TGA AMS

PREPARED BY TGA ASSOCIATION
MANAGEMENT SOLUTIONS, LLC



MONTHLY REPORT

OCT
2026

LATEST LEGISLATIVE &
REGULATORY UPDATES

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EXECUTIVE SUMMARY

OCTOBER PRIORITIES

With Congress in recess during October ahead of the midterm elections, federal transportation activity focused on agency actions, grant announcements, and regulatory proposals. Key developments included:

- FRA: The Federal Railroad Administration (FRA) announced $2.3 billion in Consolidated Rail Infrastructure and Safety Improvements (CRISI) grants for freight and passenger rail projects in 45 states and the District of Columbia.

- FHWA: The Federal Highway Administration (FHWA) announced more than $1.6 billion for disaster-related infrastructure repairs. The U.S. Department of Transportation (USDOT) also announced $426 million in Nationally Significant Multimodal Freight and Highway Projects (INFRA) grants and another $200 million for truck parking.

- FTA: The Federal Transit Administration (FTA) proposed changes to its Capital Investment Grants program that would incorporate community birth and marriage rates into funding considerations. Comments are due November 16.

- FAA: The Federal Aviation Administration (FAA) and the National Air Traffic Controllers Association (NATCA) reached an agreement on a 2.8% controller pay increase. Other developments included proposed commercial space licensing changes, a Boeing 737-10 certification determination, the return of Flight Deck Training, and authorization for certain BETA Technologies aircraft demonstration flights.

LOOKING FORWARD

Congress is scheduled to return following the November 3 midterm elections. Fiscal Year 2027 (FY27) appropriations and surface transportation reauthorization are expected to remain priorities. With the current continuing resolution funding the government through December 11, lawmakers will need to address funding before the deadline.

The Senate is also scheduled to hold a procedural vote November 9 on whether to advance bipartisan permitting reform legislation. Additional details appear below.

ON THE HILL

PERMITTING REFORM

On September 30, bipartisan leaders of the Senate Environment and Public Works and Energy and Natural Resources Committees introduced the Bipartisan American Affordability and Jobs Act (S. 5653). The proposal would revise federal environmental review procedures, establish permitting deadlines, and change approval processes for infrastructure and energy projects.

Infrastructure, construction, and energy industry groups support the proposal, citing potential reductions in project delays and costs. Environmental advocates have raised concerns about its effects on environmental protections, public and Tribal participation, and access to judicial review.

The Senate is scheduled to hold a November 9 vote on whether to advance H.R. 2347, the legislative vehicle for the permitting reform package. The proposal could change through amendments during Senate consideration.



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ON THE HILL

MODERN SKIES ACT

On September 28, Senator Eric Schmitt (R-MO) introduced the Modern Skies Act (S. 5572), which would provide an additional $30 billion for air traffic control systems and airport infrastructure. The bill includes:

- $10 billion for digital systems: Modernizing aircraft separation tools, telecommunications, and air traffic management technology, including artificial intelligence.
- $10 billion for airport infrastructure: Replacing and upgrading aging air traffic control towers, airport facilities, and related infrastructure.
- $10 billion for airport improvements: Creating a new grant program for airports serving between 5 million and 25 million passengers annually that have limited access to capital.
- Additional FAA flexibility: Allowing the agency to redirect certain funds toward modern air traffic control technology and equipment.

This legislation has been referred to the Senate Commerce, Science, and Transportation Committee..

HOUSE TRANSPORTATION & INFRASTRUCTURE (T&I) COMMITTEE LEADERSHIP

With House T&I Committee Chairman Sam Graves (R-MO) retiring, Representatives David Rouzer (R-NC) and Rick Larsen (D-WA) are potential candidates to chair the House T&I Committee next Congress, depending on which party controls the House.

Rouzer currently chairs the Highways and Transit Subcommittee, while Larsen serves as the full committee's ranking Democrat. Committee leadership decisions have not been finalized.

ON THE HILL

DCA AIR SAFETY ACT

Senator Tim Kaine (D-VA) is working to include the DCA Air Safety Act (S. 5387), introduced with Senator Mark Warner (D-VA), in a year-end aviation safety package or the annual defense authorization bill.

The legislation responds to the January 2025 midair collision near Reagan National Airport that killed 67 people. It would cap hourly arrivals at 28, reduce flight clustering, and eliminate 30 flight slots over five years. The senators are pressing for action before the end of the year.

FAA ARTIFICIAL INTELLIGENCE TOOL

A group of House Democrats led by Representative April McClain Delaney (D-MD) has asked the FAA to pause deployment of its Strategic Management of Airspace, Routes, and Trajectories (SMART) tool while the agency addresses safety and oversight questions.

The AI-enabled technology is deployed at Reagan National, Dulles, and BWI airports to support air traffic management and flight scheduling.



USDOT UPDATES

RAIL

BIRTH AND MARRIAGE RATES IN TRANSIT FUNDING

On October 1, the FTA proposed changes to its Capital Investment Grants (CIG) program, which supports major transit projects such as rail expansions and bus rapid transit.

The proposal would use community birth and marriage rates as factors in determining the federal funding share for projects, with higher shares available to projects serving communities with higher rates.

View the proposal here

Public comments are due November 16

NEW REPORTING REQUIREMENTS FOR CROSS-BORDER RAIL

U.S. Customs and Border Protection (CBP) proposed additional advance reporting requirements for freight and passenger trains crossing U.S. borders.

Rail carriers would need to submit arrival or departure notices at least 24 hours before reaching the border. Passenger and crew information would be required before trains depart their final station or stop approaching the border. The requirements are intended to support advance screening.

View the proposal here

Public comments are due December 14

USDOT UPDATES

RAIL

FREIGHT LOGISTICS OPTIMIZATION WORKS ANNUAL MEETING

USDOT convened more than 100 freight and supply chain stakeholders on October 21 for its 2026 Freight Logistics Optimization Works (FLOW) Annual Meeting.

Participants discussed how supply chain data and coordination can help identify bottlenecks, anticipate disruptions, and improve freight movement.



CONSOLIDATED RAIL INFRASTRUCTURE AND SAFETY IMPROVEMENTS (CRISI) GRANT WINNERS

On October 19, the FRA announced $2.3 billion in CRISI grants for 105 freight and passenger rail projects across 45 states and the District of Columbia. State, local, and private partners will contribute more than $1.9 billion in matching funds.

View the winners here

USDOT UPDATES

HIGHWAY

NATIONALLY SIGNIFICANT MULTIMODAL FREIGHT & HIGHWAY PROJECTS (INFRA) AWARDS

On October 1, USDOT Secretary Duffy announced $426 million in INFRA grants for projects across 12 states. The awards support freight bottleneck improvements, highway capacity, and safety projects, including work in Florida, California, Georgia, Kansas, and Louisiana.

On October 14, USDOT announced another $200 million in INFRA funding for truck parking along major freight corridors. The funding is intended to expand safe parking options, reduce driver fatigue, and improve highway safety.

View the winners here

EMERGENCY RELIEF FUNDING

On October 19, FHWA announced more than $1.6 billion in Emergency Relief Program funding to repair roads, bridges, and other transportation infrastructure damaged by natural disasters and catastrophic events.

The funding supports recovery in 34 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands.

USDOT UPDATES

AVIATION

AVIATION EXPORTS TO CHINA

According to Reuters, the administration has slowed export licensing for certain U.S.-made aviation supplies destined for China, including supplies for aircraft manufacturer COMAC.

Reuters linked the licensing delays to ongoing trade negotiations involving U.S. access to Chinese rare earth minerals, which are used in aerospace and automotive manufacturing.

COMMERCIAL SPACE LAUNCH LICENSING

On October 6, the FAA proposed five changes to commercial space launch and reentry licensing under its Part 450 framework.

Developed with USDOT's new Space Policy Administration, Coordination, and Execution (SPACE) Task Force, the proposals would allow electronic applications, offer additional ways to demonstrate compliance with safety standards, and reduce overlapping reviews.

Public comments are due November 4

View the proposal here

BOEING 737 MAX CERTIFICATION

On October 20, the FAA determined that a previously identified flight management software issue would not need to be resolved before certification of Boeing's 737-10 aircraft.

The issue can affect automated flight guidance during aborted landings. Boeing and GE Aerospace are developing a software fix.

USDOT UPDATES

AVIATION

FLIGHT DECK TRAINING PROGRAM

On October 14, the FAA announced the return of its Flight Deck Training program, which allows air traffic controllers to observe operations aboard commercial, general aviation, and military aircraft. The program, suspended during the COVID-19 pandemic, is intended to improve controllers' understanding of cockpit operations and pilot decision-making.

AIR TRAFFIC CONTROLLER PAY INCREASE

The FAA and National Air Traffic Controllers Association reached an October 16 agreement providing a 2.8% pay increase for air traffic controllers, retroactive to January 2026.

The Homeland Security and Further Additional Continuing Appropriations Act of 2026 directed the FAA to link the increase to measurable operational improvements, including changes involving timekeeping, staffing, and controller reassignments.

ELECTRIC VERTICAL TAKEOFF AND LANDING (EVTOL) OPERATIONS

On October 21, the FAA issued its first Special Airworthiness Market Survey Certificate for an electric vertical takeoff and landing aircraft. The certificate authorizes BETA Technologies to conduct demonstration flights aboard its ALIA A250 aircraft with prospective operators and other participants. It does not authorize commercial passenger service.

MARITIME

PORT INFRASTRUCTURE DEVELOPMENT PROGRAM (PIDP) AWARDS

On October 27, Secretary Duffy announced $498 million in PIDP funding for 35 projects across 19 states. The awards will support port infrastructure improvements and modernization.

View the winners here

UNION PACIFIC AND NORFOLK SOUTHERN MERGER

OVERVIEW

Union Pacific reports that shippers accounting for more than 30% of its freight volume support its proposed acquisition of Norfolk Southern.

Several major shipper associations, including the National Industrial Transportation League and organizations representing chemical and agricultural producers, oppose the proposal. They cite concerns about shipping rates, competition, and service reliability.

The International Brotherhood of Electrical Workers became the seventh rail union to oppose the merger. According to the opposing labor organizations, those unions represent more than 70% of unionized employees at the two railroads.

The proposal remains under review by the Surface Transportation Board. Public comments, protests, and requests for conditions are due November 18.





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