



2019 Legislative Summary

During the 2019 Legislative Session, AASP-MN introduced a bill that would have made it an unfair insurance settlement practice for an insurer to deny payment of repair procedures called for by the original vehicle manufacturer. AASP-MN argued that the increasing complexity of vehicles, including collision avoidance systems, makes proper repair a public safety consideration.

This was our 2019 legislative objective, but we were unable to secure the support or even neutrality of the insurance sector. We met with insurers and exchanged amendment language but never did come to an agreement. This lack of accord cost us a place on the House Commerce Committee agenda – just the evening prior to our scheduled hearing.

Having undergone extensive preparation for this issue, we are well positioned to continue this work in 2020. Discussions with the insurance industry will be renewed. The Alliance of Automobile Manufacturers has voiced their continued support for the AASP-MN proposal, as has the Automotive Service Association, Society of Collision Repair Specialists and AASP National. We will be spending more time with our Bill Authors, key Committee Chairs and House and Senate Commerce Committee Members to ensure that they fully understand the importance of this measure to the safety of vehicle owners and the motoring public.

We will keep members informed as this work proceeds and we always welcome information about your relationships with legislators in your area.

AASP-MN also closely monitored legislation relating to business property taxes and workplace mandates.

The State General Property Tax on Commercial-Industrial Property and Seasonal Residential Recreational Property was established in 2001 as part of a broader tax reform measure that made its way through a politically divided Legislature. The first \$100,000 of Commercial-Industrial Property value has been excluded from the tax, but the amount of revenue raised by this property tax had been subject to an annual inflation increase which was in effect until 2017. This year, the 2019 Legislature agreed to reduce the amount of revenue to be generated by the Commercial-Industrial Property tax from \$784,590,000 to \$737,090,000 -- a reduction of six percent (6%).

Proposals to require employers to provide sick and safe time to employees on an accrual basis, as well as additional requirements to accommodate family medical leave, did not advance. These employee benefits come with a significant cost and, at a minimum, employers sought additional time to better understand the implications of the program requirements and how current benefits might serve to satisfy the new requirements.

The Omnibus Jobs and Economic Development bill did create a new law against wage theft. The law makes it a felony for an employer to withhold wages (\$1,000 threshold) from their employees. \$4 million was allocated to the Department of Labor and Industry in order to effectively enforce the new law, making this one of the toughest wage law provisions in the country. This was a rare bipartisan effort and was signed into law by Governor Walz on July 15th.