



NATIONAL STONE, SAND
& GRAVEL ASSOCIATION

March 2, 2022

Honorable Tom Carper
Chairman
Senate Committee on Environment and
Public Works
410 Dirksen Senate Office Building
Washington, DC 20510

Honorable Shelley Moore Capito
Ranking Member
Senate Committee on Environment and
Public Works
456 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Carper, Ranking Member Capito and Members of the Committee:

On behalf of the 400 members of the National Stone, Sand & Gravel Association, I want to thank you for holding today's hearing on "Implementation of the Infrastructure Investment and Jobs Act (IIJA) by the U.S. Department of Transportation" with Secretary Buttigieg. I would like to take this opportunity to share the viewpoints of our members on several critical priorities, as Congress and the administration work to implement the historic IIJA.

NSSGA represents aggregates producers and those who manufacture equipment and services that support the construction industry. Our members are essential to the work of this country, and we represent more than 90 percent of the crushed stone and 70 percent of the sand and gravel produced annually in the United States. Our members employ more than 100,000 hard-working men and women, who are responsible for the essential raw materials found in every home, building, road, bridge, and public works project.

NSSGA applauds Congress and the administration for diligently drafting IIJA. The aggregates industry stands ready to deliver the billions of tons of construction materials needed to build the roads, bridges, tunnels, rail, transit, ports, energy including solar and wind facilities, water, broadband and every public works funded through IIJA. At every stage of implementation, we encourage every federal agency to efficiently execute and deliver IIJA's investment to project planners.

Complete the Annual Appropriations Bills

First, we are encouraged by the ongoing progress to complete a full Fiscal Year (FY) 2022 appropriations omnibus. Such a bill is necessary to raise the obligation limit of the Highway Trust Fund (HTF). If Congress does not raise that limit above its current level, states and localities cannot utilize the historic 20 percent increase in funding enacted under the IIJA to



improve our congested roads, crumbling bridges and outdated transit systems. Congress has routinely raised this obligation limit each fiscal year. Still, without this crucial, albeit technical fix, state departments of transportation (DOT) are forced to rely on prior-year funding levels. As a result, states cannot plan and execute new projects with the historic investments provided for the HTF by the IIJA.

Provide States and Localities Needed Flexibility

Further, NSSGA supports the work of Senator Padilla, Senator Cornyn and the administration to include S. 3011, State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act into the FY 22 appropriations package.

NSSGA is a part of a broad group of stakeholders supporting this proposal that will provide greater flexibility to states and local governments to use their COVID relief funds. Allowing this legislation to move in the omnibus will be critical in giving localities and states more flexibility to use unspent relief dollars to match historic federal infrastructure investments under the IIJA. If Congress is unable to act on S. 3011 now, many localities, especially smaller towns, and communities, will miss out on new infrastructure opportunities that are being implemented in the coming days and weeks by the Biden Administration.

Oppose Suspending the Gas Tax

NSSGA strongly opposes legislation that suspends or halts the collection of the current gas user fee that is used to fund the Highway Trust Fund (HTF). The HTF is critical to our collective livelihoods and supports thousands of construction projects and millions of jobs across the nation. Suspending the gas tax is a short-sighted solution that will force another \$26 billion in debt financing and brings increased uncertainty to the solvency of the surface transportation system – all at a time when state DOTs and federal agencies are looking to implement the bipartisan infrastructure law. More debt and delays to building roads, bridges, rail, ports, and critical infrastructure projects will not solve the inflation challenges and, in fact, will likely cause more harm.

It should also be noted, collection of the \$0.184 federal motor fuel user fee is applied at the wholesale level and not at the pump. There is no guarantee that the savings of the suspended collection will be passed on to consumers.

Oppose Partisan Mandates, Provide DOTs Flexibility

Whether investing in a new road in a rural community or a new transit system in an urban city, this legislation should benefit all Americans. That is why we are concerned with proposed policies that were not included in IIJA that insert new, partisan criteria into the planning process, such as restrictions on new highway capacity projects. Further, utilizing existing formulas and funding structures is key to accelerating the work, and it is the best way to ensure the promises of IIJA are delivered to every community. While distributing funds, the administration must continue to provide state and local governments with the flexibility to address and prioritize their unique transportation needs as Congress intends.

Execute Permitting Reform

The IIJA includes critical policy provisions to ensure taxpayer dollars flow expeditiously to the array of infrastructure projects, without sacrificing environmental standards. IIJA makes



key permitting reform steps by codifying One Federal Decision, expanding categorical exclusions, expediting interagency reviews, and granting greater flexibility around utility relocation. These new policies implemented by the administration should ensure projects reduce supply backlogs, stay on time, and are executed on budget. These projects include delivering renewable energy, providing clean water, expanding ports, updating reliable transportation, and modernizing rail lines. NSSGA will continue supporting work in Congress to further reduce permitting delays.

Buy America Exclusion

Title 9 of IIJA includes a broad expansion of Buy America requirements to federally funded infrastructure projects. Section 70917 clearly excludes “cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives” (i.e., asphalt binder) from the new Buy America requirements. It is imperative that OMB and all agencies follow the statute while implementing IIJA to ensure these critical inputs and resources can be efficiently sourced. Should Congress deliberate further changes to federal sourcing requirements, it is imperative additional mandates are not imposed on materials and inputs that cannot be sourced onshore.

ROCKS Act

NSSGA strongly supports the work of Congress to include Section 11526 that establishes a working group to examine and produce policies that ensure our nation has sustainable access to aggregates resources. This provision mirrors bipartisan legislation, Rebuilding Our Communities by Keeping Aggregates Sustainable (ROCKS) Act that has been championed by Sen. Mark Kelly (AZ) and Sen. Rob Portman (OH). While states like Arizona and Minnesota have taken key actions to institute policies that ensure proper planning is being done to maintain sustainable aggregates supplies, it is imperative the federal government also be involved in this planning. This will reduce material costs and improve environmental outcomes as the industry works to source materials needed to build the infrastructure funded under IIJA. NSSGA looks forward to being engaged with FHWA and being an active participant in the working group established under Section 11526.

NSSGA appreciates the consideration of our members’ views and the hard work of every Senator on this Committee to improve our nation’s infrastructure.

Sincerely,



Michael Johnson
President and CEO
National Stone, Sand & Gravel Association

