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In OPPOSITION to H.B. 2483

The North America Equipment Dealers Association is an international trade association representing approximately 4,500 farm, industrial, and outdoor power equipment dealers in North America.

In Virginia, NAEDA represents 40 dealer locations. Through the sale of equipment, parts, and services, our dealer members partner with farmers and ranchers across the state to make them the world's most productive and competitive producers.

Our industry is a leading example of one that supports customer self-repair. Equipment manufacturers and dealers are committed to providing owners and independent repair shops with access to and widespread availability of parts, tools, documentation, and diagnostic capabilities. The reality of the repair landscape demonstrates this commitment. A third-party survey of our industry showed that nearly 60 percent of all parts sold are installed by someone other than the dealership.

In addition to the support provided directly to owners and independent repair shops, the major stakeholders on this issue have agreed to a Memorandum of Understanding. The MOUs between John Deere, CNHI, Kubota, AGCO, Claas, and the American Farm Bureau Federation are private-sector solutions that formalize the commitment to supporting customer repair and make legislation unnecessary for our industry. Those MOUs are living documents reassessed every six months by both parties to account for technology updates, and something legislation is not equipped to do.

Mandating that OEMs sell parts and tools on the same terms and conditions as they sell to authorized dealers would have dramatic negative consequences. This provision would turn our dealer's suppliers into their competitors, a clear breach of the contracts clause. A price fixing mandate would also significantly decrease the parts on-hand that Virginia dealers stock in inventory if they cannot profit from them. The effect would be increased downtime due to a lack of parts availability, which is counterproductive to the bill's intended purpose.

Farm Equipment is also tightly regulated by the Federal Clean Air Act and several provisions of this bill would violate federal law by allowing access to emissions criteria. 42 U.S.C. § 7543(e) provides that, "No State or any political subdivision thereof shall adopt or attempt to enforce any standard or other requirement relating to the control of emissions from either of the following new nonroad engines or nonroad vehicles."

HB 2483 presents several practical, safety, environmental, and constitutional issues. These problems are unnecessary given the MOUs between the major stakeholders on this issue for our industry. We urge legislators to support those MOUs and not create additional challenges for farmers and ranchers with unwarranted legislative mandates.

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North American Equipment Dealers Association