Pennsylvania General Assembly House of Representatives Consumer Affairs Committee & Transportation Committee Joint Public Hearing (Philadelphia) Thursday, June 2, 2011

"Access to Motor Vehicle Information Act"

Testimony

of

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Good morning, Mr. Chairman and members of the subcommittees, I am Ron Kosh, Vice President, Public and Government Affairs at AAA Mid-Atlantic and I am here today representing the federation of AAA clubs of Pennsylvania and our more than three million members in the Commonwealth.

We strongly believe that vehicle owners must be able to have their vehicle repaired properly and have the right to choose where and by whom those repairs are made. Whether vehicle owners ultimately choose to have their car repaired at a dealership or at their local, independent mechanic shop, it should be their choice, and their choice alone, and not dictated to them – directly or indirectly – by a vehicle manufacturer.

A consumer's investment in a motor vehicle should mean they own all of the information that is produced by the advanced technology in the vehicle. However, vehicle manufacturers restrict access to certain requisite information both consumers and their independent mechanics need to repair vehicles properly. By doing so they monopolize repairs that motorists might choose to have done elsewhere, if they had that choice.

New technology has made the cars we drive smarter, more efficient and safer. However, some vehicles are being manufactured with systems that do not allow independent repair

shops and their auto technicians to interpret information required to properly diagnose and repair specific problems.

As the motorists' advocate, AAA members and even non-members let us know when they experience difficulty getting their car repairs done properly and at reasonable cost. We hear those complaints regularly. Ironically, one very recent example in getting repairs done because of manufacturers denying access to necessary repair information involves our own Vice President of Automotive Services. His nine year old vehicle required front end steering work and a wheel alignment. But after completing the mechanical repairs the technicians could not re-set the steering angle sensor through either an on-board diagnostic scan or through the shop's alignment equipment that was only a few months old. The required reset information was restricted solely to a dealership system. Ultimately, the only way for the repairs to finally be completed was to have the vehicle taken from the shop to a dealership repair facility, thereby increasing the time to complete the work, compounding the inconvenience and – driving up the cost - substantially.

AAA has long advanced the interests of all Pennsylvania motorists not just our members. We firmly believe consumers should have the right to choose who repairs their vehicles.

Motorists faced with no alternative but to have their vehicles serviced at a dealership may be limited in their ability to get competitive prices, convenient time and locations, or the option of getting a second opinion. And an estimated 10% of our AAA membership chooses to perform their own automotive repairs.

Pennsylvania consumers need the protection of legislation that ensures that they as motor vehicle owners can choose the kind of service in a competitive marketplace that best matches their needs. It is through such competition and choice that consumers get the best service that meets their individual needs.

For over 110 years, AAA has been urging Pennsylvania motorists to keep their vehicles in good running condition to prevent breakdowns, increase safety, and get the most out of 2

their investment. A trusted technician is the best defense for the apprehension and anxiety that motorists may experience when needing auto repairs. By guaranteeing that independent service facilities have the information necessary to diagnose and repair vehicles, the "Right to Repair" will help ensure that consumers can choose the kind of repair service that is best suited for their particular needs.

SMART KEY TECHNOLOGY

An additional and growing problem facing motorists is the "smart" key technology, which for security purposes, is now replacing the older metal-style keys. This new technology adds a transponder chip to the body of ignition key, while the keys themselves are usually laser cut — making them far more costly and difficult to replicate. Many manufactures require owners to go to a dealership for a replacement if their key is lost or stolen. This makes replacement keys inconvenient to obtain and costly for consumers — often hundreds of dollars — just for a key.

Because manufacturers limit the access to vehicle key information (including key, transponder and immobilizer codes), consumers are forced to use a dealership rather than a locksmith of their choice. In 2010, AAA Mid-Atlantic as just one of nine AAA clubs in the state, responded to more than 48,000 calls from Pennsylvania motorists just for locksmith services. Smart key technology may be a deterrent to a car thief, but for a stranded motorist and a locksmith responding to their aid it can lead to a major inconvenience and cost. Safety is also an issue. The motorist losing their keys and needing a replacement might be in a remote location, immobile and/or towed after business hours to a dark dealership. If the car must be towed to a dealership, it can sit for days before a replacement key or its computer is programmed.

In 2008, California became the first state to require automobile companies to make their codes available to clients and locksmiths. AAA now urges Pennsylvania to take that step as well.

AAA maintains that if dealers and manufacturers remove the artificial repair and replacement barriers they now have in place, prices will decrease and convenience will increase for consumers.

On behalf of three million Pennsylvania AAA members – and all Pennsylvania motor vehicle owners, I ask that you support the right of motorists to freely choose where and to whom they take their vehicles for repairs.

Thank you for your consideration.