



Rural Transportation Advocacy Council

Linking Arizona to the Global Economy

Central Arizona Governments
Central Yavapai Metro. Planning Org.
Flagstaff Metropolitan Planning Org.
Lake Havasu Metro. Planning Org.
Northern Arizona Council of Gov'ts.
Sierra Vista Metro. Planning Org.
Southeastern Arizona Governments Org.
Sun Corridor Metro. Planning Org.
Western Arizona Council of Gov'ts.
Yuma Metropolitan Planning Org.

July 27, 2020

The Honorable Martha McSally
U.S. Senate
Washington, DC 20510

The Honorable Kyrsten Sinema
U.S. Senate
Washington, DC 20510

The Honorable Tom O'Halleran
U.S. House of Representatives
Washington, DC 20515

The Honorable Ann Kirkpatrick
U.S. House of Representatives
Washington, DC 20515

The Honorable Raul Grijalva
U.S. House of Representatives
Washington, DC 20515

The Honorable Paul Gosar
U.S. House of Representatives
Washington, DC 20515

The Honorable Andy Biggs
U.S. House of Representatives
Washington, DC 20515

The Honorable David Schweikert
U.S. House of Representatives
Washington, DC 20515

The Honorable Ruben Gallego
U.S. House of Representatives
Washington, DC 20515

The Honorable Debbie Lesko
U.S. House of Representatives
Washington, DC 20515

The Honorable Greg Stanton
U.S. House of Representatives
Washington, DC 20515

Dear Arizona Congressional Delegation:

As Congress is poised to consider another COVID-19 relief package, I write to remind you that highways and roads have yet to receive support for the transportation revenues that have already been lost and are expected to continue hemorrhaging until the economy recovers.

Nationally, state departments of transportation are projected to lose \$37 billion over the next five years including \$16 billion during the current federal fiscal year. Roughly \$9 billion in transportation construction work has already been cancelled.

In Arizona, most of the needed actions to downsize the state's five-year highway construction program have been deferred until October as a few more months are expected to bring a more accurate and hopefully better revenue outlook than the preliminary COVID-19 adjusted forecast.

What is already known is that, through the end of the state fiscal year in June, the state lost \$88.6 million in anticipated highway and road revenue. This is far better than the \$144.7M loss that was initially estimated, but still a very heavy loss to what was already a very lean construction program. The future is challenging to predict but there will certainly be more losses above the \$88.6 million already incurred.

Greater infrastructure investment is an absolute necessity for maximizing the long-term growth potential of the economy. The Federal Highway Administration estimates that each \$1 billion in transportation construction investment supports an average of 13,000 jobs across the economy.

However, in the immediate near-term, as we continue to prioritize relief, we must assure that existing transportation funding is at least held harmless from COVID-19 and we stop the cancelling of construction projects and job losses that are already accumulating across the nation and are likely to have a greater impact on Arizona in the very near future without immediate federal support.

Please include highways and roads in the next round of COVID-19 relief funding. Thank you for your consideration.

Respectfully,



Kevin Adam
Legislative Liaison
(Arizona) Rural Transportation Advocacy Council

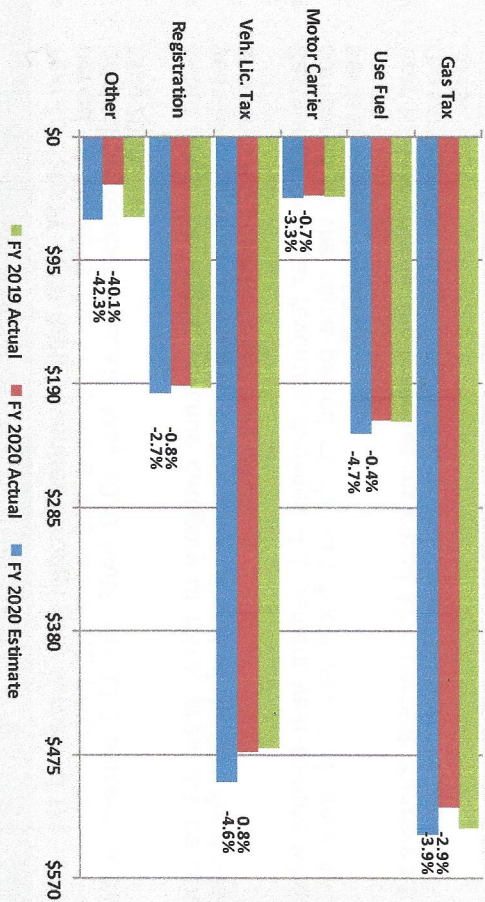
kadam@rtac.net
(480) 577-7209

HIGHWAY USER REVENUE FUND (HURF) THROUGH JUNE 30, 2020

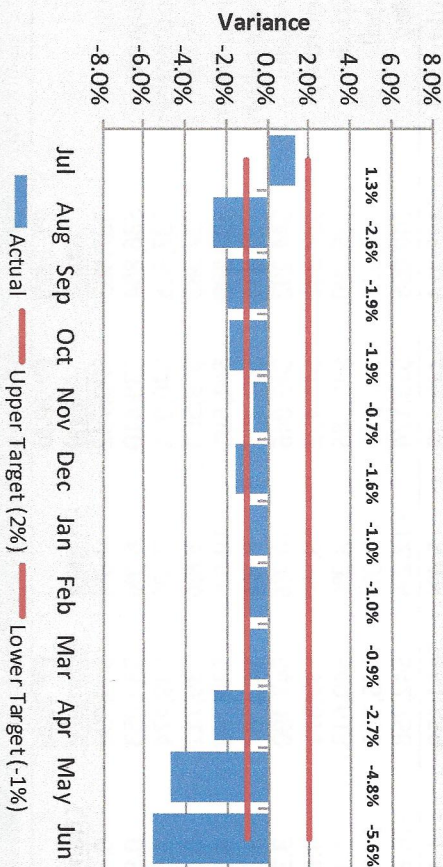
Highlights

- FY 2020 HURF revenues are 5.6 percent below original September forecast and 2.6 percent below the FY 2019.
- Gas tax revenues have decreased 2.9 percent from FY 2019 to FY 2020.
- Gas tax revenues in the month of June 2020 were 17.7 percent lower than in June 2019. FY 2020 gas tax collections are 3.9 percent below original September forecast.
- Vehicle license tax revenues have increased 0.8 percent from FY 2019 to FY 2020 and are 4.6 percent below the original September forecast.

Revenue Category Performance Year-to-date (\$ in Millions)



Variance from Original September Forecast Year-to-date



Monthly Comparison (\$ in Thousands)

	FY 2019 Actual	FY 2020 Actual	Change	FY 2020 Estimate	Change
July	\$121,456	\$131,728	8.5%	\$130,016	1.3%
August	\$120,681	\$115,207	-4.5%	\$123,625	-6.8%
September	\$127,674	\$128,192	0.4%	\$128,799	-0.5%
October	\$130,724	\$125,872	-3.7%	\$128,209	-1.8%
November	\$123,260	\$129,928	5.4%	\$124,886	4.0%
December	\$127,345	\$123,858	-2.7%	\$131,158	-5.6%
January	\$129,293	\$135,737	5.0%	\$132,424	2.5%
February	\$124,621	\$129,641	4.0%	\$131,702	-1.6%
March	\$121,325	\$130,810	7.8%	\$130,958	-0.1%
April	\$137,886	\$119,307	-13.5%	\$143,361	-16.8%
May	\$120,066	\$94,021	-21.7%	\$127,443	-26.2%
June	\$135,891	\$116,538	-14.2%	\$136,819	-14.8%
Total	\$1,520,221	\$1,480,838	-2.6%	\$1,569,400	-5.6%