



February 25, 2026

Jim Tymon  
Executive Director  
American Association of State Highway and Transportation Officials  
555 12th St NW Suite 1000  
Washington, DC 20004

Dear Mr. Tymon,

The Local Officials in Transportation (LOT) Coalition values a constructive dialogue on Congress' next surface reauthorization, and we are glad to support the bipartisan legislation *H.R. 7437, Bridges and Safety Infrastructure for Community Success Act (BASICS Act)* to meaningfully increase flexible, dedicated transportation spending across states and regions, invest in structurally deficient bridges and increase targeted safety funding to prevent road deaths. Because we have discussed these priorities with AASHTO extensively over the past year, AASHTO's recent statements on the BASICS Act stood out to us as they seem to interpret the legislation's structure, intent, and fiscal impact incorrectly.

Recognizing the tremendous [backlog of infrastructure needs](#) and the unchecked [inflation in infrastructure costs](#), most transportation and infrastructure owners and stakeholders are [united in supporting investment levels at or above the last bill](#) to meet the nation's goals. The BASICS Act is structured around growth for both State Departments of Transportation (DOTs) as well as local and regional governments utilizing formula programs. AASHTO's framing and analysis using both a zero growth and a zero sum scenario mischaracterizes the BASICS Act. States and local governments can accomplish much more by working together for growth of the program. No recent surface transportation bill has seen a reduced baseline, we believe growth is possible but we must work together to achieve the growth that is needed for a safer more efficient transportation system.

### **Understanding the BASICS Act**

The BASICS Act is designed to increase the real dollar amounts distributed to state DOTs and MPOs, benefitting both state and local parties. If the following assumptions come to fruition, State formula funding would increase by 11 percent from FY 2026 to FY 2027. An 11 percent increase would represent meaningful growth under current fiscal and political realities. For context, state formula funding increased a historic 21 percent from the last year of the FAST Act to the first year of the transformational IIJA.

The BASICS Act was clearly developed looking ahead to FY 2027 and leveraging the Surface Transportation Block Grant program which is a shared program with states and local

governments. Applying the BASICS framework to FY 2026 baseline creates a misleading impression that the bill seeks to reduce State formula funds. In short, the BASICS Act was developed to increase funding to states and locals through increased, predictable formula funding.

In developing the BASICS Act, the following assumptions were made:

- The baseline would include Highway Trust Fund (HTF) funding from the last year of IIJA (~\$80 billion).
- Congress would include an inflationary adjustment between 2 - 3 percent (~\$2 billion).
- Congress may consolidate and repurpose some competitive grant programs under IIJA to formula programs (~\$2.5 billion). While the LOT Coalition neither advocates for nor against consolidating competitive grant programs, House and Senate committee leadership have stated their intent to consolidate some grant programs and AASHTO's reauthorization priority does the same.
- In addition, the BASICS Act supports maintaining \$6.5 billion of additional IIJA funding for two programs previously funded by advanced appropriations: the Bridge Formula Program and Safe Streets. However, BASICS moves them out of "advance appropriations" and instead makes them part of the core federal-aid highway formula programs.

If some of these assumptions above were to change, or not come to fruition, then the underlying numbers in BASICS would also change. The LOT coalition is committed to supporting the BASICS Act because Congress will need bipartisan, realistic formula proposals that deliver for their constituents and address the condition and performance of the transportation system. Because we own and maintain approximately half of the nation's infrastructure, we must seek to maintain the local and regional baseline funding levels from the IIJA if Congress looks to return to a more formula-focused program.

Attached to this letter is a BASICS summary with additional detail. While we have had many discussions with Congress and AASHTO on these issues, we want to ensure clarity and collaboration as we work together to support Congress in renewing the federal transportation programs. If you have any questions, we urge you to contact us directly. We are always ready and willing to discuss them and work together.

Sincerely,

**The Local Officials in Transportation (LOT) Coalition including:**

*Association of Metropolitan Planning Organizations (AMPO)*

*National Association of Development Organizations (NADO)*

*National League of Cities (NLC)*

*National Association of Regional Councils (NARC)*

*The U.S. Conference of Mayors (USCM)*

# BASICS ACT

## *Fact-Based Responses to AASHTO's Statements and Assertions*

### **DOES THE BASICS ACT REDUCE STATE DOT FUNDING?**

**No.** The BASICS Act is designed to increase State funding by 11 percent from FY2026 to FY 2027, not decrease it. Applying the BASICS framework to FY 2026 baseline creates a misleading impression that the bill seeks to reduce State formula funds: it does not. There are several assumptions built into both BASICS and this projected increase, specifically: that Congress will begin with a baseline of \$82 billion (FY 2026 Highway Trust Fund plus inflation); that certain IIJA HTF discretionary programs will be consolidated and their funding moved to formula; and that Congress will add \$6.5 billion to the HTF for a bridge formula program and the continuation of SS4A. We hope to work with AASHTO to maintain at a minimum \$6 billion from the IIJA Advanced Appropriations resulting in more funding for states and local governments.

### **IS THE BASICS ACT A DRAMATIC SHIFT IN SURFACE TRANSPORTATION FUNDING POLICY?**

**No.** IIJA, a bill that AASHTO celebrated, established a shift in policy giving regions and locals increased federal transportation funding in the form of a mix of competitive grants and formula funds. IIJA provided 22 to 28 percent share for locals. The BASICS Act seeks to maintain the share by providing at least 22 percent of funding to locals.

AASHTO has stated that local funding should be cut to only 15 percent. This is misleading as 15 percent is only looking at the formula portion of IIJA. (Looking at Federal-Aid Highway Program formula funds apportioned under 23 U.S.C. 104(b), the local share split is 16.5%. The percentage becomes 85 percent/15 percent by adding the advance-appropriation NEVI and advance appropriation Bridge Formula dollars). However, when accounting for total funding made available in just the Highway Trust Fund portion of IIJA (not including transit/rail), that breakdown is closer to 22 percent. Furthermore, adding FHWA and Office of the Secretary advanced appropriations brings the numbers closer to 28 percent.

The BASICS Act seeks to maintain the funding policies and shares in the IIJA for the benefit of state DOTs, MPOs, RTPOs, and local governments alike.

### **WOULD LOCAL FUNDING INCREASE FROM \$50 BILLION TO \$111 BILLION (A 122% INCREASE)?**

**No.** BASICS shows how to ensure that local governments receive their fair share as funding if funding is allocated from competitive grants to formula. AASHTO's analysis and talking points suggest that locals are trying to maintain existing competitive grant programs and increase formula funding. That is not the case.

BASICS was developed in alignment with Congress' stated desire to consolidate competitive grants and "return to basics." If Congress were to maintain the competitive grant programs from IIJA, the numbers would be very different.

# BASICS ACT

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### WOULD THE BASICS ACT SLOW PROJECT DELIVERY?

**No.** There are a variety of reasons for slow obligation and project delivery that we agree should be addressed. There are examples where dollars have languished because local governments were not “ready,” just as there are examples where local projects have sat dormant because States have not acted when they should have. Our intention with the BASICS Act has always been to increase coordination between locals and State DOTs and offer new methods to do so because the status quo remains a challenge for all parties.

The BASICS Act intends to increase cooperation between State DOTs and local governments, and improve project delivery in a number of ways. First, it increases PL funding. MPOs are in a position to work with State and local governments to ensure projects are ready to move quickly. Currently, we spend less than one-half of one percent of all HTF funding on PL. In terms of formula share, it is less than 1%. States are provided 2% through the State Planning and Research program. BASICS would increase PL to 2.5%, and this funding would be used to support project delivery. In addition, BASICS would also establish dedicated funding for rural planning organizations to assist rural communities.

Second, BASICS would provide local governments with increased funding. Often, federal dollars go unspent because an urban area may receive \$10 million through STBG, but the most critical project costs \$20 million. More money does not mean slower delivery; it likely means we can deliver core projects faster.

Finally, BASICS provides direct allocation of Metropolitan Planning (PL) funding to MPOs—just PL. In most instances, there is no reason States should have to administer PL funding. For States and MPOs, this is a middle step that is not needed. We believe there are instances where the process is working well, and we provide an avenue for that to continue in the BASICS Act. However, we are also aware—via discussions with both MPOs and state DOTs—about the nuisance of States administering PL funds. Allowing for direct allocation frees up time for States and MPOs to focus on their core mission: making transportation better and safer.

### WHICH FORMULA PROGRAMS MOST EFFECTIVELY SUPPORT THE GOALS OF THE BASICS ACT?

The BASICS Act was developed to increase funding to states and locals through increased, predictable formula funding. As Congress wants to deliver more flexible funding, there is no better program than the Surface Transportation Block Grant program which continues to be where states transfer less-flexible formula funding into and where Congress can leverage both states and regional support structures to address priority transportation projects across the country. Additionally, we believe that in order to assist local governments in being better prepared to deliver capital projects, the amount of planning funds that metropolitan planning organizations receive should be commensurate with at least the amount that States receive in “State Planning and Research” (2 percent), and include funding for Regional Transportation Planning Organizations which are essential to rural areas and a complete state perspective. Finally, we believe that both a shared bridge program and safety formula program are imperative as core formula programs. As such, BASICS would maintain the programs from the last bill and grow them to align with the condition of the nation’s bridge and the road safety epidemic costing too many American lives.

# BASICS ACT

## *Fact-Based Responses to AASHTO's Statements and Assertions*

### **CAN LONG-STANDING STRUCTURAL CHALLENGES BETWEEN STATES AND LOCALS BE SOLVED MERELY WITH COOPERATION AND WITHOUT LEGISLATION?**

Our intention with the BASICS Act has always been to increase coordination between locals and State DOTs and offer new methods to do so because the status quo remains a challenge for all parties.

After 35 years of the current structure, state DOTs and MPOs still struggle under the current federal statutes and structural authorities to select projects and obligate dollars to the satisfaction of all parties. To that end, we are committed to working together to advance constructive solutions forward through the BASICS Act.

There are regions that have a wonderful working relationship among the State, locals, and MPOs. The lessons from those areas helped inform our proposal. Most importantly, we want to safeguard those interactions because they are working. However, those instances are the exception—and while we hope that changes, more substantial changes are needed to ensure that delivering transportation projects that benefit local communities is a cooperative exercise for all.

### **THE LOT COALITION IS WILLING TO NEGOTIATE**

The LOT Coalition is and always has been willing to negotiate. AMPO and AASHTO met many times, and as the full LOT coalition we were upfront with our positions and intent. In fact, what LOT proposed to AASHTO eventually became the underpinning of the BASICS Act.

It was not until AASHTO made it clear that moving from an 85%/15% share was a non-starter that discussions were paused in mutual agreement, with the understanding that discussions could always resume at a later date, such as when a draft reauthorization bill was released by a committee. In the next surface reauthorization bill, nobody—States or localities—should “go back” in terms of nominal funding levels and see reductions. We stand ready to discuss how we can move forward together for the mutual benefit of all.