**[Organization]’s Surface Transportation Reauthorization Goals**

As we prepare for the next surface transportation reauthorization to succeed the expiring Infrastructure Investments and Jobs Act (IIJA), Congress has a vital opportunity to shape a transportation system that promotes efficiency and offers more options to access jobs, move goods, and connect families. [**Organization]** believes that strategic investments and policy reforms included in this legislation can significantly improve quality of life, strengthen communities, and support a growing economy. Central to this vision is astronger federal commitment to Transportation Demand Management (TDM), a proven, cost-effective set of strategies for communities to maximize existing infrastructure, reduce congestion, and increase access to jobs, education, and essential services.

TDM is a forward-thinking approach that focuses on managing travel demand by helping communities do more with less. From reducing traffic congestion to creating accessible and multimodal transportation options, TDM strategies are key to addressing today’s transportation challenges. To fully unlock the benefits of TDM, we call on USDOT to support Congressional efforts to streamline federal grant processes, formally codify TDM in federal law, and ensure rural and areas of persistent poverty have equal access to program funding. Through these common-sense reforms, the surface transportation reauthorization bill can become a catalyst for smarter, people-centered transportation policy nationwide.

By embedding TDM more fully into federal transportation policy, Congress can deliver a vision of a more connected, efficient, and resilient transportation network. This vision has the added benefit of maximizing existing infrastructure and transportation options to improve daily life for millions while supporting long-term economic and community goals.

**[Organization]**’s policy recommendations and goals for surface transportation reauthorization are below:

## **Streamline Federal Grants, Ensure Funding for Transportation Demand Management (TDM)**

1. Codify the Definition of Transportation Demand Management (TDM) in Title 23 of US Code

Despite broad recognition of Transportation Demand Management (TDM)as a key strategy to reduce congestion and promote more efficient use of infrastructure, the absence of a statutory definition has led to uneven and contradictory interpretations of what TDM is and how it can be funded. The Federal Highway Administration (FHWA) has acknowledged that the lack of a cohesive definition creates disparities in how federal highway funds are spent across the country. In the absence of a clear federal definition, regional FHWA offices have adopted their own interpretations, creating a patchwork of inconsistent funding eligibility from one state and/or MPO to another. By codifying this definition, Congress and the USDOT can ensure an efficient funding process and project delivery.

Our proposed definition of TDM is as follows: “The term ‘Transportation Demand Management’ means the use of strategies to inform and encourage travelers to maximize the efficiency of a transportation system, leading to improved mobility, reduced congestion, and improved air quality, including strategies that use planning, programs, operations, policies, marketing, communications, incentives, pricing, data, and technology.”

1. Clarify Eligible Uses of TDM Strategies within Title 23 of US Code

We advocate for clarity within Title 23 that TDM strategies are an eligible use for Title 23 programs including, but not limited to, the Mega Grant Program, Better Utilizing Investments to Leverage Development Grant Program (BUILD), Congestion Mitigation and Air Quality Improvement Program (CMAQ), Congestion Relief Program (CRP), and Safe Streets and Roads for All Grant Program (SS4A). With proper clarification, programs can be administered more easily and efficiently.

## **Highlight Economic Benefits of Transportation Demand Management (TDM)**

1. Request Research on the Economic Benefits of TDM

While the economic benefits of TDM are experienced, there is little research to document these successes. By requiring the GAO to complete a study on the economic benefits of TDM, programs can be more easily justified to receive federal funding with clear data to support their positive effects.

**Increase Accessibility of Rural Transportation Demand Management (TDM) Funding**

1. Establish a Rural TDM Pilot Program

We urge USDOT to support efforts to establish a pilot program to provide grants for the development and implementation of TDM strategies inrural areas to improve mobility, increase access to jobs, and bring more modal options to families and communities in rural areas.

1. Update Match Requirements and Grant Minimums for TDM Programs

Several grant programs created by the IIJA, particularly the Congestion Relief Program, have artificial barriers to entry through high grant minimums and non-federal match requirements. These high minimum award thresholds disallow small communities (rural, suburban, and small states) from receiving federal assistance to carry out TDM programs. We recommend eliminating match requirements for TDM eligible grants and lowering the grant minimum from $10 million to $500,000 for the Congestion Relief Program to enable all communities to receive adequate funding to implement TDM programs.