

March 28, 2021

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, D.C. 20220

Dear Secretary Yellen:

Thank you for your strong leadership on the American Rescue Plan, which provides significant relief to states and localities at a critical time as the U.S. transitions toward economic recovery. As the Department of the Treasury prepares guidance on the measure's \$350 billion in relief funds for state and local governments and \$10 billion in capital assistance, the undersigned organizations urge you to ensure transportation infrastructure is defined explicitly as a qualifying eligibility.

States and local transportation revenues were hit hard by COVID-19, with 49 states publicly projecting declines. State departments of transportation are facing at least \$18 billion in estimated revenue shortfall through 2024. During 2020, 18 states and 24 localities announced delays or cancellations of transportation improvements projects totaling over \$12 billion. They notably included:

- The Denver Regional Transportation District, deferring \$114 million in capital and maintenance projects.
- Boston's Logan Airport, announcing it was scaling back a planned expansion.
- New York City department of transportation reducing capital spending by \$489 million for previously planned highway, road, bridge and sidewalk investments.

These real-world impacts of reduced transportation revenues highlight the opportunity presented by the American Rescue Plan's investment to assist state and local governments with capital and operational challenges. While the entire nation has been adversely affected by the COVID-19 pandemic, those impacts are unique in each state and community. As such, providing clear guidance and flexibility on the funds' use for transportation infrastructure will be critical to ensuring funds are used expeditiously and with maximum impact.

U.S. Department of Transportation Secretary Pete Buttigieg recently testified to Congress that the American Rescue Plan, "has some flexibility in it that I do think can be used to support to a significant degree those road budgets that have been impacted." We couldn't agree more and look forward to working with the entire Biden administration to help move America forward.

Sincerely,

American Road & Transportation Builders Association
American Association of State Highway & Transportation Officials
American Public Transportation Association
National League of Cities
U.S. Chamber of Commerce

National Association of Counties
Transport Workers Union of America
American Chemistry Council
Associated General Contractors of America
American Society of Civil Engineers
Building America's Future
American Highway Users Alliance
American Traffic Safety Services Association
National Stone, Sand & Gravel Association
American Institute of Steel Construction
National Association of Home Builders
Association of Metropolitan Planning Associations
National Association of Regional Councils
National Association of Development Organizations (NADO)
Associated Equipment Distributors
National Ready Mixed Concrete Association
Sheet Metal and Air Conditioning Contractors National Association (SMACNA)
National Association of County Engineers
Institute of Makers of Explosives
American Subcontractors Association
Design-Build Institute of America
American Foundry Society
Coalition for America's Gateways & Trade Corridors
Community Transportation Association of America
Portland Cement Association
American Concrete Pipe Association
American Public Works Association
American Iron and Steel Institute
National Association of Surety Bond Producers
FCA International