



AMERICAN SOCIETY OF HIGHWAY ENGINEERS
65 Beacon Hill
Henderson, North Carolina 27537

February 4, 2010

On behalf of the over 6,500 members of the American Society of Highway Engineers (ASHE), we appreciate your efforts in supporting additional Federal Funding through the Federal Stimulus Program for Transportation projects. Despite some recent erroneous reports, the fact is that hundreds of thousands of Americans were able to hold their jobs through this difficult time. Unfortunately, the highway industry remains in a very perilous situation. Some key factors include:

1. The expiration of the Federal Transportation Act in September 2009 and a rescission of nearly \$9 billion have caused a slowdown in processing projects through the regular federal-aid program.
2. The stimulus program was aimed at “shovel ready” projects, which focused a significant portion of the funds to maintenance repairs.
3. Most contractors were able to hold onto many of their existing employees, but did little additional hiring and are also unable to commit to capital investments (such as equipment) due to the uncertainty of future funding.
4. States, facing recessionary revenue losses, have concentrated on delivering stimulus projects. However, progress on their other priority projects have slowed or even halted.

There is an enormous backlog of transportation infrastructure needs that must be addressed to insure the nation’s continued economic vitality. We are aware that a second stimulus program is being proposed. We support any efforts to stimulate the economy, but we need a transportation program that better supports a sustainable, reasoned, and balanced approach better serving both the industry and the public.

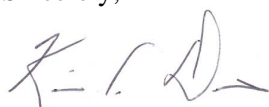
The following steps are needed:

1. Quickly reauthorize the Federal Transportation Act with substantial new cash revenues. The federal gas tax was last increased in 1993. Revenue sources need to be indexed for inflation, and state and local governments need maximum flexibility in generating their own revenues.
2. If the next Federal Transportation Act cannot be reauthorized in a timely manner, then new revenues should be authorized and distributed following the rules of SAFETEA-LU.
3. All revenues from transportation user fees must be reserved for transportation purposes.
4. Allow all funding to be applied to the priority list of projects established by the States and Metropolitan Planning Organization’s. These partnerships have been developed with federal guidance over the past 40 years. They should be allowed to work as first intended.

ASHE urges Congress to respond to the transportation need in a responsible manner that will produce sustained jobs without increasing the nation's debt. Most of the needed work requires upfront engineering work and environmental approvals in advance of construction. The number of these projects in the "production pipeline" has been dramatically reduced because of the uncertainty over future funding.

Your leadership in correcting this situation will be of immediate value and of value to future generations. ASHE stands ready to assist you in any way we can.

Sincerely,

A handwritten signature in black ink, appearing to read "K. E. Duris". The signature is fluid and cursive, with a horizontal line at the end.

Kevin E. Duris, P.E.
ASHE National President