



Automotive Service Association®

LEGISLATIVE NEWS



A bimonthly news update from ASA's legislative activities.

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Recent activities of ASA's Washington, D.C., office ...

ASA Opposes Elimination of FIO

The U.S. House of Representatives Committee on Financial Services has passed the Financial Choice Act of 2017. This bill, approved along party lines 34-26, replaces the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 that attempted to address the financial crisis beginning in 2008.

Included in the repeal of Dodd-Frank is language that replaces the Federal Insurance Office (FIO) with the Office of Independent Insurance Advocate.

The bill dilutes federal powers over the insurance industry. Collision repairers have seen little FIO activity that impacts their businesses since the passage of Dodd-Frank, but the FIO did provide a framework for further federal involvement.

The Financial Choice Act still must be considered on the House floor. If the Committee vote is any indicator, it should pass the House with a vote along party lines. The U.S. Senate could be more problematic for Choice Act supporters. The bill will require democratic support to pass the Senate, even if it receives all 52 Republican votes.

States Consider Numerous Vehicle Safety Inspection Bills

- Maine House Bill (HB) 439 and HB 567 propose to weaken, or eliminate, Maine's vehicle safety inspection program. If enacted, HB 439, introduced by State Rep. Paul Stearns, R-119, would require a biennial safety inspection as opposed to the current annual requirement. The bill is co-sponsored by State Rep. Richard Cebra, R-68, who sponsored the unsuccessful HB 167, a virtually identical bill that failed in committee at the end of January. Cebra is also the sponsor of HB 567, which would dismantle the entire vehicle safety inspection program in Maine. The Automotive Service Association is a staunch supporter of vehicle safety inspections and opposes these bills. Both HB 439 and HB 567 are dead for this session.

- South Carolina House Bill (HB) 3989, introduced by State Rep. Joseph Jefferson, D-102, would require all vehicles registered in the state to undergo an annual safety inspection. Current law does not require vehicle safety inspections. If enacted, the legislation would take effect Jan. 1, 2018. ASA supports South Carolina HB 3989.

- In Utah, Gov. Gary Herbert signed HB 265 into law. This bill states that beginning in 2018, vehicle safety inspections will no longer be necessary to complete yearly registration of noncommercial vehicles. Utah was one of 16 remaining states that required a periodic automotive safety inspection.

ASA Says No to Weakening State Crash Parts Consumer Protections

The Arkansas House Insurance and Commerce Committee voted down Arkansas Senate Bill (SB) 291, introduced by state Sen. Greg Standridge, R-16, by a voice vote. SB 291 would have repealed Arkansas' requirement for the use of original equipment crash parts in the repair of a vehicle that is still under the manufacturer's warranty, unless the vehicle owner has given written consent otherwise.

The bill faced considerable opposition from Arkansas collision repair shops. On behalf of its Arkansas members, the Automotive Service Association (ASA) sent a letter to the chairman of the Arkansas House Committee on Insurance and Commerce in opposition to SB 291.

In the letter, Robert L. Redding Jr., ASA's Washington, D.C., representative explained, "SB 291 will reverse consumer protections for vehicle owners in the state of Arkansas. Arkansas is one of a few states that assures vehicle owners have notice as to which types of replacement crash parts are used in the repair of their vehicle and consent to the use of these parts. Vehicle owners deserve notice as to the types of parts used in the repair of their vehicle after an accident. The use of any replacement crash parts should follow only after written consent by the vehicle owner."

ASA would like to thank its Arkansas members who contacted their representatives in opposition to SB 291. West Virginia Senate Bill (SB) 544, introduced by state Sen. Mark Maynard, R-6, would eliminate the requirement for consumer written consent when using aftermarket parts in a vehicle that is still under the manufacturer's warranty. The legislation would modify West Virginia's current law requiring consent from the vehicle owner to mere notification.

Current law stipulates that motor vehicle body shops must use genuine crash parts for a period of three years, the year the motor vehicle was manufactured and the two succeeding years thereafter, "sufficient to maintain the manufacturer's warranty for fit, finish, structural integrity, corrosion resistance, dent resistance and crash performance, unless the motor vehicle owner consents in writing at the time of the repair to the use of aftermarket crash parts."

ASA opposed SB 544 and the bill appears dead for this session.

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