

Alliance of Automotive Service Providers, Minnesota (AASP-MN)
Joint Meeting of the Collision Advisory & Government & Regulatory Affairs Committees
Meeting Recap
Tuesday, March 6, 2018

Present: Jake Moser, Jesse Jacobson, Lee Schlosser, Dan Sjolseth, Carol Keyes, Dale Feste, Roger Bonn, Darrell Amberson, Judell Anderson, Kevin Walli, Dante Tomassoni

- **WELCOME AND INTRODUCTIONS**

Participants in the meeting introduced themselves. The meeting was called to order by Dan Sjolseth.

- **2018 LEGISLATIVE SESSION**

Kevin Walli described the major issues that are being considered at the Legislature. This is a non-budget year which will feature the development of a Capital Budget. State general obligation bonds will be issued to repair or build new public buildings.

The Tax Committee will be focusing on developing legislation to conform the State Tax Code with the Federal Tax Code in light of the tax changes that were enacted in Washington, D.C. in late 2017. The February Revenue Forecast shows the state having a projected surplus of approximately \$329 million. It is not expected that that amount of a surplus will generate a significant amount of activity in terms of new state spending.

- **AASP-MN MEETINGS WITH LEGISLATORS**

Kevin Walli and Judell Anderson reported on the meetings that have been held since the end of the 2017 Session with legislators who serve on the Senate and House Commerce Committees.

The following legislators have met with AASP-MN at member shops: Senators Karin Housley, Gary Dahms, Eric Pratt, Roger Chamberlain, Warren Limmer and Jeff Hayden and Representatives Dennis Smith, Kathy Lohmer, Kelly Fenton and Chris Swedzinski.

Our focus has been on educating legislators regarding the imbalance in the relationship between insurance companies and repair shops. We have focused on insurer mandates that the repair industry finds to be redundant and costly. We have reiterated our concerns regarding the mandate that repair shops use a particular electronic estimating system or a particular software program for parts procurement. We have also raised concerns regarding steering for estimates which guides insureds to particular repair shops and interferes with their ability to choose a shop.

Following the 2018 elections, AASP-MN will determine – through its committee process – what its initiatives will be in the 2019 Session. Among those suggested for consideration were “most favored nation” clauses, as well as addressing increased insurer pressure to deviate from (or not pay for) OEM required procedures during the repair process. Members expressed concern regarding the prospect of repair shop liability if the repair process deviates from OE standards.

- **REGULATORY ACTIVITIES**

Kevin Walli and Judell Anderson reported on the recent meeting with MPCA on the air quality permit regulations. MPCA has not yet received clearance from the Governor’s office to publish the proposed rule. It was expected that the draft rule would be available for review by now. As soon as it is available, AASP-MN will undertake a review and offer comments to the Agency. The object of the

rule is to make it easier for repair shops to be properly permitted and to readily comply with the rules through a notice and reporting process.

Members were also informed that AASP-MN will be scheduling a meeting with the new Commissioner of Commerce – Jessica Looman. This is part of an ongoing practice to ensure that repair industry concerns are clearly understood by key personnel at the Department of Commerce. One of the topics which will be on the agenda is the increasing use of insurer photo applications for providing estimates for the repair of damaged vehicles. These photo apps are leaving insureds in a very vulnerable position – often resulting in consumers accepting lower payments for their damaged vehicles than would be required to make proper repairs.

- **MNCARS MOTOR MOUTH CAMPAIGN**

MNCARS will be launching a new campaign focusing on shops working in their own community to promote careers and education in the collision repair and auto service industry. Display and poster materials, brochures, power point presentations and business cards which direct inquirers to a website and social media posts are all part of the new program.

- **REPAIR AUTHORIZATIONS**

Members discussed repair authorization forms and made suggestions for editing a sample work authorization form and a pre and post-diagnostic scan form. The amendments suggested by the Committee will be incorporated in the documents.

- **UPCOMING EVENTS**

A number of upcoming events were highlighted including:

- ◆ SkillsUSA contests, March 24 at South Central College, Mankato.
- ◆ World of Wheels – March 23-25, U.S. Bank Stadium
- ◆ Annual Meeting & Leadership Conference, April 5, DoubleTree Bloomington
- ◆ Golf Outing, June 19 at Keller Golf Course
- ◆ Bike Raffle, June 27 at Veit Automotive Foundation

- **NEXT MEETING**

The next meeting of the Government and Regulatory Affairs and Collision Advisory Committees was scheduled for Wednesday, May 23 at noon at the AASP-MN office.

There being no further business, the meeting was adjourned.