



NATIONAL STONE, SAND & GRAVEL ASSOCIATION



Natural building blocks for quality of life



July 21, 2010

President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

We are writing to ask that your Administration work promptly to enact a multi-year surface transportation authorization bill with increased funding for the Federal Highway Program. Beyond the immediate economic stimulus of a transportation authorization bill, investment in our transportation system will provide long-term benefits such as enhanced mobility, improved economic growth, and increased global competitiveness.

As the principal suppliers of materials used to build and rehabilitate our nation's highways, roads and bridges, we can attest that decades of underinvestment in our surface transportation infrastructure have taken their toll. Thirty-two percent of America's major roads are in poor or mediocre condition and twenty-five percent of America's bridges are structurally deficient or functionally obsolete. Moreover, Americans spend 4.2 billion hours a year stuck in traffic according to the Texas Traffic Institute's urban mobility report. These trends will only worsen as chronic underinvestment at all levels of government in our nation's vital highways, roads and bridge network persists.

The four recurring short-term extensions enacted by Congress since September 30, 2009 when the Safe, Accountable, Flexible, Efficient, Transportation Equity Act – A Legacy for Users (SAFETEA-LU) expired is having a devastating impact on the highway material construction industry. The current lack of funding certainty in the federal highway market is preventing states and local governments from advancing new highway projects. As our industries make human resource and capital investment decisions based on projections about where the highway construction market will be over the long term, this drawn out, piece-meal approach is contributing to the transportation construction industry's worst construction cycle since World War II. The Bureau of Labor Statistics reported July 2 that construction unemployment is 20.1 percent, giving this sector the dubious distinction of having the highest unemployment rate of any industry in the nation.

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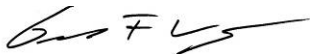
The market decline in our industry can best be illustrated by the current production levels of suppliers in the highway construction industry. Aggregates make up roughly 90 percent of asphalt and concrete pavements, and together these pavements serve as the foundation of America's economic growth and prosperity. The aggregate, asphalt, and concrete industries have experienced double digit production declines in 2008 and 2009. With residential and commercial construction sectors remaining stalled there is little hope that there will be any improvement in production levels and job creation in our sector in 2010.

Dedication and action by your Administration on a multi-year surface transportation bill will stimulate the nation's economy, while also adding well-paying, long-term jobs in construction and related industries. According to the U.S. Department of Transportation (USDOT), in 2007 each \$1 billion of federal spending on highway capital expenditures supported an average of 30,000 jobs (see <http://www.fhwa.dot.gov/policy/otps/pubs/impacts/index.htm>.) The USDOT also found that every dollar invested in the nation's highway system yields \$5.40 in economic benefits in reduced delays, improved safety, and lower vehicle operating costs.

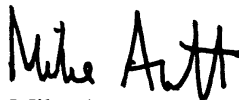
Our nation is in desperate need of upgrading its highways, roads, and bridges now and for future generations. The best way to accomplish this is through a well-funded, multi-year surface transportation bill with increased funding for highways. This legislation is absolutely vital to the creation of good American jobs, economic stability, market predictability, and sustaining the gains realized from the American Recovery and Reinvestment Act. Two congressionally appointed commissions have concluded that the only viable mechanism to fund such a transportation bill is with an increase in the highway fuel tax.

We urge you to work with congressional leaders to address this formidable challenge and champion an increase in the fuel tax to deliver the transportation authorization that this nation deserves. Your leadership on this issue is desperately needed if we are to overcome this huge and complex challenge to keep moving our nation forward.

Sincerely,



Gerald F. Voigt, P.E.
President and CEO
American Concrete Pavement
Association



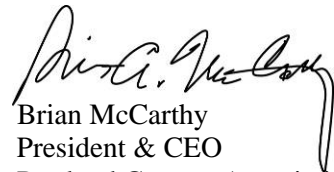
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Cc: Secretary of Transportation Ray LaHood