

NATIONAL STONE, SAND & GRAVEL ASSOCIATION



Natural building blocks for quality of life
October 31, 2007

Dear Member of Congress:

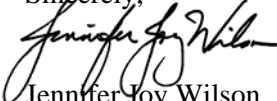
It is our understanding that Representatives Steve Pearce and Thelma Drake are planning to offer an amendment to the Hardrock Mining and Reclamation Act of 2007 that ensures the public and policy makers have the critical information necessary to complete their duties by establishing the Minerals Information Team (MIT), which is the only Federal government entity that collects data on the supply and demand of mineral commodities, as a separate office in the Department of Interior reporting directly to the Secretary of the Interior. The amendment is similar to the Resource Origin Commodity Knowledge Act (ROCK Act) introduced during the previous Congress which we supported and continue to support.

Minerals information is critically important to businesses and the Federal government, which is why the MIT deserves the priority afforded by reporting directly to the Secretary of the Interior, very similar to the role of the U.S. Energy Information Agency. The mission of the U.S. Geological Survey's (USGS) MIT is to collect, analyze, and disseminate information on the domestic and international supply of and demand for minerals and mineral materials essential to the U.S. economy and national security. As the world's largest user of mineral commodities, processed materials of mineral origin accounted for over \$542 billion in the U.S. economy in 2006. Virtually every manufacturing sector, from aviation to textiles, relies on the unbiased, thorough, and comprehensive MIT data.

To complement coverage of mineral production, information is also collected, analyzed and disseminated on individual country mining, environmental, investment, and other laws that affect the minerals industry; trade with emphasis on the interactions with the United States; structure and ownership within the industries; types of deposits; labor force; official reserves data; and other pertinent information. The Departments of Interior, Defense, and State, the CIA, Federal Reserve, and private sector companies use this information. The Federal Reserve Board uses this data to calculate the indexes of industrial production, capacity, and capacity utilization, *which are among the most widely followed monthly indicators of the U.S. economy.* Finally, it is important to note that the Department of Defense also uses the information to help manage the National Defense Stockpile.

Unfortunately, the administration and the USGS continue to place the MIT at the bottom of its priority list as evidenced by the repeated attempts to substantially cut the program's funding. In fact, the MIT has seen its budget reduced each year for the past 10 years. While the Appropriations Committee under both Democrats and Republicans has done yeomen's work to restore some funding for this important program, the fact remains that the program has sustained serious reductions in personnel and funding since being moved into the USGS. It is important to note that the MIT was a small program within the Bureau of Mines that Congress recognized as valuable enough to retain and making it a separate entity within the Department of Interior would not be reconstituting the now defunct Bureau.

By supporting the amendment Congress will be giving the administration and USGS the strongest possible direction that this important program deserves to be funded at an appropriate level. Since H.R. 2262 is not otherwise applicable to the construction aggregate industry, NSSGA has no position on the underlying bill.

Sincerely,

Jennifer Joy Wilson
President & CEO