



LYN D. ELLIOTT
ASSISTANT VICE PRESIDENT,
STATE GOVERNMENT RELATIONS

March 16, 2021

The Honorable Chair Julie Gonzales and Members of
the Senate State, Veterans and Military Affairs
Colorado State Senate
200 E. Colfax
Denver, CO 80203

Via Email

RE: APCIA Opposes SB 159, Sale of Motor Vehicle Records

Dear Chair Gonzales and Committee Members:

The following comments in opposition to SB 159 are submitted on behalf of the members of the American Property Casualty Insurance Association (APCIA), a national property casualty trade association that promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA member insurance companies write approximately 48 percent of all auto insurance sold in Colorado. We appreciate the opportunity to comment.

APCIA opposes SB 159 because it would significantly disrupt and hinder the ability of our members to access information they need to both compete for policyholders and to underwrite and rate insurance coverage. The legislation seems to be driven by a concern for data privacy, but the data impacted by SB 159 is already protected under the federal Drivers Privacy Protection Act. The proposed bill would offer no greater protection of that data and would simply make it more difficult, and expensive, for our members to access the same data they access today. Added costs are simply passed along to consumers in the form of higher prices.

Furthermore, it is not entirely clear whether or not the Colorado Department of Revenue would even be able to process the data requests they would be forced to process if SB 159 is enacted. The fiscal note disregards the Department of Revenue's need for 4,000 FTE to process requests for information. The upgrades in technology infrastructure needed to process these requests is extensive, which is why it is done through vendors. Without resources to build that infrastructure the practical effect of SB 159 may be that our members lose access to the data entirely.

For all the foregoing reasons, APCIA opposes SB 159 and we urge your "no" vote in committee. If you have any questions, please do not hesitate to contact me at 720-610-9473 or Lyn.Elliott@apci.org, or APCIA local

counsel Kelly Campbell at (303) 886-1629 or kelly@fulcrum-solutions.com. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Lyn D. Elliott".

Lyn D. Elliott

Cc: Senator Jerry Sonneberg
Representative Rod Pelton
Kelly Campbell, APCIA Local Counsel



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March 15, 2021

The Honorable Julie Gonzales
Chair, Senate State, Veterans & Military Affairs Committee
Denver, CO 80203

Re: Oppose S.B. 159, prohibiting the bulk, electronic transfer of certain records

Dear Chair Gonzales,

If the Department of Revenue ("Department") were limited prohibited from providing records in bulk form, the safety and security of Colorado residents would be at risk. I write on behalf of the Consumer Data Industry Association ("CDIA")¹ to respectfully oppose your bill, [S.B. 159](#).

Our consumer reporting agency ("CRAs") members collect driver and vehicle records to help employers, government agencies, nonprofits, businesses, public health agencies, and law enforcement for many critical services. The services CRAs provide allow these entities to create safe working and living environments; prevent fraud; determine eligibility for government benefits; locate victims, witnesses, and fugitives; locate parents who have skipped out on their child support obligations; and more. Consumer reporting agencies perform these services because of their bulk access to Department records for vehicles and drivers. Without bulk access, it would be nearly impossible to protect the public.

Consumer reporting agencies are also required to adhere to the privacy and security requirements of several statues, rules, and industry standards, including the Federal Fair Credit Reporting Act ("FCRA"), the Colorado Consumer Credit Reporting Act, and the Drivers Privacy Protection Act ("DPPA").

Public safety

When he was the director of the FBI, Louis Freeh testified before Congress that in 1998, his agency made more than 53,000 inquiries to commercial on-line databases "to obtain public source information regarding individuals, businesses, and organizations that are subjects of investigations." This information, according to Director Freeh, "assisted in the arrests of 393

¹ The Consumer Data Industry Association is the voice of the consumer reporting industry, representing consumer reporting agencies, including the nationwide credit bureaus, regional and specialized credit bureaus, background check and residential screening companies, and others. Founded in 1906, CDIA promotes the responsible use of consumer data to help consumers achieve their financial goals and to help businesses, governments, and volunteer organizations avoid fraud and manage risk. Through data and analytics, CDIA members empower economic opportunity all over the world, helping ensure fair and safe transactions for consumers, facilitating competition, and expanding consumers' access to financial and other products suited to their unique needs.

fugitives, the identification of more than \$37 million in seizable assets, the locating of 1,966 individuals wanted by law enforcement, and the locating of 3,209 witnesses wanted for questioning.”²

Keeping the roads safe

Motor vehicle and driving records help trucking companies screen drivers for violations, like moving violations and impairment violations. Motor vehicle records also review the history of the vehicles themselves. Driver records are needed to keep Colorado roads and people safe. This safety is not just for trucking, but for school buses, taxis, food delivery, and much more.

Motor vehicle records are necessary to protect the safety and health of Coloradans when automobile manufacturers conduct safety- and emissions-related vehicle recall notifications, and users want to better understand the vehicle history. Title records are also essential for vehicle history reports when Coloradans want to better understand the value of a used car. Third party service providers play a critical role in title record maintenance.

Motor vehicle records facilitate the real-time approval of loans and insurance by dealers, lenders, and insurers. These services meet consumer needs and expectations in closing transactions quickly, and they prevent identity, banking, and insurance fraud.

The statistical reports generated from title records are also vital to car and part manufacturers, automobile dealers, body shops, service garages, suppliers, and retailers in making important decisions about for the manufacture, sale, distribution and repair of motor vehicles and vehicle parts.

Legislation to limit access to public records without consumer consent would have many unintended consequences, including:

- Eliminating an effective means of timely and accurate delivery of class action notifications;
- Hindering local government’s collection of unpaid tolls, taxes and child support;
- Delaying notification to owners of towed or impounded vehicles;
- Impeding employer verification of commercial vehicle ownership; and
- Limiting identification of cloned vehicles and fraudulent Vehicle Identification Numbers.

Employment screening to protect the public

Public records are an important, and often critical need to employers to help them protect the health and safety of their customers and other employees, and to protect the worksites, which are often peoples’ homes. Public records for employment include the use of motor vehicle and drivers’ records information for trucking companies, taxis, school bus drivers, and nonprofits who screen volunteer drivers of people and deliverers of food. It would be a disservice to the public to allow an applicant to pick and choose which violations to share and which violations to hide.

² *Hearing before the Senate Comm. on Appropriations Subcomm. for the Departments of Commerce, Justice, and State, and the Judiciary and Related Agencies*, March 24, 1999 (Statement of Louis J. Freeh, Director of the Federal Bureau of Investigation).

Summary

The harms noted above that would arise if S.B. 159 were to pass are just the start of the enumeration of risks to Colorado health and safety. We thank you in advance for your consideration.

Sincerely,



Eric J. Ellman
Senior Vice President, Public Policy & Legal Affairs