



April 17, 2020

The Hon. Patty Murray, Senator  
The Hon. Suzan DelBene, Representative  
The Hon. Jaime Herrera Beutler, Representative  
The Hon. Cathy McMorris Rodgers, Representative  
The Hon. Pramila Jayapal, Representative  
The Hon. Adam Smith, Representative

The Hon. Maria Cantwell, Senator  
The Hon. Rick Larsen, Representative  
The Hon. Dan Newhouse, Representative  
The Hon. Derek Kilmer, Representative  
The Hon. Kim Schrier, Representative  
The Hon. Denny Heck, Representative

Dear Members of the Washington State Congressional Delegation:

We appreciate your support for aviation, passenger rail and transit operating needs through the Coronavirus Aid, Relief, and Economic Security (CARES) Act last month. We are writing to follow up on the [request made by the American Association of State Highway and Transportation Officials \(AASHTO\)](#) on April 6, 2020, to **provide \$49.95 billion as an immediate revenue backstop for state DOTs in future COVID-19 response legislation.**

As you know, WSDOT is the steward of a large, interconnected multimodal transportation system. Over the past six weeks we have experienced a significant reduction in traffic (45% average); ferries ridership (75% average); transit ridership (75% average); and use of toll facilities (42-77%). In compliance with the Governor's Stay Home, Stay Healthy order, we have also suspended 65 construction projects as well as most maintenance activities.

We have been working diligently to understand the financial repercussions of the COVID-19 pandemic to our state revenue sources such as fuel tax, tolls, and ferry fares. Given the uncertainty of the duration of the pandemic and the lag in revenue reporting there are no exact figures right now, but current traffic and ridership numbers suggest that the state could expect a **loss of revenue of as much as \$100 million per month, approximately 38% of our average monthly state revenue collections.** This includes impacts to our partner agencies that rely on the same revenue streams. The estimated monthly revenue loss is based on recent traffic patterns and the impacts the state has seen in prior low traffic events like severe winter weather closures and the economic slowdown experienced during the Great Recession.

Currently, state revenues and bonds comprise 85% of our transportation budget. To provide you with some context on how this revenue loss will affect our budget and ability to perform critical functions, below is a summary of some of the activities programed with state revenue for the remainder of our fiscal biennium (June 2021) and what those funds are typically used for:

- \$3b in state funding programed for 1,050 capital construction projects. This includes highway improvements, ferry, rail, traffic, facilities and local program projects;

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- \$700m in state funding programed for 650 preservation projects, which includes the preservation of roadways, bridges, and other facilities;
- \$500m in state funding for maintenance work, which includes activities like snow and ice removal, pavement patching and bridge deck repair.

The anticipated revenue losses will require a significant reduction in operating and capital expenditures. We are taking some immediate actions to preserve existing funds including:

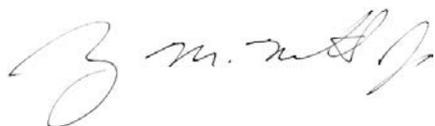
- Maintaining the ferries winter schedule through at least June 20<sup>th</sup>;
- Reduced Amtrak Cascades service from four daily roundtrips between Seattle and Portland, OR to one;
- Deferring both permanent and non-permanent new hires;

Unfortunately, these measures will not be enough to make up for the anticipated revenue shortfall and we expect our legislature will have to make additional reductions when it returns to session. Federal assistance is urgently needed in order to prevent major disruptions to our ability to operate and maintain our transportation system during this unprecedented emergency. An infusion of federal funds will minimize and prevent cancellations and delays of projects as well as job losses both in the state DOT workforce and the private sector with which we contract. This is true for state DOTs across the country. In addition to direct funding aid, Congress could consider non-direct financing assistance that could take the form of delayed TIFIA loan repayments which our state could leverage.

Given the urgent nature of states' needs in the coming weeks and months, we request these backstop funds to be essentially treated as state revenues that would otherwise have been collected for a wide range of state DOT activities without the COVID-19 pandemic. This broad funding eligibility would recognize the fact that state transportation revenues are used for any and all transportation activities undertaken by state DOTs.

Thank you for your leadership during this challenging time and for your consideration of our request for the next phase of COVID-19-related legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Millar". The signature is fluid and cursive, with a large initial "R" and a stylized "M".

Roger Millar, PE, FASCE, FAICP  
Secretary of Transportation