



ACEC

AMERICAN COUNCIL OF ENGINEERING COMPANIES

Federal Advocacy Update

September 15, 2026



Agenda

- Advocacy wins in 2025-26
- Short-term Continuing Resolution and Transportation Extension
- Reauthorization Status and Outlook
- Water Infrastructure
- Energy and Data Centers
- National Historic Preservation Act
- Election Preview
- Q&A

ACEC Advocacy Wins

- ✓ New tax law benefitting firms of all sizes and structures
- ✓ Protected the ability of member firms to compete for DOD work
- ✓ New law to promote the use of progressive design-build by DOD agencies
- ✓ Supported U.S. DOT regulatory reforms to facilitate project delivery
- ✓ Engaged new Administration to unlock stalled infrastructure grants
- ✓ Secured better tax treatment for renewable projects
- ✓ Backed White House executive actions to expand LNG and nuclear markets
- ✓ Advanced energy bills in the House to expand natural gas, hydro, nuclear projects, and cross-border energy infrastructure

Continuing Resolution

- Short-term stopgap funding measure enacted through December 11, averting a government shutdown.
- Includes extension of expiring highway and transit programs under the Infrastructure Investment and Jobs Act (IIJA).
- CR does not include \$36 billion annual supplemental “advance appropriations” built into IIJA that funded rail, transit, multimodal grants, bridge and EV charging programs.
- ACEC and coalition allies lobbying now for a full restoration of current funding levels for all IIJA transportation programs.

Surface Transportation Reauthorization

- BUILD America 250 Act authorizes a total of approximately \$580 billion in transportation funding for Fiscal Years 2027–2031.
- \$475 billion from the Highway Trust Fund, an increase of 4% over the IIJA:
 - Highway Programs: \$375 billion
 - Transit Programs: \$87 billion
- Rail Programs: \$65 billion – from the General Fund, subject to annual appropriations.
- Includes fees for EVs and hybrid vehicles.
- House T&I Committee approved bill 62-2 in May; full House consideration pushed to post-election session.

BUILD America 250 Act

- Authorizes U.S. DOT to provide technical assistance, guidance, and best practices to State DOTs on lump sum contracting.
- Digital Delivery:
 - Reauthorizes Advanced Digital Construction Management System (ADCMS) grants
 - Makes digital infrastructure an eligible project expense
- Requires Amtrak to review its A/E procurement practices, including contract terms for indemnification and standard of care.
- ACEC defeated amendments in committee to restrict the ability of State DOTs to contract out.

BUILD America 250 Act

- Expands and strengthens “One Federal Decision” requirements.
- Broadens categorical exclusions (CEs) for transportation projects.
- Allows greater state assumption of NEPA responsibilities.
- Reduces duplicative environmental reviews across federal agencies through additional procedures and programmatic agreements.
- Accelerates environmental document preparation and decision making.

Surface Transportation Reauthorization

- Senate bill timing uncertain – no agreements on:
 - top line funding number
 - disposition of discretionary grant programs
 - consensus permitting reforms
- House T&I Committee Chairman Sam Graves (R-MO) working Senate committee leaders.
- Lame-duck action possible, but likely this gets pushed to 2027, depending on outcome of midterm elections.

Regulatory Issues

- Disadvantaged Business Enterprise program
- Digital Delivery
 - ACEC Committee member survey and updates to position paper
 - Engagement with FHWA Digital Delivery Stakeholder Group and AASHTO Joint Technical Committee
- Office of Management and Budget Proposed Rule on Federal Financial Assistance
 - Filed comments highlighting key industry concerns
 - CR includes provision temporarily blocking the Rule

Water Infrastructure

- House and Senate committees have passed respective versions of WRDA.
- Senate EPW bill authorizes new Corps projects, plus Clean Water & Safe Drinking Water Act State Revolving Fund (SRF) programs.
- House T&I bill authorizes new Corps water projects; includes language directing the Corps to provide information related to the 6% fee cap.
- Water has a chance in 2026 – House and Senate committees coordinating on provisions.
- Lame-duck session vote possible.

Energy

- Funding for Department of Energy and other major federal agencies; financing tools will play a role in directing capital toward projects tied to grid stability and baseload power.
- Focus on natural gas, nuclear technologies, and critical materials development.
- Data Centers:
 - Developed data center policy paper and companion state legislative tracker giving MOs a tool for advocacy.
 - Pursuing partnership with the U.S. Chamber of Commerce to advance industry voice on the economic value data centers create.
- Summer meeting featured tour of TVA and Oak Ridge National Lab, deepening member exposure to leading institutions in grid operations and energy innovation
- Continue to work with coalitions on protecting renewable projects.

National Historic Preservation Act

- Decision by the Advisory Council on Historic Preservation (ACHP) could limit reviews and consultations under Section 106 of the Act:
 - Federal agencies no longer required to consult with State Historic Preservation Offices, tribes and local governments;
 - Public comment optional, agencies no longer required to avoid, minimize or mitigate effects on historic properties.
- ACHP voted to move forward with proposed rulemaking pending White House review prior to release and comment period.
- ACEC exploring preemptive outreach prior to Federal Register publishing, working with outside advocates.

2026 Election Cycle

- President's poll numbers at historic lows – favorables in the mid 30s.
- House GOP majority currently 218-214 – 18 seats rated as "toss-ups", 14 of those are GOP.
- Senate GOP majority currently 53-47; 35 Senate seats up for election.
 - Senate Republicans have 22 of the 35 seats to defend
 - Senate R's favored in 18 races; D's favored in 13
 - To win control Dems must retain GA, NH, and MI and win 4 more:
 - North Carolina (R-Open) (Roy Cooper – former Governor)
 - Pick up 3 GOP Seats that are "toss-ups": Alaska, Maine, Ohio
 - Potential for pickups in Iowa and Texas?

THANK YOU!

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