TGA
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MANAGEMENT SOLUTIONS, LLC

JULY
2026

MONTHLY REPORT

LATEST LEGISLATIVE & REGULATORY UPDATES

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EXECUTIVE SUMMARY

JULY PRIORITIES

July was marked by continued negotiations over Fiscal Year 2027 (FY2027) appropriations, increasing time constraints for surface transportation reauthorization, bipartisan legislative activity within the Senate Commerce Committee, and several significant funding and policy announcements from the U.S. Department of Transportation (USDOT).

On the legislative front, House appropriators reported that all 12 FY2027 regular appropriations bills have cleared both subcommittee and full committee consideration ("12-for-12"), setting the stage for additional floor consideration in the coming months. During the month, the House passed H.R. 8595, the FY2027 National Security/State and Related Programs appropriations bill, by a vote of 217-209. Before the August recess, the House also passed a continuing resolution extending current government funding from September 30 through December 4. Meanwhile, Senate appropriators from both parties continue negotiations on an expanded version of the House-passed measure.

Separately, the House Transportation and Infrastructure (T&I) Committee unanimously approved the Water Resources Development Act (WRDA) of 2026, while House floor consideration of surface transportation reauthorization was delayed until at least September, narrowing the time available before the September 30 authorization deadline. A temporary extension of expiring surface transportation programs could be included in a broader continuing resolution under consideration in the Senate.

At the agency level, USDOT announced $1.73 billion in BUILD program awards supporting 127 projects, $1.776 billion in FAA airport infrastructure grants, and the launch of a new AI initiative focused on modernizing the nation's transportation system. The Surface Transportation Board (STB) continued its review of the proposed Union Pacific (UP) and Norfolk Southern (NS) merger. UP and NS completed their supplemental filing, while a bipartisan group of 23 senators sent a letter urging the STB to conduct a thorough review of the proposed transaction.

LOOKING FORWARD

Congress faces two significant transportation deadlines in the coming months. First, lawmakers must continue work on FY2027 appropriations legislation before September 30 to avoid a lapse in government funding. The Senate's path forward remains uncertain as negotiations on overall spending levels continue.

Second, the House and Senate must advance surface transportation reauthorization before current federal highway, transit, and rail programs authorizations expire. With House floor consideration delayed until September and the Senate yet to release legislative text, a short-term extension appears increasingly likely if a long-term authorization measure is not enacted before September 30.

APPROPRIATIONS UPDATE

OVERVIEW

On July 15, the House of Representatives passed H.R. 8595 (National Security/State and Related Programs, FY27) by a vote of 217–209.

House appropriators also reported that all 12 FY27 regular appropriations bills have cleared subcommittee and full committee ("12-for-12"), allowing House leadership to schedule additional appropriations bills for floor consideration.

The House Appropriations Committee held a hearing on the Supreme Court's FY27 budget request featuring Justices Elena Kagan and Amy Coney Barrett, marking the Court's first appearance before an appropriations hearing since 2019.

Like the continuing resolution (H.R. 9770) passed by the House, the Senate is expected to consider legislation extending current funding into early December to avoid a partial government shutdown at the beginning of the new fiscal year on October 1.

Senate appropriators from both parties continue negotiations on an expanded version of the House-passed continuing resolution. The Senate proposal is expected to include additional funding adjustments ("anomalies"), or deviations from current spending levels, requested by the Administration. Senate leaders have also indicated that additional provisions may be needed to secure sufficient bipartisan support. The House passed its continuing resolution largely along party lines by a vote of 220-205.

NOTABLE JULY HEARINGS & MARKUPS

JULY 14 - HOUSE TRANSPORTATION & INFRASTRUCTURE COMMITTEE MARKUP

The House T&I Committee unanimously approved H.R. 9497, the *Water Resources Development Act* (WRDA) *of 2026*, a bipartisan bill addressing improvements to the nation's ports and harbors, inland waterways, flood and storm risk management, environmental restoration, and other aspects of water resources infrastructure.

WRDA-authorized investments support water resources infrastructure projects carried out by the United States Army Corps of Engineers (Corps). Since 2014, Congress has enacted a WRDA every two years to authorize locally driven projects intended to provide regional and national economic and infrastructure benefits.

JULY 16 - SENATE COMMERCE COMMITTEE HEARING

The Senate Commerce Committee held a nomination hearing for David Cummins to serve as Administrator of the Transportation Security Administration (TSA).

Chairman Ted Cruz (R-TX) stated that Cummins' experience positions him to modernize TSA technology, cybersecurity, and operational capabilities. Democratic members, including Senator Amy Klobuchar (D-MN), questioned the Administration's proposal to expand the Screening Partnership Program and increase private sector participation in airport screening operations. Members also asked Cummins about his previous association with Serco, including the company's work related to federal immigration operations and overseas detention facilities.

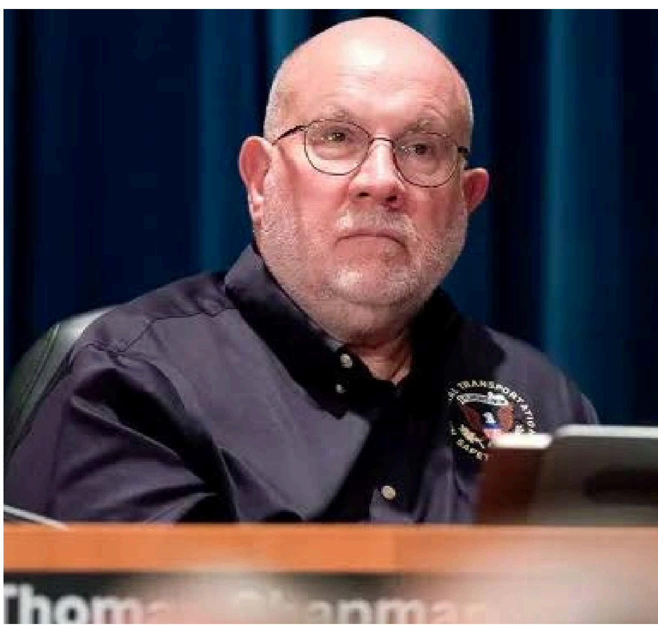
David Cummins, Nominee to be TSA Administator, Politico, 7/16/26

NOTABLE JULY HEARINGS & MARKUPS

JULY 22 - SENATE COMMERCE COMMITTEE MARKUP

This month, the Senate Commerce Committee advanced 7 bills and 6 nominations. These included:

- Nomination of Thomas B. Chapman, of Maryland, to be a Member of the National Transportation Safety Board (28-0);
- Nomination of David Cummins, of Virginia, to be the Administrator of the Transportation Security Administration (15-13);
- Nomination of Edward Eppler, of Connecticut, to be Chief Financial Officer of the Department of Transportation (15-13);
- Nomination of Karen Jean Hedlund, of New York, to be a Member of the Surface Transportation Board (28-0);
- Nomination of Brien Lorenze, of Virginia, to be a Commissioner of the Consumer Product Safety Commission (15-13);
- Nomination of Karen Sessions, of Texas, to be a Commissioner of the Consumer Product Safety Commission (15-13);



Thomas Chapman, Nominee to the NTSB

Karen Hedlund, Nominee to the STB

NOTABLE JULY HEARINGS & MARKUPS

JULY 22 - SENATE COMMERCE COMMITTEE MARKUP (CONT'D)

- S. 1759, Supersonic Aviation Modernization Act as amended by the Budd substitute: Sponsored by Senator Ted Budd (R-NC), the bill would direct the FAA to lift the decades-old ban on civil supersonic flight over U.S. land, permitting speeds above Mach 1 so long as no sonic boom reaches the ground.
- S. 3258, Aviation Medication Transparency Act of 2025 as amended by the Duckworth substitute: Introduced by Senators Tammy Duckworth (D-IL) and John Hoeven (R-ND), the bill would require the FAA to publish and annually update a public, user-friendly list of medications pilots and air traffic controllers may safely take without jeopardizing their medical certification.
- S. 3885, Aviation Innovation and Global Competitiveness Act as amended by the Budd substitute, as modified, and Markey 1, as modified: Led by Senator Peter Welch (D-VT) and a bipartisan group of cosponsors, the bill would set standard timelines and clearer procedures for the FAA's aircraft type certification process to bring more predictability to certifying new and emerging aviation technologies, including advanced air mobility aircraft.
- S. 4429, Connected Vehicle Security Act of 2026 as amended by the Moreno substitute, as modified, and Cantwell 1, as modified: Introduced by Senators Bernie Moreno (R-OH) and Elissa Slotkin (D-MI), the bill would restrict connected-vehicle software and hardware sourced from foreign entities of concern in the U.S. auto market, citing national security concerns.
- S. 4448, Accelerating Broadband Permits Act of 2026 as amended by the Thune-Lujan substitute, as modified: Sponsored by Senators John Thune (R-SD), Ben Ray Luján (D-NM), and John Barrasso (R-WY), the bill would increase transparency around the Broadband Equity, Access, and Deployment Program (BEAD) broadband program and help agencies meet existing application-processing deadlines.
- S. 4691, Disaster Communications Coordination and Preparedness Act: Introduced by Senators Tim Sheehy (R-MT) and Amy Klobuchar (D-MN), the bill would require the FCC to review how it provides notice when it activates its Disaster Information Reporting System.
- S. 4802, Hurricane Hunter Aircraft Recapitalization Act as amended by the Cantwell-Cruz substitute: Introduced by Committee Chair Ted Cruz (R-TX) and Ranking Member Maria Cantwell (D-WA) along with several colleagues, the bill would codify NOAA's Hurricane Hunter aircraft fleet used for storm forecasting and emergency preparedness.

SURFACE TRANSPORTATION REAUTHORIZATION

OVERVIEW

House consideration of the BUILD America 250 Act, H.R. 8870, the House surface transportation reauthorization proposal, has been delayed until at least September, reducing the time available for congressional action before the September 30 authorization deadline. T&I Chairman Sam Graves (R-MO) stated that the House would not consider the legislation before members left for the August recess, which began July 23.

Although the House T&I Committee approved the legislation with broad bipartisan support, negotiations continue over several amendments adopted during committee consideration. Among the provisions receiving additional attention are the Administration's proposed rail safety language and a pilot program that would allow participating states to permit heavier trucks on certain federal highways.

In the Senate, lawmakers continue to discuss attaching a temporary extension of expiring surface transportation programs to a broader continuing resolution should a multiyear reauthorization package not be completed before September 30.

Senate Environment and Public Works (EPW) Committee leaders, who oversee federal highway programs, have indicated that a temporary extension could accompany the continuing resolution to maintain Highway Trust Fund spending authority while broader reauthorization negotiations continue.

SURFACE TRANSPORTATION REAUTHORIZATION

USDOT SECRETARY DUFFY LETTER TO CONGRESS

On June 27, USDOT Secretary Sean Duffy sent a letter to the chairs and ranking members of the Senate Committees on EPW, Commerce, and Banking, Housing, and Urban Affairs outlining USDOT's priorities for surface transportation programs scheduled to expire on September 30, 2026.

The letter reiterates USDOT's previously submitted reauthorization priorities, outlines additional Administration proposals, and recommends modifying or discontinuing certain Infrastructure Investment and Jobs Act (IIJA) programs as part of either a long-term reauthorization or a temporary extension. Several proposals would require congressional action, while others are similar to provisions already under consideration by members of Congress.

The letter also outlines the following recommendations:

- Providing additional funding and financing tools for redevelopment of New York Penn Station, including a provision directing Amtrak to rename the station.
- Expanding private sector participation in transportation infrastructure projects.
- Prohibiting mandates requiring vehicles to be equipped with automated driving technology.
- Placing greater emphasis on motor vehicle travel relative to bicycle infrastructure.
- Increasing funding for commercial motor vehicle enforcement personnel.
- Consolidating several competitive USDOT grant programs.
- Adopting permanent daylight saving time.

USDOT Secretary Duffy

View letter here

ON THE HILL

WATER RESOURCES DEVELOPMENT ACT (WRDA)

On June 29, T&I Committee Chairman Sam Graves (R-MO) and Ranking Member Rick Larsen (D-WA), along with Water Resources and Environment Subcommittee Chairman Mike Collins (R-GA) and Ranking Member Frederica Wilson (D-FL), introduced H.R. 9497, the *Water Resources Development Act (WRDA) of 2026*.

On July 15, the House T&I Committee unanimously approved WRDA, a bipartisan bill that addresses improvements to the nation's ports and harbors, inland waterway navigation system, flood and storm risk management, environmental resources, and other aspects of the nation's water resources.

WRDA 2026 authorizes 133 new feasibility studies for locally proposed water resources infrastructure projects and 14 projects that have been vetted by the Corps and are ready for construction authorization by Congress.

In addition, WRDA 2026 includes various policy changes intended to improve infrastructure project delivery. These include strengthening and reauthorizing alternative project delivery programs, emphasizing input from non-federal interests during feasibility studies, and helping ensure non-federal interests can identify the appropriate Corps resources needed to advance projects.

BIKE LANES

House T&I Ranking Member Rick Larsen (D-WA) released a statement expressing concern over the Administration's reported removal of bike lanes, speed cameras, and other measures from FHWA's list of Proven Safety Countermeasures, stating that the decision could affect efforts to improve roadway safety.

According to National Public Radio, FHWA removed bike lanes, speed cameras, and several other countermeasures from its list. FHWA stated that the changes are part of a broader review of countermeasures to ensure they align with current DOT policies and the Administration's priorities.

CONGRESSIONAL RESEARCH SERVICE REPORT

The Congressional Research Service (CRS) released a report on passenger and freight issues within the surface transportation reauthorization bill. View the report here.

USDOT & AGENCY UPDATES

BETTER UTILIZING INVESTMENTS TO LEVERAGE DEVELOPMENT (BUILD) AWARDS

USDOT Secretary Duffy announced $1.73 billion in FY2026 Better Utilizing Investments to Leverage Development (BUILD) grants supporting 127 projects across 52 states, territories, and the District of Columbia. The Department received nearly 1,200 eligible applications requesting more than $14.5 billion in funding.

The BUILD program provides grants for surface transportation infrastructure projects with significant local or regional impact. Eligible applicants, including state and local governments, counties, Tribal governments, transit agencies, and port authorities, may use BUILD funding to advance multimodal and multi-jurisdictional projects that may be difficult to finance through other federal grant programs.

View winners here

ARTIFICIAL INTELLIGENCE (AI) INITIATIVE

On July 22, USDOT announced a new initiative focused on applying artificial intelligence (AI) to modernize the nation’s transportation system. Aligned with the President’s Genesis Mission Executive Order, the effort is part of the White House’s Genesis Mission National Science and Technology Challenges and is intended to support the planning, operation, and maintenance of transportation infrastructure through AI-enabled technologies.

USDOT UPDATES

RAIL

NEW YORK PENN STATION STUDY

USDOT and the Federal Railroad Administration (FRA) released Phase One findings from the New York Penn Station Service Optimization Study. The preliminary report concluded that operational and infrastructure improvements, including longer platforms, enhanced station access, and improved passenger circulation, could increase train capacity by approximately 33 percent (up to 32 trains per hour), while reducing delays and improving service without expanding the station. Additional analysis is planned during Phase II.

In his June 27 letter to Congress outlining USDOT's surface transportation reauthorization priorities, Secretary Duffy proposed directing Amtrak to rename New York Penn Station. Senate Minority Leader Chuck Schumer (D-NY) stated that he would oppose legislation to rename the station after President Donald Trump.

HIGHWAY

ADVANCED TRANSPORTATION TECHNOLOGY AND INNOVATION (ATTAIN) PROGRAM NOFO

USDOT recently released a Notice of Funding Opportunity (NOFO) for the FY2025-2026 Advanced Transportation Technology and Innovation (ATTAIN) grant program. The program is similar to the SMART grant program, which will not issue a NOFO this year following the rescission of its funding by Congress. USDOT is encouraging previous SMART grant recipients to apply for ATTAIN funding.

Approximately $120 million is available through this funding round, which is expected to be the program's final round under the IIJA. Continued operation of the ATTAIN program would require congressional reauthorization. The current House draft of the BUILD America 250 Act does not include reauthorization of the program, and the Senate has not yet released its proposal.

View the NOFO here

Applications are due by August 11

USDOT UPDATES

HIGHWAY

PHYSICAL BRAKE PEDAL IN AUTONOMOUS VEHICLES

The National Highway Traffic Safety Administration (NHTSA) proposed eliminating the requirement for a physical brake pedal in fully autonomous vehicles (AV). The agency is also developing additional rulemaking that would remove requirements for equipment such as windshield defrosters and wipers in vehicles that do not require human operation.

AUTONOMOUS VEHICLE INTERFERENCE WITH FIRST RESPONDERS

NHTSA Administrator Jonathan Morrison issued a directive to autonomous vehicle (AV) developers, stating that it is unacceptable for their vehicles to interfere with first responders or law enforcement. In the letter, he cited instances in which these vehicles drove into active emergency scenes, blocked the paths of ambulances and firefighters, or failed to recognize and respond to basic safety conditions like flashing lights, flares, smoke, fire, and traffic cones.

> “The agency has identified a clear pattern of driverless AVs interfering with law enforcement and other first responders”
>
> *– NHTSA Administrator Jonathan Morrison*

COMMERCIAL DRIVER’S LICENSE (CDL) AUDIT

On July 16, USDOT announced a joint initiative with the Department of Homeland Security (DHS) to strengthen oversight of the issuance of non-domiciled Commercial Driver's Licenses (CDLs).

The Federal Motor Carrier Safety Administration (FMCSA) identified approximately 75 entry-level driver training schools suspected of issuing non-domiciled CDLs while using improper driver certifications, falsifying training records, failing to provide required instruction, or committing other compliance violations.

USDOT UPDATES

AVIATION

PROPOSED RULE ON CIVIL SUPERSONIC FLIGHTS

The Federal Aviation Administration (FAA) published a proposed rule establishing a noise-based certification standard for civil supersonic aircraft operating over the continental United States. The proposal represents the first step in a broader rulemaking process. The FAA also plans to issue a separate proposed rule establishing landing and takeoff noise standards for supersonic aircraft later this year.

Submit a comment here

Comment period ends August 17

AIRPORT RENOVATIONS

USDOT announced multiple FAA grants totaling $1.776 billion to upgrade American airports with runway rehabilitations, family-friendly enhancements, and safety upgrades.

Forty-six states received investments, including:

- $88.8 million to Denver International Airport for pavement projects
- $74 million to Boise Air Terminal/Gowen Field for runway rehabilitation, apron expansion, and upgrading visual guidance lights
- $62.4 million to Baltimore/Washington International Thurgood Marshall Airport for runway and runway lighting rehabilitation
- $62.2 million to Houston Hobby Airport for runway construction
- $47.6 to John F. Kennedy International Airport for taxiway construction and reconstructing an aircraft rescue and firefighting building.
- $36 million to Orlando International Airport for terminal, taxiway and lighting rehabilitation
- $28.1 million to Oakland International Airport for taxiway rehabilitation

USDOT UPDATES

AVIATION

BOEING 737 MAX CERTIFICATIONS

The FAA announced that Boeing may resume issuing airworthiness certificates for newly manufactured 737 MAX and 787 aircraft under the agency’s Organization Designation Authorization program, which allows authorized manufacturers to perform certain certification functions on the FAA’s behalf.

DRONE MITIGATION

USDOT Secretary Duffy announced that federal, state and local agencies conducted what the Department described as the most comprehensive airspace security and drone mitigation operation in U.S. history during the 2026 FIFA World Cup. According to USDOT, the effort resulted in the seizure of more than 700 unauthorized drones while supporting security operations at tournament venues.

UNION PACIFIC AND NORFOLK SOUTHERN MERGER

OVERVIEW

Union Pacific (UP) and Norfolk Southern (NS) submitted their required supplemental responses to the Surface Transportation Board's (STB) May 28 request for additional information regarding their proposed merger. The initial 66-page filing addresses questions related to the Terminal Railroad Association of St. Louis, Kansas City Terminal Railway, and railcar pooling company TTX, all of which are jointly owned by UP, NS, and other Class I railroads. According to the companies, the proposed transaction is structured to avoid transferring control of those jointly owned entities to UP.

The supplemental filing from July 27 expanded their Committed Gateway Pricing and preserved options for 3-to-2 shippers — those who will be served by two railroads rather than three after the merger — as well as 2-to-1 shippers. The railroads also offered to make temporary access to other rail service available in the event of service issues when the two railroads integrate operations, and will offer access to a rate relief process in the event the merger's benefits are not delivered in a timely manner.

INDUSTRY INPUT

UP Executive Kenny Rocker accused rival railroads BNSF and Canadian Pacific Kansas City (CPKC) of pressuring customers to oppose UP's proposed merger with NS, claiming some faced retaliation for supporting it. BNSF and CPKC strongly denied the allegations, calling them false and arguing the merger would reduce competition by consolidating too much of the U.S. rail market. The dispute comes as the STB continues reviewing the merger application.

Canadian National (CN) said it will not oppose the UP-NS rail merger in a sweeping set of deals that gives it better access to the U.S. Midwest and Mexico. UP will gain rights over CN's crown jewel, the former Elgin, Joliet & Eastern, which will give UP a congestion-free route around Chicago to reach Norfolk Southern's Chicago Line route to the East Coast.

UNION PACIFIC AND NORFOLK SOUTHERN MERGER

CONGRESSIONAL INPUT

On July 23, Senator Cory Booker (D-NJ), joined by a group of 22 Senate colleagues, sent a letter to the STB urging the agency to conduct a thorough and independent review of UP's proposed $185 billion acquisition of NS Railway, warning that the merger could significantly affect workers, consumers, competition, and the nation's freight rail system.

The senators are urging the STB to specifically:

- Conduct a thorough investigation of whether the proposed UP-NS transaction meets the STB's requirements that a combination will enhance competition.
- Solicit testimony and evidence regarding the proposed transaction's impact on rail customers and consumers of goods that are shipped by rail.
- Conduct a rigorous assessment of the UP-NS merger's impacts on rail safety, staffing levels, workforce quality of life, system performance, and competition.
- Solicit testimony and evidence regarding past workplace commitments made by UP and NS, including whether such assurances were measurable, enforceable, and ultimately realized.
- Evaluate the broader implications of further consolidation in the industry, including effects on national employment levels, job displacement, and the resilience of the freight rail network.

View letter here

Sen. Booker, Capital B News, 4/1/25

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