

Maryland Automobile Dealers Association

Testimony on House Bill 1429

House Economic Matters Committee

Position: Oppose (Automotive Industry)

Chairman, Vice Chair, and Members of the Committee:

My name is Peter Kitzmiller, and I am the President of the Maryland Automobile Dealers Association, representing nearly 300 franchised new car and truck dealers across Maryland.

MADA respectfully opposes House Bill 1429 as it applies to the automotive industry, because the issue this bill seeks to address has already been resolved through a successful national agreement that has been working for nearly a decade.

Following the Massachusetts right-to-repair law, vehicle manufacturers and the independent repair industry entered into a national Memorandum of Understanding that took effect in 2015. Under that agreement, manufacturers provide independent repair facilities with the same diagnostic and repair information available to franchised dealers.

In fact, industry groups themselves have acknowledged this. As stated when the agreement was reaffirmed, "Independent repair facilities shall have access to the same diagnostic and repair information that auto manufacturers make available to authorized dealer networks."

The effectiveness of this system is reflected in the marketplace. Approximately 70 percent of all out-of-warranty vehicle repairs are performed by independent repair facilities. That simply would not be possible if independent shops did not already have access to the information they need.

Industry leaders have also recognized the cooperative nature of this system. As noted when the agreement was updated, "Independent repairers and automakers are not at odds on automotive data access."

And the reality of the current system is clear: "Auto repairers across the U.S. have access to the same repair and diagnostic information provided to auto dealers."

Because the automotive industry already provides nationwide access to repair information through this agreement, additional state legislation is unnecessary.

For these reasons, MADA respectfully asks the Committee not to apply House Bill 1429 to the automotive industry.

Thank you for your time, and I would be happy to answer any questions.