Congress of the United States

Washington, DC 20510

June 28, 2022

The Honorable Mitch Landrieu Senior Advisor to the President of the United States 1600 Pennsylvania Ave. NW Washington D.C. 20500

Dear. Mr. Landrieu:

We write to you today regarding our support for an effective and equitable implementation of the bipartisan Infrastructure Investment and Jobs Act (IIJA). This historic legislation has the potential to transform the lives of millions of Americans and reaffirm the U.S. government's commitment to advancing economic opportunity for those most in need. As supporters of this landmark law, we are dedicated to supporting the IIJA's investments in creating high-paying jobs, repairing crumbling roads and bridges, and supporting advancements in environmental sustainability, all while lifting up disadvantaged communities harmed by decades of infrastructural discrimination, separation, and burdens.

We urge you to use your position as Senior Advisor to the President for Infrastructure Coordination to ensure that the programs included in the IIJA will equitably include disadvantaged communities and communities of color, which have often not seen the full benefit of major spending bills in the past.

In 2009, the American Recovery and Reinvestment Act (ARRA) provided almost \$800 billion through extensive discretionary spending, mandatory spending, and revenue provisions that aimed to save or create some 3.5 million jobs.¹ Unfortunately, we saw that such investments did not always equate to support for communities of color. A report from the Kirwan Institute for the Study of Race and Ethnicity at the Ohio State University found that a year out from the ARRA's passage, only 1.1% of all federally contracted ARRA funds went to Black-owned businesses, despite these businesses making up 5.2% of all businesses at the time.² This lack of investment into Black-owned business negatively impacted the financial situations of their surrounding communities, and prevented, or delayed, economic recovery.

¹Vincent, Carol Hardy, et al. "American Recovery and Reinvestment Act of 2009 (P.L. 111-5): Summary and Legislative History - CRS Reports." *Congressional Research Service*, 20 Apr. 2009, https://www.april.com/

https://crsreports.congress.gov/product/pdf/download/R/R40537/R40537.pdf/.

² Reece, Jason, et al. *ARRA and The Economic Crisis: One Year Later*. Kirwan Institute for the Study of Race and Ethnicity, Ohio State University, Feb. 2010.

We are pleased to see the Biden-Harris Administration take disparities such as these seriously, and are pleased with the Administration's goal of increasing contracting opportunities for small disadvantaged businesses, as well as the Administration's recent announcement of reforms to the federal procurement process to help achieve this goal. The most recent data released by the Small Business Administration (SBA) shows that in Fiscal Year 2020 only 9.5% of SBA federal contracts went to minority-owned small businesses³ Communities of color stand to benefit the most from the investments included in the IIJA, and it is therefore imperative that this landmark legislation be implemented so as to correct this unjust disparity.

As the IIJA is rolled out, we must ensure that communities of color are equitably included in the Administration's execution of the law's provisions. The failure of the American Recovery and Reinvestment Act to provide necessary relief to communities of color in a timely manner must not be repeated. We therefore urge you, in your position as infrastructure coordinator to:

- work with federal agencies to prioritize application processes for IIJA programs that do not put minority-owned entities at a disadvantage when applying for federal aid;
- ensure that IIJA funding provisions with set-asides for low-income communities are accurately receiving the appropriate amount of funding to which they are entitled;
- collaborate with federal agencies to increase the federal cost-share percentage of IIJA projects in low-income communities whenever possible;
- support the inclusion of local-hiring preferences for grant programs, even when such preferences are not explicitly included in instructions provided in the IIJA;
- install minority engagement personnel who would be responsible for ensuring compliance with the Administration's equity goals, and for communicating directly with leaders in minority communities; and
- strongly enforce the policies laid out by the Biden-Harris Administration in its December 2, 2021 announcement of reforms to the federal procurement process, and ensure that these reforms are applied to all appropriate provisions of the IIJA.

Additionally, we request responses, as soon as possible, to the following questions of concerns:

- How will your office work with the Department of Transportation and Environmental Protection Agency to enforce compliance with their Disadvantaged Business Enterprise (DBE) Programs, which mandate that not less than 10% of federal grants for certain programs be expended to DBEs?
- For other relevant federal agencies included in the law, how will your office work to meet the aspirational goals laid out by the Administration to increase federal contracting to small disadvantaged businesses?

³ U.S. Small Business Administration. "SBA Releases FY 2020 Disaggregated Contracting Data." *SBA Releases FY 2020 Disaggregated Contracting Data*, 1 Dec. 2021, https://www.sba.gov/blog/sba-releases-fy-2020-disaggregated-contracting-data.

- What guidelines will your office put in place to provide DBEs and small disadvantaged businesses with an appeals process should it be found that these requirements or aspirations are not being met?
- Will your office work with the Small Business Administration to ensure that the delivery of funds through the IIJA is in compliance with government-wide small business procurement goals established by the Small Business Administration?
- What additional Congressional action(s) can be taken to support you and the White House in your efforts to increase equity for entities seeking funding through IIJA provisions and ensure that communities of color are made aware of opportunities?

The next five years will be a critical period for our nation's infrastructure and our economy. We must work to ensure that all American communities benefit from this landmark legislation. Not doing so would be a disappointment to millions of Americans who worked to elect this Administration on the promise of Building Back Better and improving the livelihoods of disadvantaged persons and communities of all colors. We look forward to working with you and the Biden-Harris Administration to create a lasting, generational change for the United States, and to permanently alleviate the infrastructural burdens which have held too many back for too long.

We are eager to work with you and your office to effectively carry out the provisions included in the IIJA. We look forward to a prompt response to these questions and concerns, which will help us better implement our shared goals and improve the lives of millions of Americans.

Sincerely,

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Dwight Evans Member of Congress

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Juan Vargas Member of Congress

Madeleine Dean Member of Congress

Bennie G. Thompson Member of Congress

Emanuel Cleaver, II Member of Congress

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Barbara Lee Member of Congress

Sheila Jackson Lee Member of Congress

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Rashida Tlaib Member of Congress

Eleano H. Noton

Eleanor Holmes Norton Member of Congress

Earl Blumenauer Member of Congress

Troy Carter Member of Congress

Berne Water Colema

Bonnie Watson Coleman Member of Congress

Bobby L. Kush Member of Congress

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Rick Larsen Member of Congress

Sean Casten Member of Congress

Marie Newman Member of Congress

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Judy Chu / Member of Congress

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Mondaire Jones Member of Congress

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Jahana Hayes Member of Congress

Shontel M. Brown Member of Congress

Val Butler Demings Member of Congress

Henry C. "Hank" Johnson, Jr. Member of Congress

Jamaal Bowman, Ed.D. Member of Congress

DmZeJ.

Donald M. Payne, Jr. Member of Congress

Jennifer Wexton Member of Congress

John B. Larson Member of Congress

Karen Bass Member of Congress

Haley M. Stevens Member of Congress

. Jonel M'Eac L.

A. Donald McEachin Member of Congress

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Stacey E/Plaskett Member of Congress

CC: Pete Buttigieg, Secretary of Transportation CC: Isabel Guzman, Administrator of the Small Business Administration