THE SECRETARY OF TRANSPORTATION
WASHINGTON, DC 20590

July 22, 2026

Chairman Shelley Moore Capito Committee on Environment and Public Works	Ranking Member Sheldon Whitehouse Committee on Environment and Public Works
Chairman Ted Cruz Committee on Commerce, Science, and Transportation	Ranking Member Maria Cantwell Committee on Commerce, Science, and Transportation
Chairman Tim Scott Committee on Banking, Housing, and Urban Affairs	Ranking Member Elizabeth Warren Committee on Banking, Housing, and Urban Affairs

Dear Chairmen Capito, Cruz, Scott and Ranking Members Whitehouse, Cantwell, and Warren:

I am pleased to submit these proposals for surface transportation reauthorization to advance the President's vision for a bold transportation future. More than at any time since the introduction of passenger jet flight, we stand on the verge of fundamentally changing how Americans travel. President Trump's proposals deliver safer, smarter systems that expand economic opportunity and mobility for every American.

These recommendations tackle emerging challenges from our highways, bridges, transit systems, and freight networks for a stronger, more innovative future grounded in safety, speed, and fiscal responsibility.

Urgent Action Needed on Surface Transportation Reauthorization

Transportation is the backbone of the Nation's economy. Our roads, highways, and rails move millions of tons of freight and hundreds of millions of people every day—to work, to medical appointments, to shop, and to visit family.

With authorization for the U.S. Department of Transportation (DOT) surface transportation programs expiring on September 30, 2026, we continue to urge Congress to pass a comprehensive, multi-year surface transportation reauthorization bill that provides predictable funding for the Nation's vital transportation network. If a short-term extension of current authorities becomes necessary, we strongly urge Congress to adopt a set of critical policy priorities. We view these surface transportation reauthorization (STR) proposals not merely as stopgaps, but as essential markers and anchors for the longer-term surface transportation reauthorization bill.

I. STR Priorities Transmitted to Congress

To build big, beautiful infrastructure that gets America moving again, jumpstart our economy, and build a strong foundation for the future, we urge Congress to include the previously transmitted core STR priorities in any extension. See Appendix A for specific proposals that support the Administration's top policy priorities.

- **Strengthening Transit Safety and Security:** It is imperative that we crack down on transit systems that allow crime to run rampant, exposing workers and families to danger. To protect riders and workers, the Federal Transit Administration (FTA) must be granted authority to condition Federal funds on a transit agency's proven progress in reducing fare evasion, passenger assaults, and worker assaults, supported by a mandatory set-aside for safety and crime prevention. In addition, the Secretary should have greater authority to withhold funding when transit agencies fail to keep their systems safe.

- **Advancing Safe Automated Vehicle (AV) Innovation:** The United States has led the world in the development of AVs, and we must continue to support our Nation's innovators as they expand the deployment of this revolutionary technology, or they will be displaced by companies from other countries, including those where the same safeguards do not exist. We need to modernize regulations to safely accelerate AV development, establish a voluntary AV pilot program with preemptive authority to avoid a patchwork of State laws, lift restrictive deployment caps, and develop tailored Federal Motor Vehicle Safety Standards (FMVSS) for driverless vehicles. Rigorous safety oversight must be maintained through mandatory Safety Management Systems (SMS) and national data-sharing initiatives.

- **Ensuring Railway Safety:** The train derailment in East Palestine, Ohio, served as a tragic but salient reminder that our country must do more to ensure the safe and effective operation of our Nation's railways. The disaster, which involved the derailment of 38 cars and the evacuation of Americans living within a one-mile radius of the derailment, must never be allowed to happen again. Accordingly, commonsense and measured reforms must be codified by this Congress in order to ensure appropriate guardrails are in place to prevent future derailments that undermine confidence in our rail system and jeopardize the wellbeing of American communities. The Railway Safety Act offers those guardrails, and should be included in any legislative package that extends or reauthorizes surface transportation funding.

- **Expanding and Modernizing Infrastructure:** Congress should authorize a new competitive grant program targeted at expediting the completion and expansion of the Interstate system, mitigating nationally significant freight bottlenecks at highway interchanges, and deploying critical digital infrastructure and transportation technology at scale. The Administration's objective is to launch completion of the Interstate Highway System, including the start of construction for unbuilt, congressionally designated highways. This is key for ensuring that the U.S. remains economically dominant for the next century, as many of the highways of today were built during the Cold War with no subsequent maintenance of pace in improvement in the ensuing decades.

- **Restoring Highway Trust Fund Solvency:** Neither transit systems nor transit users pay into the Highway Trust Fund, despite its continued shortfalls. We propose eliminating the Mass Transit Account and consolidating all Federal fuel tax revenues into the Highway

Account. This will re-establish a direct user-pays model and address the Fund's looming structural deficit.

II. Additional Administration Priorities

We have a unique opportunity through reauthorization efforts to address key initiatives – particularly those related to transforming New York Penn Station, expanding private sector investment in transportation projects such as airports, and prioritizing motor vehicle travel over bicycle lanes.

- **Transform New York Penn Station:** New York Penn Station will be re-built into a brand-new, world-class station. To transform the station, we urge Congress to:
    - Authorize an additional $1 billion in Federal-State Partnership for Intercity Passenger Rail (FSP) Grant Program funding for New York Penn Station design and construction.
    - Incorporate the McDowell amendment to insert a new section into title 49 to permit Amtrak to enter into agreements requiring payments in lieu of taxes.
    - Increase the Railroad Rehabilitation and Improvement Financing (RRIF) cap from $35 billion to $50 billion.
    - Direct Amtrak to rename New York Penn Station.

- **Expand Private Sector Investments, Including Airports:** Our Nation's infrastructure, including our airports, needs further investment to usher in the Golden Age of Transportation. The private sector can unlock funding for improvements to transportation projects of regional and national significance.
    - To modernize and fund new infrastructure projects, replenish Private Activity Bond (PAB) allocation authority, with conforming eligibility with the Transportation Infrastructure Finance and Innovation Act (TIFIA) and RRIF programs, except for transit-oriented development and airports.
    - Remove the sunset of the airport-related projects eligibility for TIFIA credit assistance and expand the current, limited definition so more project sponsors can finance critical infrastructure.
    - Remove limitations on rail shipper access to RRIF financing for facilities along the National Rail Network to open significant new opportunities to attract private investment and enhance supply chain connectivity.

- **Protecting Consumer Choice:** We must protect the right of Americans to purchase and drive traditional vehicles by prohibiting any mandates that would require vehicles to be capable of wireless data transmission or automated driving.

- **Prioritize Motor Vehicle Travel Over Bicycle Lanes:** Dedicated bicycle lanes as part of "road diets" and other roadway reconfigurations reduce the number of vehicle travel lanes on a roadway. When vehicle throughput is sacrificed to accommodate bicycle lanes, the increased congestion can lead to longer travel times and wasted fuel; lower levels of service and worse system performance; longer emergency response times; increased barriers for personal mobility devices and vehicles with accessibility enhancements;

preferential treatment of the few bicycle travelers over the many motor vehicles; restricted large truck movements; less available space for delivery vehicles; and increased driver-cyclist conflict points at intersections. We urge Congress to restrict competitive and formula grant funding for bicycle lanes and other bicycle infrastructure that reduce travel throughput for motor vehicles and support removal of existing bike lanes that contribute to congestion.

- **Strengthening Commercial Motor Vehicle Enforcement:** To address critical safety investigator staffing shortfalls, the reauthorization should adjust the Federal Motor Carrier Safety Administration (FMCSA) high-priority program authorization levels to support the deployment of 815 additional enforcement personnel over the next five fiscal years, including 550 new safety investigators. This will scale up proactive safety oversight for over 800,000 motor carriers and 7.2 million commercial drivers. Additionally, we urge Congress to include policy language amending 49 U.S.C. § 31309 to authorize FMCSA to establish direct federal ownership and modernization of the Commercial Driver's License Implementation System (CDLIS), utilizing a user-fee framework to sustain long-term operations.

- **Consolidate Competitive Grant Programs:** The Infrastructure Investment and Jobs Act (IIJA) significantly expanded the number of competitive grant programs at DOT. Many are small programs that could be consolidated with other competitive grants. Streamlining competitive grant opportunities would both reduce the application burden for DOT funding recipients, and reduce the grant agreement administrative burden on both recipients and the Department. Appendix B provides specific proposals to consolidate programs administered by the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), the Federal Railroad Administration (FRA), the Maritime Administration (MARAD), the Pipeline and Hazardous Materials Safety Administration (PHMSA), and the Office of the Secretary of Transportation (OST).

- **Pass Dalilah's Law to Improve Trucking Safety:** America's truck driving workforce is central to the economy, but we cannot accept drivers with unknown safety records or who cannot read our road signs or converse with law enforcement in English. We therefore urge Congress to pass Dalilah's Law to restrict the issuance of non-domiciled commercial driver's licenses (CDLs) only to individuals with approved employer-sponsored visas, and to require that all CDL knowledge and skills tests be administered in English.

- **Preserve Daylight and Save Lives by Improving Traffic Safety:** Adopting permanent Daylight Saving Time would eliminate the needless time, hassle, and cost involved in changing clocks twice a year, and a study found that it would prevent hundreds of traffic deaths every year by shifting daylight to times of day when more Americans drive.

Incorporating these focused priorities into surface transportation reauthorization efforts will provide immediate, transformative benefits to American transportation safety, infrastructure scalability, and consumer rights, and lay a robust foundation for a comprehensive multi-year reauthorization bill.

III. Existing IIJA Programs to Not Extend or Modify

IIJA included funding-related provisions that should not be continued in both the extension and multi-year surface transportation reauthorization bill. Many of these programs authorize funding for wasteful spending on climate change, equity, and other activities that fall outside the core responsibilities of the Department. In addition, their program eligibilities are redundant with other grant programs, or their purpose can be achieved through existing programs. These grant programs are an outsized burden for both DOT and the funding recipients to administer compared to the transportation-related benefits received. To get DOT back to basics, we urge Congress to not extend the authorization for 12 programs and modify three programs in IIJA. Funding for programs under Division J in IIJA should also not be continued. See Appendix C for the list of existing IIJA programs to either not extend or modify.

The Golden Opportunity of Surface Transportation Reauthorization
President Trump is ushering in the Golden Age of Transportation, and surface transportation reauthorization is the time to ensure America builds big and beautiful infrastructure. Although this Administration is eager to see a long-term funding bill passed by Congress, if an extension is likely that opportunity, it should not be wasted. We urge Congress to include Administration policy priorities as part of any extension or surface transportation reauthorization efforts.
We look forward to partnering with you as we honor America's 250th anniversary by paving the way for another 250 years of remarkable investment in our Nation's infrastructure.

Sincerely,

Sean P. Duffy

Enclosure

Appendix A: Top Administration STR Policy Priorities

Strengthening Transit Safety and Security

- **Condition Transit Funding on Improvements in Crime on Transit Authority Premises:** Grant the Federal Transit Administration the authority to withhold up to 100 percent of Federal formula funds if an agency fails to demonstrate progress in reducing crime and fare evasion, and replace existing set-asides with a new, mandatory set-aside for safety and crime prevention projects.

Advancing Safe Automated Vehicle (AV) Innovation

- **Establish an AV Pilot Program with Preemption Clarity:** Authorize the Secretary to create a voluntary pilot program allowing manufacturers to deploy AVs—including noncompliant vehicles—under structured Federal oversight and preemptive authority.

- **Lift Caps, Expand Duration of Deployment Exemptions, and Ensure Safety:** Amend 49 U.S.C. §§ 30113 and 30114 to eliminate the 2,500-vehicle annual cap, extend exemption terms to five years at the Secretary's discretion, apply a consistent safety equivalence standard to low-emission vehicles, and prohibit Foreign Entities of Concern from qualifying for exemptions.

- **Authorize Targeted "Make Inoperative" Relief for Dual Use Vehicles:** Amend 49 U.S.C. § 30122 to permit certain safety features to be made inoperative temporarily when necessary to facilitate safe automated driving systems (ADS) functionality, including smooth transitions between ADS and human control.

- **Require Rulemaking to Facilitate Self-Certification of Purpose-Built Vehicles:** Require the Secretary to establish a new FMVSS framework, specifically for purpose-built vehicles that will never be operated by a human driver.

- **Require Rulemaking to Establish Safety Documentation and Retention Requirements:** Require the Secretary to issue regulations requiring all ADS manufacturers to provide an emergency responder interaction guide, maintain a safety management system, report incident data, and retain ADS-related records – replacing the current Standing General Order (SGO).

- **Facilitate Secure Information Sharing with State and Local Governments:** Amend 49 U.S.C. § 30167 to authorize the National Highway Traffic Safety Administration (NHTSA) to share information on AV operations and incidents with State and local governments while maintaining protections for confidential business information (CBI).

- **Establish Shareable Driving Scenario Database:** Direct NHTSA to create and to maintain a national database of driving scenarios—populated by contributions from AV developers and other stakeholders—to accelerate safety learning and to enhance transparency in AV development and deployment.

- **Establish FMVSS for ADS Safety and Competence:** Direct NHTSA to promulgate FMVSS establishing minimum safety and performance requirements for ADS.

- **Establish Safety Management System (SMS) Requirements for ADS Testers and Fleet Operators:** Direct NHTSA to require automated driving systems (ADS) testers and fleet operators to implement and maintain an SMS to manage safety risk systematically during testing and deployment.

Protecting Consumer Choice

- **Freedom Car - Right to Drive Disconnected and Non-Automated:** Prohibit any Federal, State, tribal, or local authority from mandating that vehicles sold or operated on public roads be equipped with automated driving systems or be capable of transmitting data wirelessly.

Expanding and Modernizing Infrastructure

- **Interstate Construction Competitive Grant Program:** Establish a competitive grant program to fund projects that expedite the completion of unfinished segments of future Interstate corridors and expand existing Interstates to provide at least three lanes of traffic in each direction.

- **Combating Freight Bottlenecks at Highway System Interchanges:** Create a competitive grant program for highway projects to address significant freight bottlenecks, requiring that at least 50 percent of the funds be reserved specifically for nationally significant bottlenecks.

- **Digital Infrastructure Competitive Grant Program:** Create a new competitive grant program to fund the widespread implementation of surface transportation technology and digital infrastructure, such as intelligent transportation systems, artificial intelligence applications, and vehicle-to-everything communications.

Restoring Highway Trust Fund Solvency

- **Eliminate Mass Transit Account of the Highway Trust Fund:** Eliminate the Mass Transit Account within the Highway Trust Fund and consolidate all Federal fuel tax revenues into the Highway Account to re-establish a direct user-pays model and reduce the Highway Trust Fund's structural deficit.

Appendix B: STR Competitive Grant Consolidation Proposals

- **FHWA – BRIDGE Program:** Consolidate the Bridge Investment Program (BIP), with modifications, and the Competitive Highway Bridge Program to focus on projects that can be delivered faster.

- **FHWA – Consolidation of Competitive Grant Programs:** Consolidate the number of FHWA competitive grant programs to reduce duplication, overlap, and instead focus more clearly on areas of Federal interest. Eliminate competitive programs that are not effective, are sufficiently covered through eligibility in formula programs, or do not align with Administration priorities.

- **FRA – New Competitive Intercity Passenger Rail Grant Program:** Create one comprehensive intercity passenger rail (IPR) investment program by consolidating the following existing FRA passenger rail competitive grant programs: Federal-State Partnership for Intercity Passenger Rail (FSP), Corridor Identification and Development (CID), Restoration and Enhancement (R&E), and Interstate Rail Compacts (IRC). This new IPR program will emphasize increasing competition in the development, design, construction, and operation of IPR projects.

- **FTA – Back-to-Bus Basics - Lowering Costs and Streamlining Competitive Bus Grants:** Consolidate the Grants for Buses and Bus Facilities (5339(b)) and Low or No Emission (5339(c)) competitive grant programs into a single, more streamlined program that eliminates the set-asides for low and zero emission buses and associated facilities.

- **FTA – One Simple Ferry Program – Combining and Streamlining 3 Ferry Programs:** Establish and authorize a single FTA ferry program under proposed 49 U.S.C. 5341, which combines FTA's Passenger Ferry Program under 49 U.S.C. 5307(h) and projects and recipients eligible for funding under two additional programs established under IIJA advanced appropriations: the Electric or Low-Emitting Ferry Program and the Ferry Service for Rural Communities Programs. Eliminate any set-asides for low and zero emission ferries and associated infrastructure.

- **OST – Building Beautiful Infrastructure is Great (BBIG) Competitive Grant Program:** Consolidate five existing competitive grant programs administered by OST into a single multimodal program for major transportation infrastructure projects, the Building Beautiful Infrastructure is Great (BBIG) program. Two existing competitive grant programs are funded out of Title 23 and administered by OST (Rural Surface Transportation Grants (Rural) and the Nationally Significant Freight and Highway Projects (INFRA)) would be combined with the National Infrastructure Project Assistance (Mega) program into the new, multimodal Building Beautiful Infrastructure is Great (BBIG) Grants Program for transformative transportation infrastructure projects, which would be authorized in 49 U.S.C 6701 (the existing Mega grants statute). The Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program administered by FRA and the Port Infrastructure Development Program (PIDP) administered by MARAD would be modified to limit eligibility to smaller rail and port projects; larger rail and port projects would thus be eligible only under the multimodal BBIG program.

- **OST – America's Beautiful Community Transportation Projects (ABC) Competitive Grant Program:** Consolidate four existing competitive grant programs administered by OST into a single multimodal program for smaller transportation infrastructure projects, the America's Beautiful Community Transportation Projects (ABC) program. Three existing competitive grant programs administered by OST (the Reconnecting Communities Pilot Program (RCP) and the smaller projects components of Rural Surface Transportation Grants (Rural) and Nationally Significant Freight and Highway Projects (INFRA)) would be sunset and combined with the Local and Regional Project Assistance (BUILD) program into the new America's Beautiful Community Transportation Projects (ABC) Grants Program for smaller infrastructure projects, which would be authorized in 49 U.S.C 6702 (the existing BUILD grants statute).

- **PHMSA – Non-Profit Training Grant Merger:** Merge the hazardous materials non-profit training grants, Hazmat Instructor Training (HMIT), Community Safety (CSG), and Assistance for Local Emergency Response Training (ALERT) into one grant with multiple eligibilities. In addition, remove the set aside for Community Safety grants from the Hazmat operations budget (Section 5128(d)) and instead fund the activities through the Hazmat Materials Emergency Preparedness Fund (Section 5128(b)).

Appendix C: Existing IIJA Programs Not to Extend or Modify

Existing IIJA Programs Not to Extend

- **Section 11204 – Prioritization Process Pilot Program.** The Prioritization Process Pilot Program authorizes for $10 million per year competitive grant program funding to support data-driven approaches to planning. The activities can be done through existing formula funding programs.

- **Section 11206 – Increasing Safe and Accessible Transportation Options.** The section requires a 2.5% formula-fund set aside from apportioned planning funds (State Planning and Research funds, and Metropolitan Planning funds) to go directly towards activities associated with Complete Streets activities, which include planning and prioritizing active transportation facilities including sidewalks and bikeways. States or Metropolitan Planning Organizations may opt out of this requirement if Complete Street policies are adopted. Recommend removing this requirement as this supports activities counter to Administration priorities, such as bicycle lanes.

- **Section 11401 – Grants for Charging and Fueling Infrastructure.** The Grants for Charging and Fueling Infrastructure program authorizes an increasing amount each year – starting at $300 million in FY22 and $700 million in FY26 – in competitive grant program funding to deploy EV charging infrastructure and other alternative fueling infrastructure. Funding EV charging infrastructure is not an Administration priority, and the implementation of this program was ineffective in deploying charging stations.
    - **Note: Division J contains the National Electric Vehicle Infrastructure (Formula Program & Competitive Program).** Division J appropriated $1 billion per year in formula funding to States, and appropriated $100 million per year in competitive grant funding, to deploy EV charging infrastructure. The program activities are market distorting, and funding EV charging infrastructure is not an Administration priority. In addition, the implementation of the program was ineffectual. Also recommend a rescission of the unobligated program funding.

- **Section 11403 – Carbon Reduction Program.** The Carbon Reduction formula grant program authorizes over $1.3 billion per year to reduce transportation emissions. This section is focused on climate change and is counter to Administration priorities. Recommend not extending this competitive grant program to more efficiently deliver more relevant pollution reductions through the Congestion Mitigation and Air Quality formula program.

- **Section 11406 – Healthy Streets Program.** The Healthy Streets competitive grant program authorizes $100 million per year to deploy cool pavements and porous pavements and expand tree cover. Recommend not extending this program because this program was not appropriated funding and therefore never launched. This program is also associated with Biden -diversity, equity, and inclusion initiatives that are not supported by this Administration.

- **Section 11509 – Reconnecting Communities Pilot Program.** The Reconnecting Communities Pilot competitive grant program authorizes nearly $100 million per year for projects that restore community connectivity. Recommend not extending because this program supports Biden-era diversity, equity, and inclusion initiatives. The infrastructure activities that provide transportation-related benefits can be done through existing competitive and formula funding programs.

- **Section 11522 – Invasive Plant Elimination Program.** The Invasive Plant Elimination competitive grant program authorizes $50 million per year to control existing invasive plants or prevent introduction of or encroachment by new invasive plants along and in areas adjacent to transportation corridors. This program should not be extended because this program was not appropriated funding and therefore never launched, and it does not provide a direct transportation benefit.

- **Section 11528 – Pollinator-Friendly Practices on Roadsides and Highway Rights-of-Way.** The Pollinator-Friendly Practices on Roadsides and Highway Rights-of-Way competitive grant program provides $2 million in funding per year for projects to benefit pollinators on roadsides including the planting of native grasses and wildflowers. This program should not be extended because it does not provide a direct transportation benefit.

- **Section 11529 – Active Transportation Infrastructure Investment Program.** The Active Transportation Infrastructure Investment competitive grant program authorizes $200 million in funding per year for projects to construct eligible projects to provide safe and connected active transportation facilities in an active transportation network or active transportation spine. Recommend not extending this program since the program's primary purpose is bicycle lanes, which are not an Administration priority.

- **Section 21203 – National Culvert Removal, Replacement, and Restoration Grant Program.** The National Culvert Removal, Replacement, and Restoration competitive grant program authorizes $200 million in funding per year for projects for the replacement, removal, and repair of culverts or weirs that restore fish passage. This program should not be extended since fish passage projects do not provide a direct transportation benefit. Roadway maintenance and re-designs can already account for culverts under roadways as an eligible expense.

- **Section 25005 – Strengthening Mobility and Revolutionizing Transportation Grant Program.** The Strengthening Mobility and Revolutionizing Transportation (SMART) competitive grant program funds demonstration projects for advanced technologies and systems. This program is authorized for $100 million per year. The program is not included in the FY27 President's Budget, and its activities can be funded through other research funding sources.

- **Section 25006 – Electric Vehicle Working Group.** Recommend removing this section that establishes an Electric Vehicle Working Group of Federal and industry stakeholders to strategize and report on electric vehicle adoption. This is a green infrastructure-related activity that goes against Administration priorities. Promoting the adoption of electric vehicles over other types of motor vehicles distorts the marketplace.

IIJA Programs to Modify

- **Section 11402 – Reduction of Truck Emissions at Port Facilities.** The Reduction of Truck Emissions at Port Facilities competitive grant program authorizes $50 million per year in competitive grant funding to reduce idling at port facilities. The scope of the program should be changed to remove references to port electrification. In addition, DOT recommends that the program name be updated to better reflect its purpose.

- **Section 11404 – Congestion Relief Program.** The Congestion Relief Program authorizes $50 million per year in competitive grant funding to advance innovative, integrated, and multimodal solutions to congestion relief in the most congested metropolitan areas of the United States. The program goals should be changed to remove a reference to "optimizing transit systems" and remove project eligibilities that include cordon pricing as well as transit and commuter buses. In addition, the name of the program should be Highway Congestion Relief Program. These modifications would best address congestion in ways that fit the role of the FHWA, and FTA can leverage existing programs to achieve the transit-related elements of this program.

- **Section 24112 – Safe Streets and Roads for All grant program.** The Safe Streets and Roads for All competitive grant program authorizes $200 million in funding per year to support local initiatives to prevent death and serious injuries on roads and streets. The Safe Streets and Roads for All grant program should be changed from a competitive grant program to a formula grant program for more efficient implementation. The current Federal burden to administer 2,000+ grant agreements is extensive and unnecessary.