

119TH CONGRESS
2D SESSION

S. 3694

To provide for the development of transportation demand management strategies, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 2026

Ms. BLUNT ROCHESTER introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To provide for the development of transportation demand management strategies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Maximizing Transpor-
5 tation Efficiency Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) transportation demand management (as de-
9 fined in section 101(a) of title 23, United States
10 Code) (referred to in this section as “TDM”) in-

1 creases the efficiency of the existing transportation
2 infrastructure of the United States, provides greater
3 access to jobs and services, and strengthens commu-
4 nities and families across the country;

5 (2) compared to their urban counterparts, rural
6 communities have a disproportionate number of el-
7 derly and disabled residents, elevated poverty levels,
8 and limited access to essential services like schools,
9 healthcare facilities, stores, and banks, and the im-
10 plementation of TDM strategies can help to address
11 these disparities;

12 (3) TDM can provide transportation options to
13 those in rural communities who lack access to a car;

14 (4) according to the Bureau of Transportation
15 Statistics, rural households spend more on transpor-
16 tation than urban households;

17 (5) limited transit options in rural areas in-
18 crease dependence on owning a vehicle;

19 (6) in 2024, traffic congestion was estimated to
20 cost the United States \$74,000,000,000;

21 (7) TDM works to lower the cost of congestion
22 by increasing efficiency in the transportation system;

23 (8) other modes of transportation are well-suit-
24 ed to rural communities, particularly carpooling and
25 vanpooling;

1 (9) carpool and vanpool systems are essential
 2 for helping employees reach their worksites and resi-
 3 dents access essential services in rural locations; and
 4 (10) implementing TDM is a cost-effective use
 5 of transportation dollars.

6 **SEC. 3. TRANSPORTATION DEMAND MANAGEMENT.**

7 (a) DEFINITION OF TRANSPORTATION DEMAND
 8 MANAGEMENT.—Section 101(a) of title 23, United States
 9 Code, is amended—

10 (1) by redesignating paragraphs (32) through
 11 (36) as paragraphs (33) through (37), respectively;
 12 and

13 (2) by inserting after paragraph (31) the fol-
 14 lowing:

15 “(32) TRANSPORTATION DEMAND MANAGE-
 16 MENT.—

17 “(A) IN GENERAL.—The term ‘transportation demand management’ means the use of
 18 strategies to inform and encourage travelers to
 19 maximize the efficiency of a transportation sys-
 20 tem, leading to improved mobility, reduced con-
 21 gestion, and improved air quality, including
 22 strategies that use planning, programs, oper-
 23 ations, policies, marketing, communications, in-
 24 centives, pricing, data, and technology.
 25

1 “(B) INCLUSIONS.—Transportation de-
2 mand management may include—

3 “(i) encouraging employers to offer
4 qualified transportation fringe benefits (as
5 defined in section 132(f) of the Internal
6 Revenue Code of 1986);

7 “(ii) incentives, subsidies, and use of
8 game-like elements such as points,
9 leaderboards, and challenges to encourage
10 engagement and participation in desired
11 transportation choices;

12 “(iii) appropriate pricing of parking,
13 tolls, transit, and other options;

14 “(iv) carpooling and vanpooling;

15 “(v) trip planning and ridematching;

16 “(vi) the implementation of State laws
17 and local ordinances relating to transpor-
18 tation demand management, commute trip
19 reduction, or other similar regulations;

20 “(vii) parking management;

21 “(viii) use of high occupancy vehicle
22 (HOV) and high occupancy toll (HOT)
23 lanes;

1 “(ix) promotion and support of tele-
 2 commuting, remote, and hybrid work
 3 schedules;

4 “(x) marketing, outreach, and edu-
 5 cation to inform people about options and
 6 shift behavior;

7 “(xi) support of micromobility and pe-
 8 destrian infrastructure;

9 “(xii) active transportation (as defined
 10 in section 11529(l) of the Infrastructure
 11 Investment and Jobs Act (23 U.S.C. 217
 12 note; Public Law 117–58)); and

13 “(xiii) other activities that will dis-
 14 perse the demand on the transportation
 15 system.”.

16 (b) CONGESTION MITIGATION AND AIR QUALITY IM-
 17 PROVEMENT PROGRAM.—Section 149(b)(7) of title 23,
 18 United States Code, is amended—

19 (1) by adding “or” after the semicolon at the
 20 end;

21 (2) by striking “program shifts” and inserting
 22 the following: “program—

23 “(A) shifts”; and

24 (3) by adding at the end the following:

1 “(B) is for the purpose of implementing
 2 transportation demand management strate-
 3 gies;”.

4 (c) NATIONAL INFRASTRUCTURE PROJECT ASSIST-
 5 ANCE.—Section 6701 of title 49, United States Code, is
 6 amended—

7 (1) in subsection (d)—

8 (A) in paragraph (1)—

9 (i) in subparagraph (E)(ii), by strik-
 10 ing “or” at the end;

11 (ii) in subparagraph (F), by striking
 12 “and” at the end and inserting “or”; and

13 (iii) by adding at the end the fol-
 14 lowing:

15 “(G) for the purpose of implementing
 16 transportation demand management (as defined
 17 in section 101(a) of title 23) strategies; and”;
 18 and

19 (B) in paragraph (2), in the matter pre-
 20 ceding subparagraph (A), by inserting “for any
 21 project other than a project described in para-
 22 graph (1)(G),” before “the eligible project
 23 costs”; and

24 (2) in subsection (h)(1)—

1 (A) in subparagraph (A), by striking
2 “and” at the end;

3 (B) in subparagraph (B), by striking the
4 period at the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(C) activities related to the implementa-
7 tion of transportation demand management (as
8 defined in section 101(a) of title 23) strate-
9 gies.”.

10 (d) LOCAL AND REGIONAL PROJECT ASSISTANCE.—
11 Section 6702(a)(3) of title 49, United States Code, is
12 amended—

13 (1) in subparagraph (G), by striking “and” at
14 the end;

15 (2) by redesignating subparagraph (H) as sub-
16 paragraph (I); and

17 (3) by inserting after subparagraph (G) the fol-
18 lowing:

19 “(H) a project to implement transportation
20 demand management (as defined in section
21 101(a) of title 23) strategies; and”.

22 (e) STRENGTHENING MOBILITY AND REVOLUTION-
23 IZING TRANSPORTATION GRANT PROGRAM.—Section
24 25005(e) of the Infrastructure Investment and Jobs Act
25 (23 U.S.C. 502 note; Public Law 117–58) is amended—

(1) in paragraph (1)(A), by adding at the end the following:

“(ix) TRANSPORTATION DEMAND MANAGEMENT.—The implementation of transportation demand management (as defined in section 101(a) of title 23, United States Code) strategies.”; and

(2) in paragraph (2)—

(A) in subparagraph (A)(viii), by striking “and” at the end;

(B) in subparagraph (B)(vii), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(C) activities related to the implementation of transportation demand management (as defined in section 101(a) of title 23, United States Code) strategies.”.

SEC. 4. RURAL TRANSPORTATION DEMAND MANAGEMENT SET-ASIDE.

Section 173 of title 23, United States Code, is amended—

(1) in subsection (c), in the matter preceding paragraph (1), by striking “The Secretary” and in-

1 serting “Except as provided in subsection (p), the
2 Secretary”;

3 (2) in subsection (e)(1), in the matter preceding
4 subparagraph (A), by inserting “and in subsection
5 (p)” after “paragraph (2)”;

6 (3) in subsection (f), in the matter preceding
7 paragraph (1), by striking “An eligible entity” and
8 inserting “Except as provided in subsection (p), an
9 eligible entity”; and

10 (4) by adding at the end the following:

11 “(p) RURAL TRANSPORTATION DEMAND MANAGE-
12 MENT SET-ASIDE.—

13 “(1) IN GENERAL.—Of the amounts made
14 available for the program for each fiscal year, the
15 Secretary shall use \$20,000,000 to provide grants
16 for the development and implementation of transpor-
17 tation demand management strategies in rural areas
18 to improve mobility, increase access to jobs, and
19 bring more modal options to families and commu-
20 nities in rural areas.

21 “(2) ELIGIBLE RECIPIENTS.—An entity eligible
22 to receive a grant under this subsection is—

23 “(A) a State department of transportation;

1 “(B) a metropolitan planning organization
 2 (as defined in section 134(b) of title 23, United
 3 States Code) serving 1 or more rural areas;

4 “(C) a unit of local government;

5 “(D) a Tribal government;

6 “(E) a public transit agency;

7 “(F) a regional transportation planning or-
 8 ganization; and

9 “(G) a nonprofit organization or institu-
 10 tion of higher education engaged in rural trans-
 11 portation planning and commuter service pro-
 12 grams, including transportation management
 13 associations.

14 “(3) ELIGIBLE ACTIVITIES.—Funds from a
 15 grant under this subsection may be used for—

16 “(A) development of transportation de-
 17 mand management plans and policies to opti-
 18 mize rural transportation networks;

19 “(B) marketing and public outreach cam-
 20 paigns to encourage shared mobility, transit
 21 use, and alternative transportation modes;

22 “(C) data collection and analysis to evalu-
 23 ate rural travel patterns and assess congestion
 24 reduction strategies;

1 “(D) implementation of innovative trans-
2 portation demand management strategies to en-
3 courage shared and alternative modes of trans-
4 portation, including—

5 “(i) vanpooling programs;

6 “(ii) carpooling programs;

7 “(iii) employer-based or local or Trib-
8 al government commuting incentive pro-
9 grams;

10 “(iv) real-time traveler information
11 systems;

12 “(v) smart rural transportation hubs;

13 “(vi) intelligent transportation system
14 applications to enhance rural mobility; and

15 “(vii) deploying trip-planning applica-
16 tions, mobility-as-a-service platforms, and
17 behavioral incentives;

18 “(E) coordination of public-private part-
19 nerships to leverage technology solutions for
20 rural travel efficiency; and

21 “(F) costs associated with managing and
22 operating transportation demand management
23 strategies, including staff salaries.

24 “(4) UNUTILIZED FUNDS.—For any fiscal year,
25 if the Secretary determines that the amount set

1 aside under paragraph (1) will not be fully utilized
 2 for grants under this subsection, the Secretary shall
 3 use the unutilized amounts to provide grants for
 4 other projects under the program.”.

5 **SEC. 5. CONGESTION RELIEF PROGRAM.**

6 Section 129(d) of title 23, United States Code, is
 7 amended—

8 (1) in paragraph (1)(A)—

9 (A) in clause (i), by striking “with a popu-
 10 lation of more than 1,000,000”; and

11 (B) in clause (ii), by striking “with a pop-
 12 ulation of more than 1,000,000”;

13 (2) in paragraph (5)(D), by striking “A grant”
 14 and inserting “Except as provided in paragraph (8),
 15 a grant”; and

16 (3) by adding at the end the following:

17 “(8) SMALL PROJECT SET-ASIDE.—

18 “(A) IN GENERAL.—Of the amounts made
 19 available for the program for each fiscal year,
 20 the Secretary shall use \$20,000,000 to make
 21 grants to eligible entities for projects under the
 22 program with an estimated cost that is—

23 “(i) not less than \$500,000; and

24 “(ii) not more than \$10,000,000.

1 “(B) UNUTILIZED FUNDS.—For any fiscal
2 year, if the Secretary determines that the
3 amount set aside under subparagraph (A) will
4 not be fully utilized for grants described in that
5 subparagraph, the Secretary shall use the un-
6 utilized amounts to provide grants for other
7 projects under the program.”.

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