

February 16, 2018

The Honorable Mitch McConnell, Majority Leader, United States Senate
The Honorable Charles E. Schumer, Minority Leader, United States Senate
The Honorable Thad Cochran, Chair, Senate Appropriations Committee
The Honorable Patrick J. Leahy, Ranking Member, Senate Appropriations Committee
The Honorable Susan Collins, Chair, Senate Appropriations Subcommittee on Transportation,
Housing and Urban Development, and Related Agencies
The Honorable Jack Reed, Ranking Member, Senate Appropriations Subcommittee on
Transportation, Housing and Urban Development, and Related Agencies

The Honorable Paul D. Ryan, Speaker, United States House of Representatives
The Honorable Nancy Pelosi, Minority Leader, United States House of Representatives
The Honorable Rodney Frelinghuysen, Chair, House Appropriations Committee
The Honorable Nita Lowey, Ranking Member, House Appropriations Committee
The Honorable Mario Diaz-Balart, Chair, House Appropriations Subcommittee on
Transportation, Housing and Urban Development, and Related Agencies
The Honorable David E. Price, Ranking Member, House Appropriations Subcommittee on
Transportation, Housing and Urban Development, and Related Agencies

Subject: H.R.1892, Bipartisan Budget Act of 2018 and the fiscal year 2018 Appropriations process

Dear Congressional Leaders:

As the organization representing all 50 state departments of transportation (state DOTs), the District of Columbia and Puerto Rico, the American Association of State Highway and Transportation Officials (AASHTO) writes to express our deep appreciation for dedicating at least \$10 billion annually in FY 2018 and FY 2019 appropriations toward infrastructure investment under the recently-enacted H.R. 1892. As you develop the final appropriations package for FY 2018, we urge you to fully fund the authorized programs under the Fixing America's Surface Transportation Act (FAST Act) and ask that you prioritize additional infrastructure funding made available under the recent budget agreement towards existing formula-based federal highway and transit programs.

Increased resources for transportation infrastructure from the budget act represents an ideal opportunity to provide additional direct formula funds, ensuring a predictable, equitable, and nationwide distribution of federal dollars. Urban and rural areas alike would benefit from increased formula-based investments, with project funding decisions made by states and local governments. Utilizing existing state and metropolitan planning processes—instead of decisions made in Washington, DC—allows for a bottom-up, state and local approach to defining transportation needs.

As this year's construction season begins in earnest across the country, it is important that any new funding from the budget act not be caught up in a discretionary grant process that will require project sponsors to develop applications for these funds and then await any award decisions by the US Department of Transportation (USDOT). A lack of certainty, especially at this point in the calendar year, creates significant difficulty in advancing these projects in a timely manner through the planning, environmental review, contracting, and project construction process. In addition, for a variety of reasons, much of the Congressionally authorized and appropriated discretionary grants in recent fiscal years have yet to be awarded by the USDOT. USDOT is currently reviewing hundreds of applications for \$2 billion in FY 2017 and FY 2018 funding for two programs, INFRA and TIGER. Further increases in federal funding for discretionary programs will add to this backlog and run the risk of not being effectively utilized by state and local governments this construction season. The only way to ensure these dollars are dedicated to projects in the 2018 construction season is to distribute the funding through formula programs.

We also ask that you repeal a provision in the FAST Act that requires the rescission of \$7,569,000,000 in unobligated highway program contract authority on July 1, 2020. It is important that Congress repeal this impending rescission now in order to provide stability to the federal highway program. Rescinding unobligated highway contract authority is a budgetary artifice that at best impedes the flexibility of state departments of transportation to meet their individual infrastructure needs, and disrupts transportation planning and timely delivery of projects. At worst, cumulative rescissions may result in hard funding cuts to states at a time that Congress is looking to increase transportation investments.

We appreciate your consideration of the perspective of state DOTs. If you would like to further discuss, please contact Joung Lee, AASHTO's Policy Director, at 202-624-5818 or jlee@aaashto.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bud Wright', written in a cursive style.

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