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March 1, 2023

- To: The Honorable C.T. Wilson, Chair Economic Matters Committee
- From: Steven M. Sakamoto-Wengel Consumer Protection Counsel for Regulation, Legislation and Policy
- Re: House Bill 920 Consumer Protection Motor Vehicle Glass Repair or Replacement -Driver Assistance System Recalibration (LETTER OF INFORMATION)

The Consumer Protection Division of the Office of the Attorney General submits the following letter of information concerning House Bill 920, sponsored by Delegate Watson, which would help to inform consumers who need to have their windshields that contain advanced safety features replaced about the nature of those repairs. New cars now contain safety features that are designed to help prevent accidents. Many of those safety features involve sensors in the windshield or other auto glass that must be accurately calibrated in order to work properly and that significantly increase the cost and technical skills necessary to properly replace the auto glass. Failure to properly calibrate the safety features can result in accidents if drivers rely upon improperly functioning features. *See, e.g., U.S.* Regulator Questions Tesla on the Lack of a Recall After an Update to Autopilot, *https://www.nytimes.com/2021/10/13/business/tesla-autopilot-recall-safety.html*

House Bill 920 would require an automotive repair facility to:

- Inform the customer whether auto glass replacement will require that an advanced driver assistance system be recalibrated;
- Provide a statement that the work to be performed will meet or exceed original equipment manufacturer specifications; and
- Disclose to the customer if the recalibration was not performed or successfully completed.

Each of these disclosures is a material fact that would need to be disclosed to consumers even if the disclosure was not specified in the bill. Section 13-301(3) of the Consumer Protection Act,

Md. Code Ann., Com. Law § 13-301(3) requires disclosure of material facts to consumers if failure to disclose those facts would deceive or tend to deceive consumers. "An omission is material if a significant number of unsophisticated consumers would find that information important in determining a course of action." *Green v. H & R Block*, 355 Md. 488, 524 (1999).

Last session, in addition to the above disclosures, House Bill 1460/Senate Bill 428 would have required the automotive repair facility to also inform consumers whether the auto glass repair or replacement and recalibration would be covered by insurance and, if so, the amount the insurer would pay. However, this year's legislation is silent as to the cost of the repair and recalibration to the consumer and whether any or all of those costs would be covered by the consumer's insurance.

The Consumer Protection Division believes information about cost and insurance coverage would also be important to consumers in determining a course of action as to whether and where to have automobile glass repaired and recalibrated and, therefore, would be a material fact that the Consumer Protection Act would require to be disclosed to consumers whether or not expressly required in House Bill 920. *See, State v. Cottman Transmissions Systems*, 86 Md. App. 714, 725 (1991).

Accordingly, the Consumer Protection Division requests that the Economic Matters Committee take the above information into consideration as it reviews House Bill 920.

cc: The Honorable Courtney Watson Members, Economic Matters Committee