



AED Washington Office
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April 9, 2019

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

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, D.C. 20515

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

The Honorable Charles Schumer
Democratic Leader
U.S. Senate
Washington, D.C. 20510

Dear Speaker Pelosi and Leaders McConnell, Schumer and McCarthy:

I'm writing on behalf of Associated Equipment Distributors (AED) and its members to urge you to consider the policies outlined below that will assist the equipment industry to continue operations and retain employees during the COVID-19 pandemic while laying the groundwork for a robust economic recovery.

AED is the trade association representing companies that sell, rent, service and manufacture construction, mining, farm, energy, forestry, industrial equipment and related supplies. Its 500 distributor members, which are predominantly small-medium-sized, family-owned businesses, have over 4,500 locations, employ 150,000 workers and account for more than \$60 billion of annual sales revenue.

As you craft future legislative packages to address the COVID-19 pandemic and resulting economic fallout, please consider the following:

- **Payroll Protection Program Accessibility.** AED members with 500 employees or less anticipate participating in the Payroll Protection Program (PPP) to maintain employees. In addition to ensuring the program is fully funded and available for all that qualify, Congress should allow more businesses to take advantage of the benefits. Consequently, AED urges Congress to waive affiliation rules for all companies and allow business concerns that employ not more than 500 employees per physical location of the business to qualify for the PPP. Currently, this is allowed for businesses "assigned a North American Industry Classification System code beginning with 72."
- **Tax Credits for Paid Leave.** Many AED members with more than 500 employees voluntarily provide paid leave to their employees. AED encourages Congress to permit companies with more than 500 employees that voluntarily provide paid leave to take advantage of tax credits provided to smaller companies by the Families First Coronavirus Response Act.
- **Main Street Lending Program.** The Coronavirus Aid, Relief and Economic Security Act allows the Secretary of Treasury and the Federal Reserve to establish a Main Street Lending Program for mid-sized companies (500-10,000). While the program has just been outlined, AED urges Congress to work with the administration as it details specifics to ensure it's as similar as possible to the PPP to increase liquidity and encourage mid-sized companies to maintain payroll.

The tax provisions and loan programs are designed for companies to survive and continue to employ workers during the COVID-19 pandemic. However, its vital Congress begins focusing on jump-starting the economy post-economic shutdown. There's no better way to do this than infrastructure investment paired with robust funding for career and technical education and workforce development initiatives.

Whether it's roads, bridges, dams, levees, airports, broadband, pipes or water systems, America's infrastructure is in deficient condition. Infrastructure projects are important in that they create self-worth and a sense of accomplishment for the millions of workers who enjoy good paying jobs that support families and communities. Further, infrastructure projects are very public by nature. People see the work happening on roads, bridges and buildings. It gives us all a sense that "America is back."

Millions of out of work Americans will need to be re-educated and develop the skills for these in-demand jobs in the construction industry, including as diesel service technicians with equipment dealerships. Significant public works investments combined with workforce development initiatives will put the economy back on track for many years of growth.

While these are difficult times for our nation, AED and its members are confident better days are ahead. Thank you for your consideration and your leadership during this unique period in our nation's history.

Sincerely,

A handwritten signature in black ink that reads "Brian P. McGuire". The signature is written in a cursive style with a large, stylized initial "B".

Brian P. McGuire
President & CEO