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organization designed to lobby for a tax on the production of silica, sand, gravel and other aggregates...

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A tax fight is heating up in Oklahoma's Johnston County and throughout the state.

Johnston County Commissioners this week formally endorsed a new statewide organization designed to lobby for a tax on the production of silica, sand, gravel and other aggregates, which are mostly used in the construction of roads, bridges and other capital projects.

Oklahoma Citizens for Aggregate Benefits will encourage county commissioners, county officials, rural fire departments and others to support HB 1876, which would allow counties to set a tax of up to 7 percent on the production of aggregates.

"In a lot of areas of the state, we have nonrenewable resources leaving the state with very little financial benefit to the areas where those natural resources are severed," said Rep. Charles McCall, a Republican from Atoka, who authored the bill.

"The bill is designed to mirror the Oklahoma gross production tax, which is imposed on other minerals, but does not define rock sand and gravel."

Aggregate industry representatives oppose the tax, which could be set at different rates in different counties.

"This would be a nightmare for the companies operating in those counties to keep track correctly of this tax," said Jim Rodriguez, executive director for the Oklahoma Aggregates Association.

"It would also create an imbalance within our industry, having materials counted one way in one county and another way in a neighboring country. It's a very bad

idea,” Rodriquez said.

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commissioners to support the tax proposal.

“The initial issue was that in those counties, especially where those big mines are located, they don't have the funds to keep up with maintenance of the roads and bridges,” he said. “They were looking for a funding source to take care of the roads and restore them.

“I think the commissioners understand the issue that if you're putting those heavyweight trucks out on your roadways, you're going to need to have some revenue to keep the roads up. So I think commissioners even in counties without mining will be in support. “

Industry leaders, however, say they are not damaging county roads.

“Most of the quarries are on state highways, which are built to handle the load of any trucking used,” Rodriguez said. “In the cases where we have quarries on a county road, there is almost always cooperation between the quarry and the county where the quarry will supply the material free of charge to upgrade the roads so their product can be moved to and from their operations.”

In Johnston County, he said, 90 percent of the aggregate is sent to Texas by rail, avoiding Oklahoma roads altogether.

Dallas-based Texas Industries Inc. is one of the largest aggregate mining companies in Oklahoma.

Spokesman David Perkins said the company is still reviewing the bill. He said the company is a strong contributor to the economy in southern Oklahoma.

“We've been in Johnston County for many, many years,” he said. “We contribute a significant amount of revenue to the state through our operations as a creator of

good-paying, consistent jobs that are very stable. The payroll and associated ad

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