

September 30, 2008

National Stone, Sand & Gravel Association



PMD Annual Meeting to feature high-level briefings on MSHA, economy, greenhouse gas inventories

Calcium carbonate industry leaders attending the Division's 2009 Annual Meeting on Oct. 8 and 9 are in for a treat. The content-rich agenda designed by the PMD Executive Committee will provide participants with insights and tools to help address a number of the challenges PMD members will confront in the year ahead. Highlights will include:

- PMD Member Hill Visits. PMD members are being encouraged to take advantage of their presence in Washington to visit Capitol Hill and meet with congressional staff to talk about mine safety and environmental issues affecting pulverized calcium carbonate manufacturers. NSSGA's government affairs staff has offered support and direction for PMD members interested in setting up Hill meetings.
- PMD's Executive Committee and Board of Directors meetings.
- A roundtable discussion on Mine Safety and Health Administration (MSHA) enforcement issues with Felix Quintana, MSHA's acting administrator for metal-nonmetal. Quintana is the highest-ranking MSHA official to meet with PMD members in years. The discussion will provide an important opportunity for PMD members to raise questions and concerns about MSHA enforcement policy and to distinguish the calcium carbonate industry from others that fall under MSHA's authority.
- A review of the legislative threats and opportunities that our industry will face on Capitol Hill in the 111th Congress with NSSGA Vice President of Government Affairs Pam Whitted. In particular, Whitted will discuss pending legislation - the Bruce Vento Ban Asbestos and Prevent Mesothelioma Act (HR 6903) - that would effectively ban the use of the calcium carbonate.
- A forecast of what's ahead for the U.S. economy in 2009 by Professor Stephen Fuller of George Mason University. Prof. Fuller's presentation will be especially timely given the uncertainty in financial markets over the past several weeks.
- A hands-on presentation about the new system that NSSGA has developed to help PMD members calculate their carbon footprints. The spreadsheet-based tool will help your company estimate greenhouse gas emissions (esp. carbon dioxide, methane, and nitrous oxide) from sources such as calciners, dryers, and kilns.
- A presentation on a possible calcium carbonate industry public relations campaign by the senior partner of a major Washington PR firm.
- PMD Industry Roundtables. A tradition started at last year's Annual Meeting, meeting attendees will divide into smaller groups to discuss possible opportunities for PMD activity. And,

- A networking dinner for all attendees on the evening of Oct. 8.

If you haven't already registered for the meeting, there's still time. To sign up, go to http://www.nssga.org/calendar/PMD_1008/. See you on the 8th!

NSSGA hosts MSHA ACRI training for PMD members

At the urging of PMD members at the Division's Spring Meeting in Las Vegas, NSSGA coordinated a training program on MSHA's Alternative Case Resolution Initiative in Denver in late July. The training was conducted by attorneys with Patton Boggs LLP, and attended by more than 35 PMD and regular NSSGA members. Program attendees gave it rave reviews and said that it provide both excellent knowledge and tools to help deal with MSHA.

NSSGA will conduct another compliance training program on underground diesel particulate matter emissions for NSSGA and PMD members early next year. More details will be provided at next week's PMD Annual Meeting.

Huber's Clark appointed interim E&R Committee Chairman

The acquisition of Oglebay-Norton Co. by Carmeuse has led to the loss of both a long-time PMD member and a PMD Executive Committee member. Doug Townsend of Oglebay-Norton, who served as PMD's Environmental and Regulatory (E&R) Committee chairman for the past year, has left the industry. We'll miss him and appreciate his leadership. Fortunately, Michael Clark of J.M. Huber has volunteered to serve as E&R chairman. He was appointed by PMD Chairman Jim Ruddell this summer to serve as acting chairman and will be formally nominated for election to the Executive Committee at the Oct. 9 PMD Board meeting.

President, congressional leaders search for "way forward" in wake of House financial rescue vote

The House of Representatives shocked financial markets on Sept. 29 by failing to pass the bipartisan Emergency Economic Stabilization Act (EESA). The final vote on the bill was 205 to 228. Ninety-five Democrats joined with 133 Republicans in voting against the legislation, bucking the president and both party's congressional leaders. The House vote rattled financial markets. The Dow fell more than 750 points for its biggest one-day point loss ever. According to the White House, the Sept. 29 stock market selloff resulted in \$1.2 trillion in investor losses.

The EESA, which is based on the financial rescue package proposed by Treasury Secretary Henry Paulson on Sept. 20, aims to restore liquidity and balance to credit markets by creating a mechanism for the Treasury Department to purchase mortgage-backed securities from troubled financial institutions. The Bush administration's original proposal was modified over the weekend to include a guarantee program that would insure assets and limit the government's exposure, provide stronger oversight and congressional control, and limit the compensation of executives at failed institutions.

Concerns about voter backlash apparently drive “no” votes

While the economic impact of the vote was felt immediately on Wall Street, 24 hours later, lobbyists were still working to analyze the politics of the vote. Although the media has characterized those who voted against the bill as liberal Democrats and conservative Republicans, the reality is not so simple. Votes for and against the bill were cast by members of Congress from across the political spectrum.

The “no” camp included some of the most pro-business Democrats and moderate Republicans, while the “yes” camp included members from both parties’ political fringes. One pattern that has emerged: The “yes” voters tended to be more senior members from safer districts, while many no votes were cast by more junior members from marginal districts (however, there were notable exceptions to that pattern as well). This suggests that many of the “no” votes likely resulted from concerns about a backlash from voters in November (in the days running up to the vote, calls to Capitol Hill from constituents were apparently running 100 to 1 against the rescue bill.) To check how your representative voted, go to: <http://clerk.house.gov/evs/2008/roll674.xml>.

White House pushing for deal by week’s end

While the House vote is a set-back to efforts to restore stability to financial markets, the Bush administration and congressional leaders from both parties have vowed to continue working to complete a rescue bill.

In an address to the nation on Sept. 30, President Bush said that, “this is not the end of the legislative process ... We need legislation that decisively addresses the troubled assets now clogging the financial system, helps lenders resume the flow of credit to consumers and businesses, and allows the American economy to get moving again.” Bush warned of “painful and lasting” economic damage if Congress does not act.

All conversations we’ve had with friends on the Hill suggest that even many members of the Congress who voted against the bill understand the need to do something quickly. However, after the vote on Sept. 29, that “something” may not necessarily look like what the Treasury Department originally proposed.

As we continue to monitor developments on this issue, we’re interested to hear how the credit crisis is affecting your company, if at all. Drop us a line at pwhitted@nssga.org or caklein@potomac-law.com.