



**Associated Equipment Distributors**  
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**Washington, DC 20005**

May 17, 2017

The Honorable Virginia Foxx  
Chairwoman  
House Education & the Workforce Committee  
2176 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Bobby Scott  
Ranking Member  
House Education & the Workforce Committee  
2101 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairwoman Foxx and Ranking Member Scott:

I am writing on behalf of Associated Equipment Distributors (AED) to express our organization's support for the Strengthening Career and Technical Education for the 21st Century Act (H.R. 2353), bipartisan legislation that reforms, modernizes, and reauthorizes the Carl D. Perkins Act.

AED is the international trade association representing companies involved in the sale, rental, servicing, and manufacturing of construction, mining, farm, energy, forestry and industrial equipment. Our more than 500 member companies have over 3,000 locations throughout North America, employing 40,000 people and accounting for \$15 billion in annual sales of construction equipment and related supplies.

For decades, AED members have identified the technician shortage as a major strategic challenge for the equipment industry. Through the AED Foundation, the association has a strong reputation for tackling the skills gap by creating partnerships with local technical schools, providing education for the current workforce and promoting equipment industry careers.

In 2016, the AED Foundation released a study by public policy researchers at the College of William & Mary quantifying the economic impact of the technician shortage. The study included a comprehensive AED member survey to gather industry-specific data. The researchers found:

- The technician shortage is costing AED members approximately \$2.4 billion per year in lost revenue and economic opportunity.
- The average job open rate for AED members – the percentage of jobs going unfilled – is 11.34 percent, more than three times the national average.
- Distributors cite the lack of hard skills as the top reason technician positions are so hard to fill.
- Seventy-eight percent of AED members don't think local educational institutions – high schools, community colleges, and technical schools – understand equipment dealer workforce needs and don't believe curricula are aligned to meet those needs.
- More than 50 percent of AED members said the skills gap had hindered dealership growth and increased costs and inefficiencies. But the technician shortage isn't just a problem for dealers, it's also a problem for all the economic sectors AED members serve: Almost 75 percent of survey respondents said the technician shortage made it difficult to meet customer demand.

Following the 2016 report, last January, the AED Foundation released a new analysis of state-level career technical education (CTE) policy, which identified eight "best practices", including local flexibility, academic integration and employer participation. Assessed against these factors, most states received less than perfect scores, illustrating the substantial opportunities to improve the quality and scope of CTE programs across the country.

The research team also highlighted the relative benefits of CTE coursework for students: increased lifetime earnings. Each single non-computer CTE class a student takes can increase their annual salaries by more than \$500, which can mean tens of thousands of dollars in additional income over the course of a career.

By enacting H.R. 2353 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). H.R. 2353 focuses on areas where improvements can be made to

*The association of leaders in equipment distribution.*

current law, building upon past successes and enhancing aspects of the long-overdue-for-reauthorization Carl D. Perkins Act to better serve both workers and employers. The bill will help:

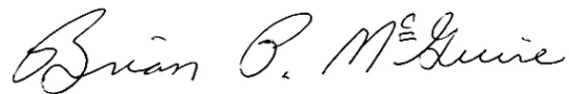
- Align CTE programs to the needs of the regional, state and local labor markets.
- Support effective and meaningful collaboration between secondary and postsecondary institutions and employers.
- Increase student participation in work-based learning opportunities.
- Promote the use of industry recognized credentials and other recognized post-secondary credentials.

These improvements will more effectively spend federal dollars to help our nation's students acquire the skills that they need and employers – including AED members – are demanding.

Simply put, by making technical education a priority, Congress can help better prepare workers for well-paying careers, ensure that U.S. companies can seize new business opportunities and make the United States more competitive in the global economy. Businesses, schools and government officials must collectively commit to tackling the technical education crisis at all levels, and Congress can take a great step towards enabling that commitment by approving the Strengthening Career and Technical Education for the 21st Century Act .

AED members look forward to working with you to build the nation's technical workforce and urge the committee's support for H.R. 2353.

Sincerely,

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

Brian P. McGuire  
President & CEO