

Written testimony on behalf of the Alliance of Automotive Service Providers of Minnesota (AASP-MN)

AASP-MN is the state trade association representing nearly 700 independent collision and mechanical repairs shops across Minnesota. We appreciate the opportunity to provide written testimony to the Salvage Title Task Force.

We are familiar with the efforts to change the salvage title statute in Minnesota and continue to be concerned about the potential outcomes. We see these changes as bad for both consumers who want to repair their vehicles and for repair shops who are willing and able to fix them properly.

Eliminating reference to "late-model" and "high-value" in the salvage title statute will dramatically expand the number of vehicles required to secure a salvage certificate of title from the Minnesota Department of Public Safety while providing no consumer benefit. Consumers can easily be in a situation where they would be "underwater" with the financing of their vehicle which could be properly and safely repaired and yet, they will face the prospect of having the value of that vehicle diminished if it is identified as "salvage." Consumers who would prefer to safely and properly repair their vehicle should not be disincentivized from doing so.

The current threshold for "late-model" and "high-value" vehicles was the product of lengthy negotiation between the Insurance Federation of Minnesota and AASP-MN and we continue to believe that any changes to the previously negotiated statute should have the support of both organizations.

AASP-MN has been meeting with a number of organizations including the Auto Auctions, the Insurance Federation, and Legal Aid to discuss these proposed changes. We do not believe the changes contemplated to date would help consumers better assess the road worthiness of the vehicle they are driving or are considering for purchase. Our recommendation would be that any change to the statute have two overarching goals:

- to provide better information about damaged vehicles and
- to offer greater transparency for determining when a salvage title should be required and obtained

Last year, there was language prepared which would have called for particular reporting regarding the type of damage a vehicle had sustained, a change to the salvage title statute that we could support and believe furthers the two goals stated above.

Sincerely,

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Linden Wicklund, Executive Director

