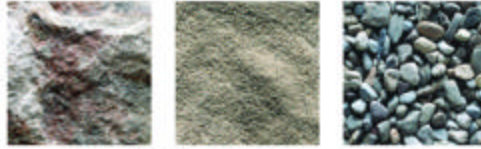


NATIONAL STONE, SAND & GRAVEL ASSOCIATION



Natural building blocks for quality of life

June 7, 2005

The Honorable Don Young
U.S. House of Representatives
2111 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

Your leadership on the pending transportation reauthorization legislation and your recognition of the importance to our country of having a sound and well-funded surface transportation infrastructure program are deeply appreciated. As a member of the conference committee on TEA 21 reauthorization, you will be confronting the many complex issues involved in this critically important legislation. On behalf of the National Stone, Sand & Gravel Association, I would like to take this opportunity to offer input on the association's priorities for a final surface transportation reauthorization bill as well as NSSGA's assistance to you, as needed.

TEA 21 reauthorization is the chief legislative priority of NSSGA, by volume the largest mining association in the world. More than three billion tons of aggregates (or 2.79 billion metric tons) were produced and sold in the U.S. in 2004 at a value of approximately \$16 billion, contributing \$37.5 billion to the GDP. The aggregates industry workforce is made up of about 115,000 men and women across the nation. Every \$1 million in aggregates sales creates 19.5 jobs, and every dollar of industry output returns \$1.58 to the economy.

There are more than 10,000 aggregate operations nationwide. Aggregates comprise 94 percent of asphalt and 80 percent of concrete and, therefore, are an essential component of pavements and the nation's built environment. There are aggregates operations in every state and in 70 percent of the nation's counties. The production of stone, sand and gravel is a basic industry, but one not well known to the American public, as few of our materials are sold directly to consumers. Nevertheless, aggregates go into such varied products as glass, paper, paint, pharmaceuticals, cosmetics, chewing gum and household cleansers. Our natural materials are essential for the safety, security and high quality of life of all Americans.

NSSGA urges expeditious action by the conference committee to pass a robust, multi-year transportation reauthorization bill. Our specific interests are detailed in the following pages.

Again, thank you for your leadership on this important issue. Please contact me or the NSSGA Government Affairs advocacy team: Pam Whitted, Vice President of Government Affairs; John Boling, Director of Government Affairs; or Joe Colaneri, Director of Government Affairs, with any questions.

Sincerely,

Jennifer Joy Wilson
President & CEO

Enclosure

NSSGA Priorities for Surface Transportation Reauthorization Bill

- First, and foremost, without **adequate funding** resolving the many complexities of reauthorization will be impossible. NSSGA supports a **multi-year reauthorization** at the \$295 funding level of the Senate bill, which comes closer to meeting the nation's burgeoning surface transportation needs. Our members believe the **"reopener"** provision contained in the House version of H.R. 3 is important in that it will allow Congress to revisit the surface transportation funding levels during the reauthorization term.
- NSSGA urges maintenance of the **budget firewalls** that ensure gasoline user fees are used for transportation and not diverted elsewhere. Conferees must be extremely careful and judicious when allowing Highway Trust Fund (HTF) revenues to be used for any programs or initiatives that are not directly related to construction, maintenance, or improving the safety of our nation's roads and highways.
- NSSGA believes the **Revenue Aligned Budget Authority (RABA)** should be adjusted based on current year HTF revenue projections, which will assist in reducing the volatility of RABA. The Association supports provisions in the reauthorization bills that would accomplish this goal.
- NSSGA supports provisions of both the Senate and House bills facilitating the use of **innovative financing tools**, *e.g.* TIFIA and State Infrastructure Banks. NSSGA recommends incorporating the Talent-Wyden "Build America Bond" proposal in the final reauthorization bill as an additional source of funding for large-scale transportation infrastructure projects.
- It is very important that alternative revenue sources to fund the highway program be considered in light of decreasing gasoline user fee revenues. NSSGA champions creation of a **Commission on Future Revenue Sources** to support the HTF and believes a report to Congress should be completed sooner rather than later in order that recommendations may be implemented in the next surface transportation reauthorization bill.
- NSSGA commends both chambers of Congress for including provisions in the reauthorization bills that ensure a robust, transparent, and accountable pavement research program. The durability and performance of our national highway pavements is a critical component of the national highway system. NSSGA's chief interest in this area is assuring specific funding for **aggregates research** with stakeholder oversight and input in setting materials research priorities, selection of research projects, review of research results and the deployment of new technologies as set forth in the Senate's substitute version of H.R. 3. Previous reauthorization bills have provided materials research funding, but generally ignored aggregates research even though these materials are the primary ingredient of both asphalt (94%) and

concrete (80%). NSSGA urges inclusion in the final reauthorization bill of not less than \$3 million annually over the term of the reauthorization bill for aggregates research. Researching what size, shape, density, and composition of the crushed stone, sand and gravel is to be mixed with the “glue” – whether asphalt or Portland cement – is important both to the end product but also to the capital equipment and production processes of aggregate companies.

- NSSGA believes improving the **project delivery** process is essential. NSSGA has consistently sought adoption of concurrent environmental reviews and, thus, supports the consistent review deadlines for all states as contained in House reauthorization bill. NSSGA supports designating the U.S. Department of Transportation as the lead agency for environmental reviews. And, our members strongly urge inclusion in the final bill of the Senate language clarifying the binding authority of the lead agency, with respect to determination of “Purpose and Need” and Alternatives.
- The Association appreciates that both bills address the timing, planning horizon, and requirement for clean air conformity determination. NSSGA has long endorsed grandfathering of highway projects in urban centers that fall out of compliance with the Clean Air Act that have received environmental approvals prior to the conformity lapse. Accordingly, NSSGA strongly supports the provision of the House bill that provides a 12-month conformity grace period before a conformity lapse is officially recognized.
- NSSGA is pleased that both reauthorization bills support modernization of Section (4), the historic designation process, although we prefer the broader scope of the Senate bill. NSSGA supports provisions included in both bills that require an early identification of issues that could result in delay or denial of permits. Our members are particularly concerned that there be open and frank communications among interested parties and early resolution of issues of concern.
- NSSGA is troubled by provisions of the Senate-passed bill that expand the planning factors that state and **Metropolitan Planning Organizations (MPOs)** must consider, as well as provisions that seem to require MPOs or statewide planners to follow the results of the public comment process to the detriment of some planning factors. Such provisions could result in MPOs or statewide planners focusing on the environment over other community imperatives. No one planning factor should receive priority consideration. NSSGA opposes additional planning mandates and increased consultations contained in the Senate’s substitute version of H.R. 3 that could mitigate the benefits derived from environmental streamlining provisions included in both bills. Further, NSSGA opposes the provision of the Senate’s substitute version of H.R. 3 requiring states to use two percent of their Federal Surface Transportation Program (STP) funds for storm water mitigation. This “set-aside” is unnecessary and undermines state decision making on the best use of surface transportation dollars.

- Generally, NSSGA supports both bills' inclusion of **safety program enhancements** but encourages restraint on diverting funds from construction to non-construction safety initiatives. Given the current backlog on safety projects and improvements, diverting money from construction could further jeopardize motorist safety. In addition, NSSGA believes increased capacity is another way of improving the safety of our roads. Highway capacity has not kept pace with the increase in our nation's population, the number of licensed drivers, or the increase in the number of vehicle miles traveled. We believe increased capacity will enhance safety, and also help to reduce congestion and the pollution clogging our cities. NSSGA backs the House provisions creating a **High Risk Rural Safety** program, which we believe will save lives and ultimately put more money into roads by reducing the costs of dealing with vehicle accidents on rural roads.
- NSSGA supports the Senate bill's creation of the **Infrastructure Performance and Maintenance Program**, designed to get "ready to go" projects out the door and supports the funding level for this program included in the Senate's substitute version of H.R. 3.
- NSSGA has advocated for consideration of **dedicated truck lanes** and appreciates the inclusion of such a program in the House-passed bill.
- NSSGA supports **increased use of tolling** and the Senate language that would give states more flexibility to impose tolls on newly constructed roads and on single-occupant vehicles using lanes designated for high-occupancy vehicles.

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