

March 2, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Republican Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, and Leaders Schumer, McCarthy, and McConnell:

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 state and local governments, making this assistance crucial as the nation's economic recovery continues. However, as the nation moves beyond the Omicron variant, as of December 31, 2021, over \$100 billion is still unobligated, and the funds lack the flexibility necessary for states and localities to address ongoing transportation needs.

State and local transportation capital budgets were hit especially hard, as changes in travel patterns caused user-based revenue sources to dwindle. Many projects were delayed or canceled. However, states and localities are capped at using \$10 million of their ARP funding for highway, public transit and other surface transportation projects.

S. 3011 and H.R. 5735 would amend the ARP to provide states and localities greater flexibility to use a greater portion of these funds for these critical projects. The legislation advanced through the Senate via a unanimous consent agreement and received 150 bipartisan co-sponsors in the House. The legislation would not increase costs to the federal government or the deficit and does not mandate state or local governments change their plans or priorities.

We support adding this overwhelmingly bipartisan legislation to the FY 2022 Omnibus Appropriations package. Enactment would empower public entities with more options to use ARP resources and enhance economic recovery from the COVID-19 pandemic.

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
Portland Cement Association
American Council of Engineering Companies
American Society of Civil Engineers
Association of Equipment Manufacturers
U.S. Chamber of Commerce