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April 30, 2025

The Honorable Sam Graves Chairman House Transportation & Infrastructure Committee Washington, DC 20515 The Honorable Rick Larsen Ranking Member House Transportation & Infrastructure Committee Washington, DC 20515

Dear Chairman Graves and Ranking Member Larsen:

The U.S. Chamber of Commerce ("Chamber") commends your leadership in developing legislation to reauthorize the surface transportation and infrastructure programs. We appreciate the opportunity to submit these comments for the Transportation and Infrastructure Committee's (the "Committee") consideration.

The next surface transportation and infrastructure reauthorization bill provides a unique opportunity to target investments that overcome numerous challenges facing millions of American families and businesses, including improving the competitiveness of U.S. workers through supply chain efficiencies, reducing traffic congestion, and enhancing the safety and convenience of motorists and commuters. At the same time, this legislation provides an important platform to advance permitting reform and restore the user fee as the cornerstone of surface transportation funding.

New and innovative technologies are playing an important role in helping to address priorities across the transportation spectrum, including the identification of top-performing infrastructure solutions, advanced engineering and design, and predicative modeling. At the same time, infrastructure is playing an important role in our national and economic security. The business community depends on infrastructure investments to be reliable long-term, in the face of growing and shifting freight flows, resilience in the face of flood and other vulnerabilities, and unexpected disruptions. The stakes are high. As the American Society of Civil Engineers warns, failure to address these challenges "could lead to a \$10 trillion loss in GDP and a decline of over \$23 trillion in total output, costing American households, on average, more than \$3,300 per year in disposable income."

<sup>&</sup>lt;sup>1</sup> American Society of Civil Engineers, *"Failure to Act: Economic Impacts of Status Quo Investment Across Infrastructure Systems"*, 2021.



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# Therefore, to respond to these challenges and opportunities, we urge the Committee to prioritize policies that:

- Focus investment on infrastructure and policies that strengthen American global competitiveness;
- Cut red tape and modernize regulatory requirements;
- Advance transportation safety, resilience, and reliability; and
- Provide stable funding solutions for long-term investment.

Below, we describe in greater detail our core priorities to build and maintain a world-class, safe and efficient transportation infrastructure system in the United States.

# Focus Investment on Infrastructure and Policies that Strengthen America's Global Economic Competitiveness

Our country's networks of roads, bridges, railroads, transit systems, and ports are a fundamental component to our economy and global competitiveness. In 2023, logistics costs represented 8.7% of GDP.<sup>2</sup> New infrastructure investments must encompass the totality of our transportation network—from the National Highway System through critical freight corridors—to create a world-class supply chain and transportation system to fuel our economy.

The Committee should examine the Department of Transportation's ("DOT") discretionary grant programs with an eye towards advancing the following objectives: (1) streamline the application process prospectively through requiring the DOT to maintain a standard application that can be applied against many grant programs; (2) eliminate overlap and duplication, where appropriate, across grant programs; and (3) continue to address well-understood challenge areas, focusing on improving the systems that serve crucial industries and national goals. For example, through the first three years of implementing the Infrastructure Investment and Jobs Act ("IIJA"), targeted federal investments improved 9 out of 10 of the nation's worst freight bottlenecks, cutting delays and fueling commerce.<sup>3</sup> The Committee should expand that concept and apply it towards regions that expect to host critical manufacturing capacity and significant investments—such as data centers, semiconductor manufacturing, and the defense industrial base—in the coming years.

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<sup>&</sup>lt;sup>2</sup> Council of Supply Chain Management Professionals, "2024 State of Logistics Report".

<sup>&</sup>lt;sup>3</sup> American Road and Transportation Builders Association, "*Status of Federal-Aid Highway Investments*" available at <a href="https://www.artba.org/market-intelligence/highway-dashboard-iija/">https://www.artba.org/market-intelligence/highway-dashboard-iija/</a>.



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Construction, design, and maintenance work performed on transportation projects creates and supports 4.4 million jobs.<sup>4</sup> The Federal Highway Administration estimates that every \$1 billion in highway and bridge infrastructure investment supports at least 13,000 jobs while rail infrastructure supports 24,000 jobs throughout the U.S. economy.<sup>5</sup> But many occupations in the sector will face labor shortages of nearly 1.1 million workers without training and other workforce investments to skill workers.<sup>6</sup> Already, state and local governments are expressing challenges of holding onto current infrastructure workers, let alone finding more to join the sector.<sup>7</sup> To deliver on infrastructure investment, the Committee must bolster workforce training programs that support the next generation of American workers in industries including construction, engineering, logistics, trucking, and advanced manufacturing. Broad, regional sector-based partnerships and more flexible and accessible pathways to jobs in the sector will be needed to maximize taxpayer investments in infrastructure funding.

#### Cut Red Tape and Modernize Regulatory Requirements

A significant challenge to delivering new – as well as improving existing – infrastructure is the federal permitting process. Indeed, this topic continues to be a top concern for our members. We urge the Committee to build upon recent bipartisan progress in both the Fiscal Responsibility Act and the Federal Aviation Administration Reauthorization Act of 2024 to remove bureaucratic barriers to building roads and bridges, and other important infrastructure, and to include meaningful permitting reform in the surface transportation and infrastructure reauthorization bill. Otherwise, the Committee should expect continuing delays in implementing critical new projects that benefit communities and businesses. The lessons learned from the rapid implementation of emergency response projects like the I-95 project in Philadelphia and Baltimore's Francis Scott Key Bridge provide valuable opportunities to identify areas to streamline processes and improve collaboration and transparency with all impacted stakeholders that help deliver results while properly balancing environmental considerations.

<sup>4</sup> American Road and Transportation Builders Association, "*America's Infrastructure At-A-Glance*" available at <a href="https://transpoinfo.org/">https://transpoinfo.org/</a>.

<sup>6</sup> National Skills Coalition, "Unprecedented Opportunity: Meeting the Workforce Demands of New Clean Energy, Manufacturing, and Infrastructure Investments", June 2024.

<sup>&</sup>lt;sup>5</sup> Ibid.

<sup>&</sup>lt;sup>7</sup> The Brookings Institution, *"The incredible shrinking infrastructure workforce — and what to do about it" available at* <a href="https://www.brookings.edu/articles/the-incredible-shrinking-infrastructure-workforce-and-what-to-do-about-it/">https://www.brookings.edu/articles/the-incredible-shrinking-infrastructure-workforce-and-what-to-do-about-it/</a>.



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The Committee should rationalize preferences for the use of domestically produced infrastructure materials in building our national infrastructure and technologies. It is crucial that the Build America, Buy America Act ("BABA") requirements are not applied in a way that significantly increases costs or delays needed infrastructure projects. Although the U.S. business community prefers to source materials used in constructing and producing infrastructure assets domestically, and while we commend efforts to reestablish strategically important manufacturing capabilities in America, the reality is that many of these materials are no longer produced here in quantities sufficient to meet demand. The Committee should review and streamline the existing BABA waiver process across agencies to improve efficiency and transparency, while ensuring that procurement requirements do not hinder the effective execution of projects.

Additionally, recent measures have been issued by the administration and introduced by the Senate to better integrate technology into the federal environmental permitting process. The President's Executive Order on "Updating Permitting Technology for the 21st Century" and introduction of Senator Lummis and Senator Kelly's bipartisan Interactive Federal Review Act support a more comprehensive integration of technology that can speed up the delivery of transportation infrastructure. We encourage the Committee to also adopt these measures into reauthorization legislation, which will save time, cut costs, and deliver safer and more efficient projects across the country.

Facilitating connectivity is important to modernize our transportation infrastructure. The Committee should incentivize the deployment of new technologies, digital infrastructure, and applications that promise to improve safety, efficiency, and mobility in part by updating the DOT's regulatory framework and streamlining agency decision-making.<sup>9</sup> This can enable safer, more efficient freight movements, reduce congestion for American families, and promote data systems that leverage real-time information and analytics to predict and prevent accidents. It can also advance modern technology solutions—like smart traffic lights, data-enhanced transportation planning, all-electronic tolling conversion, or V2X which will assist in

<sup>&</sup>lt;sup>8</sup> U.S. Chamber of Commerce comments to the Office of Management and Budget, March 2023 available at <a href="https://www.uschamber.com/assets/documents/20230310">https://www.uschamber.com/assets/documents/20230310</a> OMBguidance BABA IIJA.pdf.

<sup>&</sup>lt;sup>9</sup> The Brookings Institution, "*Modernizing government's approach to transportation and land use data: Challenges and opportunities*" available at <a href="https://www.brookings.edu/articles/modernizing-approach-to-data/">https://www.brookings.edu/articles/modernizing-approach-to-data/</a>.



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the deployment of automated vehicle technology—that enhance efficiency and improve the safety of the transportation system.

The Committee should also direct the DOT to establish a council of industry professionals, senior federal, state, and local officials to fast-track exemption requests for emerging technologies with infrastructure applications. For example, the Vehicle to Infrastructure Deployment Coalition, prompted by DOT in 2018, brought together industry and transportation professionals to guide connected vehicle and infrastructure deployments. Aligning technology integration with policies and regulations, assisting with locally tailored solutions, bolstering education campaigns, and fostering greater commercialization of technologies across the country. This public-private collaboration can help accelerate decision-making around emerging technologies that will benefit the nation's mobility, freight movements, and economic growth.

Further, the Committee should adopt a single federal approach to regulate the safety of automated vehicles that maintains vehicle safety and provides regulatory certainty for innovators. The Committee should support policies that safely integrate automated passenger and freight into our nation's transportation system. This includes directing the Federal Motor Carrier Safety Administration and collaborating with other committees of jurisdiction to ensure the National Highway Traffic Safety Administration modernizes its respective safety regulations.

### Advance Transportation Safety, Resilience, and Reliability

Infrastructure investments must build a safer and more efficient system that benefits our communities, businesses, and the economy. The Committee must prioritize proven safety programs that save lives, reduce injuries, and improve infrastructure. This includes reauthorizing funding that focuses on making our roadways safer for vehicles, pedestrians, and cyclists and the Highway Safety Improvement Program ("HSIP") that can help improve visibility, reduce roadway departure crashes, and enable data-driven assessments that mitigate future incidents. We need to continue to make these safety improvements across our communities, from urban to rural.

<sup>&</sup>lt;sup>10</sup> National Operations Center of Excellence, *"Vehicle to Infrastructure Deployment Coalition"* available at <a href="https://www.transportationops.org/V2I/V2I-overview">https://www.transportationops.org/V2I/V2I-overview</a>.



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The Chamber supports building smart, modern, resilient infrastructure to prevent risks to public safety and the economy. A recent report by the Chamber, together with the U.S. Chamber of Commerce Foundation and Allstate, states that for every \$1 invested in resilience of our infrastructure, communities across the country receive \$13 in post-disaster in reduced losses and economic savings. DOT's "Promoting Resilience Operations for Transformative Efficient, and Cost-Saving Protection ("PROTECT") program has made important strides in helping communities strengthen their infrastructure and protect municipalities from even larger cost needs arising from weather-related or other disasters. The Committee must reinvest meaningful funding to ensure the outcomes from this program.

The Committee must also improve highway safety by addressing the truck parking shortage that jeopardizes the well-being of all motorists on our nation's busiest roads. The trucking industry moved 72.7% of the nation's tonnage carried by all modes of domestic freight transportation, including manufactured and retail goods—making it enormously important to all Americans. According to the American Transportation Research Institute, truck parking is a critical issue identified by more than half of state departments of transportation, and the top concern among truck drivers. We support H.R.1659, the Truck Parking Safety Improvement Act (Reps. Bost and Craig) which would provide funding to expand and improve truck parking facilities, enhancing safety for drivers and increasing the resilience of America's supply chain.

Cargo theft is currently at a 10-year high.<sup>14</sup> According to CargoNet, theft increased 27% from 2023 to 2024, with each quarter surpassing the prior quarter's record.<sup>15</sup> The Chamber urges the Committee to strengthen federal law enforcement efforts against organized criminal activity threatening supply chains. We support increasing legal tools for law enforcement officials, including bipartisan measures like

<sup>&</sup>lt;sup>11</sup> U.S. Chamber of Commerce *"2024 Climate Resiliency Report"*, available at https://www.uschamber.com/security/the-preparedness-payoff-the-economic-benefits-of-investing-inclimate-resilience.

<sup>&</sup>lt;sup>12</sup> American Trucking Association, <a href="https://www.trucking.org/news-insights/ata-truck-tonnage-index-declined-15-march">https://www.trucking.org/news-insights/ata-truck-tonnage-index-declined-15-march</a>.

<sup>&</sup>lt;sup>13</sup> American Transportation Research Institute, *"Expanding Truck Parking at Public Rest Areas"*, April 2025.

<sup>&</sup>lt;sup>14</sup> Transportation Intermediaries Association, *Framework to Combat Fraud*, April 2024 available at <a href="https://member.tianet.org/common/Uploaded%20files/MemberResourceLibrary/GuidelinesAndFrameworks/2024-TIA-Framework-to-Combat-Fraud-20240408-2.pdf">https://member.tianet.org/common/Uploaded%20files/MemberResourceLibrary/GuidelinesAndFrameworks/2024-TIA-Framework-to-Combat-Fraud-20240408-2.pdf</a>.

<sup>&</sup>lt;sup>15</sup> CargoNet, "2024 Supply Chain Risk Trends Analysis" available at <a href="https://www.cargonet.com/news-and-events/cargonet-in-the-media/2024-theft-trends/">https://www.cargonet.com/news-and-events/cargonet-in-the-media/2024-theft-trends/</a>.



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H.R. 880, the Household Goods Shipping Consumer Protection Act—which passed out of Committee in the 118th Congress—and H.R. 2853, the Combatting Organized Retail Crime Act. These bills expand legal tools, strengthen consumer protections, and enhance federal agency coordination to build trust, safety, and resilience in logistics systems.

Critical investments for our nation's ports and waterways must improve our maritime safety and global trade efficiency. Ports support \$2.89 trillion in GDP and more than 21.8 million jobs. While recent federal funding levels have nearly doubled for port investment, they are highly vulnerable to weather-related events, and we depend on them to be nimble in times of economic uncertainty. The Committee must sustain funding for our ports to address outdated infrastructure and the maintenance backlogs. At the same time, ports must be equipped with resources to incorporate innovation and adoption of new technologies and improve freight and landside connections to increase efficiency and resilience. America's maritime transportation system is a strategic advantage for small and large businesses across our country; however, these advantages can only be realized with appropriate investment.

The Committee must also invest in railroad programs that eliminate congestion, improve supply chain fluidity, and enhance safety. These programs include the Section 130 Rail-Highway Crossings Program, which has decreased fatalities by 41% at at-grade railway-highway crossings,<sup>17</sup> and the Railroad Crossing Elimination Grant program, which provides \$3 billion over five years to enhance rail safety, efficiency, and connectivity across 41 states.<sup>18</sup> The Committee should increase funding for these programs while also focusing on modernizing rail infrastructure, introducing safety technologies, and creating a regulatory and financing environment that grows private rail investment.

#### Implement Stable Funding Solutions for Long-Term Investment

Historically, the Highway Trust Fund ("HTF") was a self-sustaining and fiscally responsible means for the federal government to support important surface transportation projects championed by State and local governments. Most of the

<sup>&</sup>lt;sup>16</sup> American Society of Civil Engineers, "2025 Report Card for America's Infrastructure" available at <a href="https://infrastructurereportcard.org/wp-content/uploads/2025/03/Full-Report-2025-Natl-IRC-WEB.pdf">https://infrastructurereportcard.org/wp-content/uploads/2025/03/Full-Report-2025-Natl-IRC-WEB.pdf</a>.

<sup>17</sup> U.S. Department of Transportation, Pailway Highway Crossing Program Overview evallable at

<sup>&</sup>lt;sup>17</sup> U.S. Department of Transportation, *Railway Highway Crossing Program Overview* available at <a href="https://highways.dot.gov/safety/hsip/xings/railway-highway-crossing-program-overview">https://highways.dot.gov/safety/hsip/xings/railway-highway-crossing-program-overview</a>.

<sup>&</sup>lt;sup>18</sup> U.S. Department of Transportation, *FY23-24 RCE Grant Program Project Summaries* available at <a href="https://railroads.dot.gov/FY23-24-RCE-Grant-Program-Selections">https://railroads.dot.gov/FY23-24-RCE-Grant-Program-Selections</a>

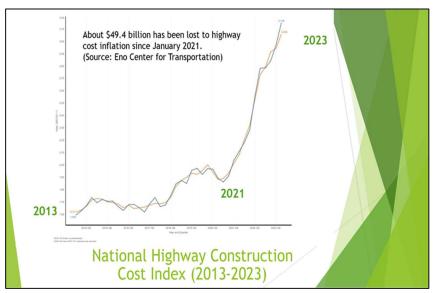


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federal dollars in the HTF derive from revenues collected by "user-fees" on gasoline, diesel, and other sources.

Unfortunately, these revenues are no longer keeping pace with our investment needs, forcing Congress to make up the difference by frequently transferring money from the Treasury's general fund to supplement revenues collected from "user-fees" into the HTF. The Congressional Budget Office (CBO) currently projects the shortfall to exceed \$33 billion during the final year of the Infrastructure Investment and Jobs Act (FY 2026) and the HTF to become insolvent by 2029. With no policy changes, Congress will need at least \$150 billion in bailout transfers from the General Fund to keep highway projects moving during the next five-year surface transportation reauthorization bill.

While this deficit spending allowed us to continue making important investments in infrastructure, it is fundamentally unstainable. State and local governments, engineering and construction firms, and their workers understand that they cannot continue to rely on general fund revenue in order to make the robust investments in our infrastructure that are needed. We therefore need to find a new way to pay for these investments.



Inflation and rising prices of construction have limited the number of projects funded through IIJA.

Source: Eno Center for Transportation

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<sup>&</sup>lt;sup>19</sup> Congressional Budget Office, "*The Status of the Highway Trust Fund: 2023 Update"*, available at <a href="https://www.cbo.gov/system/files/2023-10/59634.pdf">https://www.cbo.gov/system/files/2023-10/59634.pdf</a>.



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The Chamber therefore urges the Committee to "reform and restore" the Highway Trust Fund as part of the next reauthorization. The current user fee system fails to reflect the realities that costs are rising for transportation projects. For example, since enactment of IIJA, material costs for the roadway construction industry rose at least 28% according to the Producer Price Index—effectively 50% higher than growth in the Consumer Price Index over the same period. Additionally, the increasing fuel efficiency of gasoline-powered vehicles and the growing share of electric vehicles traveling on our roads means vehicles as a whole are contributing less into the HTF than ever before. All users should contribute meaningfully to maintaining our nation's highway system and the Committee needs to advance new models that address these realities.

The Committee must also use new legislation to expand opportunities for private investment in transportation while maintaining essential but not overreaching federal oversight. IIJA laid the groundwork for increased private sector involvement in U.S. infrastructure projects, creating opportunities for public-private partnerships and expanding funding mechanisms like the Transportation Infrastructure Finance and Innovation Act. The Committee should take that a step further in new legislation and explore utilization of innovative financing tools such as tax-exempt infrastructure bonds, infrastructure banks, and other incentives that can not only supplement federal investment, but also foster innovation, efficiency and economic growth. At the same time, it must ensure a clear regulatory framework and guidelines without excessive red tape that also protects safety, quality standards, and mitigates risk.

As you advance this important infrastructure legislation, it is important to keep in mind that State and local governments are taking an increasingly larger role in financing infrastructure projects. Legislative efforts must enable these officials to lead innovation in infrastructure financing without unnecessary federal restrictions. Of the \$626 billion spent on infrastructure in 2023, 79% was funded by state and local governments.<sup>21</sup> The Committee must build in increased flexibility, such as through block grants or matching funds; ensure accessibility to financial resources through bolstering state access to capital, through programs like infrastructure banks and bond banks, tax credits, and private activity bonds; and streamlining regulatory barriers to help states maintain autonomy in implementing projects.

<sup>&</sup>lt;sup>20</sup> The Brookings Institution, "At its two-year anniversary, the bipartisan infrastructure law continues to rebuild all of America" available at <a href="https://www.brookings.edu/articles/at-its-two-year-anniversary-the-bipartisan-infrastructure-law-continues-to-rebuild-all-of-america/">https://www.brookings.edu/articles/at-its-two-year-anniversary-the-bipartisan-infrastructure-law-continues-to-rebuild-all-of-america/</a>.

<sup>&</sup>lt;sup>21</sup> Congressional Budget Office, "Public Spending on Transportation and Water Infrastructure, 1956 to 2023," February 2025.



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#### Conclusion

Thank you for your attention to these comments. The Chamber urges the Committee to reauthorize surface transportation and infrastructure programs that will ensure U.S. infrastructure is a world-class system. For reasons outlined above, we believe this plan will ensure a modern, efficient, and secure transportation system that strengthens America's global economic position, enhances national security, and fuels a manufacturing renaissance.

We look forward to working with you to ensure that the Committee drafts and passes robust, impactful, and comprehensive surface transportation and infrastructure legislation.

Sincerely,

John Drake Vice President

Transportation, Infrastructure

And Supply Chain Policy

U.S. Chamber of Commerce