

May 7, 2020

The Honorable Nancy Pelosi, Speaker, U.S. House of Representatives
The Honorable Mitch McConnell, Majority Leader, U.S. Senate

The Honorable Kevin McCarthy, Republican Leader, U.S. House of Representatives
The Honorable Charles Schumer, Democratic Leader, U.S. Senate

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

On behalf of the National Association of State Highway and Transportation Unions (NASHTU), we urgently request supplemental federal funding in the next COVID-19-related emergency relief bill to help alleviate the looming financial crisis for state and local transportation systems across the country. Without this funding, critical state highway and other infrastructure projects nationwide will have to be delayed or stopped entirely further damaging our struggling economy.

NASHTU's membership includes 38 unions and associations from 20 states representing hundreds of thousands of state and local transportation department employees. Since our inception in 1999, NASHTU has become a respected voice for transportation workers around the country dedicated to ensuring that federal transportation dollars are spent cost-effectively and in a manner that serves the public interest.

The COVID-19 public health emergency has dramatically and swiftly changed life in this country. Efforts to "flatten the curve" of coronavirus infections has led to the closure of many businesses and the institution in other sectors of widespread telework and other work-from-home initiatives. As a result, vehicular traffic in our country has been cut nearly in half. This decline has translated into a loss of billions of dollars in state and local transportation revenue – largely from fuel excise taxes, vehicle user fees, and sales taxes – of more than 30 percent, according to early estimates by the American Association of State Highway and Transportation Officials (AASHTO).

With transportation funds drying up, state and local transportation departments will be forced to cut or delay transportation construction projects both large and small. The result will be the loss of millions of good transportation design and construction jobs, a huge drop in the sale and manufacture of construction materials and equipment, and will dry up the economic engine that these jobs and companies provide in every community and state in our nation. This scenario – currently playing out right now in many of our

states and localities – is exactly what the federal government should seek to prevent as it works to keep economic activity going during this crisis.

Federal investment in transportation will help limit the impact of the economic crisis caused by the COVID-19 response. Multiple studies have found that infrastructure investment is one of the greatest economic multipliers available to government. According to a 2017 report by the Economic Policy Institute, each \$100 billion spent in infrastructure investment would boost GDP by \$150 billion. This increase in GDP would in turn boost employment by more than 1 million workers. The report also reminds policymakers that one of the main virtues of using infrastructure investment as a fiscal stimulus is that it is guaranteed to be spent whereas other efforts to stimulate the economy – such as tax rebates or cuts – could be saved by recipients.

Again, we urge you to include supplemental federal funding for transportation infrastructure in the next COVID-19-related emergency relief package. We agree with AASHTO and the Transportation Trades Department, AFL-CIO that these funds should be made at a 100 percent federal share to compensate for greatly diminished state and local revenues. Further, these funds should have adequate labor protections and be subject to transparency and accountability provisions to ensure that money is spent in the public interest. If you have any questions or need additional information, please contact Nadine Westcott at 916/446-0584 or via e-mail at nwestcott@nashtu.us.

Warm Regards,



Jon Haines
AFSCME/D.C.



Ted Toppin
PECG/CA



Joe Dorant
MOSES/MA



William Piedra
CWA 1032/NJ