

**VIEWS AND ESTIMATES**  
**OF THE**  
**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**  
**FOR FISCAL YEAR 2026**

**Overview**

Section 301(d) of the *Congressional Budget Act of 1974* (the *Budget Act*) and clause 4(f)(1) of House Rule X require committees to submit views and estimates to the Committee on the Budget.<sup>1</sup> To assist the Committee on the Budget in the development of a budget resolution for Fiscal Year (FY) 2026, we respectfully submit our views and estimates for programs under the jurisdiction of the Committee on Transportation and Infrastructure (Committee).

The *Federal Aviation Administration Reauthorization Act of 2024* (*FAARA 2024*; P.L. 118-63) provides critical aviation safety enhancements, improves the flying public's travel experience, ensures a robust general aviation sector, expands opportunities for America's aviation workforce to grow, invests in infrastructure at airports of all sizes, and sets clear priorities for advancing the integration of new airspace entrants.<sup>2</sup> *FAARA 2024* contains approximately 500 requirements for the Federal Aviation Administration (FAA), including mandates to take various actions, procure certain equipment, issue regulations, prepare reports to Congress, and conduct studies, among other responsibilities.<sup>3</sup> The Department of Transportation (DOT) and FAA are now largely responsible for ensuring provisions of the law are effectively implemented in a timely manner.

The *Infrastructure Investment and Jobs Act* (*IJJA*; P.L. 117-58) authorized and appropriated approximately \$1.2 trillion over five years for infrastructure programs, including \$661 billion administered by the DOT.<sup>4</sup> The Committee will conduct extensive oversight to monitor the disbursement of the *IJJA* funds to ensure the DOT complies with Congressional intent, as well as the effective and efficient use of taxpayer dollars. The Committee supports enactment of a bipartisan, long-term reauthorization of surface transportation programs prior to the expiration of *IJJA* in FY 2026.

This year the Committee will also focus on reauthorizing several key programs and will continue to conduct oversight on all programs within its jurisdiction. The Committee's bipartisan legislative activities include reauthorization of the United States Coast Guard, DOT surface transportation programs, water infrastructure programs, the Federal Maritime Commission (FMC), and pipeline safety programs, authorization of a new water resources development act (WRDA), as well as other items that would reform the Federal Emergency Management Agency (FEMA) and provide for air traffic control (ATC) modernization. The Committee will also explore ways of modernizing permitting processes to expedite project reviews, reduce delays, and cut costs, while protecting the environment, maintaining local input, and creating jobs.

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<sup>1</sup> Congressional Budget Act of 1974, Pub. L. No. 93-344 § 301(d), 88 Stat. 297 [hereinafter *Budget Act*]; Rules of the House of Representatives, 119th Cong., Rule X, clause 4(f)(1).

<sup>2</sup> *FAA Reauthorization Act of 2024*, Pub. Law. No. 118-63, [hereinafter *FAARA 2024*].

<sup>3</sup> *Id.*

<sup>4</sup> *Infrastructure Investment and Jobs Act*, Pub. L. No. 117-58, 135 Stat. 429, [hereinafter *IJJA*].

## **Cost Savings, Unauthorized Spending, Improper Payments, and Mandatory Spending**

The Committee intends to identify legislative opportunities to reduce, eliminate, or otherwise modify programs within its jurisdiction that are redundant, unnecessary, or inefficient. The Committee will review and consider the work and recommendations of the various Inspectors General and the Government Accountability Office (GAO). The Committee is aware of estimated improper or unknown payments reported in FY 2024 for agencies within its jurisdiction, including improper payments of \$151.6 million made by the Federal Transit Administration (FTA), \$1.07 billion by the Federal Highway Administration (FHWA), and \$195.8 million by the Federal Emergency Management Agency (FEMA).<sup>5</sup> This report also includes an unknown payment of \$1.4 billion by FEMA.<sup>6</sup> The Committee is aware of the Congressional Office Budget (CBO) report on expired and expiring authorizations of appropriations.<sup>7</sup> The Committee will conduct oversight over these improper and unknown payments and will address certain expired or expiring authorizations as part of its legislative activity for the 119<sup>th</sup> Congress.

As part of the FY 2025 reconciliation process, the *One Big Beautiful Bill Act (OBBBA)* rescinded \$5.2 billion in unobligated funds from *Inflation Reduction Act* programs within the Committee's jurisdiction, reducing mandatory spending outlays by \$4 billion.<sup>8</sup> While reconciliation measures account for a portion of the Committee's mandatory outlays, a majority of the remaining mandatory outlays generally support Coast Guard retirement pay, Federal-aid highways spending exempt from obligation limitation, and the railroad retirement system.<sup>9</sup> Given the split budgetary classification of certain surface transportation and aviation programs, where budget authority is mandatory and outlays are discretionary,<sup>10</sup> a majority of the Committee's mandatory spending is recorded as budget authority only. The Committee will thoroughly review Highway Trust Fund (HTF) programs with mandatory budget authority as part of the reauthorization process.

At the direction of the House and Senate Budget Committee Chairmen in the 117<sup>th</sup> Congress, CBO extrapolated funding in its baseline for *IIJA*'s emergency-designated advance appropriations.<sup>11</sup> As a result, current spending projections assume in most cases that this temporary supplemental spending will continue beyond FY 2026, the final year of *IIJA*'s authorization. CBO estimates that DOT programs would receive an additional \$366 billion between FY 2027 through FY 2035 if Congress continued *IIJA*'s approach of providing advance

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<sup>5</sup> PAYMENT ACCURACY, *Annual Improper Payments Datasets: 2024 Dataset*, (last accessed Aug. 18, 2025), available at <https://www.paymentaccuracy.gov/payment-accuracy-the-numbers/>.

<sup>6</sup> *Id.*

<sup>7</sup> CONGRESSIONAL BUDGET OFF., *Expired and Expiring Authorizations of Appropriations: 2025 Final Report*, (July, 10, 2025), available at <https://www.cbo.gov/publication/61289>.

<sup>8</sup> *One Big Beautiful Bill Act*, Pub. L. No. 119-21, [hereinafter *OBBBA*].

<sup>9</sup> CONGRESSIONAL BUDGET OFF., *Jan. 2025 Baseline, Adjusted for Enacted Legislation*, (Aug. 18, 2025 1:35 p.m.), (on file with Comm.).

<sup>10</sup> CONGRESSIONAL BUDGET OFF., *The Highway Trust Fund and the Treatment of Surface Transportation Programs in the Federal Budget*, (June 2014), available at <https://www.cbo.gov/sites/default/files/113th-congress-2013-2014/reports/45416-TransportationScoring.pdf>.

<sup>11</sup> CONGRESSIONAL BUDGET OFF., *The Budget and Economic Outlook: 2024 to 2034*, (Feb. 2024), available at <https://www.cbo.gov/system/files/2024-02/59710-Outlook-2024.pdf>.

funding, adjusted for inflation.<sup>12</sup> The Committee will thoroughly review the programs that received supplemental dollars in *IJJA* as part of the surface reauthorization process.

### **The President's FY 2026 Budget**

The Committee will continue to examine and evaluate the President's FY 2026 budget proposals for agencies and programs within the Committee's jurisdiction. On July 16, 2025, the Full Committee held a hearing entitled, "*Oversight of the Department of Transportation's Policies and Programs and Fiscal Year 2026 Budget Request*," which afforded Members an opportunity to discuss the President's FY 2026 budget request for DOT with Secretary Sean Duffy, the sole witness.<sup>13</sup> To ensure the efficient and responsible use of taxpayer dollars, the Committee will review agency plans for allocating funding and disbursing grants and other awards to eligible entities.

### **Surface Transportation Reauthorization**

*IJJA* represented the largest Federal investment in domestic infrastructure and included a five-year surface transportation reauthorization that provides funding for roads, bridges, transit, motor carriers, railroads, and safety, among other infrastructure programs. Specifically, *IJJA* authorized \$313 billion for programs from the highway account of the HTF and \$69.9 billion for programs from the mass transit account of the HTF over the authorization period.<sup>14</sup> Division J of *IJJA* also provided advance supplemental appropriations from the General Fund for surface transportation programs, including \$66.3 billion for various highway and multimodal programs, \$66 billion for Amtrak and rail infrastructure programs, \$21.3 billion for transit programs, and \$2.3 billion for traffic safety and motor carrier safety and operations programs.<sup>15</sup>

The Committee intends to oversee the implementation of *IJJA* to ensure that this substantial investment in the Nation's surface transportation network adds transportation options that improve mobility, including access to jobs and essential services in both urban and rural areas; promotes innovation; enhances safety; and continues the longstanding partnership between the Federal Government, states, and local governments with respect to surface transportation programs. Implementation of *IJJA* should be consistent with the law and Congressional intent. To ensure the efficient and effective use of taxpayer dollars, the Committee will also conduct extensive oversight to monitor the distribution of *IJJA* funds to ensure DOT complies with the statutory requirements during its grant processes and through its formula and competitive programs.

The Committee supports a bipartisan, long-term reauthorization of DOT surface transportation programs prior to the expiration of *IJJA*. The transportation needs of the United States demand a funding level sufficient to sustain and strengthen the Nation's surface

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<sup>12</sup> CONGRESSIONAL BUDGET OFF., *Jan. 2025 Base vs Jan. 2025 Base w/o Extrap*, (Feb. 6, 2025 4:28 p.m.), (on file with Comm.) [hereinafter *IJJA* Spending Projections].

<sup>13</sup> *Oversight of the Department of Transportation's Policies and Programs and Fiscal Year 2026 Budget Request: Hearing Before the Comm. on Transportation and Infrastructure*, 119th Cong. (July 16, 2025).

<sup>14</sup> *IJJA*, *supra* note 4.

<sup>15</sup> *Id.*

transportation network. The continuation of contract authority from the HTF to fund surface transportation programs is essential to provide predictable, long-term funding and to give states, transit agencies, and other stakeholders the ability to carry out important infrastructure improvements. The Federal investments in surface transportation infrastructure help improve Americans' quality of life and meet the needs of the Nation's economy. The Committee requests a reserve fund to accommodate the budgetary effects of legislation with provisions that make significant investments in our National infrastructure.

### **Highway Trust Fund**

Federal highway, highway safety, and mass transit programs are largely funded through the collection of user-fees in the form of Federal excise taxes on motor fuels and other highway related products, such as tires and commercial motor vehicles, that are deposited in the HTF. *IJA* authorized \$382.9 billion over five years from the HTF for Federal-aid highways, transit, and highway safety programs.<sup>16</sup> The Committee acknowledges that increased HTF spending coupled with stagnant fuel tax rates and declining gasoline tax revenues, among other factors, have contributed to the HTF's solvency issues. Increased fuel efficiency as well as the prevalence of electric vehicles (EVs), have reduced overall fuel consumption, driving down gasoline tax receipts. Several of the taxes deposited into the HTF will either expire or be significantly reduced in the years following the expiration of *IJA*.<sup>17</sup> The Committee supports efforts to ensure the long-term solvency of the HTF.

### **Aviation**

Much of the FAA's air traffic infrastructure is several decades old, which decreases efficiency and jeopardizes the reliability of critical navigation and surveillance services provided to aircraft operating in the National Airspace System (NAS). Challenges associated with the FAA's efforts to swiftly modernize ATC programs remain a serious concern for the Committee and pose a critical risk to the safety of the NAS if left unaddressed. *FAARA 2024* laid the foundation to expedite the modernization of the FAA's legacy ATC system and to improve the agency's air traffic management capabilities by requiring the agency to:

- Develop and implement a plan to accelerate the replacement of any legacy system identified as outdated, insufficient, unsafe, or unstable, and for the DOT Inspector General to review the agency's efforts;<sup>18</sup>
- Develop a list of unfunded facility and equipment needs that were not included in the President's budget;<sup>19</sup> and
- Operationalize key NextGen programs and capabilities, including terminal flight data management, data communications, and aeronautical information management systems

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<sup>16</sup> See DOT, *IJA, Authorized Funding FY 2022 to FY 2026*, available at [https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT\\_Infrastructure\\_Investment\\_and\\_Jobs\\_Act\\_Authorization\\_Table\\_%28IJA%29.pdf](https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IJA%29.pdf).

<sup>17</sup> *IJA*, *supra* note 4.

<sup>18</sup> *FAARA 2024*, *supra* note 2 at § 622.

<sup>19</sup> *Id.* at § 213.

with specific implementation deadlines,<sup>20</sup> as well as deploy airport surface surveillance and detection systems at all medium and large hub airports within five years.<sup>21</sup>

The FAA's Facilities and Equipment (F&E) account supports ATC facilities and other essential NAS infrastructure. Since FY 2018, the first year of the *FAA Reauthorization Act of 2018*, cumulative appropriations for F&E are \$3.3 billion less than the authorized levels.<sup>22</sup> Congress has held the F&E annual appropriation relatively flat at around \$3 billion annually for more than a decade, which has not kept up with inflation and is made worse by inadequate F&E budget requests spanning several Administrations.<sup>23</sup> *FAARA 2024* authorized nearly \$18 billion over five years for F&E, including more than \$3.6 billion for FY 2026. The Committee supports meeting or exceeding this authorized figure and is encouraged by the F&E levels in both the FAA's FY 2026 budget request and the House Appropriations Committee's *Fiscal Year 2026 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act*. In addition to annual appropriations, *IJA* appropriated \$5 billion in supplemental multiyear funding for the F&E account. According to the FAA, the majority of the funding provided to date has supported ATC tower improvements and replacement, power systems updates, radar systems replacement, enroute flight center upgrades, and weather and navigation systems improvements.<sup>24</sup>

On May 8, 2025, DOT Secretary Duffy released a plan for the FAA to build a new air traffic control system to improve the safety and efficiency of the NAS.<sup>25</sup> This plan proposes improvements to FAA communications, surveillance, automation, and facilities infrastructure through replacement of telecommunications infrastructure, radar systems, air traffic control towers, and terminal radar approach control facilities (TRACONs); deployment of runway safety and airport surface surveillance projects; construction of six new Air Route Traffic Control Centers (ARTCCs or en route centers); installation of new hardware and software, including new information display systems, for all air traffic facilities; and investments to carry out the Don Young Alaska Aviation Safety Initiative.<sup>26</sup>

*OBBA* appropriated \$12.52 billion for the FAA to modernize ATC facilities and equipment, which includes:

- \$4.75 billion for telecommunications infrastructure replacement,
- \$3 billion for radar systems replacement,
- \$2 billion for a new ARTCC and related realignment efforts,

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<sup>20</sup> *Id.* at § 206 and § 619.

<sup>21</sup> *Id.* at § 347.

<sup>22</sup> Compare 49 U.S. Code § 48101 to FAA, FY 2026 BUDGET ESTIMATES, (May 30, 2025), available at [https://www.transportation.gov/sites/dot.gov/files/2025-05/FAA\\_FY\\_2026\\_Budget\\_Estimates\\_CJ.pdf](https://www.transportation.gov/sites/dot.gov/files/2025-05/FAA_FY_2026_Budget_Estimates_CJ.pdf) (showing statutorily authorized levels of funding compared to actual appropriations over the previous eight fiscal years).

<sup>23</sup> NAT'L AIRSPACE SYSTEM SAFETY REVIEW TEAM, *Discussion and Recommendations To Address Risk in the National Airspace System*, (Nov. 2023), available at [https://www.faa.gov/NAS\\_safety\\_review\\_team\\_report.pdf](https://www.faa.gov/NAS_safety_review_team_report.pdf).

<sup>24</sup> FAA, *Infrastructure Investment and Jobs Act - Air Traffic Facilities*, (Feb. 11, 2025), available at <https://www.faa.gov/iija/air-traffic-facilities>.

<sup>25</sup> FAA, *Brand New Air Traffic Control System Plan*, (May 8, 2025), available at <https://www.transportation.gov/briefing-room/brand-new-air-traffic-control-system-plan> [hereinafter ATC Plan].

<sup>26</sup> *Id.*

- \$1 billion for TRACONs,
- \$500 million for runway safety and to carry out related requirements in *FAARA 2024*,
- \$350 million for unstaffed infrastructure,
- \$300 million for Enterprise Information Display Systems,
- \$300 million for completing NextGen and to carry out related requirements in *FAARA 2024*,
- \$100 million for air traffic controller advanced training technologies,
- \$80 million for weather observing systems,
- \$50 million for remote towers,
- \$40 million for the Don Young Alaksa Aviation Safety Initiative, and
- \$50 million for the Center for Advanced Aviation Technologies.<sup>27</sup>

While the *OBBBA* will help address years of underinvestment for FAA F&E activities, more investments are needed to build a modern aviation system. The Committee requests a reserve fund to accommodate the budgetary effects of legislation that includes provisions making significant and historic investments to modernize our Nation’s ATC system.

For several years, the FAA and the aviation industry reported a need for a right-sized and qualified FAA workforce commensurate with the Agency’s responsibilities. The pandemic exacerbated the historic challenges felt by the Agency’s Air Traffic Organization (ATO) to hire, train and retain controllers at a rate necessary to meet increased travel demand.<sup>28</sup> To address the controller workforce bottleneck in the aviation system, *FAARA 2024* directed the FAA to hire the maximum number of air traffic controllers from the agency’s training academy in Oklahoma City, implement a revised air traffic controller staffing model, as well as develop a plan to expand the academy’s capacity.<sup>29</sup> Relatedly, DOT Secretary Sean Duffy has announced several reforms aimed at “supercharging” the hiring of air traffic controllers. Among the Department’s efforts, the FAA will increase the starting salaries for candidates who attend the FAA’s ATC Academy by 30 percent. Additionally, the Administration modified the hiring process for controllers, which aims to expedite the hiring timeline by approximately four months.<sup>30</sup>

Furthermore, on May 1, 2025, Secretary Duffy announced the FAA will begin offering incentive packages to (1) keep experienced controllers from retiring, (2) provide new opportunities for veteran military controllers looking to transition into the civil side of air traffic control, and (3) expand the number of instructors at the FAA’s Air Traffic Control Academy in Oklahoma.<sup>31</sup> These reforms have garnered bipartisan support and align with the Congressional intent of section 437 of *FAARA 2024*.<sup>32</sup> Furthermore, the FAA continues to grow the Enhanced

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<sup>27</sup> *One Big Beautiful Bill Act*, Pub. L. No. 119-21.

<sup>28</sup> *Turbulence Ahead: Consequences of Delaying a Long-Term FAA Bill: Hearing Before the Subcomm. on Aviation of the H. Comm. On Transp. and Infrastructure*, 118th Cong., (Nov. 30, 2023) (statement of Rich Santa, President, National Air Traffic Controllers Association).

<sup>29</sup> *FAARA 2024*, *supra* note 2 at § 437 and § 439.

<sup>30</sup> Press Release, DEP’T OF TRANSP., *U.S. Transportation Secretary Sean P. Duffy Announces Air Traffic Control Hiring Supercharge at FAA Academy* (Feb. 27, 2025), available at <https://www.transportation.gov/briefing-room/us-transportation-secretary-sean-p-duffy-announces-air-traffic-controller-hiring>.

<sup>31</sup> *Id.*

<sup>32</sup> *FAARA 2024*, *supra* note 2 at § 411, 138 Stat. 1176.

Air Traffic Collegiate Training Initiative (AT-CTI), which now includes eight universities and colleges; established in February 2024, this program aims to expedite controller training by allowing eligible schools to provide a curriculum that is equivalent to the FAA Academy. The FAA projects to hire at least 2,000 controllers this year and has referred more than 8,320 candidates to take the Air Traffic Skills Assessment (ATSA).<sup>33</sup> The Committee supports funding to ensure that the ATO has sufficient resources to recruit, hire, and retain qualified air traffic controllers.

### **United States Coast Guard**

The United States Coast Guard (Coast Guard or Service) has endured chronic undercapitalization for decades, jeopardizing the Service's ability to carry out its maritime border security and national defense missions. Recognizing that many of its assets were nearing the end of their service lives or were technologically insufficient, in 2007, the Coast Guard approved a program of record to modernize its surface, air, information technology, and shoreside infrastructure, which has subsequently been updated.<sup>34</sup> Many of these assets were utilized well beyond their planned service life since funds to carry out the recapitalization were not forthcoming. The Coast Guard is more than 17 years into this recapitalization program and while significant progress has been made, heavy icebreakers and medium endurance cutters are aging out before they can be replaced. In addition, one of the Coast Guard's two rotary wing aircraft is aging out, and one of its medium-range fixed-wing aircraft is being retired.<sup>35</sup>

While the Coast Guard has successfully undertaken some of the steps outlined in its original recapitalization vision, such as the procurement and deployment of the Fast Response Cutter (FRC), programs such as the Offshore Patrol Cutters (OPC), Polar Security Cutters (PSC), rotary wing aircraft and shoreside infrastructure remain dangerously behind schedule due to inadequate funding requests and equally inadequate appropriations. These shortcomings have created serious capability gaps in the Service's ability to field the assets needed to fulfill its mission demands.<sup>36</sup> Additionally, the Coast Guard requires enhancements to its shoreside infrastructure to facilitate new assets and more complex mission sets. Currently, limitations in existing physical infrastructure have hindered newer platforms from utilizing the full scope of their capabilities. Moreover, due to years of underinvestment, the Coast Guards' shoreside infrastructure is in an advanced state of disrepair. GAO estimates that it will cost at least \$7 billion to address the Service's backlog of shoreside projects, with half of the Services' facilities beyond their intended service life.<sup>37</sup> The number is likely higher, as GAO's estimate does not

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<sup>33</sup> Press Release, FAA, *U.S. Transportation Secretary Sean P. Duffy Unveils New Package to Boost Air Traffic Controller Workforce* (May 1, 2025), available at <https://www.faa.gov/newsroom/us-transportation-secretary-sean-p-duffy-unveils-new-package-boost-air-traffic-controller>.

<sup>34</sup> U.S. GOV'T ACCOUNTABILITY OFF., GAO-17-654T, COAST GUARD RECAPITALIZATION: MATCHING NEEDS AND CONTINUED RESOURCES TO STRAIN ACQUISITION EFFORTS (2017), available at <https://www.gao.gov/assets/690/685201.pdf>.

<sup>35</sup> *Budget Hearing – Fiscal Year 2025 Request for United States Coast Guard: Hearing Before the Subcomm. on Homeland Security of the H. Comm. on Appropriations*, 118th Cong. (May 1, 2024) (statement of Admiral Fagan, United States Coast Guard).

<sup>36</sup> GAO, GAO-17-654T, COAST GUARD RECAPITALIZATION: MATCHING NEEDS AND CONTINUED RESOURCES TO STRAIN ACQUISITION EFFORTS (2017), available at <https://www.gao.gov/assets/690/685201.pdf>.

<sup>37</sup> GAO, GAO-25-107581, COAST GUARD SHORE INFRASTRUCTURE: MORE THAN \$7 BILLION REPORTEDLY NEEDED TO ADDRESS DETERIORATING ASSETS (Feb. 25, 2025).

include 234 projects for which the Coast Guard has not developed estimates. The Coast Guard notes that based on the Service's \$24 billion property portfolio, and accounting for the poor conditions of current property, the Service requires between \$500 million to \$1 billion annually to meet its shoreside investment needs.<sup>38</sup>

To address these capability gaps, *OBBA* appropriated \$24.59 billion for the Coast Guard to recapitalize assets and invest in shoreside infrastructure, which includes:

- \$1.14 billion for fixed wing aircraft,
- \$2.28 billion for rotary wing aircraft,
- \$266 million for long-range unmanned aircraft,
- \$4.3 billion for Offshore Patrol Cutters,
- \$1 billion for Fast Response Cutters,
- \$4.3 billion for Polar Security Cutters,
- \$3.5 billion for Arctic Security Cutters,
- \$816 million for light and medium icebreaking cutters,
- \$162 million for Waterways Commerce Cutters,
- \$4.38 billion for shoreside infrastructure, including \$500 million for a floating drydock for the Coast Guard Yard,
- \$2.2 billion for depot maintenance and facilities,
- \$170 million for maritime domain awareness, and
- \$75 million for autonomous maritime systems.<sup>39</sup>

Most recently, the House passed H.R. 4275, the *Coast Guard Authorization Act of 2025*, to authorize funding for the Coast Guard in fiscal years (FY) 2025 through FY 2029 to support Coast Guard operations, major acquisitions and capital investment efforts and to establish a Secretary of the Coast Guard.<sup>40</sup> The bill authorizes a growth of active-duty personnel for the Coast Guard to 50,000 for each of FYs 2025 and 2026, 55,000 for FY 2027 and 60,000 for each of FYs 2028 and 2029 following a demonstration of a sufficient Administration budget request to support that end strength level.<sup>41</sup> This legislation authorizes \$23.2 billion and \$18.5 billion over five years for Coast Guard operations and procurement, construction, and improvements (PC&I), respectively, to support the bill's authorization for end strengths and to address the Service's undercapitalization.<sup>42</sup> The Committee supports funding the Coast Guard at the authorization levels in H.R. 4275 and is concerned that proposed \$1.7 billion for PC&I in the Coast Guard's FY 2026 budget request would be insufficient to address the Service's capability gaps.

The Committee requests a reserve fund to accommodate the budgetary effects of legislation with provisions that allow the Coast Guard to retain and spend funds it currently collects; provide Members of the Coast Guard with parity to the members of other Armed

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<sup>38</sup> Questions for the Record from the Hon. Daniel Webster, Chairman, Subcomm. on Coast Guard and Maritime Transp. of the Comm. on Transp. and Infrastructure to Vice Admiral Paul Thomas, Deputy Commandant for Mission Support, United States Coast Guard (June 12, 2024).

<sup>39</sup> *OBBA*, *supra* note 27.

<sup>40</sup> *Coast Guard Authorization Act of 2025*, H.R. 4275, 119th Cong. (2025).

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*



Forces; allow the Coast Guard to jointly manage land with Indian tribes to meet treaty obligations; and enhance the use of certain properties to provide Coast Guard servicemembers with adequate health care and child care, homeports and facilities for Coast Guard cutters and aircraft, and for housing in remote areas where private sector housing is not adequate to accommodate Coast Guard servicemember needs.

### **Federal Railroad Administration (FRA)**

*IJA* authorized more than \$36 billion for Amtrak and rail infrastructure and safety programs through FY 2026.<sup>43</sup> It also appropriated \$66 billion over five years for similar programs.<sup>44</sup> The Committee plans to conduct oversight and review of actions taken by the FRA, freight railroads, Amtrak and other passenger railroads, and the Surface Transportation Board (STB). Specifically, the Committee will closely monitor implementation of the programs, grants, policies, and funding authorized in *IJA*, as well as other regulatory actions to ensure that funds are used responsibly and consistent with Congressional intent.

### **Pipeline Safety Programs**

The current authorization for PHMSA pipeline safety activities and programs lapsed on September 30, 2023, and has been operating under continuing authorities since then. During the 118<sup>th</sup> Congress, the Committee favorably reported the *Promoting Innovation in Pipeline Efficiency and Safety Act of 2023*” or the “*PIPES Act of 2023*,” which would have reauthorized the Pipeline and Hazardous Materials Safety Administration’s (PHMSA’s) pipeline safety program through FY 2027.<sup>45</sup> No further action was taken by the House during the 118<sup>th</sup> Congress. This program, which is funded primarily from fees levied on pipeline and underground natural gas storage facility operators and a contribution from the Oil Spill Liability Trust Fund, supports efforts to ensure the safety and reliability of pipelines in the United States. The Committee supports enactment of a bipartisan reauthorization of PHMSA’s pipeline safety program.

In addition to the program’s annual appropriations, *IJA* appropriated \$1 billion over five years to PHMSA for Natural Gas Distribution Infrastructure Safety and Modernization Grants, which the Committee will closely monitor.<sup>46</sup>

### **Water Infrastructure**

The Clean Water State Revolving Fund (CWSRF) program is the primary source of Federal financial assistance for clean water infrastructure projects.<sup>47</sup> The program was established to provide grants to capitalize state revolving loan funds and functions as a partnership between states and the Environmental Protection Agency (EPA), embodying the

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<sup>43</sup> *IJA*, *supra* note 4.

<sup>44</sup> *Id.*

<sup>45</sup> *Promoting Innovation in Pipeline Efficiency and Safety Act of 2023*, H.R. 6494, 118th Cong., (2023).

<sup>46</sup> *IJA*, *supra* note 4.

<sup>47</sup> JONATHAN L. RAMSEUR, CONG. RSCH. SERV., (R46471), FEDERALLY SUPPORTED PROJECTS FOR WASTEWATER, DRINKING WATER, AND WATER SUPPLY INFRASTRUCTURE, (updated Aug. 1, 2024), *available at* <https://www.crs.gov/Reports/R46471>, [hereinafter CRS Report R46471].

*CWA's* central tenet of cooperative Federalism.<sup>48</sup> Since the program was established, Congress has provided more than \$52 billion in Federal capitalization assistance to the states.<sup>49</sup> In turn, this infusion of Federal funding has leveraged over \$172 billion in direct assistance to communities through 48,900 agreements.<sup>50</sup> Most recently, *IJA* authorized \$14.65 billion over five years through FY 2026 and also appropriated \$11.7 billion in supplemental funding for the CWSRF, plus an additional \$1 billion for the CWSRF for emerging contaminants.<sup>51</sup> The Committee acknowledges the benefits this program provides to states and communities, and supports its reauthorization.

In 2014, the *Water Resources Reform and Development Act of 2014 (WRRDA)* authorized the *Water Infrastructure Finance and Innovation Act (WIFIA)* to promote the development of and private investment in water infrastructure projects.<sup>52</sup> *WIFIA* authorizes the EPA and United States Army Corps of Engineers (Corps) to provide credit assistance, in the form of direct loans and loan guarantees, for non-Federal water infrastructure projects.<sup>53</sup> The Corps' program is known as the Corps Water Infrastructure Financing Program (CWIFP), and the EPA credit assistance program is referred to as the *WIFIA* program.<sup>54</sup> Most recently, *IJA* reauthorized the *WIFIA* program (not including CWIFP) at \$50 million through FY 2026.<sup>55</sup> Since FY 2017, Congress has provided \$450.6 million to support credit assistance and \$57.2 million to support program administration.<sup>56</sup> Congress has enacted a total of \$110 million, to date, for the CWIFP program.<sup>57</sup>

Despite sharing the same authorizing statute and program requirements, the *WIFIA* program at EPA and CWIFP have developed at dramatically different paces. For example, EPA reports that the *WIFIA* program has closed 140 loans, totaling \$22 billion in credit assistance.<sup>58</sup> On the other hand, CWIFP has not issued its first loan.<sup>59</sup> These discrepancies are due to a variety of factors, including the availability of appropriations, restrictive appropriations language for CWIFP, as well as additional restrictions imposed by OMB. The Corps published a final CWIFP implementation rule in 2023 that incorporates OMB criteria, which designate projects authorized

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<sup>48</sup> See generally *Clean Water Infrastructure Financing: Hearing Before the H. Comm. on Transp. and Infrastructure*, 118th Cong. (Sept. 28, 2023) (statement of Todd Swingle, Chief Executive Officer and Executive Director, Toho Water Authority).

<sup>49</sup> EPA, *About the Clean Water State Revolving Funds (CWSRF)* (Oct. 2024), available at <https://www.epa.gov/cwsrf/about-clean-water-state-revolving-fund-cwsrf>.

<sup>50</sup> *Id.*

<sup>51</sup> *IJA*, *supra* note 4.

<sup>52</sup> 33 U.S.C. §§ 3901-3914.

<sup>53</sup> CRS Report R46471, *supra* note 47.

<sup>54</sup> *Id.*

<sup>55</sup> *IJA*, *supra* note 4.

<sup>56</sup> NICOLE T. CARTER & ELENA H. HUMPHREYS, CONG. RSCH. SERV. CORPS WATER INFRASTRUCTURE FINANCING PROGRAM: BACKGROUND AND RESPONSES TO SPECIFIC QUESTIONS, (Nov. 2024) (on file with Comm.) [hereinafter CRS Memo].

<sup>57</sup> *Id.*

<sup>58</sup> EPA, *WIFIA Closed Loans* (last updated Feb. 2025), available at <https://www.epa.gov/wifia/wifia-closed-loans>.

<sup>59</sup> CRS Memo, *supra* note 56.

by Congress and constructed by the Corps or Bureau of Reclamation as Federal assets, thereby disqualifying the projects from *WIFIA* financing.<sup>60</sup>

The Committee supports reauthorization of the CWSRF, *WIFIA*, and CWIFP programs, and requests a reserve fund to accommodate the budgetary effects for programs that provide Federal financial assistance for clean water infrastructure projects. The Committee also requests assistance from the Budget Committee in working to address certain OMB limitations on the CWIFP program.

### **Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)**

*CERCLA*, administered by the EPA, is the Federal Government's principal law for addressing the cleanup of sites contaminated with hazardous substances, pollutants, or contaminants, through immediate removal or long-term remedial actions.<sup>61</sup> Commonly referred to as "Superfund," *CERCLA* establishes a framework for the EPA to seek out and compel potentially responsible parties (PRPs) to clean up contaminated sites or recover cleanup costs from PRPs.<sup>62</sup> *CERCLA* also established the Hazardous Substance Superfund Trust Fund to pay for the cleanup of sites where the PRPs cannot be found or cannot pay.<sup>63</sup>

Brownfields are properties that are typically abandoned, underutilized, or idled with either known or suspected contamination, and the possibility of contamination is often a deterrent for many prospective investors and developers because of potential *CERCLA* liability.<sup>64</sup>

In 2002, the *Small Business Liability Relief and Brownfields Revitalization Act* (P.L. 107-118) amended *CERCLA* to provide explicit statutory authority for the EPA to provide Federal grants to assist in the cleanup of brownfields properties. It also established new – and clarified existing – targeted *CERCLA* liability protections. In 2018, Congress further amended the program through the *Brownfields Utilization, Investment, and Local Development (BUILD) Act*, enacted as Division N of the *Consolidated Appropriations Act, 2018*.<sup>65</sup> The *BUILD Act* reauthorized the Brownfields program through FY 2023 and made several changes to the

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<sup>60</sup> See Credit Assistance and Related Fees for Water Resources Infrastructure Projects, 88 Fed. Reg. 32661, May 22, 2023; see also Water Infrastructure Finance and Innovation Act Program (WIFIA) Criteria Pursuant to the Further Consolidated Appropriations Act, 2020, 85 Fed. Reg. 39189 (June 30, 2020).

<sup>61</sup> DAVID M. BEARDEN, CONG. RSCH SERV. (R41039), COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT: A SUMMARY OF SUPERFUND CLEANUP AUTHORITIES AND RELATED PROVISIONS OF THE ACT, (June 14, 2012), available at <https://www.crs.gov/reports/pdf/R41039/R41039.pdf>. [Hereinafter CRS REPORT R41039].

<sup>62</sup> *Id.*

<sup>63</sup> Lance N. Larson, Cong. Rsch Serv. (R48630), Federal Environmental Remediation Under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), a.k.a. "the Superfund Law", (August 14, 2025), available at <https://www.crs.gov/reports/pdf/R48630/R48630.pdf>. A combination of special taxes on industry and general taxpayer revenues originally financed the Superfund Trust Fund, but the authority to collect the industry taxes expired on December 31, 1995. Over time, Congress increased the contribution of general revenues to make up for the shortfall from the expired industry taxes. Congress reinstated two "Superfund" taxes in 2021 in P.L. 117-58, the Infrastructure Investment and Jobs Act, and P.L. 117-169, commonly referred to as the Inflation Reduction Act, and other monies continue to contribute some revenues (i.e., cost recoveries from PRPs, fines and penalties for violations of cleanup requirements, and interest on the trust fund balance).

<sup>64</sup> *Id.*

<sup>65</sup> *Consolidated Appropriations Act, 2018*, Pub. Law No. 115-141.

program, including increasing certain per-project funding limits, providing new granting authorities, and modifying the definition of a “bona fide prospective purchaser.”<sup>66</sup> In 2021, *IIJA* appropriated \$1.5 billion over five years for the program.<sup>67</sup>

Brownfield sites drive down property values, provide little or no tax revenue to the local community, and contribute to community blight.<sup>68</sup> EPA reports that an estimated 450,000 to one million brownfields sites exist within the United States.<sup>69</sup> The EPA Brownfields Program aims to support states, Tribal Nations, local communities, and other stakeholders in their efforts to prevent, assess, remediate and reuse brownfield sites.<sup>70</sup> The Committee supports a bipartisan reauthorization of this program because the cleanup and redevelopment of these abandoned sites and blighted properties can increase local tax bases, promote economic development, revitalize neighborhoods, and facilitate job growth in communities across the Nation.<sup>71</sup>

### **United States Army Corps of Engineers (Civil Works)**

The Corps’ primary civil works responsibilities are to support navigation, flood risk management, and aquatic ecosystem restoration.<sup>72</sup> The Corps also provides outdoor recreation opportunities, offers water supply and conservation to state and local partners, assists in emergency response, and is a leading producer of hydropower in the United States.<sup>73</sup> Many Corps projects are multipurpose, incorporating navigation, flood risk management, and/or ecosystem restoration in conjunction with water supply and conservation, recreation, and/or hydropower into their design, construction, and operation. To achieve its civil works mission, the Corps plans, designs, and constructs water resources development projects, typically in partnership with, and utilizing the cost-shared, financial support of, non-Federal interests.

Congress generally authorizes Corps’ studies, projects, and programs and makes changes to agency policies through legislation referred to as *Water Resources Development Acts* (*WRDAs*). Congress has developed and enacted *WRDAs* intermittently since the 1980s and has biennially enacted a *WRDA* since 2014. Most recently, *WRDA 2024* was signed into law as Division A of the *Thomas R. Carper Water Resources Development Act of 2024* (P.L. 118-272) in January 2025, and the Committee supports funding at the levels authorized.<sup>74</sup> The Committee will carefully review the Corps’ implementation of provisions of prior *WRDAs*, including *WRDA 2024*, such as those intended to improve the efficiency of the project planning and project delivery process, and those that address opportunities for water supply, water conservation measures, and drought resiliency efforts at and in the operation of water resources development projects. The Committee will also begin the process of developing a bipartisan *WRDA 2026*.

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<sup>66</sup> *Id.*

<sup>67</sup> *IIJA*, *supra* note 4.

<sup>68</sup> EPA, *What is a Brownfield?*, available at [bf-101.1-with-voiceover-what-are-brownfields.pptx](https://www.epa.gov/brownfields/about).

<sup>69</sup> See, EPA, *Brownfields – About*, available at <https://www.epa.gov/brownfields/about>.

<sup>70</sup> *Id.*

<sup>71</sup> *Id.*

<sup>72</sup> ANNA NORMAND & NICOLE CARTER, CONG. RSCH. SERV. (IF113322), WATER RESOURCES DEVELOPMENT ACTS: PRIMER AND ACTION IN THE 118<sup>TH</sup> CONGRESS, (Updated Jan. 14, 2025), available at <https://www.crs.gov/Reports/IF113322>.

<sup>73</sup> *Id.*

<sup>74</sup> *WRDA 2024*, Pub. L. 118-272, 138 Stat. 2996.

## **Federal Emergency Management Agency**

The Federal Emergency Management Agency (FEMA) supports state, local, tribal, and territorial governments and manages and coordinates the Federal response to, and recovery from, major domestic disasters and emergencies of all types, in accordance with the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (*Stafford Act*; P.L. 93-288, as amended).<sup>75</sup> FEMA is tasked with preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or manmade.<sup>76</sup> FEMA draws from the Disaster Relief Fund (DRF) to fund response and recovery efforts.<sup>77</sup> The Committee is concerned about the balance of the DRF, and will conduct oversight over these funds and evaluate the needs and authorities of FEMA.

The Committee intends to advance bipartisan legislation that would streamline disaster response and recovery efforts, including through H.R. 4669, the *Fixing Emergency Management for Americans (FEMA) Act of 2025*.<sup>78</sup> The *FEMA Act of 2025* streamlines disaster response and recovery while making several notable reforms. Specifically, the bill restores FEMA's original status as an independent agency, reporting directly to the President and overseen by its own inspector general.<sup>79</sup> The bill rewards effective state and local preparedness, protects taxpayers, cuts red tape, and ensures that disaster relief efforts are fast, fair, and free from political bias.<sup>80</sup>

The Committee remains concerned about CBO's scoring of legislative items intended to reduce regulatory burdens and ensure disaster victims receive the help they need and will continue working with the Budget Committee on this issue.

The Committee will continue to offer assistance and guidance to Members whose districts have been impacted by disasters.

## **General Services Administration**

GSA faces significant challenges due to an aging inventory, insufficient funding from the Federal Buildings Fund (FBF), increased maintenance costs, and difficulties disposing of excess property.<sup>81</sup> The Committee recognizes these challenges and will continue to examine GSA's management of its maintenance portfolio and whether GSA is sufficiently prioritizing maintenance requests.

The Committee is concerned that GSA has generally not had full access to the annual revenues and collections in the FBF since 2011, when appropriators began using the FBF to offset other unrelated spending in the Financial Services and General Government appropriations

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<sup>75</sup> *Stafford Act*, Pub. L. No. 93-288, as amended, 88 Stat. 143.

<sup>76</sup> *Id.*

<sup>77</sup> FEMA, DISASTER RELIEF FUND: MONTHLY REPORTS, (last updated Aug. 12, 2025), available at <https://www.fema.gov/about/reports-and-data/disaster-relief-fund-monthly-reports>.

<sup>78</sup> *Fixing Emergency Management for Americans (FEMA) Act of 2025*, H.R. 4669, 119th Cong., (2025).

<sup>79</sup> *Id.*

<sup>80</sup> *Id.*

<sup>81</sup> *Id.*

bill.<sup>82</sup> Rental receipts in the FBF have been constrained by more than \$14.9 billion over the last 15 years due to this funding limitation mechanism.<sup>83</sup> As a result, GSA has been unable to properly maintain and reinvest in its Federally owned inventory and address its growing backlog of deferred maintenance. GSA reports approximately \$6.1 billion in estimated costs of deferred maintenance and repairs for its building inventory as of the end of FY 2024.<sup>84</sup> According to GSA, deferred maintenance has grown at an average annual rate of 27 percent over the last five years, and if this rate continues combined with insufficient annual appropriations, the deferred maintenance backlog could exceed \$20 billion within five years.<sup>85</sup> Continued deterioration and limited funds to either purchase, repair or construct buildings is unsustainable, increases costs to the taxpayer, and deters GSA and its tenant agencies from acting strategically to reduce Federal real estate costs.<sup>86</sup>

The Committee believes that all funds paid into the FBF in a given fiscal year should be made available for GSA to fully utilize and effectively manage our Federal real estate. The Committee requests a budget enforcement mechanism in the FY 2026 budget resolution that would restrict use of the FBF to offset non-GSA spending in appropriations legislation.

At the request of the Committee, GAO conducted a study on office space utilization rates across the 24 Chief Financial Officer (CFO) agency headquarters to better understand how the Federal government is utilizing its real estate portfolio.<sup>87</sup> GAO found that on average, 17 of the 24 CFO agency headquarters were at 25 percent or less utilization.<sup>88</sup> Last Congress, Title III of the *Thomas R. Carper Water Resources Development Act (WRDA) of 2024* introduced new authorities to improve the management of Federal real estate.<sup>89</sup> The *Utilizing Space Efficiency and Improving Technologies (USE IT) Act of 2023* mandates GSA and the Office of Management and Budget (OMB) establish standardized methods for measuring office occupancy across Federal agencies.<sup>90</sup> The Act directs Federal agencies to consolidate, repurpose, or sell underused office space to increase operational efficiency and reduce real estate costs. The *Federal Use It or Lose It Leases (FULL) Act* requires GSA and tenant agencies to annually report their office space utilization rates to Congress.<sup>91</sup> Under the *FULL Act*, if an agency's utilization rate falls below the 60 percent threshold for six months out of a year, the tenant agency would be required to return that underused space to GSA.<sup>92</sup> This provision creates an incentive for agencies to actively manage their real estate holdings and reduce the financial

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<sup>82</sup> GSA, FBF, FY 2026 CONG. JUSTIFICATION, (2023), available at <https://www.gsa.gov/reference/reports/budget-and-performance/annual-budget-requests>.

<sup>83</sup> *Id.*

<sup>84</sup> *Id.*

<sup>85</sup> *Id.*

<sup>86</sup> *GSA Tenant Agencies: Challenges and Opportunities in Reducing Costs of Leased Space*, Hearing before the Subcomm. on Econ. Dev., Pub. Buildings, and Emergency Mgmt. of the H. Comm. on Transp. and Infrastructure, 113th Cong. (2014), available at <https://www.govinfo.gov/content/pkg/CHRG-114hhrg20638/html/CHRG-114hhrg20638.htm>.

<sup>87</sup> Letter from Peter DeFazio, Chairman, H. Comm. on Transp. and Infrastructure, et. al. to Gene Dodaro, Comptroller General, GAO, (Nov. 10, 2021) (on file with Comm.).

<sup>88</sup> Briefing from Staff, GAO, to Staff, H. Comm. on Transp. and Infrastructure (June 26, 2023, 11:00 am EST).

<sup>89</sup> *WRDA*, Pub. L. No. 118-272.

<sup>90</sup> *Id.*

<sup>91</sup> *Id.*

<sup>92</sup> *Id.*

burden of maintaining vacant or underutilized property. The Committee supports both bills and for the FY 2026 budget resolution to accommodate implementation.

Additionally, the Committee will continue oversight of the Public Buildings Reform Board created by the *Federal Assets Sale and Transfer Act of 2016* (P.L. 114-287), which is charged with developing recommendations for the sale or redevelopment of high value real estate assets. The Committee will continue to examine current space utilization and work to reduce real estate costs, thereby saving taxpayer dollars. The Committee will also evaluate alternative solutions to leverage private investment in capital projects, including public private partnerships, to reduce the costs to the American taxpayer, ensure buildings are properly maintained, and address problems with deferred maintenance.

### **Conclusion**

This report was circulated to all Members of the Committee for their review and comment and was approved in a Full Committee meeting on [DATE]. While the report reflects a bipartisan effort, the Committee wishes to emphasize that not all Members of the Committee necessarily agree with every aspect of the report. Accordingly, the Committee reserves flexibility to determine program needs and recognizes the potential for funding changes as the Committee and Congress work their will through the legislative process. The Committee looks forward to working with the Committee on the Budget in its preparation of the FY 2026 budget resolution.