



## **Oppose the Agriculture Right to Repair Act (H 5159), the Digital Electronics Right to Repair Act (H 5246), and the Digital Electronics Right to Repair Act (S 60)**

The undersigned companies that operate in Rhode Island are writing to express opposition to the Agriculture Right to Repair Act (H 5159) and the Digital Electronics Right to Repair Act (H 5246) and the Digital Electronics Right to Repair Act (S 60)

Our businesses sell, rent, and service agriculture, forestry, construction, mining, energy, and industrial equipment. Our members, which are predominantly small- medium-sized, independent, family-owned businesses, providing well- paying jobs for Rhode Island residents and serving as a positive force within communities throughout the state.

“Right to repair” is a simple slogan; however, the policy proposals surrounding the issue are complex with significant consequences.

H 5159, H 5246 and S 60 are unnecessary and are based on the presumption that customers are unable to fix their own tractors and machinery. To the contrary, equipment dealers and manufacturers make available diagnostic tools, repair information, parts, and remote customer support. Idle, non-functioning equipment equals lost time and money. Equipment dealers and manufacturers do everything possible to keep a machine running. That can mean repairs completed by a dealership service technician, the customer, or a third-party provider. The equipment industry is highly competitive, and if a company isn't providing proper and timely service, nothing is stopping the customer from moving to a competitor and their products.

A significant percentage of parts sales are sold directly to customers so they can repair their own equipment. However, the tractors and machines AED members are selling today are not the same as those sold decades ago. While customers can complete most repairs to their machinery, government environmental and safety regulations, as well as technological developments that have made equipment more efficient and productive, necessitate restrictions in access to source code and software that ensure key operational functions aren't modified or disabled.

H 5159, H 5246 and S 60 would completely alter the equipment industry's distribution model, putting countless Rhode Island small businesses at risk. Manufacturers of equipment rely on a network of independent, mostly family-owned small-to-medium-sized companies to sell, rent and service the equipment. These dealers make significant investments in their employees, including training service technicians to repair and maintain the latest, high- technology machinery.

Equipment dealers maintain extensive parts inventories to ensure repairs and maintenance can occur as soon as possible. Out of service equipment isn't merely an inconvenience—it can ruin a farmer's harvest. However, H 5159, H 5246 and S 60 require original equipment manufacturers to sell parts and diagnostic tools directly to the public at a fixed price, completely circumventing the equipment dealer, and denying the company a steady revenue stream.

Aside from effectively dismantling the equipment distribution industry's aftermarket parts business and thereby putting many equipment dealers at risk, logistically it is impractical and would only exacerbate inflationary pressures in the equipment market and create long delays in parts availability.

Anyone can walk into an AED member facility (or go online) and buy OEM parts for their tractor. There's no restriction on who can purchase parts, whether it's an equipment owner, a third-party service provider, an equipment operator, or a member of the public. However, there will be no incentive for an equipment dealer to carry parts inventory if the manufacturer (or the dealer) is forced to sell without the ability to make a profit.

Agriculture original equipment manufacturers (OEMs) entered memorandums of understanding (MOUs) with the American Farm Bureau Federation. The MOUs are a private sector agreement to enshrine a customer's ability to repair their equipment and should be given every opportunity to succeed before government intervention.

For the equipment industry, the right to repair is a solution in search of a problem. We provide customers and third-party repair providers with parts, tools, and other resources to complete nearly all repairs.

Enacting H 5159, H 5246 and S60 will stifle entrepreneurship, resulting in an unprecedented intrusion by government into the free enterprise system. The viability of the equipment distribution industry will be severely hampered, causing lost economic activity, job creation, and technological advancement.

Thank you for your consideration of our concerns.

