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In OPPOSITION to H.B. 5246

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 Rhode Island, NAEDA represents several 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 Rhode Island 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 5246 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.

Legislators in almost every state that has enacted Right to Repair laws have agreed with NAEDA's position that our industry supports customers' self-repair. This is supported by the fact that they have included an exemption for our industry. States with this exemption language in law include CA, MN, NY,

and OR. Washington and New Mexico also have Right to Repair legislation under consideration in the 2025 session that provides for this exemption.

“MANUFACTURERS, DISTRIBUTORS, IMPORTERS OR DEALERS OF ALL OFF-ROAD (NON-ROAD) EQUIPMENT, INCLUDING WITHOUT LIMITATION, FARM AND UTILITY TRACTORS, FARM IMPLEMENTS, FARM MACHINERY, FORESTRY EQUIPMENT, INDUSTRIAL EQUIPMENT, UTILITY EQUIPMENT, CONSTRUCTION EQUIPMENT, COMPACT CONSTRUCTION EQUIPMENT, ROAD-BUILDING EQUIPMENT, MINING EQUIPMENT, TURF, YARD AND GARDEN EQUIPMENT, OUTDOOR POWER EQUIPMENT, PORTABLE GENERATORS, MARINE, ALL-TERRAIN SPORTS AND RECREATIONAL VEHICLES (INCLUDING RACING VEHICLES), STAND-ALONE OR INTEGRATED STATIONARY OR MOBILE INTERNAL COMBUSTION ENGINES, OTHER POWER SOURCES, (INCLUDING WITHOUT LIMITATION, GENERATOR SETS, ELECTRIC/BATTERY AND FUEL CELL POWER), POWER TOOLS, AND ANY TOOLS, TECHNOLOGY, ATTACHMENTS, ACCESSORIES, COMPONENTS AND REPAIR PARTS FOR ANY OF THE FOREGOING.”

NAEAD stands in OPPOSITION to HB 5246 for these reasons and asks that Committee members vote to amend this legislation with the above industry exemption or vote no on its passage.

Kipp McGuire
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North American Equipment Dealers Association