Transportation Federal Policies Overview

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I. Regulatory Executive Framework

- E.O. 14219 and E.O. 14192 created the framework for Trump administration regulatory activity
- Required agencies to identify ten existing regulatory burdens to be revoked for each new significant regulation
- Buy America regulations have been tightened, including the termination of FHWA's general waiver for manufactured products



II. DOT Regulatory Principles and Oversight

DOT Order 2100.6B (issued by Secretary Duffy on March 10, 23 pages long) outlines rulemaking requirements:

- Rules should be technologically neutral
- Set specific performance objectives
- Minimize burdens and reduce market entry barriers (consistent with safety)
- Benefits must exceed costs, unless law or safety requires otherwise
- Creates a Regulatory Reform Task Force to oversee actions



III. NEPA and Environmental Policy Reforms

On June 30, DOT issued **department-wide NEPA reforms**:

- Require **hard deadlines**
- Simplify categorical exclusions
- Set page limits
- Narrow the definition of "federal actions"

Intended to implement **new statutory and executive order requirements**, and Supreme Court limits (*Seven County Infrastructure Coalition v. Eagle County*)



IV. Policy Shifts on Social and Climate Initiatives

Secretary Duffy announced DOT will not enforce "DEI" or "Green New Scam" provisions from previous grant agreements, unless explicitly required by statute or regulation.



V. Overview of Modal Focus

Overview of FMCSA (commercial motor vehicles and carriers) and NHTSA (vehicle safety and fuel economy).

Both agencies aligned under DOT's broader deregulation directives per:

- E.O. 14192 and E.O. 14219: "10-for-1" regulatory offset policy
- DOT Order 2100.6B: Rulemaking must reduce barriers to innovation and minimize burden



VI. FMCSA Deregulatory Activity

Regulatory Freeze and Initial Pause

- January 20, 2025: Regulatory freeze memorandum halted pending rulemakings for review
- FMCSA delayed effective dates of non-critical regulations, including January 10 updates to the FMCSRs

May 29 Deregulatory Action Package

- Secretary Duffy announced 20 FMCSA deregulatory actions (2 final rules, 18 NPRMs)
- Final Rules (effective May 30, 2025):
 - Eliminated obsolete motor carrier routing regulations
 - Removed outdated civil penalty cross-references related to drug and alcohol compliance
- Key NPRMs Include:
 - Removal of paper operator manual requirement for ELDs
 - Elimination of redundant labeling for rear impact guards and obsolete reflector striping mandates
 - Relief from self-reporting CDL violations already reported electronically
 - Clarified exemptions for military technician drivers
 - Clean-up of outdated requirements involving spare fuses, flares, and inactive regulatory categories (e.g., water carriers)



VI. FMCSA Deregulatory Activity (cont.)

Pilot Programs and Technology Integration

- Launched pilot programs for:
 - Expanded sleeper berth flexibility (6/4 and 5/5 splits)
 - Split-duty periods to enhance scheduling flexibility
- Ongoing modernization of the online registration and credentialing portal
- Rulemaking to withdraw proposed joint NHTSA/FMCSA heavy-truck AEB mandate placed on indefinite hold



VII. NHTSA Deregulatory Activity

May 29 Sweep: 16 NHTSA Actions

- 12 NPRMs targeted legacy FMVSS provisions for removal or update, including:
 - FMVSS 205(a) Obsolete glazing standards for pre-2006 vehicles
 - FMVSS 216/216a Restructuring roof crush standards to reflect updated vehicle structures
 - FMVSS 210 Eliminating redundant seatbelt anchor certification text
 - FMVSS 204 Realigning rearward steering displacement scope
 - Additional cleanups in FMVSS 206, 207, 213a, 214, 217, 222, 301, 303, and 304
- 1 NPRM to withdraw 2015 FMVSS 218 motorcycle helmet update
- 1 **NPRM** to modernize technical/procedural compliance text



VII. NHTSA Deregulatory Activity (cont.)

Corporate Average Fuel Economy (CAFE) Penalty Rollback

- · May 2025 Final Rule:
 - Repealed inflation-based increase to CAFE penalties (restored to \$5.50 per 0.1 mpg shortfall)
- July 2025 Statutory Elimination via H.R. 1 ("One Big Beautiful Bill"):
 - Set CAFE penalties to \$0 for light-duty vehicles (passenger cars and light trucks)
 - NHTSA remains authorized to collect data and oversee compliance, but cannot impose financial penalties
 - Credit trading market collapsed as consequence—major impact on EV manufacturers that relied on credit revenue

Crash Test Modernization

- NPRM issued to revise dummy specifications for side-impact testing in child restraint systems
- · Aims to align test procedures with real-world safety conditions and reduce manufacturer burden



VIII. Autonomous Vehicle (AV) Policy Developments

USDOT/NHTSA AV Framework (Announced April 2025)

- Focused on three pillars:
 - Ensuring safety via modernized FMVSS
 - Encouraging innovation through clearer exemption pathways
 - Reducing administrative delay for deployment readiness

Part 555 Reform & Exemption Acceleration

- New process allows streamlined review of FMVSS exemptions for vehicles lacking conventional controls (e.g., steering wheels, pedals)
- Applies to both imported and domestically produced vehicles—ending the historical "Box 7" restriction

Clarifications on Federal-State Preemption

- Framework reaffirms the federal government's role in vehicle design and performance regulation
- However, **no immediate legal preemption** over state-based AV operational laws—signals potential preemption claims in future litigation or rulemaking

Revised Incident Reporting (SGO 2021-01 Update)

- NHTSA's updated standing general order simplifies crash reporting for ADS/AV systems
 - Reduces reporting burden by excluding low-risk incidents (e.g., property-only damage)
 - Narrows scope of qualifying events and shortens reporting deadlines



IX. Key Rulemakings in Transportation and Safety

FAA proposed two new drone rules:

- Allow use beyond line of sight
- Restrict unauthorized drones over mass gatherings (e.g., sports arenas)

Pipeline and Hazardous Materials Safety Administration is updating:

- LNG pipeline regulations
- Rules on transporting petroleum-based fuels



X. Climate Rule Reversal in Surface Transportation

Federal Highway Administration rescinded the Greenhouse Gases rule requiring:

- States and MPOs to set declining CO₂ targets
- Take action to meet those targets



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