

Alliance of Automotive Service Providers, Minnesota (AASP-MN)
Joint Meeting of the Collision Advisory & Government & Regulatory Affairs Committees
Meeting Recap
Tuesday, January 28, 2020

Present: Aaron Rolfsrud, Travis Doyle, Matt Feehan, Andrea Ossowski, Jesse Jacobson, Will Latuff, Ramin Hakimi, Darrell Amberson, Jim Siegfried, Dale Feste, Randy Miller, Jake Moser, Dan Swenson, Dan Sjolseth, Judell Anderson, Tom Kluver, Kevin Walli

Welcome & Call to Order

The meeting was called to order by Randy Miller. Participants were reminded of the cell phone policy and everyone introduced themselves.

2020 Legislative Session

► **General Overview:** Kevin Walli provided a general overview of the 2020 Session. He noted that this is the Capital Budget Session when the focus is on state bonding for infrastructure improvements. Policy Committees will have very limited time for hearings. In some instances, Committees are expected to have fewer than six hearings prior to Committee Deadlines.

With this limitation in mind, participants were reminded that consensus with the insurance industry was likely the only way for our legislative proposal relating to the original vehicle manufacturers' repair standards to advance.

► **OEM Procedure Language Update:** Kevin, Judell, Will and Darrell updated those present on the process that AASP-MN has followed in working with the Insurance Federation of Minnesota and some of its key members to arrive at the compromise language currently before the committee. As discussion ensued, Judell indicated that we must be sure that any statutory change that we secure is a "net gain" for members' ability to conduct and receive payment for a proper repair – now and into the future. Further, if something were to pass in Minnesota this year, it would likely become a model for other states. With that in mind, we want to have our state law change be as meaningful and practical as possible.

The merits and shortcomings of the compromise language were discussed at length. Ultimately, participants questioned whether the proposed changes would produce an immediate or substantive benefit for members in their quest to perform– and be paid for – the operations necessary for a complete, safe and proper repair of a vehicle. Accordingly, the decision was made to curtail any efforts to pass the compromise language in the 2020 Session.

AASP-MN will proceed with its meetings with key legislators including Senators Karin Housley (our bill author) and Senator Gary Dahms (Senate Commerce Committee Chair), and Representative Ruth Richardson (our bill author). It was noted that we have already met with Representative Laurie Halverson (Chair of the House Commerce Committee). We will explain that, despite our best efforts, the repair industry and insurers were not able to arrive at compromise language that would appropriately indemnify insureds for the safe and proper repair of collision-damaged vehicles.

Meeting Report – 1/7 @ MN Department of Commerce

Judell, Kevin and Darrell met with Deputy Commissioner Peter Brickwedde and Department of Commerce staff person T.J. Patton on January 7. We discussed the status of AASP-MN's work with the insurance industry on the issue of making it an unfair claims practice for an insurer to deny payment for repairs undertaken pursuant to guidance from an original vehicle manufacturer. The Department was not inclined to take any position on the AASP-MN proposal. Commerce officials did indicate the importance

of providing a good record during the Committee hearing process and in any debate on the House and Senate Floor. Having legislators articulate the rationale for the statutory change and the intention of the parties is something that the Department of Commerce can rely on as they are called upon to undertake enforcement actions once the statutory changes have been adopted.

Two other areas that we explored with the Department of Commerce officials included concern over the pitfalls of photo estimating programs utilized by insurers and the lack of definition regarding “local market area”, both of which will require some additional follow-up conversation with Commerce officials.

Educational Programming

- ▶ Suburban Chev has offered to sponsor a GM technical clinic(s) for AASP-MN members. Committee members will review the options and reply to Judell with their top 3 choices of subject matter.
- ▶ 2020 Leadership Conference programming features a stellar line-up of topics and presenters, including a session on ADAS to raise awareness among members of this technology’s impact on common, daily repairs.

Old/New Business

- ▶ Board nominations: Judell reported that Lee Schlosser with Autoworks Collision Center in Rockford has been nominated to fill the open collision seat on the AASP-MN Board of Directors, effective April 1.
- ▶ Office furniture available: The Alliance office is getting a facelift and several pieces of furniture are available to any member who is interested.
- ▶ MNCARS spotlights: The industry member spotlights on the carcareers.org website are being updated. Members were encouraged to refer their “shining star” employees to be featured on the site.

Upcoming Events

- ▶ MNCARS Events: Many events scheduled during the February – April timeframe. Members were encouraged to volunteer, when available.
- ▶ Webinar – Aftermarket Parts, January 31: As a result of discussions with the Auto Care Association and LKQ Corp. at the AASP National meeting in November, those two organizations will be conducting a webinar to educate our group about the manufacture, distribution and testing of aftermarket parts. Committee members were invited to participate.
- ▶ SkillsUSA Contest: Auto contests will be held April 4th at Dakota County Technical College.
- ▶ Annual Meeting & Leadership Conference: April 23rd at Delta Hotels by Marriott, Mpls NE.
- ▶ Golf Outing: June 16th at Keller Golf Course in Maplewood.

Schedule Next Meeting & Adjourn

The next meeting of the combined Collision Advisory and Government and Regulatory Affairs Committees is scheduled for April 2, 12:00 noon, at the AASP-MN office.

There being no further business, the meeting was adjourned.