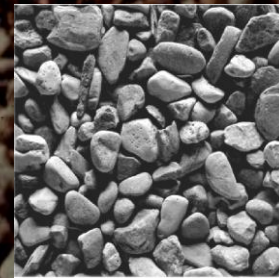
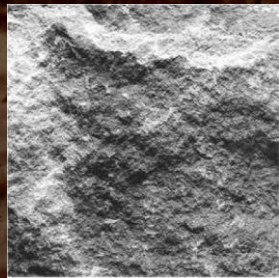


GEORGIA CONSTRUCTION AGGREGATE ASSOCIATION MIDYEAR MEETING



Pamela J. Whitted
Sr. Vice President, Legislative & Regulatory Affairs
National Stone, Sand & Gravel Association

June 23, 2010

SURFACE TRANSPORTATION ON THE BRINK



TRANSPORTATION CRISIS

- We saw it coming.
- We know why it is happening.
- We know how to fix it.
- We know how to pay for it.
- What is lacking is the *political will* to fix it.

Only a **crisis**
actual or perceived
produces real **change**

Milton Friedman

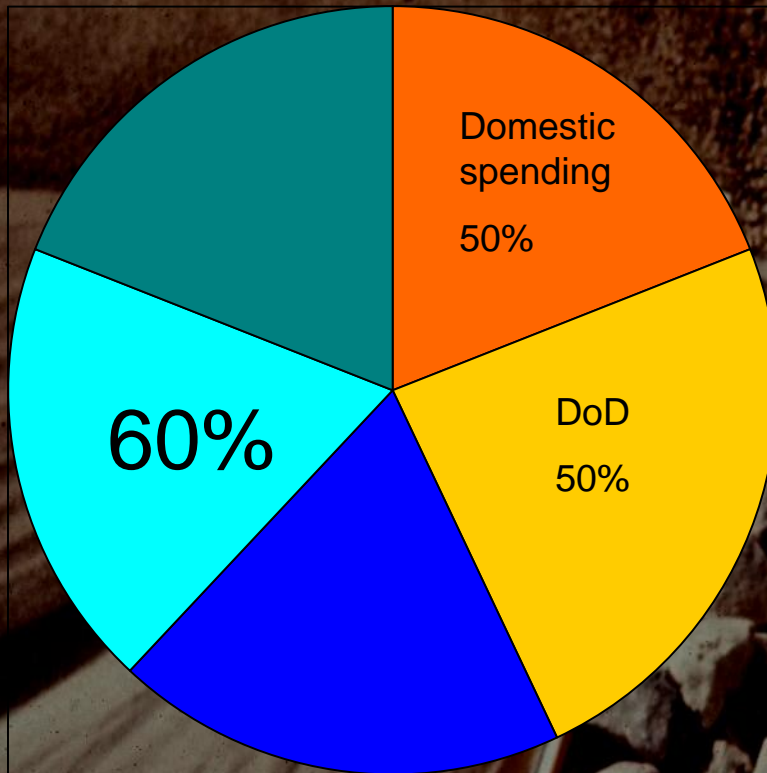
LAY OF THE LAND

- **State of the Industry/Federal Budget**
- **Status of Surface Transportation Reauthorization Bills**
- **Benefits of Reauthorization**
- **Political Roadblocks**
- **Call to Action**

STATE OF THE AGGREGATES MARKET

- **Stone, Sand & Gravel Production**
 - 2006: 3.11 billion tons
 - 2010: 1.91 billion tons (a loss of 39%)
- **Current Employment:**
 - 2006: 121,400 total workforce
 - 2010: 106,700 total workforce

FEDERAL SPENDING



■ Discretionary - domestic

■ Discretionary - Defense

■ Mandatory - Medicare and Medicaid

■ Mandatory - Social Security

■ Mandatory - other retirement & income security spending

FEDERAL BUDGET

- **President Obama's FY 2012 Proposed Budget**
- **House-passed FY 2012 Budget (Ryan Budget)**
- **Deficit Commission Report**
- **Debt Ceiling Increase**



STATUS OF SURFACE TRANSPORTATION AUTHORIZATION



STATUS OF SURFACE TRANSPORTATION AUTHORIZATION



- The current law, SAFETEA-LU, expired 9-30-2009.
- March 2011 – Congress passed an extension of SAFETEA-LU at current funding level until the end of the fiscal year.

HOUSE REAUTHORIZATION BILL

- **House Transportation & Infrastructure Committee Chairman John Mica (R-Fla.) is expected to propose 6-year reauthorization bill.**
- **“Do more with less.” The bill is likely to incorporate the House-passed highway spending reduction of 31 percent.**

HOUSE REAUTHORIZATION BILL

- **Proposed House bill anticipated to include consolidation of highway programs.**
- **House bill is expected to include provisions expediting the project approval process.**
- **Financing uncertain.**



HOW WOULD GEORGIA BE AFFECTED BY 31% REDUCTION?

Reduction in Contract Authority from FY 2011 Baseline

- FY 2011 – \$1.34 b
- 31% Cut - \$924 m
- Difference - \$415 m
- Year One Job Loss – 14,401



SENATE REAUTHORIZATION BILL

- **“Big Four” announce principles for reauthorization.**
- **Shorter-term bill likely.**
- **Financing uncertain – Infrastructure Bank and TIFIA expansion expected.**

ASCE 2009 Report Card

REPORT CARD FOR AMERICA'S INFRASTRUCTURE

ASCE American Society of Civil Engineers

HOME * REPORT CARDS * STATES * CATEGORIES * SOLUTIONS * TAKE ACTION * NEWSROOM *

SEARCH

2009 Grades

Aviation	D
Bridges	C
Dams	D
Drinking Water	D-
Energy	D+
Hazardous Waste	D
Inland Waterways	D-
Levees	D-
Public Parks and Recreation	C-
Rail	C-
Roads	D-
Schools	D
Solid Waste	C+
Transit	D
Wastewater	D-

America's Infrastructure GPA: **D**

Estimated 5 Year Investment
Need: **\$2.2 Trillion**

Win \$1,000
Enter Photo Contest

Get Involved

Blog: "Our Falling Infrastructure"

Join Our Facebook: "Save America's Infrastructure"

ASCE Member? Join the Key Contact Program

Tell a friend

It's Your State

What's the state of your State's infrastructure? Find out now

Key Solutions

ASCE offers five ambitious ways to raise the grades. Read them

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The ASCE said that decades of underfunding and inattention have jeopardized the ability of our nation's infrastructure to support our economy and facilitate our way of life... assigning a cumulative grade of "D" to the nation's infrastructure.

BENEFITS OF MODERNIZING HIGHWAY PROGRAM

- **Economic growth**
- **Increased productivity and competitiveness**
- **More job creation – long and short-term jobs**
- **Reduced dependency on foreign oil**



BENEFITS OF MODERNIZING HIGHWAY SYSTEM

- **Reduced greenhouse gas emissions**
- **Saved lives**
- **Improved quality of life for all Americans**
- **Paid for by users (i.e. deficit neutral)**



POLITICAL ROADBLOCKS

- **Traditionally difficult**
- **Loss of credibility**
 - **No clear Federal mission**
 - **General Fund bailouts**
 - **Earmarks**
 - **Long project delivery times**



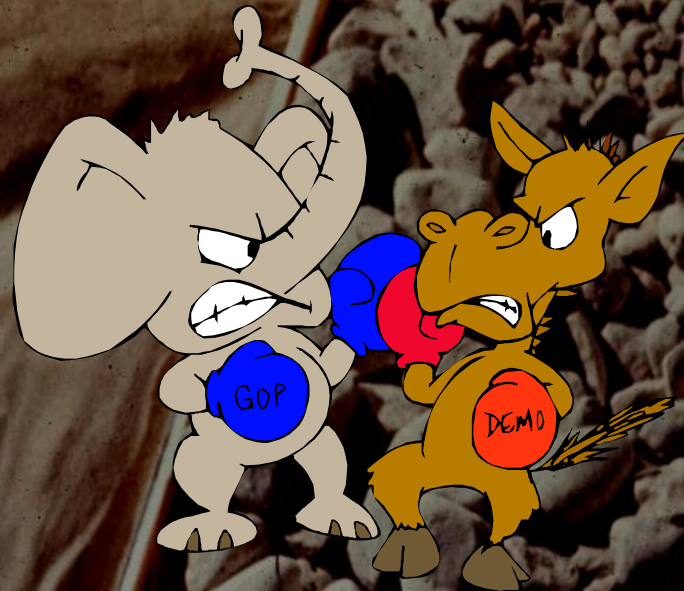
POLITICAL ROADBLOCKS

- **Anti-highway politics**
- **High gas prices**
- **Republican push for reduced Federal role**
- **Republicans: “We have a spending problem, not a revenue problem.”**



POLITICAL ROADBLOCKS

- 2012 Elections

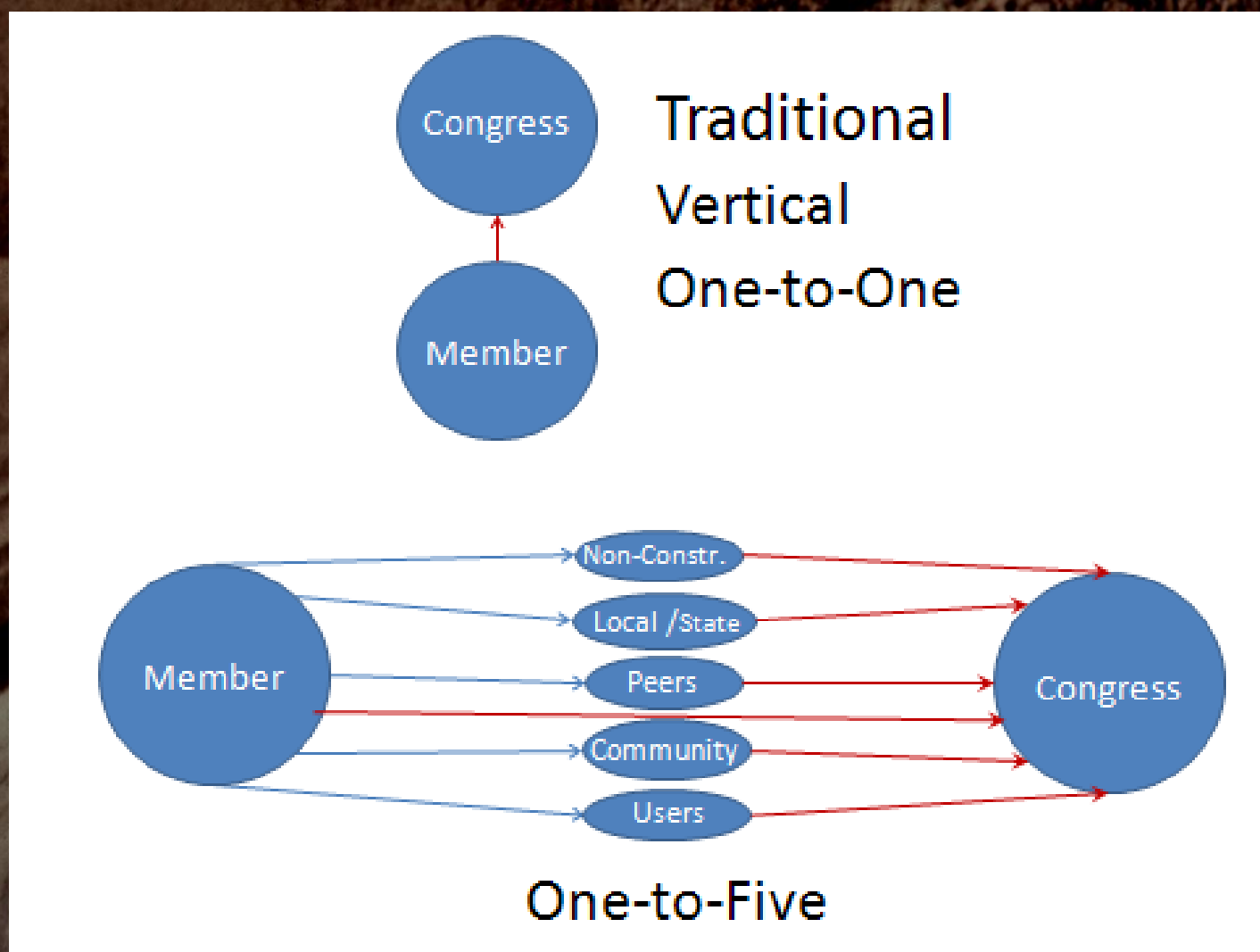


NSSGA 100 DAY PLAN

- **2011 TCC Fly-In**
 - Record participation of 576, over 100 NSSGA members
- **RALLY FOR ROADS**
 - First ever including organized labor, 500-600 participants

NSSGA 100 DAY PLAN

- “One to Five” Initiative



NSSGA 100 DAY PLAN

GROWING FORWARD



NSSGA 100 DAY PLAN

DRIVING IT HOME



YOU NEED TO BE:

- **Politically in-tune**
- **Involved at the Federal, state and local level**
- **Bipartisan**



**GET INVOLVED – IT'S
YOUR BUSINESS!**

GET INVOLVED — IT'S YOUR BUSINESS!

Your messages today are:

1) Congress must act to pass a multi-year surface transportation infrastructure bill before the end of the fiscal year.

2) Increase investment – all funding options are on the table.





GET INVOLVED — IT'S YOUR BUSINESS!

- **Use NSSGA's Hotline to Contact Your Members of Congress.**

866-255-3207

- **Provide feedback to NSSGA.**

IS THERE HOPE?

- It is the right thing to do for America.
 - Reform
 - Strong Federal role
 - Increased investment
 - Increased HTF revenues



IS THERE HOPE?

- Users **WANT** to pay
- **Strong coalition**
- **Part of solution to economic woes – it's a jobs bill**
- **SHOCK OF POTENTIALLY DEVASTATING FUNDING REDUCTIONS**



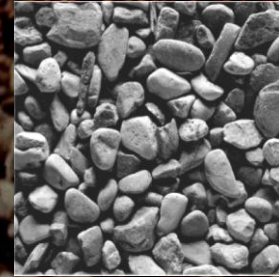
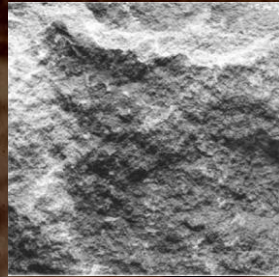
Transportation Essential To Our National Security, Our National Economy And Our Way Of Life

“Our unity as a nation is sustained by free communication of thought and by easy transportation of people and goods... Together the unifying forces of our communication and transportation systems are dynamic elements in the very name we bear — United States. Without them, we would be a mere alliance of many separate parts.”



— Dwight D. Eisenhower, 1955

THANK YOU



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