

Press Release



For Release: Immediate

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AASP-MN ANTI-MANDATE BILL HITS ROADBLOCK

The Alliance of Automotive Service Providers of Minnesota (AASP-MN) legislative proposal which would have prohibited insurers from specifying or requiring that a repair shop utilize “specific vendors, distributors, manufacturers, suppliers, business platforms or internal processes in order to carryout vehicle repairs for an insured or claimant” was not given a hearing in either the House or Senate Commerce Committee during Minnesota’s 2014 Legislative Session. The bill, which also would have prohibited insurers from steering insureds to particular shops for estimates, did not advance due to a combination of strong insurance industry opposition and the constraints of an abbreviated legislative session with tight committee deadlines.

Insurance companies characterized the bill as eliminating direct repair programs and waged an all-out campaign to kill it. In fact, many shops were contacted directly by insurance company representatives who reportedly attempted to instill fear of losing business, put pressure on the Association to change course and divide the repair industry.

AASP-MN Executive Director, Judell Anderson, said, “The Association’s concern is that insurers are taking a more and more active role in trying to *dictate* repair shop business practices in the context of these programs. Too often, insurer mandates adversely affect the efficiency and profitability of the repair shop, while doing nothing to ensure the safe and proper repair of the vehicle or to enhance the repair experience of the customer. The legislation is intended to bring about a more balanced approach and restore shop owners’ control over their own business relationships and practices.”

Based on the input of its members, AASP-MN will continue to work on this issue. The proposal will undergo review through the Association’s Committee process and then further discussions will be held with the insurance industry. AASP-MN will be ready to hit the ground running when the 2015 Legislative Session begins.

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AASP-MN is an association of independently-owned automotive service businesses and industry suppliers dedicated to improving Minnesota’s automotive service industry and the success of its nearly 700 members. For more information, visit www.aaspmn.org.