

Eliminate the Transportation Investment Generating Economic Recovery (TIGER) Grant Program

SAVINGS IN MILLIONS OF DOLLARS

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016-2020	2016-2025
\$609	\$611	\$612	\$619	\$634	\$648	\$662	\$680	\$693	\$706	\$3,085	\$6,474

Heritage Recommendation:

Eliminate the Transportation Investment Generating Economic Recovery (TIGER) grant program, also called the National Infrastructure Investment Program. This proposal saves \$609 million in 2016, and \$6.5 billion over 10 years.

Rationale:

TIGER is a competitive grant program administered by the U.S. Department of Transportation. It began as part of the 2009 stimulus bill and was intended to be a temporary program that funded road, rail, transit, and port projects in the national interest.

Six years later, this “temporary” program has proved too tempting a spending opportunity for Congress and the Administration to give up, and has remained a permanent fixture. President Obama proposed doubling the program’s budget to \$1.25 billion in FY 2015, compared to the FY 2014 level of \$600 million, which was already inflated by \$125 million compared to 2013.

Through TIGER, Washington sends federal dollars to purely local, not federal, projects—one reason why it merits elimination. Past projects include a \$16 million, six-mile pedestrian mall in Fresno, California, and a \$10.4 million “Complete Street Initiative” (read: non-driver-friendly) project in Lee County, Florida.

Moreover, TIGER grants can amount to “administrative earmarks,” because federal bureaucrats choose the criteria that a project must meet, and in turn choose which projects will receive grants. That, in turn, gives cities perverse incentives to pander to Washington, asking for money for projects that may not even be aligned with their priorities at home.

The TIGER grant program adds to government bureaucracy, duplicates programs at state and local transportation agencies, and spends money on projects of the government’s choosing, not where private investors in a free market might put resources.

These projects would be more appropriately funded by the local communities that benefit from them. Congress should eliminate the TIGER program.

Additional Reading:

- Baruch Feigenbaum, “Evaluating and Improving TIGER Grants,” Reason Foundation *Policy Brief* No. 99, April 2012, http://reason.org/files/improving_transportation_tiger_grants.pdf.

Calculations:

Savings are expressed as budget authority and were calculated by using the FY 2014 enacted spending levels as found on page 944 of “Appendix, Budget of the United States Government, Fiscal Year 2015,” March 2014, <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/dot.pdf>. The FY 2014 enacted spending was increased at the same rate as discretionary spending for 2016–2025, according to the CBO’s most recent August 2014 baseline spending projections. Projected savings may underestimate actual savings from eliminating this program, as President Obama has proposed a more than doubling of the TIGER budget, but we assume here that spending remains in line with its FY 2014 level.