

May 23, 2023

Hon. Chip Curry, Senate Chair Hon. Tiffany Roberts, House Chair Committee on Innovation, Development, Economic Advancement and Business 100 State House Station Augusta, ME 04333

RE: Support: LD 1911 - Competing Ballot Measure to Ensure Future Repairability of Vehicles

Dear Chairman Curry, Chairwoman Roberts, and Members of the Committee:

On behalf of the Alliance for Automotive Innovation¹, thank you for your timely attention to LD 1911, legislation to codify into Maine state law independent repairer access to all the information needed to diagnose and repair today's – and tomorrow's – automobile.

As noted in our May 9 testimony to this Committee, automakers fully support vehicle owners' right to repair. Our members are the gold standard in providing consumers with a full spectrum of repair options; they provide all the parts, tools, and repair and diagnostic information to service a vehicle throughout its long life. Consumers today have a wide range of options when seeking repairs on their vehicle. They can bring it to an authorized dealer repair facility, a national chain repairer, an independent repair facility, or undertake the repair themselves if so inclined. There is no "dealer monopoly" on the repair marketplace. In fact, over 70% of post-warranty repair work today is performed outside of an automaker's authorized dealer network. Competition is alive and well in the automotive repair industry. This is the very definition of consumer choice.

The options available to consumers in today's marketplace are made possible through a 2014 national memorandum of understanding (MOU), wherein automakers committed to providing to vehicle owners and repairers the necessary information. This MOU is alive and well today. As evidence of this claim, it was recently described² by the Federal Trade Commission as having the "...effect of creating a broad, if not complete, right to repair in the automotive industry across the United States." Similarly, the Repair.Org coalition, a group advocating for the advancement of right to repair laws across the country, excludes automobiles from their model law due to "respect for the negotiated industry agreement," ³ which is reflected in Sen. Tipping's bill, LD 1487.

¹ From the manufacturers producing most vehicles sold in the U.S., to autonomous vehicle innovators, to equipment suppliers, battery producers, and semiconductor makers – the Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the overall economy. Active in Washington, D.C. and all 50 states, the association is committed to a cleaner, safer, and smarter personal transportation future. www.autosinnovate.org.

² Federal Trade Commission, Nix The Fix: An FTC Report to Congress on Repair Restrictions, May 2021, Page 45. Accessible at: https://www.ftc.gov/system/files/documents/reports/nixing-fix-ftc-report-congress-repair-restrictions/nixing-the-fix-report-final-5521_630pm-508_002.pdf.

³ https://www.repair.org/legislation

This reality may run in direct conflict with the information you have heard in support of the so called Right to Repair ballot question, currently embodied in legislative form by LD 1677. This mischaracterization is intentional. It is part of a multi-year, multi-state campaign to gain access to gain remote access to vehicle data by out-of-state, big-box auto part retailers. They have gone to great lengths to scare repairers into believing that repairers will not have access to the information to repair automobiles. Do not be fooled. This is not an initiative funded by – or universally supported by – local repairers in Maine or elsewhere.

As of the ballot committee's most recent financial filing in April, of the \$1.65 million raised so far by the "Maine" Automotive Right to Repair Committee, not a single dollar was contributed by any resident of Maine. None of the repairers who addressed the Committee during the May 9th hearing on this topic have put any financial support behind this effort. Instead, roughly two-thirds of the funding has come from the Coalition for Auto Repair Equality – a shell group whose governing board according to tax documents is made up of executives from AutoZone, Advanced Auto, NAPA, O'Reilly Auto Parts, and others. As best we can tell, the rest of the money appears to come from corporations across the country who supply cheap, copycat auto parts. These same entities put forward \$24.9 million to pass a similar proposal in Massachusetts in 2020, with only around \$5,000 (.02%) coming from in-state and 99.98% from out-of-state. We have not seen how this law will be implemented in Massachusetts, as it is presently under legal review in federal court.

We ask this Committee to move LD 1911 forward as a competing ballot measure to counter this intentionally misleading ballot campaign. Automakers support a consumer's right to repair, and the contents of LD 1911 would guarantee access to all needed data in Maine law. LD 1911 would <u>not</u> strip from vehicles all of the current security protocols developed by automakers to shield vehicles from cyberattack. LD 1911 would <u>not</u> allow the location of your constituent's vehicle to be tracked in real time. LD 1911 would not allow voters to be misled into believing that either they pass the proponents' ballot measure or they will only be able to seek repairs in a dealer setting in the future.

Before they even say it, let's address the ballot question proponents' arguments that LD 1911 "takes out" needed access to vehicle telematic systems. Nothing could be further from the truth! Not only is telematic data not excluded, it is specifically *included*. The new Section 1828 makes it clear that if telematic data is needed for a repair, provided to a dealer, and not otherwise available, then it would be included in the law and automakers would need to make it available to owners and independent repairers. This is what the proponents claim this is all about, correct? Parity with dealers? LD 1911 ensures equal access to information needed to complete a repair.

And even more importantly, despite the assertions to the contrary made at the May 9 hearing before this Committee, not a single repair has been identified that needs access to telematic data to complete. Not one. If the proponents can produce a single repair that cannot be completed without access to telematic data that is not currently available, we will happily concede this point. They will not, however, be able to provide any such example, as this is just another red herring designed to mislead repairers into thinking their ability to repair vehicles will be in jeopardy in the future. It is an intentionally orchestrated ruse to gain access to vehicle data not necessary to complete repairs.

This is not about access to telematics data needed to complete a repair. What these big-box retailers and others want is real-time access to vehicle systems to harvest a trove of private information – including vehicle location in real time – for direct sales and marketing opportunities. It is that simple. Nobody needs access to private telematics data to complete a repair. Nobody. But that data – and access to the screen inside a customer's vehicle – would be desirable (profitable, even) for corporate chains looking to solicit business or sell products via your in-vehicle dashboard every time a Mainer drives within a few miles of a store location, for example. They say it's about right to repair, but what they're really after is your eyeballs and a new platform to sell auto parts and services.

It is also important and telling to note that the proponents are not pushing their ballot question after first petitioning this Committee for their desired changes. They have intentionally bypassed the normal legislative process, and they have done so for two very clear reasons.

First, they do not want their proposal to be subject to the appropriate and typical scrutiny that comes with the regular legislative process – where they would be forced to answer your questions and not hide behind press conferences and vague, unchallenged statements. And second, when they previously tried to push their ill-conceived plans to open vehicle systems to remote access by third parties before the legislatures of California, Rhode Island, and Massachusetts, those bills never made it out of the very first committee!

Do not let them fool voters into believing this has anything to do with the repairability of automobiles now or in the future. We respectfully ask the Committee to put this language forward and give voters a real choice about what it is they desire in vehicle care. If it is ensuring the ability to take their car to the repair location of their choice, then LD 1911 achieves that goal without getting into the cybersecurity and privacy concerns woven into the ballot question currently under consideration. Don't let the proponents of this misleading ballot question continue to hide behind a motto, without having to answer tough questions about what their language would and would not do.

Here's what automakers believe: Mainers should have the right to repair their vehicle anytime, anywhere, anyplace. They do. And it isn't going away.

We're confident Representative White's alternate ballot initiative, LD 1911, ensures total driver choice and total access for independent repairers to the information needed to repair a vehicle.

Please do not hesitate to reach out to me, at wweikel@autosinnovate.org, should you have additional questions.

Thank you for your consideration of our views.

Sincerely,

Wayne Weikel

Vice-President, State Affairs

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cc: Members, Committee on Innovation, Development, Economic Advancement and Business