

Testimony of Pat Heflin, Glass America
S. 428
Senate Finance Committee
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Mr. Chairman and Members of the Senate Finance Committee, my name is Patrick Heflin, and I am the Maryland Regional Manager for Glass America, a national auto glass company with six locations throughout Maryland. Glass America installs approximately 10,000 pieces of vehicle glass in the state of Maryland in an average year.

Last year I testified in support of auto glass replacement safety legislation that passed the Senate unanimously and was enacted. The legislation before us today, however, is complex economic regulation that presents great concern.

The auto glass services industry is evolving to meet the rapidly changing technology of today's automobiles. The new Advanced Driver Assistance Systems, ADAS for short, do everything from alert drivers if they are drifting out of their lane to slowing the car down and braking if they neglect to do so. You may have some or all of these systems in your own vehicle, depending on its age.

A small camera, usually mounted in the center of the windshield, works in tandem with the car's computer to keep the ADAS operating properly. Something as simple as cleaning the camera lens can throw the system off.

Whenever the camera looks through a substance, such as a new windshield, it must be re-calibrated to ensure that it is operating properly. This is an important safety issue as having the camera positioning off even a miniscule amount can affect its proper operation. This problem often can show up well after the windshield was touched.

The relationships between auto glass companies, insurers and claims administrators and consumers is complex, especially in an industry where some companies wear more than one hat. Requiring independent glass companies that subcontract their calibration to provide written cost estimates up front will box them out of the market. Allowing insurers to limit payment for work performed to some imaginary "fair and competitive price for the local market area" will leave the glass company financially short. These government dictated economic regulations favor insurers and glass companies with market power who are also

serving as insurance claims administrators work over smaller regional and local independent shops.

While issues of ADAS and calibration are important and are essential to the safety of vehicle drivers and their passengers, and these economic questions worthy of study, passing state legislation at this time might disadvantage Maryland companies and their consumers. Our concern is simply that the bill favors the more powerful segments of the industry at the expenses of smaller, local players in the market and therefore is, at best, premature, and at worst, unwise.

Thank you for the opportunity to be before you today.