TGA
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PREPARED BY TGA ASSOCIATION
MANAGEMENT SOLUTIONS, LLC

MONTHLY REPORT

AUGUST 2026

LATEST LEGISLATIVE & REGULATORY UPDATES

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AUGUST PRIORITIES

Throughout early August, federal transportation policy was largely focused on efforts to avoid a government shutdown in the fall, the confirmation of David Cummins as Transportation Security Administration (TSA) Administrator, and stakeholder engagement regarding the looming expiration of advance appropriations under the Infrastructure Investment and Jobs Act (IIJA). While Congress has been in recess for the remainder of the month, the U.S. Department of Transportation (USDOT) maintained a steady cadence of regulatory and grant announcements.

On August 8, the Senate passed a continuing resolution (CR) by a 90-6 margin, extending current federal funding levels and IIJA surface transportation program authorizations through December 11. The measure now awaits action in the House. The CR does not extend the IIJA's Division J advance appropriations, which have historically provided $36.8 billion annually for core transportation programs. In response, a coalition of over 100 transportation, infrastructure, labor, and business stakeholders has urged congressional leadership to preserve this funding before it formally lapses on October 1.

Despite the congressional recess, USDOT and its modal agencies advanced several major initiatives:

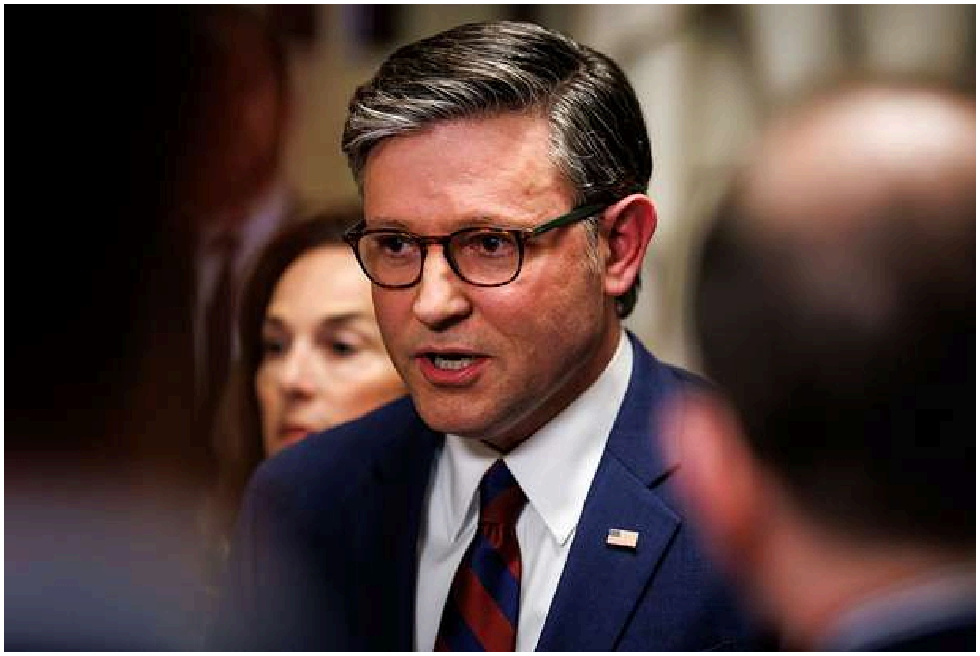
- **USDOT & FRA:** The Department rolled out its National Roadway Safety Strategy, while the Federal Railroad Administration (FRA) announced $5.3 billion in FSP/National Railroad Partnership Program awards.
- **FAA:** The Federal Aviation Administration (FAA) announced more than $1.4 billion in combined Airport Infrastructure Grants and Airport Improvement Program awards.
- **FMCSA:** The Federal Motor Carrier Safety Administration (FMCSA) initiated steps to codify English language proficiency requirements for commercial drivers.
- **STB**: The Surface Transportation Board (STB) formally adopted a review schedule for the proposed Union Pacific-Norfolk Southern (UP-NS) merger, deferring a final decision until the second half of 2027.

EXECUTIVE SUMMARY

LOOKING FORWARD

When Congress reconvenes in September, lawmakers will navigate a severely compressed legislative calendar with several significant transportation and budget deadlines.

The House must either adopt the Senate-passed CR or negotiate a bicameral compromise before current government funding and surface transportation authorizations expire. Even if a short-term surface transportation extension is secured, lawmakers will still need to address a comprehensive multiyear reauthorization bill. With the midterm elections approaching, the time available for reaching bipartisan agreement will be limited.



House Speaker Mike Johnson, Punchbowl News

APPROPRIATIONS UPDATE

OVERVIEW

On August 8, the Senate overwhelmingly approved a continuing resolution (CR) to extend federal funding through December 11, addressing the potential for a government shutdown ahead of the September 30 deadline and upcoming midterm elections. Passed by a 90-6 margin, the measure cleared the chamber's 60-vote threshold following bipartisan negotiations.

Senate Appropriations Committee Chair Susan Collins (R-ME) described the stopgap measure as avoiding provisions that could complicate its passage. Democrats highlighted a provision that would limit the administration's ability to transfer certain internal funds to the Border Patrol, maintaining congressional restrictions on immigration enforcement spending established earlier this year.

The House passed its own CR on July 21, extending federal funding through December 4, by a 220-205 vote. The measure subsequently moved to the Senate, where lawmakers considered an alternative approach to extending federal funding through December 11.

Despite its bipartisan support in the Senate, the Senate CR faces an uncertain path in the House. A primary point of discussion is a Senate provision that would temporarily block the Office of Management and Budget (OMB) from implementing a proposed rule regarding federal grant administration.

Democrats have raised concerns about the potential impact of the rule on grant distribution and previously sought to prevent its implementation on a permanent basis. House Republicans have generally supported the proposed regulatory changes, making the provision a potential issue as the House considers the Senate measure.

For the infrastructure sector, the Senate CR extends surface transportation authorizations through December 11. However, it does not extend the advance appropriations under Division J of the *Infrastructure Investment and Jobs Act* (IIJA), which have historically provided $36.8 billion annually. Stakeholder groups have raised concerns that allowing this funding to lapse could disrupt planning, engineering, construction, and staffing for projects currently in the pipeline.

If House leadership brings the Senate-passed CR to the floor, the measure will require sufficient support to advance. The outcome will depend in part on how lawmakers address differences between the House and Senate measures. TG&A will continue to monitor these negotiations and provide strategic updates when both chambers return to session in September.

NOMINATIONS UPDATE

On August 7, the Senate confirmed David Cummins, a former senior vice president at Serco, to head the TSA by a vote of 51-47. Cummins was officially sworn into office later that same day.

SURFACE TRANSPORTATION REAUTHORIZATION

OVERVIEW

In August, a coalition of more than 100 transportation, infrastructure, labor, and business stakeholders increased engagement with congressional leadership regarding the continuation of current IIJA funding levels. The coalition warned that if Division J advance appropriations are excluded from a short-term CR, USDOT programs could face a $36.8 billion annual funding gap beginning October 1, 2026.

The size and breadth of the coalition reflect the role IIJA advance appropriations play in long-term infrastructure planning. If these funds are allowed to lapse, state and local grant programs could experience significant reductions relative to current IIJA funding levels, ranging from 50% to a complete 100% loss of IIJA-level funding. Programs identified as particularly exposed include:

- Mega Grants
- Safe Streets and Roads for All (SS4A)
- Capital Investment Grants (CIG)
- Bridge Formula Program
- Consolidated Rail Infrastructure and Safety Improvements (CRISI)
- Federal-State Partnership for Intercity Passenger Rail
- Port Infrastructure Development Program (PIDP)

Stakeholders that have structured project pipelines around the funding provided by the IIJA could face changes to project schedules, planning assumptions, and available resources if these funds lapse.

With the Senate-passed surface extension now awaiting House action and the midterm elections approaching, the prospects for including advance appropriations in a short-term extension remain uncertain.

Furthermore, even if Congress secures one or more stopgap measures, lawmakers will eventually need to address a comprehensive multiyear surface transportation reauthorization. Given the level of stakeholder engagement in recent months, the treatment of IIJA Division J and potential approaches to replacing or extending its funding are likely to be significant issues in upcoming negotiations.

USDOT UPDATES

NATIONAL ROADWAY SAFETY STRATEGY

USDOT Secretary Sean Duffy officially launched the National Roadway Safety Strategy (NRSS), a comprehensive interdepartmental plan designed to reduce traffic fatalities and injuries on roadways. The Strategy focuses on three main goals:

- **Safer People:** Reinforces safety initiatives across rural, urban, and tribal communities, while supporting transportation workers, first responders, and law enforcement.

- **Safer Roads:** Prioritizes road design, targeted bottleneck relief, and enforcement against unsafe commercial driving practices to address congestion and crash risks, including secondary collisions.

- **Safer Vehicles**: Modernizes safety standards, advances a national automated vehicle strategy, and supports crash-prevention technologies to maintain U.S. capabilities in vehicle safety.

View the Strategy here

RAIL

TRAIN NOISE EMISSION STANDARDS

USDOT Secretary Duffy announced an impending update to FRA train noise emissions standards to better accommodate high-speed rail deployment. The current framework, which primarily addresses engine and mechanical noise, does not fully account for wind noise generated at speeds exceeding 160 mph. The updated framework would establish an alternative standard for trains operating between 160 and 220 mph, create an approval pathway for ultra-high-speed operations such as Maglev, and eliminate certain equipment modification requirements for modern trainsets.

View the NPRM here

Comments are due by October 2

USDOT UPDATES

NATIONAL RAILROAD PARTNERSHIP PROGRAM AWARDS

The FRA announced $5.3 billion in grant awards through the National Railroad Partnership Program (NRPP) to modernize American passenger rail assets, enhance safety, and address state-of-good-repair needs.

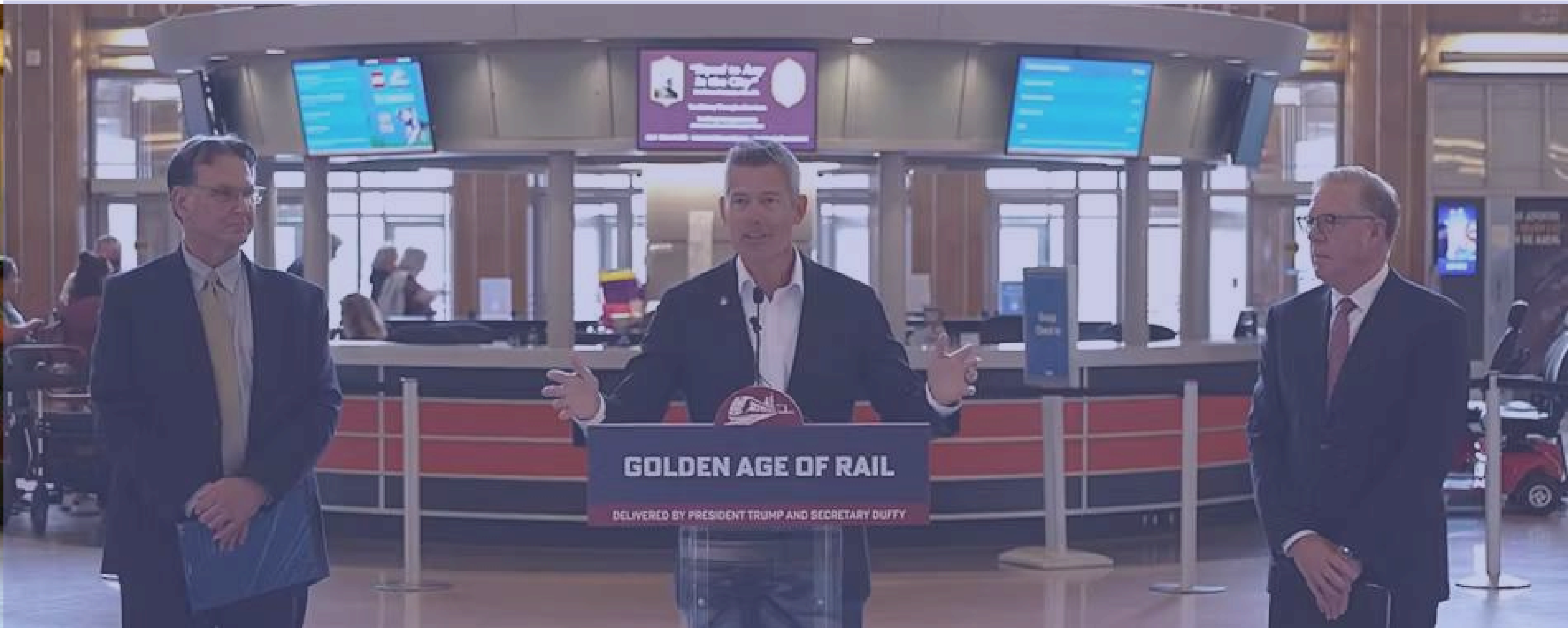
In total, the $5.3 billion grant package will:

- Close more than 30 grade crossings and upgrade more than a thousand with new infrastructure and technology;
- Procure 43 domestically manufactured trainsets to replace aging Amtrak fleets in high-demand corridors; and
- Overhaul 41 locomotives currently deployed on Amtrak's Midwest and Pacific routes.

HIGHWAY

CODIFICATION OF ENGLISH LANGUAGE PROFICIENCY FOR CMV DRIVERS

FMCSA is advancing a rulemaking process to codify English language proficiency requirements for commercial motor vehicle (CMV) drivers. Under the proposed standard, CMV drivers who are unable to sufficiently read or speak English or comprehend standard highway traffic signs and signals could be placed out of service.



USDOT UPDATES

AVIATION

AIRPORT INFRASTRUCTURE GRANTS (AIG) AWARDS

The FAA is deploying $870 million through the Airport Infrastructure Grants (AIG) program to support 339 airport projects across 44 states and two territories. Notable awards include:

- $289 million to Los Angeles International Airport for a new terminal access road;
- $50 million to Miami International Airport to reconstruct the terminal roof; and
- $9.1 million to Akron-Canton Airport in Ohio to rehabilitate passenger bridges and reconstruct key airport facilities.

AIRPORT IMPROVEMENT PROGRAM (AIP) AWARDS

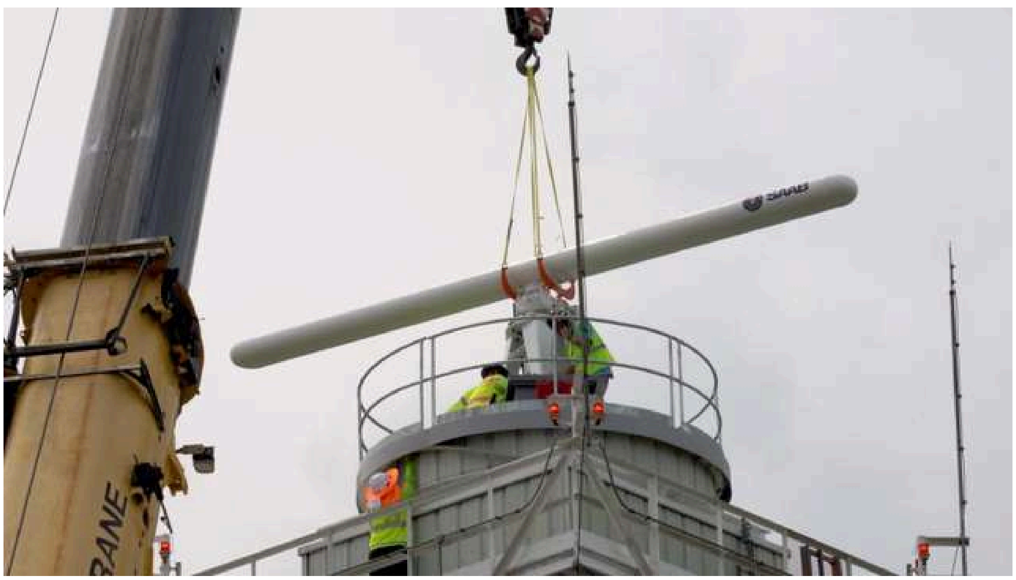
The FAA also announced $615 million in Airport Improvement Program (AIP) funding to upgrade airfield safety, runway infrastructure, and terminal amenities in 42 states and two territories.
Notable awards include:

- $21.5 million to Midland International Air & Space Port in Texas for runway rehabilitation;
- $19.5 million to construct a new airport in Noatak, Alaska; and
- $8.3 million to Gary/Chicago International Airport in Indiana for a new contract tower.

USDOT UPDATES

NEXT-GENERATION SURFACE MOVEMENT RADAR

USDOT Secretary Duffy and FAA officials unveiled new Surface Movement Radar Model 4 (SMR-4) systems at Newark Liberty International Airport (EWR) and Ronald Reagan Washington National Airport (DCA). The SMR-4 technology enhances air traffic controllers' ability to track aircraft and ground vehicles under a range of weather and visibility conditions.



COMMERCIAL SPACE TRANSPORTATION INITIATIVES

To support U.S. competitiveness in the global commercial space sector, the FAA has launched two initiatives seeking public and industry input on strategic locations for new spaceports and the establishment of "priority airspace" for critical launch routes.

View the RFI here

Comments are due by October 26

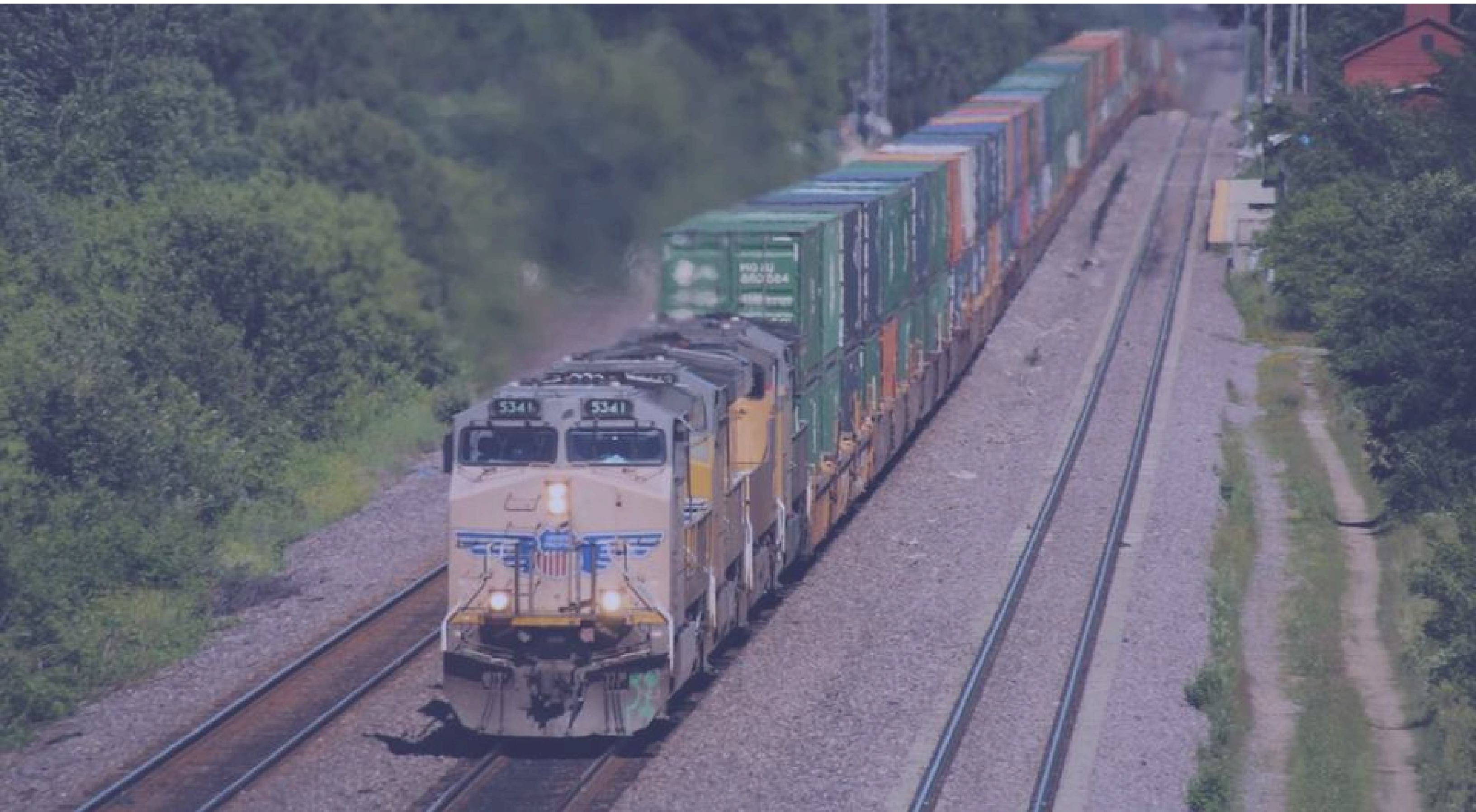
UNION PACIFIC AND NORFOLK SOUTHERN MERGER

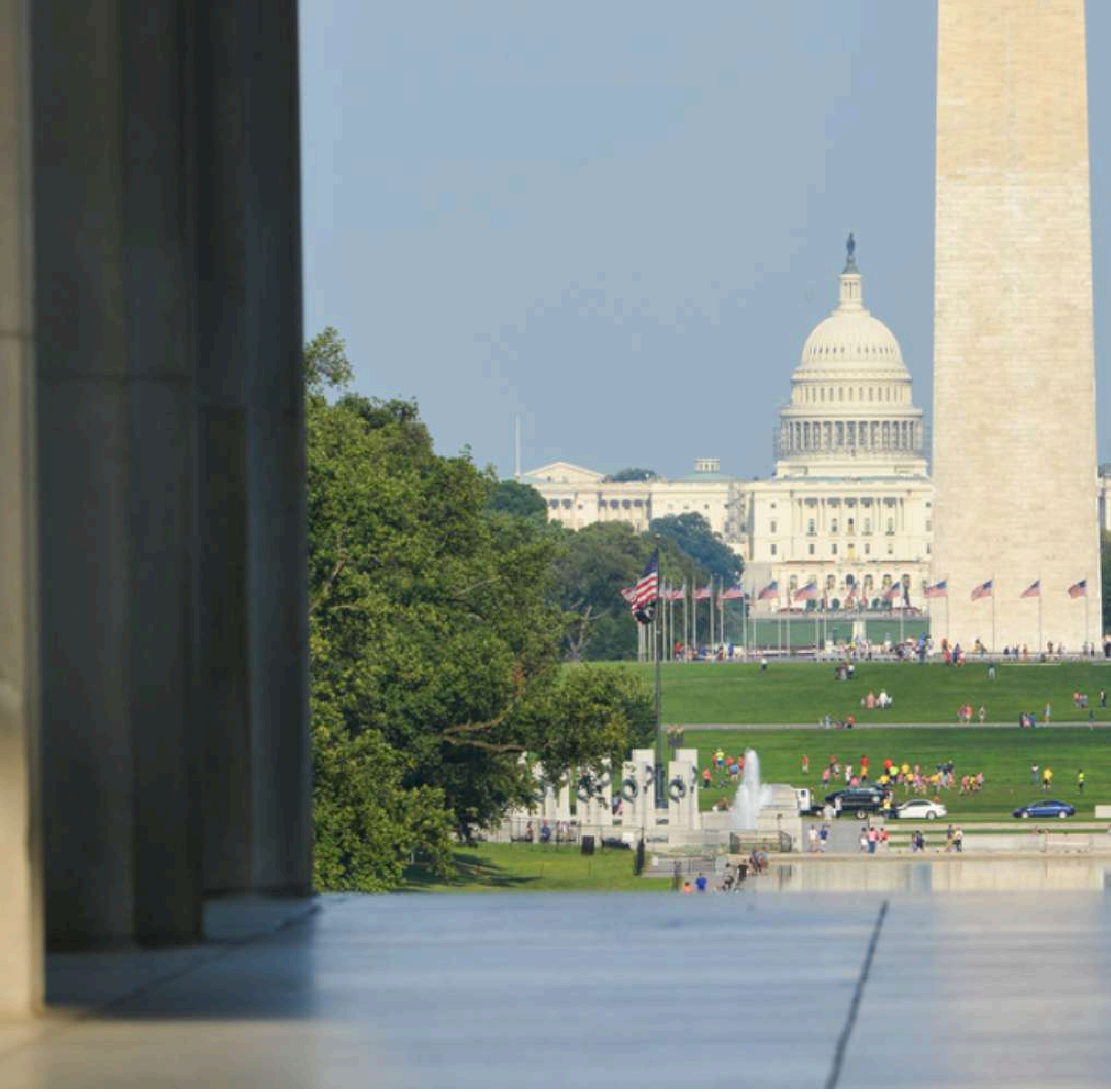
OVERVIEW

On August 19, the STB formally adopted a review schedule for the revised merger application between Union Pacific (UP) and Norfolk Southern (NS), lifting a regulatory hold placed on the proceeding in May. The updated timeline sets a final decision on the $85 billion transaction for the second half of 2027. Final briefs are due by May 28, 2027, with a final decision required within 90 days of the close of the record, contingent upon completion of a final environmental review.

UNION INPUT

A broad coalition of rail unions has filed comments with the STB supporting motions to summarily reject the UP-NS merger application. Consistent with earlier filings from BNSF Railway, CSX, and multiple shipper organizations, the labor coalition argues that the applicants have not demonstrated that the merger would serve the public interest. Specifically, the unions contend that the application does not adequately address downstream industry consolidation, competitive considerations, and the need for a detailed Service Assurance Plan to mitigate potential disruptions during integration.





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