

NATIONAL STONE, SAND & GRAVEL ASSOCIATION



Natural building blocks for quality of life

May 3, 2006

The Honorable Phil English
U.S. House of Representatives
1410 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Miller:

In the flurry of proposals in both the House and Senate to provide relief to the consumer from increasing gas and diesel prices, we note your cosponsorship of H.R. 3683, The Gas Tax Relief Act of 2005, which would suspend the highway user fee. NSSGA members believe such a suspension will not help consumers and in fact will be detrimental to those who depend on the nation's transportation system. The national transportation infrastructure keeps the economy and Americans moving.

Under the current law, the 18.4-cents-per-gallon user fee is divided among the Highway Account, Mass Transit Account, and the Leaking Underground Storage Tank Trust Fund for environmental cleanup. Suspending or eliminating the user fee will have a deleterious effect on all aspects of the nation's transportation system while providing no guarantee – at a time of particularly volatile oil markets – that consumers will pay less at the pump.

According to the Federal Highway Administration, the average driver consumes 708.9 gallons of gasoline per year. If the gasoline user fee were suspended for two months, *and* oil prices did not rise at all, savings to consumers would be little more than \$20 for the average driver. Because the gasoline user fee is a set amount per gallon, not a percentage on the dollar like state and local sales taxes, any reduction would be small and subject to being offset by subsequent price increases.

Suspending or repealing the user fee on gasoline does not solve a problem caused by increasing worldwide demand, an unstable Middle East and limits on domestic production. Rather, the nation needs broad new solutions to the complex issues involving energy supply and prices, as well as a plan for financing the nation's transportation infrastructure. We need to build upon SAFETEA-LU, the hard fought reauthorization of TEA 21, with the bold strokes that are essential in a post-9/11 world, not undermine its intent with what appear to be short-term efforts that will not help the consumer – either at the pump, as a receiver of goods (75 percent of the national dollar volume of goods is transported by road), as a motorist or bus rider.

Finally, reimposition of the user fee is the exit strategy for those advocating suspension. Even though the user fee proceeds go into the trust fund for upkeep, congestion relief and safety improvements of our nation's roads and bridges, how willing will Congress be to reimpose the fee? And how will Congress finance this major asset of America without the user fee?

NSSGA stands ready to work with you on a long-term vision to strengthen and enhance our transportation system for the future.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Joy Wilson".

Jennifer Joy Wilson
President & CEO