

Testimony of Debra Levy
Immediate Past President
Auto Glass Safety Council

Mr. Chair, members of the Senate Finance Committee, thank you for the privilege of submitting this testimony regarding SB 428.

My name is Debra Levy, and I am the immediate past president and managing director of the Auto Glass Safety Council (AGSC), a not-for-profit safety organization dedicated to the proper installation of auto glass.

Last session, Maryland enacted auto glass safety legislation with a unanimous vote of the Maryland Senate. AGSC was in strong support of the bill and had been working with the Motor Vehicle Administration (MVA) in its effort to promulgate the new regulations based on the industry's Automotive Glass Replacement Safety Standards (AGRSS).

Thank you to Senator West for his leadership in sponsoring last year's legislation and his sponsorship of the bill before us today that raises important issues regarding Advanced Driver Assistance Systems (ADAS) and calibration in the auto glass industry.

S. 428 is a complex economic bill that seeks to address billing practices and insurance practices in an industry that adapts to very fast-changing technology.

The AGSC is very concerned that newer vehicles with various Advanced Driver Assistance Systems (ADAS) are properly scanned, both pre-and post- windshield replacement, and that the camera embedded in the windshield that controls the advanced systems is calibrated correctly. This is so the vehicle is returned safely and in proper working order to the owner. The AGRSS Standard currently addresses calibration, and AGSC is in the process of updating the AGRSS to further address ADAS and calibration as technology changes. AGSC will urge the MVA to add any provisions in the standards to the state regulations.

Some of the provisions of S. 428 touch upon this safety aspect and could help promote proper calibration concerning windshield replacement.

However, S. 428 has several provisions that seek to regulate pricing, billing practices, and the relationship between the insurance company and the glass

company in an industry changing quickly due to evolving technology. Some provisions of the bill could severely disadvantage Maryland glass companies.

We believe that the bill, as written, would ultimately harm Maryland glass companies by reducing competition and, therefore, imperiling safety.

Approximately one-third of auto glass companies perform calibrations themselves, while another third subcontracts the work to a company whose sole job is to perform calibrations. The final third utilizes the calibration services of the auto dealers.

You may not be aware, but recalibration is often necessary after not only glass work but most bodywork, wheel alignment, suspension repairs, or even a change of tires. The provisions of this bill could have far-reaching effects well beyond the intention of the original drafters.

This sector of the auto glass industry is rapidly changing as more glass shops gain their own capacity to perform calibrations, and more cars come onto the road with ADAS features. Until the glass industry reaches capacity, though, the requirement that a written estimate be provided to car owners prior to work will severely deter work that can be done by smaller, locally-owned shops who have not yet made the substantial investment in purchasing their own calibration equipment. Calibrators, including dealerships, need to inspect the car first before providing an estimate.

What does anyone giving you an estimate on car repair say before they provide it? Bring the car in. It's impractical to ask the glass shop to drive the vehicle to a calibrator or dealership with the broken windshield, then bring it back and inform the consumer of the cost. It also adds tons of time and degrades customer service. The additional time and labor unnecessarily increase the cost to the consumer. A provision like this may be worthwhile in the future but is premature at this time.

Most glaring are provisions of the bill that bring auto glass companies under the much broader legal definition of an "automotive repair facility," including auto glass repair services, which repair minor chips in the windshield without glass replacement. Also problematic is how manufacturer specifications are defined; and how "fair and competitive price" and "local market" would be defined. AGSC does not understand how this would be accomplished. Who would be setting prices for this industry?

While we are working with Safelite representatives on improvements to the legislation at Senator West's request and appreciate their cooperation, we may have to disagree with specific provisions and the bill's overall goal.

AGSC members are installation companies and technicians, associations, safety advocates, suppliers of materials such as glass and adhesives and insurance companies. They hold safety as a top priority. They undergo periodic random, third-party audits by independent inspectors, paid for by AGSC, who review their compliance with the Standard.

Anything that will reduce the number of auto glass companies in the market and put up barriers to getting calibrations done when the number of cars with ADAS is exploding is incongruent with safety. Therefore, AGSC cannot support the bill in its current form. AGSC urges further study to develop a way to ensure safety is not compromised. We welcome an opportunity to be part of the education process and the discussion.