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September 7, 2016

The Honorable Paul Ryan  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Nancy Pelosi  
Democratic Leader  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Harry Reid  
Democratic Leader  
U.S. House of Representatives  
Washington, D.C. 20510

### **AED Urges Perkins Act Reauthorization, WRDA Passage in 2016**

Dear Speaker Ryan and Leaders McConnell, Pelosi, and Reid:

I am writing on behalf of Associated Equipment Distributors (AED) to strongly urge the House and Senate to complete work on both Carl D. Perkins Act reauthorization legislation and a Water Resources Development Act (WRDA) before the end of the year. AED is the trade association representing distributors of construction, mining, energy, forestry, industrial, and agricultural equipment.

While the congressional calendar is limited due to the upcoming election, the construction equipment industry hopes Congress will focus on addressing two top policy priorities—addressing the nation’s skilled worker shortage and investing in Army Corps of Engineers projects, such as building, maintaining and improving harbors, dams, locks and navigation channels.

A recent study sponsored by the AED Foundation (AEDF) and prepared by researchers at the College of William & Mary found the technician shortage in our industry is costing equipment dealers approximately \$2.4 billion each year in lost revenue and economic opportunity. As a result, industry leaders report difficulty meeting customer demand in the varied industries distributors serve (construction, mining, agriculture, energy, etc.), underscoring how a skills gap in one sector of the economy can affect several others.

The AEDF/William & Mary study found the top reason technician positions go unfilled is that applicants lack the necessary hard skills. Curricula at high schools, community colleges and technical schools are not aligned with employer needs, meaning the high-paying jobs are going unfilled. Congress worked hard in 2015 to restore certainty to federal transportation programs and tax policy through passage of the FAST and PATH Acts; unfortunately, the skills gap is preventing American businesses from fully capitalizing on the economic opportunities those laws have created.

By reauthorizing the Perkins Act and reinforcing CTE programs, educators and their partners in the business community can improve student outcomes and provide the skills required to be successful in the workforce (or continuing education). AED strongly supports

the bipartisan House Education & the Workforce Committee-approved Strengthening Career and Technical Education for the 21<sup>st</sup> Century Act (H.R. 5587). We urge the House to swiftly pass H.R. 5587 and for the Senate to consider companion legislation in the near future with the goal of sending a Perkins Act reauthorization bill to the president's desk in 2016.

Additionally, the investments proposed in separate House and Senate WRDA bills will create jobs, spur economic growth, and support our nation's competitiveness.

A 2012 AED-commissioned study by researchers at the College of William & Mary underscores the broad benefits of the bill. The report found that every one dollar invested in "conservation and development structures," including non-power dams, dikes, levees, locks and lock gates, breakwater and jetty systems, irrigation projects, fish hatcheries, wetlands and non-irrigation-related dredging, leads to \$10.59 in economic output (GDP) over a twenty-year period. The AED study also found that for every one dollar spent on "conservation and development structures" during the same twenty-year time frame would generate \$3.18 in tax revenues, including \$2.12 for the federal government and \$1.06 for state and local entities.

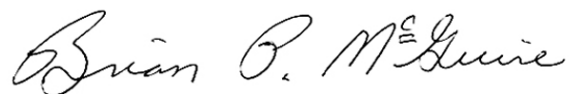
The impact of infrastructure investment is felt well beyond the construction industry. The William & Mary research team determined each dollar spent on infrastructure generates roughly \$.35 in indirect economic activity for manufacturers, \$.20 for professional and business services providers, and \$.10 for the finance, insurance, real estate, rental and leasing sector. Sectors ranging from agriculture to entertainment to retail also benefit. Put simply, improving our nation's water resources infrastructure is a solid investment for America.

Earlier in the year, both the Senate Environment & Public Works Committee (S. 2848) and the House Transportation & Infrastructure Committee (H.R. 5303) approved separate WRDA proposals that are awaiting floor consideration. AED strongly urges lawmakers to finish work on WRDA legislation before the end of 2016.

AED is thankful for your leadership in accomplishing many important policy goals during the 114<sup>th</sup> Congress. However, the work isn't over. To place the economy and the construction sector on solid footing for many years, we strongly urge you to make the most of the waning legislative days left in this session and enact Perkins Act reauthorization legislation and a WRDA bill in 2016.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in cursive script that reads "Brian P. McGuire".

Brian P. McGuire  
President & CEO