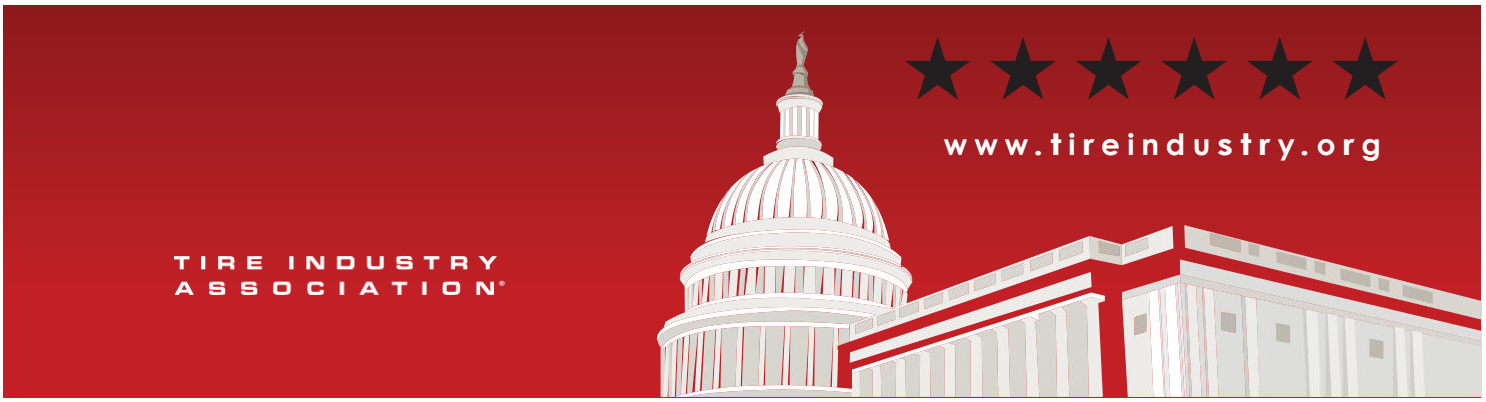


POSITION PAPERS

Infrastructure Funding

LIFO

Estate Tax

Work Opportunity Tax Credit

Lawsuit Abuse

Magnuson-Moss Warranty Act

Unionization of Businesses Support

Right to Repair Act

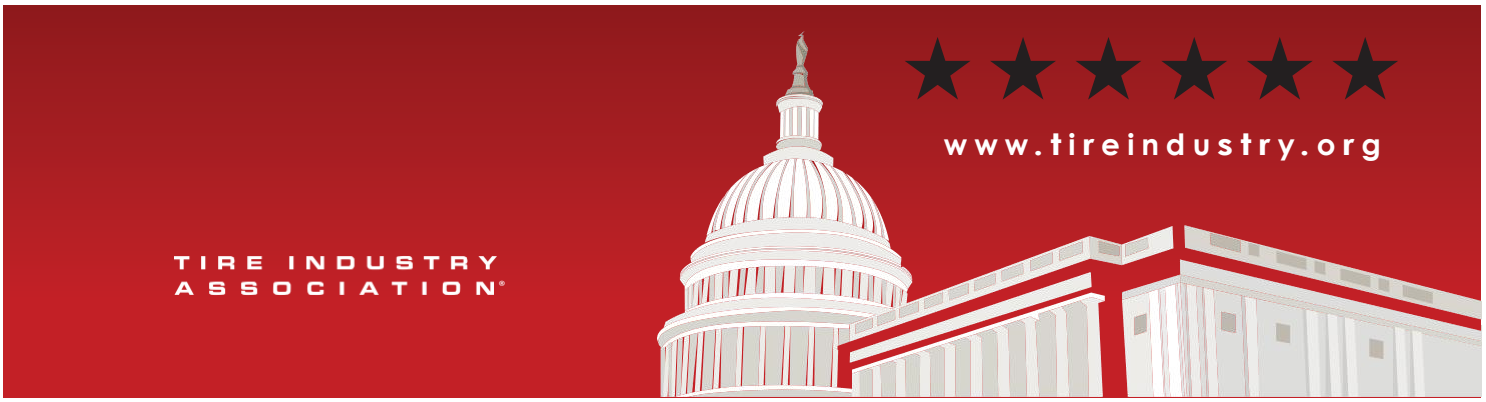
DRIVE Safe Act

RPM Act

ABOUT TIA

The Tire Industry Association (TIA) is an international non-profit association representing all segments of the tire industry, including those that manufacture, repair, recycle, sell, service or use new or retreaded tires, and also those suppliers or individuals who furnish equipment, material or services to the industry. The mission of TIA is to promote tire safety through training and education, to act as the principal advocate in government affairs, and to enhance the image and professionalism of the industry so that our member businesses may be more successful.

TIA has over 13,000 members from all 50 states and around the globe



INFRASTRUCTUE FUNDING TIA POSITION PAPER

TIA supports a long-term infrastructure package. **TIA opposes** taxes that would have a negative impact on the tire industry such as increases on motor fuel taxes, truck part taxes, truck taxes, and reintroducing the FET on passenger tires and retread rubber. **TIA is also opposed** to turning over the interstate system to the states and allow Governors to set tolls, changing the highway formula from 80% federal funding and 20% state funding to 80% state funding and 20% federal funding. Additionally, **TIA is opposed** to LIFO repeal as a pay for in the bill and the privatization of roads, bridges, and tunnels.

TIA believes there are a variety of other funding options available that would not be harmful to the tire industry including repatriation of overseas money. **TIA strongly believes** that all users of infrastructure must pay their fair share, not just the highway users.

TIA will take the following positions with highway proposals:

1. Support a 5+ year bill
2. Stay neutral to small gas tax increases.
3. Oppose the privatization of highways
4. Oppose a weight distance tax
5. Oppose Vehicle Miles Traveled
6. Oppose FET on tread rubber
7. Oppose FET on passenger tires
8. Oppose an increase on FET on truck tires
9. Support the highway formula of 80% federal funding and 20% state funding
10. Oppose diversion of funds to non-highway purposes

In recent legislative-political movement on this issue, President Biden released the first phase of his "Build Back Better" proposal, the "American Jobs Plan," focusing on the infrastructure components of the White House's recovery efforts as well as addressing climate change, environmental justice, and job creation.

The package includes $2.3 trillion in spending over eight years with a $621 billion investment in transportation and the resiliency of our infrastructure. Specifically, the proposal provides $115 billion for bridge, highway, and road investments. This is intended to be in addition to a surface transportation bill. Currently there have been no details provided on the federal share of project costs.

The Administration is also releasing a "Made in America Tax Plan" to ensure corporations are paying their fair share in taxes and to encourage job creation at home. According to the White House, the proposal includes an increase in the corporate tax rate to 28% and measures designed to prevent offshoring of profits to fund the infrastructure spending. Previously, Republicans reduced the corporate

tax rate to 21% from 35% as part of their 2017 tax law.

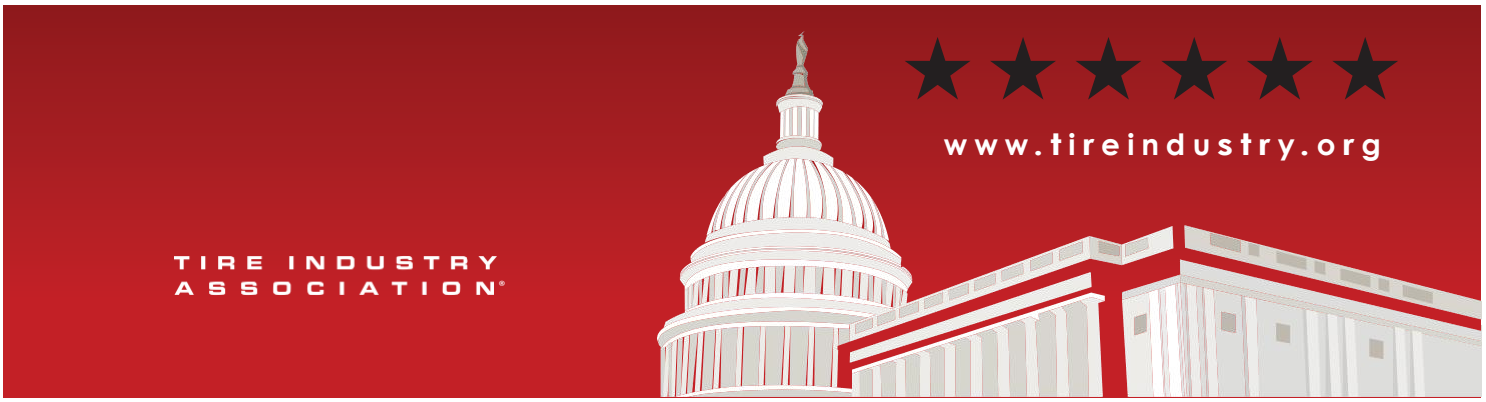
TIA is watching closely as the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure press forward with their transportation reauthorization efforts. It is unknown how events will unfold at this time. The corporate tax increase pay-for will be very problematic for Republicans. TIA continues to push for a bipartisan approach in hopes of avoiding a partisan reconciliation process.

TIA also believes that the additional funding in the proposal offered by the White House should be predominately invested in highways and bridges due to the massive backlog of infrastructure needs in this area. Everyone has seen the importance of highways throughout the pandemic and Congress cannot allow highway investment to become an afterthought.

On April 22nd, Senators Shelley Moore Capito (R-W.Va.), Ranking Member of the Environment and Public Works (EPW) Committee; Roger Wicker (R-Miss.), Ranking Member of the Commerce, Science, & Transportation Committee; Pat Toomey (R-Pa.), Ranking Member of the Banking, Housing, & Urban Affairs Committee; Mike Crapo (R-Idaho), Ranking Member of the Finance Committee, and John Barrasso, Ranking Member of the Energy and Natural Resources (ENR) Committee, released a $568 billion infrastructure framework.

TIA believes that an infrastructure bill is a jobs bill that cuts across party lines and TIA encourages Congress to seek compromise on this issue.

TIA will monitor and consider all transportation proposals brought forth in the 117th Congress.



LIFO
TIA POSITION PAPER

TIA opposes eliminating the Last In First Out (LIFO) accounting method.

Repeal of LIFO would hurt TIA members and other American businesses. It would significantly hinder the competitiveness of U.S. businesses in the worldwide marketplace by placing a significantly increased tax liability on those companies that use LIFO by placing a one-time significant tax on the inventory of those companies.

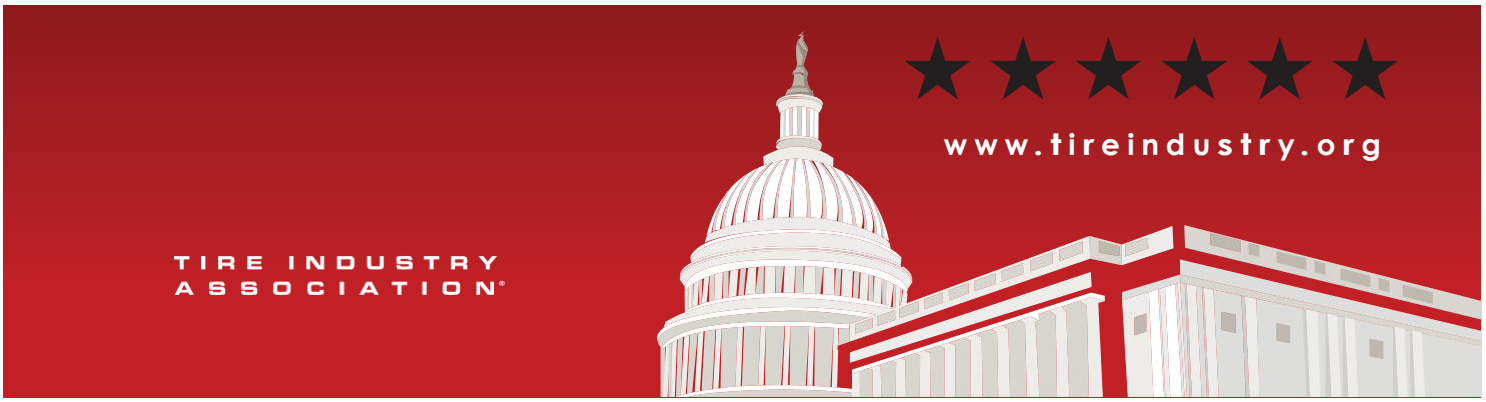
The "new revenue" that is touted by supporters of LIFO repeal comes in the way of retroactive taxes. Businesses using LIFO would have to pay retroactive income taxes on deferments they took while using LIFO in the past. Unlike ANY other tax expenditures that have been discussed for elimination, repealing LIFO is the only proposal that would require a business owner to pay taxes retroactively.

The majority of the businesses using the LIFO inventory method are organized in the form of pass-through entities, such as partnerships or S corporations. The real owners of these entities are taxed at individual tax rates. Any reduction in corporate income tax rates that might accompany a repeal of LIFO would not provide any offsetting relief for pass-through entities. Should this proposal be enacted, the consequences for LIFO taxpayers would be more devastating than any other change to the tax rules.

TIA members value that LIFO was saved in the tax reform package and no changes were made to the accounting system. But as budget discussions continue and infrastructure funding options continue to be looked at, it is important to let our elected officials know how important this issue is for many businesses in the tire industry.

Any proposed tax rate reductions would not compensate LIFO taxpayers for the damaging effects to their businesses. Taking LIFO reserves and turning them into taxable income, even spaced out over time, would wreak havoc on cash flows, capital reserves, expansion opportunities and job creation for American businesses using this method of accounting.

TIA continues to actively lobby Congressional members to save LIFO. TIA is very active in the Save LIFO coalition and have been conducting visits on the Hill to express to members the importance of keeping this accounting system alive for tax purposes. **Saving LIFO remains a top priority for TIA.**



ESTATE TAX
TIA POSITION PAPER

TIA supports full repeal of the Estate Tax. **TIA also supports** extending the exemption levels of $11.2 million per individual, or $22.4 million for couples past 2025 if full repeal is not obtainable.

TIA is a member of the Family Business Estate Tax Coalition (FBETC). This Coalition is dedicated to the full and permanent repeal of the estate tax. In working with Rep. Kevin Brady and the Coalition TIA was able to pass the Death Tax Repeal Act of 2015 (HR 1105) on a 240-179 vote.

In 2021, President Biden proposed an exponential increase to death and estate taxes on small businesses. This would be accomplished by reducing the federal estate tax exemption, in some cases increasing the estate tax rate and imposing a new capital gains tax at death. These proposals will prove detrimental to small and mid-sized businesses which are capital intensive, land rich, or successful. Worst of all. The new death capital gains tax would be the result of eliminating or limiting the step-up in basis for assets going through an estate and having death trigger the capital gains tax. It appears for the first time in our nation's history, at death the same asset could be taxed twice – once by a capital gains tax and again by an estate tax.

TIA opposes these proposals both on equitable grounds and to promote the economic success of our nation's small businesses. Subjecting these businesses to double taxation at the owners' deaths will destroy many of these local businesses.

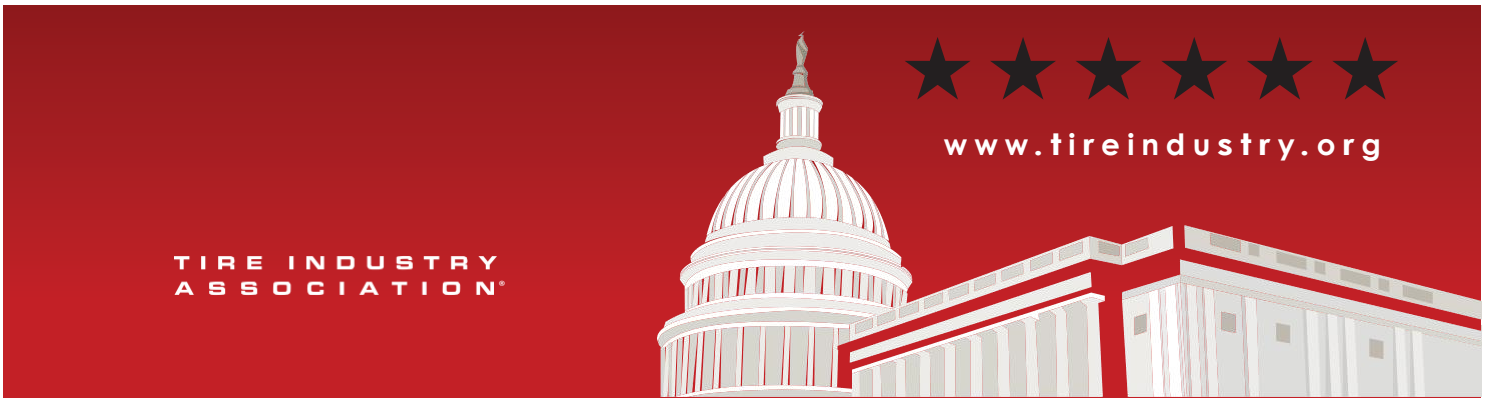
The elimination of the step-up in basis is generally ignored in the debate on the estate tax. It is sometimes erroneously referred to as a major "tax loophole for the rich" and is looked to as a significant revenue raiser. This tax would be imposed at the death of the small business owner unless the business was going to be continued by the family. In that event, the triggering event for the capital gains tax would be at such later time as the heirs sold the business. Imposing this tax at the death of the owner may cause fire sales of these businesses because in many cases there will be no other sources of funds available to pay this unexpected tax.

At the end of 2017, Congress passed a tax reform package that doubles the estate tax exemption from now through the end of 2025. In 2026, the exemptions would revert back to their previous levels ($5.6 million individual and $11.2 per couple), indexed for inflation. The new tax affects estates of at least $11.2 million, or $22.4 million for couples.

In the 116th Congress, Senate Democrats proposed an infrastructure package partly funded by rolling back the TCJA doubling of the estate tax exemption and in 2019 House Democrats passed a disaster relief package partially funded by rolling back the TCJA estate tax improvements. In our estimation that makes this "tax the rich" pay-for easy for Democrats to take back off the shelf. TIA will be calling on both of these Senators and other moderate Democrats to reject any tax package that reverses the estate tax relief in the Tax Cuts and Jobs Act.

TIA has supported efforts to fully repeal the Estate Tax in the 117th Congress by supporting the Death Tax Repeal Act (HR 1712 and S 617).

TIA will continue to find co-sponsors for the Death Tax Repeal Act (HR 1712 and S 617) in the 117th Congress as we work towards advancing the legislation.



WORK OPPORTUNITY TAX CREDIT
TIA POSITION PAPER

TIA supports a permanent extension of the Work Opportunity Tax Credit (WOTC).

TIA is a member of the Work Opportunity Tax Credit Coalition. This coalition seeks legislative action to increase the effectiveness of the Work Opportunity Tax Credit. WOTC provides business owners with an opportunity to earn tax credit up to $9,600 per employee for hiring veterans and other qualified workers. Employers can earn a tax credit for each qualifying worker that ranges from $1,200 (for qualifying young people hired to work during the summer) to as much as $9,600 (for certain military veteran employees).

WOTC is adaptable to new labor market challenges, as demonstrated by the explosion of veterans' hires after enactment of the VOW to Hire Heroes Act jobs credits, and its use to spur recovery in disaster areas, high-poverty urban neighborhoods, and hundreds of rural counties with depressed economies. Any job seeker can verify that he or she must compete for a job, often against people with more education, a stable home, and money for getting to work, compared to coming from poor schools, living in subsidized housing, and needing bus money that leaves less for food. Without WOTC, hiring managers will choose the most promising worker, and those on public assistance or stigmatized will lose the competition and often stop looking for work. Most often, non-disadvantaged applicants outnumber the disadvantaged by 2:1 to 4:1; WOTC levels the playing field.

Governors have designated thousands of low-income neighborhoods as Opportunity Zones, in both urban and rural areas, to deal with persistent poverty and decline through location-based solutions. By lowering the cost of a job to employers and boosting demand for labor, WOTC can complement investors' capital and catalyze area renewal. WOTC's ability to increase employment in the zone helps attract capital, and the synergy between capital and labor can boost productivity and purchasing power, helping to restore a community's economic vitality.

Every independent evaluation of the Work Opportunity Tax Credit and its predecessor, the Targeted Jobs Tax Credit, by the Department of Labor and Government Accountability Office affirms that this tax incentive increases the employment of targeted workers, which is its goal.

In contrast to direct Federal spending, a targeted tax credit for employers can be a powerful policy instrument to improve labor market efficiency and outcomes in workforce training, mobility, and adjustment to economic change.

In a major legislative victory for TIA, included in the relief/spending bill at the end of 2020 was a five-year extension of WOTC. The Omnibus Spending bill signed by President Trump included a provision that extended the Work Opportunity Tax Credit (WOTC) for five more years. The new expiration date for the program is December 31, 2025. This bill made no other changes to the WOTC program.

TIA continues to work with Congressional members and staff to look for ways we can add a permanent WOTC extension to other legislation being considered.

TIRE INDUSTRY ASSOCIATION®

www.tireindustry.org

LAWSUIT ABUSE
TIA POSITION PAPER

TIA will look to support legislation when it is finally introduced.

In years past TIA supported efforts led by Representative Lamar Smith (R-TX) for H.R. 720, Lawsuit Abuse Reduction Act (LARA) which in the last Congress passed the House on a 241-185 vote, and Senator Charles Grassley (R-IA) introduced the companion bill S. 237. A bill has not yet been introduced in the 117th Congress but TIA continues to talk with Congressional members about this topic and TIA will support legislation when it is formally introduced.

To understand LARA, it is important to be familiar with Rule 11 of the Federal Rules of Civil Procedure. From 1983 until 1993, Rule 11 said in part:

> *If a pleading, motion, or other paper is signed in violation of this rule, the court, upon motion or upon its own initiative, **shall** impose upon the person who signed it, a represented party, or both, an appropriate sanction, which may include an order to pay to the other party or parties the amount of the reasonable expenses incurred because of the filing of the pleading, motion, or other paper, including a reasonable attorney's fee."*

In 1993 some key changes were made, and Rule 11 currently says:

An attorney or unrepresented party certifies that to the best of the person's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances:

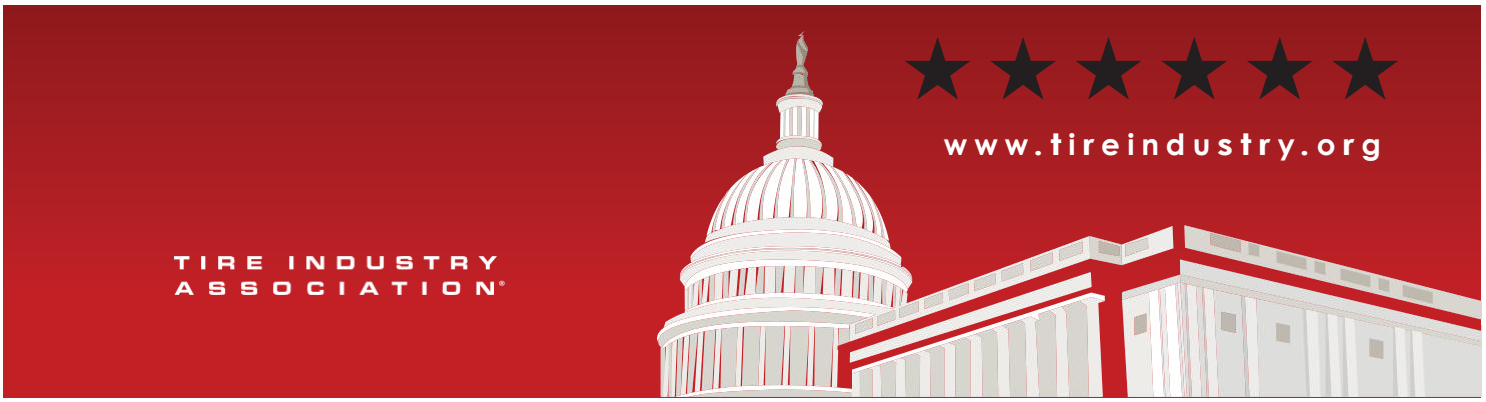
(1) it is not being presented for any improper purpose, such as to harass, cause unnecessary delay, or needlessly increase the cost of litigation;

(2) the claims, defenses, and other legal contentions are warranted by existing law or by a nonfrivolous argument for extending, modifying, or reversing existing law or for establishing new law;

(3) the factual contentions have evidentiary support or, if specifically, so identified, will likely have evidentiary support after a reasonable opportunity for further investigation or discovery; and

(4) the denials of factual contentions are warranted on the evidence or, if specifically, so identified, are reasonably based on belief or lack of information.

*Sanctions. If, after notice and a reasonable opportunity to respond, the court determines that Rule 11 (b) has been violated, the court **may** impose an appropriate sanction on an attorney, law firm, or party that violated the rule or is responsible for the violation.*



LARA is all about the difference between "shall" and "may."

Proponents of civil justice reform have contended the change from "shall" to "may", along with a couple of other aspects of Rule 11, helped lead to the explosion of frivolous lawsuits. Therefore, the purpose of LARA is to put some starch back into Rule 11.

LARA reverses the 1993 amendments to Rule 11 that made sanctions discretionary rather than mandatory.

In addition, LARA requires that judges impose monetary sanctions against lawyers who file frivolous lawsuits. Those monetary sanctions will include the attorney's fees and costs incurred by the victim of the frivolous lawsuit.

LARA reverses another 1993 amendment to Rule 11 that allow parties and their attorneys to avoid sanctions for making frivolous claims by withdrawing them within 21 days after a motion for sanctions has been served.

This version of LARA has one difference from its predecessors; this LARA would only amend Rule 11 of the Federal Rules of Civil Procedure. It does not attempt to force the states to use Rule 11. The hope is that states would amend their rules for governing frivolous lawsuits to reflect the changes implemented by LARA, just as they did when Rule 11 was last changed in 1993. Earlier versions of the bill included specific requirements for state use. Dropping the states provision should remove the states' rights opposition that surrounded the earlier debates.

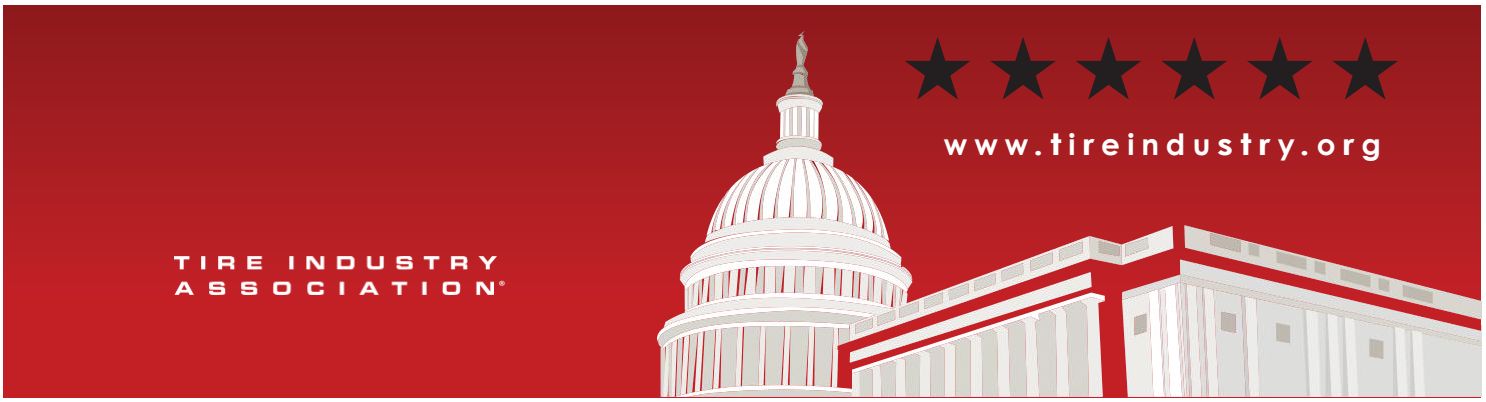
The last general data generated by the U.S. Chamber' Institute for Legal Reform in a study of the tort liability costs of small businesses from NERA Economic Consulting (NERA) found that:

*the tort liability price tag for small businesses in America in 2008 was $105.4 billion.

*Small businesses bore 81% of business torn liability costs but took in only 22% of revenue.

*Small businesses paid $35.6 billion of their tort costs out of pocket as opposed to though insurance.

Lawsuit abuse remains a top concern for TIA. We continue to hear concern from members. TIA continues engage with Congressional members on this topic and TIA will support legislation when it is formally introduced in the 117th Congress.



MAGNUSON-MOSS WARRANTY ACT
TIA POSITION PAPER

TIA supports strong enforcement of the Magnuson-Moss Warranty Act.

TIA believes that the FTC must:

-Conduct greater oversight and enforcement on vehicle manufacturers who do not comply with the Magnuson-Moss Warranty Act and who seek to discredit aftermarket products;

-Aggressively enforce requirements that vehicle manufacturers must substantiate all claims that use of non-original equipment parts could jeopardize a vehicle warranty; and,

-Require better consumer disclosure by car companies regarding their rights under the warranty. This might entail compelling the car companies to:

> -Include in their warranty booklets a prominently placed statement that, as a motor vehicle manufacturer, they are prohibited from conditioning the warranty on the use of any non-original equipment part or service; or,
>
> -Inform consumers of their rights with a written statement of reasons when a warranty is denied due to the use of a non-original equipment service or part.

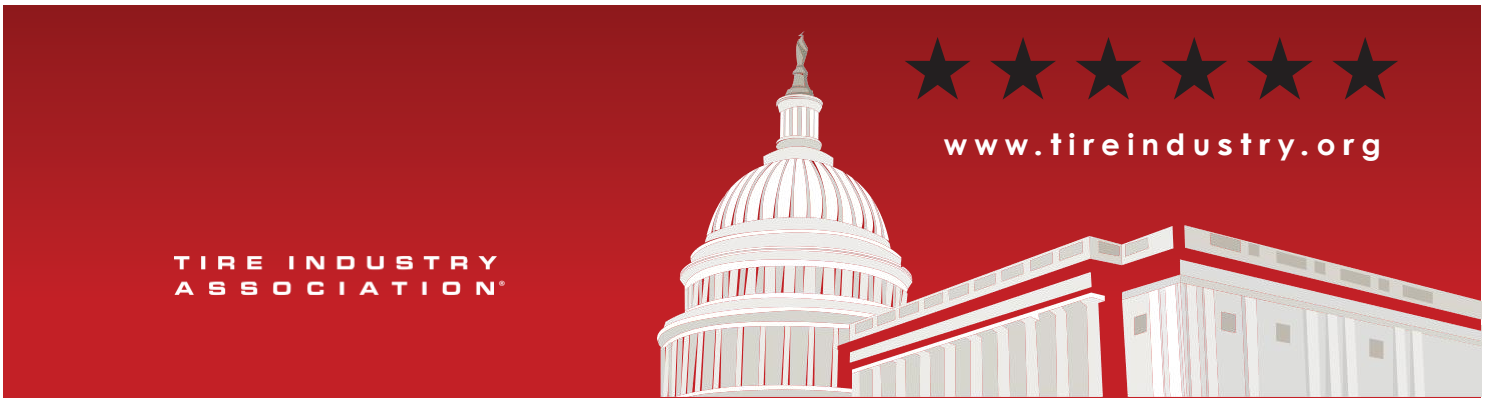
With new car sales waning, the car companies and their franchised dealers have been pursuing an increasingly aggressive strategy aimed at growing the sales of their original equipment replacement parts and repair services. However, despite calls by TIA and other aftermarket trade groups, the Federal Trade Commission has taken little action to ensure consumers receive accurate information regarding their rights under new car warranties.

The Magnuson-Moss Warranty Act, which was enacted by Congress in 1975, prohibits the conditioning of consumer warranties by product manufacturers on the use of any original equipment part or service. Under the statute, a manufacturer can only deny warranty coverage if the manufacturer, not the consumer, can demonstrate that it was the use of a non-original equipment part or service that created the warranty related defect.

While the FTC has failed to take formal action against car manufacturers, the Commission in 2019 issued a "Consumer Alert" informing consumers of their right to have their vehicle serviced or maintained at a repair shop of their own choosing or perform the service themselves without any concern that their warranty would be voided by their vehicle manufacturer. That alert can be viewed at the FTC web site at: http://ftc.gov/bcp/edu/pubs/consumer/alerts/alt192.shtm

TIA urges legislators to call on the FTC to protect consumers and the aftermarket by aggressively enforcing its rules governing unfair marketing practices and new car warranties as specified in the Magnuson-Moss Warranty Act.

Aftermarket parts are of a similar or even greater quality than the original equipment parts that they replace. In fact, many of these parts are made by the same company but may come in different packaging. Furthermore, aftermarket companies have the benefit of observing a part's performance and can then correct problems that are discovered only after the part has been in-use for some time.



UNIONIZATION OF BUSINESSES SUPPORT TIA POSITION PAPER

TIA will explore legislation when it is introduced in the 117th Congress.

TIA is an active member of the Coalition for a Democratic Workplace (CDW), which is coordinating responses to the NLRB's efforts.

Although a bill has not yet been introduced in the 117th Congress, TIA anticipates introduction is imminent and talks continue with Congressional members on this topic.

TIA urges legislators to oppose the actions of the NLRB because they would:

-Deny employees the time and information necessary to make fair and informed decisions; Make it more difficult for businesses to get advice on critical aspects of labor relations; and,

-Severely limit the ability of companies to make business decisions that could create needed jobs in communities around the country.

In the past, TIA opposed "card check" legislation that would have made it far easier for workers belonging to any business to unionize. The legislation failed to pass in the 113th Congress, however, the National Labor Relations Board (NLRB) has been attempting to negate our success with several rulemaking changes to the governing regulations.

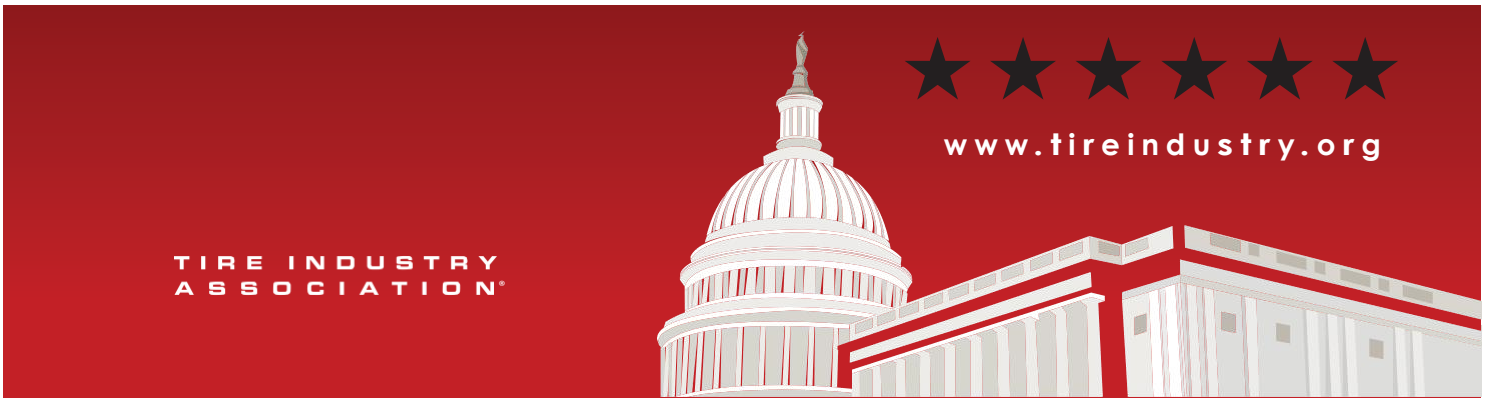
Likely due to the failure of the card check legislation, a series of initiatives are being considered by both the NLRB and the Department of Labor (DOL). These initiatives could include the following:

-A Final Rule that requires all employers subject to the National Labor Relations Act (NLRA), which is almost every private employer, to post a notice in the workplace about the right to organize a union under the National Labor Relations Act.

-The NLRB published a Rulemaking setting forth new procedures for "conducting a secret ballot election to determine if employees wish to be represented for purposes of collective bargaining." According to most interpretations, these new procedures could result in union representation elections held within 10-21 days of a union petition.

-The Department of Labor's (DOL) Office of Labor-Management Standards (OLMS) supports an NPRM to reinterpret what constitutes "persuader" activity under the Labor- Management Reporting and Disclosure Act (LMRDA), by greatly expanding what exactly employers and consultants would need to report about communications with employees about unions.

TIA will remain an active participant in the Coalition for a Democratic Workplace. TIA in the past Congress signed onto numerous letters to members of Congress and TIA specifically supported legislation that would address the NLRB's radical campaign to use executive action to implement key portions of its agenda.



RIGHT TO REPAIR ACT
TIA POSITION PAPER

TIA is currently exploring options for a federal bill in the 117th Congress that would address right to repair nationwide.

TIA in the 112th Congress, urged legislators to support "The Motor Vehicle Owners' Right to Repair Act" because it would have:

Require vehicle manufacturers to provide the same service information and tools capabilities to independent shops that they offer to their authorized dealer network to repair and maintain late model computer controlled vehicle systems;

Restore the right of vehicle owners to have their vehicle services and maintained at the repair facility of their choice; and,

Authorize the Federal Trade Commission (FTC) to enforce requirements in order to protect consumers and to promote competition in auto maintenance and repair.

The Right to Repair Act would **not**:

Affect warranty work that is normally performed by the vehicle manufacturer authorized repair facility; nor,

Require manufacturers to disclose manufacturing processes or trade secrets unless that information is made available to the authorized repair facility.

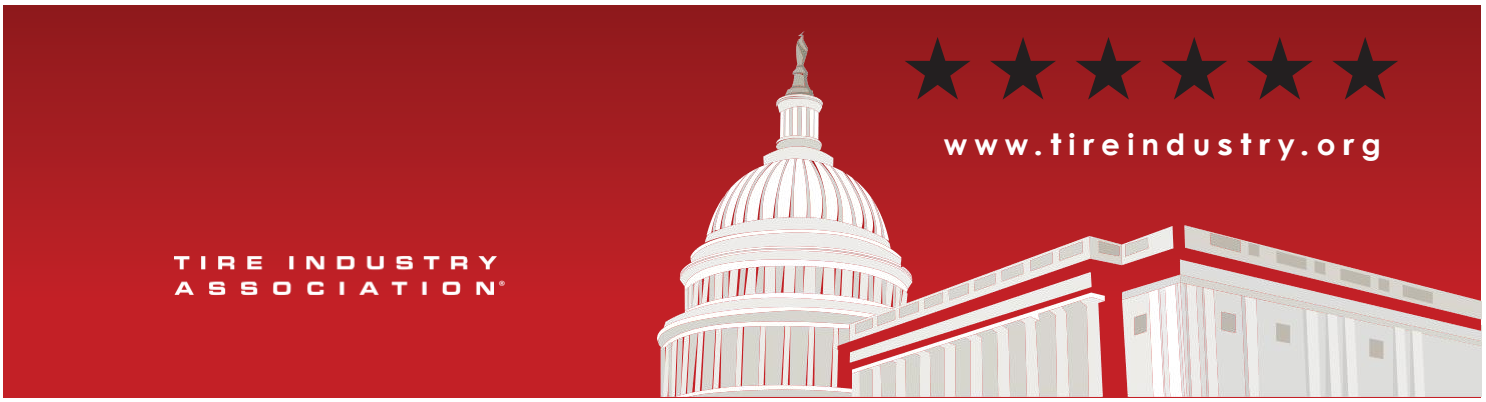
Efforts in 2020-2021

TIA is part of a diverse coalition of stakeholders in the motor vehicle repair and maintenance sector. This coalition shares similar beliefs on the Senate draft of the FY2021 Transportation, Housing and Urban Development (THUD) Appropriations bill, telematics, and Right to Repair efforts in Massachusetts.

We welcome the opportunity to work with NHTSA and other agencies to demonstrate to the Agency, Congress, and other parties that the independent aftermarket can access vehicle data safely and securely. Technology that ensures the cybersecure access to data for owners and their authorized repair shops already exists, and the independent aftermarket continues to lead and innovate on this front.

TIA urges the authorizing committees within Congress to consider federal legislation similar to the Massachusetts referendum in the 117th Congress.

On November 3rd, a ballot referendum (known as Question 1) in Massachusetts passed by a tremendous margin (75 percent to 25 percent), demonstrating the determination of the commonwealth's citizens to have access to their vehicles' repair data. The initiative will require vehicle manufacturers to provide control of mechanical data to vehicle owners and further permits owners to authorize repair shops to access mechanical data directly from their vehicle. This will allow owners continued access to the competitive repair industry, providing consumer choice based on price, location, quality of work and other factors.



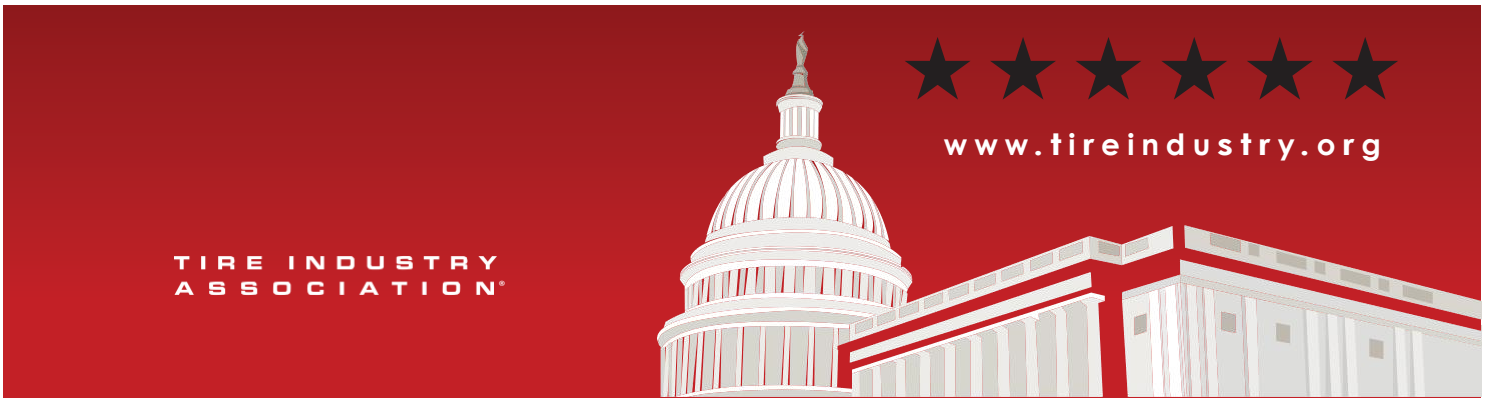
Modern cars and trucks contain advanced technology that monitors or controls virtually every function of the vehicle including: brakes, steering, air bags, fuel delivery, ignition, lubrication, theft prevention, emission controls and soon, tire pressure. Car and truck owners, as well as the facilities that repair these vehicles need full access to the information, parts and tools necessary to accurately diagnose, repair or re-program these systems.

Vehicle manufacturers often make access to such vital information difficult to obtain for the independent aftermarket and its customers. Without access to critical information, parts and tools, vehicle owners are forced to patronize vehicle manufacturers' authorized repair facilities, which may not be convenient or easily accessible to a vehicle owner.

A nationwide survey of 1,000 independent repair shops conducted by Opinion Research, Inc. found that either much or some of the data needed to repair vehicles was not provided by the vehicle manufacturers. Further, the survey found that the manufacturers never or only sometimes provide capabilities in their tools needed to complete repairs. The difficulty in accessing the needed tools and information has caused a 5.6% loss in productivity per month for the independent repair shops, adding up to a whopping $5.8 billion loss of revenue per year for the industry.

In 2011, TIA worked to develop a coalition of aftermarket and consumer groups to urge support for the Motor Vehicle Owners Right to Repair Act (HR 1449) introduced by Reps. Edolphus Towns (D-NY) and Todd Platts (R-PA). The bill would have ensured that the independent vehicle aftermarket have access to the service information and tools necessary to repair today's computer-controlled vehicles.

TIA will continue to explore options for federal legislation that would support the motor vehicle owner's right to repair. Right to repair remains a top priority for TIA members and a national law would provide for much needed clarity and direction in vehicle repair.



DRIVE SAFE ACT
TIA POSITION PAPER

TIA urges co-sponsorship of the DRIVE Safe Act and support for the legislation's consideration for inclusion in an infrastructure package or surface transportation reauthorization.

TIA supports H.R.1745 and S.659.

TIA supports legislation that would establish an apprenticeship program to train 18–20-year-old qualified drivers who satisfy the common-sense safety, training, and technology requirements to operate in interstate commerce.

The bills would remove the single biggest regulatory barrier underlying the truck driver shortage while equipping young people with skills for jobs.

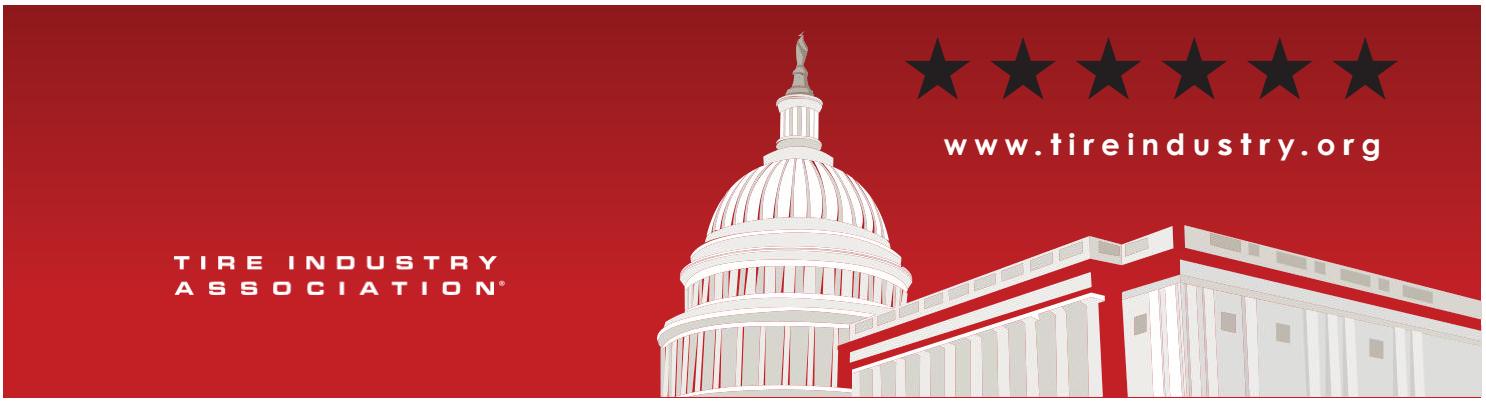
The bills would amend the current minimum age requirement for interstate drivers, which was promulgated decades ago, to allow these qualified drivers to operate in interstate commerce once they have completed the following apprenticeship program requirements:

1) Satisfy a minimum of 400 hours of training and 11 performance benchmarks;
2) Complete those hours of training under the supervision of an experienced driver; and
3) Train in trucks equipped with industry-leading safety technologies, such as Automatic Emergency Braking (AEB), event recorders/cameras, speed-limiters, and automatic transmissions.

Currently, forty-nine states and the District of Columbia allow individuals to obtain a commercial driver's license to operate commercial motor vehicles in intrastate commerce before they turn 21. However, federal regulations prohibit those same drivers from crossing state lines until they turn 21.

The trucking industry is currently facing a shortage of more than 60,000 qualified drivers, coupled with a projected need to hire 1.1 million new drivers over the next decade to keep up with increasing freight demand and workforce retirements. Younger drivers in particular are needed; the median age of an over-the-road truck driver is 49—seven years older than the average U.S. worker. However, these types of fulfilling careers are out of reach for many otherwise qualified 18–20-year-olds because the minimum age requirement is an insurmountable barrier to entry for new truck drivers.

With the significant driver shortage taking place in the United States, TIA strongly supports the DRIVE Safe Act. This act would allow for qualified individuals to enter a much-needed workforce.



RPM ACT
TIA POSITION PAPER

TIA supports the RPM Act (H.R. 3281).

TIA is actively looking for co-sponsors for the RPM Act in the 117th Congress.

The Recognizing the Protection of Motorsports Act (RPM Act) was reintroduced in the U.S. House of Representatives for the 117th Congress. The RPM Act's new bill number is H.R. 3281. There are 47 original cosponsors (32-R) (15-D).

The RPM Act is common-sense, bi-partisan legislation to protect Americans' right to convert street vehicles (cars, trucks and motorcycles) into dedicated racecars and the motorsports-parts industry's ability to sell products that enable racers to compete. The bill clarifies that it is legal to make emissions-related changes to a street vehicle for the purpose of converting it into a racecar used exclusively in competition. It also confirms that it is legal to produce, market and install racing equipment.

The RPM Act reverses the EPA's interpretation that the Clean Air Act does not allow a motor vehicle designed for street use—including a car, truck, or motorcycle—to be converted into a dedicated racecar. This American tradition was unquestioned for nearly 50 years until 2015 when the EPA took the position that converted vehicles must remain emissions-compliant, even though they are no longer driven on public streets or highways. Although the EPA did not finalize the proposed rule, the agency still maintains the practice of modifying the emission system of a motor vehicle for the purpose of converting it for racing is illegal. Manufacturing, selling and installing race parts for the converted vehicle would also be a violation. The EPA has also announced that enforcement against high performance parts—including superchargers, tuners, and exhaust systems—is a top priority.

Converting street vehicles into dedicated race vehicles is an American tradition dating back decades and has negligible environmental impact. While California is known for having the strictest emissions laws, the state exempts racing vehicles from regulation.

Motorsports competition involves tens of thousands of participants and vehicle owners each year, both amateur and professional. Retail sales of racing products make up a nearly $2 billion market annually. Most of the vehicles raced on the estimated 1,300 racetracks operating across the U.S. are converted vehicles that the EPA considers to be illegal.

The RPM Act will provide the racing community with certainty and confidence in the face of an EPA interpretation of the Clean Air Act that threatens to devastate an American pastime and eliminate jobs in our communities.

The RPM Act, first introduced in 2016, reverses the U.S. Environmental Protection Agency's (EPA) interpretation that the Clean Air Act (CAA) does not allow a motor vehicle designed for street use—including a car, truck or motorcycle—to be converted into a dedicated racecar. This American tradition was unquestioned for nearly 50 years until 2015, when the EPA took the position that converted vehicles must remain emissions-compliant, even though they are no longer driven on public streets or highways. A version of the RPM Act was included as part of the energy bill that passed the House in 2020, but the Senate never took it up.