

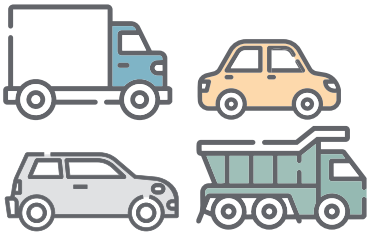


# NUCA

*We Dig America*

## Surface Transportation Legislation Priorities

### HIGHWAY TRUST FUND REVENUES



**\$56.2 billion** was available in the Highway Trust Fund at the beginning of 2026.

*Source: Congressional Budget Office, Jan. 2026*

### HIGHWAY TRUST FUND SHORTFALL

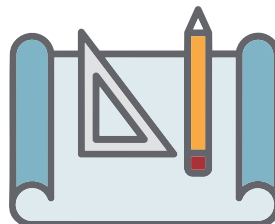


**\$220 billion** in additional Highway Trust Fund revenue must be found by Congress in the 5-year surface transportation reauthorization.

*Source: Congressional Budget Office, Jan. 2026*

### PERMIT REFORM DELIVERS FASTER PROJECTS

On average, it currently takes **7.5** years to secure highway construction permits. Permit reform will significantly shorten project delivery timelines.



*Source: U.S. Chamber of Commerce, Dec. 2025*

### Issue background:

NUCA and the America utility construction industry stands united in its commitment to collaborate with Congress in enacting a timely, comprehensive new surface transportation reauthorization bill before the critical September 30, 2026, expiration of the current authorization under the Infrastructure Investment and Jobs Act (IIJA).

Utility contractors play an essential role in relocating, protecting, and installing water, sewer, electric, gas, telecommunications, and broadband lines that enable modern transportation networks. Highways are built above our industry's critical foundation work.

A new multiyear surface transportation bill will provide the funding stability and policy framework needed to advance critical projects nationwide. It will empower state and local governments to deliver improvements that enhance safety by reducing hazards at work zones and utility crossings, boost mobility for commuters and freight movement, strengthen economic competitiveness, and support resilient infrastructure in the face of growing demands.

Timely reauthorization of this bill in 2026 ensures continued job creation, efficient project delivery, and long-term benefits for communities across America.

## What is NUCA's position?

NUCA and the American utility construction industry are urging Congress to pass a timely, comprehensive new surface transportation reauthorization bill before the September 30, 2026, expiration of the current authorization under the Infrastructure Investment and Jobs Act (IIJA). This legislation is vital to sustain robust federal funding for surface transportation projects, providing the stability and growth utility contractors need to support critical infrastructure that improves safety, mobility, and economic vitality nationwide.

### **Grow and Stabilize Highway Trust Fund (HTF) Revenues.**

The next authorization should oppose any reductions or eliminations of current revenue sources unless they are fully offset by new user fees at equivalent levels. Congress should strengthen the HTF by combining new user fees with existing ones and using general funds as needed to support approved investment levels, ensuring long-term solvency and reliable funding. Before 2008, dedicated highway taxes covered outlays, but since then Congress has transferred general revenues—including \$118 billion in the IIJA—to keep the fund solvent through 2027, with shortfalls projected by the end of 2028.

**Maintain Baseline Investment Levels for Highways, Transit, and Multi-Modal Programs.** The industry strongly supports maintaining at minimum the current baseline investments in core programs, adjusted for inflation, regardless of prior funding sources. If the bill expands beyond traditional surface transportation, rail, water, airport, and other modes should sustain or exceed existing levels, funded through non-HTF sources to protect core programs.

**Build on Successful Formula and Discretionary Grant Programs.** Congress should review discretionary grant programs lacking strong national or regional focus and shift eligible activities to formula-based programs where possible. This promotes efficiency, predictability, and broader access for states and localities.

**Strengthen and Improve Project Delivery Guidelines.** Building on recent streamlining, Congress should further accelerate federally funded projects by adding enforceable mechanisms and penalties for agencies missing statutory timelines, reducing delays that raise costs for utility construction.

**Improve Federal Project Financing Tools.** Reforms should boost participation in the TIFIA program, remove the \$30 billion cap on Private Activity Bonds, and lift the federal prohibition on tolling. These changes will encourage public-private partnerships and expand infrastructure resources.

**Buy America (BA).** The reauthorization should create an efficient, transparent process for targeted, short-term BA waivers. U.S. DOT should work with state DOTs, industry, and manufacturers to maintain an updated list of BA-compliant items, while preserving the exemption for aggregates and paving materials.

**Keep Roadway Construction Workers Front and Center.** Congress must prioritize work zone safety enhancements, increase related research funding, and encourage states to adopt stronger worker protections.

NUCA looks forward to working with Congress to advance water infrastructure and national economic growth.

## What can Congress do to help?

NUCA strongly supported the **Infrastructure Investment and Jobs Act of 2021 (IIJA)(H.R. 3684, 117th Congress)**. The surface transportation programs authorized in the IIJA law expire on September 30, 2026.

**Reauthorize Programs Before Sept. 30, 2026.** Reauthorization legislation or an extension of current law must be enacted before the expiration of the current programs to ensure that Federal investment in the nation's highways, highway bridges and transportation systems continue without disruption. The legislation must also include project delivery improvements to ensure dollars are efficiently used and address work zone safety to keep construction workers safe while working on Federal aid projects.

**Anticipate Future Infrastructure Needs.** The IIJA law expires in 2026, but the nation's infrastructure requires more resources for repairing or replacing obsolete water and wastewater systems, some of which are now over 100 years old.

Congressional planning for these additional resources should begin today, along with the demands of the late 2020s and beyond. Private funding must be explored, such as private activity bonds, to meet these needs and reduce the burden on taxpayers.

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