



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

J. ERIC BOYETTE
SECRETARY

April 7, 2020

President Pro Tem Phil Berger
16 West Jones Street
Raleigh, NC 27601

Senator Dan Blue
16 West Jones Street
Raleigh, NC 27601

Speaker Tim Moore
16 West Jones Street
Raleigh, NC 27601

Representative Darren Jackson
300 N. Salisbury Street
Raleigh, NC 27603

Dear Legislative Leaders:

At this time, I believe it is critical to inform you of the initial projections related to the impact of the coronavirus on future revenue for NCDOT and the actions we must take immediately.

As you are aware, the Motor Fuels Tax, Highway Use Tax and DMV fees are NCDOT's revenues sources. We are closely monitoring traffic volume and early indicators show a 30%-50% decrease in volumes, depending on the roadway. We are currently seeing reductions in future revenue. As traffic continues to decrease, so will fuel consumption. Early projections indicate a minimum of a \$200 million loss of revenue in just this fiscal year. Because of this shortfall, we anticipate going below the legislatively mandated cash floor before the end of this fiscal year.

This loss of revenue will require significant reductions in expenditures. My staff is evaluating all options, including but not limited to suspending future contract advertising, consulting services and purchases of materials. Modeling indicates it will take months to bring suspended projects back as the private sector will have been impacted.

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
1501 MAIL SERVICE CENTER
RALEIGH, NORTH CAROLINA 27699-1501

Telephone: 919-707-2800
Fax: 919-733-9150
Customer Service: 1-877-368-4968

Website: ncdot.gov

Location:
1 SOUTH WILMINGTON STREET
RALEIGH, NORTH CAROLINA 27601

NCDOT is continuously working to forecast the financial impact. We will continue to keep you informed and work with you to identify ways to ensure we are able to continue protecting public safety and providing critical services.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Eric Boyette". The signature is stylized with a large, sweeping flourish that extends to the right.

J. Eric Boyette
Secretary of Transportation

cc: Governor Roy Cooper
Mike Fox, Chair, Board of Transportation
Senate and House Appropriation Chairs
Council of State