



September 1, 2017

The Honorable Rob Woodall
Committee on Rules
U.S. House of Representatives
1724 Longworth House Office Building
Washington, DC 20515

Dear Representative Woodall:

The National Governors Association (NGA), the National Conference of State Legislatures (NCSL), and the American Association of State Highway and Transportation Officials (AASHTO) write to express our appreciation and support for your Amendment Number 43 to Division H of the House Rules Committee Print 115-31, the Make America Secure and Prosperous Appropriations Act, 2018.

It deeply concerns us that the proposed House Transportation-Housing and Urban Development (THUD) appropriations package for FY 2018 includes an \$800 million rescission of unobligated highway contract authority, which is a unique form of budget authority specifically for long-term highway capital investments. Contract authority represents authorized funding received by state departments of transportation under federal surface transportation authorization bills such as the Fixing America's Surface Transportation (FAST) Act of 2015. The THUD language would require a proportional take-back of contract authority from only a subsection of federal highway programs, thereby prohibiting states from rescinding contract authority in a manner that would not disrupt transportation planning and the timely delivery of critical transportation infrastructure projects.

The FY 2018 House THUD bill is not the first time Congress has looked to rescind unobligated highway contract authority. In fact, starting from 2002, over \$30 billion of highway dollars will be rescinded by 2020 (see enclosed chart). These cumulative rescissions are having a serious impact on the ability of states to best address their individual infrastructure needs, and further continuation of rescissions may lead to complete depletion of available contract authority by 2020. This would be unprecedented and lead to serious highway funding cuts just when our nation is looking to renew our investment in infrastructure. The attached illustrative table shows the estimated dollar impact for each state.

While NGA, NCSL, and AASHTO do not support the inclusion of highway contract authority rescission in the House THUD bill in the first place, it is important that if it must take place, states should be provided the full flexibility to implement the rescission in order to minimize its harmful effects of disinvestment and disruption. Your amendment would give every state DOT that crucial flexibility to rescind contract authority from a broader set of surface transportation program categories, while removing the "dollar-for-dollar" proportionality requirement across the affected program categories.

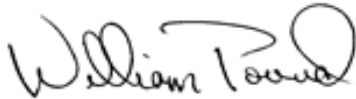
If your amendment is adopted and ultimately enacted, we firmly believe that each state will be in the best position to holistically evaluate how to distribute the highway contract authority rescission across various program categories in the manner that results in least harm to its overall transportation investment program.

Thank you for your consideration, and please don't hesitate to contact Joung Lee of AASHTO (jlee@aahto.org), Caroline Sevier of NGA (csevier@nga.org), or Ben Husch of NCSL (ben.husch@ncsl.org) if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Scott D. Pattison". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Scott D. Pattison
Executive Director and CEO
National Governors Association

A handwritten signature in black ink that reads "William T. Pound". The signature is written in a cursive style with a large, looped initial "W".

William T. Pound
Executive Director
National Conference of State Legislatures

A handwritten signature in black ink that reads "Bud Wright". The signature is written in a cursive style with a large, looped initial "B".

Bud Wright
Executive Director
American Association of State Highway and Transportation Officials

ATTACHMENT 1
RESCISSIONS OF HIGHWAY CONTRACT AUTHORITY SINCE 2002

Enactment Date	Amount	Legislation
9/24/2002	\$320,000,000	FY 2002 Supplemental Appropriations Act (P.L. 107-206)
6/10/2003	\$250,000,000	Consolidated Appropriations Resolution, 2003 (P.L. 108-7)
2/20/2004	\$207,000,000	Consolidated Appropriations Act, 2004, Public Law (P.L.) 108-199
1/25/2005	\$1,261,277,000	Consolidated Appropriations Act, 2005, Public Law (P.L.) 108-447
12/28/2005	\$1,999,999,000	Department of Transportation Appropriations Act, 2006, Public Law (Pub. L. No.) 109-115
3/21/2006	\$1,143,000,000	Division B, Chapter 7 of the Department of Defense Appropriations Act, 2006, Public Law (Pub. L. No.) 109-148
7/5/2006	\$702,362,500	Chapter 9 of the Emergency Supplemental Appropriations Act, 2006, Public Law (Pub. L. No.) 109-234
3/19/2007	\$3,471,582,000	Division B, Title 1, Chapter 10 of the Continuing Appropriations Resolution, 2007, Public Law (Pub. L. No.) 110-5
6/20/2007	\$871,022,000	Title IV, Chapter 8 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, Public Law (Pub. L. No.) 110-28
3/4/2008	\$3,150,000,000	Division K, Title I of the Consolidated Appropriations Act, 2008, Public Law (Pub. L. No.) 110-161
4/13/2009	\$3,150,000,000	Division I, Title I of the Omnibus Appropriations Act, 2009, Public Law (Pub. L. No.) 111-8
9/30/2009	\$8,708,000,000	Section 10212 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Public Law (Pub. L.) 109-59, as amended by section 1302(b) of the Pension Protection Act of 2006, Pub. L. 109-280 and section 112 of the SAFETEA-LU Technical Corrections Act of 2008, Pub. L. 110-244, as affected by title XI, subtitle D, section 1132(a) of the Energy Independence and Security Act of 2007 (EISA), Pub. L. 110-140
4/20/2010	-\$8,708,000,000	Restoration of Rescinded Contract Authority Pursuant to Section 413 of the Surface Transportation Extension Act of 2010, Title IV of Public Law 111-147
8/13/2010	\$2,200,000,000	Section 330 of Public Law (Pub. L.) 111-226 (FAA Air Transportation Modernization and Safety Improvement Act / HR 1586)
6/30/2011	\$2,500,000,000	Section 2207 of the Full-Year Continuing Appropriations Act, 2011, division B of Public Law (Pub. L.) 112-10
6/30/2017	\$857,000,000	Division K, Title I, Consolidated Appropriations Act, 2017
11/30/2017	\$800,000,000	<i>Transportation-House and Urban Development, Title I, House Appropriations Committee</i>
7/1/2020	\$7,569,000,000	<i>Section 1438 of the Fixing America's Surface Transportation Act</i>
TOTAL	\$30,452,242,500	

ATTACHMENT 2

STATE-BY-STATE ILLUSTRATIVE IMPACT OF HIGHWAY TRUST FUND CONTRACT AUTHORITY RESCISSIONS (7/13/17)

Based on highway contract authority rescissions in Division K of HR 244 (Consolidated Appropriations Act, 2017), FY 2018 House Appropriations Subcommittee on Transportation and HUD, and Section 1438 of Fixing America's Surface Transportation Act (FAST Act).

This illustrative estimate is based on actual contract authority balances as of 5/31/2017, and as a mid-year snapshot, it estimates contract authority balances yet to be used for FY 2017 based on unused obligation limitation held by states as of 5/31/2017.

State	Interstate Maintenance	National Highway Performance Program*	Surface Trans Block Grant Program (Excluding suballocation)	Transportation Enhancements / Alternatives	Recreational Trails Program	Congestion Mitigation & Air Quality Improvement	Metropolitan Planning	National Highway Freight Program	Bridge	State Planning & Research	Research Dev & Technology Transfer	Other**	Actual Unbalanced CA Balance as of 5/31/2017	Percent of National Total	Remaining Unused Obligation Limitation as of 5/31/17***	\$857 million FY 2017 Rescission on 6/30/17	Proposed \$800 million FY 2018 Rescission on 11/30/17	\$7.569B FAST Act Rescission on 7/1/2020****	Estimated Unobligated CA Balance After 7/1/20	
ALABAMA	671,001	283,851,028	20,771,965	44,376,569	2,915,807	20,861,381	5,826,170		0	3,962,503	7,850,586	2,350,508	879,842	394,317,360	1.6964%	312,204,407	14,538,255	13,571,300	90,016,227	-36,012,829
ALASKA	107,433	135,327,027	64,081,440	19,290,579	2,517,340	25,360,444	3,776,764		0	1,098,749	7,145,473	4,277,930		262,983,176	1.1314%	210,038,648	9,696,039	9,051,145	80,660,520	-46,463,174
ARIZONA	2,031,543	150,926,229	23,803,891	42,280,422	5,657,300	44,390,200	3,447,081	40,594,911	16,474,354	8,361,618	5,676,029	28,826		343,672,405	1.4785%	252,507,452	12,671,005	11,828,242	75,176,202	-8,510,497
ARKANSAS	12,583	107,772,593	35,220,804	33,091,796	5,630,481	13,174,458	1,915,969	14,085,711	39,673,980	12,394,117	4,504,954	0		267,477,445	1.1507%	177,417,116	9,861,740	9,205,825	94,537,089	-23,544,325
CALIFORNIA	3,890,846	1,238,756,615	142,317,020	163,404,909	9,307,599	529,867,034	41,412,140	203,183,017	11,445,267	46,914,835	16,446,032	93,039		2,407,038,354	10.3554%	1,501,742,935	88,746,125	82,843,524	787,981,288	-54,275,518
COLORADO	0	22,763,107	0	15,551,397	2,674,796	55,336,684	11,301,079	29,715,113	0	17,362,353	4,380,995	0		159,085,524	0.6844%	0	5,865,392	5,475,279	120,542,600	27,202,254
CONNECTICUT	174,432	175,704,132	34,924,912	18,730,967	0	36,392,126	5,415,648	0	65,271,439	2,465,683	2,658,456	0		341,737,755	1.4702%	268,578,411	12,599,674	11,761,656	114,509,904	-65,711,910
DELAWARE	125,223	65,171,486	29,364,805	6,412,579	3,557,936	10,653,396	2,747,564	6,992,013	5,909,090	5,766,765	1,304,335	0		138,005,193	0.5937%	86,895,631	5,088,172	4,749,753	60,449,988	-19,178,351
DIST. OF COL.	0	54,260,342	2,130,226	7,856,010	793,290	21,370,492	2,075,720	8,855,587	15,813,244	3,024,950	1,997,363	0		118,177,223	0.5084%	76,960,283	4,357,126	4,607,329	43,643,356	-10,850,872
FLORIDA	41,318	484,392,760	95,331,679	43,950,648	3,047,553	5,036,121	10,343,229	64,495,595	4,883,760	16,062,552	3,544,371	0		731,129,497	3.1454%	557,831,432	26,956,326	25,163,314	249,683,714	-128,505,407
GEORGIA	418,921	383,086,499	1,926,300	71,159,337	6,037,182	72,472,749	15,645,043	0	44,911,350	42,887,080	7,476,509	362,281		646,383,251	2.7808%	479,453,147	23,831,780	22,246,703	211,913,217	-91,061,596
HAWAII	83,450	99,815,721	17,865,167	22,870,508	1,190,860	3,743,668	5,726,265	9,394,469	25,695,294	2,303,839	877,401	15,221		189,581,862	0.8156%	67,047,465	6,989,775	6,524,877	98,082,163	10,937,582
IDAH0	0	15,776,704	5,588,649	9,472,120	2,091,168	21,138,484	0	4,386,681	73,875	2,269,042	28,012	0		60,824,735	0.2617%	15,587,439	2,242,573	2,093,417	46,037,471	-5,136,166
ILLINOIS	1,189,594	114,586,528	1,012,791	83,691,825	6,847,695	175,281,310	25,355,810	0	12,157	51,473,169	20,918,756	21,498		480,391,133	2.0667%	44,457,059	17,711,746	16,533,718	355,296,589	46,392,021
INDIANA	219,996	330,113,352	86,073,804	24,999,491	3,722,051	44,814,264	930,456	25,906,983	7,936,619	53,986,962	7,631,021	9,441		586,344,441	2.5225%	405,242,828	21,618,184	20,180,335	155,108,764	-15,805,670
IOWA	223,963	198,546,549	26,201,096	29,581,223	4,686,682	20,449,135	2,002,333	7,988,327	891,051	14,822,219	3,821,854	0		309,214,432	1.3303%	209,219,993	11,400,559	10,642,295	76,048,833	1,902,752
KANSAS	0	205,572,230	54,583,933	25,445,013	410,704	20,719,552	533,268	15,691,137	5,961,051	3,196,500	6,94,547	0		332,807,735	1.4318%	269,225,332	12,270,431	11,454,311	87,319,994	-47,462,232
KENTUCKY	4,637,297	127,655,985	58,604,344	54,121,484	5,752,720	29,131,960	2,628,749	18,149,906	6,278,749	7,133,787	15,070,988	2,879,337	1,578,776	327,345,044	1.4083%	290,844,074	12,069,024	11,266,300	93,562,901	-80,397,256
LOUISIANA	0	191,577,599	25,413,441	24,251,697	4,621,209	17,044,465	9,914,312	19,077,096	72,996,879	10,989,696	4,460,535	459,639		380,806,570	1.6383%	294,702,080	14,040,120	13,106,296	102,368,701	-43,410,628
MAINE	30,937	73,687,148	16,200,187	7,619,170	2,557,627	29,312,624	4,569,342	10,256,925	6,364,601	405,301	2,768,407	0		153,772,268	0.6616%	107,722,018	5,669,495	5,292,411	51,818,504	-16,730,160
MARYLAND	865,570	151,466,473	24,980,814	52,424,138	439,815	67,940,230	12,955,950	21,044,537	68,152,344	6,965,056	4,165,994	0		411,400,922	1.7699%	272,909,368	15,168,116	14,159,268	146,034,833	-36,870,664
MASSACHUSETTS	1	211,106,110	43,265,163	37,735,947	4,699,448	61,461,154	22,680,305	25,081,804	93,599,600	16,066,244	7,908,704	0		523,603,940	2.2526%	399,754,523	19,304,977	18,020,982	291,630,318	-205,106,861
MICHIGAN	587,237	508,480,349	90,452,498	43,799,701	4,674,522	119,005,688	29,842,083	27,841,634	11,929,846	4,927,108	1,526,723	1,010		643,068,397	3.6270%	581,064,253	31,083,449	29,016,055	281,653,278	-79,748,637
MINNESOTA	0	195,397,369	69,078,399	14,203,257	2,968,652	32,823,493	4,904,261	17,708,331	27,352,804	19,687,860	3,397,765	0		387,522,191	1.6672%	279,537,960	14,287,721	13,337,429	103,637,888	-23,278,808
MISSISSIPPI	7,205,562	62,482,574	143,062,521	44,696,018	2,719,446	16,257,427	445,838	13,180,647	12,674,918	5,608,293	1,539,089	80,001		309,952,335	1.3335%	257,590,420	11,427,765	10,667,992	70,464,596	-40,198,138
MISSOURI	0	329,374,249	61,514,608	31,249,891	4,368,433	35,554,270	790,570	0	25,154,713	30,391,397	7,063,176	52,382		525,513,689	2.2608%	299,920,117	19,375,389	18,096,610	192,695,824	-4,564,351
MONTANA	0	117,729,327	38,373,702	11,069,488	1,927,606	26,013,498	4,355,077	9,096,481	0	6,431,465	948,000	0		215,944,645	0.9290%	108,437,373	7,961,755	7,432,210	101,568,047	-9,454,740
NEBRASKA	0	84,511,635	44,532,907	9,067,216	3,655,259	2,695,429	2,270,647	16,129,743	5,609,174	9,193,967	2,395,821	0		180,061,797	0.7747%	135,196,976	6,638,775	6,197,223	50,407,961	-18,379,138
NEVADA	717,615	159,498,375	53,388,778	13,838,737	497,524	55,028,720	0	9,840,833	3,338,618	859,733	1,576,548	0		298,585,481	1.2846%	242,921,145	11,008,676	10,276,477	66,457,731	-32,078,547
NEW HAMPSHIRE	3,645,607	48,570,513	16,108,731	9,846,716	2,412,351	22,321,125	1,853,714	9,184,450	9,534,133	3,447,210	970,670	0		127,895,220	0.5502%	98,594,951	4,715,423	4,401,796	39,400,482	-19,217,431
NEW JERSEY	14,138,642	164,070,671	14,187,647	95,556,207	2,963,721	137,047,405	18,447,290	26,965,007	169,395,903	19,724,783	4,426,725	397,946		667,321,948	2.8709%	367,073,751	24,603,778	22,967,354	324,289,455	-71,612,390
NEW MEXICO	386,622	133,119,479	2,699,362	21,289,756	5,033,609	19,940,990	1,396,312	461,397	2,274,795	5,012,221	1,705,486	1,172,377		194,492,409	0.8367%	169,800,623	7,170,824	6,693,884	39,939,029	-29,111,951
NEW YORK	6,903,338	46,746,942	5,756,100	133,265,577	8,685,486	304,024,329	53,383,948	45,220,961	164,884,473	28,508,470	6,615,075	22,209		604,016,910	3.4590%	701,845,990	29,643,643	27,672,012	415,606,407	-370,751,143
NORTH CAROLINA	410,705	337,935,013	47,081,526	70,060,782	7,490,163	84,970,686	10,376,625	41,669,033	15,469,431	20,728,346	17,711,675	0		853,903,985	2.8132%	477,681,629	24,109,065	22,505,545	162,312,112	-32,704,367
NORTH DAKOTA	0	102,103,883	14,193,926	5,660,483	1,904,487	0	3,345,258	0	178,977	0	2,572,111	0		129,959,125	0.5591%	57,132,670	4,791,518	4,472,829	48,904,710	14,657,398
OHIO	0	635,176,914	185,579,564	43,936,419	3,642,374	100,923,269	11,613,881	73,563,323	22,586,340	31,337,617	15,087,551	0		1,123,447,253	4.8332%	866,533,704	41,420,858	38,665,910	303,417,387	-126,590,604
OKLAHOMA	1,548,721	139,785,663	45,766,030	35,987,351	2,247,046	9,104,398	9,681,217	35,250,794	15,247,556	10,556,724	2,969,592	4,176,093		312,321,187	1.3437%	268,882,677	11,515,103	10,749,221	79,373,662	-58,199,476
OREGON	578,229	127,998,777	39,712,380	10,635,231	5,097,882	11,985,146	10,583,209	20,176,832	10,649,145	7,862,336	2,547,043	0		247,826,210	1.0662%	177,639,138	9,137,210	8,529,485	57,416,769	-4,896,391
PENNSYLVANIA	143,973	374,593,625	222,407,786	91,952,829	3,333,517	137,278,508	15,640,724	44,516,740	92,675,326	80,339,637	20,514,056	23,890		1,083,220,612	4.6610%	774,388,065	39,945,097	37,288,305	311,562,368	-79,763,223
RHODE ISLAND	58,098	77,158,298	538,097	10,036,387	2,868,931	1,802,282	3,096,640	5,930,215	51,574,886	138,991	2,827,863	241		156,030,928	0.6713%	116,860,572	5,752,771	5,370,148	46,982,475	-18,935,037
SOUTH CAROLINA	38,626	289,476,638	69,847,838	34,858,300	2,181,850	17,084,956	8,281,993	18,227,240	33,185,847	4,634,754	5,286,821	0		483,104,904	2.0784%	338,229,086	17,811,801	16,627,119	182,658,980	-72,222,083
SOUTH DAKOTA	0	47,865,418	3,875,480	8,779,919	1,195,361	0	3,619,820	0	515,641	5,581,327	2,431,045									