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October 21, 2015

The Honorable Bill Shuster  
Chairman  
Transportation & Infrastructure Committee  
2251 Rayburn House Office Building  
Washington, D.C. 20515

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

**AED SUPPORTS THE SURFACE TRANSPORTATION REAUTHORIZATION &  
REFORM ACT (H.R. 3763)**

Dear Chairman Shuster and Ranking Member DeFazio:

I am writing on behalf of Associated Equipment Distributors (AED) to express our organization's support for the bipartisan Surface Transportation Reauthorization & Reform Act (H.R. 3763). AED is the trade association representing distributors of construction, mining, energy, forestry, industrial, and agricultural equipment.

Federal transportation programs are in desperate need of the certainty, project delivery improvements, and other reforms provided by your legislation. According to the Texas Transportation Institute, traffic congestion (resulting in large part from inadequate capacity) costs the U.S. economy more than \$160 billion per year in wasted time and fuel. If left unaddressed, the nation's transportation crisis will worsen and further undermine our nation's economic competitiveness, which is dependent on our ability to move products, materials, and people efficiently.

The Highway Trust Fund (HTF) is constantly flirting with bankruptcy as gas taxes and other highway user fee revenues are insufficient to support even the current inadequate levels of transportation investment, let alone the additional construction needed to rebuild America's crumbling infrastructure. The HTF's dire situation puts highway and transit investment nationwide at risk, creating enormous uncertainty for transportation planners and the construction industry. For example, AED estimates current funding levels would sustain more than \$2.4 billion in annual equipment market activity (i.e., dealer revenue from sales, rental, and product support) and close to four thousand U.S. equipment dealership jobs.

Infrastructure investment not only creates jobs in the construction sector, but also contributes to growth and prosperity throughout the broader economy. As researchers from the College of William & Mary have shown, one dollar spent on infrastructure construction produces roughly double (\$1.92) the initial spending in direct and indirect economic output. The long-term impact is also significant, with a dollar in aggregate public infrastructure spending generating \$3.21 in economic output (GDP) over a twenty-year period.

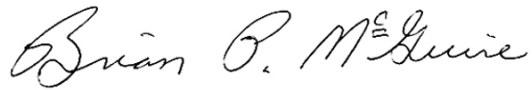
The uncertainty surrounding the highway program continues to wreak havoc in construction markets. State transportation officials have had difficulty planning and contractors, with no clear sense of what their future business will be, have been reluctant to invest in new equipment. This has slowed recovery in our industry,

AED Letter to Transportation & Infrastructure Committee Leadership  
Expressing AED's Support for the Surface Transportation & Reform Act (H.R. 3763)  
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which was hit as hard as any other during the recession and lost a third of its workforce. By restoring stability to federal transportation programs, the legislation will help create and sustain millions of jobs.

The Surface Transportation Reauthorization & Reform Act is a step toward restoring certainty to the federal highway and transit programs. We commend your efforts and urge swift House floor action on this important legislation.

Sincerely,

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

Brian McGuire  
President & CEO

cc: House Transportation & Infrastructure Committee