



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

AUGUST 19, 2015 10:00 AM

1. **THE MEETING WAS CALLED TO ORDER AT 10:06a.**
2. **BOARD MEMBERS IN ATTENDANCE:** Jeff Wagner, Earl Dohner, Chris Sterwerf, Don Riffe Jr., Andrew Huffman (ASA Ohio), Zachary Schaengold (AAG), Michael Greene, Daniel Gibson, Theresa Peppers, Kimberly Sherfield

WELCOMING AND INTRODUCTION OF NEW BOARD MEMBER: Don Riffe, Jr.

3. **REVIEW OF MAY 13, 2015 MEETING MINUTES:**

MOTION TO ACCEPT: Chris Sterwerf

SECOND: Earl Dohner

VOTE: Motion Carried

4. **BOARD REVIEW AND DETERMINATION RE: PENDING REGISTRATION APPLICATIONS:**

A. Vote by Board on regular registrations pending from May 1, 2015 through July 31, 2015.

MOTION TO ACCEPT: Chris Sterwerf

SECOND: Earl Dohner

VOTE: Motion Carried

5. **OTHER BUSINESS:**

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

Shop Visits	435
Renewals	14
NOV	68
New Shop Applications	81
Complaints Investigated	48 (Involving 48 Shops)
Shops Located "Out of Business"	49

GIBSON: So far this year, I've visited 34 out of 88 counties.

Craig Robinson (Director Greene)

Shop Visits	619
Renewals	106
NOV	248
New Shop Applications	68
Complaints Investigated	57 (Involving 57 Shops)
Shops Located "Out of Business"	31

Investigator Robinson is working with NICB & Richland County Sheriff's Department on a joint investigation of an illegal shop in Mansfield, Ohio, Richland County. Shop owner has recently been indicted on various charges.

Total counties visited year to date: 35 of the 88 counties.

- B. Attorney General's Report – AAG Zachary Schaengold – There was a discussion for a public records training, we've pushed that back to the next meeting. I want to emphasize that it is important and so if you can emphasize to the rest of the board members that maybe aren't here that they should really make an effort to be there; we'd appreciate that. Rico, himself, will do the training or we'll have somebody from – we actually have a public records unit at the Attorney General's office that will do the training. It shouldn't be too long; it shouldn't be too (INAUDIBLE) to sit there and watch. Hopefully it will be information that you guys could learn a lot and learn a bit from it.

That's the public records aspect of the report; the other report is that, without going into the details because I really don't want to go into executive session unless you really want to, the board and Mr. Barrera are working on finalizing an action against an unregistered facility. Later on, Rico will be able to talk to you all after you go into executive session on that. As you know, one of the things a board can chose to go to executive session to discuss is ongoing and pending litigation and that's what that would fall under once it got started.

- C. Legislation Updates – Andrew Huffman HB 64 –

The State Legislature is now in recess. They were working on the state operating budget; this is a \$71 billion dollar spending plan for the next 2 years. HB 64, they finalized work on June 30th. After June 30th they took a break they'll come back to session September 15th for the House and the end of September for the Senate.

As far as the Motor Vehicle Repair Board goes, I think they were allocated just over \$484,000 a year so I think that's pretty much what was asked for. One hiccup during the budget process was in the Senate. They proposed an amendment that would actually eliminate the Board entirely; which is somewhat interesting considering we spent the last few years trying to expand the Board's jurisdiction to mechanical shops. Flat out elimination was kind of surprising. That amendment was ultimately eliminated from the bill. So the Board is obviously still intact which is great to see however, every five years there's a committee called the Sunset Review Committee.

That committee is charged with reviewing all state boards and commissions every five years to see if their existence is justified. The reason they do that, often times the legislature creates a study committee, or some temporary committee that only meets for a year or two; they issue their report and they never meet again. That committee is still under the Revised Code and they might still be getting funded; so this Sunset Review Committee reviews committees like those and eliminates the ones that are no longer meeting and are no longer serving a purpose. I think that everyone in this room would advocate that this board is serving a legitimate purpose. What the budget did; the Sunset Review Committee by law was required to issue its report by December 31, 2016 and again that's every board and commission (hundreds of boards and commissions would be included in this report). The budget changed that and said "We're going to kind of isolate the Motor Vehicle Repair Board and some other boards and that report is due June 1, 2016. So we have just under a year for them to meet and then issue their report. Director Greene I imagine you would testify and then those in the industry will also have the opportunity to testify and say the purpose of the Board. I know some folks that have been around a long time would understand what it was like before the Board's creation on the collision side and could testify on the positive things it has done. It was scary for a little moment, you know, The Board was eliminated in the bill for a while; luckily legislators caught that and they removed that provision from the bill. That is something to be aware of and something we will need watch in moving forward. Just always be on guard against it because the Board really does serve a purpose, you saw all of the investigations just through the course of this year.

That was the budget, which was really the main issue affecting the Board; there are two mechanical registration bills out there – S.B. 37 and H.B. 199. Again, with the elimination of the Board, those really would not have matter if the Board wasn't in existence. Those have both received hearings we'll see what happens when the legislators return in September. Also, there was recently an Attorney General Administrative Rule that took effect, I think, August 10th. That would increase the threshold for when repair shops need to provide estimates. For over 30 years there's been a threshold that repair shops need to provide an estimate any time a repair is over \$25, well that's essentially every single repair out there. They can't even get under the hood for less than that. This Administrative Rule increases the \$25 to \$50; some will argue that that's still a low. Many repair shops are just providing the estimate anytime a customer comes in, nevertheless, it is an increase and after 30 years, I think that's certainly appropriate. The cost to repair a vehicle has gone up much more than just \$25. The AG's office was great to work with; I think they understood that this has not been updated in years.

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

EXPENDITURES – If you recall back when H.B. 114 passed adding the tinting, we went to the controlling board at that time and asked for more money. That's when our budget went up to \$484,000 something and I testified at the time that it would take us several years to recoup that expenditure; the extra people that we added, (Theresa and Craig), we added another car and equipment for those two employees and that type of thing. The fact that the expenditures are higher than the revenue is still abnormal. It's still going to take some time to recoup that. There are 1769

current registrations; that is down from the last meeting. I contribute that to the fact that we're catching up some on the arrears, but our closure rate has gone up on the shops. If you look at the ratio, it used to be at the end of the year you can figure your closure ratio and the rate of new shops opened balanced out; they don't balance out anymore. The closure rate is higher. Since the last meeting we have had about 40 shops close.

OTHER NEWS:

5 YEAR RULE REVIEW: Due December 2 (Filing Deadline) this is quite a long drawn out process. Not only do the rules get reviewed by JCARR, they also get reviewed by CSI, a new agency that the Administration formed to look at the business impact that rules make on small businesses. So what we'll do, if the Board agrees, the last time I had LCS (the Legislative Service Commission) send me the rules which is normal, it's something that's required. They send me the rules that we currently have and then we go through and make the changes and then last time I made all of the updates, had The Board review all of the updates and changes in the rules. We discussed them and they voted on it. I should have those ready – my plan is to have those ready for the next meeting and my plan is to have the rules out there for you to review before the meeting comes up so we don't have to sit there and go through 50-75 pages of rules, word by word. You'll have a chance to look at those, if that's ok with the Board, I'll do that again. If it's not we'll just have to plan some extra meetings for The Board to be involved in rewriting them. The only changes I see are the ones that came from H.B. 114 – adding the tint installers. We didn't update the rules at that time because we had S.B. 232 pending so I was waiting to see if that was going to pass and I could do all of the rules at one time. Well now my deadline is coming up so I can't wait any longer on the two bills that are pending now. We're either going to have to update them twice or – if that bill passes, that's not a problem. The major changes, I guess what I'm getting at, is just adding what the legislature put in H.B. 114 about the tint installers.

I will also attempt to have the public hearings – if I could coordinate it into one public hearing, then I'll coordinate it on the same day as the board meetings but there are deadlines and you have to post those meetings and there has to be 30 days. I'll keep The Board up to date on the progress of those rules.

6. NEW BUSINESS:

- A. Public Records Training – AAG MOVED TO NOVEMBER 2015 BOARD MEETING
- B. AUTO MECHANICAL MEETING DISCUSSION

7. ADJOURNMENT: NEXT BOARD MTG. – NOVEMBER 18, 2015, LOCATION:

Vern Riffe Tower, 77 South High Street, 19th Floor, Room 1932, Columbus, 43215.