

Testimony to House Commerce & Economic Development Committee re: H.81

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NOFA-VT supports H.81, an act relating to fair repair of agricultural equipment. We believe that farmers and loggers should have the right to repair their own equipment or otherwise have access to affordable, accessible, convenient repairs whether that's through a dealer or a local, independent repair shop.

Requiring farmers and loggers to go through the dealer for repairs is often more costly, and can mean they are forced to wait many days for an authorized repair person to travel to the farm or woodlot before they can use their equipment. As farmers have testified to your colleagues on the House Agriculture, Food Resiliency and Forestry Committee, often the mechanical aspects of these repairs the farmers can do themselves, but they need an authorized repair person to come - sometimes from out of state - to clear the codes that have caused the machine to shut down.

Having to wait long periods for an authorized repair person to travel to the farm or woodlot can cause significant loss of income, especially in our climate where time is of the essence when it comes to haying, for example, or working in the woods - when the sun is shining or the ground is dry.

Furthermore, limiting access to tools, parts, and diagnostic equipment does not create the robust, competitive market for these products and services that benefits farmers, loggers and supports the health of our rural economies.

Ensuring farmers' and loggers' right to repair their own equipment aligns with Vermont's culture that values self sufficiency and practicality. We know that some of our farmers are using older equipment that they can still repair themselves or have repaired by a local shop. For some, this is a purposeful choice they have made because they don't want to have to wait for a dealer or authorized repair provider to service their equipment. However, the reality is that modern equipment is becoming increasingly computerized and in the coming years the equipment these farmers and loggers buy, even used, will likely rely on computer-based diagnostics. Without this bill, independent repair providers will struggle to stay in business as the industry shifts to computerized systems, further exacerbating monopolistic conditions in the industry.

In conducting outreach to our farming community on this bill, I heard from one farmer whose newest tractor is 40 years old, and they have several others older than that because they don't want to deal with the computers. In the future, that farmer may need to upgrade to newer equipment that relies on computers and perhaps that farmer will opt to go through the dealer for their repair if the dealer can offer a competitive rate.

In the long run, we believe the ability for farmers and loggers to have easy, affordable access to repair is a good thing for equipment manufacturers in addition to being good for working lands businesses. Some farmers rely on the ability to buy new equipment and only keep it as long as (or not much longer than) it's under warranty. They rely on the ability to then sell that to a farmer who wants to buy older equipment that's reliable and that they can repair themselves more affordably. Both of these approaches rely on that equipment lasting long enough to be sold and used by that second farmer.

If farmers and loggers know a product is reliable and affordable to work on in the long term, they're more likely to purchase that product, new or used. A product that can be easily and affordably repaired is more attractive both to the farmer buying it new, and it's more attractive for a farmer looking to buy second-hand, because they know they can still fix it affordably once the product is out of warranty. Forcing farmers into a situation where they must go through the dealer might have benefits to the manufacturer in the short term, but in the long term it's a shortsighted business model that will make their product less attractive.

It's also important to point out that if a farmer or logger has a strong relationship with their local dealer, they would still be free to work with that dealer for necessary parts and service if this bill is to pass. But we believe they should have exactly that - a choice.

In sum, we support the legislature passing H.81 to ensure affordable, convenient access to repairs of agricultural and forestry equipment, and we're glad to see the committee plans to hear directly from farmers and loggers impacted by this issue.