

NATIONAL STONE, SAND & GRAVEL ASSOCIATION



Natural building blocks for quality of life

March 10, 2009

Dear Congressman/Senator:

As you know, President Obama recently released a 2010 budget framework in advance of a more detailed budget to be issued in April. Members of the National Stone, Sand & Gravel Association (NSSGA) appreciate the transportation infrastructure investments included in the 2010 budget proposal. The budget outline recognizes that investment in our nation's surface transportation infrastructure will create good, American jobs essential to restoring the nation's economic growth and prosperity. We are, however, troubled that the budget proposes the elimination of contract authority for transportation programs and conversion of them to appropriated budget authority.

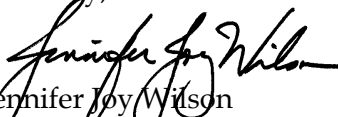
Contract authority is considered the bedrock of our nation's transportation policy. Current law allows for the obligation of transportation funds without a separate appropriations bill. The multi-year transportation authorizations provide certainty to states and allows the design, environmental review and permitting of transportation improvements to proceed. Also, contract authority is key to state and regional transportation planning authorities who require revenue forecasts beyond a one-year time frame. To eliminate contract authority would severely impede state and regional transportation planning, project development and construction.

The administration's budget framework fails to acknowledge that the nation's transportation programs are user fee paid programs with dedicated funding sources. Eliminating contract authority undermines the budget firewalls which have ensured that transportation user fees are used to fund transportation infrastructure improvements. Such an action would dilute the linkage between trust fund revenues and annual transportation investments. It could be said that it will take trust out of the trust funds.

As the nation's premier aggregates association, NSSGA represents a vital segment of our nation's economy and infrastructure. Our member companies produce more than 90 percent of the crushed stone and 70 percent of the sand and gravel consumed annually in the United States. The aggregates industry workforce is made up of over 17,000 dedicated men and women. Every \$1 million in aggregates sales creates 19.5 jobs, and every dollar of industry output returns \$1.58 to the economy. Construction aggregates are used primarily in asphalt and concrete. Every mile of interstate contains 38,000 tons of aggregates.

NSSGA urges Congress to maintain contract authority to ensure state departments of transportation the certainty they need to maintain multi-year infrastructure projects and transportation plans. We ask that you reject this proposal as you develop the nation's Fiscal Year 2010 federal budget.

Sincerely,



Jennifer Joy Wilson
President & CEO