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April 30, 2020

The Honorable John Cornyn
United States Senate
Washington, DC 20510

Re: Transportation Funding – Future COVID-19 and/or Infrastructure Legislation

Dear Senator Cornyn:

On behalf of Transportation Advocates of Texas (TAoT), we are writing in support of the following potential Congressional initiatives to prevent delay/cancellation of critical transportation projects and to retain both public and private sector jobs related to a key industry in our state:

- 1) An immediate injection of \$50 billion for state departments of transportation to offset an estimated 30 percent loss of transportation revenue over the next 18 months, as proposed April 6, 2020 by AASHTO (American Association of State Highway and Transportation Officials) - \$16.7 billion to cover revenue losses for the remainder of FY 2020 and \$33.3 billion for the remainder of FY 2021. This crucial federal backstop will prevent cancellation of priority projects as well as potential job losses in the state DOT workforce and in the private sector.
- 2) Accelerated reauthorization of the 2016-2020 FAST Act (Fixing America’s Surface Transportation Act) which is set to expire in September 2020. The previous Act provided \$305 billion over five years for highway and transit programs.
- 3) Adoption of a large national Infrastructure Program to include a significant allocation for highway and multimodal projects.

As outlined in the attached “one pager” from Transportation Advocates of Texas (TAoT), tens of thousands of both public and private sectors jobs could be lost in our state due to the potential shortfalls in transportation revenue occurring at both state and federal levels. And priority highway and other mobility projects that have planned for decades would be placed at substantial risk.

We thank you for your leadership during this time of challenge for us all and encourage your thoughtful consideration of the above policies. Please contact either of us if you would like to discuss any aspect of this.

Sincerely,

Gary Bushell
TAoT Chairman

Drew Campbell
TAoT Chairman-Elect

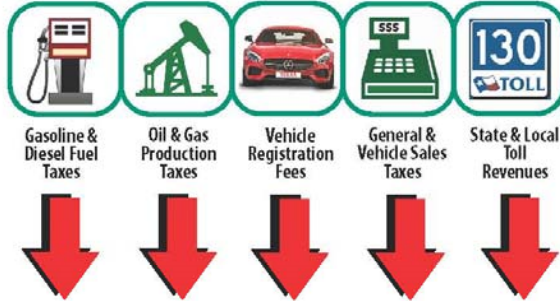
Enclosure

Texas and Other States Need A Federal Transportation Funding Backstop

While there is a fog of COVID-19 pandemic-related uncertainty, it has become increasingly clear that transportation investment in Texas is in for a serious funding shortfall in the months ahead.

Fuel consumption is already down drastically and will likely stay depressed through an extended recovery. That means state fuel tax revenues are headed down too. Lower sales taxes and a sharp and likely prolonged reduction in oil and gas production tax revenues are also sure to force cuts in most Texas government programs.

Revenues Supporting Texas Transportation Investment Expected to Drop Across the Board



Nationwide state departments of transportation are experiencing a severe decrease in revenues due to the COVID-19 pandemic and associated economic recession.

The American Association of State Highway and Transportation Officials (AASHTO) has issued an urgent request for \$50 billion in direct emergency federal assistance to all state departments of transportation including TxDOT. Members of the Transportation Advocates of Texas (TAoT) strongly endorse this request for a funding backstop.

State DOTs are forecasting a significant reduction in state transportation revenues that will challenge their ability to maintain and operate the nation's transportation system in a way that can support an extended COVID-19 response and recovery. AASHTO reports that some state DOTs are already furloughing workers due to funding shortfalls and more states will be faced with the same difficult decision about projects and people, unless Congress takes action.

We call on Congress to approve an immediate funding "backstop" to state DOTs as part of a coming recovery package.

Preliminary projections from state DOTs show at least a 30% decline in state transportation revenues on average for the next 18 months. That equates to just under \$50 billion.

America Needs Congressional Action

 **A \$50 billion, 18-month state transportation funding backstop**

 **Timely reauthorization of expanded FAST Act**

 **A large national Infrastructure Investment Program with significant funding for highways**

We join AASHTO in requesting that \$50 billion be distributed to state DOTs with flexibility from ridged funding categories. The backstop funding would total approximately \$16.7 billion for the remainder of this fiscal year and approximately \$33.3 billion in fiscal year 2021.

RENEW THE FAST ACT

The 5-year FAST Act of 2015 provides federal funding for the nation's highway and transit programs and will expire at the end of September. TAoT joins AASHTO's request that Congress double the amount of federal surface transportation funding and reauthorize these programs for at least another six years. Inaction will force short-term extensions and create funding uncertainty that makes it difficult to plan and execute needed highway infrastructure projects which by their nature extend over several years. Investing in long-term transportation system improvements will be a valuable part of a national economic recovery program once the pandemic subsides.

A FEDERAL INFRASTRUCTURE PROGRAM

Adoption of a broad infrastructure program has been in discussion for several years. If such a multi-year stimulus program moves forward, TAoT members believe it should include a significant allocation for highway projects.

PRESERVE JOBS & CRITICAL SKILLS

Tens of thousands of Texans work as part of the TxDOT's highway preservation, replacement and new construction system. They work as project managers, equipment operators, construction inspectors, material suppliers, engineers, designers, environmental scientists, public outreach coordinators and others. 12,000 of them work directly for TxDOT but many more are part of the private contracting community. Reduced funding will mean jobs lost along with with knowledge and skills that take years to replace. TAoT urges Congress to act to preserve these jobs and critical skills.

Transportation Advocates of Texas is a coalition of local governments, mobility coalitions, port authorities, economic development groups, regional alliances, state associations and employers dedicated to helping find solutions to the mobility challenges facing Texas.

