

The National Beat
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Feature Focus

CAFE Standards & Transportation Assistance for Olympic and World Cup Cities Act of 2025

Corporate Average Fuel Economy (CAFE) Standards Reset

The administration this week unveiled a sweeping proposal to rewrite federal [Corporate Average Fuel Economy \(CAFE\) standards](#) for model years (MY) 2022–2031, setting up a major shift in national transportation and energy policy. The Notice of Proposed Rulemaking (NPRM), [SAFE Vehicle Rule III](#), would roll back the Biden-era standards and replace them with a significantly lower fuel economy trajectory. The proposal sits within a larger federal pivot away from EV-specific incentives and regulatory pathways and toward a policy framework centered on affordability, domestic energy production, and traditional internal-combustion platforms.

***The TL;DR:** USDOT is proposing to reset federal fuel economy standards through 2031, rolling back prior targets in favor of a slower efficiency trajectory centered on affordability, traditional vehicle technology, and domestic energy production. This may create potential implications for emissions modeling, long-range planning, and federal policy.*

What the Rule Would Do

The NPRM would reset the baseline for fuel economy standards and establish much slower annual increases for both passenger cars and light trucks.

Proposed Annual Increases (Selected Years)

Vehicle Type	Rate of Increase
Passenger Cars	+0.5%/yr (MY 2023–2026) → +0.35% (MY 2027) → +0.25% (MY 2029–2031)
Light Trucks	+0.5%/yr (MY 2023–2026) → +0.7% (MY 2027) → +0.25% (MY 2029–2031)

By 2031, the rule targets an **industry-wide fleet average of ~34.5 mpg, compared to the 50.4 mpg** that would have applied under the 2024 rule.

Additional key changes include:

- **Elimination of inter-manufacturer credit trading (starting MY 2028):** removes a longstanding compliance flexibility mechanism.
- **Reclassification of crossovers and small SUVs as “passenger cars” starting MY 2028:** raises compliance obligations for some of the most popular vehicle models.
- **Removal of EV-related compliance pathways:** NHTSA proposes not to consider EV or plug-in hybrid performance in setting or meeting CAFE standards.
- **Alignment with [executive actions](#) limiting California’s ability to set stricter standards:** another point likely to be litigated.

Administration Policy Rationale

The proposal is driven in part by [Executive Orders \(EO\) 14148](#) (Initial Rescissions of Harmful Executive Orders and Actions) and [14154](#) (Unleashing American Energy). The Secretary’s January 28, 2025, memorandum “[Fixing the CAFE Program](#)” directs NHTSA to reconsider all MY 2022+ standards to ensure consistency with the [Energy Policy and Conservation Act \(EPCA\) of 1975](#), the

[Energy Independence and Security Act of 2007](#), and current administration policy. The Administration’s stated rationale includes:

- **Statutory Requirements under the EPCA**
 - EPCA requires NHTSA to set “maximum feasible” standards, considering technological feasibility, economic practicability, impacts on U.S. fuel consumption, and safety.
 - The administration argues the prior rule:
 - Relied on overly optimistic assumptions about EV uptake,
 - Used cost projections that did not reflect “real-world technological feasibility,” and
 - Adopted credit structures that distorted the auto market by building EV technology into the feasibility analysis.
- **Vehicle Prices and Safety**
 - Higher fuel economy targets, according to the memorandum, may:
 - Increase new-vehicle sticker prices,
 - Encourage households to retain older, less safe vehicles for longer, and
 - Ultimately contribute to higher roadway fatalities.
 - **Note:** This safety argument has appeared in past rulemakings but remains heavily contested among experts.
- **Rejection of EV-oriented Climate Policy**
 - The Administration characterizes the prior rule as a “backdoor EV mandate” that “forced electrification,” citing credit trading mechanisms, performance-based EV crediting, and California’s waiver authority.
 - By removing EV-focused pathways, the NPRM seeks to re-center CAFE on combustion-engine technology and conventional feasibility metrics.
- **Alignment With Domestic Energy Policy**
 - [EO 14154](#) emphasizes **expanding domestic fossil fuel production, reducing regulatory burdens on internal-combustion vehicles, and eliminating perceived market distortions** created by EV incentives.
 - The administration argues that a slower fuel-economy trajectory better reflects available domestic energy resources and reduces reliance on imported critical minerals.

Analyst Perspectives

Despite the broad policy shift, [many experts note](#) that near-term market effects may be constrained:

- **Automaker product plans are largely locked in:** Major EV and advanced-powertrain investments were made years ago, often driven by global markets rather than USCAFE rules alone.
- **CAFE enforcement has already been weakened:** The 2025 [One Big Beautiful Bill Act](#) (OBBBA) eliminated civil penalties and key credit mechanisms, meaning manufacturers were already insulated from noncompliance.
- **Vehicle prices are shaped by multiple factors:** Tariffs, supply chain constraints, and technology costs all influence prices; many analysts doubt the rule will materially lower sticker prices.

- **Litigation is likely:** Especially around [California waiver preemption](#) and the exclusion of EV technology from “maximum feasible” analyses under EPCA.

Note: Longer term, however, the trajectory of federal rulemaking can influence investment cycles, research priorities, and national emissions trends.

Regional Outlook

While MPOs are not regulators of vehicle technology, changes to CAFE standards may carry downstream impacts for regional planning and performance management, especially for MPOs with a role in modeling vehicle emissions. Potential considerations may include:

- **Transportation Conformity and Emissions Modeling.** A slower improvement in average fleet fuel economy could potentially lead to:
 - Higher projected emissions in regional models,
 - Potential challenges for nonattainment and maintenance areas,
 - Possible updates to EPA’s MOVES model or related guidance.
- **Infrastructure and Energy Planning.** If federal policy slows the shift toward electrification:
 - Regional EV charging demand may deviate from current forecasts,
 - Public, municipal, and freight fleets may reconsider long-term procurement plans, and
 - MPOs may need to adjust assumptions in carbon-reduction strategies and alternative fuel corridor planning.
- **Safety Planning.** The administration’s justification that lower CAFE targets could improve safety by accelerating new-vehicle purchases may surface in future federal safety analyses.

What’s Next? The NPRM is published in the [Federal Register](#), with a 45-day comment period.

AMPO will continue to track this rulemaking, its interaction with EPA’s separate vehicle emissions rules, and potential implications for MPOs. Please reach out to Katie Economou, Legislative Director, at keconomou@ampo.org with any questions.

[Transportation Assistance for Olympic and World Cup Cities Act of 2025](#)

House T&I Ranking Member Rick Larsen (D-WA) and Rep. Burgess Owens (R-UT) introduced bipartisan legislation ([Transportation Assistance for Olympic and World Cup Cities Act](#)) to help US regions prepare their transportation systems for major international sporting events. The bill would authorize \$50 million each year to support cities and surrounding regions as they manage the mobility demands of the FIFA World Cup, Olympic Games, Paralympic Games, Special Olympics, and similar events.

A [companion bill](#) has already been introduced in the Senate by Senators Cantwell (D-WA) and Moran (R-KS). Together, these proposals reflect a growing recognition that major events place significant pressure on regional networks and require advance planning across jurisdictions. The legislation would create a new program under 49 U.S.C. 5502 and would provide both funding and technical assistance to eligible regions.

The TL;DR: A new **\$50 million federal program** would give **MPOs and nearby jurisdictions funding and technical support** to plan and deliver transportation improvements tied to major international sporting events.

MPO Eligibility and Role

- **MPOs within 100 miles** of a covered event are eligible for funding.
- The bill formally defines a “**host metropolitan planning organization**,” which gives MPOs clear statutory standing.
- Host MPOs would receive up to **\$10 million per covered event** and **may subaward funds** to partners.
- **MPO-led planning activities are fully eligible**, including multimodal coordination, intermodal planning, and operational planning.
- **USDOT must provide planning and technical assistance** to participating MPOs.

Covered Events and Eligible Recipients

Covered events include the Olympics, Paralympics, Special Olympics, and FIFA World Cup matches. Multiple events in one metro area are treated as a single covered event. Eligible entities include:

- Host **State, Tribal, and local governments**
- Neighboring jurisdictions within 100 miles
- **MPOs within 100 miles**, whether hosting or supporting the event
- Intercity passenger rail providers
- Airport sponsors within 100 miles

This structure acknowledges the regional nature of major event disruption and ensures coordinated planning across large geographies.

Funding Structure

The bill authorizes **\$50 million per year, available until expended**. Key elements include:

- Each host MPO receives up to \$10 million per covered event, **divided evenly among all host MPOs**.
- **Remaining funds flow to MPOs for the next-nearest covered events**.
- **Projects must be located within 100 miles** of the event and may not be temporary infrastructure.
- Each host MPO receives up to \$10 million per covered event.
- Remaining funds are allocated to MPOs closest to the next covered events.
- Eligible uses include capital improvements, transit enhancements, active transportation, safety and congestion mitigation, traffic operations, and planning activities required under [23 U.S.C. §§ 134–135](#) and [49 U.S.C. §§ 5303–5305](#)
- Projects must comply with [23 U.S.C. § 6701\(n\)](#).
- Funding can be used from **five years before through 30 days after the event**.

Note: Funds cannot be used to develop or submit bids to host events.

Planning and Technical Assistance

USDOT must provide comprehensive assistance, including:

- Support for **metropolitan, statewide, and rural planning** activities
- Development of **multimodal and intermodal transportation plans**
- Facilitation of **bus/equipment pooling** across regions during events
- **Expedited review** of required federal submissions
- Intergovernmental and public-private **coordination support**

This makes the program both a hybrid funding source **and** a capacity-building tool.

Big Picture. The bill elevates MPOs as central partners in planning and project selection for major events. It reinforces that event-related mobility challenges are regional in nature and strengthens the federal partnership with MPOs at each stage of planning and delivery.



Federal Roundup

Congress: Appropriations, Reauthorization, & Legislative Action

Administration & Agencies: USDOT Updates

NOFOs: Fed-State Partnership for Intercity Passenger Rail



Congress

Congressional “Vibe” Check

Appropriations. Congressional negotiators returned to the nine remaining FY26 appropriations bills after a long pause. The clock is now running toward the January 30 expiration of the [current Continuing Resolution](#). The House and Senate remain far apart on the Transportation HUD (THUD) bill, particularly in top line funding levels and expectations for shifting IIJA funds. The Senate is considering packaging THUD with other bills for floor consideration, but doing so requires unanimous consent, something negotiators have not yet secured. Key points include:

- **Overall THUD spending levels:** The House sets a net allocation of \$89.9B vs. \$100.2B in the Senate, driven largely by the Senate’s smaller reliance on shifting IIJA funds.
- **IIJA diversions:** The House would repurpose \$4.4B in IIJA formula and competitive program funds—including NEVI, Reconnecting Communities, RTEPF, and major FRA grants—to cover appropriations gaps. The Senate proposes just \$745M in transfers.
- **Program funding gaps:** The Senate exceeds the House in nearly every major account, most notably Amtrak (nearly \$2.4B higher combined for NEC and National Network), Capital Investment Grants (+\$1.9B), RAISE (+\$250M), and CRISI (+\$68M).
- **Earmarks:** Negotiators must also account for the likely addition of roughly \$2.4B in transportation earmarks, based on recent conference patterns, which will need to be offset elsewhere in the bill.

The final bill will likely require significant compromise. Many expect greater reliance on IIJA fund transfers, as well as careful negotiations across highway, transit, and rail programs (Read Eno’s analysis [here](#)).



Reauthorization. Reauthorization discussions continue to accelerate as committees refine draft language and prepare early versions of the next surface transportation bill. On the House side, majority and minority T&I staff are actively exchanging draft sections. NHTSA and FMCSA titles have already circulated, and the highway title is expected to follow. Once base text is released, proposals not already incorporated will face a much more difficult path into the bill through amendment.

On the Administration side, USDOT’s operating administrations, including FHWA and FTA, are transmitting their reauthorization proposals to the Office of Management and Budget. This is the final step before proposals are formally delivered to Congress.

House timing and dynamics

- **Now:** Staff-to-staff exchanges of base text are underway (House T&I); other key House committees (e.g., Ways and Means, Appropriations) are beginning to identify their reauthorization priorities.
- **Winter 2026:** Bills released and markups expected (*potentially in Q1- February*).
- **Early Spring 2026:** Potential floor time. [Chairman Graves' \(T&I\) goal](#) is House passage in the spring.
- **IJA expiration — Sept. 30, 2026:** There will be pressure for passage ahead of the IJA's expiration, though continuing resolutions (CRs) or short-term extensions are possible.
- **Political calendar:** With 2026 midterms approaching (the House is expected to flip to Democratic control) and Chairman Graves in his final term as chair, there is a strong incentive on the majority side to complete work this Congress.

Congressional Buzz

-  [Chairman Graves: VMT Fee Won't Be in Upcoming Reauthorization Bill:](#) House T&I Chair Sam Graves confirmed that a vehicle-miles-traveled (VMT) fee will not be part of the next surface transportation reauthorization bill, closing the door on an idea long floated as a potential successor to the federal gas tax. Graves declined to elaborate, though several other Highway Trust Fund (HTF) fixes are being discussed behind the scenes **including proposals to eliminate the gas tax entirely and replace it with a weight-based user fee**. The HTF has operated in deficit for nearly two decades as fuel efficiency rises and tax rates remain unchanged since 1993. Graves noted he is still evaluating options and **expects bill markup in early 2026**. Ranking Member Rick Larsen also signaled openness to solutions but has not outlined a preferred approach.
 - **AMPO Note:** A major point of focus in reauthorization discussions is the long-term solvency of the HTF. Congressional leaders, industry groups, and transportation stakeholders are all signaling that the status quo is unsustainable, and that any serious reauthorization effort will need to consider options for stabilizing the HTF. A range of approaches is being discussed on and off the Hill, reflecting different policy views about revenue, program structure, and the federal role (Read AMPO's primer on the HTF [here](#), which outlines several options under consideration).
 - Among the concepts gaining attention across the political spectrum is a form of **weight-based fees for vehicles**. While groups vary widely in how they would design or apply such a fee, interest is growing as states and national organizations evaluate how heavier vehicles contribute to pavement costs, safety risks, and long-term system needs. For now, no single proposal has emerged as the preferred path forward, but **HTF solvency is clearly expected to be a central debate** as committees assemble the next surface transportation bill.
-  [Lawmakers Urge T&I and EPW Committees to Preserve Bipartisan EV and Clean Transportation Investments in Reauthorization:](#) A coalition of House and Senate Democrats urged T&I and EPW leaders to maintain bipartisan IJA clean transportation programs, including NEVI, CFI, Carbon Reduction, RTEPF, and Low-No. Members argued that rolling back these programs would create uncertainty for regional planning, weaken domestic manufacturing gains, and limit community choice.




Research and Thought Leadership Shaping Reauthorization

-  [USDOT Proposal to End Dedicated Transit Funding – Eno Analysis](#): POLITICO reported that USDOT has asked the White House to consider eliminating both the Mass Transit Account of the Highway Trust Fund and states’ ability to “flex” highway dollars to transit (read AMPO’s write-up [here](#)). Eno highlights that eliminating the Mass Transit Account and removing states’ ability to flex highway funds to transit would not materially improve the Highway Trust Fund and would face significant political resistance. The analysis emphasizes that both the highway and transit accounts face structural deficits that cannot be resolved through reallocation alone.
-  [R2T on Federal Support for Multimodal Infrastructure](#): The Rails to Trails Conservancy highlights several federal actions that are creating new challenges for active transportation programs as reauthorization begins. These developments have introduced growing uncertainty for Transportation Alternatives and related investments that support community level mobility and safety.
-  [Advocates Push for Safety in Next Surface Transportation Reauthorization](#): Advocates for Highway and Road Safety released their annual report calling for stronger evidence based safety policies in the next authorization. The report emphasizes the need for updated vehicle safety technologies, more consistent adoption of priority safety laws across states, and renewed federal leadership to reverse the national trend in traffic fatalities.
-  [U.S. Chamber and National Organizations Launch “Move America Coalition”](#): The U.S. Chamber of Commerce and more than 20 national organizations launched the Move America Coalition to press for an on-time surface transportation reauthorization and long-term federal investment. The coalition warns that delayed action could disrupt projects nationwide and urges Congress to maintain or exceed IIJA funding levels, stabilize the HTF with predictable user-based revenue, streamline delivery, and boost safety and reliability.
-  [Eno Hosts “Rising Construction Costs: Implications for Reauthorization”](#): The Eno Center’s webinar examined how elevated construction costs are shaping state USDOT decision-making and reauthorization priorities. Speakers from AASHTO and ARTBA outlined how inflation, supply chain pressures, and increasingly complex project profiles have pushed the National Highway Construction Cost Index well above the Producer Price Index during the IIJA era. Panelists urged policymakers to ensure at least an inflation-adjusted funding baseline, streamline federal requirements, support state capacity, and promote technological and workforce solutions as elevated costs are likely to persist.

What Can MPOs Do? This period remains a critical window for MPOs to educate congressional delegations, reinforce national and regional priorities, and highlight how strong MPO leadership can improve federal project delivery and community outcomes in the next authorization cycle (visit AMPO’s reauthorization hub [here](#)).

- ❑ **Share the LOT Coalition Letter:** Send the [LOT Coalition's letter to EPW and T&I leadership](#), along with your region's reauthorization priorities, to your congressional delegation (district and DC office staff).
- ❑ **Meet with Your Congressional Delegation:** Schedule meetings with your Representatives and Senators (and their staff) to educate them on your region's priorities and how federal surface transportation programs impact your local communities. (**Tip:** Invite your region's local elected officials and MPO board members to demonstrate a unified regional voice.)
- ❑ **Engage District Offices:** Invite district staff (and your Representative, if in-district) to upcoming board meetings, local listening sessions, or regional events focused on transportation priorities.
- ❑ **Tailor Your Materials:** Develop short, region-specific one-pagers summarizing your key legislative priorities.
- ❑ **Brief Your Boards and Partners:** Keep your local policy boards, city and county partners, and regional stakeholders informed on timing, key priorities, and how reauthorization may impact regional/local projects and programs.
- ❑ **Use AMPO Tools:** Access the [MPO Engagement Toolkit](#) to find templates, messaging guides, peer examples, and sample materials for education and outreach.
- ❑ **Reach Out for Support:** contact Katie Economou, Legislative Director, at keconomou@ampo.org for additional guidance or help tailoring your materials.






What's Making Headlines? A number of transportation issues on the Hill are drawing attention this week outside of reauthorization.





-  [Senator Mike Lee Leads Bipartisan Bill to Speed Up Transit Projects](#): Senator Mike Lee (R-UT) introduced the [Streamline Transit Projects Act](#), a bipartisan proposal aimed at allowing state transit agencies to assume responsibility for environmental reviews that are currently handled by USDOT. The legislation would allow states to assume responsibility for NEPA reviews for transit projects in the same way that they can for highway projects. Supporters argue that this would shorten timelines and improve project delivery. The effort has backing from Sens. John Curtis (R-UT), Mark Kelly (D-AZ), and Raphael Warnock (D-GA), and endorsements from the Utah Transit Authority, Wasatch Front Regional Council, and APTA, all of whom cite growing demand, rising project backlogs, and the need for faster local delivery.
-  [House T&I Committee Schedules Markup to Update Membership Roster](#): The Committee will meet on December 3 to approve membership adjustments including the addition of Representative Maxwell Frost (D-FL) and the appointment of Representative André Carson (D-IN) as Ranking Member of the Aviation Subcommittee.
-  [MARAD Nominee Clears Committee, Moving DOT Leadership Team Closer to Full Confirmation](#): Steve Carmel's nomination to lead the Maritime Administration advanced out of committee and now awaits a Senate floor vote. Several other senior roles in the Office of the Secretary remain pending.




Administration & Agencies



USDOT

-  **[USDOT Updates FAQ on DBE Interim Final Rule](#)**: USDOT updated its FAQs on the Disadvantaged Business Enterprise (DBE) Interim Final Rule released 10/3/25 (read AMPO's analysis [here](#) & 10/31 update [here](#)). The new FAQs are intended to clarify implementation questions as states, airports, and contractors transition to the revised framework.
-  **[FTA Removes Immigration-Enforcement Grant Condition Following Court Order](#)**: FTA issued an amendment to its Master Agreement after a federal district court ruled that USDOT's immigration-enforcement **grant condition was unlawful and could not be applied to states**. The decision, [California v. Duffy](#), vacated the condition across all USDOT grant agreements and permanently barred the Department from requiring state cooperation with federal civil immigration enforcement as a prerequisite for receiving transportation funds. In response, **USDOT confirmed it will no longer include or enforce such provisions in any agreements signed on or after November 4**, and any existing agreements containing the condition should treat it as void. FTA's updated Master Agreement reflects the removal of this unenforceable clause, while USDOT reserves the right to appeal the ruling.
-  **[FTA Releases New Categorical Exclusion Worksheet to Streamline NEPA Compliance](#)**: FTA introduced a **standardized Categorical Exclusion (CE) Worksheet** designed to help project sponsors provide the documentation needed for FTA to determine whether a construction project meets NEPA categorical exclusion requirements. The tool consolidates guidance, regulatory references, and documentation expectations into a single format intended to simplify and speed up environmental review for qualifying projects. FTA encourages early coordination with regional offices to confirm CE eligibility and determine whether the worksheet is needed.
-  **[USDOT Invests \\$2 Billion in Bus Modernization](#)**: USDOT awarded \$2 billion for 165 transit projects across 45 states and D.C., funding roughly 2,400 new buses built with domestic components. Through FTA's Buses & Bus Facilities and Low/No Emission grant programs, the awards focus on upgrading fleets, replacing aging vehicles, and improving bus facilities, with projects spanning both rural and urban communities. While total funding remains consistent with prior years, the Administration has redirected the Low-No program away from battery-electric and fuel-cell buses (i.e., common under the previous administration) and toward diesel-electric hybrids and compressed natural gas fleets. The Administration framed the investment as part of its broader effort to modernize transit while supporting US manufacturing.
-  **[USDOT Names 15 Semi-Finalists for ARPA-I Innovation Challenge](#)**: Fifteen teams were selected to advance in the ARPA I Ideas and Innovation Challenge and will participate in a December workshop to refine their proposals. The Challenge aims to help shape ARPA-I's future research agenda and encourage breakthrough technologies in transportation.

-  **[USDOT Unveils New Advanced Female Crash Test Dummy](#)**: USDOT released the design for the THOR-05F, an advanced female crash test dummy intended to better capture how women experience crash forces, addressing long-standing gaps in injury data and safety design. Officials framed the announcement as part of a broader effort to modernize vehicle safety testing and reduce crash-related fatalities for women, who experience higher injury rates in certain crash scenarios.
-  **[USDOT Presses Pennsylvania on SEPTA Safety](#)**: USDOT announced that Pennsylvania committed \$220 million in new capital funding for SEPTA following federal warnings about safety deficiencies across the system. Alongside new funding, federal officials emphasized the need for a detailed safety and maintenance plan, not just additional dollars. FTA issued Special Directives to both SEPTA and PennDOT requiring corrective actions on inspection practices, oversight responsibilities, and program management, with deadlines extending into 2026.
-  **[ProPublica Investigation: USDOT on Safety Regulations](#)**: A ProPublica investigation details shifts in federal transportation safety oversight under the administration, highlighting extensive regulatory rollbacks and a sharp decline in enforcement activity across multiple USDOT agencies. The report finds that PHMSA, NHTSA, FMCSA, and other modal administrations have delayed or reversed rules intended to prevent crashes, pipeline failures, and other hazards, many of them previously mandated by Congress or estimated to save hundreds of lives annually. Enforcement has also declined significantly, with investigations into vehicle defects, trucking safety violations, and pipeline infractions dropping 50 to 80 percent compared to the same period in prior years. Much of the scrutiny centers on PHMSA's accelerated deregulatory agenda alongside USDOT-wide decisions to reexamine rules on speed limiters, side underride guards, consumer crash ratings, and automatic emergency braking. Safety advocates warn that pulling back on these measures may result in preventable deaths and injuries, while agency leadership maintains that streamlining outdated rules strengthens its ability to focus on essential oversight.
-  **[USDOT Becomes First Cabinet Agency to Fully Transition to Google Workspace](#)** : USDOT this morning confirmed a major IT shift: the Department is now the first cabinet-level agency to fully migrate its entire workforce to Google Workspace integrated with Gemini.



Commercial Driver Licensing Oversight: USDOT Actions

-  **[USDOT Warns Pennsylvania Over Non-Compliant Commercial Driver's Licenses](#)**: USDOT announced that a federal audit found Pennsylvania issued non-domiciled commercial driver's licenses without consistently verifying lawful status or complying with federal requirements. FMCSA determined that some licenses were extended beyond authorized periods of stay and that proof-of-legal-presence checks were insufficient. The Department directed the state to halt new non-domiciled CDL issuances, review and rescind noncompliant licenses, and implement corrective measures or risk the withholding of nearly \$75 million in federal funds.


-  **[USDOT Cites Minnesota for Improper CDL Issuance, Threatens Loss of Federal Funds](#)**: Federal auditors also identified significant compliance issues in Minnesota, finding that roughly one-third of reviewed non-domiciled CDLs were issued in violation of federal requirements. USDOT directed the state to pause new issuances, conduct a full internal audit, and revoke improper licenses. Failure to take corrective action within 30 days could result in the loss of up to \$30.4 million in federal highway funds. USDOT characterized the finding as part of its nationwide review of state CDL programs aimed at strengthening consistency and safety across jurisdictions.
-  **[USDOT Removes Thousands of CDL Training Providers Cited for Noncompliance](#)**: In a separate action, USDOT reported that nearly 3,000 commercial driver training providers have been removed from FMCSA's Training Provider Registry, with more than 4,500 additional providers placed on notice following audits that identified inadequate records, curriculum noncompliance, and instructor or facility deficiencies. Providers facing removal have 30 days to demonstrate compliance. USDOT described the initiative as part of a broader effort to strengthen the commercial driver training pipeline and ensure entry-level drivers meet federal safety standards.

Notice of Funding Opportunities

Open USDOT NOFOs

-  **[Federal-State Partnership for Intercity Passenger Rail Grant Program – National](#)**: This FRA program provides funding for capital projects that reduce the state of good repair backlog, improve performance, or expand or establish new intercity passenger rail service, including privately operated intercity passenger rail service.
 - Deadline:** January 7, 2026
-  **[Tribal Transportation Program Safety Fund \(TTPSF\)](#)**: Eligible projects described in section 148(a)(4) are strategies, activities, and projects on a public road that are consistent with a transportation safety plan and that (i) correct or improve a hazardous road location or feature, or (ii) address a highway safety problem. TTPSF emphasizes the development of strategic transportation safety plans using a data-driven process as a means for Tribes to identify transportation safety needs and determine how those needs will be addressed in Tribal communities.
 - Deadline:** January 15, 2026
 - Note:** Multi-jurisdictional groups are eligible.

Forecasted USDOT NOFOs

-  **[Better Utilizing Investments to Leverage Development \(BUILD\) Grant Program](#)**: The goal of the program is to fund projects that will have a significant local or regional impact and improve transportation infrastructure. BUILD grants will be awarded on a competitive basis, per statute, for planning or constructing surface transportation infrastructure projects that will improve safety; environmental sustainability; quality of life; mobility and




community connectivity; economic competitiveness and opportunity including tourism; state of good repair; partnership and collaboration; and innovation.

- **Deadline:** February 24, 2026
- **Note:** The Department intends to amend this NOFO to provide more details on application requirements.

 Access **AMPO's NOFO Tracker** [here](#).



National News

-  **Cities Reassess License Plate Reader Programs Amid Fears of Federal Surveillance:** Several local governments are suspending or reviewing Flock Safety contracts due to concerns about potential federal data access and unclear consent settings.
-  **Federal Freight Policy and Taxpayer Cost:** New analysis highlights the gap between the costs imposed by heavy trucks on public roads and current user fees and discusses the implications for mode choice and safety.
-  **Complete Streets and Local Outcomes:** Strong Towns critiques the current federalized approach to Complete Streets, highlighting challenges related to project design, implementation, and local outcomes.

AMPO Opportunity

AMPO's **Intergovernmental Affairs (IGA) Group** is growing in 2026, and we welcome MPO staff working in policy, governmental affairs, and strategic communications to join. This subgroup of AMPO's Policy Committee focuses on strengthening our shared policy voice and supporting MPOs in communicating national and regional priorities clearly and effectively.

 **Interested in joining? Sign-up** [here](#).

The interest **form closes December 29**. Orientation will be held in early January, with new participants added to the roster beforehand. For any questions or for additional information, please contact Katie Economou, Legislative Director, at keconomou@ampo.org.

Recent Editions

[November 20th \(2025\)](#)

- **Federal Focus (11/20):** Reauthorization

[November 12th \(2025\)](#)

- **Federal Focus (11/12):** Congress Passes Continuing Resolution

[November 6th \(2025\)](#)

- **Federal Focus (11/6):** LOT Coalition Sends Letter to House T&I and Senate EPW Committee Leadership

[→](#) View all past editions of the **National Beat** Policy Newsletter [here](#)