The National Beat

July 31, 2026

In This Issue

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Feature Focus

Advance Appropriations Engagement: Surface Transportation Reauthorization Extension

Background

On July 21, the House passed a continuing resolution (CR) to fund the federal government through December 4, maintaining USDOT funding at FY 2026 levels but excluding an extension of the IIJA's Division J advance appropriation-funded programs. As the Senate considers its own CR and Congress works toward an extension of the IIJA before its September 30 expiration, transportation stakeholders, including AMPO, are advocating for the preservation of Division J funding to provide continued certainty for critical infrastructure investments.

> ***TL;DR**: Congress is considering a short-term funding measure as the IIJA approaches expiration on September 30, creating uncertainty over whether Division J advance appropriation-funded programs will continue. AMPO is advocating for the inclusion of Division J funding in any extension to preserve long-term certainty for transportation investments that support safety, mobility, and economic growth.*

Context

Recently, the House passed a continuing resolution (CR) to fund the government until Dec. 4. Their proposal would continue USDOT funding at FY 2026 funding levels but notably did not include an extension of the IIJA's Division J advance appropriation funded programs. (To read more about the House proposal and the difference between a CR and an extension, please read AMPO's July 24 National Beat **here**.)

Division J advance appropriation funded programs

- **FHWA:** Bridge Investment Program (BIP), Reconnecting Communities, INFRA
- **FTA:** Low-No Emission Bus program, ASAP, CIG, State of Good Repair
- **FRA:** CRISI, RCE, Fed-State Partnership for Intercity Passenger Rail grants
- **OST:** National Culvert Removal, Replacement, and Restoration grants, SS4A, SMART

*See Full List of Division J programs **here**.*

Now, the Senate is considering their version of a CR. In May, Senate Democrats, led by Senate Commerce Committee Ranking Member Maria Cantwell (D-WA), **sent a letter** to Senate leadership and the Appropriation Committee leadership expressing the need to continue funding levels set by the IIJA in addition to continuing funding for Division J programs.

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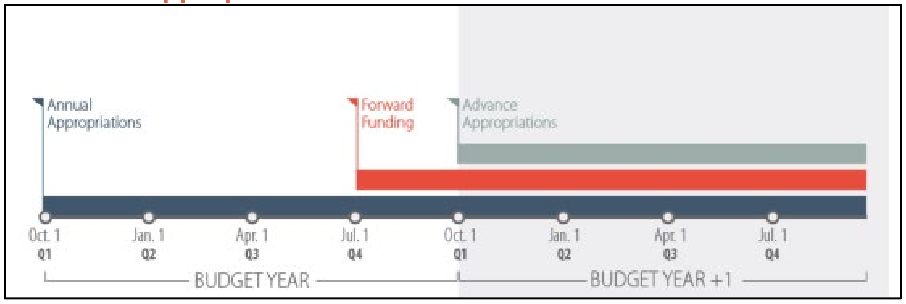
Advance Appropriations Refresher



Note: Advance appropriation is funding provided by Congress that becomes available in a future fiscal year rather than the current one, allowing programs to plan ahead instead of relying on annual appropriations decisions each year.

Reminder:

- **A CR** only continues funding for USDOT programs funded through the general fund/annual appropriations
- **An extension** is needed to extend the expiration of a reauthorization (IIJA) and the period of which authorized programs can have spending obligated

With the Senate considering their own CR, and with the House excluding an extension with their version of the CR. Advocacy organizations have recently been calling on Congress to include advance appropriations in any funding extension of the current surface bill. With the IIJA expiring on Sept. 30, both the House and Senate will need to consider a funding extension of IIJA programs in addition to overall USDOT funding through the CR. Senate EPW Committee **Chair Shelley Moore Capito (R-WV) indicated that her committee is currently working on a funding extension**, with the hopes to attach it to a Senate passed CR measure – extending funding until early December. Whether or not this extension includes funding for Division J programs has yet to be decided.

Engagement

In collaboration with stakeholders in the transportation sector, AMPO has called upon Congress to ensure any extension of IIJA funding includes advance appropriations (Division J) funding levels. The letters cite the importance of having long-term, guaranteed funding for local governments, and the importance of these investments in supporting safer and more reliable transportation systems.

- **AMPO's July 23 Coalition Letter to Congress**
- **AMPO's July 27 Coalition Letter to Congress**

AMPO Position

AMPO supports preserving Division J funding because these programs provide critical, multi-year investments that improve transportation safety, mobility, and economic competitiveness for states, MPOs, local governments, and private sector partners across the country. Any disruption or reduction in funding could delay critical infrastructure improvements, increase project costs, and limit the ability of communities to address transportation needs.

Division J funding helped address critical transportation priorities that cannot be covered by Highway Trust Fund formula funding alone. AMPO believes that the overall level of funding provided through Division J should be included in any extension scenario to ensure communities can advance critical projects on time and on budget.

As a long-standing priority, AMPO supports efforts to move more funding through flexible, formula suballocated programs that locals and regions have access to, such as STBG. There is additional continued support for programs such as SS4A that help promote safer roadways at the local level and has proven to be a critical program for regions and local governments alike.

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AMPO will continue engaging Members of Congress as extension language is developed. If your MPO is interested in educating your Member of Congress or Senator, especially if your state has a Republican Senator on key reauthorization committee of interest (Appropriations, EPW, Commerce, Banking), please reach out to AMPO's Legislative Director, **Katie Economou**.

Federal Roundup

Congress: *Reauthorization and Legislative Activity*
Administration: *USDOT, FTA, OMB, & HUD*

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.
    - Currently, the legislation is awaiting consideration by the House Ways & Means Committee, and a markup in that committee has yet to be set. House T&I Chairman Sam Graves (R-MO) announced that full House consideration of **the bill will have to wait until after August recess** once Members of Congress return in September, after which he said that an extension is probable.

- **Senate.** Among Senate committees, EPW is furthest along. Previously, Chair Shelley Moore Capito (R-WV) indicated that her committee was waiting on top line funding levels from party leadership, but she has now indicated that her committee is working on a surface transportation extension to the IIJA.
    - **Chair Capito is hoping to attach an extension to the continuing resolution currently being developed in the Senate – meaning that any extension would go through early December 2026.** She did not indicate whether IIJA Division J advance appropriations would be included.

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 very 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.

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The Buzz on Reauthorization

- 🔗 **House Passes Continuing Resolution (CR) but Does not Include IIJA Advance Appropriations:** The House passed a CR to fund the federal government through Dec. 4, 2026, but the measure does not extend the IIJA advance appropriations or Highway Trust Fund spending authority, leaving future transportation funding unresolved. The Senate is expected to consider its own CR with several USDOT funding anomalies requested by the Office of Management and Budget, including provisions affecting FAA programs, NEVI, Capital Investment Grants, and NHTSA operations. See AMPO's **July 24 National Beat** for additional background on USDOT funding "anomalies."

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.

- 🔗 **Senate Commerce Committee Passes Bill on Connected Vehicle Security:** The Senate Commerce Committee approved **bipartisan legislation from Sens. Bernie Moreno (R-OH) and Elissa Slotkin (D-MI)** that would prohibit the import, sale, and operation of vehicles and connected vehicle technologies developed by foreign entities of concern, citing national security and economic risks. While the bill advanced by voice vote, senators debated its broad definition of covered technologies and ownership thresholds, with critics warning it could unintentionally affect automakers such as Mercedes-Benz and increase costs for consumers.
- 🔗 **White House Pressures Senate to Delay August Recess Until They Pass Legislation:** The White House is pressuring Senate Majority Leader John Thune (R-SD) to keep the Senate in session until they pass the **SAVE America Act**, and specifically the **$95 billion party budget blueprint** recently passed by the House. The Senate is currently set to leave for recess on Aug. 6, but support is growing among Republican Senators to stay until the legislation is passed.
- 🔗 **Senate Introduces Truck Safety Legislation:** Sens. Todd Young (R-IN) and Andy Kim (D-NJ) introduced the bipartisan **SAFE Act** to direct FMCSA to develop tools that detect "chameleon carriers," trucking companies that evade enforcement by re-registering under new identities. The bill aims to strengthen enforcement against fraudulent and unsafe carriers by using advanced automated screening and interagency information sharing.

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- 🔗 Republican Governors Pressure Senate to Pass Reconciliation 3.0: Twenty-three Republican governors sent a letter urging the Senate to quickly pass a budget resolution advancing the White House party-line spending bill, increasing pressure on Senate Republicans ahead of the August recess. The push comes as the White House lobbies republican senators to move forward despite disagreements within the conference over the bill's size and scope.
- 🔗 Congress Considers Raising Debt Limit Through Future Reconciliation Package: Republicans are considering including another increase to the federal debt limit in a future party-line reconciliation bill to avoid a potential debt ceiling showdown if they lose congressional majorities after the 2026 midterm elections. The discussion comes as forecasts project the next debt ceiling limit could be reached between mid-2027 and early 2028, prompting GOP leaders to explore options before the current borrowing authority is exhausted.

Administration & Agencies

USDOT

- 🔗 AMPO Submits Feedback to the Bureau of Transportation Statistics (BTS): AMPO's comments emphasize that the BTS provides essential national transportation data that complements, rather than replaces, local and state datasets, particularly for freight, aviation, border crossings, and interregional travel. **The response recommends improving BTS's usefulness for MPOs by increasing geographic flexibility, offering both user-friendly dashboards and raw data, enhancing technical documentation and training, and making BTS products easier to discover and integrate into regional planning workflows**. AMPO also encourages BTS to broaden its focus beyond freight and commerce to better support multimodal transportation planning, accessibility, safety, resilience, and national data standards while continuing to engage directly with MPO practitioners.
- 🔗 NHTSA Requests Comments on Automated Vehicle Framework Guidance: NHTSA issued a notice for public comment on interim guidance for commercial deployment exemptions for automated vehicles. The guidance is part of NHTSA's AV Framework, which is intended to prioritize safety, support innovation, and reduce regulatory barriers for automated driving system technologies. **Comments are due August 31**, 2026.
- 🔗 NHTSA Opens Docket to Update Automated Driving Systems Guidance: NHTSA also issued a separate notice announcing that it intends to develop updated guidance for the safe deployment of automated driving systems. The agency's most recent ADS-specific guidance was issued in 2017, and NHTSA is now seeking public input to help shape a new guidance document that reflects AV technology and safety practices. The docket will remain open for one year, with comments due by July 31, 2027.

- 🔗 Analysis finds USDOT BUILD Grants Went to Mostly Republican Districts: An Eno Center analysis found that BUILD grant awards have historically shown signs of partisan favoritism, but the disparity has become more pronounced under the current USDOT administration, with Republican-held congressional districts and states receiving a disproportionately large share of recent funding. The analysis concludes that this pattern cannot be fully explained by project type or geographic factors, suggesting political considerations may be influencing the distribution of competitive transportation grants.

FTA

- 🔗 FTA Has Yet to Sign Grant Agreements for Capital Investment Grant (CIG) Program: The **FTA has not signed any new CIG agreements** since the change in administration in Jan. 2025, leaving dozens of major transit projects, including rail extensions and bus rapid transit investments, stalled despite billions in congressionally appropriated funding remaining available. Transit advocates and local officials argue the delays threaten infrastructure plans, increase costs, and create uncertainty for communities that rely on federal partnerships to deliver major transit improvements, while the administration maintains projects are still moving through required review processes.

OMB

- 🔗 Office of Management and Budget (OMB) Admits to Cancelling Projects Based on Political Criteria: OMB acknowledged in court filings that it canceled more than $7.5 billion in clean energy grants based largely on political criteria, targeting projects in states that supported Democratic presidential candidates rather than on performance, cost, or statutory considerations. The cancellations have intensified concerns that proposed changes to federal grant oversight would give the White House greater control over congressionally approved funding and allow future grant decisions to be influenced by political priorities.
- Bipartisan Pushback from Members of Congress Against OMB's Proposed Grant Rule: Across five letters responding to OMB's proposed "Regulation for Federal Financial Assistance" (2 CFR 200 revisions), Democratic lawmakers, including Sen. Murray (D-WA) and Rep. Marcy Kaptur (D-MA), the full Senate Democratic caucus led by Sen. Minority Leader Chuck Schumer (D-NY), House Appropriations Democrats led by Reps. Rosa DeLauro (D-CT) and Kaptur, and 151 House members led by Rep. Robert Garcia (D-CA), called for the rule's outright withdrawal, arguing it lets political appointees terminate or condition grants based on presidential priorities rather than statute, overriding Congress's power to distribute funding. They warned this would especially harm energy investments, scientific/medical research, and state, local, and nonprofit recipients by risking funding uncertainty, raising borrowing costs, and burdening small entities, who make up nearly 40% of recipients.

- By contrast, **Senate Appropriations Chair Susan Collins (R-ME) stopped short of demanding full withdrawal**, instead asking OMB to extend the 45-day comment period by 90 days and drop only the provisions harming small/rural communities and biomedical research, citing similar concerns about mid-award terminations and new political review of peer-reviewed awards. All the letters converge on worries that the rule injects political discretion into merit-based grantmaking, while differing on remedy, Democrats seeking rescission, Sen. Collins seeking delay and targeted fixes.

HUD

- 🔗 **HUD Exchange Opens Registration for their Blueprints to Buildings Symposium:** HUD's Blueprints to Buildings Symposium Series is a free, multi-event training program that guides participants through the affordable housing development process with workshops, expert discussions, and peer learning focused on building local development capacity. The series features regional two-day symposiums covering topics such as neighborhood revitalization, faith-based housing, manufactured housing, and Opportunity Zones, with **the first event taking place in Cleveland on August 3–4, 2026.**

National News

- 🔗 **Union Pacific Resubmits Merger Application:** Union Pacific and Norfolk Southern submitted a revised application for their proposed $85 billion merger, adding new customer protections and competition commitments in response to concerns raised by the Surface Transportation Board (STB). The revisions aim to address regulatory questions about competition, service reliability, and public benefits as the railroads seek approval for what would be the largest merger in US railroad history. BNSF **criticized** Union Pacific and Norfolk Southern's revised merger filing, arguing it still fails to address antitrust concerns and would reduce rail competition, increase shipping rates, and ultimately raise costs for consumers.
- 🔗 **Walmart Starting to Lead EV Charging Infrastructure Initiative:** Walmart is rapidly expanding its in-house EV fast-charging network, opening dozens of new stations at its stores and positioning itself as one of the nation's fastest-growing charging providers while leveraging its retail footprint to attract customers. The company aims to make EV charging more accessible and affordable, with analysts expecting its growing network to boost both EV adoption and in-store sales.
- 🔗 **New Report Ranks State Highway Systems:** A new Reason Foundation report ranks state highway systems using measures such as road conditions, safety, congestion, and cost-effectiveness, finding that highway performance varies widely across states and is not necessarily tied to population size or infrastructure spending. The analysis also concludes that states with higher gas taxes or overall tax burdens do not consistently have better-performing

highways, raising questions about the relationship between transportation funding and system performance.

Notice of Funding Opportunities

- 🔗 **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
- 🔗 **Buses and Bus Facilities Infrastructure Program:** The Grants for Buses and Bus Facilities Competitive Program (49 U.S.C. 5339(b)) makes federal resources available to states and direct recipients to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.
    - **Deadline:** Sept. 21, 2026
- 🔗 **Low or No Emission Grant Program:** The Low or No Emission competitive program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction, and leasing of required supporting facilities.
    - **Deadline:** Sept. 21, 2026
- 🔗 **Bus Safety, Accessibility, and Innovation Research Program:** Supports the development of standard designs and prototypes that will make existing and new buses safer for operators, riders and vulnerable road users, as well as more accessible for passengers.
    - **Deadline:** Sept. 28, 2026

➡️ Access **AMPO's NOFO Tracker** here.

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