



The National Beat

July 10, 2026

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[OMB Proposed Uniform Grant Regulation](#)

On May 29, the Office of Management and Budget (OMB) issued [a proposed rule](#) that would revise the government-wide framework for managing federal financial assistance across more than 30 Federal Agencies, including USDOT. Many of the proposed changes would build on executive orders, agency directives, and other administrative actions from the past two years. OMB states that the proposed rule would strengthen transparency, accountability, and oversight while reducing administrative burdens.

Comments are due by **July 13, 2026**. For additional background and analysis, please refer to [AMPO's analysis of the proposed rule](#).

On July 8, [AMPO submitted official comments](#), recommending additional clarification in the following areas:

- Grant streamlining
- Grant termination
- Conferences, memberships, and subscriptions
- Reputational risk
- E-Verify and documentation
- COG indirect costs
- Public outreach and communications
- USDOT Guidance

If your MPO is interested in submitting comments, please use AMPO's [Tailorable OMB Comment Letter](#) and please contact AMPO's Legislative Director [Katie Economou](#) to inform her of your intent to submit comments or to answer any questions.

The tailorable comment letter includes two options. The first is a shorter letter that allows MPOs to generally align with AMPO's comments while adding regional examples. The second is a more detailed template organized by topic area, with fill-in-the-blank language and placeholders for regional examples.

AMPO also encourages MPOs to engage their Members of Congress to discuss the potential implications of the proposed OMB rule for MPOs and other recipients of federal funding. Please refer to AMPO's [OMB Rule PowerPoint Briefing](#) for an overview of the proposed rule and the key points to highlight during those conversations.



Congress

Congressional “Vibe” Check

Reauthorization. Reauthorization activity continues to accelerate as committees refine draft language that shapes the next surface transportation bill.

Where things stand:

- **House T&I.** The **BUILD America 250 Act** was passed out of committee on May 21 with a **62-2** vote following a nearly 15-hour markup that considered nearly 300 amendments. The bill authorizes approximately **\$580 billion**, with 90% available through formula funding, a significant shift from the IIJA's heavier reliance on competitive grants.
 - Following a successful vote in the Ways and Means Committee, the legislation will be brought to the House Rules Committee, which will piece together the three surface transportation reauthorization bills passed by the House T&I Committee, [E&C Committee](#), and [Science, Space, and Technology Committee](#). Once complete, the legislation will wait for House leadership to move it to the House floor for consideration.
- **Senate.** Among Senate committees, EPW is furthest along. Chair Shelley Moore Capito (R-WV) indicated that top line funding levels have yet to be decided and that the Senate Commerce Committee has yet to release legislative text. Sen. Capito said that if there were an extension, the committee would target a December 2026 deadline. She did not express interest in a full-year extension.

A general note on timing: Given the remaining FY 2026 work, midterm elections on the horizon, and the long history of surface transportation bills missing deadlines, **an extension appears to be likely**. Even so, MPOs should operate under the assumption that reauthorization could move on time. This engagement window will not open twice, and once base text is released, shaping the bill is significantly harder via amendment.

The Buzz on Reauthorization

-  [House and Senate Indicate Status on Reauthorization:](#) Rep. Sam Graves (R-MO) expressed interest in bringing the House T&I **BUILD America 250 Act** to floor consideration before both chambers of Congress leave for recess in August. The legislation still awaits consideration in the House Ways and Means Committee and the House Rule Committee before it will be considered for a full House vote. As for the Senate, Senate EPW Ranking



Member Sheldon Whitehouse (D-RI) indicated that party leadership has yet to finalize a top line funding level, but the committee is “relatively ready to go.”

Introduced Legislation Related to Reauthorization

Whether you want to see what marker bills could be included in the next surface transportation reauthorization or are curious about what Congress is working on, AMPO is tracking all relevant legislation that has been introduced since December 2025. Please refer to our legislation tracker to see what bills have been introduced, who introduced them, and what they would do.

[➔ 119th Weekly Congress Legislation Tracker](#)

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

- [🔗 President Still Has Yet to Decide Whether He will Sign Housing Bill:](#) Rep. Mike Johnson (R-LA) said he expects the [bipartisan housing affordability bill](#) to become law, stating that President Trump is deciding whether to sign the legislation or allow it to take effect without his signature, but will not veto it. The comments come after the President unexpectedly delayed signing the bill to pressure Congress to pass the stalled [SAVE America Act](#), despite House Republicans privately warning the White House that Congress likely has enough votes to override a veto if one were issued.
- [🔗 House Considers Data Center Utility Bill:](#) The House E&C Committee is set to vote this week on bipartisan legislation aimed at protecting utility customers from bearing the costs of powering new data centers while advancing measures to strengthen the electric grid. The [Ratepayer Protection Act](#) would require states to consider ensuring large electricity users, such as data centers, pay the full cost of new generation and transmission upgrades needed to serve them, while the [High-Capacity Grid Act](#) would direct the Federal Energy Regulatory Commission to establish transmission conductor standards for new and rebuilt interstate power lines.
- [🔗 Congress’ Housing Package Leaves Out Transit Provisions:](#) In late June, Congress passed the [21st Century ROAD to Housing Act](#), which now awaits White House approval. The legislation would incorporate reforms like expanded CDBG eligibility, streamlined environmental review, and incentives for increased housing supply, but omitting key TOD provisions that were included in earlier Senate versions. While the broader legislative agenda in surface transportation reauthorization is beginning to integrate housing considerations, the final housing bill reflects a missed opportunity to more directly link housing policy with transit investment and TOD incentives.



Administration & Agencies

-  [FHWA Notice on August Distribution](#): FHWA issued Notice N4520.295 on June 29, 2026, kicking off the annual "August Redistribution" process for unused FY2026 Federal-aid highway obligation limitation. Under Section 120(c) of the FY2026 DOT Appropriations Act (P.L. 119-75), states must identify formula and non-formula obligation limitation they can't obligate by September 25, 2026, and voluntarily release it for redistribution to states that can use it, with priority given to states carrying large unobligated balances. **State DOTs must submit plans to their FHWA Division Administrator by July 21**, division offices and program offices report to FHWA HQ by July 29, deallocation actions are due by Aug. 12, and FHWA targets completing the redistribution by Aug. 28, all ahead of the Sept. 30 lapse deadline. This will directly impact state-controlled formula and allocated program balances rather than suballocated PL/STBG funds directly, and it's a useful signal of which states may be sitting on excess capacity this cycle. MPOs should coordinate **with their state DOTs to identify regionally significant projects** that are ready to obligate and could move forward quickly if additional obligation authority becomes available through August redistribution.
- [USDOT Monthly Intergovernmental Affairs Meeting Update](#): On July 7, USDOT updated transportation stakeholders on the following modal areas: FHWA closed its Bridge Investment Program application window and continues accepting applications for several other infrastructure programs, while FTA launched competitive funding opportunities including \$166.5 million for rail vehicle replacement and \$28.5 million for TOD planning, and FRA closed applications for the REC and CRISI programs. Other highlights include FMCSA's three deregulatory final rules on carrier oversight, MARAD's upcoming Small Shipyards Grant awards, PHMSA's new hazmat rail data rule, and Secretary Duffy's June 12 announcement of the American Supply Chain Sovereignty Initiative alongside an updated multimodal freight strategy. The roundup closes with a full list of upcoming application deadlines, most notably [BUILD project selections on July 7](#) and several bridge/culvert/tribal infrastructure program deadlines clustered around July 16 and July 27.
-  [Broader Implications of US Federal Agencies Disparate Impact Rule Rescission](#): The article reports that federal agencies have reduced federal enforcement of discrimination cases based on the legal theory of [disparate impact](#), leading agencies such as the EEOC, Justice Department, and HUD to drop or deprioritize cases involving policies that disproportionately harm protected groups. It illustrates the consequences through workers whose discrimination claims were abandoned, while supporters argue the shift refocuses enforcement on intentional discrimination rather than statistical disparities. See AMPO's analysis of the DOJ's Title VI Rescissions [here](#).
-  [Bureau of Transportation Statistics \(BTS\) Releases Monthly Update](#): BTS reports June 2026 average regular gasoline prices at \$4.05/gallon, down 9.6% from May but up 28.6% year-



over-year, with the West Coast highest at \$5.21 and Gulf Coast lowest at \$3.55. Diesel no. 2 averaged \$5.02/gallon, down 10.3% month-over-month but up 39.6% from June 2025.

OMB

-  [White House Unveils Deregulatory Agenda](#): OMB's new Unified Agenda outlines an expansive deregulatory push aimed at rolling back environmental, energy, labor, and land-use rules while accelerating permitting for fossil fuel development, industrial activity, and public land access. Critics say the plan could weaken environmental and public health protections and strain agencies already facing delays and legal challenges, while supporters argue it will boost economic growth, energy production, and regulatory efficiency.
-  [OMB Changes would not Impact Congressionally Directed Spending](#): White House budget director Russ Vought told House appropriators that the proposed overhaul of the federal grant approval process will not affect congressionally directed spending, or earmarks, assuring lawmakers that projects specifically designated by Congress will remain protected. The proposed rule would give political appointees greater authority over discretionary grant awards, while OMB says it is intended to better align federal spending with Executive Branch priorities.

HUD

-  [HUD to End Restore-Rebuild HUD Program](#): Local housing authorities say the Executive Branch's decision to wind down HUD's "Restore-Rebuild" initiative is impacting plans to build affordable rental housing, leaving agencies uncertain how to finance new units for very low-income residents. While HUD argues the shift is meant to contain subsidy costs and prioritize repairing existing public housing, critics warn it undermines efforts to expand the long-term supply of affordable housing despite rising demand.



National News

-  [Annual Rankings for Best Bike Cities is Released](#): PeopleforBikes, a bicycle advocacy nonprofit, released their annual rankings for more than 3,000 US city bike networks. While some major cities made advances in reducing car dependency, small cities, those with populations below 50,000, showed the most significant advancement in safe and bike friendly communities, with some small cities achieving perfect scores for their networks.
-  [Commonly Correct or Incorrect YIMBY Housing Arguments](#): The author argues that neither increasing market-rate housing construction, deregulating development, nor expanding affordable housing subsidies alone can achieve widespread housing affordability because financial incentives, market dynamics, and development economics limit their effectiveness. Instead, the author contends that a lasting solution requires a broader approach that includes



supporting smaller-scale, locally based housing providers alongside more conventional housing policies.

-  [Effective Public Engagement in Planning](#): This passage argues that effective public engagement in planning should focus on understanding residents' lived experiences rather than asking them to evaluate technical planning concepts or predetermined solutions. The author contends that cities make better decisions when they approach engagement with curiosity and experimentation, using residents' experiences to identify problems before deciding on the appropriate planning tools.
 -  [Highway Construction Costs Show Signs of Stabilization in Most Recent Update](#): The article reports that highway construction costs have stabilized after several years of rapid inflation, though the FHWA's construction cost index remains nearly 59% higher than when IJA was enacted in 2021. As a result, the purchasing power of the law's highway funding has fallen substantially, with the author estimating that \$270 billion in obligations has the equivalent buying power of only about \$183 billion after accounting for construction cost inflation.
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Notice of Funding Opportunities

-  [Nationally Significant Multimodal Freight & Highway Projects \(INFRA\) Program](#): Awards competitive grants for multimodal freight and highway projects of national or regional significance to improve the safety, efficiency, and reliability of the movement of freight and people in and across rural and urban areas.
 - **Track 2 Deadline:** July 15, 2026
-  [Building Resilient Infrastructure and Communities \(BRIC\)](#): Provides federal funds to states, US territories, federally recognized tribal governments, and local governments for hazard mitigation activities by supporting the modernization of infrastructure and promoting community resilience against natural hazards.
 - **Deadline:** July 23, 2026
-  [Public Transportation on Indian Reservations \(Tribal Transit\) Competitive Program](#): Provides funds for planning, public transportation capital projects, operating costs, job access reverse commute projects, and the acquisition of public transportation service to tribes located in rural areas (those with a population under 50,000).
 - **Deadline:** Aug. 25, 2026
-  [Innovative Coordinated Access and Mobility \(ICAM\) Pilot Program](#): Provides competitive funding to support innovative projects for transportation disadvantaged populations that will improve the coordination of transportation services and non-emergency medical transportation services.
 - **Deadline:** Sept. 9, 2026

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



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