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The Honorable Thaddeus Jones
Chairman, Insurance Committee
Illinois General Assembly
241-E Stratton Office Building
Springfield, IL 62706

HB 3133 Opponent Tom Tucker

Chairman Jones and Members of the Committee:

The Auto Care Association is a national trade association comprised of more than 3000-member companies and affiliates that manufacturer, distribute and sell motor vehicle parts, accessories, services, tools, equipment, materials, and supplies. In short, we represent the entire supply chain of the auto industry.

On behalf of the aftermarket industry, we are writing to express our concern and opposition to HB 3133-Insurance Code and Repair Procedures. This bill requires vehicle repairers to follow original equipment manufacturers directives for repairs. This requirement would do irreparable harm to the aftermarket parts industry in the state and increase repair costs for consumers while limiting competition. This would change the competitive balance in the repair industry. Not only would this legislation create higher priced repair costs for consumers but would threaten an industry that generates \$381B in annual sales and employs 4.6 million people across the country while contributing 2% to GDP. The aftermarket industry also contributes highly to the Illinois jobs market as well as business and commerce. Employing close to 110,000 jobs, representing \$24.1B in economic activity and providing \$6.7B in wages from business outlets such as manufacturers, wholesalers, retailers, and related services will be affected in the state. Aftermarket businesses provide residents with affordable options for maintaining and repairing their vehicles.

Additionally, there is no body of research, individual study, or any data to support the implication that aftermarket parts are inferior to OE parts. In fact, they are often produced by the same company that produced the original equipment (OE) part but may come in a different box. The only difference is the OE part often costs more than the non-OE branded equivalent, meaning increased repair and insurance costs for consumers. Further, since aftermarket companies can observe the OE part in use, aftermarket companies are often able to correct problems with the component that were discovered after the vehicle was on the road. Such actions translates' into the ability of aftermarket parts to provide motorist with improved vehicle reliability and safety.

We respectfully urge you to **VOTE NO on H 3133**, as the unintended consequences for consumers and the negative impact to Nebraska businesses would do more harm than good.

Sincerely,

Tom Tucker
Senior Director, State Government Affairs