



AFSCME Facts

Transportation Funding In the American Rescue Plan March 31, 2021

The American Rescue Plan Act of 2021, signed into law by President Biden on March 11, 2021, provides significant new funding for public transit and transportation workers. This fact sheet provides an overview of these provisions.

What does the American Rescue Plan do for public transit workers?

The American Rescue Plan provides an additional \$30.5 billion for public transit through formula funds that must be used by Sept. 30, 2024. Funds may be used for payroll reimbursement for public and private providers; to meet operating costs to maintain service due to lost revenue due from COVID-19; or to pay the administrative leave of operations or contractor personnel due to reductions in service. Of this amount, \$26.1 billion is reserved for urbanized areas based on pre-existing allocations, and \$317.2 million is reserved for rural areas. Paratransit will receive an additional \$50 million.

Are any transit funds reserved for capital projects?

Yes. The bill also includes \$1.4 billion for capital grants in public transit. Of this amount, \$1.25 billion is reserved for projects with preexisting full-funding agreements that received capital allocations in FY 2019 and FY 2020. Projects that are already operating at revenue service, however, are not eligible for these grants. Another \$175 million is reserved for projects with full-funding agreements that received allocations prior to FY 2019.

What does the American Rescue Plan do for airports and airport employees?

The bill contains \$8 billion in relief for airports, to be used through FY 2024. Airports that received funds in excess of four years' operating costs in previous rounds of COVID relief are not eligible. These funds are contingent on workforce retention requirements: airports must continue to employ through Sept. 30, 2021 at least 90% of the number of individuals employed as of March 27, 2020. The Secretary of Transportation may waive this requirement if the airport can demonstrate economic hardship or safety concerns as a result of this requirement. This funding is allocated in the following manner:

- \$6.5 billion for primary airports.
- \$100 million for non-primary airports.
- \$608 million for airport capital development projects.
- \$800 million for airport concessions.

How much will my transit agency or locality receive from the American Rescue Plan?

Specific capital project and geographical apportionments are available in table format [here](#). Use the tabs at the bottom to navigate to tables for a particular kind of funding (e.g., urban areas). You may also contact Jon Haines in the AFSCME Department of Research and Collective Bargaining Services, jhaines@afscme.org, for further questions about specific apportionments.

Are there other sources of financial help for transportation authorities facing pandemic-related revenue problems?

The American Rescue Plan includes \$350 billion in aid for states and local governments, such as counties, cities and towns. Direct recipients of that aid will likely be allowed — but not required — to spend some of it to support transportation programs, including by transferring some of the money to transportation authorities. We will update this information after the federal government provides guidance on how this aid money can be used.

Is there any additional aid for employees at the Federal Aviation Administration (FAA)?

The American Rescue Plan provides funding for federal employee paid leave related to the pandemic. Leave is available to employees unable to work due to mandatory federal, state or local quarantines, a COVID diagnosis or COVID symptoms while seeking a diagnosis, time getting or recovering from a vaccine and caring for certain family members. This leave, which is in addition to any other paid leave, is capped at 600 hours per employee (and may be lower depending on whether sufficient money remains in the applicable fund) and would have to be used by Sept. 30, 2021. Any leave provided to an employee would reduce the total service used to calculate retirement benefits. The American Rescue Plan provides \$9 million for the Emergency FAA Employee Leave Fund. It also provides \$13 million for an Emergency TAA Employee Leave Fund.

I have additional questions about transportation funding in the American Rescue Plan not addressed by this fact sheet.

Please contact Jon Haines in the AFSCME Department of Research and Collective Bargaining Services at jhaines@afscme.org with any additional questions.