



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: January 30, 2025

TO: Representative Darius K. Kila
Chair, Committee on Transportation

FROM: Tiffany Yajima

RE: **H.B. 1464 - Relating to Automotive Repair**
Hearing Date: Thursday, January 30, 2025 at 10:00 a.m.
Conference Room: 430

Dear Chair Kila, Vice Chair Grandinetti, and Members of the Committee on Transportation:

On behalf of the Alliance for Automotive Innovation (“Auto Innovators”) we submit this testimony in **opposition** of H.B. 1464, Relating to Automotive Repair. The Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – the association is committed to a cleaner, safer and smarter personal transportation future.

Auto Innovators believes this measure is unnecessary because a national agreement already is in place to address vehicle right-to-repair. In 2014, the Alliance for Automotive Innovation, Automotive Service Association, and the Society of Collision Repair Specialists crafted a national agreement on automotive right-to repair. This agreement states unequivocally that independent repair facilities shall have access to the same diagnostic and repair information that auto manufacturers make available to authorized dealer networks.

The agreement was reaffirmed twenty years later in 2023 by all parties and was even recognized by the Federal Trade Commission as the gold standard for right to repair across the country. The agreement provides independent repairers the right to access diagnostic and repair information, including access to telematics data for all vehicle types (ICE, EVs, Hybrids, & Fuel Cell EVs), and access to tools and third-party tool manufacturers. It also establishes a working group committed to solving any potential gaps found and includes an industry panel intended to contemplate new technologies that come into the marketplace.

Seventy percent of post-warranty automotive work is handled by the independent repair community, and the independent repairers have all information needed to

diagnose and service a vehicle today. This arrangement not only benefits the repair community but also consumers who have a competitive marketplace for automotive repair options. It is for these reasons that Auto Innovators is opposed to this measure and respectfully requests the committee to hold this measure.

Thank you for the opportunity to submit testimony on this bill.



Date: January 30, 2025

Time: 10:00am

Place: VIA VIDEOCONFERENCE and Conference Room 430

Bill: HB 1464 Relating to Automotive Repair

Aloha Chair Kila, Vice Chair Grandinetti, and members of the committee,

On behalf of the Hawai'i Automobile Dealers Association (HADA), we are writing to OPPOSE HB 1464 Relating to Automotive Repair. This bill provides motor vehicle owners and independent repair facilities with access to manufacturer diagnostic and repair information, along with diagnostic repair tools, that are otherwise made available only to dealers.

HADA's membership includes small and locally-owned businesses, many of which are operated by the family members of their founders. These business leaders are the fabric of life in Hawai'i, directly employing thousands of workers, indirectly employing tens of thousands, and providing vehicle transportation to consumers across the islands.

The Hawaii Automobile Dealers Association (HADA) opposes HB1464 as it requires manufacturers to share diagnostic tools and repair information with independent repair facilities, reducing dealers' competitive edge and potentially cutting into their revenue from repair services. The bill could also raise concerns about intellectual property protection and disrupt the traditional dealer-manufacturer relationship.

We thank you for the opportunity to testify.

The Hawai'i Automobile Dealers Association is the voice of more than 60 new car dealerships across the islands, accounting for over 4,000 direct jobs, \$6 billion total sales and more than \$250 million in general excise taxes paid.

Testimony of Doug Correa

My name is Doug Correa. I am a Regional Sales Field Manager for O'Reilly Auto Parts based in Mililani Town. O'Reilly Auto Parts has 21 stores in Hawaii and employs over 300 Team Members in our stores here. We sell aftermarket auto parts and tools to both retail customers (do-it-yourselfers) and professional shop customers. Nationally, O'Reilly has over 6,200 stores and employees 90,000 people in the United States.

O'Reilly is a part of the automotive aftermarket. In Hawaii, the automotive aftermarket accounts for over 6,500 jobs, \$435 million dollars in wages for Hawaiians and annual economic activity of over \$950 million.

Before I worked for O'Reilly, I was the manager of Windward Ford in Kailua for 13 years and was the Lead Drivability Technician at Mike Salta Lincoln Mercury in the early 1990s. That work gave me experience and knowledge regarding the proprietary functions automakers withhold from aftermarket shops and aftermarket tools. Just one example is Fords IDS which featured Power Balance to diagnose intermittent miss fires and the relative compression test that wasn't available to independent shops for 10 years. That forced the customer to the manufacturers dealer and to pay high diagnostic charges because there was simply no competition from independent shops. Now, automakers are leveraging telematic diagnostic and repair data to do the same thing.

I support the Right-to-Repair and in particular, I support H.B. 1464. This bill seeks to maintain a level playing field between the original equipment manufacturers and the automotive aftermarket. The bill does that by requiring car makers to provide consumers diagnostic repair information about the cars and trucks they own. It allows the consumer to have a choice in auto repair whether that be the manufacturers dealer network, their own independent mechanic or themselves.

In 2014, a memorandum of understanding was agreed to between the vehicle manufactures, the Coalition for Auto Repair (CARE) and the Auto Care Association, of which O'Reilly was and is a member. As a result of that memorandum, trouble codes were shared directly from the vehicle through the vehicles OBDII port. However, at the time, diagnostic and repair data provided via telematics was specifically not covered in the agreement. Since that time, automakers have continued to make cars more sophisticated and have imbedded within them telematics systems that provide the manufacturers (and their dealers) with real time diagnostic and repair data. Manufacturers are now refusing to share that data with consumers or to allow diagnostic tools to be able to pull that information from a vehicle. Instead, they use that data to push their customers to their own dealers where they can monetize service and their own parts. However, as we all know, a new vehicle warranty does not last forever and when there is no longer a warranty for the consumer to rely upon, they deserve a choice and they deserve to be able to access their own vehicles diagnostic and repair data so that they can exercise their own choice.

This bill is good for the consumer and it is also good for maintaining the existing 6,500 jobs in Hawaii that are tied in some way to the automotive aftermarket.

Thank you for your time.



**MOTORCYCLE
INDUSTRY
COUNCIL®**

January 29, 2025

The Honorable Darius Kila
415 S Beretania Street
Hawaii State Capitol, Room 322
Honolulu, HI 96813

RE: Exclude Motorcycles from Automotive Right to Repair Provisions in HB 1464

Dear Senator Rhoads:

Companies represented by the Motorcycle Industry Council (MIC), a not-for-profit, national trade association representing hundreds of manufacturers, distributors, dealers and retailers of motorcycles, scooters, motorcycle parts, accessories and related goods and services, and members of allied trades, urge you to specifically exclude motorcycles from HB 1464 for the reasons outlined below:

1. Motorcycles are excluded from the Massachusetts right to repair law.
2. Not all motorcycles have the prescribed SAE or ISO interfaces.
3. Franchised dealers, which are Hawaii small businesses, will be economically harmed.
4. Non-factory trained technicians working on motorcycles is a serious safety concern as is the litigation risk of untrained individuals performing work on such vehicles.

Motorcycles are excluded from the Massachusetts right to repair law

It appears the intent of HB 1464 is to model the Massachusetts right to repair law. Motorcycles were ultimately excluded from the Massachusetts right to repair law (and automobile MOU) because they are different than automobiles in terms of the diagnostic connector standard mandated by motor vehicle right to repair laws. Motorcycles cannot comply with provisions typically included in motor vehicle right to repair legislation. Therefore, Massachusetts legislators specifically excluded motorcycles from the definition of motor vehicle for purposes of the right to repair law ([Chapter 93K](#)). We urge HB 1464 to provide the same exclusion as Massachusetts did in their law. This can be accomplished by the following suggested language:

“Motor vehicle” means any self-propelled vehicle to be operated on the public highways, except that it does not include a motorcycle.

Not all motorcycles have the prescribed SAE or ISO interfaces

These interfaces were developed for the United States EPA emission standards mandate for cars and trucks equipped with on-board diagnostic (OBD) systems. On-highway motorcycles are not subject to EPA requirements for on-board diagnostic systems. The SAE J1962 (connector standard) mandated by J2534 for “diagnostic connector” specifically applies to passenger cars, light and medium duty trucks, and heavy trucks. This standard does not apply to motorcycles and compliance would require major engineering changes for motorcycles, both software and hardware, and would take several years to implement (unlike autos which already have the connector).

Small Business Franchised Dealers

A right to repair law capturing motorcycles would economically harm Hawaii small business franchised dealers. Dealers have invested heavily in training, special tooling, and equipment to service vehicles. Franchised dealers sign a dealer agreement giving them access to service information, technical expertise, and special tools required to diagnose and repair original equipment products. This is a substantial monetary investment. If tools and technical information are provided to customers and unauthorized independent repair shops, the franchised dealer's investment is compromised.

Safety and Litigation Concerns

Serious safety concerns exist relating to the inherent danger of allowing non-factory trained technicians, untrained mechanics, and owners to perform certain work on motorcycles. For example, today's vehicles often include systems that control emissions, stability, antilock brakes, cruise control and adaptive cruise control, and a host of other activities. Many of these systems are government-mandated or regulated. Untrained individuals or illegal tampering with coding could cause vehicle failure, endanger vehicle drivers/riders, and increase emissions in violation of government standards.

Litigation risk is another concern associated with allowing non-factory trained technicians to perform certain work on motorcycles. If environmental or safety override attempts result in clean air violations, destruction of property, personal injury, or death, manufacturers are likely to be swept up in lawsuits, regardless of who may be liable for such damage and injuries.

Thank you for your consideration of our comments. Should you have any questions, please contact me at 703-416-0444 ext. 3202.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott P. Schloegel". The signature is fluid and cursive, with the first name "Scott" being more prominent.

Scott P. Schloegel
Senior Vice President, Government Relations

cc: House Transportation Committee Members



7101 Wisconsin Avenue
Suite 1300
Bethesda, MD 20814
autocare.org

T: 301.654.6664
F: 301.654.3299
info@autocare.org

January 29, 2025

**Hawaii House of Representatives Committee on Transportation
415 South Beretania Street, Room 322
Honolulu, HI 96813**

Hello, my name is Tod Moore, and I am testifying in support of HB 1464 on behalf of the Auto Care Association. I appreciate the opportunity to speak on this critical issue before the Transportation Committee.

We are a national trade association comprised of more than 3,000 member companies and affiliates that manufacture, distribute, and sell motor vehicle parts, accessories, services, tools, equipment, materials, and supplies. The Auto Care Association is the voice of the auto care industry – a \$516 billion plus industry comprised of more than 4.7 million American professionals. In Hawaii, our industry includes 6,500 jobs, generates \$959 million in economic activity, and provides \$435 million in wages.

This bill protects a vehicle owner's right to have their vehicle fixed at the repair shop of their choice. It guarantees that the owner and the repair shop of their choice can access the same critical repair and maintenance data they access today even as cars become more complex. Today, the vehicle manufacturer maintains exclusive rights to that information and decides who, when, and for what cost such information will be provided. The right to access this repair and maintenance data is essential to safe, affordable, and accessible repair, as the independent aftermarket performs more than 70 percent of out of warranty repairs.

Advances in technology since 2013 are raising new challenges for access to vehicle data that did not exist previously. Car companies are building proprietary firewalls around their on-board diagnostic systems such that independent shops and the tools they use must request authorization from the manufacturer before accessing critical repair data, thus increasing manufacturers' control over access to data. The multi-year automotive development cycle means that legislators must act now to save the competitive aftermarket and to continue to allow consumer choice to thrive.

These restrictions will only get worse as the vehicles continue to transmit terabytes of data that can be monetized by the manufacturers. An independent survey concluded that 51% of independent repair shops send up to 5 cars each month to the dealer for repair and they are restricted from performing the repair. 63% of shops surveyed reported experiencing a restriction on repair data daily or weekly. These restrictions have resulted in more than \$3 billion in additional repair costs for independent repair shops.

A 2020 study found that, on average, the same repairs performed by franchised automotive dealers were 36.2 percent more expensive than those done by independent shops. As Americans face

inflation, ways we can ensure competition and lower prices should be pursued. In addition, when consumers do not have to travel further out to dealers but instead could visit local repair shops, this saves the consumer time and money. If repairs are affordable and accessible, consumers are more likely to have the repairs done, meaning vehicles on the road are safer.

The Auto Care Association supports the right to repair and consumer choice which is why we support HB 1464.

Sincerely,

Tod Moore
Grassroots and Advocacy Manager
Auto Care Association

Testimony of Joseph Hashimoto

My name is Joseph Hashimoto. I am the owner of 808 Safety, an automotive repair shop located at 87-680 Farrington Hwy, Waianaie. We have a commitment to providing top-notch service for our customers whether they need routine maintenance, repairs or inspections. I employ three additional people in my business.

Most of my customers bring their cars and trucks to us after their warranty expires. They do so for a variety of reasons including lower prices and waiting times when compared to the dealers. They also bring their cars and trucks to our shop because we are closer than the nearest dealer.

I support H.R. 1464 and the Right-to-Repair because I believe my customers should have a choice. While we can pull and use trouble codes via a scan tool on older vehicles, newer models provide diagnostic and repair data through use of telematics and send that information from the vehicle directly to the manufacturer or dealer, by-passing the owner or independent shops. If we are going to have a level playing field and continue to serve our customers, we must have the ability to get diagnostic and repair data directly from the vehicle in the same manner as dealers, including through the use of telematics.

I believe H.R. 1464 establishes requirements for that information to be accessible to my customers and to my shop in a manner that is secure and that provides guardrails against the creation of a monopoly on service and parts that endanger my small business, the jobs that I create and the customers that I serve.

Thank you very much.

Joseph Hashimoto, Managing Member

808 Safety, LLC

HB-1464

Submitted on: 1/30/2025 4:34:21 AM

Testimony for TRN on 1/30/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ray Pohlman	Coalition for Automotive Repair Equality (CARE)	Support	Written Testimony Only

Comments:

Written testimony submitted by Lisa Foshee, CARE General Counsel

Testimony of Jeffrey Groves

My name is Jeffrey Groves. I am the Head of Government & Public Affairs for O'Reilly Auto Parts. O'Reilly has 21 stores in Hawaii and employs over 300 Hawaiians.

I support H.B. 1464 and the Right to Automotive Repair because it represents the status quo respecting automotive repair. Car owners and independent mechanics have always been able to diagnose and repair their own or customer vehicles. Over the years, as cars have become more complex, the diagnosis and repair of vehicles has become more complicated and difficult and manufacturers have created technological barriers to owners and independent shops from having access to diagnostic and repair data. That has never been more true as it is now with the use of telematics to provide the manufacturer and its dealers with diagnostic and repair data in real time, but does not provide that data to owners or an independent mechanic they authorize to work on their vehicle.

In 2014, a memorandum of understanding was agreed to between the vehicle manufacturers, the Coalition for Auto Repair (CARE) and the Auto Care Association, of which O'Reilly was and is a member. As a result of that memorandum, trouble codes were shared directly from the vehicle through the vehicle's OBDII port. However, at the time, diagnostic and repair data provided via telematics was specifically not covered in the agreement. Since that time, automakers have continued to make cars more sophisticated and have imbedded within them telematics systems that provide the manufacturers (and their dealers) with real time diagnostic and repair data. Manufacturers are now refusing to share that data with consumers or to allow diagnostic tools to be able to pull that information from a vehicle. Instead, they use that data to push their customers to their own dealers where they can monetize service and their own parts.

Once a vehicle is no longer under warranty, and the manufacturer is no longer contractually bound to diagnose and repair the vehicle under warranty, the inability of the owner to obtain or direct diagnostic and repair data to themselves or a designated mechanic will only lead to automakers monetizing that data by requiring owners pay a fee to receive it or simply by continuing to drive vehicle repair to their dealers in order to avoid paying that fee. This will lead to more expensive repairs and longer waits for consumers.

Without laws like HR 1464, automakers will better be able to monopolize the sale of service and parts stifling consumer choice and putting the over 6,500 jobs in Hawaii associated with the aftermarket in jeopardy.

Thank you for your time.

Jeffrey Groves

HB-1464

Submitted on: 1/29/2025 12:04:15 PM

Testimony for TRN on 1/30/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Olderr	Individual	Support	Written Testimony Only

Comments:

Consumers deserve the right to work on and repair products they pay for and own. To argue that they can't because of IP laws is backward and belongs in the 18th century. Apple and Jon have no right to contort and block people from making it easier for people to continue to use their products and not want to shill out thousands of dollars for a new one. Please support this bill

Coalition for Automotive Repair Equality

January 29, 2025

Hawaii House of Representatives Committee on Transportation
415 South Beretania Street, Room 322
Honolulu, HI 96813

Dear Committee:

On behalf of the Coalition for Automotive Repair Equality, I am voicing my support of HB 1464.

The automotive aftermarket keeps cars and trucks on the road. We perform over 70% of out of warranty vehicle repairs, and on average we do those repairs 36% cheaper than manufacturer dealerships. Our shops are accessible and trustworthy. In Hawaii, our industry includes 6,500 jobs, generates \$959 million in economic activity, and provides \$435 million in wages.

This bill protects a vehicle owner's right to choose where to have their vehicle repaired. It guarantees that vehicle owners and independent repair shops can access the same critical repair and maintenance data they access today even as cars become more complex. As vehicles become more like computers on wheels and transmit data from those vehicles wirelessly to manufacturer servers, car companies are blocking access to the repair and maintenance data from both vehicle owners and independent repair shops.

An independent survey concluded that 51% of independent repair shops send up to five cars each month to the dealer for repair and they are restricted from performing the repair. 63% of shops surveyed reported experiencing a restriction on repair data daily or weekly. These restrictions have resulted in more than \$3 billion in additional repair costs for independent repair shops.

Vehicle manufacturers maintain sole control over the data transmitted from the vehicle and unilaterally decide to whom they will provide such information and under what terms. Car companies should not be the gatekeepers of the data necessary to repair a vehicle; such control will harm competition and result in higher prices and fewer available repair facilities. The right to access repair and maintenance data as preserved in this bill is essential to safe, affordable, and accessible repair.

The Coalition for Automotive Repair Equality supports the right to repair and consumer choice which is why we support HB 1464.

Sincerely,

Lisa Foshee

General Counsel
Coalition for Automotive Repair Equality



January 29, 2025

The Honorable Darius Kila
House Committee on Transportation
415 South Beretania Street
Honolulu, HI 96813

Re: HB 1464 Motor Vehicle Right to Repair – Support with Reservations

Dear Committee Chair Kila:

On behalf of LKQ Corporation, please receive the below written comments in support of your authored Motor Vehicle Right to Repair legislation (HB 1464). LKQ actively supports and advocates for the priorities that most impact our customers, industry, and company, including the right to repair. We applaud your efforts to pass meaningful legislation that intends to secure your constituents' right to choose where, when, and by whom they get their vehicles repaired and the selection of parts used for the repair. LKQ firmly believes that consumers should have the right to choose how they want to manage car repairs, including collision repair and routine maintenance.

LKQ Corporation is a leading provider of alternative and specialty parts to repair and accessorize automobiles and other vehicles. LKQ has operations in North America, Europe, and Taiwan. LKQ offers its customers a broad range of OE recycled and aftermarket parts, replacement systems, components, equipment, and services to repair and accessorize automobiles, trucks, and recreational and performance vehicles. LKQ has a global industry leading team of over 45,000 employees and operates over 1,600 locations in 25 countries.

Passing right to repair legislation is vital – for consumer choice, for independent businesses, for American jobs and for healthy market competition that helps keep costs affordable for Hawaiian families already struggling with sky-high car repair prices. Automakers are placing unnecessary, unfair restrictions on who can repair and service vehicles and which parts they can use – effectively stripping car owners of their right to exercise choice in the car repair process and blocking independent businesses from competing in the market. This unfortunate, and growing, trend is prompting drivers and business owners alike to call on their elected officials to advance right to repair legislation.

LKQ appreciates the opportunity to provide input and collaborate with members of the Legislature and stakeholders to advance sound policy measures for the automotive industry and the communities we serve. For the reasons listed above, **we support your Right to Repair bill with reservations and respectfully look forward to continuing the stakeholders process to review this legislation.**

Respectfully,

A handwritten signature in black ink, appearing to read 'Jorge L. Conforme', with a stylized, cursive script.

Jorge L. Conforme
Director
Government Affairs



January 29, 2025

The Honorable Darius Kila
House Committee on Transportation
415 South Beretania Street
Honolulu, HI 96813

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LKQ appreciates the opportunity to provide input and collaborate with members of the Legislature and stakeholders to advance sound policy measures for the automotive industry and the communities we serve. For the reasons listed above, **we support your Right to Repair bill with reservations and respectfully look forward to continuing the stakeholders process to review this legislation.**

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Jorge L. Conforme
Director
Government Affairs