



NATIONAL STONE, SAND  
& GRAVEL ASSOCIATION

November 29, 2022

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
1236 Longworth House Office Building  
Washington, DC 20515

The Honorable Charles Schumer  
Senate Majority Leader  
United States Senate  
322 Hart Senate Office Building  
Washington, DC 20515

The Honorable Kevin McCarthy  
House Minority Leader  
U.S. House of Representatives  
2468 Rayburn House Office Building  
Washington, DC 20515

The Honorable Mitch McConnell  
Senate Minority Leader  
United States Senate  
317 Russell Senate Office Building  
Washington, DC 20515

Dear Leader Schumer, Leader McConnell, Speaker Pelosi, Leader McCarthy and Members of the 117th Congress:

As the President & CEO of the National Stone, Sand & Gravel Association (NSSGA), I am writing to implore Congress to avert a rail strike at all costs. The association's 400 members are a critical part of effectively implementing the bipartisan infrastructure bill. They rely heavily on freight rail to get products where they need to be.

NSSGA members consist of stone, sand and gravel producers; industrial sand suppliers; and the equipment manufacturers and service providers who support them. Across 9,500 locations, the aggregates industry produces 2.56 billion tons of materials used annually in the United States. Aggregates play a crucial role in everything we touch including roads, railways, bridges, tunnels, water supply, sewers, electrical grids and telecommunications. NSSGA also represents the industrial sand industry, which provides materials for the manufacture of glass, ceramics, cast metal products and provides "frac sand" that is essential for domestic oil and gas production.

A freight rail strike would have a tremendous impact on our industry's ability to supply the construction materials needed for projects around the country. Aggregates producers use 1.1 million railcars to transport materials from quarries and plants, to growing communities and infrastructure projects. If rail service is suspended, it would be almost impossible to supplement these materials in these markets. Other transportation options are not viable alternatives to move material such long distances. It is estimated the cost of hauling one ton of aggregates by truck would double every 30-50 miles. Therefore, supplementing the transportation of aggregates that need to travel hundreds of miles would be extremely cost prohibitive and drastically create more emissions. This would cause active construction projects



such as, infrastructure projects, new housing, schools and hospitals to come to a complete stop. This is all at a time when our industry is working to implement the largest federal infrastructure investment in our nation's history.

Further, some NSSGA member companies operate short-line railroads that run cars on the class 1 tracks. A shutdown of rail service would prohibit these operators from moving material on these rail lines. In addition to disrupting our ability to build, this would pile on unnecessary costs and delays to our operators.

In some cases, NSSGA industrial sand companies ship 80 percent of their finished product by freight rail and overall, over 25 percent of industrial sand in the U.S. is shipped via freight rail. This is especially true in the U.S. oil & gas industry where sand proppant is largely shipped by freight rail. The Bakken, one of the largest oil producing basins in the US, receives 90 percent of its sand proppant by freight rail. The Marcellus and Utica shales, major sources of natural gas used for home heating and industrial uses, are almost entirely dependent on proppant shipped by freight rail. A rail strike would materially impact industrial sand and the industries it serves and reduce oil and natural gas production going into peak heating season.

Even the possibility of a strike is causing a deterioration in freight rail service, as railroads and shippers take necessary steps to prepare for a rail shutdown. While we agree that a voluntary settlement of the labor dispute with the holdout unions is the preferred resolution of the labor dispute, for the reasons outlined in this letter, NSSGA calls on Congress to take immediate action to prevent a freight rail stoppage of any length.

We appreciate your consideration of our members' views and stand ready to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Johnson', written over a white rectangular background.

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

