

**Resolution of the
Southern Association of
State Highway and Transportation Officials (SASHTO)**

Transportation Funding Rescissions

WHEREAS, federal funding rescissions cancel budget authority previously provided by Congress; and

WHEREAS, Congress has often viewed rescissions of transportation funds as an easy way to obtain budgetary savings to offset other spending; and

WHEREAS, \$21.2 billion in unobligated contract authority has been rescinded nationally from State DOTs in 12 instances since 2002. In each case, State DOTs have had discretion in how to implement the rescission, allowing flexibility to best fit each State's federal program; and

WHEREAS, the \$8.9 billion rescission at the end of the "SAFETEA-LU" legislation in 2009 was repealed because Congress recognized the adverse impacts; and

WHEREAS, the "FAST Act" (Section 1438) contains a \$7.6 billion rescission of unobligated contract authority to take effect in July 2020. The FAST Act limits the ability of State DOTs to determine how to best apply the rescission by protecting certain program categories, including sub-allocated Surface Transportation Program Block Grant funds, safety funds, and allocated programs such as Federal Lands Highways, and TIFIA funds from the rescissions; and

WHEREAS, on May 19 the Senate passed its 2017 Transportation-Housing and Urban Development (T-HUD) appropriations bill (S 2844). The bill includes a rescission of \$2.2 billion in unobligated contract authority in 2017. The unobligated balances from which the Senate rescission would be drawn are largely the same as those defined by the FAST Act. The Senate's proposed 2017 rescission poses a stronger threat to State DOTs because of how quickly it would take effect and how narrowly it would apply to already funded projects from the specific federal program categories that would be subject to the rescission.

NOW, THEREFORE BE IT RESOLVED that the Southern Association of State Highway and Transportation Officials (SASHTO) recommends that the proposed 2017 rescission of \$2.2 billion not be enacted; and

BE IT FURTHER RESOLVED that states be given full flexibility to apply any funding rescissions to the entire balance of unobligated contract authority instead of exempting certain program categories or applying the rescission proportionally across every applicable program category regardless of each category's relative balance.

Approved by the SASHTO Board of Directors
on August 30, 2016 in White Sulphur Springs, West Virginia