



MEMORANDUM

To: ARTBA Members and State Chapter Affiliates
From: ARTBA Staff
Re: “Cornyn-Padilla” Amendment Offers State, Local Surface Transportation Funding Opportunity
Date: January 9, 2023

The final Fiscal Year 2023 government-wide spending package both assures timely release of federal transportation funds and puts in place the “Cornyn-Padilla Amendment” (CPA) to provide state and local governments additional flexibility to use COVID-19 relief aid for transportation infrastructure projects. ARTBA led congressional engagement on the issue throughout 2021 and 2022. The following is intended to provide additional background as you work with state and local governments to take advantage of the opportunity presented by the CPA.

The American Rescue Plan Act (ARPA), enacted March 11, 2021, gave \$350 billion to state and local government to help offset revenue shortfalls and costs due to the COVID-19 pandemic. However, a lack of clarity on eligible uses of funding limited action by some jurisdictions to deploy these funds for transportation infrastructure improvements. Nearly two years later, a modified version of the CPA is now law, **allowing state, county, and local governments to spend up to 30 percent or \$10 million of their portion of the ARPA funding, whichever is greater, on highway and public transportation projects.**

The exact amount of unbudgeted ARPA funds is unclear, but best estimates based on data collected by the U.S. Treasury Department suggest somewhere between \$50-100 billion is left uncommitted and therefore may be available for surface transportation projects. It is important to note remaining funds will vary by state and municipality and that the CPA is a clarification of eligibility as opposed to new resources for transportation infrastructure improvements.

To pursue this opportunity, contact your state, county and local governments to:

- A) Ensure they are aware of the change in the law that clarifies these funds can be used for surface transportation projects;
- B) Ask them how much, if any, of their allocated resources they have remaining, and;
- C) Make the case for why and how any remaining resources can and should be used for local transportation infrastructure projects.

With questions or follow-up, please contact Dean Franks, Senior Vice President of Congressional Relations at dfranks@artba.org.

Special thanks to Sens. Alex Padilla (D-Ca.) and John Cornyn (R-Texas), and their House counterparts Reps. Carolyn Bourdeaux (D-Ga.) and Dusty Johnson (R-S.D.) for continuing to push this legislation forward.