



NATIONAL STONE, SAND
& GRAVEL ASSOCIATION

August 20, 2025

The Honorable Sean Duffy
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20690

Dear Secretary Duffy:

On behalf of the over 500 members of the National Stone, Sand & Gravel Association (NSSGA), I write to express our strong support for key industry policy priorities in the upcoming surface transportation reauthorization. As you begin working with Congress on this critical legislation, we urge you to consider these initiatives and the positive impacts they will have on the aggregates industry, our nation's infrastructure and the American economy when enacted into law.

NSSGA is the leading advocate for the aggregates industry, who provides the critical raw materials found in virtually every surface transportation project, roads, highways, bridges, runways, pipelines and much more. Our membership represents more than 90 percent of the crushed stone and 70 percent of the sand and gravel produced annually in the United States. Our member companies work closely with federal partners, state Departments of Transportation agencies and local officials to improve and advance our surface transportation network.

We greatly appreciate your leadership in engaging with industry stakeholders in the reauthorization process. NSSGA supports the following sensible provisions that will help create countless jobs, advance our nation's economic competitiveness and improve the daily lives of millions of Americans:

Long-term Federal-aid Highway Program Authorization

NSSGA supports a multi-year reauthorization of the Federal-aid Highway Program, with reliable, predictable multi-year funding. Multi-year funding, with appropriate year-over-year increases, is the foundation upon which state and local governments and their partners across the construction industry plan, design, engineer, construct, operate and maintain infrastructure year-over-year.

Core highway programs and state decision making

NSSGA supports maintaining the Federal-aid Highway Program as a state-administered, federally assisted program. State based decision-making honors the long-standing axiom that state and local decisionmakers make superior decisions about their citizens' needs because



they are closer to and live with their constituents and their needs. NSSGA supports maximizing core-formula apportionments program funding. Formula programs are the indisputable foundation of the Federal-Aid Highway Program, which is how the program was historically intended to function. Focusing funding on these programs allows states and localities to maintain and make improvements in the roads and bridges of the Federal-aid Highway Program. NSSGA urges avoidance of any new apportioned or allocated programs in this reauthorization. As the obligation rates of new programs under the IIJA demonstrated, new programs are slow to obligate and necessarily contain new, often detailed, eligibility and criteria that produce slow project development and limit state and local decision-making. NSSGA also supports examination of amendments made to core-formula apportioned programs in the most recent reauthorization. We have observed a perceptible erosion, both direct and indirect, of the principle of state and local control of decision making in recent Federal-Aid Highway program reauthorizations.

Highway Trust Fund Revenue

NSSGA supports additional revenue from new authorizations for the Highway Trust Fund (HTF). Any new revenue measures authorized must be in addition to the current gas tax. Any new revenue must demonstrate its ability to generate year-over-year revenue into the HTF at predicted and predictable levels to have reliable funding to support out-year authorization levels. Under the January 2025 HTF forecast, we expect a five-year reauthorization to require an additional \$150 billion in HTF revenue in FY2026 baseline.

NSSGA supports the establishment of an EV and Hybrid Vehicle user fee for use of the roadways calibrated to the cost to the roadway of often heavier EVs. We also support directing all EV and Hybrid Vehicle user-fee revenue to HTF from the inception of the fee. As a user-fee, this EV and Hybrid Vehicle fee revenue's only proper use is as revenue for the HTF.

Buy America Exclusion for Aggregates

The IIJA contained the new Build America, Buy America Act (BABAA) domestic content procurement preferences for infrastructure projects funded with federal financial assistance. NSSGA led efforts to ensure the final guidance to implement these domestic content procurement preferences accurately reflected Congressional intent, with regard to the limitation of domestic content procurement preferences for listed materials and their combination in section 70917 (c). NSSGA opposes any amendment to BABAA that disrupts Section 70917(c). The limitation excludes cement and cementitious materials, aggregates (such as stone, sand, or gravel) or aggregate binding agents or additives and their combination into asphalt or concrete in proximity to the job site, from being subject to BABAA's domestic content procurement preferences.

These limitations are critical to maintaining needed supplies of these construction materials for our nation's transportation infrastructure. There are areas across the nation that lack the necessary natural resources needed to produce construction materials. For example, the southeast and gulf coast do not have indigenous aggregates reserves and suitable aggregates are imported to meet market demand. Congress and FHWA have long recognized these factors and responded to ensure domestic content requirement excluding aggregates materials. Preserving the BABAA limitation in Section 70917(c) is critical to maintaining supplies of construction materials for our nation's transportation infrastructure. To the extent the administration examines BABAA's applicability and implementation to transportation



infrastructure programs during this reauthorization, we oppose any changes to the limitation in Section 70917(c).

Supply Chain Disruptions

Supply chain disruptions, such as existing transportation and transportation logistics systems, or new duties or tariffs on aggregates will produce negative consequences to the availability of construction materials, as well as to the availability and cost of both concrete and asphalt. NSSGA opposes the inclusion of any provision in the reauthorization that impacts current transportation, transportation logistics, fees and or duties of construction materials, aggregates, asphalt binder and cement. NSSGA notes to the Department that the supply of essential construction materials to critical regions within the United States, including the Gulf Coast, coastal plains, and the West Coast, depend on the importation of aggregates. The importation of aggregates into the U.S. is essential because of U.S. geological and resource limitations. A significant portion of the United States, particularly Florida and the Gulf of America region, coastal plains and the West Coast lacks the necessary geological formations to produce high-quality aggregate materials.

Support Robust Funding for FHWA's Research, Technology, and Education Programs

NSSGA strongly supports increased funding for Chapter 5 of Title 23, U.S. Code, which bolsters critical research, technology, and education programs administered by the Federal Highway Administration. These programs, including the Technology and Innovation Deployment Program, are vital for advancing innovative solutions that enhance the safety, efficiency, and resilience of our nation's transportation infrastructure. Increased investment in these areas will drive cutting-edge research, accelerate the deployment of advanced technologies, and support workforce development, ensuring our highways meet the demands of a growing economy.

NSSGA urges your leadership in prioritizing robust funding increases for Chapter 5 to strengthen America's infrastructure for the future. In conjunction with this funding, we propose a new cooperative initiative between FHWA, state DOTs, and the aggregate industry focused specifically on aggregate technology development and deployment. This would cover a broad range of infrastructure applications, including pavements, bridges, embankments, and other transportation structures. Its goal is to enhance infrastructure durability and cost-efficiency through improved material accessibility, implementation of next-generation construction technology, and long-term planning support.

Materials Accessibility

Hauling aggregates is expensive relative to their cost because their low price per ton is offset by their heavy weight and bulk, requiring significant fuel, labor, and equipment resources for transportation. If hauled for more than 23 miles, the transportation Global Warming Potential (GWP) surpasses its production GWP and at about 50 miles, the transportation cost exceeds their value. Yet, numerous states import aggregates either due to a lack of existing production that meets their specification or due to permitting issues. The ROCKS Act (IIJA Sec.11526) was intended to investigate this issue and advise the Secretary on policies related to revising specifications or easing permitting for new quarries. We encourage you to work with Congress to emphasize the importance of the ROCKS Act Working Group and begin its critical work expeditiously.



Innovation and Materials Preference

The private sector, and the construction materials industry in particular, has played a significant role in advancing construction material innovations, while ensuring that safety and performance are not compromised. Yet NSSGA has seen a proliferation of provisions disguised as advancing “innovation” or promoting proprietary materials, that would constitute government efforts to intervene in the marketplace, restrict state choice principles and create incentives for certain preferred construction materials.

We support innovations led by industry and demanded by the marketplace. States are in fact demanding innovations for construction materials that advance performance and sustainability, and industry, without the federal government picking winners and losers among the competitors, is supplying these materials.

Consistent with the core principle of the Federal-aid Highway Program’s state-based decision making and emphasis on formula funding, NSSGA supports no new mandates on state authority and flexibility in this area. We strongly believe that materials decisions should be made by qualified professionals at the state and local levels of government. States have been and will continue to be the leaders in transportation infrastructure innovation and are sensibly implementing their procurement strategies to advance sustainability and reduce embodied carbon, deploy longer lasting pavements, and steward tax-payer dollars. We urge the administration to maintain a material-neutral posture and avoid advancing policies that promote specific material selection.

USDOT Authority Over Surface Transportation

NSSGA is concerned about the proliferation of programs at EPA, DOE and other agencies, which impinge the FHWA’s authority to timely and efficiently administer the Federal-aid Highway Programs. We encourage the administration to review recent enactments for provisions of law or regulations that insert other agencies and departments into the Federal aid Highway Program’s functions; intervene in states’ flexibility in project selections and material choices; or otherwise interrupt the FHWA’s authority to timely and efficiently administer the Federal-aid Highway Program.

Permitting

NSSGA supports continued work to make project permitting more predictable, efficient and consistent. We support proposals to reform Sections 401 and 404 of the Clean Water Act for Federal-aid highway projects and FTA projects. We also support streamlining access to assignment of the National Environmental Policy Act (NEPA) for interested states and streamlining its renewal process; Co-location and collaboration of federal resource agencies involved in reviewing environmental documents; Limiting state DOT’s assumption of federal responsibilities under the Stewardship and Oversight Agreements with FHWA only to Title 23 rather than requiring adherence to all federal laws, regulations, policies, Executive Orders, and procedures; Consolidating duplicative permits and reviews overseen by the US Coast Guard, US Army Corps of Engineers, National Marine Fisheries Service, and the US Fish and Wildlife Service; Redefining “major federal action” and its thresholds and not requiring federal review and permitting for projects receiving *de minimis* federal funding, and; Expanding the list of project eligibilities under Categorical Exclusion in 23 CFR 771.117(d). These permitting proposals, also advanced by AASHTO, are needed to remove obstructions to efficient and timely delivery of transportation infrastructure maintenance and improvements.



Thank you for recognizing the critical need this reauthorization provides for our nation's infrastructure network. Please consider NSSGA a resource to you, as this process evolves and ultimately moves through Congress. We look forward to working with you and your department in passing significant federal investment into our surface transportation infrastructure systems.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michele Stanley". The signature is fluid and cursive, with the first name "Michele" being more prominent than the last name "Stanley".

Michele Stanley
Interim President & CEO
National Stone, Sand & Gravel Association

