

April 21, 2020

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy Republican Leader U.S. House of Representatives Washington, DC 20515 The Honorable Mitch McConnell Majority Leader United States Senate Washington, DC 20510

The Honorable Chuck Schumer Democratic Leader United States Senate Washington, DC 20510

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

The National Asphalt Pavement Association (NAPA) represents over 1,100 member companies that manufacture, build, and support our nation's transportation infrastructure. I am writing on behalf of the 140,000 men and women employed in our industry in the United States to urge quick congressional action to enact financial relief, as proposed by the state departments of transportation (DOTs) through the American Association of State Highway and Transportation Officials (AASHTO). At this time, AASHTO estimates about \$49.95 billion will be needed, over the next 18 months, to prevent serious disruptions in operating and maintaining transportation systems and the hundreds of thousands of jobs that these programs support. This relief will enable state DOTs and the transportation infrastructure industries to continue employing essential workers that maintain and improve our critical public works and surface transportation network, including interstates, highways, and rural roadways.

During this pandemic, the asphalt pavement industry continues to work alongside state and local DOTs to maintain our roadways, the safety and health of our employee workforce, and serve the traveling public. These efforts provide hundreds of thousands of jobs and economic viability. In fact, federal guidance from the U.S. Department of Homeland Security (DHS) Cybersecurity and Infrastructure Security Agency and most governors have deemed our workers essential.

With the opportunity and necessity to continue working during this pandemic, our members follow the Centers for Disease Control and Prevention (CDC) guidelines and have implemented protocols to ensure our workers remain healthy and safe while performing their jobs. I want to emphasize that safety is paramount for our association and member companies, and while our requests in this letter center around the importance of transportation infrastructure for our workforce and the economy, we have not shifted our focus from the importance of health and safety on our jobsites and among our workforce during this time.

A challenge that our state and local DOT partners are facing, that we are all facing, is the decline in transportation revenues across the United States and the impact that may have on the broader road construction industry resulting in more job losses. According to a recent <u>AASHTO survey</u>, every state is expected to encounter challenges in delivering their capital highway construction program as a result of an estimated 30 percent decline in transportation revenues. Based on this estimate, AASHTO is requesting \$16.7 billion for the remainder of FY 2020 and \$33.3 billion for FY 2021. Nearly 40 percent of the states surveyed by AASHTO indicated that emergency relief is needed now, and NAPA has received reports from state DOTs postponing or cancelling planned highway project bid lettings across the country. Thus, NAPA supports AASHTO's request for emergency relief and is urging Congress to act swiftly on this request.

Additionally, NAPA supports AASHTO's request that the funds be treated as state revenues with flexibility on how to utilize the funds in order to carry out their transportation programs and deliver projects. NAPA strongly supports AASHTO's request for 100 percent Federal share since the estimated state revenue cuts will impact local and state DOTs ability to provide the required match as designated in the traditional Federal-aid Highway Program. Temporarily waiving the match requirement would help to maintain the surface transportation programs at current funding levels, sustain the workforce, and contribute to maintaining local and state economies.

While the immediate infusion of Federal revenue is needed to preserve states' employee workforce and maintain the highway program in the near term, Congress is also challenged with the fact that the current highway bill authorization, known as the FAST Act, expires in six months. The backlog of highway and bridge projects is well documented and, with proper funding, these projects can maintain and provide a multitude of jobs and economic recovery opportunities. Investment in transportation infrastructure, especially highways, is proven to directly contribute to economic growth, job creation, and development.

Therefore, NAPA calls on Congress to enact a multi-year reauthorization bill of at least five years and significantly increase investments that will improve the condition and performance of the National Highway System. Considering the urgent need for improving our highway network, NAPA recommends utilizing the current Federal-aid Highway program framework to deliver highway funding investments to the states in order to carry out the program.

NAPA is grateful for your leadership in response to the COVID-19 pandemic and your willingness to tackle continuing challenges. We ask that Congress quickly enact the emergency relief funding advanced by AASHTO, including flexibility and 100 percent payable federal share. NAPA also urges your leadership in advancing a surface transportation reauthorization bill, that will directly benefit the nation's recovery, while there is still time in the 116th Congress to help the country recover from this unprecedented crisis.

Sincerely,

Audrey Copeland, Ph.D., P.E.

President and CEO

cc: Members of United States Congress