Originally published May 27, 2013 at 8:52 PM | Page modified May 27, 2013 at 10:42 PM

Anti-DUI interlock companies in state helped set own rules

Alcohol-sensing devices are used by some 20,000 state residents, putting Washington among the top-five state for interlock use, thanks to laws that are favorable to the device manufacturers. But critics say the industry is too cozy with state policymakers and regulators.

By <u>Brian M. Rosenthal</u> Seattle Times staff reporter

Ignition interlocks installed in Washington state Five companies, all based outside of the state, dominate the interlock industry in Washington. Each has locations throughout the state, and they compete fiercely for customers. NUMBER OF INSTALLATIONS, COMPANY MAY 1, 2012, TO APRIL 30, 2013 AutoSafe Ignition Interlock 5,527 LifeSafer Ignition Interlock 5,261 Smart Start 4,539 Guardian Interlock Systems 2,463 Interlock Northwest 777 Other 22 Source: Department of Licensing MARK NOWLIN / THE SEATTLE TIMES



Steve Ringman / The Seattle Times

Steve Luce shows where a handheld breath-monitoring device is wired into a vehicle's ignition system. The former State Patrol interlock regulator is now part of the industry.

Inside the Fife headquarters of one of Washington's biggest ignition-interlock companies, state director Steve Luce sits across from a whiteboard filled with enough blue-lettered "new locations" to leave an unmistakable impression:

Business is booming.

Thanks to unusually stiff laws requiring interlocks for all DUI offenders seeking to drive, nearly 20,000 residents here use the alcohol-sensing devices. That puts Washington among the top-five states for interlock use.

And new legislation aimed at boosting enforcement of interlock orders would give the industry an estimated 4,500 more customers per year.

"The companies are salivating," said state Rep. Roger Goodman, a Kirkland Democrat and architect of the bill. "They're in these meetings and they have to kind of bite their tongues at how excited they are."

As states across the country increasingly embrace interlocks in the battle against drunken driving, Washington is seen as a leader.

And as the industry has rapidly grown here, so too have connections between the forprofit device manufacturers and the government that regulates them.

Representatives from the state's five companies have for years helped write the interlock laws, participated in meetings, contributed to campaigns and united in a lobbying coalition that belies how fiercely they compete outside of Olympia.

The informal coalition is led by an odd couple of rival executives: an entrepreneur and early interlock evangelist — Jerry Stanton — and a longtime Washington State Patrol trooper who regulated the interlock industry for years before joining it last October — Steve Luce.

Critics say the industry's push for favorable laws has helped create a system with loose state oversight and a way for the companies to profit when their devices incorrectly identify drivers as drunk.

"There really should be a study into who owns the ignition-interlock devices and who participates in legislation," said state Rep. Sherry Appleton, D-Poulsbo, in a public hearing last Wednesday. "I think there's something going on there."

To Luce, at the company office in Fife, there is nothing going on but hard work to make the roads safer.

The 47-year-old said company officials, many of whom have been personally affected by alcohol-related tragedy, have pushed for regulation and focused on public safety as much as profits.

"It's a business, but we're here for a reason," he said. "We believe in this."

Years of lobbying

Interlock devices were invented in the mid-1970s by an automotive parts supplier hoping to sell the technology to Detroit.

The device features a breathalyzer, connected to the engine, that records a drivers' blood alcohol level and blocks the engine if it exceeds a set level.

The car companies weren't interested, but a few entrepreneurs were.

Stanton, then an Iowa businessman, was one of them. He co-founded LifeSafer Ignition Interlock.

"It was a slow crawl," said Stanton, now 64 and living in Seattle

Interlocks became a sentencing option here in 1987, but weren't widely used until lawmakers made them mandatory for repeat offenders in 1999.

That bill's sponsor, then-state Rep. Dino Rossi, said it was clear that simply suspending drivers' licenses wasn't working.

Interlocks, especially with developments like random alcohol-level retests during a drive and cameras that show who's blowing into the device, have proved to be effective tools.

The National Highway Traffic Safety Administration says they may reduce recidivism by at least 50 percent while installed.

In 2004, Washington became one of the first to require interlocks for first-time offenders, too.

That made the state industry profitable "overnight," said Stanton, emphasizing he lost money here for a decade beforehand.

The state hasn't tracked the numbers, but officials say it's clear business has risen as lawmakers have instituted tougher laws, including requiring interlocks for some reckless- and negligent-driving charges.

This year, Gov. Jay Inslee and others are proposing a new law that would require interlock installation as a condition for release from jail for anyone arrested on DUI charges who has a prior drunken-driving conviction.

The proposal, like previous ones, came out of a public Impaired Driving Working Group founded by Goodman, the Kirkland lawmaker, in 2007.

Luce, then a 20-year State Patrol veteran specializing in breath tests, has participated in the group since the beginning. So has Stanton.

Stanton has also frequently donated to campaigns. Last year, he contributed nearly \$7,000 to Goodman's, according to the Public Disclosure Commission.

Another frequent participant is Luce's old boss at the State Patrol, Robin Reichert, brother of U.S. Rep. Dave Reichert.

Luce and Robin Reichert are still working together — at Smart Start Inc.

Other manufacturers have participated, too.

Carrie Moore, a spokeswoman for AutoSafe Ignition Interlock, said their influence has been tempered by everybody else.

Other group members agreed. Seattle DUI defense lawyer Patricia Fulton said the companies have been constructive and open to oversight.

5 companies

Washington's major interlock companies are Moore's AutoSafe, Luce's Smart Start, Stanton's LifeSafer, Guardian Interlock Systems and Interlock Northwest Inc.

AutoSafe installed the most devices last year: about 5,500, according to the Department of Licensing. LifeSafer and Smart Start installed the second- and third-most interlocks.

All five of the major companies are based in other states. Each uses a different model, but most contract with local mechanic or electronic shops, which act as service centers.

Customers go monthly for a re-calibration that costs about \$100 — part of which goes to the State Patrol and an indigent fund covering those who can't pay.

There are often fees for installation (about \$50), removal (about \$50), transfer (about \$100) and re-calibration after a device registers a high reading (about \$35).

"High" means a 0.025 percent blood alcohol level. That's all it takes for an interlock to block an engine in Washington, even though the legal limit is 0.08.

Officials estimate annual industry sales here are around \$20 million.

Executives declined to divulge financial information, but some said profits are small.

"The interlock business is a very expensive business with lots of competition and thin margins, which have become much thinner due to additional layers of state requirements," Moore said.

But Juan Barron, a former contractor, said the business is lucrative for both the service centers and manufacturers.

Barron, who recently sold his Burien car-electronics shop, said he had about 250 interlock customers and made a roughly \$4,000 monthly profit from them.

The manufacturer made about twice that much, he said.

"There are winners"

Barron, and several defense attorneys and lawmakers, said the state's relationship with manufacturers is too cozy.

The critics complained in particular about laws they believe allow weak industry oversight and company profits for "false positive" alcohol readings.

The State Patrol, where the industry has pushed to keep all oversight, has increased its efforts since a visit to a service center in 2008 found the contractor was drunk.

The three-trooper team, expected to soon grow to five, now reviews background checks on contractors, conducts annual compliance checks at service centers, and receives reports from manufacturers about interlock readings.

But the reports come in different formats, and confusion still exists. The State Patrol and the Department of Licensing, for example, have different numbers for just how many interlocks there are here.

Sgt. Ken Denton, who replaced Luce as interlock program leader, said Washington has some of the country's best interlock regulations, but still has "a lot of work to do."

The "false positive" issue is acknowledged by the industry — interlocks can register a high alcohol level if the driver ate certain foods, used mouthwash or took some types of medicine a short time before blowing.

Copies of recent manufacturer reports, obtained in a records request, showed numerous times when drivers blew high and then low alcohol levels just minutes apart.

Interlock test results are handled exclusively by the manufacturer, and state law does not allow either them or the state to determine whether alcohol-level readings are legitimate or not.

And high readings are profitable because they cause drivers to pay to have their devices re-calibrated and, in some cases, to keep their interlocks installed for up to four extra months.

Those requirements favor companies more than laws in other states, which generally don't require extended use of interlocks after a high alcohol-level reading or require recalibration after every high reading. In New York, for example, re-calibration is required only after several readings.

The bill pending in Olympia, which the industry helped write, would allow companies to decide if a test really was legitimate in cases when a high reading is followed by a low one within 10 minutes.

Some skeptics say the state should have more direct oversight over the interlock program.

Short of that, they hope lawmakers keep company profit motives in mind as interlock use continues to grow.

Former King County Judge Darrell Phillipson said interlocks are effectively addressing a public-safety problem.

"But in doing that, there are new problems," he said. "And there are winners."

Stanton, the businessman who helped found the industry, didn't disagree.

"The reality is that we're serving multiple masters," Stanton said. "We're helping people through a difficult time and helping to enhance public safety, so I feel good about that.

"And I feel good about making a little money out of it, too."

News researcher Gene Balk contributed to this report.

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