

February 9, 2021

Honorable John Hunt
Chairman, House Commerce and Consumer Affairs
107 North Main Street
Concord, NH 03301

Chairman Hunt:

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 automotive industry.

On behalf of the industry, we are writing to express our concern and opposition to HB 310 Vehicle Repair. This bill establishes a rebuttable presumption that manufacturer recommendations for scans, and calibrations are necessary for vehicle safety and that repairers should follow manufacturers recommendations to restore vehicles to its pre-loss condition.

Since there is not a documented procedure for every repair, our concern is this bill would allow vehicle manufacturers to make changes in the OEM repair procedures to require the use of OEM parts for all repairs. This would change the competitive balance in the repair industry. Not only would this legislation create higher priced repair costs for consumers but would also 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 New Hampshire's jobs market as well as business and commerce. **Nearly 14,000 jobs, representing \$2.1B in economic activity and \$950M in wages from more than 4600 business outlets such as manufacturers, wholesale, retail and service will be affected in the state.** Aftermarket retailers and automotive recyclers 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 have the opportunity to observe the OE part in use, our members often are 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 HB 310** as the unintended consequences for consumers and the negative impact to New Hampshire business would do far more harm than good.

Please do not hesitate to contact me if you have any questions and I can be reached at (240) 856-9846.

Sincerely,

Tom Tucker
Director, State Government Affairs