

San José State University Lucas Graduate School of Business

**Master of Science in Transportation Management
MTM 202: Introduction to Transportation Funding & Finance**

Spring-A 2026, 1/8/2026 – 3/12/2026

(Public version – current students should consult the syllabus in Canvas)

Instructors:	Susan Binder & Sharon Greene
Additional Office Hours:	By appointment
Class Day/Time:	Thursdays, 5:30 – 9:30 PM, Pacific Time January 8 – March 12, 2026
Course website:	Canvas (https://sjsu.instructure.com)

Course Format

Students must have regular access to email and the internet in order to communicate with the instructors, submit assignments, and engage in other class activities. Participation in class is required and please plan to have your camera on during all classes. Please mute your cell phone. Plan to join at least ten minutes before 5:30 pm, to make sure you are ready when class begins. Guest lecturers are scheduled early in each class. (The very first time you join from a computer or device, allow extra time for set-up.) The university has many useful tutorials on how to use Zoom here: <https://www.sjsu.edu/cfeti/teaching-resources/software/video-creative/zoom/index.php>.

Students attend class sessions by using Zoom, SJSU's online meeting application. Zoom identifies those who have logged in. Therefore, attendance (and participation) will be documented and contribute to your grade. During classes, students should follow good "meeting etiquette" principles (one such list: <https://blog.gotomeeting.com/7-rules-virtual-meeting-etiquette-every-professional-know/>)

- Be in a quiet room without distractions (e.g., no family members or colleagues walking through or asking questions)
- Have stable internet access
- Use a video camera and good quality microphone so that you are seen as well as heard

Notification about class recordings: Class sessions are audio and video-recorded through Zoom. The Zoom recordings are usually available to registered students, on request, for personal use only. Recordings may not be shared. There is also not a guarantee that a recording will be available.

Course Description

Introduces financial and managerial uses of accounting information systems and concepts. Includes standard costs, cost-volume-profit relationships, contribution analysis, budgeting, performance measurement, variance analysis, working capital, valuing capital costs and financing investment decisions. Explores use of complex information decision systems.

MSTM Program Learning Goals:

(Note: Not all program learning goals are covered in every course)

Goal 1: Transportation Systems and Society: Craft management decisions that integrate knowledge of multi-modal transportation, social, and environmental systems.

Goal 2: Innovation: Develop innovative solutions to transportation management challenges.

Goal 3: Leadership: Develop high-impact leadership styles and competencies (traits, skills, behaviors)

Goal 4: Communications: Communicate effectively with a diverse workforce and citizenry

Goal 5: Analytical skills: Identify and evaluate transportation management issues using appropriate data and methods.

Course Learning Outcomes (CLO)

Over a ten week period, students completing this class will gain a basic knowledge of transportation funding at the Federal, state, and local levels, Course objectives include learning the fundamental concepts, history and evolution of transportation finance in the United States (with a concentration on California); understanding the sources, mechanisms and applications associated with highway, transit and rail funding; exploring the development and implementation of innovative funding approaches; and examining the workings of financial transportation programs and projects. Students will demonstrate this knowledge and progress will be measured through class assignments involving reading about the history of transportation funding and developing a proposal for a new funding source.

Upon successful completion of this course, students will be able to:

CLO1: Identify the basic transportation funding sources, how this funding flows, and how it is applied for all major transportation modes.

CLO2: Apply the knowledge gained to assess and determine funding opportunities and strategies for transportation projects in a real-world situation.

CLO3: Assess, through the assigned funding proposal, the scope of transportation needs compared to available funding and identify option for closing the gap between these parameters, as well as the challenges to achieving that closure.

Required Texts/Readings

Textbook: *The Drive for Dollars: How Fiscal Politics Shaped Urban Freeways and Transformed American Cities* by [Brian D. Taylor](#) (Author), [Eric A. Morris](#) (Author), [Jeffrey](#)

[R. Brown](#) (Author). Oxford University Press. Available at Amazon and other retailers for about \$30. The book is also available as an e-book through the SJSU library.

Other readings are listed below on the attached schedule. Be sure to complete readings in advance of the class. The Library Liaison for the Lucas Graduate School of Business is Christa Bailey (christa.bailey@sjsu.edu).

Course Requirements and Assignments

All assignments (including group PowerPoints) are to be submitted to the instructor email addresses above to assure that they are received.

Success in this course is based on the expectation that students will spend, for each unit of credit, a minimum of 45 hours over the length of the course for instruction, preparation/studying, or course related activities.

This class is intended to be interactive. Guest speakers are included to provide hands on experience on that particular class topic. Student participation is highly encouraged. Students will be given the opportunity to ask questions, offer opinions, present and/or question ideas, and to interact with the instructors, guest lecturers and fellow students. Please notify instructor in advance of class if you are unable to attend a session.

Formats: These papers are a chance to develop professional presentation skills and as such should include a cover page with name, class, date, etc., and a title for your paper, with page numbers and author on each page in a “footer” or comparable style. They should be single-spaced and begin with an executive summary containing a brief overview of the work.

Assignment 1: Read the entire textbook, *The Drive for Dollars*, and prepare a two to three page summary of your observations on this reading. The summary should concentrate on one of the three historic eras (pre-freeway, early freeway, freeway). Students will be assigned to one of (probably) four groups to develop a joint 15-minute presentation of their observations during a Class session. Specific group assignments will be made as soon as possible, targeting Session 1. Paper is 10%. Group ppt is 15%. Group presentation is 10%. Deductions will be taken for students who don't contribute to the group work. *Group presentations will be assigned for February 5, and February 12, 2025. PowerPoints are due by 5pm a day in advance of the group presentation.*

Assignment 2: Prepare a whitepaper of at least 3 pages in length listing 2-3 possible new funding mechanisms/sources for transportation consistent with the conclusions in *The Drive for Dollars* chapters 10 and 11 concerning the post-freeway era, including pros/cons for each potential source. Discuss the particular challenges of securing these funds and the timing associated with implementation. Based on this preliminary research, one of those mechanisms will be used for Assignment 3. Students will have an opportunity during this session to discuss their individual progress in researching and selecting a revenue mechanism for their final assignment in order to map out any remedial strategies to ensure successful completion of Assignment 3. *Assignment 2 is*

Pass/Fail, representing 10% of the grade. It is due the week of week 7, one day in advance of the student's scheduled one-on-one session. This paper will be discussed in your mandatory one-on-one meeting with one of the professors between February 16 and 20, 2026.

Final Examination/Evaluation: Assignment 3: Prepare an in-depth white paper that constitutes a financial analysis of a new, alternative transportation funding source for transportation. The purpose is to identify, assess, and propose a specific new source of funding for transportation programs to replace and/or supplement the current dependence on fuel taxes. The project and format will be discussed at the opening session with the instructors and again during Session 6 as many students are not familiar with the subject matter of this course and would be unprepared at the beginning to absorb it. Don't worry! You'll get there!

Further guidance to be provided during semester:

The paper should demonstrate an understanding of the funding challenge and the merits of the proposed solution. The paper should address the considerations and challenges of implementing that funding source, including any challenges related to yield, implementation, probability of success, impact on key stakeholders, and gaining political and public acceptance.

The proposed new funding source may be at the local, regional, state or federal level. Your funding source may be "global" or targeted in its application. The funding may be specific to any single mode of transportation, including active transportation and multimodal projects. The paper should identify the pros and cons of the new source, how the funding would be collected, an estimate of the strategy and timeline to implement and discuss how you estimated its relative yield. The paper should demonstrate your knowledge of alternatives as well as your creativity.

The proposal should not exceed 10 pages, size 12 font. At least four sources should be cited. You can determine the order of the analysis as you think it best fits your proposal, but the issues discussed below should be addressed in your paper.

The bulk of the paper should consist of in-depth analysis discussing:

- the scope of the proposal (what it applies to in terms of sources and potential dedicated uses;
- the key features of the proposal such as how the revenues would be collected, from whom, by whom;
- implementation strategy, including an estimate of the timeline;
- pro's and con's of your proposed revenue source(s) from both administrative and policy perspectives;
- relative scale of the revenue yield from this source, as compared to current revenue streams for the identified scope of use;
- other considerations and challenges for your funding source including those related to political and public acceptance, including a communication plan to gain support for implementation.

Possible approach to the analyses:

Task 1 – Identify an alternative funding source for the transportation program or a specific modal activity within that program. Describe its key features including how the revenues would be collected, by whom, who would bear any tax burden, who would be the beneficiaries, how that burden/benefit would be distributed (equity), would the revenues be dedicated to any particular use or purposes.

Task 2 – Evaluate the pro's and con's of the proposal. Consider the administration and

distribution requirements necessary for your source of funding and briefly assess the political and social ramifications of your proposal. Take into consideration, for example, the match between beneficiaries and payers, costs of administration, perceived public and individual benefits, perceived fairness, amount of change from current mechanisms.

Task 3 - Assess eligible funding sources for the governmental level, jurisdiction, or mode as compared to the identified need. You shouldn't be overly concerned as part of this exercise with the level of competition for a specific source, or available dollar amounts that may or may not exist for a particular proposal. However, your proposed source of funding needs to be appropriately sized to address a reasonable level of need.

This assignment represents 50% of the final grade. Assignment is due March 12, 2026. Extra credit can be earned for the last assignment if the completed paper is submitted no later than March 9.

Task	% of Grade	Course Learning Objectives Addressed	Comments
Assignment 1: Paper and Group Presentation on the Drive for Dollars	35%	L01, L02, L03	Paper is 10%. Group ppt is 15%. Group presentation is 10%. Deductions will be taken for students who don't contribute to the group work and/or student/groups who don't meet submission deadline.
Assignment 2: Identify and Analyze Multiple Alternative Funding Mechanisms and Sources	10%	L01, L02, L03	Discussion of the chosen alternatives at Office Hour w/ Professor will be part of this grade to demonstrate understanding research progress including pro's and con's of alternatives.
Assignment 3: White Paper Describing New Funding Proposal	50%	L01, L02, L03	An in-depth white paper that identifies and analyses a new, alternative transportation funding source for transportation
Class Participation	5%	L01, L02, L03	

Grading Information in general

Late work will be assessed a penalty of 10% of the percentage of the assignment to the overall grade for every day late, and late work will not be accepted after 4 days past the due date. There will be no credit for missed assignments. For Assignment 3, late work will not be accepted beyond March 12, 2026 as final grades need to be submitted on time. Final grades are determined based on the total points accumulated over the three assignments. Final grades will appear on your transcript, not on Canvas.

University Policy S16-9, relevant university policy concerning all courses, such as student responsibilities, academic integrity, accommodations, dropping and adding, consent for recording of class, etc. and available student services (e.g. learning assistance, counseling, and other resources) are listed on the Office of Graduate and Undergraduate Programs “Syllabus Information” web page (<https://www.sjsu.edu/curriculum/courses/syllabus-info.php> and <http://www.sjsu.edu/gup/syllabusinfo/>). Make sure to visit this page to review and be aware of these university policies and resources.

Use of Generative AI

Note: As an SJSU student, you have free access to [ChatGPT Edu](#) which offers more capabilities than the free version of ChatGPT. It is prohibited to use GenAI tools to produce draft or final text of an assignment in MTM 2. However, you are welcome to use GenAI to:

- Find data or other types of information
- Brainstorm ideas related to a topic
- Check spelling and grammar
- Rephrase sentence or reorganize paragraphs that you drafted yourself. (Don't use whole sentences or paragraphs that an AI generated.)
- Refine outlines you drafted yourself
- Generate images
- Refine document or slide design

If you choose to use AI to complete an assignment in MTM 202, you must:

- Review [SJSU's guidance on using AI](#) paying particular attention to the sections on [AI Ethics](#) and [Citing AI Use](#)
- Verify all information that you find through an AI platform. AI frequently “hallucinates” by inventing material that does not exist or misinterpreting material it reviews. For example, AI tools will invent citations to published materials that don't exist or misinterpret documents. (Think of AI tools like interns – smart and helpful, but liable to make frequent mistakes.)
- Complete SJSU's [Student AI Disclosure \(SAID\) form](#) and submit it with the assignment
- Add a short statement to the assignment describing how you used AI in the work
- Cite images generated with AI, just as you would any other source

- If you wish to use whole sentences or longer blocks of text created by an AI tool, put the material in quote marks and cite the source, just as you would any other source. (Use of AI-generated text is discouraged, however, and should be done very sparingly, if at all.)

Plagiarism and Citing Sources Properly

Plagiarism is the use of someone else's language, images, data, or ideas without proper attribution. It is a very serious offense both in the university and in your professional work. In essence, plagiarism is both theft and lying: you have stolen someone else's ideas, and then lied by implying that they are your own.

Plagiarism will lead to grade penalties and a record filed with the Office of Student Conduct and Ethical Development. In severe cases, students may also fail the course or even be expelled from the university.

If you are unsure what constitutes plagiarism, it is your responsibility to make sure you clarify the issues before you hand in draft or final work.

Common types of plagiarism that you should be careful to avoid include:

- Using a sentence (or even a part of a sentence) that someone else wrote *unless* you identify the language as a quote by (1) putting the text in quote marks and (2) referencing the source.
- Paraphrasing somebody else's theory or idea without referencing the source.
- Using a map, picture, or table without referencing the source.
- Using data without referencing the source.

The University of Indiana has developed a helpful website with concrete examples about proper paraphrasing and quotation: <https://plagiarism.iu.edu/index.html>. You are encouraged to use TurnItIn.com as a tool to help confirm that there is no plagiarized text in your assignments, so that you can fix any potential problem text before formally submitting the assignment. When you submit writing assignments to Canvas, TurnItIn.com will generate a "Similarity Report" that highlights all text that TurnItIn.com identifies as possibly plagiarized. The report will also give you a "score" that shows how much text has been flagged. Please note that the TurnItIn.com similarity reports are helpful but not perfect – they tend to highlight lots of material that is not actually plagiarized, and the reports can also potentially miss problematic text. Therefore, I strongly recommend that you completely ignore the numeric score and instead carefully review all text that is highlighted in the Similarity Report to check if any of these sections need revision.

For instructions on how to find your TurnItIn.com reports in Canvas, see <https://guides.turnitin.com/hc/en-us/categories/21850416398221-Student-hub>

If you would like to submit draft work in advance to check for possible plagiarism, you can use the "[TurnItIn test assignment](#)" in Canvas. I do not check documents turned in here; this "assignment" is solely for students to check their own work.

If you still have questions about citing sources and paraphrasing appropriately after using these online resources, make an appointment to discuss your questions. There is nothing wrong with asking for help, whereas even unintentional plagiarism is a serious offense.

Class Schedule

Note: This schedule is subject to change with fair notice. Students will be notified in class and/or via email of any changes.

Week	Date	Topic, Readings, Assignments, Deadlines.
1	1/8/26	<p>Session 1: First Day of Class – Welcome, Course Outline & Assignments Review</p> <ul style="list-style-type: none"> • Discussion of Class Structure and Assignments, Communication, Participation, Book to be used as text • Intro discussion of Final Paper: Identify and Analyze a New Transportation Funding Alternative • Brief Review of Transportation System Structure • Overview of Transportation Funding <p>Reading: <u>Overview of Transportation Funding in California</u>, Legislative Analyst Office, March 2025</p> <p><u>Transportation Funding in California 2025</u> Caltrans Office of State Planning</p>
2	1/15/26	<p>Session 2: Federal Transportation Funding</p> <p>Federal Transportation Funding Overview Emphasis on latest Reauthorization Acts – From TEA21 to the Infrastructure and Jobs Act</p> <ul style="list-style-type: none"> • Highway Funding • Transit Funding • Flexible Funding • Overview -- How Federal Funding is Managed in CA <p>Guest Lecturer – Elissa Konove, Acting Director of Field Services West, FHWA</p> <p>Readings: <u>Funding Federal Aid Highways</u> https://www.fhwa.dot.gov/policy/olsp/fundingfederalaid/</p> <p><u>Funding and Financing Highways and Public Transportation Under the Infrastructure Investment and Jobs Act (IIJA) Congress.gov Library of Congress</u> CRS Report #47573 May 2023</p> <p><u>U.S. Department of Transportation: Background on Modal Administrations</u> CRS, August 27, 2025 R48651</p>

		<p><u>The Highway Funding Formula: History and Current Status Under the Infrastructure Investment and Jobs Act</u> February 15, 2024 R47922</p> <p><u>Federal Highway Programs: In Brief</u> January 31, 2022 – February 7, 2022 R47022 <u>Infrastructure Investment and Jobs Act - Wikipedia</u></p> <p>Federal Railroad Administration – Grant Screening Tool https://www.fra.dot.gov/grantstool/</p>
3	1/22/26	<p>Session 3: Passenger Transit Funding</p> <ul style="list-style-type: none"> • Passenger Transit Capital and Operating Needs and Budgeting • Transit Funding Programs – Federal, State, Local • Passenger Transit Funding Issues – bus, commuter systems, intercity rail, BRT, shared mobility <p>Guest Lecturers – Arthur Guzzetti, Vice President for Policy and Mobility, American Public Transportation Association (APTA)</p> <p>Peter Peyser, Principal, Peter Peyser Associates</p> <p>Readings: <u>Reauthorization of the Federal Public Transportation Program</u> January 23, 2020 – May 5, 2020 CRS 1 R46191</p> <p><u>Federal Public Transportation Program: In Brief</u> September 6, 2012 – April 30, 2021 R42706</p> <p>Federal Funding for Transit, 2025 version CRS https://www.congress.gov/crs-product/R47002</p> <p>CBO’s Federal Financial Support for Public Transit, March 2022 https://www.cbo.gov/system/files/2022-03/57636-Transportation.pdf</p> <p><u>Intercity Passenger Rail: Federal Policy and Programs</u> October 3, 2022 – January 8, 2025 R47260</p> <p>Overview of Transit Funding in California Feb 2025</p> <p><u>Assignment 1 Due</u></p>

4	1/29/26	<p>Session 4: Local Transportation Funding</p> <ul style="list-style-type: none"> • Funding for Transit • Funding for Local Streets and Roads • Local Tax Measures (Self-help) <p>Guest Lecturers – Tilly Chang, Executive Director, SFTCA Dawn Vettese, Chief Financial Officer, SANDAG</p> <p>Readings:</p> <p>Local funding for Transportation – Ballot Measures Nationwide https://cfte.org/resources/2024-transit-trends/ The Center for Transportation Excellence (CFTE)</p> <p>Local Funding Charts “Transportation Funding in California, 2024” - See Local Street and Road Funding County Transportation Sales Tax Measures</p> <p>Value Capture and Joint Development. National Academies of Sciences, Engineering, and Medicine. 2021. <i>Guide to Joint Development for Public Transportation Agencies</i>. Washington, DC: The National Academies Press. https://www.nationalacademies.org/publications/23682</p> <p>California – Local Transportation Funding (2021) https://transweb.sjsu.edu/sites/default/files/1938A-Agrawal-California-Local-Transportation-Funding.pdf</p>
5	2/5/26	<p>Session 5: State Transportation Funding</p> <ul style="list-style-type: none"> • Understanding transportation funding at the state level • Flow and process for distributing and securing transportation funds <p>Guest Lecturers – Steven Keck, Chief Financial Officer, Caltrans Justin Behrens, Deputy Director of Legislation & Finance, California Transportation Commission (invited)</p> <p><i>GROUP 1 presentation of Assignment 1</i> <i>GROUP 2 presentation of Assignment 1</i> <i>PowerPoints Due to instructors 2/4/26</i></p> <p>Readings: The CTC’s Annual Report to the Legislature, 2024 – https://catc.ca.gov/-/media/ctc-media/documents/ctc-</p>

		<p>reports/annual-reports/2024/ctc-131-2024- annual-report-final.pdf</p> <p>https://dot.ca.gov/-/media/dot-media/programs/transportation-planning/documents/new-state-planning/transportation-economics/transportation-funding-booklet/2024-transportation-funding-in-california-a11y.pdf</p> <p>State Funding for Public Transit, AASHTO https://aashtojournal.transportation.org/aashto-issues-new-state-survey-of-public-transit/</p>
6	2/12/26	<p>Session 6: Alternative Approaches to Revenue Generation Part 1 – Congestion Pricing & Road User Charges</p> <ul style="list-style-type: none"> • What is congestion pricing, what are its goals, where is it being advanced, and what forms might it take? • Policy implications of pricing in its various forms • CA Road Charge Pilot Program <p>Guest Lecturers – Jonathan Peters, Professor of Finance and Data Analytics, The City University of New York Lauren Prehoda, Road Charge Program Manager, Caltrans</p> <p><i>GROUP 3 presentation of Assignment 1</i> <i>GROUP 4 presentation of Assignment 1</i> <i>PowerPoints Due to instructors 2/11/26</i></p> <p>Readings: Congestion Pricing: Q&A's – UCLA Institute of Transportation Studies https://www.its.ucla.edu/for-the-presscongestion-pricing</p> <p>Mileage-Based Road User Charges Congress.gov Library of Congress June 2016</p> <p>GAO-22-104299, HIGHWAY TRUST FUND: Federal Highway Administration Should Evaluate How Pilot Projects Could Inform Expanded Use of Mileage Fee Systems January 2022</p> <p>Termination by the U.S. Department of Transportation of New York City's Central Business District Tolling Program February 26, 2025 IF12929</p>
7	Skipped 2/19/26	<p>Session 7: Class Progress Discussions (To be conducted between February 16 – 20 in lieu of class session)</p> <p><u>Assignment 2 Due this week. 1 full day in advance of 1:1 meeting with assigned Professor.</u></p>

		Instructors will provide instructions to students how to arrange a mutually convenient time during this week to discuss individual progress, their conclusions from assignment #2, plans for assignment #3, and answer any questions and concerns about the class.
8	2/26/26	<p>Session 8: Alternative Approaches to Revenue Part 2 - Tolling, Bonding, P3 and other Financing Mechanisms</p> <ul style="list-style-type: none"> • What is the distinction between “funding” and “financing” and why does it matter? • What is the concept and role of Public-Private-Partnerships (P3’s)? • Where do loan programs such as TIFIA fit in? <p>Guest Lecturer – Jonathan Gifford, Professor, George Mason University and Director, Center for Transportation Public-Private Partnership Policy</p> <p>Readings: Financing Transportation Infrastructure in California at: http://www.rand.org/pubs/testimonies/2009/RAND_CT322.pdf</p> <p>The Transportation Infrastructure Finance and Innovation Act https://crsreports.congress.gov/product/pdf/R/R45516</p> <p><u>The Transportation Infrastructure Finance and Innovation Act (TIFIA) Program February 15, 2019 R45516</u></p> <p>Federal Credit and Loan Programs https://www.transportation.gov/buildamerica/</p>
9	3/5/26	<p>Session 9: High Speed Rail Funding and Advancing Policy through Regulation</p> <ul style="list-style-type: none"> • Review of High-Speed Rail (HSR) staging plan and funding approach, “Timely Use of Funds” • Governance: Requiring Accountability and Transparency • Reporting Requirements and Performance Measures <p>Guest Lecturers – Jamey Matalka, CFO, HSRA Michael Pimentel, Executive Director, California Transit Association</p> <p>Readings:</p>

		<p>Transit Transformation Task Force (TTTF) Briefing – Joint Meeting (final report)</p> <p>California High speed Rail Authority, 2025 Update report https://catc.ca.gov/-/media/ctc-media/documents/ctc-reports/annual-reports/2025/2025-ctc-annual-report-121525-a11y.pdf</p> <p>Executive Summary, 2024 CTC Annual Report to the California Legislature https://catc.ca.gov/-/media/ctc-media/documents/ctc-reports/annual-reports/2024/ctc-131-2024-annual-report-final.pdf</p>
10	3/12/26	<p>Session 10: Review of Class. Highlights and “Take Aways”</p> <ul style="list-style-type: none"> • Funding Sources – Federal, State, and Local • Other Funding Alternatives – Sales Tax Measures, Bonding, Tolling, Congestion Pricing, High Speed Rail Funding and P3s • Final “Quiz” (ungraded) • Discussion of future funding challenges <p>Assignment 3, Final Paper Due 5:00 Pacific Time 3/12/26 Extra Credit available for Final papers received by 5:00 Pacific Time 3/9/26</p>