



# 2026 Surface Transportation Reauthorization Policy Principles

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# Integrating Digital Infrastructure

Over the last century, great strides have been made to improve our national transportation system. From the creation and expansion of our Interstate Highway System to the development of ubiquitous commercial aviation - the United States of America has established an abiding global legacy of transportation innovation, vision, and leadership.

While there is much about this legacy to celebrate, we must simultaneously ensure that our surface transportation system is prepared to deliver a similar legacy over the next century - a century that will be defined by what we are able to accomplish through the comprehensive integration of transportation technologies and innovations, both to solve longstanding transportation challenges and to capitalize on emerging opportunities to provide for the safe and efficient movement of people and goods, strengthen supply chains, and bolster national security.

Investing in digital infrastructure strengthens America's economic engine by reducing congestion, improving supply chain logistics, and keeping goods moving efficiently. We can have safer roads with fewer crashes by challenging our traditional approach that has yielded the same results for many years. Technology is a key tool to solving our traffic safety crisis, increasing the efficiency of our transportation system and infrastructure project delivery, enhancing mobility and choice, maximizing our return on investment, and ensuring that we have a world-class system. However, current dedicated funding for technology sits around one tenth of one percent (0.10%) of Federal transportation infrastructure funding.

ITS America's surface transportation reauthorization proposal presents three key pillars necessary to unlock the full potential of our transportation system by: integrating digital infrastructure throughout U.S. transportation programs, establishing secure funding for transportation technology investments, and improving the technology procurement process by removing red tape. The next reauthorization provides an opportunity to prioritize digital infrastructure, technology, and innovation more holistically and at a level that reflects our country's needs. Our policy proposals look to integrate, fund, and enable digital infrastructure projects at scale – beyond demonstrations and local pilots – to create a fully connected, interoperable system across the country.

The 119th Congress is well-positioned to take bold action in the upcoming Surface Transportation Reauthorization process and lead with innovation. Everyone – regardless of where they live and how they travel – benefits when roads are safer, commutes are shorter, and supply chains are stronger. We must have the courage to act now and invest in innovative technologies to solve these longstanding issues and leave a lasting legacy for generations to come.

## Authorization of Digital Infrastructure Policy and Programs

### *Define and Prioritize Digital Infrastructure*

- Congress should define digital infrastructure within transportation programs, appropriately considering it alongside traditional physical infrastructure and explicitly including the concept in transportation law.
  - Proposed Definition of Digital Infrastructure: *Digital infrastructure comprises the public and private technology assets that create, exchange, secure, or use data to provide information and insights to advance transportation safety, mobility, resiliency, automation, efficient operations, and economic growth. This includes the efficient movement of people and goods across users, companies, devices, digital assets, and public agencies. Digital infrastructure includes the data, communications systems, servers, routers, hardware, sensors, software applications, and computing to layer actionable insights across transportation systems.*
- Direct USDOT to consider including digital infrastructure and transportation technology deployment as a priority in its strategic planning documents.
- USDOT should establish responsibility within the Department for advancing and advising the Secretary's office on digital infrastructure strategies, ensuring that promoting safety and innovation is central to USDOT initiatives and programs.
- Congress and USDOT should encourage States, MPOs, local, and tribal governments to consider digital infrastructure strategies and uses in their transportation plans.
- USDOT should prioritize digital infrastructure as a needed investment in our nation's transportation system, working closely with Congress to make sure lawmakers are aware of ways to improve the digital components of our nation's transportation system.

### ***Expand and Affirm Funding Eligibilities***

- Congress should expand eligibility under key transportation formula programs to include greater use of digital infrastructure technologies so that states and localities have even more opportunities and flexibility with the use of Federal funds.
- Any reauthorized discretionary grant programs should include digital infrastructure technologies as eligible components of the program activities.

### ***Strengthen Research & Development***

- Encourage the inclusion of technology and digital infrastructure in all aspects of USDOT research and development, including annual modal research plans and sub-agencies such as ARPA-I.
- USDOT should consider ways to improve data sharing among public transportation agencies through OST-R.

### ***Invest in and Prioritize Technology Education in the Transportation Workforce***

- Bolster the prevalence of digital infrastructure in all workforce development and technical assistance programs throughout USDOT, including work of the University Transportation Centers (UTC), community colleges, and other educational institutions.
- Continue workforce development initiatives and funding, while encouraging increased investment and activities around transportation technology-specific workforce development.

## Driving Innovation and Growth by Integrating Technology for American Leadership (DIGITAL) Funding Program

### *Establish the Driving Innovation and Growth by Integrating Technology for American Leadership (DIGITAL) Formula Program*

- Authorize and fund a \$5 billion formula funding program for transportation technology through repurposed program funds. This will provide funding to systematically deploy digital infrastructure and transportation technology to modernize our nation's infrastructure and improve transportation safety, efficiency, economic growth, and global competitiveness.
  - Such a program could include various aspects and uses of technology including automation, V2X and transportation connectivity, artificial intelligence, advanced air mobility/UAS, intelligent transportation system technologies, data collection and storage, data cybersecurity, and more.
  - Eligible projects cost uses may include preliminary engineering and design work, acquisition of equipment and materials (including software/digital-based products), physical construction and reconstruction (if directly related to the installation and maintenance of digital infrastructure such as cameras, sensors, computers, and other hardware); optimizing and updating digital assets; cybersecurity infrastructure; planning, permitting, and more.
  - States could consider public-private partnerships and innovative contracting methods when developing, deploying, and maintaining digital infrastructure assets under the DIGITAL program.

## Transportation Technology Procurement Policy

### ***Encourage Outcomes-Based Procurement***

- Federal transportation programs should promote the use of outcomes-based procurement and technology deployment, allowing vendors to propose innovative solutions to meet stated objectives and outcomes, including improved safety, reduced travel times, increased efficiency, and maintenance durability, among others.
- USDOT should research and disseminate innovative technology procurement practices, through programs such as FHWA's Every Day Counts and ARPA-I for example, that will help enable more streamlined project delivery.

### ***Streamline Procurement and Promote Collaboration***

- Encourage USDOT to publish and disseminate procurement best practices and successful technology procurements to help share best practices with public agencies.
- Congress and USDOT should encourage and allow robust partnerships between private sector technology suppliers and public transportation agencies for the entire project lifecycle (idea conception to completion).
- USDOT should issue guidance for procurement-related terms, in order to ensure uniform understanding of procurement terminology across Department programs, as well as to provide additional clarity for transportation agencies when navigating the procurement process for technology products.

### ***Address Technology-Specific Challenges***

- Streamline and update usage of SEP-14, SEP-15, or other innovative methods for procurement and delivery of technology projects.
- Project criteria should be updated to allow for subscription and license-based procurements that go beyond one-time, traditional construction costs. Technology and data-centric products and services often need software updates and other upgrades that necessitate the eligibility for funds to be spent on subscription-based products and services.



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