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MGA Calls on Congress to Fix Highway Trust Fund Shortfall

Washington, D.C. – With the balance of the Highway Account of the Highway Trust Fund fast approaching zero, the Midwestern Governors Association (MGA) sent a letter to congressional leaders emphasizing the need to pass corrective legislation before Congress adjourns for its August recess. The MGA further stressed the need for a long-term fix through the reauthorization of surface transportation programs. The letter cites the recent MGA publication *Surface Transportation Recommendations* as offering ideas on how to garner a balanced approach to transportation.

The Highway Trust Fund provides federal reimbursement to states for authorized transportation projects, ensuring ongoing construction work. A break in federal financing or sporadic reimbursements would result in further layoffs, a slowdown of economic recovery, and a holdup of progress on vital transportation projects.

"Transportation and construction projects bring jobs and capital to our states," said Michigan Gov. Jennifer Granholm, current MGA chair. "The Highway Trust Fund and program continuity are critical elements in making sure states have the federal funding and long-term vision necessary for these projects to continue."

"Transportation is the key to a quality way of life in both urban and rural areas," said South Dakota Gov. Mike Rounds, immediate past chair of the MGA. "Uncertainty regarding Highway Trust Fund reimbursements and the subsequent interruption in the issuance of highway construction contracts will delay the rebuilding of our roads and bridges, and it will slow our states' economic recovery efforts."

Reflecting the recommendations and priorities in its recent report, the MGA's letter also emphasized the association's position regarding the importance of recognizing both urban and rural transportation needs, providing states with the primary role in delivering and balancing federal transportation investments, using state-based performance management, increasing federal investment in transportation and controlling the diversion of authorized funding.

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