

More Roads but Fewer Options

How Surface Transportation Reauthorization Could Affect Costs, Safety and Emissions

By James Bradbury

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Executive Summary

Every five years the U.S. Congress passes a new Surface Transportation Reauthorization bill. Each new bill presents new opportunities for policy reforms and new investments to improve traffic safety while providing U.S. residents with more affordable, clean transportation options. The 2021 Bipartisan Infrastructure Law — also known as the Infrastructure Investment and Jobs Act (IIJA)¹ — is set to expire on October 1, 2026. The first draft² of a potential replacement, “The BUILD America 250 Act” (BA250), was approved³ by the U.S. House Committee on Transportation and Infrastructure on May 22, 2026. Supporters of BA250 lauded⁴ the committee for passing a bipartisan bill that emphasized a renewal of “formula funding,” the flexibility it would provide for state and local governments, and for provisions to streamline permitting and accelerate project delivery.

Fundamentally, BA250, like IIJA, is a transportation funding bill.⁵ While these funding packages are always paired with mutually-agreeable policy objectives, like safety and project delivery, Reauthorization⁶ primarily serves as a mechanism to deliver federal funding to state and local agencies to invest in a broad range of eligible transportation projects — in this case roughly \$500 billion for FY2027 through 2031.

The challenge for every transportation agency, at the federal, state and local level, is balancing priorities to meet as many needs as possible on a limited budget of public dollars. And while funding decisions reflect that balance of priorities, the consequences of those funding decisions are not always clear to legislators or transportation planners. This issue brief examines the potential consequences of future funding decisions, particularly regarding household costs, traffic safety, electric vehicle (EV) deployment, and climate pollution.

¹ Infrastructure Investment and Jobs Act. [Public Law 117–58](#). November 15, 2021.

² U.S. House Committee on Transportation and Infrastructure. [Amendment in the Nature of a Substitute – Building Unrivaled Infrastructure and Long-term Development for America’s 250th Act](#).

³ [T&I Committee Approves BUILD America 250 Act](#). Press Release. May 22, 2026.

⁴ [What They Are Saying about the BUILD America 250 Act](#). Press Release. May 20, 2026.

⁵ For the purposes of this issue brief, references to IIJA refer only to the transportation sections, particularly those implemented by the U.S. Department of Transportation, recognizing that roughly half of the funding authorized by the 2021 law was for other agencies and non-transportation-related spending.

⁶ Hereafter, “Reauthorization” refers to Surface Transportation Reauthorization legislation.

This analysis centers on ways that federally-funded capital projects in BA250 could influence total vehicle miles traveled (VMT) and mode choice (i.e., whether people choose to drive, walk, ride or roll to their destinations). We also estimate how programs and policies in the bill could directly and indirectly affect vehicle purchase decisions. To do this, we focus on how BA250 implementation could expand the current system, by adding new EV chargers, increasing transit service, creating new sidewalks, or increasing roadway capacity.

Our primary conclusions are:

- **BA250 could increase headwinds for the electric vehicle market.** Proposed annual registration fees are projected to reduce the number of EV sales by at least tens of thousands — and potentially hundreds of thousands — of vehicles each year.
- **If past investment patterns continue, BA250 could make transportation more expensive, less safe, and more polluting.** If transportation agencies continue to expand roadways in far greater proportion to other transportation modes (e.g., rail, bus, bike and pedestrian), we project that this could result in over a thousand more traffic-related fatalities each year, hundreds of additional dollars in annual transportation costs for every US household, and tens of millions of additional tons of climate pollution over the next decade.

These conclusions reflect the funding priorities in BA250, policy actions of the Trump administration, and the approach that state and local governments typically take to implementation. To achieve better outcomes for the climate, safety, and affordability, a Reauthorization bill would directly address the following three systemic challenges:

- **Balance of funding:** BA250 proposes to shift the balance of funding even further toward highway programs that are typically used for roadway expansion projects, cut funding for transit and rail, and eliminate several IIJA programs that had the potential to achieve meaningful benefits for the climate.⁷
- **Climate policy reversals:** Since January, 2025, the Trump Administration has taken a wide range of actions⁸ to reverse course from Biden Administration policy priorities on clean vehicles, environmental justice, climate-smart investments and related research⁹ programs. Ongoing actions have undercut state¹⁰ and local efforts to address climate change and the legacy of transportation policies¹¹ that continue to negatively — and disproportionately — affect low-income communities, minority neighborhoods, and

⁷ Georgetown Climate Center. [Estimating the Greenhouse Gas Impact of Federal Infrastructure Investments in the IIJA](#). Issue Brief. December 16, 2021.

⁸ James Bradbury. [Understanding Recent Federal Actions: Transportation Funding & Programs](#). Georgetown Climate Center, Explainer. August 11, 2025.

⁹ Alex Karner et al. [U.S. transportation research at a crossroads](#). Transport Policy. Volume 173, November 2025, 103782.

¹⁰ Oregon Department of Transportation. [Federal Actions Cause Confusion and Delay for Several ODOT Projects](#). Updated May 15, 2025.

¹¹ [AASHTO Policy Recommendations on Key Surface Transportation Priorities](#) (Version 2). American Association of State Highway and Transportation Officials. October 2021.

people of color.¹² In many cases, the U.S. Congress has reinforced these policy reversals, through legislation¹³ and by passing resolutions¹⁴ to codify Trump Administration policy priorities.

- **Transportation policy inertia:** There is a long-standing tendency for U.S.-based transportation agencies to expand or build new roadways¹⁵ to accommodate population growth or other new development, at disproportionately high rates,¹⁶ compared to investments in alternative transportation options (i.e., expanding transit and passenger rail service, or building dedicated infrastructure for pedestrians and bikes). Additionally, the importance of these infrastructure investments — for climate pollution and vehicle miles traveled (VMT) — are routinely underappreciated,¹⁷ largely ignored by climate models,¹⁸ and only directly addressed through policy action by a handful of state departments of transportation.¹⁹

¹² Deborah N. Archer. [Transportation Policy and the Underdevelopment of Black Communities](#). NYU School of Law, Public Law Research Paper No. 21-12. 106 Iowa Law Review 2125. March 28, 2021.

¹³ Adam M. Raviv. [Congress Eliminates Corporate Average Fuel Economy \(CAFE\) Penalties for Passenger Cars and Light Trucks](#). Sidley. July 8, 2025.

¹⁴ Van Ness Feldman. [Regulatory Whiplash for Heavy-Duty Vehicle and Engine Manufacturers: Congressional Review Act Rescinds CARB Waivers. Prompting Wave of Litigation and Uncertainty](#). August 27, 2025.

¹⁵ Erick Guerra. Overbuilt: [The High Costs and Low Rewards of US Highway Construction](#). Island Press. 2025; Tony Dutzik. [Overbudget by design: Supersizing highways puts public dollars at risk](#). Frontier Group. February 12, 2026.

¹⁶ Jeff Davis. [What the “80-20 Highway-Transit Split” Really Is, and What it Isn’t](#). Eno Center for Transportation. Explainer. July 26, 2021.

¹⁷ [T&I Republican Leaders Applaud Trump Administration for Efforts to Rescind Unlawful Biden GHG Rule](#). Press Release. February 12, 2025.

¹⁸ Adam Millard-Ball and Michael Rosen. [Road Capacity as a Fundamental Determinant of Vehicle Travel](#). Institute of Transportation Studies, UCLA. Technical Report: UC-ITS-RIMI-3R. February 2025.

¹⁹ Ryan Levandowski. [A growing number of states are taking steps to align transportation planning decisions with climate targets](#). Georgetown Climate Center. Blog. January 10, 2024.

Topline BA250 Findings

Based on our analysis of BA250 investment scenarios — accounting for expected capital investments and the proposed EV registration fee — we found that the following net changes could occur annually, by 2041, compared to baseline conditions:

Economic impacts²⁰

- additional \$240 to \$270 in annual transportation costs for the average household (plus, annual registration fees of \$50 for each plug-in hybrid electric vehicle and \$150 each EV)
- additional \$35 billion to \$39 billion in total annual transportation costs for consumers and businesses

Road safety impacts

- additional 1,050 to 1,150 traffic-related fatalities, annually
- additional 15,500 to 17,500 traffic-related injuries, annually

Electric Vehicle Sales

- reduced EV sales by 3 to 12 percent, annually
 - 65,000 to 270,000 fewer vehicles sold, in 2031
 - 100,000 to 450,000 fewer vehicles sold, in 2041

Climate pollution

- additional 14 to 22 million metric tons (MMT) of carbon dioxide emissions (CO₂), annually
- additional 86 to 156 MMT CO₂, cumulatively (from 2027 through 2041)

²⁰ Economic impacts conservatively account for vehicle and fuel maintenance costs for consumers and businesses and do not account for other costs of vehicle ownership, including insurance and depreciation.

Analysis & Findings

How could BA250 affect EV owners & new EV sales?

Car ownership in the U.S. has become an expensive proposition. Adding up the total cost of purchasing, insuring, maintaining, and operating a personal vehicle, transportation has become the second biggest expenditure for the average household in America, after housing. On top of that, between February and May of this year, gasoline and diesel prices rose by about 50 percent.²¹ For the lowest-income households an increase of \$1.50 per gallon of gas translates to a 5 percent pay cut.²² Under these circumstances, there is growing consumer interest²³ in electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs), both of which provide substantial savings in fuel and maintenance costs.²⁴

However, beginning in 2027, BA250 would establish new annual registration fees on electric vehicles (\$130) and plug-in hybrid vehicles (\$35), which would increase by \$5 every two years and be capped at \$150 and \$50, respectively.²⁵ While ostensibly designed to make EV owners pay their “fair share”²⁶ to fund transportation infrastructure, the proposed EV fees would be set at nearly twice what the average light-duty vehicle owner pays each year in federal gas taxes.²⁷

We used the Georgetown Climate Center’s TEA-CART tool²⁸ (see “About TEA-CART” box below) to estimate how much the proposed annual registration fees, for EVs only, could reduce EV sales and increase future emissions.²⁹ While additional fees would certainly serve as a disincentive to new and used EV sales, research suggests that the consumer response to

²¹ U.S. Energy Information Administration. [Gasoline and Diesel Fuel Update](#). (accessed June 26, 2026)

²² Adie Tomer and Ben Swedberg. [Another oil crisis is here. How will American drivers respond?](#) Brookings Institution. April 27, 2026.

²³ Ed Garsten. [High Gas Prices Boosting Interest In EVs. But Will Sales Follow?](#) Forbes. April 2, 2026; Allie Canal. [Rising gas prices have sparked fresh interest in EVs — but affordability is a major barrier](#). ABC News. April 7, 2026.

²⁴ U.S. Department of Energy. [Electric Vehicle Basics](#). August 2023; Andrew Musinov. [True Cost of EV Ownership Over 5 Years](#). EV.com. September 19, 2025.

²⁵ Learn more about EV registration fees from Atlas Public Policy: [Revenue or Roadblock? Impacts of Electric Vehicle Charging Taxes](#)

²⁶ Rachel Frazin. [Bipartisan highway bill includes \\$130 registration fee for EVs](#). The Hill. May 19, 2026.

²⁷ According to the FHWA, the average fuel consumption per light-duty vehicle in 2023 was 447 gallons. At the current federal gas tax rate of 18.4 cents per gallon, the average light-duty vehicle would have paid only \$82.25 in federal taxes to federal trust funds that year (FHWA, Highway Statistics Series 2023. [Table VM-1](#)).

²⁸ Georgetown Climate Center. [TEA-CART: A Tool for Making Climate-Smart Transportation Investments](#). December 5, 2025.

²⁹ This was done using TEA-CART’s light-duty EV purchase incentive feature. We assumed that the proposed EV registration fee would have the inverse effect of a consumer rebate, or other purchase incentive. We also assumed that consumers account for up to three future years of vehicle operations and maintenance costs (savings or additional costs) when weighing purchase decisions (e.g., a consumer in 2035 would perceive a \$150/ year EV registration fee as an additional \$450 cost). This is a common assumption used by federal agencies for economic [impact analyses](#).

incentives (or disincentives) can vary widely; so, we developed high and low estimates to reflect the range of consumer sensitivity.³⁰

Results from our analysis are illustrated by the bar charts below. Figure 1 shows total annual EV sales projections from the U.S. Energy Information Administration³¹ with an estimated 3 to 12 percent reduction caused by the proposed registration fee. We estimate that the new fee could result in 65,000 to 270,000 fewer EVs sold in the year 2031.³²

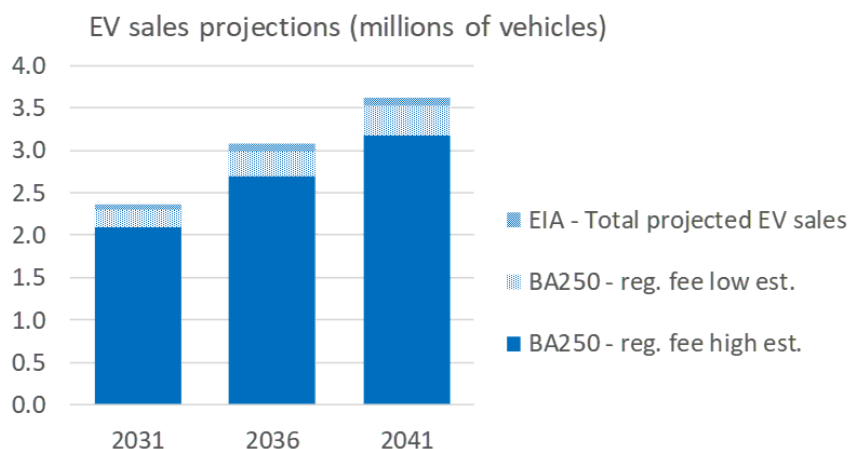


Figure 1: Projected annual EV sales for three future years, with high and low estimated reductions in sales, due to BA250's proposed EV registration fees.

Figure 2 shows that, by 2041, the reduction in annual EV sales could cause an additional 2 to 10 MMT CO₂ emissions in 2041³³ compared to baseline emissions.³⁴

³⁰ To reflect this inherent uncertainty, we developed high and low estimated impacts of the proposed EV registration fee. Research on consumer responses to EV purchase incentives [varies widely](#). For the high estimate, we used default assumptions in TEA-CART. For the low estimate, we assumed that consumers are [five times](#) less sensitive to the value of incentives, or disincentives, when they purchase a vehicle.

³¹ EIA, Annual Energy Outlook 2026. [Table 38. Light-Duty Vehicle Sales](#). Alternative Transportation Case.

³² For the year 2041, we estimate 100,000 to 450,000 fewer EV sales.

³³ Cumulatively, we estimate an additional 13 million metric tons to 63 MMT CO₂ emissions, for all years from 2027 through 2041.

³⁴ Baseline projections of emissions are described in the TEA-CART [methodology](#) documentation.

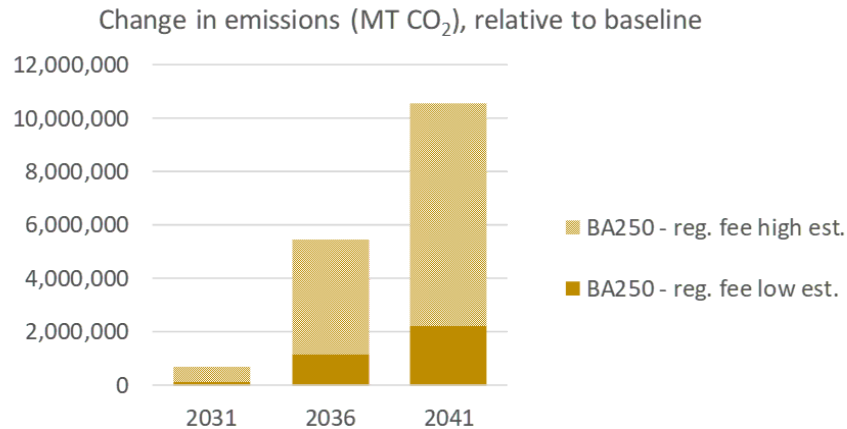


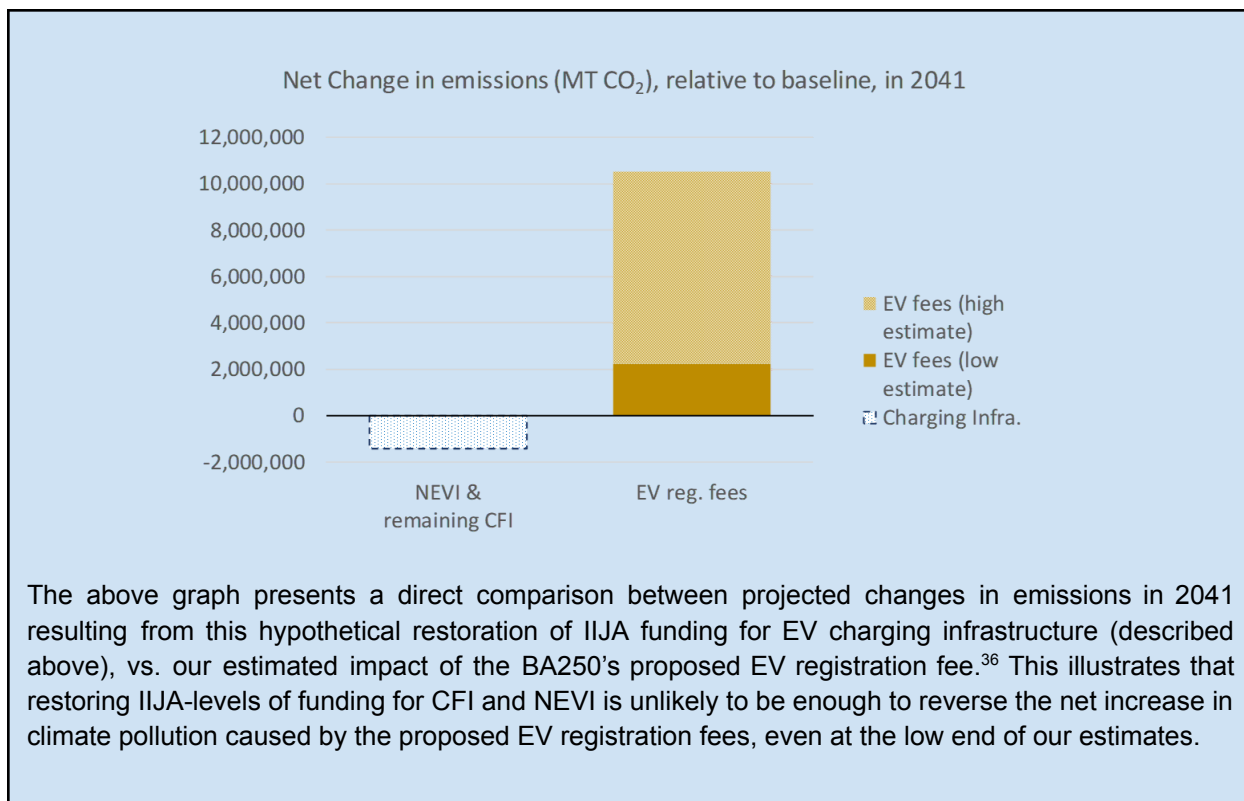
Figure 2: Projected changes in emissions due to BA250's proposed EV registration fees.

What if IIJA levels of funding for EV charging infrastructure were restored?

Only \$1 billion in BA250 could be used for EV charging infrastructure. This “set-aside” under the Congestion Mitigation & Air Quality (CMAQ) Program is available for investments in electric, hydrogen, propane or natural gas infrastructure projects that were eligible under IIJA's Charging and Fueling Infrastructure (CFI) program. Notably, this provision in BA250 marks a \$6.5 billion cut from IIJA-levels of funding dedicated to investments in charging and fueling infrastructure (accounting for combined funding in IIJA for CFI and the National Electric Vehicle Infrastructure (NEVI) programs, from FY2022 to FY2026).

To provide a point of comparison, we used TEA-CART to estimate the relative emission-reduction benefits of a hypothetical scenario in which the U.S. Congress reauthorizes IIJA-funding levels for the CFI and NEVI programs, from FY2027 through FY2031³⁵ (i.e., restoring an additional \$6.5 billion in dedicated EV infrastructure investments). The result could be a reduction of just over 1.4 million metric tons of CO₂, compared to the baseline in 2041.

³⁵ Since BA250 includes a set-aside of \$1 billion for CFI-eligible projects, this analysis estimates the additional emission-reductions that could result from a hypothetical scenario in which Congress appropriated the remaining \$1.5 billion for CFI and the full \$5 billion for NEVI (plus the required 20% match).



How could BA250 investments affect household costs, safety, and pollution outcomes?

Investments in transportation generally enjoy popular support, particularly for projects that improve safety, reduce costs, increase reliability, and strengthen environmental sustainability.³⁷ Everyone needs affordable and safe transportation options to meet their basic needs and thrive in society. But accessing those options is easier for some than others.

On top of the high cost of vehicle ownership, discussed above, many US residents have also experienced — or know someone who has experienced — serious transportation-related hardships or traffic-related injuries. For example, over one third of the U.S. population (36 percent, by one estimate)³⁸ does not, or cannot, drive a car to get where they need to go. Safety is another major concern, particularly for anyone out walking, biking or rolling to their

³⁶ Note that consumers may respond differently to different types of incentives, or disincentives. In this case, annual registration fees may factor differently into a purchase decision compared to the presence of an expanded public EV charging network, in the future. Other uncertainties include the fact that the global market for EVs is dynamic and petroleum-based fuel prices are volatile.

³⁷ MITRE-Harris Poll. [Transportation Survey, Exploring Public Perceptions on the Future of Transportation](#). January 4, 2024.

³⁸ Ali Lehman and Samantha Henningson. [Who Doesn't Have a Car? A new NRDC map shows car-free living and the factors affecting car usage in the United States](#). Natural Resources Defense Council. October 1, 2025

destinations. Tragically, pedestrians experienced over 7,100 fatalities³⁹ and more than 71,000 injuries in 2024 alone.⁴⁰ Annual traffic-related fatalities are also exceptionally high, with nearly 41,000 deaths in 2023.⁴¹ While traffic-related fatality rates have worsened in the U.S. over the past decade, most other high-income countries have experienced the opposite trend.⁴² Finally, transportation has been the biggest source of climate pollution in the United States for nearly a decade,⁴³ lending particular urgency to the need for transportation-related emission-reduction solutions.

For this analysis we developed illustrative investment scenarios to estimate how BA250 could affect future transportation costs, traffic safety, electric vehicle (EV) sales, and climate pollution.

We then analyzed the investment scenarios using a new tool, TEA-CART (see “About TEA-CART” box), which the Georgetown Climate Center developed with Cambridge Systematics to help practitioners estimate how transportation capital projects could affect real-world outcomes, like emissions and vehicle miles traveled, or VMT.⁴⁴

How could BA250 Affect Funding for Clean Transportation Programs?

Overall, BA250 proposes to eliminate tens of billions of dollars in clean transportation investments, reversing course on various new policies and programs created by IIJA. This includes repealing the Carbon Reduction Program, the Reduction of Truck Emissions at Port Facilities Program, the Electric or Low-Emitting Ferry Pilot Program, the Neighborhood Access and Equity Grant Program, and the Healthy Streets Program. BA250 would not include any dedicated funding for electric medium- and heavy-duty vehicles or the Clean School Bus Program.

The bill would include no new advance appropriations from the general fund,⁴⁵ unlike IIJA, which gave the Federal Rail Administration \$66 billion for interstate rail projects and the U.S. DOT Office of the Secretary \$19 billion for grant funding for multimodal projects, like dedicated

³⁹ This marks a notable reduction from a high of 7,700, in 2022, which was a thirty-year high.

<https://www.ghsa.org/resource-hub/pedestrian-traffic-fatalities-2024-data>

⁴⁰ National Highway Traffic Safety Administration. [Overview, Pedestrian Safety](#). U.S. Department of Transportation.

⁴¹ National Highway Traffic Safety Administration. [Overview of Motor Vehicle Traffic Crashes In 2023](#). U.S. Department of Transportation, Research Note. April 2025.

⁴² Rebecca B. Naumann, et al. [Pedestrian and Overall Road Traffic Crash Deaths — United States and 27 Other High-Income Countries, 2013–2022](#). U.S. Centers for Disease Control and Prevention. Morbidity and Mortality Weekly Report. March 13, 2025.

⁴³ U.S. Environmental Protection Agency. [Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990–2022](#). April 2022.

⁴⁴ Additional discussion of this analysis, including scenario development and modeling assumptions, is provided below.

⁴⁵ Find a more detailed description of advance appropriations here: Sarah Kline. [How IIJA's Funding Structure Complicates Surface Transportation Reauthorization](#). Bipartisan Policy Center. Explainer. June 2, 2026.

pathways to make it safer for people to walk or bike to their destinations. Comparing BA250 to IIJA, this represents a \$85 billion cut to clean transportation investments.

Additionally, over \$100 billion of BA250 funding is authorized but not appropriated. This challenges the ability of agencies to conduct — and implement — long-term capital planning and investment decision making because affected projects do not have direct access to the Highway Trust Fund and are therefore subject to the inherently uncertain annual appropriations process.⁴⁶ This authorized-but-not-appropriated category includes much of the funding for public transit and rail,⁴⁷ including: \$31 billion for Amtrak, \$18.5 billion for Intercity Passenger Rail and \$15 billion for Capital Investment Grants (CIG), which is the one program in BA250 fully dedicated to expanding transit service.

On the other hand, BA250 proposes to give a \$33 billion boost to the formula-funded National Highway Performance Program (NHPP), increasing it by more than twice as much as any other program.⁴⁸ Notably, from 2022 through 2024, nearly half of NHPP funding was obligated for roadway expansion projects.⁴⁹ In contrast with the less-certain and lower levels of funding that BA250 proposes to authorize for transit and rail, this illustrates the relative priority the bill places on road construction over other modes.

Developing illustrative investment scenarios for BA250

As with our analysis of IIJA,⁵⁰ the first step to understanding the consequences of BA250 for people and communities is to develop reasonable scenarios to illustrate the types of projects state and local transportation agencies could build with their federal funding. Reauthorization generally, and BA250 in particular, grants most of the funding to states through formula-funded programs, with a variety of built-in flexibility mechanisms.⁵¹ So, decisions about which capital projects to build are really up to state DOTs and regional Metropolitan Planning Organizations (MPOs), along with their respective state and local legislatures.⁵² While we don't know exactly which projects will be built using BA250 dollars, we have a good idea how federal transportation

⁴⁶ Dan Zukowski. [Transit, Amtrak cuts advance in House appropriations bill](#). SmartCitiesDive. May 27, 2026.

⁴⁷ American Public Transportation Association. [BUILD America 250 Act: Public Transportation Investments and Policy Provisions](#). June 15, 2026.

⁴⁸ Rebecca Higgins. [BUILD America 250 Policy Chart: Highways, Freight, and Multimodal](#). Eno Center for Transportation. June 18, 2026.

⁴⁹ Corrigan Salerno. [Fueling the crisis. Climate consequences of the 2021 infrastructure law](#). Transportation for America. Report. November 12, 2024.

⁵⁰ James Bradbury, Zack Subin, Ben Holland, and Ryan Levandowski. [States Are in the Driver's Seat on Transportation Carbon Pollution](#). Georgetown Climate Center. Issue Brief. March 24, 2023.

⁵¹ Ryan Levandowski. [Flexible Federal Funding Opportunities for State and Local Clean Transportation Investments](#). Georgetown Climate Center, Issue Brief. February 23, 2023.

⁵² Learn more about transportation governance and finance from this 2016 review of all 50 states by the American Association of State Highway and Transportation Officials https://store.transportation.org/Common/DownloadContentFiles?id=1542&srsId=AfmBOooZpZjvyidl8TPoXR1x2UOCL_orSK0fDiJon8YVd5kM2kNz1p_

dollars have been spent in the recent past. In particular, a 2024 analysis⁵³ published by Transportation for America (T4A) details⁵⁴ the ways in which IIJA funding was spent — and, importantly, which types of projects received the most federal funding — from FY 2022 to FY 2024.⁵⁵

Transportation for America's 2024 analysis directly informs our investment scenario development, because a) most BA250 dollars would go into existing, long-standing federal programs, and b) the bill would not reform those programs in ways that would constrain investment decisions by state or local governments. Therefore, we assume that federal dollars — within each of the programs (e.g., NHPP) that BA250 proposes to reauthorize — would be invested in the same types of transportation projects that they have been in the past. Finally, for our TEA-CART analysis of BA250, we focused on the types of capital projects that are most likely to change the transportation choices and vehicle purchase decisions made by people and businesses. For example, we did not attempt to model BA250 funding for research or administration. Nor did we model maintenance projects that reconstruct infrastructure (e.g., bridges) or replace vehicles (e.g., transit buses or passenger rail cars), all of which serves to preserve existing systems and services in a state of good repair. In the end, our goal is to account for projects that expand the current system in various ways, for example, by adding new EV chargers, increasing transit service, creating new spaces for people to walk and bike, or expanding roadway capacity.⁵⁶ Figure 3 shows the capital investments included in our illustrative BA250 investment scenario. Any projects or programs in BA250 that would be dedicated solely to the purpose of maintaining a state of good repair for existing roadways and transit systems were assumed to be reflected in baseline projections of greenhouse gas (GHG) emissions and VMT. For the remainder of this issue brief, the results of our TEA-CART analysis — as well as estimates of associated household cost and safety outcomes — are shown as changes relative to those baselines.⁵⁷

⁵³ Corrigan Salerno. [Fueling the crisis. Climate consequences of the 2021 infrastructure law.](#) Transportation for America. Report. November 12, 2024.

⁵⁴ T4America analysis of categorized USASpending.gov. https://www.datawrapper.de/_/WfN1N/

⁵⁵ The [American Road & Transportation Builders Association](#) also summarizes spending patterns of the recent past by grouping those investments into project categories, many of which have quantifiable effects on VMT and emissions outcomes.

⁵⁶ This is not to diminish the [value](#) of capital investments in maintenance projects, such as asphalt for roadway resurfacing, replacing buses, and railway equipment, like switches. Those capital-intensive investments are worthy of priority [attention](#), given the scale of maintenance [backlogs](#), which only increase with each [new](#) lane-mile of roadway capacity.

⁵⁷ This analysis includes the 20 percent local match in our accounting for BA250 investment totals (except for Amtrak, which has no local match requirement).

About TEA-CART

The Georgetown Climate Center developed the **Transportation Evaluation and Carbon Reduction Tool, or TEA-CART** with Cambridge Systematics to make it easier for transportation practitioners to estimate the future vehicle miles traveled (VMT) and greenhouse gas emission outcomes that could result from their capital planning and investment decisions. For example, many states have ambitious targets for cutting climate pollution, deploying electric vehicles and various strategies for reducing VMT. TEA-CART is designed to be used early in the transportation planning process, when project-specific information is typically not available.

Through a web-browser interface, TEA-CART users operate the tool by entering funding levels for different types of surface transportation capital project types, and the tool automatically generates outputs estimating changes in future emissions and VMT. This makes it very well suited for assessing the potential outcomes from Reauthorization. To learn more about the tool, including examples of how different investments result in different outcomes, visit the TEA-CART landing page on our website.⁵⁸

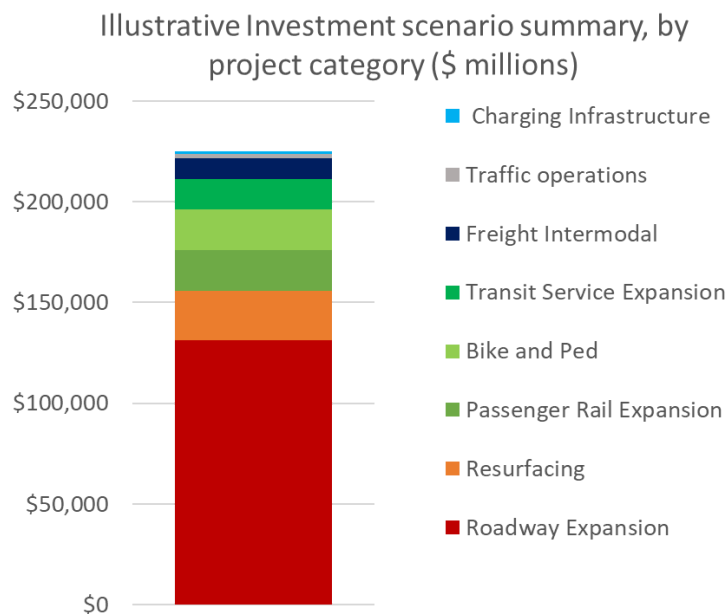


Figure 3: Project types included illustrative investment scenario analysis of BA250.

Our prior analyses of IIJA implementation⁵⁹ included illustrative low-emission investment scenarios to help show how state and local governments could make policy and investment

⁵⁸ Georgetown Climate Center. [TEA-CART: A Tool for Making Climate-Smart Transportation Investments](#). December 5, 2025.

⁵⁹ Georgetown Climate Center. [Estimating the Greenhouse Gas Impact of Federal Infrastructure Investments in the IIJA](#). Issue Brief. December 16, 2021; James Bradbury, Zack Subin, Ben Holland, and Ryan Levandowski. [States Are in the Driver's Seat on Transportation Carbon Pollution](#). Georgetown Climate Center. Issue Brief. March 24, 2023.

decisions to achieve better outcomes for the climate. However, as noted above, the balance of funding in BA250 is weighted heavily toward highway programs, and the bill proposes to eliminate the climate programs created by IIJA. Additionally, the Trump administration has reversed course on climate policy, eliminating incentives for state and local climate action, including supportive research and technical assistance.⁶⁰ Within this current political and policy environment, it is difficult to imagine a BA250 implementation scenario that would be more climate-friendly than IIJA implementation (the opposite seems more likely to occur).

If past investment patterns continue, BA250 is likely to increase net GHG emissions

As a result of expected BA250 investments, we may expect to see fewer EVs on the road, more lane-miles of roadway being built, and relatively few investments in projects to expand transit service and dedicate more public space to pedestrians and bikes.

The below bar charts (Figure 4) summarizes results from our emissions analysis of the BA250 illustrative investment scenario, shown above. When roadway expansion represents a major portion of the capital budget, it becomes the dominant factor in determining emissions outcomes. This result is very similar to what we found based on earlier national- and state-level scenario analysis of IIJA implementation,⁶¹ and it holds true here, as well. This is due to the phenomenon of induced demand, the well-understood⁶² consequence of adding lane-miles to our roadways, which inevitably leads to more driving⁶³ while largely failing to address congestion.⁶⁴

In contrast, the modest levels of investment in public transit and passenger rail expansion that are proposed, although not fully appropriated,⁶⁵ by BA250 could potentially yield small increases in service and associated emission reductions.

⁶⁰ James Bradbury. [Understanding Recent Federal Actions: Transportation Funding & Programs](#). Georgetown Climate Center. Explainer. August 11, 2025.

⁶¹ Georgetown Climate Center. [Estimating the Greenhouse Gas Impact of Federal Infrastructure Investments in the IIJA](#). Issue Brief. December 16, 2021; James Bradbury, Zack Subin, Ben Holland, and Ryan Levandowski. [States Are in the Driver's Seat on Transportation Carbon Pollution](#). Georgetown Climate Center. Issue Brief. March 24, 2023.

⁶² Research on this topic has been published by scholars at [UC Davis](#) and [Rutgers](#), among others. Related methods used for this analysis are described in our TEA-CART methodology [documentation](#).

⁶³ Jamey Volker and Susan Handy. [Review of the Rural Induced Demand Study](#). UC Davis Research Report. December 12, 2025.

⁶⁴ Handy, S. [Increasing Highway Capacity Unlikely to Relieve Traffic Congestion](#). UC Davis, National Center for Sustainable Transportation. October 2015

⁶⁵ Yonah Freemark. [Congress's Transportation Reauthorization Bill Would Drastically Underfund Transit and Rail Projects](#). Urban Institute. June 11, 2026

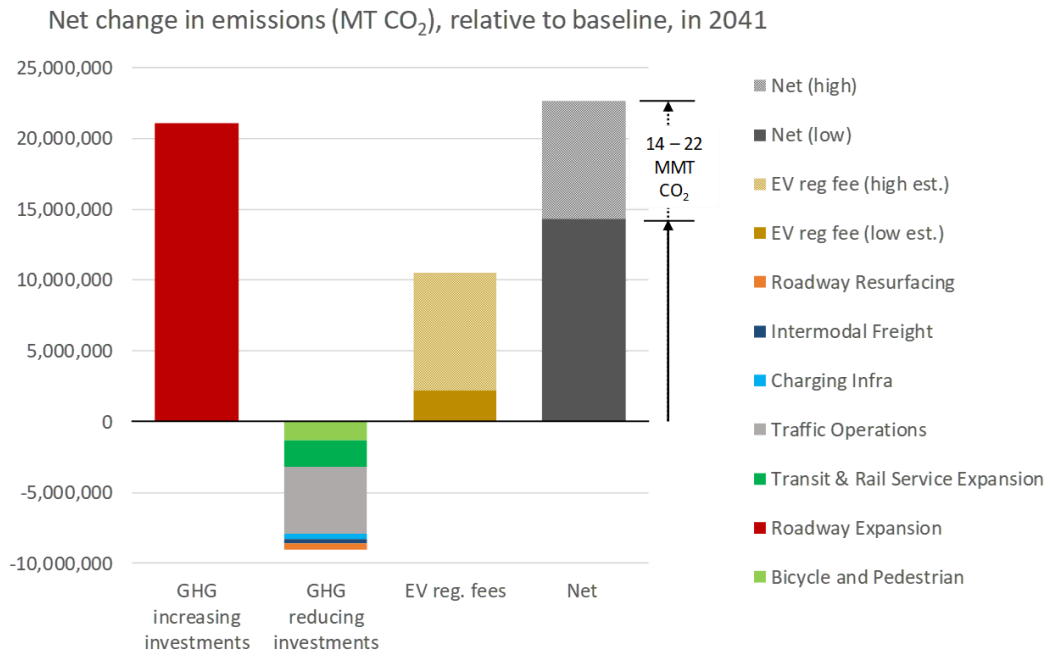


Figure 4. Projected net changes in climate pollution in 2041, relative to baseline emissions in that year, as a result of the investment programs and EV registration fees proposed by BA250.

In summary, roadway expansion projects coupled with the proposed EV registration fees in BA250 are projected to substantially increase net climate pollution by 14 to 22 MMT CO₂, in 2041, compared to projected baseline emissions in that year. That's equivalent to an additional four to six coal-fired power plants⁶⁶ operating in that year.

How could BA250 affect traffic safety and household costs?

The relationships between household costs and vehicle miles traveled are clear and straightforward. The more that roadway networks expand, the more people will drive, and the more they will have to pay for the operation and maintenance costs of their personal vehicles (i.e., fuel and trips to the mechanic). Alternatively, when transportation systems provide more options, travelers can readily optimize their travel behavior for lower cost and greater convenience.⁶⁷

When it comes to safety, a number of factors are at play. For one, engineering-oriented solutions to traffic congestion often involve adding lanes or other strategies⁶⁸ to maximize vehicle throughput and enable higher speeds. More cars and higher speeds have the effect of

⁶⁶ U.S. EPA, [Greenhouse Gas Equivalencies Calculator](#). Coal-fired power plant emissions for one year.

⁶⁷ Tina Hodges et al. [State of Play: Benefits of Mobility Efficiency Strategies in New York State](#). Atlas Public Policy. Report. May 2026; Todd Litman. [Evaluating Public Transit Benefits and Costs](#). Victoria Transport Policy Institute. Best Practices Guidebook. June 1, 2026

⁶⁸ Eric Cova et al. [Dangerous by Design](#). Smart Growth America. Report. 2026.

increasing VMT while also, unfortunately, putting all road users at greater safety risk.⁶⁹ In contrast, applying a Complete Streets⁷⁰ design model to projects (i.e., integrating safety for all users into planning and investments) can have the opposite effect.⁷¹ Reducing the total number of lane miles — e.g., through so-called roadway reconfiguration — is another proven strategy that, according to FHWA,⁷² “can improve safety, calm traffic, provide better mobility and access for all road users, and enhance overall quality of life.”

Findings from Analysis of BA250 Capital Investment Scenario

Based on our analysis⁷³ of BA250 investment scenarios — accounting for proposed capital investments (not the EV registration fee) — we found that the following net changes could occur annually by 2041:

Economic impacts⁷⁴

- additional \$240 to \$270 in annual transportation costs for the average household
- additional \$35 billion to \$39 billion in total annual transportation costs for consumers and businesses

Traffic safety impacts

- additional 1,050 to 1,150 traffic-related fatalities
- additional 15,500 to 17,500 traffic-related injuries

⁶⁹ Blessing Imade et al. [Slowing Down for Safety: Addressing the Impact of Speeding](#). Nevada Traffic Research & Education Newsletter. Vol 14, Issue 01. March 21, 2025; Cambridge Systematics. [Transportation Investment Strategy Tool Documentation, 2023](#). Prepared for Georgetown Climate Center. February 2023.

⁷⁰ Federal Highway Administration. [Complete Streets Resources](#). U.S. Department of Transportation. May 9, 2025.

⁷¹ Massachusetts Department of Transportation. [Completing Our Streets Reflections on Five Years of the MassDOT Complete Streets Funding Program](#). March 2021.

⁷² Federal Highway Administration. [Road Diets \(Roadway Reconfiguration\). Proven Safety Countermeasures](#). U.S. Department of Transportation. FHWA-SA-21-046.

⁷³ In addition to projecting future changes in climate pollution, TEA-CART automatically generates estimated changes in VMT and other air pollutants, as a result of capital investments in surface transportation projects. VMT is a useful metric because it is closely [associated](#) with many public benefits, including improvements in traffic safety, affordability and public health, and these relationships enable us to estimate the expected economic and safety outcomes associated with BA250. Using VMT outputs from TEA-CART, we calculated household costs and traffic safety outcomes by applying [methodologies](#) developed with support from Cambridge Systematics.

⁷⁴ Economic impacts estimated here *conservatively* only account for fuel costs and vehicle maintenance costs for consumers and businesses, but they do not account for other costs of vehicle ownership, including insurance and depreciation.

“What if?” scenario: BA250 x 3

The following hypothetical scenario is designed to illustrate the potential implications of the inertia that exists in our interconnected political and transportation systems.

Congress has not structurally reformed the biggest formula-funded programs that would be reauthorized by BA250 for decades, and some of the consequences are noteworthy. For example:

- Congress last increased the federal gas tax in 1993. Since then, this user-pays revenue source has lost about 74 percent of its purchasing power,⁷⁵ while the Highway Trust Fund has become insolvent.⁷⁶
- Since 1982, the level of funding authorized by Congress for highway programs has been about \$0.80 for every \$0.20 appropriated for mass transit programs. While this “80-20 split” has been a long-standing policy, it reflects a political compromise⁷⁷ from decades ago, rather than an assessment of what our current system needs.

Given this inertia, it is reasonable to consider a world in which Congress reauthorizes a bill like BA250 again in 2031 and then again in 2036. This raises the question: what if BA250, as passed through the Transportation & Infrastructure Committee, was passed three times in a row? To understand the potential consequences, we analyzed this hypothetical “What if” scenario by simply tripling the levels of funding that we used for our BA250 analysis, above, and spread this funding out over a 15-year period: FY2027 to FY2041.

What if BA250 were adopted for three consecutive cycles?

We found that if, hypothetically, BA250 were adopted and implemented for three consecutive Reauthorization cycles, the following net changes could occur, relative to the baseline, by 2041:

Economic impacts⁷⁸

- additional \$560 to \$620 in annual transportation costs for the average household (plus annual registration fees of \$50 for each PHEV and \$150 each EV)

⁷⁵ Ali Lohman. [Suspension of the Federal Gas Tax: In Brief](#). Congressional Research Service Report: R48948. May 15, 2026

⁷⁶ The Congressional Budget Office [projects](#) a \$290 billion cumulative shortfall over the next decade.

⁷⁷ Jeff Davis. [What the “80-20 Highway-Transit Split” Really Is, and What it Isn’t](#). Eno Center for Transportation. explainer. July 26, 2021.

⁷⁸ Economic impacts conservatively account for vehicle and fuel maintenance costs for consumers and businesses and do not account for other costs of vehicle ownership, including insurance and depreciation.

- additional \$79 billion to \$87 billion in total annual transportation costs for consumers and businesses

Road safety impacts

- additional 2,450 to 2,600 traffic-related fatalities, annually
- Additional 35,400 to 39,000 traffic-related injuries, annually

Climate pollution

- additional 25 MMT to 37 MMT CO₂, annually
- additional 156 MMT to 228 MMT CO₂, cumulatively (for all years)

Figure 5 compares projected emissions outcomes from BA250 and from the BA250 x3 “What If” scenario, to further illustrate the potential long-term consequences of today’s policy choices.

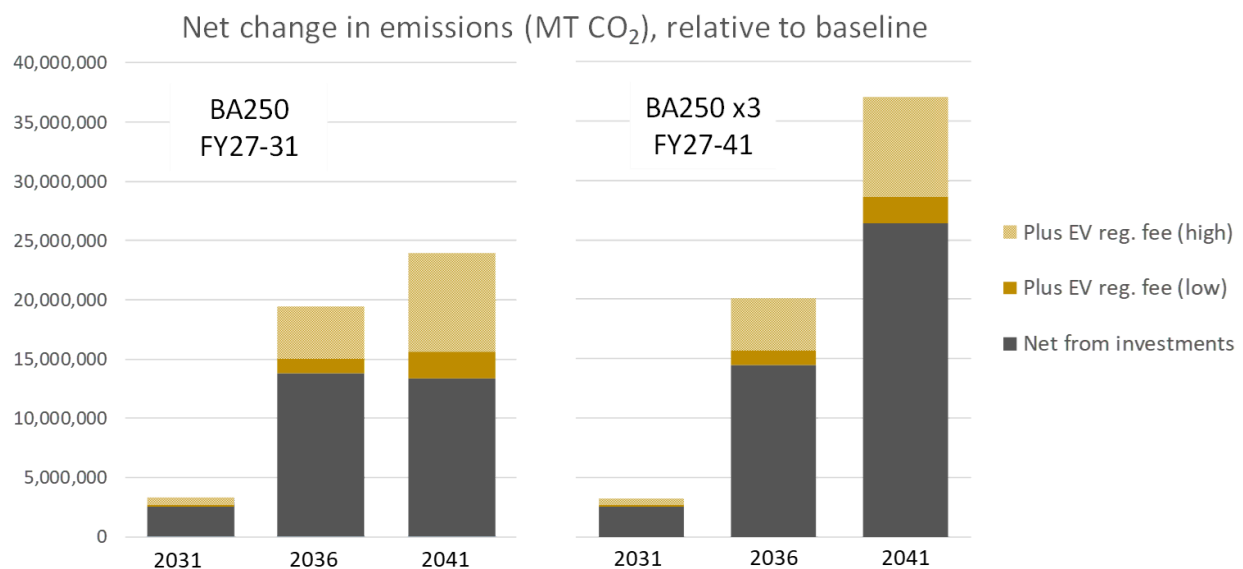


Figure 5. Projected net changes in climate pollution in three future years, relative to baseline emissions, for the BA250 illustrative scenario and the hypothetical BA250 X 3 scenario.

For perspective, the estimated net annual increase in climate pollution in 2041 (37 MMT CO₂), under the BA250 x3 scenario, is equivalent⁷⁹ to the emissions from ten coal-fired power plants. Given this scale of potential consequences for the climate, it is remarkable that most climate

⁷⁹ U.S. EPA, [Greenhouse Gas Equivalencies Calculator](#). Coal-fired power plant emissions for one year.

and energy models do not account⁸⁰ for the well-established induced demand effects of roadway expansion projects in their scenario development or policy analysis. Rather, they account for vehicle technology transitions and population and economic growth, but they do not account for the changes in travel demand that result from the roadway expansion projects that are included in our TEA-CART analysis.

Furthermore, a summary of transportation modeling practices by U.S. DOT⁸¹ concluded that the tools most commonly used by state DOTs and MPOs for transportation capital planning do not adequately reflect the potential for alternative transportation options to achieve transportation goals, while also failing to fully account for the induced travel demand spurred by roadway expansion projects.⁸² While transportation planning practitioners in some states are beginning to use tools⁸³ that more fully account for the extent of induced travel demand that is typically caused by roadway expansion projects, this is not yet a common practice.

Conclusion

Results from our analysis indicate that, if BA250 were to become law — and funding for the reauthorized programs is invested in ways that are consistent with IIJA implementation — the bill could result in higher household costs, worsened traffic safety, and increased air pollution from transportation. Additionally, the proposed EV registration fee could substantially reduce EV sales, further driving up tailpipe emissions from the vehicles traveling on our roadways.

For the places in the country where populations are growing and economic development is planned, people, communities and businesses would be well served if federal, state and local transportation agencies were to seriously consider alternatives to roadway expansion. While Reauthorization serves as a critical framework for national transportation policy, it is just one piece of the puzzle. Congress also has a critical role to play in everything from directing federal agencies to set more ambitious performance standards for vehicles to supporting housing production in proximity to the places where people work, shop and recreate, and with access to transit and walkable communities. A combination of strategies will be needed to make transportation in the U.S. more affordable, safe and accessible for everyone.

⁸⁰ Adam Millard-Ball and Michael Rosen. [Road Capacity as a Fundamental Determinant of Vehicle Travel](#). Institute of Transportation Studies, UCLA. Technical Report: UC-ITS-RIMI-3R. February 2025.

⁸¹ Climate Strategies that Work: [Improved Travel Demand Modeling](#). U.S. Department of Transportation, Climate Change Center. 2024.

⁸² Uri Avin et al., [Forecasting Indirect Land Use Effects of Transportation Projects](#). NCHRP Project 25-25. December 2007.

⁸³ For example: Susan Handy and Jamey Volker. [Induced Travel Calculator](#). National Center for Sustainable Transportation. September 1, 2019.

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