



**OHIO BOARD OF MOTOR VEHICLE REPAIR
BOARD MEETING MINUTES**

February 19, 2014 10:00 AM

**Vern Riffe Tower
77 South High Street
19th Floor, Rm. 1960
Columbus, Ohio 43215**

1. CALL TO ORDER AT 9:58AM.

BOARD MEETING ATTENDEES: Christopher Sterwerf, William Ogg, Brian Seibert, Jeff Wagner, Matt Dougher (ASA), Rico Barrera (AAG), Michael Greene, Craig Robinson, Theresa Peppers, Kimberly Sherfield

2. REVIEW OF NOVEMBER 13, 2013 MEETING MINUTES:

**MOTION TO ACCEPT: WILLIAM OGG
SECOND: JEFF WAGNER
VOTE: Accepted**

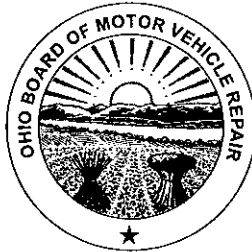
3. BOARD REVIEW AND DETERMINATION RE: PENDING REGISTRATION APPLICATIONS:

A. Vote by Board on regular registrations pending from October 31, 2013 through January 31, 2014.

**MOTION TO ACCEPT: JEFF WAGNER
SECOND: CHRISTOPHER STERWERF
VOTE: Accepted**

MISSION STATEMENT

Effectively and efficiently enforce Ohio laws by implementing Common Sense Initiatives to enhance consumer protection and promote industry growth and compliance.



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4. OTHER BUSINESS:

A. Investigator's Reports – Invests. Dan Gibson / Craig Robinson / Theresa Peppers

GIBSON

2013 TOTALS

Shop Visits	647
Renewals	30
NOV	164
New Shop App	191
Complaints Investigated	107 (Involving 107 Shops)
Shops LOB	31

During which time Investigator Gibson visited 16 of the 44 counties

February 13 – 16, 2014

Shop Visits	68
Renewals	1
NOV	25
New Shop App	4
Complaints Investigated	4 (Involving 4 Shops)
Shops LOB	6

During which time Investigator Gibson visited 16 of the 88 counties.

ROBINSON

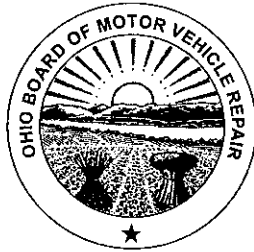
January 1 – February 19, 2014

Shop Visits	167
Renewals	16
NOV	36
New Shop App	35
Complaints Investigated	15 (Involving 15 Shops)
Shops LOB	8

During which time Investigator Robinson visited 16 of the 44 counties.

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December 15 – December 21, 2014

Shop Visits	342
Renewals	21
NOV	47
New Shop App	57
Complaints Investigated	46 (Involving 46 Shops)
Shops LOB	8

During which time Investigator Robinson visited 20 of the 44 counties.

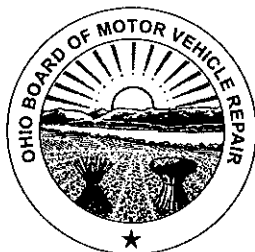
- B. Attorney General's Report – AAG Rico Barrera - 3 of the 7 have settled, and 2 of the 7 were combined into a single action set for trial on March 17th). The remaining two are set for trial towards the end of the year
- C. Legislation Updates – ASA Ohio Rep. Matt Dougher:

EPA Rules: ASA Ohio recently identified a provision in the Ohio Administrative Code that could have the potential to negatively impact anyone utilizing a permit-by-rule (PBR) instead of the formal and complex permit-to-install and operate (PTIO). The problem was created by the way the Ohio EPA defines "auto body refinishing facility." According to this definition, automotive repair shops, claiming a PBR would be prohibited from working on any vehicle weighing over 8,500 lbs. This definition would prevent any repair facility claiming the PBR exemption from working on many popular vehicles currently on the road, such as a Ford F-250, a Ford Expedition XL SUV, or many of the larger vans. If a repair shop claiming a PBR was found repairing such a vehicle it could be found in violation.

We have been working with the Ohio EPA for over 2 years on correcting this oversight and we are close to a solution. We hope to settle on an agreement that would allow shops claiming a PBR to work on vehicles weighing up to 10,000 lbs. This would allow repair facilities to repair many of the larger passenger vehicles on the road today. Please note that this change would not lower emission standards or reporting requirements for the PBR or PTIO. Instead, we support a change that would allow shops that comply with the standards established in the PBR to work on vehicles weighing over 8,500 lbs.

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State Farm:

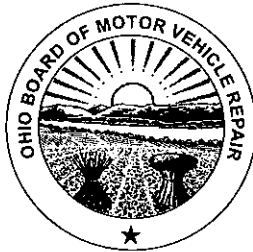
- Legislation has been introduced in a few states (NY, Maryland) that would prohibit insurers from requiring repair facilities to use a specific parts vendor or process for acquire parts. Also, there is a pending lawsuit in Mississippi.
- We have met with members on the possibility of proposing similar legislation. Unfortunately, this idea has not gained traction.
- We have sent letters to State Farm CEO Ed Rust Jr. as well as to the Ohio Attorney General (October 2013) and Ohio Department of Insurance (December 2013).
- The Attorney General's antitrust division contacted us and claimed the following:
 - o In order for the State Farm Parts Procurement Program to be in violation of state law, it must prove to be anticompetitive. In looking into the matter, the Attorney General's Office found the following:
 - State Farm's Ohio market share (roughly 19%), leaves 81% of the market unencumbered by these restrictions.
 - The fact that the Parts Trader program claims to reduce the price of repairs through competitive bidding, could be viewed as significantly procompetitive by a court should insurance rates actually be lowered.
- We have also been working with the Ohio Auto Dealers Association and the Alliance of Automobile Manufacturers.

Unclaimed Motor Vehicles:

- In August of 2012 the Ohio Department of Public Safety made a policy change that impacted the affidavit process that shops have used to obtain a title to an unclaimed vehicle.
- According to the change, shops would no longer be able to deduct certain costs (storage, estimated repairs, etc.) against the value of the vehicle.

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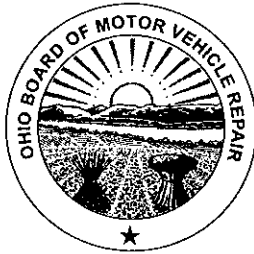
- This has made it extremely difficult for shops to utilize the affidavit, because very few vehicles fall under the \$2,500 threshold level.
- ASA Ohio is addressing this on two fronts.
 - o First, we are trying to increase the threshold value from \$2,500 to \$5,000. This needs to be done legislatively.
 - o Second, we are working with the Department of Public safety to allow shops to deduct costs from the vehicle. Our proposal would allow shops to deduct the costs to return the vehicle to running condition.

Motor Vehicle Repair Board (SB 232):

- ASA Ohio has introduced legislation (SB 232) that would register mechanical repair facilities with the Motor Vehicle Repair Board.
- This would be extremely similar to what occurred in the collision repair industry in the late 90's.
- On January 29th Senator Uecker provided sponsor testimony.
- Questions were asked about how SB 232 would impact companies like Midas and Jiffy Lube.
 - o This would be similar to how the Board handled MAACO and some of the chain collision repair shops when the Board was first created.
- The Second hearing will occur Wednesday, February 26th.
 - o This hearing will be of proponents of the bill.
 - o The Motor Vehicle Repair Board may be asked by the chairman to submit testimony.

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Towing Bills (HB 382 & SB 274):

- Two bills, one in the House and one in the Senate, have been introduced attempting to address predatory towing practices.
- HB 382 is moving through the House and is a drastic overhaul of Ohio's towing laws.
 - o Requires the PUCO to develop rules regarding appropriate fees, signage, towing contracts, etc.
 - o Also would create a towing mediation office as well as a Motor Vehicle Towing Advisory Council.
 - o Would also require towing companies to accept credit cards and take a picture at the time of the tow.
 - o The Senate version deals more with unclaimed motor vehicles and allowing towing companies to use the affidavit process to obtain vehicles.
- Look for the bills to merge at some point.

D. Director's Report – Mike Greene – (PLEASE SEE ATTACHED)

5. NEW BUSINESS:

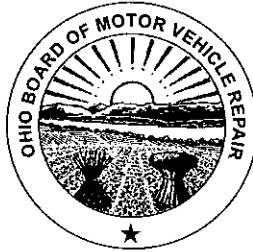
A. Election of 2014 Board Chair & Vice-Chair

NOMINATION OF JOE SANFILLIPO FOR CHAIR: WILLIAM OGG
SECOND: JEFF WAGNER
VOTE: CARRIED

NOMINATION OF JEFF WAGNER FOR VICE CHAIR: WILLIAM OGG
SECOND: BRIAN SEIBERT
VOTE: CARRIED

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B. Progress on 2013 FDS Filings

7. MOTION TO ADJOURN

MOTION TO ACCEPT:

SECOND:

VOTE: Accepted

NEXT BOARD MTG. – MAY 14, 2014, LOCATION: Vern Riffe Tower, 77 South High Street, 19th Floor, Room 1932, Columbus.

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