

July 15, 2021

The Honorable Maria Cantwell
Chairman of the Senate Committee on
Commerce, Science & Transportation
511 Hart Senate Office Building
Washington DC, 20510

The Honorable Roger Wicker
Ranking Member of the Senate Committee on
Commerce, Science & Transportation
555 Dirksen Senate Office Building
Washington DC, 20510

Dear Chairman Cantwell and Ranking Member Wicker,

On behalf of the undersigned material industries, we thank you for today's hearing titled "*Implementing Supply Chain Resiliency*" and reiterating the need for efficiency and consistency throughout our nation's critical supply chains. Our collective industries understand and advocate for a strong construction supply chain as a critical foundation to deliver vital public works project on time and on budget. Our members supply the essential raw materials and products necessary for virtually every public works project and vertical structure, including aggregate, concrete, asphalt and cement, utilized from coast to coast, border to border. Our combined industries employ over 700,000 hard-working Americans and provide hundreds of billions in annual economic activity.

As the Biden Administration and Congressional leaders in both chambers advocate for historic levels of federal infrastructure investments, the construction supply is as critical as it has ever been before, and we must recognize how our materials are sourced and utilized throughout the country. To that end, we oppose efforts to include broad expansions of Buy America mandates to "construction materials", which would severely handicap the construction supply chain as we know it. In fact, the Senate recently passed the *US Innovation and Competitiveness Act* package, which included this Buy America mandate expansion, impacting how construction materials are sourced for every infrastructure project and would create significant unintended consequences to the construction supply chain.

To be clear, our member companies support Buy America policies that ensure American manufacturing is protected and undue influence from foreign adversaries is not reaping the benefits of taxpayer investments; however, since Buy America's enactment, Congress, and every administration, Republican and Democrat, have long understood that certain construction materials and their inputs should not be included under Buy America's regulatory framework, and we reiterate this long-standing position. Hence, our concerns must be addressed in Congress as relevant legislative vehicles evolve as agency waivers are far too complex and bureaucratic. Further, the updated Buy America mandate included in the *US Innovation and Competitiveness Act* package would expand the universe of industry and material waivers exponentially; each project could require dozens, if not more, waivers for a project as simple as repaving existing roads or expanding a lane.

Each of our respective industries have significant domestic geological limitations, permitting and/or capacity restrictions that directly impact our ability to provide the materials necessary for our nation's pressing infrastructure needs. For aggregate raw materials, certain coastal communities like the Gulf Coast, Southeastern coastline and around the Great Lakes, there is a finite amount of rock available. To ensure materials are available and limit unnecessary transportation costs or emissions, these communities utilize raw materials transported from American-owned facilities in friendly Western hemisphere nations where the United States has strong trade ties, like Canada, Mexico and the Caribbean. Within the cement industry, 100 percent of cement produced in the United States is utilized,

yet this falls short of our national demand. Foreign sources, like Canada, import cement to meet these material needs. And roughly 88 percent of asphalt binder production is achieved domestically, but the remaining 12 percent is imported due to a lack of refining facilities, or refining capacity. Utilizing raw material inputs helps mitigate this domestic limitation and ensure asphalt binder production meets domestic needs.

As your Committee examines critical supply chains and its resiliency, please consider the unique dynamics described within the construction supply chain, and the collective efforts our member companies achieve to provide the necessary materials for our national infrastructure network. Our goal is to maximize federal infrastructure investment and leverage every dollar to boost job growth, grow our national economy and help advance our overutilized and underfunded infrastructure network.

If you have any questions regarding how our materials are sourced and utilized within the domestic supply chain, or other relevant infrastructure policy goals, please do not hesitate to reach out to us and we'd be happy to be a resource.

Sincerely,

National Asphalt Paving Association
National Stone, Sand & Gravel Association
National Ready Mixed Concrete Association
Portland Cement Association

cc: Members of the Senate Committee on Commerce, Science & Transportation