

Transportation/Aviation Update
July 3, 2025

NEXT WEEK

House

As of today, the House has nothing scheduled for next week related to transportation.

Senate

Floor Vote: FAA Administrator. On July 1, Majority Leader John Thune (R-SD) filed cloture for Bryan Bedford's nomination to become the next FAA Administrator, setting up a vote next week. If approved, the Senate will then hold a vote on Bedford's nomination for a five-year term. Earlier, the Commerce Committee voted 15-13 to send the nomination to the full Senate.

- The nominees to be the next FTA, FRA, and FHWA Administrators are awaiting votes by the full Senate. Until they are confirmed, each is working as a consultant to Secretary Duffy and DOT.

THIS WEEK

Congress

Members of Congress were hoping for a full week July 4th recess, but final passage of the "One Big, Beautiful Bill Act" kept them in Washington longer than they had hoped. The House will approve the bill on Thursday, following Senate passage on a 51-50 vote.

Transportation Provisions in the Final Bill

- Provides \$625 million to FEMA for FEMA safety and security, as well as \$1 billion for the 2028 Olympics.
- Provides \$12.5 billion to the FAA for modernization of the air traffic control system, allocated to the following programs:
 - \$4.8 billion to replace telecommunications infrastructure.
 - \$3 billion to replace radar systems.
 - \$1.9 billion to construct a new air route traffic control center, which would incorporate three existing ones.
 - \$1 billion to consolidate terminal radar approach control facilities.
- Repeals the FAA Alternative Fuel and Low-Emission Aviation Technology program.
- Repeals the FHWA Neighborhood Access and Equity Grant Program and the Low-Carbon Transportation Materials Grants Program and rescinds unobligated balances of these programs.
- Eliminates the maximum \$7,500 tax credit for individuals to purchase certain new electric and hybrid vehicles after Sept. 30, 2025. It is currently set to expire in 2033.
- Eliminates civil penalties for car manufacturers that do not comply with Corporate Average Fuel Economy standards.

Provisions Not in the Final Bill

- The Senate bill does not include the House proposal to for States to collect an annual fee on electric vehicles (\$250) and hybrid vehicles (\$100).
 - A fee of this type is expected to be included in the upcoming surface transportation reauthorization.

Department of Transportation

NEPA Implementing Regulations. On July 3, the FTA, FHWA, and FRA issued an Interim Final Rule to modify the regulations implementing the National Environmental Policy Act (NEPA) that apply to all three agencies to be consistent with the removal of regulations previously issued by the Council on Environmental Quality now that those regulations have been eliminated through President Trump's Executive Order. Comments are due August 4.

On July 1, DOT published a number of rules and proposed regulations in the Federal Register.

Federal Transit Administration

- *Private Investment Project Procedures* – Issued a Notice of Proposed Rulemaking (NPRM) that would repeal the requirement to file a report with FTA on any waiver or modification of an FTA rule requirement. Comments are due July 31, 2025.
- *Project Management Oversight* - Final rule that raises the threshold requirements for "major capital" projects to a total cost of \$400 million and Capital Investment Grant program share to \$150 million to reflect the Small Starts thresholds.
- *Major Capital Projects* - A final rule that removes an out-of-date provision in Appendix A since the transit industry relies on the Capital Investment Grants Guidance and not Appendix A for the evaluation measures for CIG Projects.
- *Rail Transit Roadway Worker Protection* - This NPRM would change when the Railway Worker Protection report would be submitted to the FTA annually as part of the annual audit process. Comments are due July 31, 2025.
- *Transit Asset Management* - This final rule would remove the Transit Asset Plan implementation deadline since it has already passed.

Federal Railroad Administration

- *PTC Reporting.* Issued a Final Rule that would end a requirement that railroads must file a report about the performance of their positive train control system on a biannual basis (because companies already have to submit that same report to the FRA quarterly).
- *Rail Employer Reporting.* Published a NPRM that would let railroads log worker injuries and illnesses within 15 days instead of seven to boost accuracy on FRA-required forms.
- *Refresher Training.* Issued an NPRM that would allow railroads to use "three-dimensional virtual simulation," i.e., virtual reality, to satisfy the "hands-on portion of periodic refresher training under FRA's brake system training requirements."

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