



**Associated Equipment Distributors
Government Affairs Office
1201 15th Street, NW
Suite 220
Washington, D.C. 20005**

April 24, 2019

The Honorable Peter DeFazio
Chairman
House Transportation & Infrastructure Committee
2165 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Sam Graves
Ranking Member
House Transportation & Infrastructure Committee
2164 Rayburn House Office Building
Washington, D.C. 20515

Re: AED's Infrastructure-Related Policy Priorities

Dear Chairman DeFazio and Ranking Member Graves:

On behalf of Associated Equipment Distributors (AED) and equipment dealers throughout the country, thank you for the opportunity to provide input to the House Transportation & Infrastructure Committee related to infrastructure legislation under its jurisdiction.

AED is the international trade association representing companies that sell, rent, service and manufacture construction, mining, farm, energy, forestry and industrial equipment. Its 450 distributor 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 services in the U.S. and Canada. Additionally, AED has another 325 non-distributor members, which include manufacturers of equipment and related supplies, and industry service providers. AED's members have locations in all 50 states and serve every congressional district.

As Congress commences the Fixing America's Surface Transportation (FAST) Act reauthorization process and explores other infrastructure-related initiatives, AED urges you to focus on the following priorities to spur long-term growth and job creation for the construction equipment sector and the broader economy:

- **Increase Investment and Restore Long-Term Certainty to the Federal Highway Program.** Construction equipment distributors are plagued by the uncertainty surrounding federal highway program. Contractors and other consumers of construction equipment won't invest in new machinery without long-term certainty. The country's surface transportation needs are well-documented. However, with the current highway bill (the FAST Act) set to expire in 2020 and the Highway Trust Fund approaching insolvency, Congress must identify new revenue sources (e.g., increase the federal fuel tax and institute a nationwide vehicle-miles-traveled tax pilot program) to restore the federal highway program's long-term fiscal stability and increase investment levels.
- **Grow Investments in Other Infrastructure Programs.** In addition to roads and bridges, Congress must also invest in other public works projects, including dams, levees, airports, pipes and water systems to drive economic growth, job creation and international competitiveness for decades to come. For example, Congress should increase investment in the Clean Water and Drinking Water State Revolving Funds (SRF) to rebuild the nation's inadequate pipes and water transmission systems. Furthermore, as the needs of the country's airports continue to grow, lawmakers should modernize the cap on the Passenger Facility Charges (PFC) and increase funding for the Airport Improvement Program (AIP).
- **Educating the Next Generation of Skilled Workers.** Addressing the deficiencies in our nation's vital infrastructure will require more than just new investments, it must also include developing a skilled workforce. A 2016 AED Foundation study found the dearth of equipment technicians is costing dealers \$2.4 billion in lost economic opportunity. Local career and technical education (CTE) programs can equip students and incumbent workers with the educational opportunities and work-based learning they will need for success as equipment technicians and other

construction-related careers. Federal infrastructure legislation should include dedicated resources to develop and expand CTE programs that are essential to ensuring the economic benefits of infrastructure investments are fully achieved.

- **Exempt Equipment Service Trucks From HOS Requirements.** AED member companies operate fleets of service vehicles driven by field service technicians who maintain and repair heavy equipment at jobsites. Eighty percent or more of their duty time is on non-driving activities involving repairing and maintaining heavy equipment and related administrative duties. Although the drivers may work long hours, they are servicing equipment used on projects and job sites within a local area. AED urges lawmakers to support a construction industry exemption, which includes "equipment service trucks," from hours-of-service (HOS) requirements. Given that operating a commercial motor vehicle is incidental to a service technician's primary job responsibilities and they do not face the same demands or fatigue concerns as long-haul truck drivers, AED asserts that a blanket exemption from the HOS regulations for "equipment service trucks" is the most efficient and safest approach.
- **Limiting Buy America Requirements.** Currently, Buy America laws require that components such as steel and iron, used "in" federal-aid highway projects be manufactured in the United States. As Congress considers strengthening these requirements, lawmakers should ensure that further restrictions aren't placed on manufactured products used "on" projects, such as construction equipment and related supplies. Expanding Buy America provisions to products used "on" construction sites would have significant repercussions throughout the construction industry, resulting in shortages that would increase costs, delay projects and cause confusion throughout the sector.

Thank you for the opportunity to provide input to the House Transportation & Infrastructure Committee. AED and its members stand ready to work with you and your colleagues to rebuild the country while ensuring long-term economic prosperity for all Americans. Thank you for your consideration.

Sincerely,



Brian P. McGuire
President & CEO

cc: Members of the House Transportation & Infrastructure Committee