

April 20, 2020

The Honorable Benjamin L. Cardin
United States Senate
509 Hart Senate Office Building
Washington DC 20510

The Honorable Christopher Van Hollen
United States Senate
110 Hart Senate Office Building
Washington DC 20510

The Honorable Steny H. Hoyer
Majority Leader
H-107, U.S. Capitol
Washington DC 20515

The Honorable C.A. Dutch Ruppersberger
United States House of Representatives
2206 Rayburn House Office Building
Washington DC 20515

The Honorable John Sarbanes
United States House of Representatives
2370 Rayburn House Office Building
Washington DC 20515

The Honorable Andy Harris, M.D.
United States House of Representatives
2334 Rayburn House Office Building
Washington DC 20515

The Honorable Anthony Brown
United States House of Representatives
1323 Longworth House Office Building
Washington DC 20515

The Honorable Jamie Raskin
United States House of Representatives
412 Cannon House Office Building
Washington DC 20515

The Honorable David Trone
United States House of Representatives
1213 Longworth House Office Building
Washington DC 20515

Dear Members of the Maryland Congressional Delegation:

First, let me express my sincere appreciation for your work to pass the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to mitigate the impacts of the COVID-19 pandemic. The CARES Act provides much needed support to public transit systems and airports, which will help the Maryland Department of Transportation (MDOT) continue to maintain operations to provide the transportation our citizens need. With that said, it is important that we continue to invest in our nation's transportation infrastructure during these uncertain times, and I urge you to support a request made by the American Association of State Highway Officials (AASHTO) for \$49.95 billion as an immediate revenue backstop for state Departments of Transportation (DOT) as part of "Phase 4" of the COVID-19 response legislation.

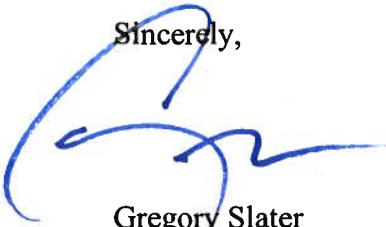
Maryland Congressional Delegation
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AASHTO's \$49.95 billion request includes \$16.7 billion for the remainder of Federal Fiscal Year (FFY) 2020 and \$33.3 billion for FFY 2021. We request these backstop funds be treated as state revenues that would otherwise have been collected for a wide range of state DOT activities without the COVID-19 pandemic. This would allow the funding to be used for any and all transportation activities undertaken by state DOTs.

As you know, Maryland's transportation network is funded by a consolidated Transportation Trust Fund (TTF). Maryland's TTF is funded by various transportation taxes and fees and provides funding for the operating and capital expenses for highways, transit, Baltimore/Washington Thurgood Marshall Airport, the Port of Baltimore, and motor vehicle testing and licensing. Nearly every revenue source for the TTF is being negatively impacted by COVID-19. Motor fuel tax revenues are the largest single source of TTF revenue and are currently being negatively impacted by a 50 percent decline in traffic and low gas prices. Car dealerships are open, but often only by appointment or for online purchases. As a result, vehicle sales have fallen, reducing receipts from titling (excise) taxes. Revenues from driver licensing, vehicle registration, and other motor vehicle fees have declined due to branch office closures and the extension of expired drivers' licenses and vehicle registrations. Across the country and in Maryland, airport and transit revenues are down significantly as passenger volumes have declined by 80 percent or more. Finally, MDOT's other revenue sources pledged to bondholders, corporate income tax revenues, and rental vehicles sales tax have also decreased. We estimate that MDOT's budget will be out of balance in both State Fiscal Year (FY) 2020 and FY 2021 and significant spending reductions will be necessary to bring them back into balance.

Again, thank you for your important efforts to ensure the transportation sector operates effectively during the current health crisis. I value your support for Maryland's transportation needs and look forward our continued worked together to find effective solutions to the challenging problems COVID-19 has created. Please feel free to contact me if you have questions or would like to discuss this request further.

Sincerely,



Gregory Slater
Secretary