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National Association of
City Transportation Officials

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Corinne Kisner
Executive Director

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The Honorable Charles E. Schumer
Majority Leader
U.S. Senate
S-221, The Capitol
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-232, The Capitol
Washington, DC 20515

Dear Leader Schumer and Speaker Pelosi:

On behalf of the National Association of City Transportation Officials (NACTO), we are writing to express strong support for the inclusion of emergency aid for local governments and public transit in President Biden’s American Rescue Plan. Nearly one year into the COVID-19 pandemic, our 80 U.S. member cities and transit agencies remain on the frontlines of response and recovery efforts. We thank you for championing support for cities and transit in the past two emergency relief packages and providing the aid necessary for responding to the pandemic in the immediate term. Looking ahead, we appreciate your recognition of the need for a stable, comprehensive funding source for both.

As you know, local governments are facing a severe fiscal crisis. Without federal assistance, cities will be forced to continue cutting budgets, increase layoffs, and scale back the essential services and programs residents are more reliant upon than ever. One million local government jobs have already been lost. The country’s economic recovery hinges on reviving local economies, particularly those of the large and mid-sized cities that serve as the population, employment, and commercial centers of their states and regions. The \$350 billion in aid for local and state governments included in President Biden’s plan would provide the long-needed relief to stem ongoing losses and stabilize city finances.

We call on Congress to take swift action and pass a relief package that matches the scale of the ongoing crisis facing cities and transit agencies. In addition to providing this sorely-needed aid, Congress must:

- **Ensure cities receive explicit programmatic control over the funding they are allocated.** To do so, funds intended for city transportation should flow through programs cities can access directly, such as BUILD, INFRA, and CDBG. More so than state-administered USDOT programs, these funding sources provide cities with the level of flexibility necessary to support communities most impacted by the public health, economic, and racial justice crises of the past year. In the hands of cities, federal aid translates to immediate, visible

benefits for residents. Local operations, such as paving, sidewalk construction, and street safety improvements, generate more local jobs while projects such as highway construction and maintenance are largely automated. These actions also serve the immediate need to keep transportation systems running safely, for the communities relying on them on a daily basis.

- **Allow local governments to use federal funds to backfill lost revenues**, rather than restricting them to pandemic-related expenses as required for funds disbursed through the CARES Act. This will speed the delivery of essential services in the near-term while also allowing cities working with reduced staff to rehire employees and expand internal capacity. These actions will create a foundation for cities to provide expanded services in the future.
- **Guarantee sustained financial support for transit agencies to run frequent service and keep both riders and workers safe for the duration of this crisis, and prepare to restore service in its aftermath as part of a large-scale recovery effort.** Millions of Americans continue to rely on transit to reach essential services every day, including testing and vaccination sites, even as agencies experience higher costs and sustained revenue losses due to the pandemic. The Consolidated Appropriations Act passed in late December provided \$14 billion in sorely-needed relief for transit agencies. These funds will allow transit to avoid catastrophic cuts in the immediate future, but the need for a long-term, stable funding source endures.

The American Public Transportation Association (APTA) has identified a need for \$39.3 billion in additional assistance for transit agencies to cover projected funding shortfalls through 2023. Maintaining safe, reliable transit is also a key requirement to ensure a just recovery, as the communities of color and low-income individuals who have been hit hardest by the pandemic's impacts are most likely to be transit-reliant.

The pandemic has dramatically changed life around the world, and local governments have taken on the enormous tasks of protecting public health and supporting the residents and businesses hurt by a failing economy. Congress' ability to directly deliver relief funds to cities and transit agencies at the level proposed in President Biden's American Rescue Plan will be pivotal for shaping the future of the pandemic, the broader economy, and the country's ability to recover. NACTO and our members urge you and your colleagues in Congress to champion the president's rescue plan and lead the effort to end this crisis.

Sincerely,



Corinne Kisner
Executive Director, NACTO