

August 2, 2021

Dear Senator,

The American Rescue Plan (ARP) provided states and localities with \$350 billion in relief funds and \$10 billion in capital improvement assistance at a time of critical need. The COVID-19 pandemic ripped a gaping hole in the budgets of many local governments, making this assistance crucial for many workers and businesses across the nation. However, the funds lack clear guidance to states and localities on their applicability.

State and local transportation capital budgets were especially hard hit during the pandemic, as changes in travel patterns caused user-based revenue sources to dwindle. Many projects were delayed or canceled, however states and localities remain unsure as to whether the ARP funding can be used for highway and other surface transportation projects.

The Cornyn-Padilla amendment #2155 to the Infrastructure Investment and Jobs Act (IIJA) would amend the ARP to provide states and localities the flexibility to use the funds as Congress intended. The amendment would not increase costs to the federal government or the deficit and does not mandate state or local governments change their plans or priorities. It simply provides clarity on congressional intent.

With 49 of 50 states projecting revenue declines and state departments of transportation facing \$18 billion in estimated shortfalls through 2024, clear guidance on the ARP funds' use for transportation infrastructure projects will be critical to the recovery. The **Cornyn-Padilla amendment #2155** would achieve this objective, and we urge all Senators to **SUPPORT** its inclusion into the IIJA.

Sincerely,

American Road & Transportation Builders Association
National League of Cities
Association of Metropolitan Planning Organizations
American Association of State Highway and Transportation Officials
American Public Transportation Association
Associated General Contractors of America
National Association of Development Organizations
Associated Equipment Distributors
American Subcontractors Association
American Highway Users Alliance
Government Finance Officers Association
Design-Build Institute of America
National Association of Surety Bond Producers
National Stone, Sand and Gravel Association

American Traffic Safety Services Association
American Public Works Association
American Concrete Pipe Association
National Ready Mixed Concrete Association
Institute of Makers of Explosives
National Association of County Engineers
American Concrete Pavement Association
American Foundry Society
National Association of Regional Councils