Alliance of Automotive Service Providers, Minnesota (AASP-MN) Joint Meeting of the Collision Advisory & Government & Regulatory Affairs Committees Meeting Recap Thursday, May 23, 2019

Present: Aaron Rolfsrud, Matt Feehan, Andrea Ossowski, Jesse Jacobson, Will Latuff, Ramin Hakimi, Jake Moser, Aaron Swanson, Travis Doyle, Jon Philmalee, Darrell Amberson, Roger Bonn, Carol Keyes, Dale Feste, Bruce Tschida, Jim Siegfried, John Ritter, Jr., Brittany Reilly, Judell Anderson, Tom Kluver, Ben Simon, Kevin Walli

WELCOME AND CALL TO ORDER

The meeting was called to order by Jim Siegfried. Participants introduced themselves.

Judell Anderson discussed the rotation cycle for the Collision Advisory and Government Affairs Committees. A new Collision Advisory roster was distributed and the objective of the committee was reviewed.

Thanks were extended to Enterprise for sponsoring lunch.

• 2019 LEGISLATIVE SESSION

Kevin Walli provided an end-of-Session synopsis on how work is proceeding to negotiate major legislation in an upcoming Special Session. The Governor, Senate Majority Leader and House Speaker came to an agreement on budget targets just 24 hours before the scheduled conclusion of the 2019 Session. There was not sufficient time to finalize bills for floor action and the targets set by leadership will become the basis for assembling legislation to be acted upon in the Special Session.

One Special Session issue of particular interest to AASP-MN members is an expected adjustment to the Commercial and Industrial Property Tax Rate which will provide a modest reduction of this tax.

As we consider preparation for 2020, the Committees discussed renewed efforts with Representative Richardson and Representative Halverson regarding our legislation on OEM procedures. Committee members were advised on amendments to the bill that were being offered up to the last day of Committee hearings in the House – March 15.

We expect that the automobile manufacturers will renew their support for the AASP-MN legislative approach. The lobbyist for the automobile manufacturers has already indicated a willingness to work on this issue in 2020. There have also been conversations with the Insurance Federation of Minnesota to bring them back to the table to discuss fine tuning the language in order to secure enactment in 2020.

Meeting participants discussed taking this up again with the preparation of a "white paper" to explain the issue and reaching out to key Senators – Senator Gary Dahms and Senator Paul Gazelka – who come from strong insurance backgrounds personally and need to be convinced that the AASP-MN legislation is important from a public safety perspective.

Among the issues that we would raise is that the safety systems in new vehicles reduce claims, save money and save lives. We also discussed the prospect of requesting an educational hearing by Representative Halverson or Representative Richardson to talk about the public safety aspect of this proposal. The technological advances which make vehicles safer also require very precise standards with respect to replacement or repair of systems. It is in the best interests of everyone – consumers, repair shops, insurers and manufacturers – that these systems be restored to fully operational capacity whenever they are damaged or disrupted. Members were asked to be on the lookout for consumer-focused experiences relating to the malfunction of these systems, as well. Another opportunity may come in the form of the House of Representative's plans for a "mini-session" at which various Committees would hold hearings in a location away from the State Capitol. Our objective would be to have the Commerce Committee focus on this AASP-MN issue as part of the mini-session.

There was also discussion of finding support at the Minnesota Safety Council for the AASP-MN legislative proposal. In the coming weeks, we will conduct research to determine who is actively involved in the administration of the Minnesota Safety Council and who may represent them at the State Capitol.

• PROVEN FORCE MEMBER BENEFIT PROPOSAL

Participants discussed the potential benefits available from the Proven Force Professional Shop Program. AASP-MN members would be offered a modest, additional discount. It was noted that participation by AASP-MN would not constitute an endorsement of Proven Force. Members discussed whether the benefit offered is sufficient to include the program among AASP-MN benefit programs. There was divided opinion on that question.

• FALL BS SESSION

Another informal networking opportunity with a deeper dive into an important industry subject is proposed for September 17. One of the issues that was discussed as a subject to explore at the BS Session was "data sharing". There is concern about the automatic reporting of repairs which can result in reduced value when data which might otherwise be regarded as private makes its way to sources that supply the market with vehicle accident history.

SCRS Executive Director, Aaron Schulenberg, is particularly well-versed in this area and will be in town in September. It was noted that AASP-MN would be well advised to take advantage of the presence of one of the national industry leaders and have them speak to a group of AASP-MN members when they are available.

• LEADERSHIP CONFERENCE

Members were asked to provide feedback regarding the Leadership Conference. The general consensus was that the Conference was very valuable and participation was good – and would have been better had the weather cooperated.

• UPCOMING EVENTS

Participants were advised of a number of upcoming events:

- AASP-MN Golf Outing June 18 at Keller Golf Course
- MNCARS Outreach
- General Motors Clinics Beyond the Four Strokes (mechanical) and Advanced Safety Systems: Post Collision Service and Repair (collision) October 16 and 17
- Joint Advisory Committee Meeting June 25, 11 a.m., Lubetech, Golden Valley

There being no further business, the meeting was adjourned.