



April 21, 2020

The Honorable NC Senate President Pro-Tem Phil Berger
16 West. Jones Street, Room 2007
Raleigh, North Carolina 27601

Dear Senator Berger,

I want to thank you for your service to the citizens of North Carolina. As a member of the construction industry, I am writing to urge you to address the immediate funding shortfall in NCDOT.

NCDOT has responded to unprecedented and unbudgeted storms for the past several years and increased litigation costs due to MAP Act claims, which have put a substantial financial strain on their budget. Now, with the COVID-19 pandemic, NCDOT's financial situation is worse because taxpayers are traveling less resulting in less gas tax and other highway fund receipts. Consequently, the NCDOT has reduced funding for projects in the next 12 months by 75% from \$2.7 billion to \$676 million.

This is not only devastating to our industry but to the citizens of North Carolina. Transportation is a critical element that drives the economy of North Carolina but even more importantly provides for the safety and well-being of the traveling public. A reduction such as this will lead to a further decline in the condition of our roads and bridges. We in the construction industry are fortunate to be able to continue working during this crisis but a reduction such as this will result in significant layoffs in our industry. The construction industry is essential to our state's economic strength by building roads and bridges projects that facilitate the movement of commerce and people, increasing the tax base and supporting many well-paying jobs.

As you know there is no better investment of tax dollars than Transportation Funding. When transportation projects are being built, that supplies tens of thousands of jobs in North Carolina for both urban and rural areas. Transportation construction, maintenance and repair are economic engines when they are being done. States get an immediate and long-term return on funding for Transportation Infrastructure by sustaining and creating jobs and by retaining and attracting businesses. Again, thank you for your continuing excellent service and all you do for our great state.

Best,

A handwritten signature in blue ink that reads "Dave Simpson".

Dave Simpson, President & CEO, Carolinas AGC