

April 20, 2020

The Honorable John Hoeven  
United States Senator  
338 Russell Senate Office Building  
Washington, DC 20510

The Honorable Kevin Cramer  
United States Senator  
400 Russell Senate Office Building  
Washington, DC 20510

The Honorable Kelly Armstrong  
United States Congressman  
1004 Longworth HOB  
Washington, DC 20515

#### COVID-19 IMPACTS TO NORTH DAKOTA

COVID-19 has caused major disruptions across the country including here in North Dakota. The recent downturn in oil prices along with the COVID-19 social distancing orders have drastically impacted travel patterns and have forced us to close in-person operations for driver and vehicle services in our state. The American Association of State Highway and Transportation Officials (AASHTO) recently sent out statistics that show traffic is down anywhere from 38% to 44% across the country. Here in North Dakota, we are experiencing a very similar decline. Depending upon the day, we are seeing a decrease between 38% and 40% and it is still dropping. Experts at AASHTO predict traffic could remain down on average by at least 30% over the next 18 months. Should this projection become a reality, states, including North Dakota, will see a drastic reduction in the amount of revenue collected from fuel taxes. This reduction in revenue will have a major impact on our ability to maintain our roadways, match federal aid, and make payroll.

On April 6, 2020, AASHTO sent a request to Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy urging Congress to immediately provide a revenue backstop for state DOTs in the amount of \$49.95 billion to be distributed by formula. \$16.7 billion would be distributed in 2020 and \$33.3 billion would be distributed in 2021. Formula distribution would expedite the delivery of the relief. We also note our support for use of the current formula for, among other reasons, avoiding delay. The intent of these funds is to prevent the cancellations or delays of critical infrastructure projects and for the DOTs to continue with their normal day to day maintenance activities. Importantly, all these funds would be at 100% federal share. Further, states should be provided relief from matching share requirements on current funds.

AASHTO also proposed that immediate action be taken to pass the needed surface transportation reauthorization bill at double the current amount of funding. This would assure important projects continue to move forward and that state DOTs can plan to meet unmet and future needs of people and commerce.

We are asking that you consider working to advance a recovery package for Transportation Infrastructure, whether the AASHTO proposal or some other package responsive to the significant need. These recent emergency events have had and will continue to have a major impact to our existing revenue streams and will result in a detrimental effect to our transportation infrastructure if we do not act now.

We thank you for your leadership during this unprecedented crisis and for your commitment to the citizens of North Dakota. If you would like to visit about this proposal, please give me a call at 307-251-8380 or Steve Salwei at 701-527-8980.



William T. Panos  
Director

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C: Doug Burgum, Governor  
Brent Sanford, Lt. Governor  
Tammy Miller, Chief Operating Officer