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Chairman Capito Leads Hearing on Surface Transportation Implementation of the Infrastructure Investment and Jobs Act

Below is the [opening statement](#) of Chairman Shelley Moore Capito (R-W.Va.) as delivered.

“Thank you for joining us this morning to continue our oversight of the implementation of the IIJA. Today, our focus is on the Surface Transportation Reauthorization Act, one of the foundational components of the IIJA, which was developed in a bipartisan manner by this Committee.

“This hearing comes at a critical time, I think, as we approach the expiration of those provisions at the end of 2026, in September. We want to continue what is working, but discontinue what isn’t working.

“Since the law’s enactment on November 15, 2021, transportation stakeholders have been delivering on its promise but, at times, experiencing some challenges. We have some of those stakeholders with us today, I appreciate them coming, to provide us with an on-the-ground update of their efforts to deliver transportation projects in rural and urban communities.

“On the positive side, the federal highway formula programs received approximately 90 percent of the funding in the IIJA, which was something that I strongly supported. This funding has provided states with certainty, and with the flexible project eligibilities to address the transportation needs of Americans across the country.

“In my home state of West Virginia, that formula funding is upgrading and modernizing our roads and bridges, which will connect our communities to job and economic opportunities. I also championed commonsense provisions aimed at accelerating projects so that communities are not stuck waiting to realize the safety and reliability benefits that they will bring.

“As an example, the IIJA codified the One Federal Decision policy, which expedites, or should expedite, the environmental review process for certain projects by setting a two-year goal for those reviews and allowing the use of a single, coordinated process to develop an environmental document.

“I am curious to hear from our witnesses today, if these provisions are being used and whether they have been having the desired impact. Despite the many benefits, I am aware that we have some challenges with the implementation of the IIJA.

“Inflation is certainly a contributing factor. It has eaten into the overall funding increase provided by the IIJA and increased project costs. I look forward to our witnesses’ sharing the real-world impacts of this inflation on the work that they are doing.

“Another challenge is that many of the new discretionary grant programs established by the IIJA have been very slow in achieving their congressional intent. These programs require significant time and money from eligible applicants, and once a grant has been awarded, the project grant agreement was often taking more than a year to be negotiated and signed by the prior Administration, which delays the benefits of each project.

“This slow-down has contributed to a ballooning amount of unused obligation authority that must be sent back to the states as part of a process known as the August Redistribution. In 2024, that amount was \$8.7 billion.

“This results in an end-of-the-fiscal-year scramble as states seek to put that amount of funding to use, often putting it towards lower-priority projects. We advanced a bipartisan fix to help with this issue last year, but the challenge remains and it’s growing.

“I’m sure we’ll learn more about our witnesses’ experiences with applying for and managing a discretionary grant award today. In addition, the implementation of the IIJA was sometimes clouded by the executive overreach of the prior Administration.

“My colleagues on this Committee have often heard me talk about the two examples of overreach. The December 16th policy memorandum that was issued, and the greenhouse gas performance measure final rule. The goal of this overreach was simply advancing the priorities of the prior Administration, even when those priorities were often specifically considered by this Committee and excluded from the IIJA.

“Ultimately, it took more than a year for the prior Administration to correct their misstep with the December 16th memo and it required litigation from 22 states, and action by the Trump administration, to finally end the unauthorized greenhouse gas performance measure final rule. With the opportunities and challenges of the IIJA implementation in mind, I look forward to receiving testimony from our panel of witnesses.

“This review of the real-world impacts of the IIJA and the feedback on what is working, and what isn’t working, will inform this Committee’s bipartisan work on the upcoming surface transportation reauthorization bill.”

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