

2025 POLICY PRIORITIES



The 2.3 million men and women of the equipment manufacturing industry make the equipment that builds, powers, and feeds the world. Everywhere you look, equipment manufacturers are keeping people and critical goods moving and powering vital public services and utilities.

America faces economic, political, and global challenges that we will only meet by working together. Equipment manufacturers stand ready to work with policymakers on both sides of the aisle to advance bipartisan, commonsense solutions to America's toughest challenges.

With this brochure, we invite you to learn more about the equipment manufacturing industry's policy priorities and the issues we are highlighting for policymakers in state capitals and in Washington, D.C. We look forward to working with you to keep our industry strong, bolster the American economy, and improve the lives of all Americans.



INFRASTRUCTURE

American infrastructure must meet the challenges of a 21st century economy. Modernizing our infrastructure – roads, bridges, water systems, electric grids, pipelines, and other critical assets – will spur investment in local communities, create more jobs, and propel economic growth. For equipment manufacturers to help build, power, and feed the world, policymakers must make critical infrastructure investments to match today's global marketplace. AEM calls on policymakers to prioritize infrastructure investments in rural, urban, and suburban communities across the country, while creating a sustainable and long-term funding mechanism for America's infrastructure.



RURAL AMERICA

A strong farm economy not only benefits farmers and ranchers but also helps protect the 650,000 agriculture equipment manufacturing jobs across the United States. Supporting rural America is not just about supporting the farm economy – it is so much more. America's heartland is dotted with small towns that depend on a stable local economy, state-of-the-art infrastructure assets, and reliable public utilities. AEM urges lawmakers to provide a vital safety net for farmers and ranchers and advance comprehensive policies that will allow producers of all sizes to tap into the latest technologies. This includes reliable and affordable high-speed internet access from the farmhouse to the field. It also includes policies that support the U.S. bioeconomy, such as year-round E15 access, a robust Renewable Fuel Standard, and other incentives to accelerate the deployment and use of biofuels.



TAX

A competitive tax system is critical to the long-term growth and prosperity of the equipment manufacturing industry. As policymakers focus on how to bolster U.S. competitiveness, AEM encourages the adoption of new tax incentives and enhancement of the competitiveness of the tax code to encourage new investment in the United States. This includes keeping the corporate tax rate low, securing a permanent pass-through deduction, restoring immediate R&D expensing, making permanent full expensing of investments in new equipment, machinery, and technology, reinstating the EBITDA standard for interest deductibility, and preserving the increased estate tax exemption threshold.



TRADE & INTERNATIONAL

One in five American jobs depend on reliable and consistent trade policies, and 30 percent of equipment manufactured in the United States is destined for export. America must reaffirm its leadership in the global economy to guarantee the prosperity made possible by free and open markets and thriving international trade. AEM supports policies that promote American manufacturing, while recognizing the importance of global supply chains. Tariffs are taxes that will bring significant costs for American families, farmers, and manufacturers. AEM urges policymakers to focus on updating the successful United States-Mexico-Canada Agreement and negotiating new trade agreements that provide economic opportunity for all Americans and ensures that the United States remains a leader in the global economy.



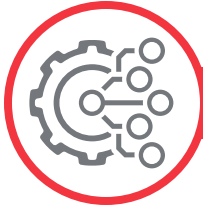
WORKFORCE

A reliable pipeline of skilled workers will address the current labor shortage and help build the next generation of equipment manufacturers. Our industry cannot succeed and grow without the right tools or skilled workforce. It is essential that policymakers equip job creators with the resources to attract, retain, and retrain hardworking men and women to fill the skills gap. AEM supports policies to expand access and eligibility to state and federal career and technical education programs, all while encouraging young adults to explore family-sustaining careers and vocational opportunities beyond a traditional college education. Equipment manufacturers also support workplace safety and health best practices on the shop floor and on the jobsite. Collaborative relationships with state and federal occupational safety agencies are essential to ensuring safety is top of mind while not impeding equipment innovation and design.



IMMIGRATION

The future of America's economy—and equipment manufacturers' competitiveness—will be determined in part by the future of immigration policy. Policymakers not only have an obligation to fix our nation's broken immigration system but also an opportunity to do so as they work to strengthen the economy, invest in the workforce, and prepare for the challenges ahead. AEM urges policymakers to strengthen border security, prioritize America's workforce needs through reforms to legal immigration, reform nonimmigrant visas and temporary worker programs to improve competitiveness, offer meaningful employment and legal certainty for the 3.6 million Dreamers, and reform asylum and refugee programs for a more orderly and humane system.



TECHNOLOGY

The equipment manufacturing industry is on the cutting edge of innovation. From off-road autonomy to advanced artificial intelligence, equipment manufacturers are developing technologies that enhance productivity, efficiency, and safety. AEM calls on policymakers to support policies that maintain farmers' and operators' right to repair their own equipment without undermining intellectual property or safety, safeguard data privacy and cybersecurity, and protect innovation in off-road autonomy and AI by ensuring that regulations do not stifle innovation.



ENVIRONMENT

Equipment manufacturers are committed stewards of our natural resources and work closely with all stakeholders and policymakers to advance shared objectives, such as reducing engine emissions, promoting alternative power solutions, ensuring responsible water usage, and promoting sustainability. To remain competitive, equipment manufacturers need common sense regulations that balance environmental protection with innovation. AEM supports the development of clear and consistent policies for PFAS mitigation, streamlined implementation of reforms initiated through the Toxic Substances Control Act, and science-based pesticide regulations that protect health and the environment without placing burdens on manufacturers.

EQUIPMENT MANUFACTURING IN THE UNITED STATES

2.35M

jobs across
all 50 states

\$714B

generated in total
output and sales
activity each year

\$316B

contributed each
year to GDP

11%

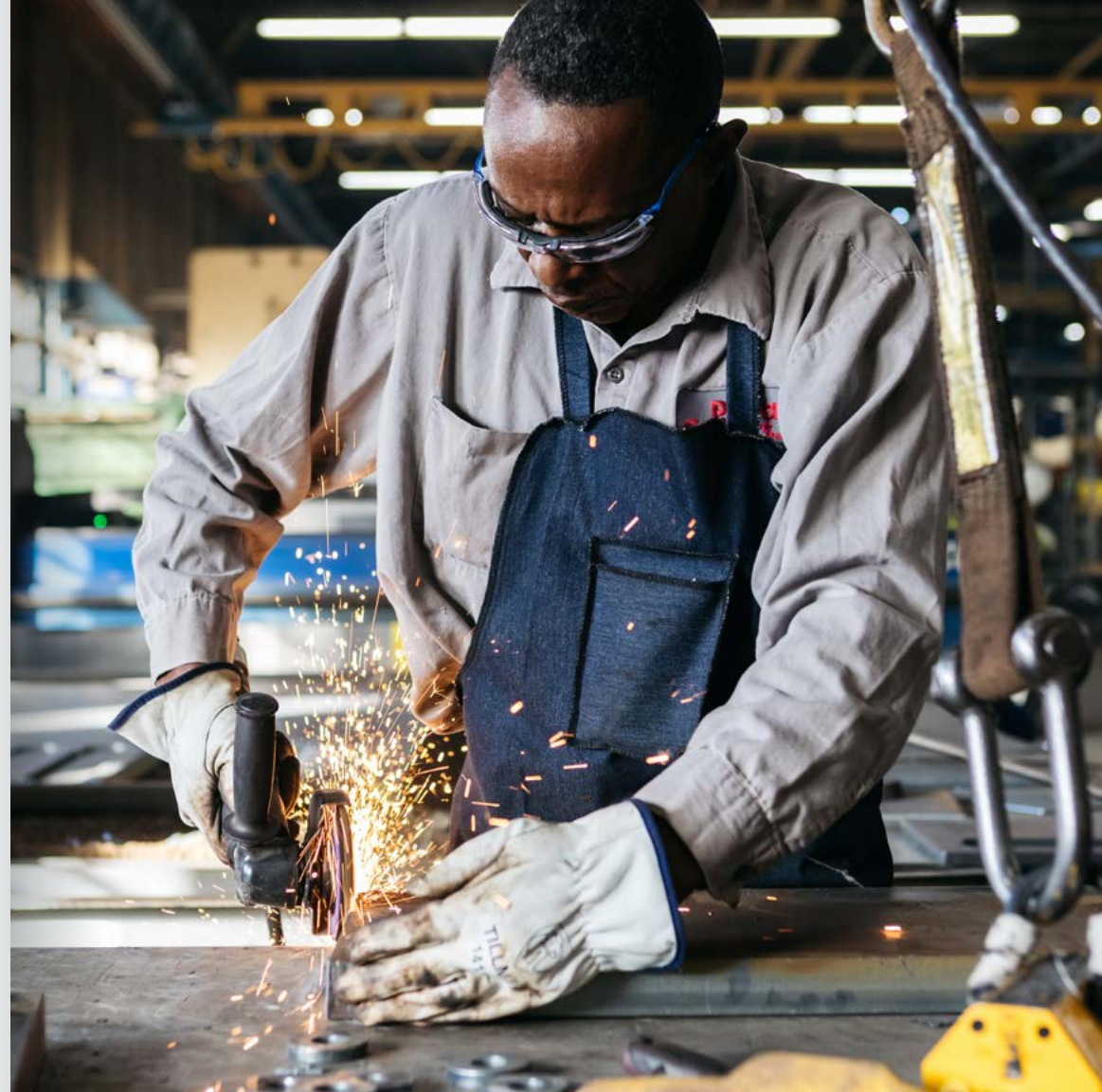
of total
manufacturing
sector jobs
are supported
by equipment
manufacturers

\$89,700

is our industry's
average annual pay
for each employee

\$47B

paid each year in
federal, state, and
local tax revenue



The Association of Equipment Manufacturers (AEM) is the North American-based international trade group representing off-road equipment manufacturers and suppliers, with 1,100 companies and more than 200 product lines in the agriculture and construction-related industry sectors worldwide. The equipment manufacturing industry in Canada supports 152,000 jobs and contributes roughly \$41 billion to the economy each year.



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Equipment Manufacturers**