

April 29, 2020

The Honorable Mitch McConnell Majority Leader United States Senate S-230, The Capitol Washington, DC 20510

The Honorable Charles E. Schumer Minority Leader United States Senate S-221, The Capitol Washington, DC 20510 The Honorable Nancy Pelosi Speaker of the House United States House of Representatives H-232, The Capitol Washington, DC 20515

The Honorable Kevin McCarthy Minority Leader United States House of Representatives H-204, The Capitol Washington, DC 20515

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

On behalf of the Transportation Trades Department, AFL-CIO (TTD) and our 33 affiliated unions, whose members design, build, operate, and maintain every facet of our nation's surface transportation network, we ask that you provide urgently needed supplemental funding in the next COVID-19 related emergency relief bill to help keep critical infrastructure projects across the country from grinding to a halt.

We understand the serious challenges lawmakers face as our nation battles the deadly COVID-19 pandemic. Already, nearly a million Americans have been infected with the novel coronavirus, more than 50,000 have tragically died, and we know more deaths are expected in the weeks and months ahead. They have made incredible sacrifices to minimize the spread and impacts of the virus. Millions of essential workers have risen to the occasion by putting their lives in jeopardy every day to keep basic services, from healthcare to transportation to corner markets, running. Non-essential businesses have remained closed, leaving many business owners and their employees wondering whether they will reopen their doors and have jobs when this is all over. Families—many of whom were already struggling to make ends meet before this crisis—remain at home, doing their best to continue their children's education, put food on the table, and keep the lights on.

Congress, under your leadership, has already taken important steps to support Americans through this difficult process. Cash payments to individuals, enhanced unemployment benefits, assistance to small businesses, and support for critical industries including aviation, transit, and passenger

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rail are no doubt a positive step forward. While it may be tempting to view investments in infrastructure as a phase-2 step aimed at economic stimulus, we urge you to consider the immediate needs of this industry and to account for cash shortages we are already seeing at the state and local levels.

With so many businesses currently closed and Americans' vehicular travel reduced by nearly half, revenue—largely from state gas and sales taxes—that states count on to support departments of transportation and to make local matches required for federal aid highway and transit projects is drying up. Early estimates from the American Association of State Highway Transportation Officials project that state departments of transportation will experience an estimated 30 percent decline in revenue on average for the next 18 months, with some individual state impacts as high as 45 percent. The finance market, too, is showing signs of strain as experts expect a wave of defaults from state and local governments. This is only compounded by uncertainty over a federal Highway Trust Fund that was expected to run dry in 2021, assuming current levels of tax receipts.

Undoubtedly such sharp declines in revenues and uncertainty over continued federal support will lead to job losses for workers at state DOTs and delays or cancellations of projects. In Kentucky, for example, where revenue is down 40 percent in fuel tax and 90 percent from the sale of new cars, the state DOT has already suspended bid lettings for May and June and are pulling back on 15-20 existing projects. Not only does this impact our workers who are involved in every step of highway and transit design, construction, maintenance, and operation, but it takes a significant toll on the broader economy.

We must come out of this pandemic with the very best tools at our disposal to reinvigorate the economy. But if we wait to shore up lost revenue and make critical infrastructure investments until state DOTs are forced to furlough workers, until cities can no longer access financing to revitalize crumbling streets, and until construction workers have been laid off, we needlessly strip ourselves of one of the greatest economic multipliers in government: investment in infrastructure.

TTD and our affiliated unions appreciate the hard work you have already done to support critical modes of transportation. We are better served as a country by an aviation, passenger rail, and public transportation system that still works for the American people when this pandemic draws to an end. We also appreciate the leadership that committees in both chambers of Congress have already shown on crafting a long-term surface transportation program. Successfully reauthorizing a long-term surface transportation bill is a goal we support and is an important driver of economic growth and expansion. At the same time, we know that a traditional surface transportation bill standing alone is not enough to meet the investment needs called for during this unprecedented global disaster.

We urge you to prioritize emergency funding in the next COVID-19 relief bill for federal aid highway and public transportation projects. These investments should be made at a 100 percent federal share to compensate for diminished state and local revenues. Further, these funds must come with the strong federal labor protections and Buy America rules to ensure that these investments will create and sustain the type of good jobs that workers can count on to provide for

their families. While there are ongoing challenges that we are working hard to solve—providing reliable access to PPE and working within the constraints of social distancing requirements, for example—we simply cannot afford to further handicap our economy by allowing this critical sector to stop working.

Thank you for your consideration.

Jany Willis

Sincerely,

Larry I. Willis

President

Transportation Trades Department, AFL-CIO

CC: The Honorable Peter DeFazio

The Honorable Samuel Graves

The Honorable Richard Neal

The Honorable Kevin Brady

The Honorable Nita Lowey

The Honorable Kay Granger

The Honorable David E. Price

The Honorable Mario Diaz-Balart

The Honorable John Barrasso

The Honorable Thomas R. Carper

The Honorable Roger Wicker

The Honorable Maria Cantwell

The Honorable Michael Crapo

The Honorable Sherrod Brown

The Honorable Chuck Grassley

The Honorable Ron Wyden

The Honorable Richard Shelby

The Honorable Patrick Leahy

The Honorable Susan Collins

The Honorable Jack Reed