

HOUSE BILL REPORT

HB 1577

As Reported by House Committee On: Transportation

Title: An act relating to the furnishment of vehicle owner lists to manufacturers of motor vehicles.

Brief Description: Concerning the furnishment of vehicle owner lists to manufacturers of motor vehicles.

Sponsors: Representatives Moscoso, Rodne, Blake, Takko, Klippert and Liias.

Brief History:

Committee Activity:

Transportation: 2/11/13, 2/28/13 [DPS].

Brief Summary of Substitute Bill

- Changes the 2011-2013 fiscal biennium temporary authorization to a permanent authorization for manufacturers of motor vehicles or their authorized agents to receive lists of registered and legal owners for research activities, and in producing statistical reports.
- Updates the federal codes applicable to motor vehicle manufacturers to enable the manufacturers to carry out the provisions required by those federal regulations.
- Provides a list of entities that the Department of Licensing (DOL) may only furnish lists to.
- Requires by January 1, 2014, that the DOL must develop a method to identify personal information released to manufacturers of motor vehicles or their authorized agents, by recipient of the information and date released, and the DOL must use that method to actively track, monitor, and investigate the use of personal information.

HOUSE COMMITTEE ON TRANSPORTATION

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Clibborn, Chair; Fey, Vice Chair; Liias, Vice Chair; Moscoso, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Angel, Bergquist, Farrell, Fitzgibbon, Habib, Hayes, Johnson, Kochmar, Kretz, Kristiansen, Moeller, Morris, O'Ban, Riccelli, Rodne, Ryu, Sells, Shea, Takko, Tarleton, Upthegrove and Zeiger.

Minority Report: Do not pass. Signed by 1 member: Representative Klippert.

Staff: Jerry Long (786-7306).

Background:

The Department of Licensing (DOL) may furnish lists of registered and legal owners of motor vehicles only for the following purposes to:

- manufacturers of motor vehicles, or their authorized agents, to be used for: (1) carrying out the provisions of the 1966 National Traffic and Motor Vehicle Safety Act for safety-related defects in motor vehicles; and (2) research activities and statistical reports during the 2011-13 fiscal biennium, as long as the personal information is not published, redisclosed, or used to contact individuals;
- governmental agencies of the United States or Canada, or political subdivisions, to be used by authorized commercial agents or contractors in connection with the enforcement of motor vehicle or traffic laws by, or programs related to traffic safety of, that government agency;
- commercial parking companies to notify owners of outstanding parking violations;
- authorized agents or contractors of the DOL, to be used for motor vehicle excise tax, licensing, title, and registration information to motor vehicle dealers;
- businesses regularly making loans to persons to finance the purchase of motor vehicles; and
- companies or their agents operating toll facilities to identify toll violators.

Where both a mailing address and a residence address are recorded on the vehicle record, only the mailing address will be disclosed. Both addresses will be disclosed in response to requests from courts, law enforcement, or government entities with enforcement, investigative, or taxing authority and only for use in the normal course of conducting their business.

If a list of registered and legal owners of motor vehicles is used for any purpose other than what is authorized, the manufacturer, governmental agency, commercial parking company, authorized agent, contractor, financial institution, toll facility operator, or their authorized agents or contractors responsible for the unauthorized disclosure or use will be denied future access to that information by the DOL.

Summary of Substitute Bill:

The substitute bill:

- changes the temporary authorization for the 2011-2013 fiscal biennium to a permanent authorization for manufacturers of motor vehicles, or their authorized agents to receive lists of registered and legal owners from the DOL for research activities and in producing statistical reports, as long as the personal information is not published, redisclosed, or used to contact individuals;
- updates the federal codes applicable to motor vehicle manufacturers to enable the manufacturers to carry out the provisions required by those federal regulations;
- clarifies that the DOL may only furnish lists to: motor vehicle manufacturers; governmental agencies; commercial parking companies, authorized agents or contractors of the DOL; any business making loans to finance the purchase of motor vehicles; or a company or its agents operating a toll facility; and
- requires by January 1, 2014, that the DOL must develop a method to identify personal information released to manufacturers of motor vehicles or their authorized agents, by recipient of the information and date released, and the DOL must use that method to actively track, monitor, and investigate the use of personal information.

Substitute Bill Compared to Original Bill:

The substitute bill updates the federal codes applicable to motor vehicle manufacturers to enable the manufacturers to carry out the provisions required by those federal regulations.

The substitute bill clarifies that the DOL may only furnish lists to: motor vehicle manufacturers; governmental agencies; commercial parking companies, authorized agents or contractors of DOL; any business making loans to finance the purchase of motor vehicles; or a company or its agents operating a toll facility.

The substitute bill requires by January 1, 2014, that the DOL must develop a method to identify personal information released to manufacturers of motor vehicles or their authorized agents, by recipient of the information and date released, and the DOL must use that method to actively track, monitor, and investigate the use of personal information.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is a very simple bill, but there is a willingness to take a look at any future amendments on the bill. The DOL provides information to the motor vehicle manufacturers. The manufacturers must comply with many federal statutes and this would update the state law to recognize those federal laws. People using the data must not use the data outside the agreements with the DOL.

This data is used for automobile recalls, product information, Car Fax, and R.L. Polk & Company. The DOL, within the existing contracts, has the right to monitor how the information and data is being used.

(Information only) Presently the DOL does not monitor the use of the data because of staffing and resources. The DOL needs to hold the contractors to the terms of the contract, but it is difficult to track down violations. The DOL will put some additional information together for House Transportation Committee members.

(With concerns) There are no mechanisms in place to detect the use or misuse of the data. There needs to be a requirement for the DOL to track and monitor the information and how the data is being used. In the past, vehicle owners have received, for example, extended warranty offers, and it is impossible to figure out where the data and information came from that was used by the third party company.

Hopefully, there will be an agreement to be reached by the users of the DOL motor vehicle data.

(Opposed) None.

Persons Testifying: (In support) Representative Moscoso, prime sponsor; Cliff Webster, Experian Automotive; and Michael Groesch, R.L. Polk & Company.

(Information only) Tony Simonti, Department of Licensing.

(With concerns) Scott Hazlegrove, Washington State Auto Dealers Association.

Persons Signed In To Testify But Not Testifying: None.