July 20, 2020

The Honorable Mitch McConnell United States Senate Washington D.C. 20510

The Honorable Nancy Pelosi United States House of Representatives Washington, D.C. 20515 The Honorable Charles E. Schumer United States Senate Washington, D.C. 20510

The Honorable Kevin McCarthy United States House of Representatives Washington, D.C. 20515

Dear Leader McConnell, Speaker Pelosi, and Minority Leaders Schumer and McCarthy:

We are grateful for your continued leadership to provide stability and relief to the American people and the U.S. economy that are reeling from the COVID-19 pandemic. As Congress works to find agreement on additional legislation in response to the pandemic, we, the undersigned organizations, strongly urge you to include an immediate infusion of at least \$37 billion to state departments of transportation (DOTs) to ensure the delivery of planned transportation projects whose benefits will extend far beyond this pandemic and forestall further job losses in the public and private sectors.

With millions of Americans following "stay-at-home" orders, many state DOTs are facing severe losses in revenues, including dedicated user fee revenues on which state transportation programs heavily rely. Projections continue to show decreases in state motor fuel tax and toll receipts as nationwide vehicle traffic reduction bottomed out at about 50 percent during the height of the pandemic. As a result, the ability of state DOTs to carry out their core functions, including capital construction programs, is threatened. Since the beginning of the pandemic, many state DOTs have imposed furloughs and delayed or cancelled \$8.6 billion in critical transportation projects, putting at risk transportation construction jobs and the timely realization of benefits those projects bring to communities and commerce.

Earlier this spring, many of the undersigned organizations requested that Congress provide \$49.95 billion in funding for state DOTs to address estimated state transportation revenue losses over 18 months, composed of a \$16.7 billion loss in fiscal year (FY) 2020 and \$33.3 billion loss in FY 2021. This request was supported by 137 members of the House and 26 members of the Senate through "Dear Colleague" letters sent to your offices. As updated data has become available over the last three months, the American Association of State Highway and Transportation Officials now estimates state transportation revenue losses of \$37 billion over five years (through FY 2024), with an estimated loss of \$16 billion in FY 2020. This change in estimated loss is mainly due to a less severe outlook for FY 2021 from state DOTs compared to earlier this year. That being said, the recovery period is now expected to be longer than originally anticipated.

Nonetheless, the need for federal funding for state DOTs remains urgent. It will prevent further disruptions to planned transportation projects and allow state DOT employees and transportation construction workers essential to planning and delivering these projects to remain on the job. The funding will also preserve the core capabilities of state DOTs that are critical to implement a robust, bipartisan surface transportation reauthorization bill, which can serve as a platform for national economic recovery and growth.

Again, we appreciate your leadership during this unprecedented time. We urge you to provide state DOTs with an immediate infusion of federal funding in order to make critical transportation improvements and keep Americans working as our country looks to reopen stronger than ever.

Sincerely,

American Association of State Highway and Transportation Officials American Coal Ash Association American Concrete Pavement Association American Concrete Pipe Association American Council of Engineering Companies American Council of Engineering Companies of Arizona American Highway Users Alliance American Institute of Steel Construction American Iron and Steel Institute American Public Works Association American Road & Transportation Builders Association American Society of Civil Engineers American Subcontractors Association American Traffic Safety Services Association Arizona Rock Products Association Arizona Society of Professional Engineers Associated Equipment Distributors Associated General Contractors of America Association for the Improvement of American Infrastructure Association of Equipment Manufacturers Concrete Reinforcing Steel Institute Ergon Asphalt & Emulsions, Inc. Greyhound Lines, Inc. Intelligent Transportation Society of America International Union of Operating Engineers Laborers' International Union of North America Maryland Asphalt Association Mid-West Truckers Association National Asphalt Pavement Association National Association of Surety Bond Producers National Electrical Contractors Association National Steel Bridge Alliance National Stone, Sand & Gravel Association National Ready Mixed Concrete Association National Utility Contractors Association Portland Cement Association Potters Industries Precast/Prestressed Concrete Institute Rural Transportation Advocacy Council Volvo Group North America

Cc: All members of the U.S. Senate and U.S. House of Representatives