

CAGTC

Coalition For America's
Gateways & Trade Corridors

Federal Surface Transportation Legislation & Speculation

CALIFORNIA MARINE AFFAIRS AND NAVIGATION CONFERENCE

September 10, 2026



About CAGTC



GREAT LAKES DREDGE
& DOCK CORPORATION



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THE PORT OF CHOICE



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Historical Federal Challenges for Freight Investment



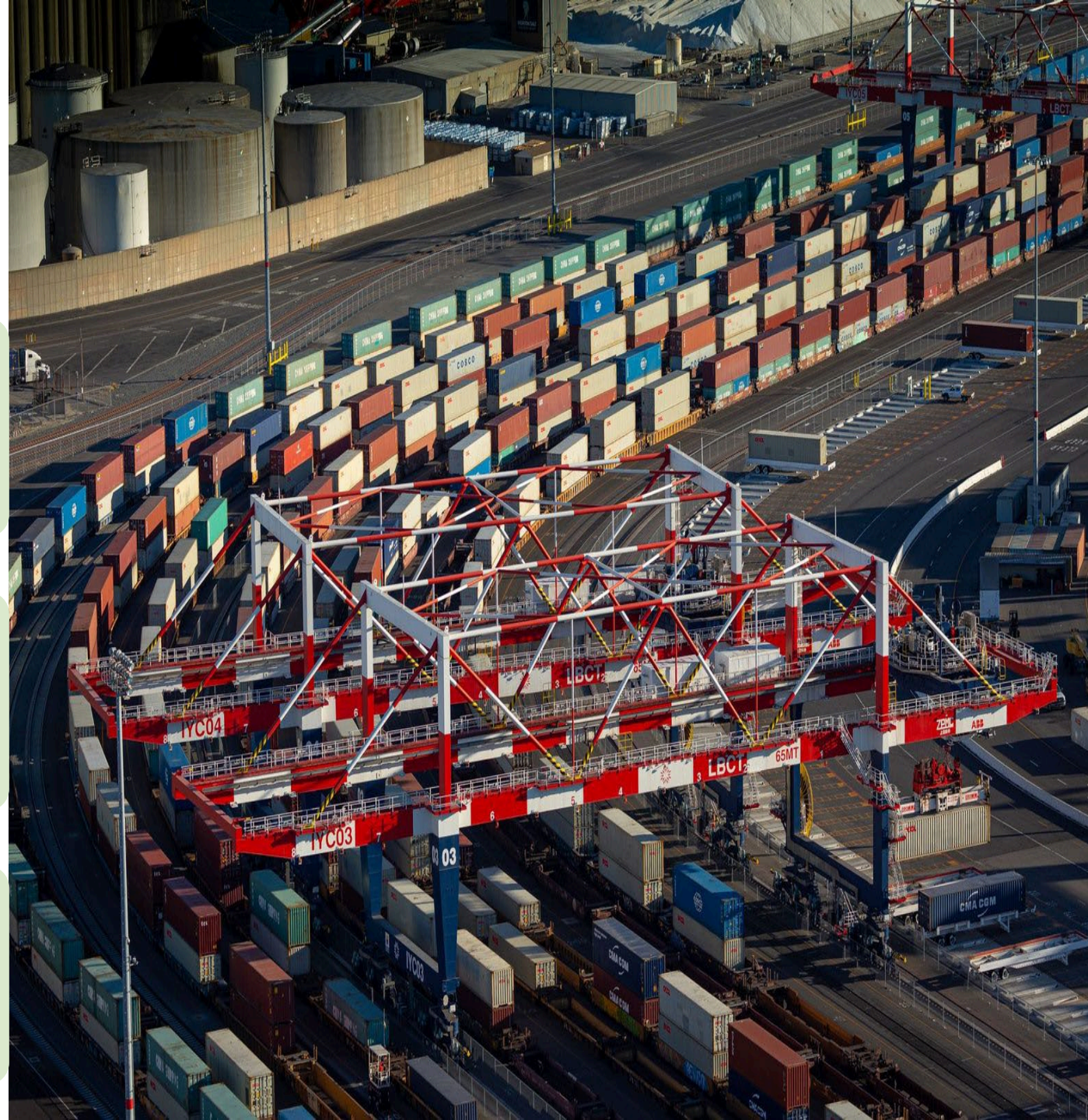
Federal programming & funding geared toward personal mobility



Lack of sufficient, dependable funding across all modes



Lack of flexibility for large, complex, multimodal, and multijurisdictional projects



CAGTC Principles

- ▶ Raise understanding of freight movement & system investment needs
- ▶ Increase dedicated federal funding to freight across all modes
- ▶ Improve policy and planning supporting freight movement



CAGTC's Legislative Successes

- ▶ SAFETEA-LU: Congress authorized and funded Projects of National and Regional Significance (PNRS)
- ▶ ARRA: Creation of the TIGER program
- ▶ MAP-21: Emphasis on freight planning tools, such as state freight plans and advisory committees
- ▶ FAST Act: Creation of INFRA program and freight formula program
- ▶ IIJA: Establishment of Office of Multimodal Freight Infrastructure and Policy, plus funding for many programs dedicated to or benefitting complex freight projects, including: INFRA, Mega, Port Infrastructure Development Program, Consolidated Rail Infrastructure and Safety Improvements Program, Rail Crossing Elimination Program, RAISE/BUILD/TIGER, and the freight formula program.

Legislation

2021 Transportation Law (IIJA)

By the numbers

\$1 trillion

Total investment

\$567.4 billion

Transportation investment

56%

Increase over 2015 FAST Act

~~EXPIRES Sept. 30, 2026~~

Extended through Dec. 11, 2026*

**No advanced appropriations*



BUILD America 250 Act

HR 8870 - Introduced May 19; Approved by Committee

- ▶ Guarantees \$474 billion over 5 years from HTF + authorizes \$106 billion for appropriations
- ▶ Introduces national EV Registration Fee, estimated to raise ~ \$9.7 billion over 5 years
- ▶ Eliminates guaranteed funding for nearly all competitive grant programs, consolidating under new “Surface Transportation Accelerator Grant” @ \$2.4 billion/ yr
- ▶ Eliminates “green” IIJA programs such as PROTECT & Carbon Reduction
- ▶ Creates AV framework for trucks
- ▶ Includes Railway Safety Act

A handful of freight wins...

- ▶ Guarantees \$8.25 billion over 5 years for the National Highway Freight Program (freight formula program), a 15% increase over IIJA
- ▶ Guarantees \$750 million over 5 years for a new truck parking pilot program
- ▶ Includes INFRA grant reforms CAGTC called for, including simplifying application process and eliminating the 30% intermodal cap

But ...

Freight Infrastructure Investment Suffers

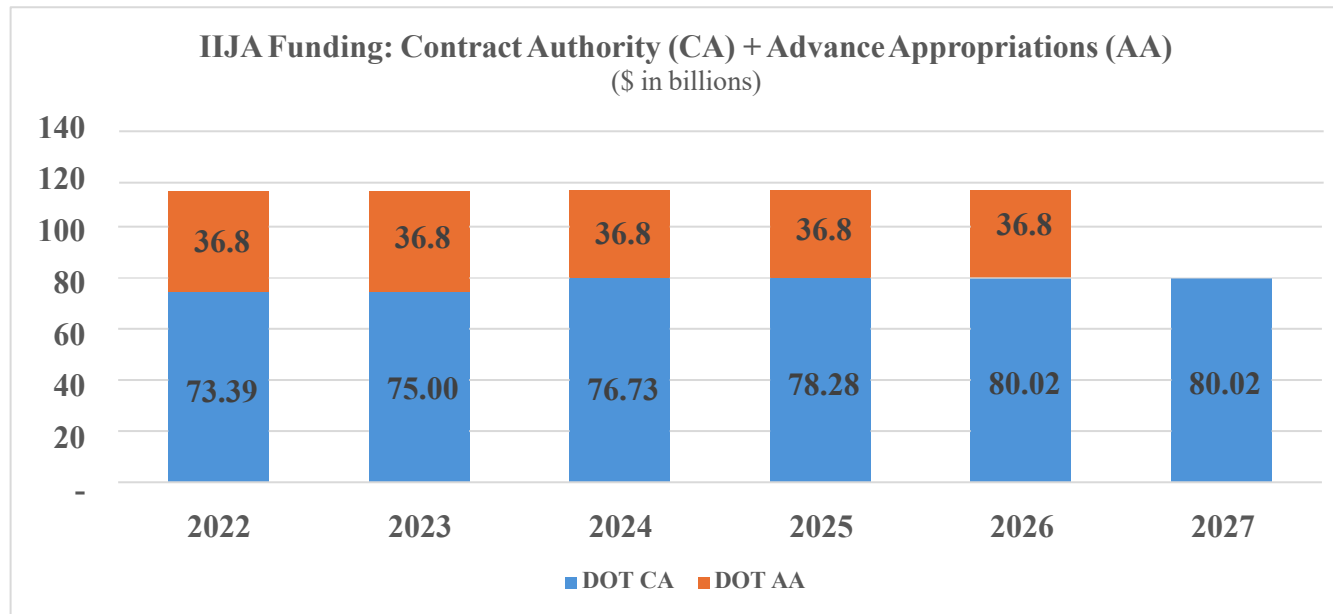
- ▶ Removes INFRA from the HTF, authorizes \$1.2 billion annually for appropriations
- ▶ No longer guarantees funding for Mega, authorizes \$2 billion annually for appropriations
- ▶ No longer guarantees funding for CRISI, authorizes \$1.8 billion annually for appropriations
- ▶ No longer guarantees funding for Rail Crossing Elimination, authorizes \$700 million annually for appropriations
- ▶ No longer guarantees funding for Port Infrastructure Development Program (PIDP) and does not authorize any funding for appropriations

Senate Action

- ▶ No proposals yet, but early indicators tell us:
 - ▶ EPW Committee Chair Shelley Moore Capito (R-WV) has discussed an interest in consolidating programs and increasing the percentage of funds going directly to states. Ranking Member Sheldon Whitehouse (D-RI) very focused on environmental permitting.
 - ▶ Senate Commerce Committee Chair Ted Cruz (R-TX) likely to focus on reducing federal role. Ranking Member Cantwell (D-WA) champion for freight infrastructure investment.

What is Division J?

- **Advance Appropriations (AA):** Funding for programs is guaranteed from the General Fund of the Treasury. The IIJA provided \$184 billion in advance appropriations for select DOT programs between FY 2022 and FY 2026. This amounted to \$36.8 billion a year.



Source: U.S. Senate Committee on Appropriations

What is Division J? continued

- ▶ Division J is a roughly 30% formula funding and 70% discretionary funding.
- ▶ The immediate loss to California totals \$1,098,549,360 in formula funding in FY2027 (formula programs: Bridge, NEVI, Ferry Boat, NHTSA Highway Safety, FMCSA MCSAP, FTA State of Good Repair, FTA Enhanced Mobility, FAA AIG).
- ▶ Division J contains 25 competitive programs, including:
 - ▶ BUILD - \$1.5 B in FY26 (applicants requested \$13 B more than available)
 - ▶ CRISI - \$1 B in FY26 (applicants requested \$12 B more than available)
 - ▶ PIDP - \$450 M in FY26 (applicants requested \$2.32 B more than available)
 - ▶ INFRA - \$1.54 B in FY26, \$640 from AA (applicants requested \$24 B more than available/ combined with Mega NOFO)
 - ▶ Mega - \$1 B in FY26 (applicants requested \$24 B more than available/ combined with INFRA NOFO)
 - ▶ Reconnecting Communities - \$100 M in FY26 (applicants requested \$2.36 B more than available)
 - ▶ Safe Streets and Roads for All - \$1 B in FY26 (applicants requested \$3.4 B more than available)



Speculation

1. Lame Duck Bill vs. Long Term Extension
2. How will the election impact committee leadership and trends?
3. Assuming a shakeup in November, is this an area of bipartisan hope in 2027?

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Thank you

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