BUILDING TO WIN

A STRONG INFRASTRUCTURE INVESTMENT FOR THE FUTURE

NATIONAL ASSOCIATION OF Manufacturers

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A Strong Infrastructure Investment for the Future

February 2026

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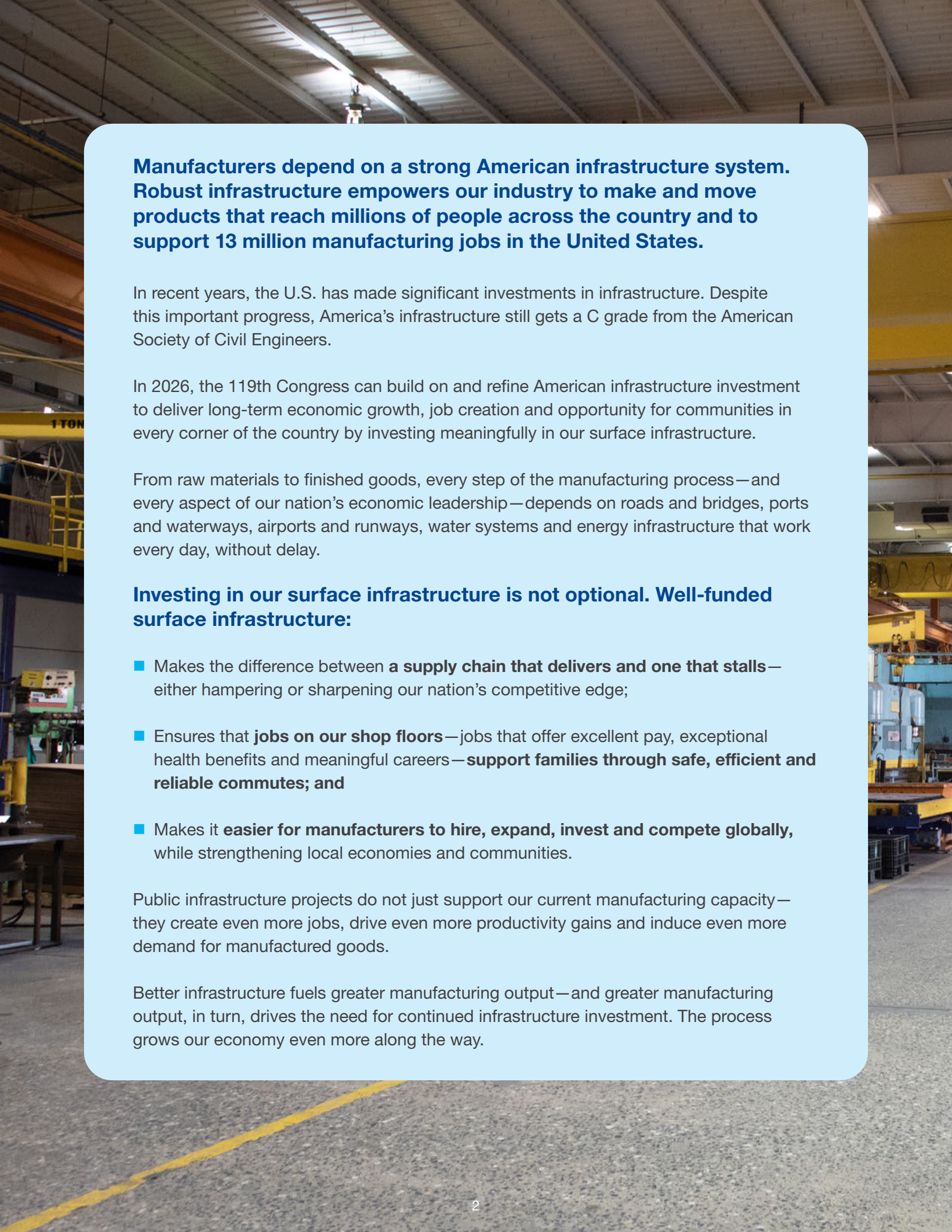


Manufacturers depend on a strong American infrastructure system. Robust infrastructure empowers our industry to make and move products that reach millions of people across the country and to support 13 million manufacturing jobs in the United States.

In recent years, the U.S. has made significant investments in infrastructure. Despite this important progress, America's infrastructure still gets a C grade from the American Society of Civil Engineers.

In 2026, the 119th Congress can build on and refine American infrastructure investment to deliver long-term economic growth, job creation and opportunity for communities in every corner of the country by investing meaningfully in our surface infrastructure.

From raw materials to finished goods, every step of the manufacturing process—and every aspect of our nation's economic leadership—depends on roads and bridges, ports and waterways, airports and runways, water systems and energy infrastructure that work every day, without delay.

Investing in our surface infrastructure is not optional. Well-funded surface infrastructure:

- Makes the difference between **a supply chain that delivers and one that stalls**—either hampering or sharpening our nation's competitive edge;
- Ensures that **jobs on our shop floors**—jobs that offer excellent pay, exceptional health benefits and meaningful careers—**support families through safe, efficient and reliable commutes; and**
- Makes it **easier for manufacturers to hire, expand, invest and compete globally,** while strengthening local economies and communities.

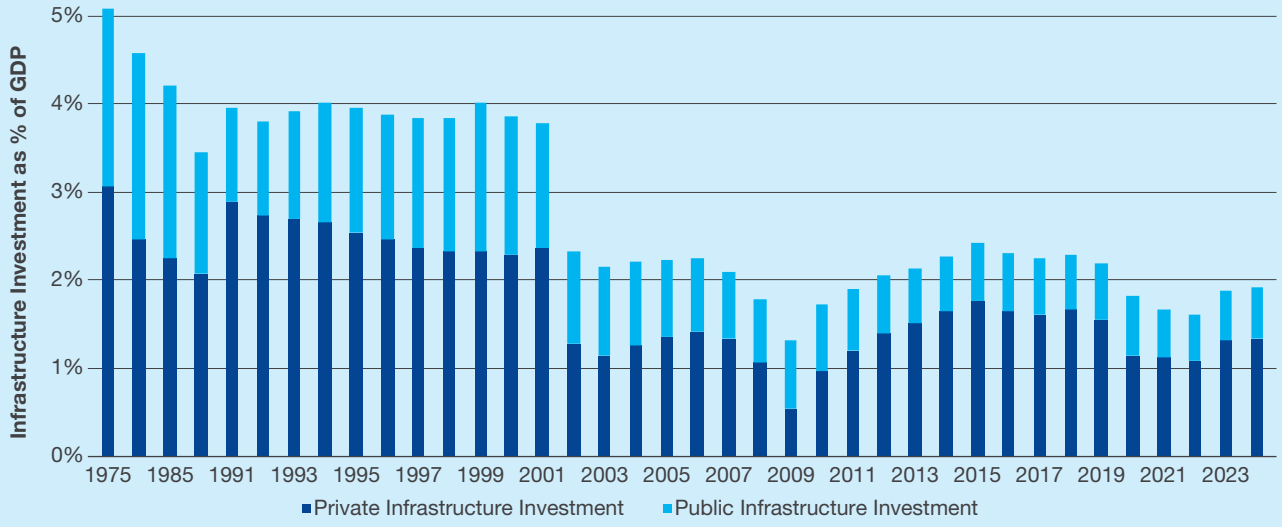
Public infrastructure projects do not just support our current manufacturing capacity—they create even more jobs, drive even more productivity gains and induce even more demand for manufactured goods.

Better infrastructure fuels greater manufacturing output—and greater manufacturing output, in turn, drives the need for continued infrastructure investment. The process grows our economy even more along the way.

Simply put, an investment in our nation's infrastructure is an investment in manufacturing—and investing in manufacturing requires investing in our nation's infrastructure.

And this need for infrastructure investment only strengthens the case for permitting reform—to speed projects getting off the ground in communities across the country and to reduce uncertainty that can delay or derail job-creating investments.

Infrastructure Investment as a % of GDP



Manufacturers recognize and appreciate the progress made in recent years, including the step-change in federal investment since 2021.

Still, the nation is recovering from decades of underinvestment: in 2020, infrastructure investment as a share of GDP was roughly one-third of its 1975 level—though the nation has begun to close that gap.

Now, in 2026, Congress has a critical opportunity to build on that momentum. A meaningful and durable surface transportation reauthorization can deliver long-term economic growth, job creation and opportunity for communities from coast to coast.

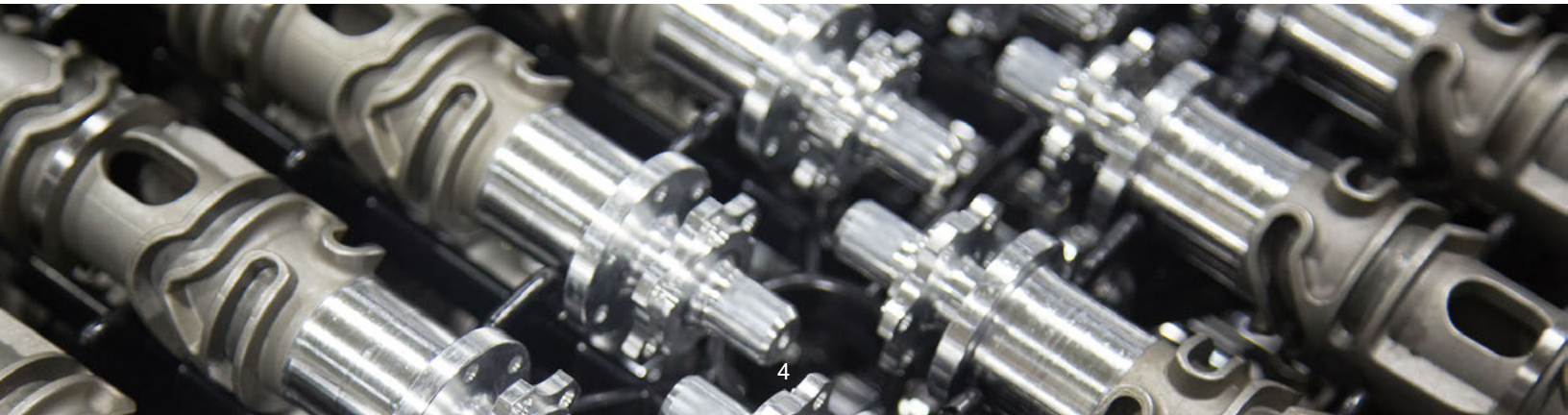
An Infrastructure Agenda for Manufacturing Dominance

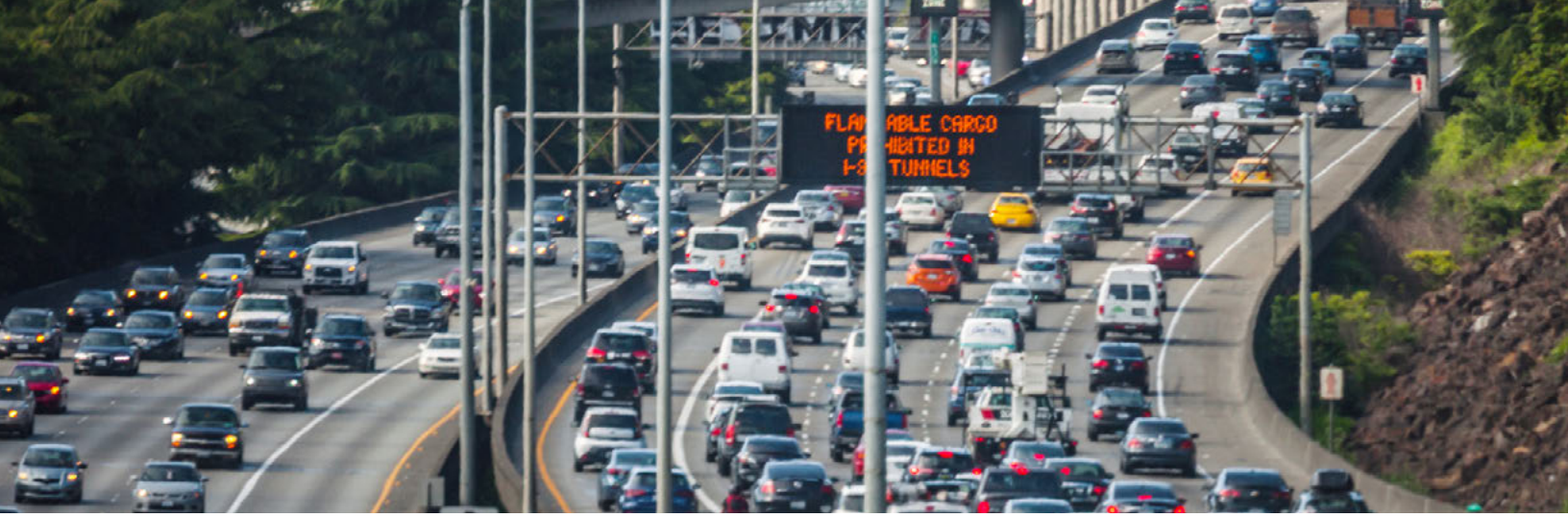
Manufacturers need a robust surface transportation reauthorization signed into law in 2026. That means:

- **Continuing robust investment levels for federal infrastructure,** including by developing long-term solutions for Highway Trust Fund solvency;
- **Strengthening supply chains** across transportation modes;
- **Investing in water infrastructure** that will support manufacturing growth and public health; and
- **Reforming burdensome permitting laws and regulations** to ensure federal infrastructure investments are made efficiently and responsibly.

> **"As president and CEO of a family-owned American business specializing in high-performance hydraulic and electromechanical components, a modern, dependable transportation infrastructure helps us make and move our products and supports our employees and their families. An investment in infrastructure truly is an investment in manufacturing and helping our communities achieve the American Dream."**
> — Austin Ramirez, President and CEO, Husco

> **"As a company at the forefront of smart manufacturing, Rockwell Automation supports Congress passing a strong infrastructure bill this year. Getting this done in 2026 is foundational for the acceleration of manufacturing investment across our nation."**
> — Blake Moret, Chairman and CEO, Rockwell Automation





ROADS AND BRIDGES

Congestion and disrepair across the nation's roads, highways and bridges cost manufacturers and consumers billions of dollars every year—from delayed deliveries of inputs to manufacturers and finished goods to consumers, to traffic delays causing lost employee productivity. Manufacturers support expanding highway capacity, increasing connectivity and building on the progress made by previous infrastructure laws to improve our nation's freight network. Manufacturers also support Congress reaffirming freight movement and economic development as national goals under the Federal-Aid Highway Program. Continuing smart investments in roads, highways and bridges is a win for manufacturing growth and jobs.

The State of America's Roads

According to the ASCE's 2025 Infrastructure Report Card, 39% of major roads in the U.S. remain in poor or mediocre condition. Across America's 4.1 million miles of public roadways, deteriorating conditions and congestion cost the average driver over $1,400 per year in vehicle operating costs and lost time. The typical U.S. driver lost 43 hours to traffic congestion and $771 worth of time in 2024 alone. The nation's roadways still face a $684 billion funding gap over the next 10 years.

The NAM's own analysis shows that highway congestion costs manufacturers more than $25 billion annually and results in over 65 million hours of freight delays each year. Trucking accounts for the largest share of freight movement, and freight moved by truck is expected to increase 91% by value and 53% by weight between 2025 and 2050. Without substantial investments in highway capacity and maintenance, these costs will only grow.

$25B

A Hidden Congestion Tax: Manufacturers in the U.S. pay a **$25 billion** surcharge every year simply to move goods and inputs through a congested highway system.

The primary federal funding mechanism for highways—the Highway Trust Fund—continues to face structural challenges. The growth in construction costs and the fuel efficiency of vehicles means that the purchasing power of the federal gas tax has declined 80% since the rate was last adjusted in 1993. Since 2008, Congress has transferred approximately $275 billion from the Treasury General Fund to keep the Highway Trust Fund solvent, according to the Congressional Research Service. Without sustainable long-term funding solutions, critical infrastructure investments will continue to be deferred.

Top 10 Most Congested Regions for Manufacturing Freight

Region	Estimated Congestion Cost to Manufacturers (USD)
Los Angeles–Long Beach, CA	$2.7B
New York–Newark, NY–NJ–CT–PA	$2.1B
Chicago–Naperville, IL–IN–WI	$1.5B
Dallas–Fort Worth, TX–OK	$864M
San Jose–San Francisco–Oakland, CA	$862M
Houston–The Woodlands, TX	$784M
Phoenix–Mesa–Glendale, AZ	$642M
Atlanta–Athens–Clarke County–Sandy Springs, GA	$623M
Philadelphia–Reading–Camden, PA–NJ–DE	$616M
Miami–Fort Lauderdale–Port St. Lucie, FL	$553M

The State of America's Bridges

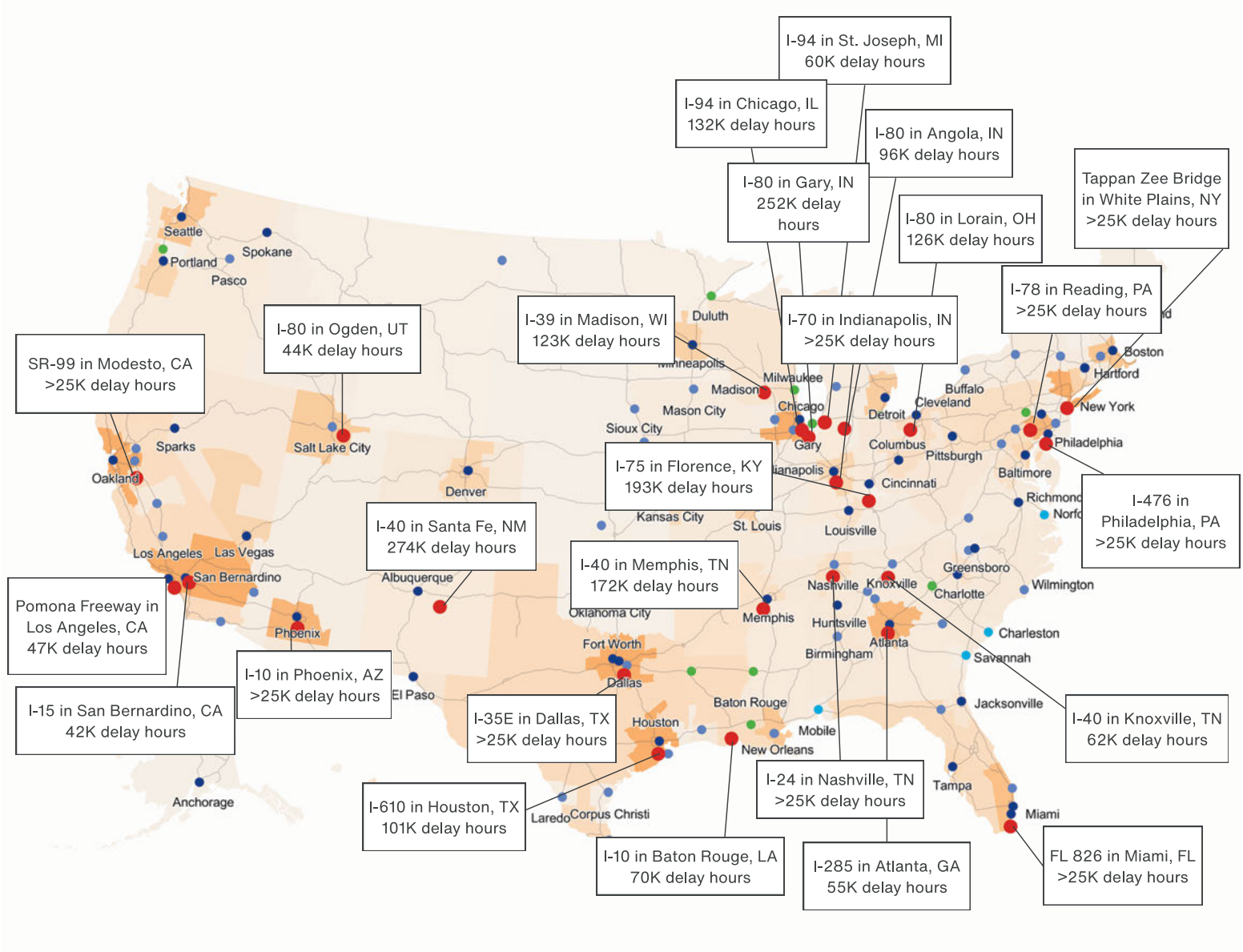
According to the American Road and Transportation Builders Association, one in three of the nation's 623,000 bridges needs repair or replacement. More than 46,000 bridges across the U.S. are classified as structurally deficient, meaning a key element is rated in poor or worse condition. Vehicles make 178 million daily trips over these structurally deficient bridges. Nearly 42% of U.S. bridges are over 50 years old and approaching or exceeding their intended design life. While the percentage of bridges in poor condition has declined slowly—from 12% in 2011 to approximately 6.8% today—it would cost over $400 billion to make all needed repairs to the nearly 222,000 structures requiring work.

While the 2021 Infrastructure Investment and Jobs Act provided over $40 billion for bridge programs, significant work remains. ASCE projects an additional cost of $373 billion over the next 10 years to bring the country's bridges into a state of good repair. The challenge is further complicated by the fact that over 22,000 bridges are susceptible to storms and other extreme weather events. As states have begun committing their federal bridge formula funds—55% as of mid-2025—manufacturers urge continued prioritization of bridge repair and replacement to ensure safe, reliable freight movement across the nation.

> **"We can't build a 21st-century economy on 20th-century roads. We need decisive action on infrastructure funding, or our efforts to reindustrialize America will stall. There are few places more efficient to invest hard-earned taxpayer dollars than roads and bridges. That is why CRH supports the swift passage of a robust surface transportation bill to drive manufacturing growth and competitiveness."**
> — Nathan Creech, President, CRH Americas

The Cost of Congestion

Mapping the intersection of key transportation hubs and the nation's 25 worst freight bottlenecks. Concentrated delays at major hubs amplify the total economic burden on manufacturers, reaching costs of up to $2.3B annually in high-impact regions.



Infrastructure Nodes

- Major Rail Hub
- Major Inland Port
- Major Seaport
- Maritime-Rail-Air Intermodal
- Bottleneck

Manufacturers' Annual Congestion Cost

$5M — $225M — $1.5B+

ACTION NEEDED

- **Sustain and expand investment in America's highways, roads and bridges** through robust state formula funding and responsibly funded grant programs that address the nation's $684 billion roadway funding gap and $400 billion bridge repair backlog.

- **Ensure strong stewardship of infrastructure dollars** by operating grant programs efficiently, prioritizing projects of national and regional significance and holding recipients accountable for delivering results on time and on budget.

- **Restore solvency to the Highway Trust Fund** by adhering to user-pays-based principles, with fees or taxes charged on a commensurate basis across vehicle type with proceeds utilized directly for related infrastructure. Calculations for any fees or taxes should be transparent, practical and utilize reasonably accessible data to avoid onerous reporting burdens. Alternative financing mechanisms, such as bonds and other private financing instruments, as well as public–private partnerships, should be encouraged where appropriate.

> **"Transportation infrastructure investments drive economic growth, improve the safety of the traveling public and improve daily life for communities across the United States. Accelerating permitting processes will help maximize the impact of these investments. Fluor is strategically positioned to support the full lifecycle of transportation systems through our engineering, construction, operations and maintenance expertise."**
>
> — Shawn West, President, Infrastructure Business Line, Fluor Corporation

Key Projects

I-85 Corridor Bridges (SC/GA Border): Six bridges along 2.5 miles of I-85 over Lake Hartwell at the South Carolina–Georgia border are in fair or poor condition and cannot meet current freight demands. This section narrows to just two lanes per direction—a major bottleneck on the Atlanta–Charlotte corridor, which sees 40% truck traffic and serves BMW, Michelin and other upstate manufacturers.

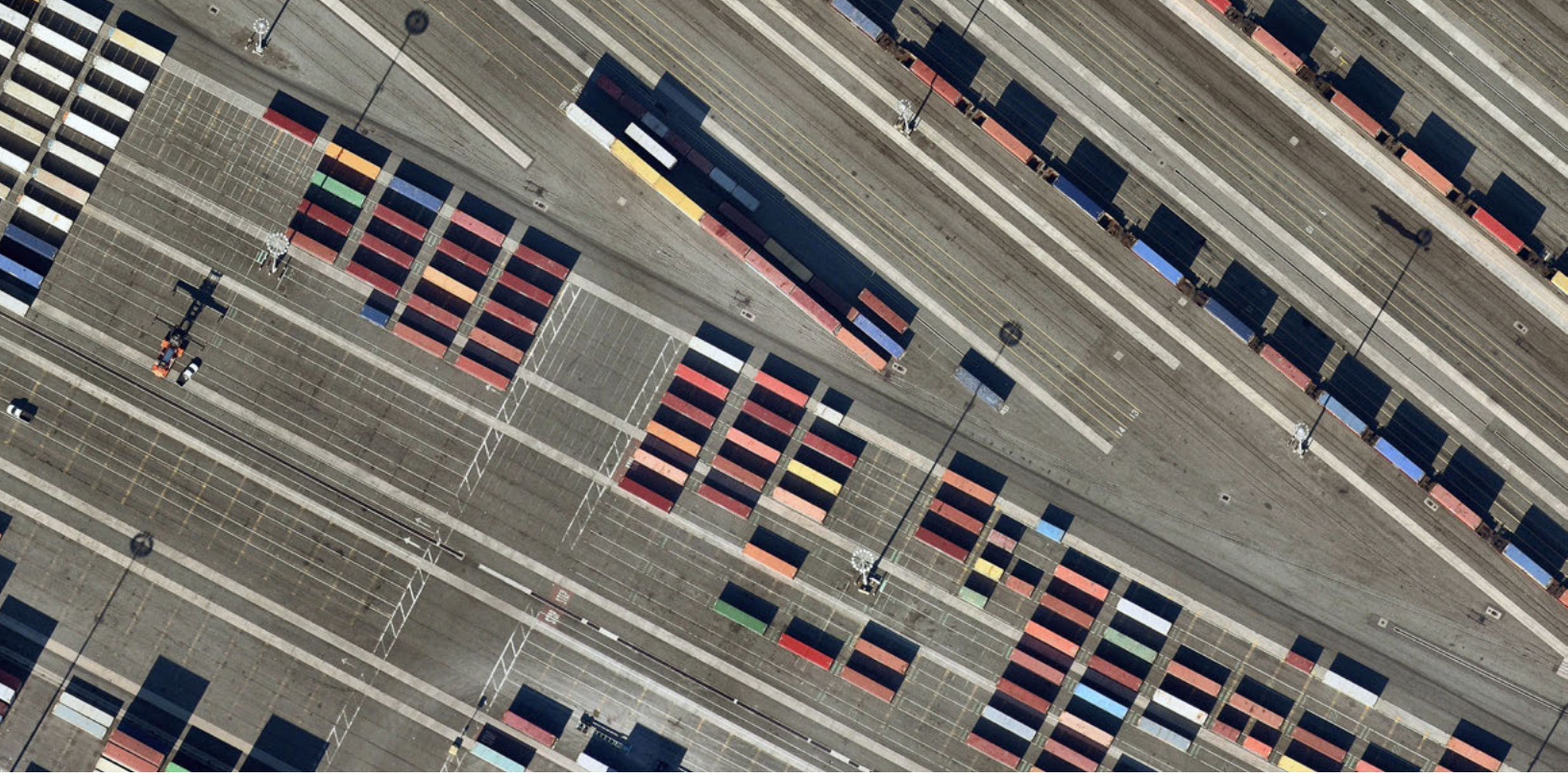
American Legion Bridge (I-495, MD/VA): The 63-year-old American Legion Bridge is the sole direct road link between Fairfax and Montgomery counties, carrying more than 250,000 vehicles daily on one of the nation's most congested corridors. The Maryland Department of Transportation projects the structurally deficient bridge must be replaced by 2030 due to wear. Maryland submitted an FY2026 Large Bridge Investment Program application seeking $2.4 billion as part of an estimated $4 billion project to expand the crossing from 8 to 12 lanes. Virginia's I-495 Northern Extension express lanes opened in November 2025, but benefits are constrained until the bridge itself is replaced.

I-10 Calcasieu River Bridge (Lake Charles, LA): The 70-year-old I-10 Calcasieu River Bridge predates the Interstate system and carries over 90,000 vehicles daily on a critical Gulf Coast freight corridor between Louisiana and Texas—nearly triple its 37,000-vehicle design capacity. The structure features narrow lanes, steep grades, no shoulders and no lighting. A $2.3 billion replacement reached financial close in August 2024, with $1.2 billion in state and federal funding (including a $150 million MEGA grant) and the remainder covered by toll revenue.

Chesapeake Bay Bridge Spans (U.S. 50 and 301, MD): Maryland approved a $15 billion – $17 billion plan in December 2025 to replace both Chesapeake Bay Bridge spans (opened 1952 and 1973) with two new four-lane bridges. The 4.3-mile crossing carries 27 million vehicles annually on just five total lanes, creating notorious seasonal congestion. The new spans would double capacity to eight lanes, add full shoulders and raise clearance 50 feet to accommodate larger container ships bound for the Port of Baltimore. The project will require substantial federal funding; construction is targeted for 2032.

Roosevelt Memorial Bridge (U.S. 70, OK): Opened in 1945, the U.S. 70 Roosevelt Memorial Bridge over Lake Texoma is a narrow two-lane crossing that no longer meets modern safety standards. The bridge carries 8,500 vehicles daily and is vital for freight, tourism and emergency services between Durant and Kingston in southeastern Oklahoma. Oklahoma received a $124 million BIP grant in July 2024—the state's largest-ever federal transportation grant—toward a more than $250 million replacement. The new four-lane bridge begins construction in 2026.

I-55 Memphis & Arkansas/"America's River Crossing" Bridge (Memphis, TN/AR): The I-55 Memphis & Arkansas Bridge, opened in 1949, is the oldest span in the national Interstate system and one of only two Mississippi River crossings at Memphis—home to FedEx and the nation's busiest cargo airport. When a crack in the neighboring I-40 Hernando de Soto Bridge closed that span for three months in 2021, all traffic shifted to the aging I-55 structure, exposing a dangerous lack of redundancy. The $800 million – $900 million replacement received $393.75 million in IIJA funding, with Tennessee and Arkansas each contributing roughly $250 million. Construction begins in late 2026, with completion targeted for 2030.



RAIL

America's rail system—from freight railroads to passenger lines—is a vital part of our nation's manufacturing success. Freight rail is a critical component of functioning transportation supply chains for manufacturers, with 1.6 billion tons of goods transported annually across more than 135,000 route miles of track.[1] Critical freight and passenger rail transportation programs, such as the Consolidated Rail Infrastructure and Safety Improvements Program, the Railroad Crossing Elimination Grant Program and the Section 130 Railway-Highway Crossings Program, strengthen this critical mode of transportation.

The Economic Value of Freight Rail

America's freight railroads are an economic engine, generating $233.4 billion in total economic output annually and supporting 740,000 jobs nationwide, according to the Association of American Railroads. The sector contributes $25.1 billion in annual tax revenues and reinvests $26.8 billion each year in infrastructure—funded entirely by the railroads themselves. If current rail freight were shifted to trucks, it would require an estimated 80 million additional truck trips annually.

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For manufacturers, rail is indispensable. Rail transportation generated $23.2 billion in economic activity (2024) within the manufacturing sector alone and supports 29,500 manufacturing jobs—roughly one additional manufacturing job for every six rail employees. Industries reliant on rail account for more than 65% of rail transportation's total economic output, and 54% of trade-related rail traffic moves through U.S. ports and intermodal hubs, underscoring rail's critical role in global supply chains.

> **“Manufacturers count on rail to be a reliable, resilient link in their supply chains. Modernizing our nation’s rail infrastructure—through thoughtful policy and strategic federal investment—strengthens our ability to serve them. When funding supports technologies that enhance network fluidity, improve safety and reduce delays at places like grade crossings, it amplifies the work of our highly skilled railroaders whose expertise keeps the system moving. Together, these investments support the thousands of advanced manufacturing jobs across America that rely on safe, consistent and efficient freight rail service to stay competitive.”**
> — Ed Elkins, Executive Vice President and Chief Marketing Officer, Norfolk Southern Corporation

ACTION NEEDED

- Continue support for critical freight and passenger rail transportation programs, such as the Consolidated Rail Infrastructure and Safety Improvements Program, the Railroad Crossing Elimination Grant Program and the Section 130 Railway-Highway Crossings Program.
- Address the surge in cargo theft, incidences of which have increased by double-digit percentages, representing hundreds of millions of dollars in stolen goods annually.[2]
- Further develop the adoption of automated track inspection technology and other advancements that enhance safety and boost efficiency.[3]
- Invest in terminal capacity expansion and signaling improvements at high-volatility rail nodes to reduce supply chain brittleness and support just-in-time manufacturing operations.

MARITIME

America's ports and inland waterways remain vitally important to manufacturers in the U.S. However, much of the infrastructure that helps move inputs and products via waterways is more than 50 years old and subject to frequent, unexpected delays or service interruptions. There is also the need to continue to expand and modernize American seaport facilities, to cut congestion, improve productivity and get American products to customers around the world.

"America's ports and inland waterways are national treasures and vital parts of our manufacturing supply chain. This is especially true in the petroleum and chemical markets that Kirby serves, where many manufacturing facilities are strategically located along the waterways and heavily use them. It is essential that the government properly invest in our federal waterways to keep them operating at full capacity. Efficient waterways lower transportation costs and keep American products competitive in world markets."
— David Grzebinski, CEO, Kirby Corporation

The Economic Value of America's Ports

$13B

Annual cost of port delays to manufacturers

The maritime industry is a cornerstone of the American economy. According to the American Association of Port Authorities, the sector supports 21.8 million jobs—more than 1 in 8 jobs nationwide—and contributes approximately $2.9 trillion to U.S. GDP. More than $2.1 trillion in goods, accounting for over 40% of the total value of U.S. trade, passes through American ports each year. Waterborne freight carries 743 million tons of cargo annually, representing 15% of domestic freight movement.

Port capacity is growing to meet demand. Containerized cargo at U.S. ports reached 40.1 million TEU (twenty-foot equivalent units) in 2022, up from 32.9 million in 2015. The top 25 ports added 31 ship-to-shore gantry cranes between 2023 and 2024, bringing the total to 570. Of these top ports, 18 have on-dock rail connections to the National Highway System, enabling efficient intermodal freight movement.

The Cost of Port Congestion

Despite these investments, port congestion continues to impose significant costs on manufacturers. NAM analysis estimates that dwell times at container and bulk ports cost manufacturers approximately $13 billion annually in carrying costs and demurrage charges. These delays ripple through supply chains, forcing manufacturers to hold excess inventory, expedite shipments through costlier modes and absorb production disruptions when critical inputs arrive late.

ACTION NEEDED

- Enact a robust Water Resources Development Act authorization bill for U.S. Army Corps of Engineers and Environmental Protection Agency projects to support manufacturers and their supply chains.
- Invest in port capacity expansion and intermodal connections to reduce dwell times and the $13 billion annual cost burden on manufacturers.

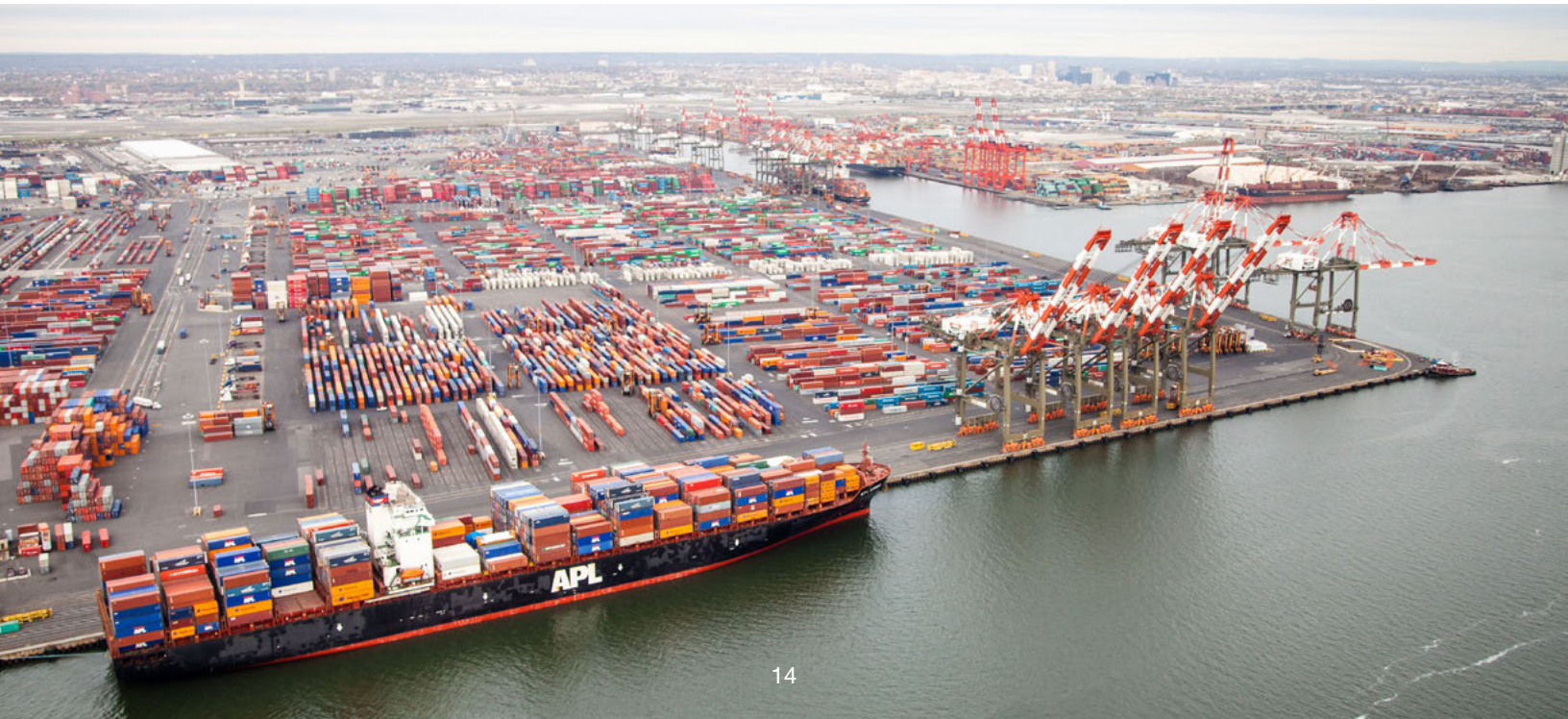
> **"A strong infrastructure bill will help the maritime industry move projects from paper to reality faster by ensuring America's ports and waterways are at the cutting edge. Permitting reform will support this outcome by cutting delays, reducing costs and getting ports and offshore infrastructure built sooner without weakening environmental or safety protections. It doesn't mean fewer safeguards; it means getting cleaner, more efficient maritime infrastructure built faster, so economic growth and environmental progress can happen at the same time."**
> — Lee Gordon, Chief Communications Officer, Brunswick Corporation

Key Projects

Savannah Container Terminal (Hutchinson Island, Georgia): The Port of Savannah is the fastest-growing container gateway on the U.S. East and Gulf coasts and the nation's third-busiest container port, yet demand continues to outpace capacity. The Georgia Ports Authority is planning a new container terminal on Hutchinson Island that would add three big-ship berths and 3.5 million TEUs of annual capacity once fully built out. The project, currently in the federal permitting phase, is part of a $4 billion investment plan that would more than double the port's capacity to 12.5 million TEUs by 2035. With direct rail access via CSX and Norfolk Southern, Savannah's continued expansion is critical to keeping goods moving efficiently from vessel to distribution center.

Louisiana International Terminal (Port of New Orleans): The Louisiana International Terminal represents the largest federal investment in a new container terminal in U.S. Department of Transportation history. The $1.8 billion project would be the first new deepwater container terminal on the Lower Mississippi River in over four decades, capable of serving the largest vessels transiting the Panama Canal. Once complete, the terminal would leverage the Port of New Orleans' unmatched connectivity—six Class I railroads, 14,500 miles of inland waterways reaching 31 states and proximity to the nation's manufacturing and agricultural heartland—to dramatically expand Louisiana's import and export capacity. The project is expected to generate 18,000 jobs in Louisiana and more than $1 billion in new state and local tax revenue by 2050.

Sparrows Point Container Terminal (Port of Baltimore): The Sparrows Point Container Terminal would transform the former Bethlehem Steel site into a 330-acre state-of-the-art container facility, expanding the Port of Baltimore's capacity by 70%. The $1 billion joint venture has received federal permitting approval and would create over 8,000 direct and indirect jobs while adding $1.5 billion annually to Maryland's economy by 2035. Baltimore already ranks first in the nation for roll-on/roll-off cargo and offers the shortest rail distance to Midwest markets of any East Coast port—an advantage amplified by the recently completed Howard Street Tunnel expansion, which now allows double-stacked container trains. The March 2024 Francis Scott Key Bridge collapse underscored how critical Baltimore's port infrastructure is to regional and national supply chains; Sparrows Point would add much-needed redundancy and capacity.



INTERMODAL

Intermodal transportation—the movement of freight using multiple modes such as rail, truck, ship, barge and air without handling the cargo itself when changing modes—is essential to manufacturing supply chains. By combining the flexibility of trucking for first- and last-mile delivery with the efficiency of rail or water for long-haul transport, intermodal offers manufacturers a cost-effective and reliable way to move goods across the country and around the world.

Intermodal accounts for a significant and growing share of U.S. freight movement. In 2025, U.S. rail intermodal volume reached 14.06 million containers and trailers—the second-highest total on record. For shipments over 500 miles, intermodal can reduce shipping costs by 20–40% compared to truck-only transport.

But intermodal's potential is constrained by bottlenecks at the critical connection points where cargo transfers between modes. Insufficient terminal capacity, outdated facilities and inadequate first- and last-mile connections force freight onto trucks that could otherwise move more efficiently. Addressing these constraints requires sustained investment in intermodal infrastructure—on-dock rail at ports, inland terminals and the road and rail links that connect them. Manufacturers are looking to Congress to continue to unlock the necessary investment.

ACTION NEEDED

- Provide for the full expenditure of the Harbor Maintenance Trust Fund to support port and harbor maintenance.
- Maintain key funding streams for intermodal connectivity from the IIJA, such as the Port Infrastructure Development Program, to alleviate port bottlenecks when cargo is being moved to trucks and/or rail.

> **"Federal infrastructure investment is essential to America's global competitiveness. Caterpillar is a net exporter that manufactures equipment in 25 states, and our products rely on an interconnected transportation network—from roads, to rail, to ports—to reach customers around the world. For Caterpillar and many other U.S. manufacturers across the country, a modern, efficient transportation system is fundamental to our ability to compete and win globally."**
> — Denise Johnson, Group President of Resource Industries, Caterpillar Inc.

Key Projects

BNSF Barstow International Gateway (California): BNSF Railway's proposed Barstow International Gateway would be the largest intermodal facility in the world—and the first to fully integrate a rail yard, intermodal terminal and logistics park with on-site warehouse capacity in a single master-planned development. The $1.5 billion project would span 4,800 acres along BNSF's main transcontinental route, replacing the inefficient movement of trucks and containers across the Inland Empire with a centralized hub capable of assembling and processing trains bound for markets nationwide. The project is currently in environmental review, with construction targeted for late 2026 and an estimated 20,000 direct and indirect jobs at full build-out.

Blue Ridge Connector (Georgia): The Georgia Ports Authority's Blue Ridge Connector will extend the Port of Savannah's reach into northeast Georgia when it opens in spring 2026. The $127 million inland port near Gainesville will offer double-stacked rail service via Norfolk Southern, eliminating a 300-mile one-way truck route and an estimated 52,000 truck trips through the Atlanta region in its first year alone. With capacity for 200,000 containers annually at full build-out and unique refrigerated cargo-by-rail capability serving the region's food and poultry industries, the facility will provide manufacturers and exporters a faster, lower-cost connection to Savannah's 39 weekly global container services.

Navy Base Intermodal Facility (North Charleston, South Carolina): The $545 million Navy Base Intermodal Facility will give the Port of Charleston its first near-dock rail capability—resolving the port's last major competitive disadvantage as a top-10 U.S. container port. Located one mile from the Leatherman Terminal, the facility will feature nearly 80,000 feet of track and capacity for 1 million rail lifts annually, served by both CSX and Norfolk Southern. The northern entrance is expected to open in January 2026, with full completion by 2027.

CREATE Program: 75th Street Corridor Improvement Project (Chicago, Illinois): Chicago handles nearly half of all U.S. intermodal rail containers, but freight and passenger trains crossing paths at Belt Junction create bottlenecks that ripple across the national network. The $474 million 75th Street Corridor project will construct rail flyovers and grade separations to eliminate conflicts between 98 daily freight trains and 30 commuter trains. The Forest Hill Flyover was completed in late 2025, with remaining components in design and construction.

Pier B On-Dock Rail Support Facility (Long Beach, California): The Pier B facility will double the Port of Long Beach's rail yard from 82 to 171 acres and more than triple on-dock rail capacity from 1.5 million to 4.7 million TEUs annually. The facility will connect directly to the Alameda Corridor and feature staging areas to assemble trains up to 10,000 feet long. Construction began in 2024, with full completion expected in 2032.

The Cross-Harbor Freight Tunnel

New York City is the only major port city in the United States that is not directly connected to the country's national freight rail network. There is no rail freight bridge or tunnel crossing the Hudson River south of Selkirk, New York—140 miles north of the city—forcing freight trains destined for Long Island, Brooklyn and Queens to make a 280-mile detour known as the "Selkirk Hurdle," adding an estimated $2.5 billion annually to the cost of delivering goods to consumers and businesses in the greater New York area.

The Cross-Harbor Freight Tunnel is a proposed four-mile freight-only rail tunnel under Upper New York Bay, connecting rail facilities in Jersey City, New Jersey, to Sunset Park in Brooklyn, New York. The tunnel would establish a direct, high-capacity rail connection between the national freight rail network west of the Hudson and manufacturers, distributors and consumers on Long Island—a region of 7.7 million people almost entirely dependent on trucks. By enabling freight to move by rail as well as by truck, the project would reduce congestion on the region's roads and bridges, lower the cost of goods and improve air quality for millions of residents.

Supply chain disruptions in recent years have underscored the vulnerability of the nation's freight network and highlighted the need for greater resilience. The Cross-Harbor Freight Tunnel is an example of a project that could provide such resilience, reduce wear and tear on the region's roads and bridges and strengthen long-term regional competitiveness by lowering costs, improving reliability and more efficiently connecting markets.

AVIATION

Aviation is essential to manufacturing supply chains, enabling the rapid movement of high-value goods, time-sensitive components and specialized equipment to markets across the country and around the world. The United States leads the world in air freight, transporting 42.8 billion ton-kilometers of cargo in 2023—more than China, the next closest nation, at 26.2 billion. U.S. carriers flew 7.3 billion revenue ton miles that year. For manufacturers shipping precision parts, medical devices, electronics and other goods where speed and reliability matter, air cargo is often the only option.

The nation's aviation system is also a major contributor to the broader economy. In 2023, general aviation alone supported 1.3 million jobs, produced $339.2 billion in economic output and contributed $178.1 billion to GDP. More than 214,000 active aircraft logged 28.6 million flight hours. The manufacturing sector is at the heart of this activity: aircraft manufacturing directly employed 132,800 workers earning an average of $109,028, while another 239,100 workers supported aircraft operations and maintenance. Nearly 4,000 U.S.-manufactured general aviation aircraft were shipped in 2023. Each direct job in the general aviation industry supports 2.6 jobs elsewhere in the economy.

But America's aviation infrastructure is straining under growing demand. The ASCE's 2025 Infrastructure Report Card projects that passenger air traffic will grow 58% to 1.28 billion annual passengers by 2040. Already, 11 airports are expected to be capacity-constrained by 2028 and 14 by 2033. The FAA estimates that $67.5 billion in capital development projects are needed between 2025 and 2029—covering 18,100 projects across 3,287 existing airports and five new airports. The projected funding gap over the next decade is $114 billion.

Air cargo infrastructure faces particular challenges. A 2025 Government Accountability Office survey of 37 air cargo stakeholders at 11 airports found widespread concerns about aging and inadequate ground-based infrastructure. Warehouses topped the list, with 31 of 37 stakeholders reporting at least one challenge—including buildings 40 or more years old, too few warehouses to meet demand and facilities too small to process cargo volumes or accommodate modern equipment. Similar concerns were raised about truck areas, roadways and cargo aprons. Workforce issues compound these physical constraints: 26 of 37 stakeholders reported challenges with staffing, including labor shortages, high turnover and low wages that make recruitment difficult.

Manufacturers depend on a safe, efficient and modern aviation system. Investment in airport infrastructure, next-generation air traffic control and cargo facilities is essential to maintaining U.S. competitiveness in global trade. Without sustained commitment to closing the aviation funding gap, the United States risks falling behind other nations in a sector where it has long been the world leader.

ACTION NEEDED

- Ensure that strong investments continue to be made in next-generation air traffic control technology and that the FAA has the air traffic control staff needed for safe and efficient runway management.
- Close the $114 billion aviation funding gap by increasing investment in airport capital development, including runway expansion, terminal modernization and cargo facility upgrades.
- Address ground-based air cargo infrastructure constraints, including warehouses, truck staging areas and cargo aprons, to support continued growth in freight volumes.
- Support workforce development programs to address labor shortages and improve recruitment and retention in the aviation sector.

INVESTING IN WATER

Investments in water infrastructure—drinking water, wastewater, stormwater and water reuse—are more critical than ever to manufacturers in America. The nation's drinking water system comprises 2 million miles of underground pipes serving centralized water systems that provide water to 90% of the population. But this infrastructure is aging rapidly. The average life expectancy of water pipes has declined from 84 years in 2018 to just over 78 years in 2023.

Over half of public water systems have identified rehabilitation and replacement of aging infrastructure as their most critical challenge, and an estimated 450,000 miles of installed water mains—20% of the total—have already exceeded their useful lives but remain in service due to insufficient funding.

"As a company designing and delivering the critical water infrastructure systems that manufacturers, communities and national security depend on, we see firsthand how deferred investments and inefficient permitting processes can slow progress at a time when reliability and speed-to-market are critically important. A bipartisan approach to investing in our nation's water systems is essential to building a stronger, more resilient America. Modernizing reviews and reducing unnecessary delays will not only unlock private-sector investment and jobs, but also protect taxpayers from avoidable costs on the projects that supply and protect America's water."

— Mario Azar, Chairman and CEO, Black & Veatch

Demand continues to grow even as the system deteriorates. Total public supply withdrawals increased by more than 7.5% between 2000 and 2020. For manufacturers who depend on reliable access to clean water for production processes, cooling, sanitation and product formulation, these infrastructure gaps pose direct operational risks. Aging pipes mean more frequent service disruptions, higher rates of contamination and unpredictable water quality—all of which can halt production lines and jeopardize product safety.

Manufacturers support continued congressional investment in the Drinking Water and Clean Water State Revolving Funds to address this critical infrastructure backlog and ensure that American manufacturers have access to the water resources they need to produce products here in America.

ACTION NEEDED

- Continue to fund the Drinking Water and Clean Water State Revolving Funds at the highest possible levels.
- Expand the use of public–private partnership under the Water Infrastructure Finance and Innovation Act.
- Continue to invest in pipe replacements to address both the continued risk of lead pipes and to ensure America's water infrastructure is as resilient as possible to address water loss and potential contamination.
- Invest in PFAS remediation at key federal sites to support public health and manufacturing resilience.

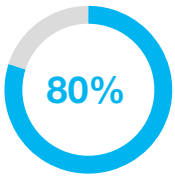
PERMITTING REFORM

Our nation's permitting processes are broken and have been for some time—a fact acknowledged across industries and political parties. Unclear timelines, lack of agency coordination, overlapping statutes and endless litigation continue to drive up the costs of critical projects or halt them altogether, a fact all too evident all too frequently in delayed project delivery for much needed infrastructure investments across the nation.

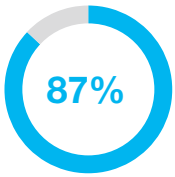
All types of infrastructure projects—from new roads and highway expansions, to port dredging, to urban transit, to energy generation and transmission, to wastewater infrastructure and more—are subject to the same permitting regimes. The federal permitting process must be streamlined to focus on results—providing final answers to project sponsors on more reasonable timelines, ensuring fair and consistent implementation of laws across the country and guaranteeing reviews are truly agnostic to project type as different areas of the country have different infrastructure needs and priorities.

Policymakers must take a holistic view of what reforms and modernizations are needed to ensure America can build the infrastructure that manufacturers need to compete, grow and win. Surface infrastructure legislation presents an opportunity for Congress to act in a bipartisan fashion to enact comprehensive permitting reform, and manufacturers need Congress to seize the moment so we can deliver for the American people.

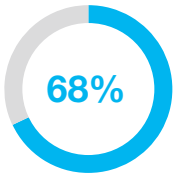
> **"The continued growth of American manufacturing depends on a permitting system that is efficient, predictable and timely. When decisions are made clearly and without delay, manufacturers can keep investing, innovating and creating jobs in communities across the nation."**
> — Ben Pickett, Executive Vice President of Business Services, Nucor Corporation



of manufacturers say that the length and complexity of the permitting process is harmful to increasing investment.



of manufacturers would expand business operations, hire more workers or increase wages and benefits if the permitting process were more streamlined.



of manufacturers with permittable expansion plans say they would be able to expand more quickly with a streamlined federal permitting system.

ACTION NEEDED

- Reform the National Environmental Policy Act by expediting judicial review, expanding categorical exclusions, codifying Supreme Court precedent to rein in NEPA's scope and clarifying what triggers a federal action.
- Create and maintain enforceable deadlines as manufacturers need clear statutory deadlines to avoid leaving the process open to misinterpretation and abuse.
- Streamline the Clean Water Act by clarifying timelines, roles and permitting scope, and expand general permits to reduce duplicative and lengthy reviews.
- Modernize the Clean Air Act to ensure workable PM2.5 and ozone standards and realistic review cycles; allow regional emissions credit trading and discount international emissions when setting compliance burdens.
- Accelerate construction of needed energy infrastructure by modernizing the permitting and safety processes for pipelines and ensuring federal coordination with states and localities interconnecting new electric transmission and distribution lines.

"At USG, we are investing in our facilities across the country to maintain and create new, skilled jobs for our people. We need permitting reform to accelerate these efforts and to ensure the regulatory process moves at the speed of our business. A more efficient and predictable permitting process enables companies like ours to expand operations, create additional jobs and invest in our plants for the next generation of workers. Simply put, an investment in a streamlined permitting process is an investment in the American manufacturing worker."
— Christopher Griffin, President and CEO, USG Corporation

Endnotes

1 U.S. Department of Transportation, “Moving Goods in the United States.” Available at https://data.bts.gov/stories/s/Moving-Goods-in-the-United-States/bcyt-rqmu.

2 Courtney Reagan and Scott Zamost, “Cargo thieves are attacking the U.S. supply chain at alarming rates” (CNBC, May 9, 2025). Available at https://www.cnbc.com/2025/05/09/cargo-thieves-attack-supply-chain.html.

3 Comment Letter on Notice of Petition for Waiver of Compliance (National Association of Manufacturers, July 8, 2025). Available at https://documents.nam.org/ERP/NAM%20Comments%20on%20AAR%20Petition%207.8.2025.pdf.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