

AUTO COLLISION REPAIR LICENSING ADVISORY BOARD

MEETING MINUTES FOR JUNE 24, 2009

Members present: Dave Reynolds, Chairman
Richard Berstein, Legal Counsel – DBR
Gerald Galleshaw, Public Member
Dave Doucet, Rhode Island State Police
Dennis Gamba, Cranston Collision

Members absent: Charles Nystedt, Metropolitan Insurance Company
Dan Coleman, Fournier & Coleman, Auto Glass Industry
Paul Kiernan, of Paul Masse Dealership

Others present: Kim Precious, Implementation Aide, DBR
Randy Botelho, Reliable Auto

MEETING CALLED TO ORDER AT 10:40 A.M.

NEW BUSINESS

MINUTES

DR: Copies of the minutes of last meeting were distributed. Dave Reynolds made a motion to pass the minutes of the last meeting 4/29/2009. Motion was seconded. All were in favor.

OLD BUSINESS

REGULATION 3

DR: Status of Regulation 3.

RB: Today an extension is being filed with the SOS office to extend it for another 90 days. So it is the status quo until the hearing officer has time to review it on or about 9/24/2009.

GG: For 2 yrs this has been an on going. Is this because there been so many changes with the regulation?

RB: It has been a variety of problems. The fact that there were complaints from the Insurance Industry and then there was another issue that the hearing officer inherited it from another attorney it was not correctly red-lined so that was a technical oversight. There was also an issue of the wording and inconsistencies. So rather than force the regulation through it was put on hold until it could be corrected. Originally it was 30 days to correct the regulation, and then an extension was filed, and now this is an extension on that.

DG: When did we originally start putting this regulation out?

DR: It is going close to 4 years now.

DG: In my opinion, realistically, the way the economy is changed, we should have sit down and take another look at it again. My point would be that I think the rate was discussed four years ago. The Public Utilities with storage regs and towing tariffs are revisited on a yearly bases.

DR: There are provisions in the regulation with the director's discretion to implement a higher rate if he sees fit.

Randy: I just want to mention a couple of things that came up in reference to this regulation to put this on the record. One, the first time that the hearing was done there was no red-lined version. Second time, which it was done I believe almost a year and a half later what had been originally put forth there was a hearing on it. It was stated there wasn't proper notice. It then was claimed that it was going to be reposted for a hearing which took approximately another year for another hearing to be had and when that hearing was heard we were told that whatever had been testified in the original hearing would carry forward after the hearing. What came out from the department after the hearing is what was completely changed. There was a misunderstanding. The attorney reading it did not understand it clearly but never spoke with anyone at this board and as a result thinking that there was a mistake in the wording on it changed things that had a dramatic impact on what the outcome would have been and that is why we came back for emergency meetings and try to get it to be reverted back to what it originally was. Long and short of it, that is why it took so long. Mistake 1, Mistake 2 and Mistake 3. Now combine that with the turbulence of the Department being short-handed.

OTHER BUSINESS

LICENSE TYPES

KP: I want to be clear on the definitions of the different type of work that can be done under each license type, especially on the limited licenses.

RB: Could the board advise us, almost like a refresher course on going through very quickly each license and what each license type embraces and the special uses?

Full Collision

DR: Minimum requirements were put into effect to protect the consumer. So if a consumer going into a full collision repair shop license would know that the department issued that license to a person to run a business in Rhode Island to do full collision repair work that and that they have met certain criteria like having electrical hydraulic pulling equipment and current dimensional guides because today's automobiles are built within 1 – 2 millimeter tolerances and sometimes to no tolerance at all we felt it was important that each shop that dealt with collision repair had electric and hydraulic pulling equipment and current dimensional guides, a four-point clamping system, because we found there were some old frame machines that were inadequate to repair some of the newer vehicles, so basically what it was a bench machine, clamp fork spots on the vehicle hydraulic or electric pulling equipment so you could measure the vehicle to determine if in fact there is damage to that uni-body construction and at that point you can address the damage and put it back to pre-accident condition. You also need to see that welding meets manufactures specification that welding equipment is an open-ended provision because welding equipment that meets factory specific, i.e. resistance welding need to repair.

KP: Tom does the inspections on new applications. He asks about the equipment and they show him, but we don't know exactly what we are looking at with all the different types of equipment.

RB: It would be good for our inspector to have some identification.

Randy: I will put together a brochure about types of equipment. Names and model numbers.

Limited licenses

KP: Are limited licensees allowed to do any collision work at all?

DR: If they do not have a frame machine on the premises you shouldn't be doing it.

KP: And what if you do have a frame machine and just not a spray booth?

DR: A limited can sub out paintwork, because they are a restoration. Under limited paint the header says what they can do. When you say they can have limited paint then they need a spray booth or go under special use.

KP: Do we need an affidavit saying whom they are going to be using for their paintwork?

Randy: Limited restoration needs to have spray booth.

Special use licensees

Randy : All license types have to have a fire safety check even if they are special use. When someone applies for a special use license they need to specify what they are doing and the Board Reviews. The difference is some of the special uses are not being approved for spraying. Their fire inspection needs to specify if they are allowed to spray paint or not. If it doesn't say you are inspected to do paint you can't paint then they would have a certificate saying it does not spray.

Motorcycles are another instance. Most of the parts come thru painted. As a result the shops that are not doing custom painting do not need a spray booth.

On the special use Jeanne McCarty presented the board with applications concerning special use, Dave St. German during his tenure indicated, the board would review and give their advice to the department on the license. Neena Savage stated that the Department is the ultimate licensor and does not relinquish any of its responsibilities to the board, She also stated the Board would formulate written procedures to avoid the subject of being bias.

KP: That's what I need a copy of.

DR: This is a new administration. We have been over this with the Director. If they need our expertise they will ask the board.

Update Application

KP: I think we should look at the application to see if any changes can be made prior to the renewal period.

DR: This application is not a completed application because the checklist doesn't give you evidence of financial responsibility, Minimum value nor Space Requirement.

RB: On the evidence of financial responsibility, it should include a policy number and limits.

DG: Why does it ask if you have and appraiser or adjusters license?

RB: In the affidavit let the applicant know what he can or cannot do. The board could come up with four types of affidavits and in bold have in each type and it will be guidance for Kim and guidance for the applicant on what the requirements are. Special use will have a condition that it be submitted to the board for review.

DD: On the affidavit of compliance just extend the line for them to answer manufacture and model number so Tom will know what he is looking for.

RB: Statue was enacted 5 or 6 years ago to say a license is not a right it is permission and the state will withhold permission if you withhold taxes. Specific tax affidavit under penalty of perjury should be included on all applications.

Appendix A

RB: There are concerns on Appendix A. It is very confusing about whose obligation it is to complete.

KP: When a complaint comes in and I request the form, the auto bodies don't have it for me to check.

DR: The insurers send them to us.

BOARD VACANCY

RB: Recommendation for the replacement for Chap Nystedt. A formal board notice or do you just want to talk to your brethren or sisters in the industry and see if you can come up with a couple of names.

LA: I will let them know that Chap is leaving and the board is looking for some names from the insurance industry.

RB: Do we want an agenda item to address board vacancy?

DR: Made a motion to add to the agenda to address board vacancy for next meeting. Second by Richard. All in favor.

DR: One more thing under other business. A letter of appreciation for our resigning member. E-mail that over to me.

RB: Motion to adjourn. Seconded. All in favor. Meeting adjourned 11:47 a.m.