



Natural building blocks for quality of life

January 27, 2006

The Honorable Don Young
Chairman
House Committee on Transportation
& Infrastructure
U.S. House of Representatives
Washington, DC 20515

The Honorable James Oberstar
Ranking Member
House Committee on Transportation
& Infrastructure
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Young and Ranking Member Oberstar:

As the Transportation and Infrastructure Committee reviews the Administration's FY 2007 proposed budget, NSSGA urges you to fully fund vital transportation infrastructure programs. The Committee has worked long and hard on passing fiscally responsible programs that attempt to meet the infrastructure needs of this great nation. Full funding is necessary to achieve a cost effective and efficient national transportation infrastructure.

Highways

This past year, Congress reauthorized the nation's surface transportation law passing SAFETEA-LU. As you understand, the transportation system is the backbone of our economy and keeps American products competitive around the world. SAFETEA-LU will further improve economic development, create jobs, maintain the nation's global competitiveness, reduce congestion and improve safety in a fiscally responsible way. Congestion is estimated to cost American motorists \$78 billion annually in lost productivity, wasted fuel, and lost time with family and friends. Shockingly, there are 44,000 deaths and three million injuries annually on our nation's roads at an estimated cost to society of \$230 billion. One-third of the deaths are due to something we could fix today - poor road conditions. Anything short of full funding for SAFETEA-LU will negatively affect all Americans.

Aviation

During the past few budget cycles attempts have been made to reduce Vision 100 funding, another program of vital importance to all Americans. This nation has benefited many times over for every dollar invested in aviation infrastructure, allowing people and products to move quickly, conveniently, and safely to their destination. In 2000, nearly one in four flights were delayed, cancelled or diverted. While passenger traffic dropped due to the tragic events of September 11, 2001, travel is expected to surpass 2000 levels soon, and investment at the authorized levels in the infrastructure of our airports is vitally necessary to avoid the terrible congestion and delay problems this nation was experiencing. Vision 100 needs to be fully funded.

Clean Water

While most Americans are cognizant of the problems facing our surface transportation and aviation infrastructure, many are simply unaware of the problems with the underground infrastructure. The EPA's 2002 *Clean Water and Drinking Water Infrastructure Gap Analysis* found that there would be a \$271 billion gap between current spending and projected needs by 2020. Despite this documented need, federal investment in water infrastructure has sustained dramatic cuts in recent years. Since FY 2004, the Clean Water State Revolving Fund (SRF) federal capitalization grants to the states have been cut by more than \$450 million. With the 20 percent state match combined with the leveraging power of the SRF, that figure grows to more than \$1 billion in projects. The federal government must not continue to divert resources from this growing problem.

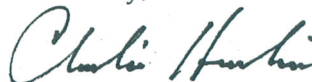
Corps of Engineers

Unfortunately, the U.S Army Corps of Engineers budget also has seen a disproportionate amount of cuts. Ambivalence towards our nation's vast network of waterways puts in jeopardy over 2.1 billion tons of products worth \$100 billion moving along this inland transportation system safely, efficiently and with a benefit to motorists as a single barge can take an estimated 58 trucks off the road. Flood control projects benefit the nation to the tune of \$8 in flood damage reduction for every dollar invested. Unfortunately, of the 257 locks on the more than 12,000 miles of inland waterways operated by the U.S. Army Corps of Engineers, nearly 50 percent are functionally obsolete. The current value of the present inland waterways system is over \$125 billion. The Corps must be funded at a level that will allow the agency to improve the system while maintaining its existing facilities before the system deteriorates to the point of inoperability.

NSSGA's member companies produce 90 percent of the crushed stone, and 70 percent of the sand and gravel consumed annually in the United States. Aggregates are the largest component of both asphalt and concrete. Nearly three billion metric tons of aggregates valued at approximately \$16 billion are estimated by the U.S. Geological Survey to have been sold in the U.S. in 2004. With over 10,000 sites nationwide and a workforce of 115,000 men and women, most Congressional Districts are home to multiple operations. Without these important basic natural materials the nation's infrastructure could not be built or maintained, and the commerce and quality of life we take for granted would be adversely impacted.

NSSGA looks forward to working with you and the Committee as the FY 2007 budget process proceeds to assure full funding of our nation's vital transportation infrastructure system.

Sincerely,



Charles E. Hawkins III, C.A.E.
Executive Vice President & COO

cc: T&I Committee Members