

KEY POINTS

- Modern, efficient infrastructure and transportation systems are of critical importance to the commercial real estate industry, with industrial, office, retail and multifamily residential development occurring near new or upgraded infrastructure.
- The five-year authorization for federal surface transportation programs expires on Sept. 30, 2026. Congress needs to take timely action and reauthorize federal programs in advance of their expiration; this would provide certainty for states and localities to proceed with multiyear transportation and infrastructure projects.
- Inflation has increased project costs for materials, labor and land. Congress should, at a minimum, maintain current funding levels to ensure that sufficient investment in transportation and infrastructure projects is possible.
- Modernizing and streamlining the regulatory review and approval process for major transportation and infrastructure projects is a necessary component of reauthorizing transportation and infrastructure programs that will reduce costs and speed project completion.

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TRANSPORTATION AND INFRASTRUCTURE

OUR POSITION

Congress should pass a multiyear reauthorization of surface transportation programs early in 2026, well before they expire later in the year, to give states and local governments the certainty they need to continue current infrastructure projects and plan future ones. Infrastructure policy should promote a streamlined, transparent regulatory environment that reduces costs and minimizes delays in project delivery. At a minimum, current funding levels should be maintained to ensure continued investment in critical transportation and infrastructure projects.

- The availability of modern and efficient transportation and infrastructure is a major factor in real estate development and investment decisions. Strategic, long-term investments in infrastructure systems foster increased opportunities for commercial real estate development, resulting in stronger job creation and economic growth for our communities.
- Congress should provide adequate support for highway programs, freight rail, ports and other infrastructure critical for logistics purposes and supply chain resilience to support the reshoring and onshoring of manufacturing in the U.S.
- Permitting and approval processes must be modernized and streamlined to improve project delivery times and reduce costs. Reasonable and specific timelines for completion of agency reviews are needed, and federal agencies should be provided with sufficient funding to ensure that they have the staff needed to conduct project reviews within expected timeframes.
- Reauthorization of federal surface transportation programs should provide for direct federal investment and funding of multistate projects of national or regional importance. Priority should be given to major transportation and infrastructure projects that have economic impact beyond their regions and affect all or major portions of the country.
- Congress needs to consider alternative, more stable and predictable funding sources for highway infrastructure. Current funding for the Highway Trust Fund is through the gas tax, which has not been adjusted for inflation. In addition, modern vehicles are more fuel-efficient and electric vehicles are more numerous. As a result, the Highway Trust Fund will collect \$44 billion in revenue in 2026, but will spend more than \$61 billion, requiring transfers from general revenues.