



Committee: Senate Appropriations Subcommittee on Transportation, Housing, and Urban Development, and Related Agencies

Event: [A Review of the President's Fiscal Year 2027 Budget Request for the Department of Transportation](#)

Date: May 19, 2026

Executive Summary:

On May 19, 2026, the Senate Appropriations Subcommittee on Transportation, Housing, and Urban Development held a hearing to review the President's Fiscal Year 2027 Budget Request for the Department of Transportation (DOT).

- Republicans noted concerns with rural transportation access and delays in infrastructure grant distribution, while supporting investments in air traffic control modernization and domestic shipbuilding.
- Democrats criticized the administration's proposed cuts to public transit and argued the budget would increase transportation costs, delay major infrastructure projects, and create a funding shortfall as *Infrastructure Investment and Job Act* (IIJA) resources expire.

Member Toplines¹:

Chair Cindy Hyde-Smith (R-MS): Hyde-Smith expressed concern over the expiration of funding from the IIJA and its impact on infrastructure. She criticized the administration's proposed budget cuts to DOT's Essential Air Service and Better Utilizing Investments to Leverage Development (BUILD) programs, which she argued are vital for rural communities. She praised the budget request for its investments in aviation safety and the domestic shipbuilding industry.

Ranking Member Kirsten Gillibrand (D-NY): Gillibrand stressed the need for comprehensive funding across all transportation modes to support the economy and lower costs for families. She criticized DOT's budget for cutting public transit and Amtrak funding. Gillibrand also accused DOT of intentionally delaying approved grants such as the Gateway Tunnel Project.

Witness Toplines:

[Sean Duffy, Secretary, U.S. Department of Transportation:](#) Duffy highlighted the budget request's investments in air traffic control upgrades, roadway safety, rail improvements, and maritime development. He also emphasized efforts to streamline permitting and accelerate project delivery. Duffy stressed the importance of DOT's work to update autonomous vehicle regulations to ensure that vehicle innovation originates in the U.S.

Major Takeaways:

¹ Opening statements were not available online at the time of this memo's distribution.

Rural Air Service and Air Traffic Control (ATC) Staffing

- Sen. **Susan Collins** (R-ME) raised concerns with proposed cuts to the Essential Air Service Program, which sustains small airports in states like Maine. She suggested financial incentives to attract ATC personnel to understaffed regional airports.

Grant Delays and Expiring Funds:

- Sen. **Shelley Moore Capito** (R-WV) expressed frustration over delays in the Bridge Investment Program and expiring Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Program grant funds, which have forced project sponsors to reapply.
 - Duffy explained that some funds expired because local entities could not complete the permitting process in time, and suggested Congress reappropriate those specific funds.

The “Fiscal Cliff” for IIJA Funds:

- Sens. **Jack Reed** (D-RI), **Patty Murray** (D-WA), and **Chris Van Hollen** (D-MD) pressed Sec. Duffy on how DOT plans to address the \$37 billion shortfall resulting from the expiration of IIJA appropriations.
 - Duffy responded that his base budget request is the largest in DOT history and authorizing advanced, multi-year appropriations is the responsibility of Congress.

Amtrak and Rail Modernization:

- Sen. **Chris Coons** (D-DE) questioned the proposed 13 percent cut to Amtrak and 24 percent cut to the Northeast Corridor.
 - Duffy stressed that the DOT is exploring ways to restructure Amtrak into separate entities to improve efficiency and transparency.

Aviation Safety:

- Hyde-Smith applauded the DOT for providing clear safety guidelines to the Federal Aviation Administration following the fatal mid-air collision outside Reagan National Airport.