

Testimony to House Agriculture, Food Resiliency & Forestry 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 - as you've heard in previous testimony - having to wait many days for an authorized repair person to travel to the farm or woodlot can sometimes cause significant loss of income. Furthermore, it does not create the robust, competitive market for diagnostics, parts, and service that benefits farmers, loggers and supports rural economies. Instead, it leads to a monopoly, which benefits no one but the dealer themselves. 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, and those farmers may not be as directly impacted by this issue currently. However, the reality is that modern equipment is becoming increasingly computerized and in the coming years the equipment they 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 monopoly conditions in the industry.

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.

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.

We also believe this bill is consistent with bills being taken up in other states. Given the broad scope of the issue, there has been national attention (as demonstrated by the Farm Bureau's MOU with John Deere) that has led to bills in multiple states with the same or similar requirements embedded.

We do believe legislation is a stronger solution to this issue facing farmers than the current MOU with John Deere. While the MOU is clearly an acknowledgement that this is a problem, it

does not contain sufficient enforcement mechanisms, doesn't guarantee affordability, and doesn't include parts or forestry equipment.

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