

January 19, 2022

President Joseph R. Biden, Jr. The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

Dear Mr. President,

Thank you for the letter your Infrastructure Implementation Coordinator Mitch Landrieu sent all governors on January 4, 2022. The passage of the Infrastructure Investment and Jobs Act (IIJA) presents a great opportunity for needed infrastructure investment in our states as long as the funds are distributed efficiently, quickly, and appropriately. As governors, we understand the importance of long-term planning, balanced budgets, and certainty to the projects in our states best suited for investment. We agree that the programs should get implemented "without unnecessary bureaucracy and delay to rebuild America's infrastructure" and that red tape should not stand in the way. Therefore, we ask that your Office of Management and Budget (OMB), along with the respective federal agencies charged with implementation, draft regulations and guidance that defer to the states and confer maximum regulatory flexibility.

For the IIJA to be implemented successfully, states have to be partners to the federal government. It is critical that your administration consider how simplicity, flexibility, and finality will drastically improve states' ability to develop and implement plans. Excessive consideration of equity, union memberships, or climate as lenses to view suitable projects would be counterproductive. Your administration should not attempt to push a social agenda through hard infrastructure investments and instead should consider economically sound principles that align with state priorities.

As we have seen with the implementation of the American Rescue Plan Act, restrictions on the use of funds not authorized by statute are unacceptable and often struck down by the judicial system. In addition, excessive new discretionary grant programs would circumvent the planning process and potentially cause a programming and oversight nightmare. Further, there should be no overlap or inconsistencies with discretionary grant programs and existing funding programs.

A clear example of federal overreach would be an attempt by the Federal Highway Administration to limit state widening projects. Attempts to disallow the use of funding for general purpose widening projects would be biased against rural states and states with growing populations. Such a policy fails to recognize the differences in state priorities, funding levels, and transportation networks across the 50 states. Future prosperity would be negatively impacted if this anti-growth mindset is allowed to become firmly entrenched in transportation policy.

To truly drive economic growth through the IIJA, your administration should remove any and all burdensome regulations and immediately implement the codification of "One Federal Decision." Wherever possible, eliminate

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duplicative regulatory reviews and ensure more efficient coordination of reviews at the federal, state, and local levels of government. Meaningful reform to the Army Corps of Engineers, National Environmental Policy Act (NEPA), and other permitting rules would drastically improve our ability to coordinate successful programs. Innovation, not regulation, is the driver of economic growth, and we ask that your administration not burden states or private sector partners with needless and unnecessary red tape. In addition to workforce shortages, supply chain disruptions, and sky-high inflation, your administration should halt any attempts to put unnecessary restrictions on the sourcing of labor or materials that would exacerbate the crises our industries are already facing.

We stand ready to work with OMB to ensure the IIJA has long lasting improvements to our nation's infrastructure and is not plagued with burdensome, administrative red tape that will counter actual improvements and meaningful results.

Sincerely,

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Governor Bill Lee State of Tennessee

Governor Asa Hutchinson State of Arkansas

Governor Mike Parson State of Missouri

Governor Chris Sununu State of New Hampshire

Governor Henry McMaster State of South Carolina

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Governor Mark Gordon State of Wyoming

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Governor Kay Ivey State of Alabama

Governor Brian Kemp State of Georgia

Governor Greg Gianforte State of Montana

Governor Doug Burgum State of North Dakota

Governor Kristi Noem State of South Dakota

Governor Mike Dunleavy State of Alaska

Governor Eric Holcomb State of Indiana

Governor Pete Ricketts State of Nebraska

Governor Kevin Stitt State of Oklahoma

Governor Spencer Cox State of Utah

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cc: Mitch Landrieu Senior Advisor and Infrastructure Implementation Coordinator The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

> Acting Director Shalanda Young Office of Management and Budget Executive Office of the President 725 17th Street NW Washington, DC 20503