

May 5, 2020

The Honorable Nancy Pelosi, Speaker, United States House of Representatives
The Honorable Mitch McConnell, Majority Leader, United States Senate

The Honorable Kevin McCarthy, Republican Leader, United States House of Representatives
The Honorable Charles E. Schumer, Democratic Leader, United States Senate

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

The Northeast Association of State Transportation Officials (NASTO) represents the Departments of Transportation of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland and the District of Columbia, among others. We applaud Congress's swift and meaningful action in response to the COVID-19 pandemic. It is because of your strong leadership that urgently needed relief has been provided to sustain, in the near-term, essential services in the aviation, public transportation, and national passenger rail sectors.

As the nation continues to be impacted by the coronavirus pandemic, we are calling upon the federal government to take immediate action to stabilize state and local government revenues. This action will help lessen otherwise draconian cuts to transportation-related programs administered by State Departments of Transportations (DOTs). In addition, DOTs nationwide are experiencing considerable COVID-19 related revenue losses that transcend the state and local stabilization funds currently being considered by Congress. On-going efforts to replenish state and local revenue losses alone will not be sufficient to preserve previously authorized capital programs and projects. Furthermore, sustained and substantial investment in reimagining the Country's transportation infrastructure will be required to facilitate community recovery and rejuvenation; enhance the nation's global economic competitiveness; and reduce unprecedented unemployment levels. For these reasons we are writing to endorse 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 Phase 4 of COVID-19 response. The request is composed of \$16.7 billion for the remainder of FY2020 based on an estimated 30 percent reduction in State revenues collections prorated over six months and \$33.3 billion for all of FY2021 based on an estimated 30 percent reduction in revenues collected by states for a full year.

Your recognition of the importance of the transportation network through this critical emergency funding will prevent major disruptions in state DOTs' collective ability to safely operate and maintain our Nation's transportation system during this unprecedented emergency. It will also prevent cancellations, deferrals and delays of projects as well as significant job losses both in the state DOT workforce and the private sector engineering, construction, and materials industries around the country.

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According to the National Association of State Budget Officers, FY2019 state transportation-related revenues were \$111 billion.^[1] Preliminary projections from AASHTO show an estimated 30 percent decline, on average, in receipts for the next 18 months. Specific to the NASTO region, we are anticipating a projected 35 percent decline in transportation-related revenues receipts in the upcoming fiscal year. Additionally, the most recent data from INRIX, a traffic data aggregator, shows that personal travel dropped 47 percent nationally through the week ending April 3, 2020. It is not expected to improve in the coming weeks. This vital federal assistance is urgently needed in order to perform critical DOT functions.

Given this grim outlook and the urgency of states' needs over the next several months, we echo AASHTO's request that these backstop funds be provided to address a wide range of state DOT activities, just as if the COVID-19 pandemic had not occurred. This funding flexibility would recognize the fact that state transportation-related revenues are used for any and all transportation activities undertaken by state DOTs. Further, we ask that the backstop funds be eligible at a federal share of 100 percent and remain available for obligation through September 30, 2021.

These are difficult, almost unfathomable times. And even in these moments of crisis, we need to keep an eye on our future. Transportation projects are foundational to a recovering economy and while the emergency relief we request today must be our priority, we ask that you do not lose sight of the reauthorization of a long-term federal surface transportation bill. Recovery will extend beyond these 18 months and we will look forward to a strong reauthorization bill to carry us forward for years to come.

Sincerely,



Diane Gutierrez-Scaccetti
NASTO President
Commissioner, New Jersey Department of Transportation

^[1] State Expenditure Report, NASBO, pg. 123

c: Members of the New Jersey Congressional Delegation via e-mail

The Honorable Robert Menendez, United States Senator
The Honorable Corey Booker, United States Senator
The Honorable Donald Norcross, Congressman, District 1
The Honorable Jeff Van Drew, Congressman, District 2
The Honorable Andy Kim, Congressman, District 3
The Honorable Chris Smith, Congressman, District 4
The Honorable Josh Gottheimer, Congressman, District 5
The Honorable Frank Pallone, Jr., Congressman, District 6
The Honorable Tom Malinowski, Congressman, District 7
The Honorable Albio Sires, Congressman, District 8
The Honorable Bill Pascrell, Jr., Congressman, District 9
The Honorable Donald Payne, Jr., Congressman, District 10
The Honorable Mikie Sherrill, Congresswoman, District 11
The Honorable Bonnie Watson Coleman, Congresswoman, District 12