

Senate Bill 73 Opponent Testimony

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Senate Financial Institutions and Technology Committee

Matt Di Iorio, President, Ditch Witch Mid-States

Good morning, Chairman Wilson, Vice Chair Hackett, and Senators Smith, Antani and Kunze. My name is Matt Di Iorio. I am the son of a heavy equipment mechanic, the brother of a heavy equipment mechanic and, currently, the employer of heavy equipment mechanics in Ohio, Kentucky, Pennsylvania, and New York.

I am the owner of Ditch Witch Mid-States, a Columbus-based small, family-owned business. I started the company in 2008 and have grown it to employ 29 people in Ohio.

Unfortunately, Senate Bill 73, the "Digital Fair Repair Act", threatens my company's ability to compete and if passed will jeopardize the economic feasibility of continuing to operate and expand in Ohio while jeopardizing safety for equipment technicians, operators and the general public.

Right to repair is a simple slogan, but SB 73 is complex and has significant unintended consequences. Other states, including New York, have recognized the threat to the off-road equipment sector when broad mandates, such as those included in SB 73, are applied to the industry, and have appropriately exempted all off-road machinery from its requirements.

Let me be clear, customers and independent repair providers have access to the tools, manuals, and parts to perform nearly all repairs to heavy equipment. In fact, we sell 74.7 percent of our parts directly to the public.

However, there are restrictions to what owners can fix, and for good reason. Modern equipment has numerous safety features to protect both equipment operators and the public, the latter who oftentimes are driving or walking past construction sites and other areas while machinery is in use. Untrained individuals performing repairs on sensitive safety features pose undue risk for the person working on the equipment, operators, and bystanders. Heavy equipment isn't a cell phone or laptop. The ramifications of an incorrect repair are significant and can be catastrophic.

This is why Ditch Witch Mid-States and other equipment dealers invest countless resources to train certified technicians to work on this complex machinery. OEM's rely on a dealer network to provide local parts and service capability to enhance the customer's uptime. Customers can change their own oil or replace a headlight; our highly trained technicians perform the more complicated repairs, particularly those involving complex safety and emissions functions. Unfortunately, S.B. 73, particularly its requirement that parts be sold equivalent to the most favorable costs and terms under which an original equipment manufacturer offers them to authorized repair providers would decimate the authorized dealer network that has served our Ohio customers so well.

To put it bluntly, this would be an unprecedented intrusion into the free enterprise system, particularly in the off-road equipment sector, where the market is working. There's plenty of competition, as demonstrated by the diversity of equipment brands this panel represents, and S.B. 73 would truly threaten the viability of our businesses.

Should this bill move forward, I strongly urge the committee to adopt an off-road exemption, similar to New York, to ensure Ohio remains a great state to do business and equipment dealers continue to sell, rent and service heavy equipment used in all applications.

Thank you for your time and for allowing me to testify.