

September 18, 2012

United States House of Representatives Washington, D.C. 20515

## Dear Representative:

On behalf of Associated Builders and Contractors (ABC), a national association with 74 chapters representing more than 22,000 merit shop construction and construction-related firms, I am writing to express our support for the *Coal Miner Employment and Domestic Energy Infrastructure Protection Act* (H.R. 3409). This package of bills will benefit the construction industry by preventing drastic increases in energy costs, avoiding the disruption of crucial supply chains and preserving existing jobs.

ABC is concerned about a proposed EPA regulation that could lead to labeling coal combustion residuals (CCR) as hazardous waste, which would virtually eliminate the construction industry's ability to use CCRs in many building materials. Title IV of H.R. 3409 is modeled after the *Coal Residuals Reuse and Management Act* (H.R. 2273), and establishes a safe way to dispose of coal ash in a manner that encourages recycling and job growth. Title IV would establish a baseline for CCR disposal, while maximizing flexibility for individual states. It allows states with existing programs governing CCR disposal to continue to operate their programs while also maintaining beneficial reuse programs. In addition, it incorporates a fail-safe provision that allows EPA to assist states that are unable or unwilling to meet baseline standards.

Due to the heavy reliance on CCRs in terms of cost and durability, eliminating them from the industry's supply chain would cause quality to diminish and prices to skyrocket for end users. Such a move by EPA also would strain domestic cement production and other manufacturing processes, while threatening the construction industry with further job loss. The construction industry is the primary end user of CCRs. In 2009, more than 40 percent of all CCR output was converted into high-quality building materials. Many of these materials—including concrete, asphalt, brick and wallboard—are used daily on jobsites throughout the country, and are especially important for large infrastructure projects. If CCRs are no longer available, manufacturers and builders would be forced to turn to more expensive and, incidentally, lower quality components. This would significantly raise project costs, some of which would have to be passed on to end users. Ultimately, labeling CCRs as hazardous waste would translate into fewer projects, substantial decreases in revenue and, most importantly, massive job loss. Studies estimate between 12,000 and 19,000 additional jobs would be lost in the nonresidential construction industry alone.

Title III of H.R. 3409 is based on the *Transparency in Regulatory Analysis of Impacts on the Nation (TRAIN) Act of 2011* (H.R. 2401), which mandates a full cost assessment of several significant rules recently issued by EPA, including the CCR rule mentioned above. The TRAIN Act would reclaim to Congress some of the regulatory authority that has been usurped by the executive branch in recent years, require a cumulative economic analysis of the EPA regulations in question, and prevent the implementation of these rules until the analysis has been conducted and completed. Title III will protect ABC members' supply chains and preserve thousands of jobs that will be placed at risk as a result of EPA's actions.

ABC strongly urges your support of H.R. 3409. At this time of economic challenges, it is troubling that the Obama administration continues to move forward with policies that could impede job growth and burden vital industries. With an unemployment rate exceeding 11 percent in the construction industry alone, ABC members and their workers cannot afford these burdens.

Sincerely,

Geoffrey Burr

Vice President, Federal Affairs

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