program.
- Makes digital construction technology an eligible expense under various highway programs.

Project Delivery & Environmental Streamlining Provisions

- Expands and strengthens “One Federal Decision” requirements – enhances interagency coordination and establishes stricter timelines for environmental reviews and permitting decisions to reduce project delays and accelerate federal approvals.
- Broadens categorical exclusions (CEs) for transportation projects – expands the use of categorical exclusions for small safety projects, transit improvements, Tribal projects, and projects receiving limited federal assistance.
- Allows greater state assumption of NEPA responsibilities – expands the authorities of state and other eligible entities to assume responsibility for categorical exclusions and environmental reviews, streamlining project delivery by reducing reliance on FHWA review and approval.
- Reduces duplicative environmental reviews across federal agencies – establishes additional procedures and programmatic agreements to eliminate overlapping reviews, align federal agency decision-making, and create more predictable permitting processes.
- Accelerates environmental document preparation and decision making – includes provisions to streamline preparation of environmental documents, improve review efficiency, promote best practices and training, and speed agency decision timelines for transportation projects.

New User Fees

- Creates a new registration fee for electric and plug-in hybrid vehicles:
 - \$130 annual fee for EVs, increasing to \$150 over five years.
 - \$35 annual fee for plug-in hybrids, increasing to \$50.
 - This could raise approximately \$10 billion over the life of the bill and approximately \$29 billion over 10 years – not enough to address the total Highway Trust Fund deficit, but it would be the first new transportation user fees enacted in 33 years.
- Reauthorizes the national pilot program for mileage-based user fees (which was created in the IJA but not implemented).