



January 21, 2009

The Honorable Nancy Pelosi
Speaker of the House
H-232 Capitol Building
Washington, D.C. 25015

Subject: Request Revisions to American Recovery and Reinvestment Act of 2009

Dear Madam Speaker:

On behalf of The Los Angeles Area Chamber of Commerce I thank you for your leadership in developing the American Recovery and Reinvestment Act of 2009. This economic stimulus bill has the potential to get hundreds of thousands of Americans back to work, and nowhere would that be more keenly felt than right here in Southern California.

However, I write to express deep concern that insufficient investment will be made in America's transportation infrastructure through the stimulus package. Our economic future depends on our ability to quickly put people back to work. Infrastructure investment not only has enormous job creation benefits but also is the foundation upon which our nation's economy rests. We have relied for too long on investments made by generations past. I respectfully urge you to consider the following revisions to the American Recovery and Reinvestment Act:

- **Increase overall investment for highway and transit infrastructure**

Transportation infrastructure funding is a national economic growth strategy and should be reflected in the stimulus package. Chairman Oberstar recently called for \$5 billion for rail assistance, however only \$1.1 billion was allocated, representing a 78% cut. Substantial investment is needed for highways, bridges, roads and rail in order to successfully turn stimulus dollars into improved infrastructure and much needed jobs.

- **Use existing Surface Transportation Program (STP) formula to distribute highway funds to states and regions**

The current legislation proposes to more than halve regional highway funds, cutting the most expedient and direct investment to communities. Furthermore, regions have the unfair disadvantage of reduced time to deliver results than states, without any regulatory relief. Congress should reconsider its proposed amendment to the STP formula to avoid bottlenecks at the state level and grant regions the same amount of time as states for implementing the first 50% of their projects.

- **Extend any transportation-related stimulus funding eligibility to passenger and freight rail projects**

The ports of Los Angeles and Long Beach are the gateway for nearly 40% of the goods consumed in the United States. At the same time, Southern California rail routes are shared by both freight cargo and passenger rail commuters. If Congress includes general revenue funding for transportation-related infrastructure in a stimulus bill, it should give state and regional transportation agencies the flexibility to fund passenger and freight rail projects that reduce congestion, lessen emissions and improve transportation network efficiencies.

- **Relief from bureaucratic red tape surrounding transportation project planning**

The current process of approving federal funding under the Transportation Improvement Plan (TIP) will block transportation agencies from delivering stimulus projects in the timeframe set out by Congress. The approval required under TIP from the Environmental Protection Agency and the Federal Highway Administration takes two months or more to obtain, barring many worthy projects from receiving federal funding. Congress should act to ensure that stimulus dollars get put to work by easing administrative hurdles.

The current state of the American Recovery and Reinvestment Act of 2009 will not create the jobs necessary to jump start our economy unless Congress revisits its prioritization of national transportation needs. As it stands now, the transportation infrastructure investment stimulus package will nowhere near approximate the 117,200 jobs lost in Southern California last year alone. We hope that under your leadership, Congress can streamline the process for expediting California's ready-to-go projects by allocating economic recovery funds regionally and reducing administrative barriers that prevent swift action. Investment in infrastructure is investment in our future. We look forward to working with you to build the robust transportation system America's progress depends upon.

Sincerely,

Gary Toebben,
President and CEO

CC: Los Angeles County Congressional Delegation
Senator Diane Feinstein
Senator Barbara Boxer



