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House Criminal Justice Committee Sponsor Testimony – H.B. 489 June 25, 2024

Chair Abrams, Vice Chair Williams, Ranking Member Brown, and members of the House Criminal Justice Committee – thank you for allowing us to present HB 489 before you this afternoon. I also wish to thank my joint sponsor, Representative Rogers, for his work in bringing forward this legislation to protect the privacy of the driving public. HB 489 is intended to protect sensitive information obtained from the parking public when utilizing digital parking meter services.

The growing use of digital parking apps and parking meters on public streets has increased the amount of personal information that these parking apps gather and retain from those seeking to simply park on public streets. Enforcement of parking laws is a governmental function (for which sovereign immunity may apply), as opposed to proprietary functions which can be performed even by a private entity.

In the past, a driver would be able to park on a public street, insert coins into a curbside parking meter and proceed on with their business. Digital parking meters now collect an unprecedented amount of sensitive information from Ohio drivers. These new meters operate by allowing users to digitally pay parking fees by entering information into a phone app or on a mobile web browser. Typically, that

information is then retained by a private firm contracted by a municipality or other local government to operate parking meters within its jurisdiction.

As an example, in October 2023, the City of Cleveland entered into an agreement with a private firm to create a digital parking enforcement program, phasing out approximately 2,500 coin-based parking meters and transitioning to a digital app-based parking system. The information collected includes names, email addresses, payment information, site location, parking duration, mailing addresses, cell phone numbers, vehicle license plates, and even passwords. This accumulated information is stored in a database for an indeterminate period, where it can be monetized or hacked, or potentially even used to surveil the parking public.

Technology is advancing, sometimes faster than its potential abuses can be fully understood and regulated. Legislatures around the country are examining similar issues, such as the abuse of cell-based tracking devices or the well-known ability of cell phones to pinpoint our location in real time. But these are not governmental functions, and it could be argued that we knowingly surrender this information in exchange for accessing the commercial services provided.

Where a governmental function is involved, such as the enforcement of parking and traffic laws, greater attention must be devoted to the security of collected--and sometimes private--personal information. HB 489 would do just that by requiring that personal data will be purged after the parking fee is paid.

In a recent data breach, parking meter data of 21 million customers was hacked and sensitive information was sold for scamming purposes. A class action lawsuit was filed for this data breach in the U.S. District court for the Northern District of Georgia, (*Baker v. ParkMobile, LLC*,

Case No. 21 CV 02182), alleging negligence in safeguarding consumer parking meter data. Allowing the class action to proceed, the Court held that the Defendant has a legal duty to protect at least some of the information that was compromised.

Unfortunately, this is not the first time a new technology has been used for unscrupulous purposes and it won't be the last. The advance of technology without sufficient guardrails creates new opportunities for abuse and a greater need for vigilance. HB489 will reduce the likelihood of further abuses in the operation of digital parking meters by protecting the personal information of Ohioans.

Thank you again, and we would invite any questions the committee may have.