

June 11, 2020

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

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

The Honorable Chuck Schumer Minority Leader United States Senate Washington, DC 20515

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

The National Ready Mixed Concrete Association urges you and your colleagues to support investment in our transportation and infrastructure system by backstopping state transportation revenues in the next COVID-19 relief package and by passing a fully-funded, long-term surface reauthorization.

As state and local governments took precautions against the spread of COVID-19, Americans stayed home and dramatically curtailed their social activity and movement. As a result, states lost significant revenue from retail sales, fuel taxes and other fee-based revenue – which states rely on to fund transportation and infrastructure projects. Across the country, some state departments of transportation (DOTs) are canceling, delaying and scaling back transportation projects. If cancelations continue to grow, hundreds of thousands of construction workers, engineers and suppliers could lose their jobs and be forced onto unemployment rolls.

To provide short-term relief and long-term recovery, Congress should include funding in any future COVID-19 relief package for states that have experienced lost revenue and quickly move to enact a multi-year highway reauthorization.

In the short-term, it is critical that Congress take action to ensure that impacted DOTs can restore canceled and delayed projects. These relief funds should be guided by two principles: first, replacement funds should primarily be directed to reinstating canceled or delayed capital projects and second, DOTs should be required to certify that they will maintain planned levels of transportation spending. This will help ensure that federal funds are used in addition to, rather than in place of, state funds and thus increase overall spending.

In the long-term, it is critical to America's economic recovery that Congress pass a highway and transit reauthorization bill. This will provide a sustained economic stimulus, guarantee tens of thousands of jobs and ensure that the United States has the infrastructure needed to be competitive in the global economy. Based on lessons learned from previous infrastructure stimulus, the added investment should:

- Focus on projects that have the greatest potential to facilitate and increase economic activity and provide the greatest benefits to long-run productivity.
- Prioritize projects that employ the greatest number of workers and thus maximize job creation during construction. It is important to note that these projects are often the same large-scale projects called for in the first principle.
- Build with resilient and durable materials and techniques that will withstand the test of time, stresses of natural disasters and the impacts of climate change, thereby saving taxpayer funds and ensuring that our infrastructure lasts its full design life.

The urgent need to invest in our nation's transportation and infrastructure is well documented. From the time Americans spend annually in congestion to the number of deficient bridges to the impact on our international competitiveness, the state of our infrastructure impacts every aspect of our lives. Investing in infrastructure now will provide relief to our states and a stimulus to our economic recovery.

We appreciate the actions you and your colleagues have taken to address the national crisis brought on by COVID-19. If we can be of assistance in any way, please contact Andrew Tyrrell, Executive Vice President of Government Affairs, National Ready Mixed Concrete Association, at <u>atyrrell@nrmca.org</u>.

Sincerely,

Mike Philipps President National Ready Mixed Concrete Association 66 Canal Center Plaza Suite 250 Alexandria, VA 22314