REBUILD OUR NATION’S INFRASTRUCTURE

The United States’ infrastructure is crumbling and our leaders in Washington must work in a bipartisan manner to provide long-term certainty and increased investments in federal infrastructure programs.

The United States faces a more than $740 billion backlog in much-needed highway and bridge improvements and nearly half of America’s major roads are in poor or mediocre condition. With the current highway bill (the FAST Act) set to expire in the 116th congressional session and the Highway Trust Fund approaching insolvency, Congress must identify new revenue sources to restore the federal highway program’s long-term fiscal stability and increase investment levels.

Our nation also faces a large shortfall in funding for dams, levees, airports, broadband, pipes and water systems. Congress and the administration should work together to identify funding while facilitating private sector investment to substantially upgrade the United States’ infrastructure to drive economic growth, job creation and international competitiveness for decades to come.

RESTORE CERTAINTY & PREDICTABILITY TO THE TAX CODE

While the Tax Cuts & Jobs Act contained many pro-growth policies, including lowering the tax burden for pass-throughs, full expensing of new and used equipment purchases, business interest limitations tied to EBITDA and increased estate tax exemption levels, these provisions are temporary. Congress must work to preserve these important capital investment incentives and make them a permanent part of the tax code to provide certainty for construction equipment dealers, manufacturers and their customers.

Congress and the administration should also clarify that equipment rental income earned by taxpayers actively participating in an equipment distribution trade or business is exempt from Obamacare’s 3.8 percent passive income tax.

PROVIDE REGULATORY RELIEF FOR JOB CREATORS

While the Trump administration’s regulatory reform efforts have provided much-needed relief to the construction equipment industry, more work needs to be done to balance the need for regulatory protections with their economic impact, particularly regarding the burden on small-medium-sized businesses. To that end, Congress and the Federal Motor Carrier Safety Administration should make commonsense revisions to the hours of service rules for drivers, such as equipment service technicians, where operating a vehicle is incidental to their primary job responsibilities.

Congress must also enact permanent regulatory reforms that will ensure the American people and businesses are protected from onerous regulations in the future. Lawmakers should approve legislation to impose more accountability on regulators and strengthen small business protections during the regulatory process. Federal agencies should also dedicate more time and resources to compliance assistance and outreach.
INVEST IN THE NEXT GENERATION OF TECHNICAL WORKERS

Equipment distributors have identified the technician shortage as a major strategic challenge for the industry. A 2016 AED Foundation study found that the lack of equipment technicians is costing dealers $2.4 billion per year in lost economic opportunity. A dearth of skilled workers is hindering economic growth and Congress must channel resources to educating a new generation of technical workers.

Federal laws should be updated to reflect current workforce needs and to allow greater flexibility for state and local entities, nongovernmental organizations, community colleges and technical schools, and industry to work together to address the skilled worker deficiency. Congress must also provide additional resources to fund new sector-based workforce strategies that connect employers, schools, and local governments and incentivize students to pursue short-term, skills and job-oriented training programs rather than full-blown college degree programs.

EXPAND DOMESTIC ENERGY PRODUCTION

The United States must continue to develop its energy resources and become an even more significant global energy producer. Congress should ensure that shale energy development is allowed to continue across the country and must recognize that its benefits are best measured and understood at the state level. Congress and the administration should work together to renew the vitality of other energy sectors – including coal – that have been undermined by federal policy in recent years. Finally, speeding the construction of new infrastructure to transport and process energy must also be a priority.

PROMOTE INTERNATIONAL TRADE AND COMMERCE

The United States operates in a global economy. American companies rely heavily on free trade agreements and other accords that permit accessible and efficient international trade. Consequently, to provide much-needed trade certainty with our closest allies and economic partners, Congress should expeditiously approve the new United States-Mexico-Canada Agreement (USMCA).

Policymakers should also work to ensure the long-term viability of the Export-Import Bank and work closer with Canada, through greater regulatory harmonization and improving the movement of goods across the United States’ northern border. Additionally, Congress and the administration should reject efforts to expand Buy America provisions that unnecessarily increase costs and delay infrastructure projects.
AED GOVERNMENT AFFAIRS AND PUBLIC POLICY

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AED is the international trade association representing companies that sell, rent, service and manufacture construction, mining, farm, energy, forestry and industrial equipment. Its members, which are predominantly small-medium-sized, family-owned businesses, have 4,400 locations, employ 130,000 workers and account for more than $54 billion of annual sales revenue of equipment and related supplies and services in the U.S. and Canada.

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