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The Honorable Steve Kirby
Chairman, Consumer Protection and Business Committee
WA House of Representatives
416 Sid Snyder Avenue SW
Olympia, WA 98504

Chairman Kirby 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 1428 – Automotive Insurance Policies. This bill would harm the aftermarket industry in the state and increase repair costs for consumers while limiting competition. Additionally, this bill promotes 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 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 Washington jobs market as well as business and commerce. Employing nearly 46,000 jobs, representing \$6.7B in economic activity and \$2.8B 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.

The industry has been working to find consensus and we respectfully asks the committee to consider the industry's proposed amendment which addresses the concerns of the aftermarket industry. Please see the attached draft amendment this legislation. However, we cannot support the bill in its current form.

We respectfully urge you to **VOTE NO on HB 1428 unless amended**, as the unintended consequences for consumers and the negative impact to Washington businesses would do more harm than good.

Sincerely,

Tom Tucker
Senior Director, State Government Affairs