

Alliance of Automotive Service Providers, Minnesota (AASP-MN-MN)
Joint Collision and Government & Regulatory Affairs Advisory Committees Meeting
Meeting Recap
Wednesday, December 15, 2021
AASP-MN Office

Present: Lee Schlosser, Aaron Rolfsrud, Travis Doyle, Matt Feehan, Jesse Jacobson, Aaron Swanson, Mike Cox, Jim Siegfried, Dale Feste, John Ritter Jr., Darrell Amberson, Bob Auman, Mary Dipping, Michael Siegfried, Brandon Wistrom, Jeremy Schulze, Judell Anderson, Linden Wicklund, Kevin Walli, Sam Richie and Shannon Mitchell.

Welcome & Call to Order

The meeting was called to order by Lee Schlosser at 1:04 pm. Participants were reminded to turn off their cell phones or incur the typical AASP-MN penalty. The Committee welcomed new Executive Director Linden Wicklund. The Committee also welcomed Shannon Mitchell, a new member of the Fryberger Law Firm lobby team. Participants introduced themselves.

Legislative Update

Overview of 2022 Legislative Session

Sam Richie of the Fryberger Law Firm provided an overview of the upcoming 2022 Legislative Session. He noted that this is the year that the Legislature is to assemble a bonding bill to construct or repair public facilities across the State.

The Legislature is scheduled to convene on January 31, 2022 and adjourn in mid-May.

It was also noted that new House and Senate District boundaries will be established early in the year. It is not likely that the Republican-controlled Senate and the DFL-controlled House will be able to come to terms on new Legislative District lines. If that is the case, the matter will be left to the courts who will publish a new Legislative Map.

It was also noted that the most recent State Revenue forecast indicates a surplus of \$7.7 Billion over-and-above what had been projected when the Legislature passed the current 2-year State budget. This is an unprecedented surplus figure and is certain to result in much demand for a supplemental appropriations bill and a tax bill to adjust/reduce tax rates for various individual and business taxpayers.

AASP-MN Proposed Timeline for Insurer Response to Repair Supplements

Participants discussed the proposed Legislation establishing a 3-day time frame within which insurers must respond to repair supplements submitted by repair shops engaged to repair an insured's vehicle. After some discussion, the Committee indicated that the proposal should go forward. The Fryberger Team will see that the bill is prepared for introduction (jacketed). There was some discussion regarding legislators who would authorize the work of preparing the bill for introduction versus legislators who we might approach to carry the legislation—which must be heard in the House and Senate Commerce Committees.

There was considerable discussion regarding the number of legislators who are insurance company agents. This fact has created some barriers to accomplishing our Association objectives at the Capitol. Nonetheless, we want to begin educating potential allies on our Legislative proposals. Having the bill formally introduced is essential to this process.

Salvage Title Task Force

AASP-MN testimony has been presented to the Salvage Title Task Force which was established by the 2021 Legislature. There have been proposals to change or eliminate the reference to “late model” and “high value” vehicles in determining which vehicles should be subject to Salvage Title Certification.

It was noted that the proposed changes to the Salvage Title Statute were driven by a false premise that Minnesota is a title washing state. The proponents of the legislation characterized Minnesota as being beset with an influx of flood damaged vehicles. The Department of Public Safety—Driver and Vehicle Services Division—has testified before the Task Force and made the case that Minnesota is not a title washing state.

At this point in the Committee meeting, Sam Richie left to attend the Salvage Title Task Force meeting which was about to begin.

Meeting with Department of Commerce

A report was provided on the annual meeting of AASP-MN Representatives and the Commissioner and key staff of the Minnesota Department of Commerce. Will Latuff and Lee Schlosser were joined by Judell Anderson and the Fryberger Team in meeting with the Commissioner and her staff. We specifically discussed concerns over insurance companies holding back payment for essential pre and post repair scans.

AASP-MN described the proposed legislation which would make it an unfair claims practice for an insurer to fail to approve or deny a repair supplement within three business days of its submission by repair shops engaged to repair an insured’s vehicle. AASP-MN followed up on this meeting by transmitting the proposed legislation to Peter Brickwedde, the Assistant Commissioner dealing with legislative matters.

The Department also indicated a willingness to see that their insurance staff was better trained to follow up on consumer complaints. The Commissioner invited AASP-MN to provide information which would be useful in this regard.

Position of Legalization of Marijuana

The Committee discussed a request by a coalition of businesses opposed to the legalization of marijuana and its request that AASP-MN consider joining the coalition. After considerable discussion, the Committees determined that the legalization of recreational marijuana is not a core issue for the Association and the decision was made to remain neutral on the issue.

Business Property Tax Relief

Revisiting the issue of a possible tax bill in 2022, it was noted that the Business Property Tax which is paid to the State General Fund might be a prime target for some reduction given the State’s strong financial position. The Minnesota Chamber of Commerce has provided leadership in past efforts to eliminate or reduce this Business Property Tax. Beth Kadoun is the point person for the Chamber on tax matters. The Committees were asked whether AASP-MN would be interested supporting the Chamber effort to reduce or eliminate the Business Property Tax. This proposal received unanimous approval.

2022 Conference Planning

Participants were notified that the 2022 Annual Conference has been set for April 7 at the Crown Plaza Minneapolis West Hotel. Participants were asked for input regarding programing for the conference. Louis Sharp be the speaker for the Collision Break-Out Session on Leadership and Management.

Topics for Member Roundtables were solicited. One of the topics suggested were methods for staff retention and recruitment, supply chain issues/parts procurement and blueprinting.

Other Old/New Business

- *MCARS Fundraising:* It was reported that the Association has established a \$200,000 fundraising goal for the next 3 years. The fundraising effort is currently at \$149,000 in contributions and pledges and participants were asked to consider helping to complete the fundraising campaign.
- It was noted that AASP-MN Board and Committee positions would be rotating in the coming year. Participants were asked to consider serving or recommend colleagues to serve in these positions.

Upcoming Events

- Participants were reminded of Judell's retirement celebration which was scheduled for December 16.
- Participants were informed of the date for Race for Automotive Education, February 22-24, 2022.
- The AASP-MN Golf Outing is scheduled for June 15 at Majestic Oaks Golf Course.

Schedule Next Meeting & Adjourn

The next meeting will be a joint meeting between the Collision and the Government & Regulatory Affairs Advisory Committees. It will be on February 22 at noon at the AASP-MN office.

There being no further business, the meeting was adjourned at 2:26 pm.