



PREPARED BY TAI GINSBERG &
ASSOCIATES, LLC



JUNE
2026

MONTHLY REPORT

LATEST LEGISLATIVE &
REGULATORY UPDATES

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EXECUTIVE SUMMARY

JUNE PRIORITIES

June was characterized by continued activity on Fiscal Year (FY) 2027 appropriations, ongoing congressional discussions regarding surface transportation reauthorization, and several notable funding announcements and policy initiatives from the U.S. Department of Transportation (USDOT).

On the legislative front, the Senate Appropriations Committee delayed consideration of FY 2027 appropriations bills after Senate Appropriations Committee Chair Susan Collins (R-ME) and Ranking Member Patty Murray (D-WA) were unable to reach agreement on overall discretionary spending levels, resulting in the postponement of multiple scheduled markups. In the House of Representatives, the House Appropriations Committee approved the FY 2027 Transportation, Housing and Urban Development, and Related Agencies (THUD) bill by a vote of 34-27. The legislation provides \$92.224 billion in total discretionary funding, approximately \$10.659 billion below FY 2026 enacted level.

At the agency level, USDOT announced several significant funding opportunities and infrastructure investments, including \$1.86 billion in emergency relief funding for roads and bridges damaged by recent natural disasters, a \$626.7 million investment through the Infrastructure for Rebuilding America (INFRA) program, and a new initiative aimed at improving supply chain transparency. The Surface Transportation Board (STB) also continued its review of the proposed Union Pacific (UP) and Norfolk Southern (NS) merger, with additional filings expected in July.

LOOKING FORWARD

Congress faces two significant transportation priorities in the coming months.

First, lawmakers must continue work on FY 2027 appropriations legislation before the September 30 deadline to fund the government.

Second, the Senate must advance a surface transportation reauthorization bill before current federal highway, transit, and rail programs expire. If a long-term authorization measure is not enacted before the deadline, lawmakers are expected to consider a short-term extension to maintain existing funding levels and program authorities while negotiations continue.



NOTABLE JUNE HEARINGS & MARKUPS

JUNE 3 - HOUSE COMMITTEE ON APPROPRIATIONS MARKUP OF FY 2027 THUD BILL

On June 3, the House Committee on Appropriations approved the FY 2027 THUD Appropriations Act by a vote of 34-27. The legislation provides **\$92.224 billion** in total discretionary funding, representing a reduction of \$10.659 billion (10.4%) from the FY 2026 enacted level.

The bill allocates **\$28.29 billion in discretionary funding USDOT**, \$1.177 billion above the FY 2026 enacted level and \$1.464 billion above the Administration's budget request.

This legislation also provides **\$71.377 billion in discretionary funding for the U.S. Department of Housing and Urban Development (HUD)**, \$5.942 billion below the FY 2026 enacted level.

Key Transportation Funding Levels

- **Federal Aviation Administration (FAA): \$22.665 billion**
 - \$9.275 billion for air traffic control operations
 - \$241 million in Community Project Funding for 118 airport improvement projects requested by 101 members of Congress.
- **Federal Highway Administration (FHWA): \$64.531 billion**
 - \$63.396 billion for Highway Trust Fund programs.
 - \$725 million in Community Project Funding supporting 468 highway infrastructure projects requested by 231 members of Congress.
- **Federal Railroad Administration (FRA): \$3.043 billion**
 - \$271 million for rail safety and operations.
 - \$2.1 billion for Amtrak, including \$650 million for the Northeast Corridor and \$1.45 billion is for the National Network.
 - \$523 million for the CRISI Program, including \$23 million in Community Project Funding for 27 projects requested by 26 members of Congress.
 - 100 million for the Railroad Crossing Elimination Program.
- **Federal Transit Administration (FTA): \$16.51 billion**
 - \$14.642 billion in transit programs funded through the Highway Trust Fund's Mass Transit Account.
 - \$737 million for Capital Investment Grants.
- **Federal Motor Carrier Safety Administration (FMCSA): \$927 million**
- **National Highway Traffic Safety Administration (NHTSA): \$1.261 billion**

NOTABLE JUNE HEARINGS & MARKUPS

JUNE 3 - HOUSE COMMITTEE ON APROPRIATIONS MARKUP OF FY 2027 THUD BILL (*CONT.*)

Key Transportation Policy Debates & Amendments

Sanctuary Cities

THUD Chairman Steve Womack (R-AR) proposed an amendment that would ban funds from being provided to “a local jurisdiction that refuses to comply with a request from the Department of Homeland Security to provide advance notice of the scheduled release date and time” for immigrants without legal documentation being held in local custody. *The amendment passed by voice vote.*

Advanced Impaired Driving Prevention Technology

Representative Michael Cloud (R-TX) offered an amendment to prohibit funding for implementation of a provision in the *Infrastructure Investment and Jobs Act (IIJA)* directing the development of advanced impaired driving prevention technology in new vehicles. Representative Cloud argued the mandate functions as a “kill switch” that passively monitors drivers and risks forcing innocent individuals to prove their innocence just to drive.

Several Democrats who support the mandate, endorsed by Mothers Against Drunk Driving (MADD), argued the technology is still in the research phase and does not constitute a kill switch. Representative Debbie Wasserman Schultz (D-FL) stated, "There is nothing in the *HALT Act* that allows for a kill switch to be used. *The amendment was adopted by a vote of 33-26.*

Automated Traffic Enforcement and License Plate Readers (ALPRs)

Representative Andrew Clyde (R-GA) offered two amendments targeting automated transportation surveillance, arguing they violate 5th Amendment due process rights by creating a "presumption of guilt."

- **Traffic Cameras:** One amendment sought to ban federal funding for red light and speed cameras, specifically targeting exemptions for school and construction zones.
- **License Plate Readers:** The other amendment sought to ban funding for Automated License Plate Readers (ALPRs), calling them "mass government surveillance."

Supporters of the amendments cited concerns regarding privacy and due process. Opponents argued that these technologies play an important role in improving roadway safety and supporting law enforcement investigations, including efforts involving missing persons and human trafficking. *Neither amendment was adopted.*

NOTABLE JUNE HEARINGS & MARKUPS

JUNE 3 - HOUSE COMMITTEE ON APROPRIATIONS MARKUP OF FY 2027 THUD BILL (*CONT.*)

Key Transportation Policy Debates & Amendments

Passenger Ferry Grants

Representative Chellie Pingree (D-ME) offered an amendment to restore \$40 million for passenger ferry grants, citing the importance of ferry service to coastal and island communities. Opponents noted that approximately \$916 million in previously appropriated IIJA funding for ferry programs remains unobligated. *The amendment was not adopted.*

Air Traffic Control Towers

Several members of Congress highlighted local airport infrastructure priorities during committee consideration. Representative John Moolenaar (R-MI) discussed funding supporting replacement of the air traffic control tower at Gerald R. Ford International Airport. Representative Mark Pocan (D-WI) highlighted report language directing an assessment of the air traffic control tower serving Madison, Wisconsin, following significant hail damage.

Federal Rail Funding

Representative Mike Levin (D-CA) highlighted the need for continued federal investment to address coastal erosion affecting rail infrastructure along the Los Angeles–San Diego–San Luis Obispo (LOSSAN) Rail Corridor in Southern California. Members also addressed recurring service disruptions caused by shoreline erosion and the importance of long-term investments to improve infrastructure resilience.

JUNE 3 - SENATE EPW COMMITTEE // HEARING TO EXAMINE THE FEDERAL HIGHWAY ADMINISTRATION'S PROPOSED FISCAL YEAR 2027 BUDGET

Senate EPW Committee Chair Shelley Moore Capito (R-WV) held a hearing to examine the FHWA's proposed FY 2027 budget, which totals approximately **\$66 billion**, including roughly \$65 billion from the Highway Trust Fund and approximately \$1.5 billion from the General Fund.

FHWA Administrator Sean McMaster testified on agency efforts to streamline permitting and advance reforms to the National Environmental Policy Act (NEPA) environmental review process. A key point of discussion was the Administration's proposal to rescind unobligated National Electric Vehicle Infrastructure (NEVI) program funding.

During the hearing, Senator Alex Padilla (D-CA) raised questions regarding the status of previously awarded but stalled USDOT grants, while Senator Kevin Cramer (R-ND) emphasized the importance of ensuring electric vehicles contribute to Highway Trust Fund revenues.

NOTABLE JUNE HEARINGS & MARKUPS

JUNE 4 - HOUSE TRANSPORTATION AND INFRASTRUCTURE (T&I) AVIATION SUBCOMMITTEE HEARING // CONNECTING RURAL AMERICA TO THE NATIONAL AIRSPACE SYSTEM

The House Transportation and Infrastructure (T&I) Aviation Subcommittee Chairman Troy Nehls (R-TX) convened a hearing examining trends, opportunities, and challenges facing small communities and rural commercial service airports.

Witnesses discussed workforce needs, airport infrastructure investments, and the role of federal programs in supporting rural air service. Members focused on maintaining commercial air connectivity in underserved areas and the operational challenges facing small and regional airports.

JUNE 9 - SENATE COMMERCE COMMITTEE HEARING // THE NEED FOR SPEED: HOW TECHNOLOGICAL ADVANCES ARE DRIVING TRANSPORTATION INNOVATION

This hearing examined the integration of advanced technologies across the transportation sector, including autonomous vehicles (AVs), rail inspection systems, and connected infrastructure. Members and witnesses addressed the potential need for a federal framework governing AV deployment, the balance between performance-based and prescriptive regulatory approaches, and proposals to repeal the federal excise tax on heavy-duty trucks as a means of encouraging fleet modernization.

Additional issues centered on the deployment of automated rail inspection technologies and the need to maintain appropriate levels of human oversight in rail operations. Members raised concerns regarding national security risks associated with foreign-manufactured connected vehicle technologies, as well as the potential economic impacts of state-level electric vehicle policies. Representatives from the trucking industry and labor organizations emphasized the need to address freight fraud and ensure workforce protections as automation continues to expand across the sector.



*Ms. Laura Chace, President & CEO,
ITS America*



*Mr. Ian Jefferies, President & CEO
Association of American Railroads*

NOTABLE JUNE HEARINGS & MARKUPS

JUNE 23RD - SENATE COMMERCE SUBCOMMITTEE ON AVIATION HEARING // CLOSE CALLS: IMPROVING SAFETY ACROSS THE NATIONAL AIRSPACE SYSTEM

The Senate Commerce Subcommittee on Aviation, Space and Innovation, chaired by Senator Jerry Moran (R-KS), convened a hearing focused on recent reports of near-miss incidents within the National AirSpace System. Industry witnesses addressed the frequency and reporting of close calls in U.S. airspace.

The hearing centered on Automatic Dependent Surveillance-Broadcast (ADS-B) In technology. Air Line Pilots Association (ALPA) President Jason Ambrosi called for a mandate and integration of cockpit display systems. General Aviation Manufacturers Association (GAMA) President James Viola supported performance-based regulatory approaches that account for variability in general aviation operations. American Association of Airport Executives (AAAE) CEO Todd Hauptli highlighted the deployment of surface surveillance technologies expected to be operational at more than 200 airports in the coming months.

JUNE 24TH - SENATE COMMERCE COMMITTEE HEARING // NOMINATIONS

The Senate Commerce Committee considered the following nominees:

- Thomas B. Chapman to be a Member of the National Transportation Safety Board (NTSB)
- Edward Eppler to be Chief Financial Officer, Department of Transportation
- Karen Jean Hedlund to be a Member of the Surface Transportation Board (STB)
- Brien Lorenze to be a Commissioner of the Consumer Product Safety Commission (CPSC)
- Karen Sessions to be a Commissioner of the Consumer Product Safety Commission (CPSC)

The CPSC nominations were considered in the context of the agency's limited quorum. Following the removal of three commissioners in 2025 and a subsequent resignation, the Commission has been operating with Acting Chairman Peter Feldman as its sole commissioner, with his term set to expire in October 2026. Confirmations of Brien Lorenze and Karen Sessions would restore a functioning quorum to the agency.

During the hearing, Senate Commerce Committee Chair Ted Cruz (R-TX) criticized the Biden administration's approach to the CPSC, arguing that it had placed greater emphasis on environmental regulatory priorities than on core consumer product safety functions. He expressed support for the nominees, stating that they would refocus the agency on its core mission of protecting consumers from unsafe products.

ON THE HILL

FY 2027 APPROPRIATIONS

Senate consideration of FY 2027 appropriations legislation slowed during June as negotiations over overall discretionary spending levels remained unresolved. Differences regarding defense and non-defense spending priorities delayed committee action and resulted in the postponement of several scheduled markups.

Senate Appropriations Committee Chair Susan Collins (R-ME) and Ranking Member Patty Murray (D-WA) each indicated that the absence of an agreed-upon top-line spending framework prevented the committee from advancing additional appropriations bills.



Senate Appropriations Committee Chair Susan Collins (R-ME) and Ranking Member Patty Murray (D-WA)

SURFACE TRANSPORTATION REAUTHORIZATION

Senate EPW Chair Capito (R-WV) indicated interest in advancing surface transportation reauthorization legislation prior to the September 30 deadline. She noted, however, that enactment by that date may be challenging and suggested that a short-term extension could be necessary to maintain program continuity.

Senate Commerce and Senate Banking Committee leadership, which share jurisdiction over surface transportation reauthorization, have not yet announced timelines for introduction or release of legislative text.



Senate EPW Chair Shelley Moore Capito (R-WV)



Senate EPW Ranking Member Sheldon Whitehouse (D-RI)



USDOT & AGENCY UPDATES

SUPPLY CHAIN INITIATIVE

USDOT Secretary Sean Duffy announced the launch of the *American Supply Chain Sovereignty Initiative*, an effort intended to enhance visibility across domestic and international freight flows.

The initiative includes development of a public-facing dashboard designed to connect major supply chain nodes, including ports, ocean carriers, rail operators, trucking companies, and retail distribution centers. According to USDOT, it is intended to improve cargo visibility, support logistics efficiency, and enhance data sharing across transportation stakeholders.

Secretary Duffy stated that a more transparent supply chain will accelerate cargo processing, lower logistics costs, and support America's transportation workforce. He called on Congress to include related provisions in this year's *National Defense Authorization Act (NDAA)*.

AVIATION

AIRPORT INFRASTRUCTURE FUNDING

Secretary Duffy announced more than **\$523 million** in FAA Airport Infrastructure Grants distributed across 43 states.

The funding supports 332 grants for projects including runway rehabilitation, taxiway and apron improvements, terminal upgrades, and other airfield infrastructure improvements.

USDOT & AGENCY UPDATES

HIGHWAY

INFRA NOTICE OF FUNDING OPPORTUNITY (NOFO)

On June 9, USDOT Secretary Duffy announced **\$626.7 million** in funding opportunities under the *Nationally Significant Multimodal Freight and Highway Projects (INFRA)* program. The funding prioritizes large-scale infrastructure projects with individual project costs exceeding \$150 million. View the NOFO [here](#).

The program includes two funding tracks:

- **Track 1: \$426.7 million** for nationally and regionally significant surface transportation projects. Applications are due July 1, 2026.
- **Track 2: \$200 million** for projects expanding commercial motor vehicle parking capacity. Applications are due July 15, 2026.

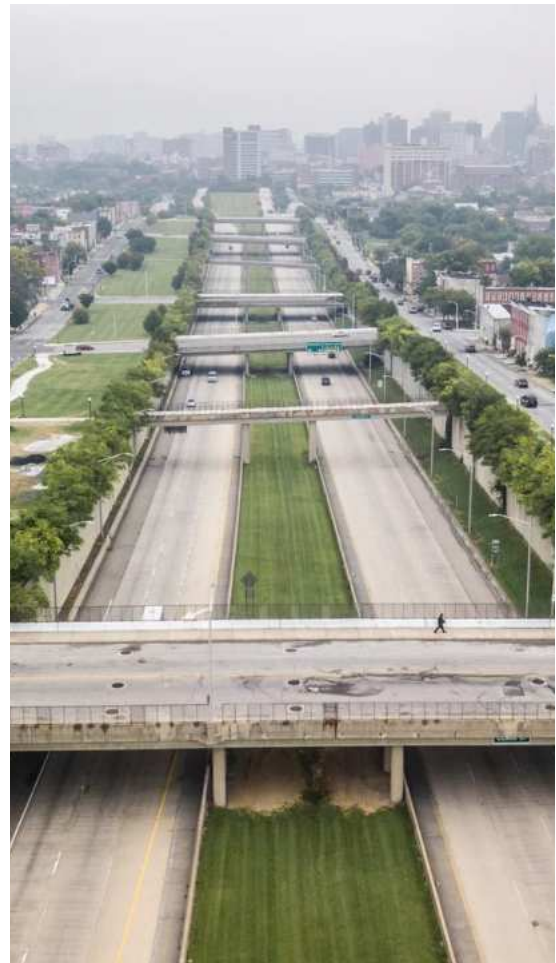
BUILD AMERICA BUREAU - INFRASTRUCTURE FINANCE AWARDS

USDOT's Build America Bureau announced **\$46.97 million** in Innovative Finance and Asset Concession Program awards across 27 states to support infrastructure development through public-private partnerships.

EMERGENCY RELIEF FUNDING TO REPAIR ROADS

On June 18, 2026, USDOT announced **\$1.86 billion** in Emergency Relief Program funding to support repair and reconstruction of transportation infrastructure damaged by recent natural disasters.

The funding includes more than \$908 million associated with damage from Hurricane Helene. According to USDOT, total Federal Highway Administration commitments for Hurricane Helene-related recovery now total approximately \$3.4 billion, including \$2.9 billion allocated to North Carolina.



USDOT & AGENCY UPDATES

RAIL

FEDERAL TRANSIT ADMINISTRATION - PUBLIC DASHBOARD

On June 8, the FTA announced the development of a public dashboard intended to track and evaluate family-oriented service metrics across transit systems nationwide. The tool is designed to allow transit agencies to benchmark service characteristics and track progress over time.

FTA is seeking input from the public via a [Request for Information](#) through August 3, 2026.

FREIGHT DATA INITIATIVE (FREIGHTWAVES SONAR)

USDOT awarded a contract to FreightWaves Sound Navigation and Ranging (SONAR) to provide high-frequency freight market data in support of federal transportation analysis and economic research.

According to USDOT, the data will be used to monitor freight market conditions, inform regulatory oversight activities, and support analysis conducted by the Office of the Assistant Secretary for Research and Technology.

BRIGHTLINE INVESTMENTS

USDOT announced updated safety data indicating a reduction in trespassing incidents and train-vehicle collisions along Brightline Florida operations.

Following a \$25 million federal investment, the Department reported a 30 percent year-over-year decline in such incidents during the first quarter of 2026.



UP & NS MERGER

OVERVIEW

Union Pacific (UP) and Norfolk Southern (NS) indicated they plan to submit additional information requested by the STB in two phases. The first submission is expected in early July, with a second submission anticipated closer to the Board's late July deadline.

UNION COMPLAINTS

Labor organizations, including the Brotherhood of Locomotive Engineers and Trainmen (BLET) and the Teamsters Rail Conference, expressed support for recent legislative language included in the House Appropriations Committee's FY 2027 THUD bill report directing the STB to conduct a comprehensive review of the proposed merger.

The report language calls for evaluation of potential impacts on competition, service quality, and economic outcomes for rail shippers and the broader freight rail network.

The International Association of Machinists and Aerospace Workers (IAM) District 19 also expressed opposition to the proposed merger, citing concerns related to employment levels and long-term workforce impacts. District 19 represents approximately 2,000 locomotive and heavy equipment mechanics and related personnel employed by UP and NS.





CONTACT US

TGA ASSOCIATION MANAGEMENT SOLUTIONS



202-536-6632