



400 Putnam Pike, Suite J 503, Smithfield RI 02917

January 27, 2023

Sen. Suzanne Geist
Nebraska State Legislature
Transportation and Telecommunications Committee
1445 K Street
Lincoln, NE 68508

Re: Automotive Body Parts Association (ABPA) Opposes LB 782

Dear Senator Geist & Committee Members:

The Automotive Body Parts Association (ABPA) respectfully opposes LB 782 which is scheduled for hearing on Tuesday, January 31 at 1:30 pm. As currently written, **LB 782 will adversely affect Nebraska drivers as it would establish a restriction against the use of alternative parts including aftermarket, recycled, remanufactured, and refurbished parts when OEM repair procedures are mandated.**

Who We Are - With more than 160 member companies the Automotive Body Parts Association (ABPA) occupies over 400 distinctive locations including collision parts distribution centers, manufacturing facilities, and parts recycling plants. ABPA's members are responsible for distributing more than 80 percent of the independently produced aftermarket crash replacement parts sold to the collision repair trade. **The ABPA represents our members who have a presence in Nebraska including LKQ Corp, Meyer Distributing, Arnold Motor Supply and New World International.**

Why We Oppose LB 782

The ABPA is against any repair procedure that encourages monopolistic behavior that would solely benefit the OEM manufacturer as this would further burden the consumer.

LB 782 would not achieve its goal as consumers would be adversely affected should they be limited to having their vehicles repaired only with car company branded parts as stated in OEM repair procedures.

How Consumers in Nebraska Will be Affected

Consumers will be paying more out of their wallets. For many years, the increased cost of auto repair has exceeded the rate of inflation including the recent record inflation we have seen over the past year. In 2019, motorists experienced a 4.9% increase in the cost of vehicle collision repair vs 2018 which far exceeds the rate of inflation. Without the presence of aftermarket parts, the car companies have no incentive to keep their pricing in check without competition. Studies have shown that by just having an aftermarket part available in the marketplace, the car companies will lower their list pricing by as much as 8%, if not more. Furthermore, aftermarket parts are typically priced anywhere between 25-60% less than the car company branded parts.

What the Experts Say



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The car companies and other proponents of these self-serving repair procedures will often cite safety concerns with aftermarket parts. The National Highway Traffic Safety Administration (NHTSA), the federal agency that oversees transportation matters, has concluded that aftermarket parts are cosmetic in nature and do not affect vehicle safety. The Insurance Institute of Highway Safety (IIHS) has come to similar conclusions on the safety of aftermarket parts after years of crash testing. They have also stated that the only major difference between aftermarket parts and car company parts is the high price variance. Meanwhile, the car companies have been under scrutiny over the past few years with the increased amount of safety recalls they have had to administer due to the faultiness of their own parts.

Thank you for your time and consideration. Should you have any questions, please contact me at 800-323-5832.

Best Regards,

Edward Salamy

Edward Salamy
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800-323-5832