

(Minutes of May 25, 2005 ADALB Meeting held in Marlboro, MA)

Present: Chairman Gilbert Cox

Members: Bruce King, Donald Spinelli, Stephen Tague and Joe Valarioti,

Attorney for the Board: Richard A. Cody

Secretary: Yvonne Torres

Approval of Minutes

Motion by Don Spinelli to accept minutes of prior meeting held on April 13, 2005. Seconded by Bruce King. Passed 4-0.

Report on licenses

Richard Cody reported:

5,117 Active Licenses and all are pending renewal

2 Temporary License (Todd E. Luzi – T00020 and Justin J. Kuncz – T00021)

39 new applications were processed

69 individuals took Part II on April 20th and results are pending.

25 individuals passed Part I and are on the waiting list for Part II

The following meeting was recorded by:

Commerce Insurance Company using audio & video

Thomas Colo using audio.

Review of New Complaints -.

2004-08 – Complaint filed by Carol A. Walsh against Steve Giordano & Kevin Demers. Spinelli recuses himself from voting on this matter. Motion by Joe Valarioti that this complaint go to informal hearing and that Mr. Giordano and Ms. Walsh appear at the next meeting. Seconded by Bruce King. Both Demers and Giordano should appear at the informal. Passed 3-0

Future Meeting Dates

Wednesday, June 15, 2005

Wednesday, July 27, 2005

Topics of Discussion

- Thomas Colo's letter re: Commerce policy not allowing appraisers to go to his body shop or glass shop. Motion by Spinelli to accept this as a complaint against Commerce and to proceed to Step 2. Seconded by Bruce King; Passed 4-0. This item will be placed on the agenda for further discussion at the next Board meeting in June.
- Paintless Dent Repair - The Board next discussed the business of paintless dent facilities. At the present time, these facilities are licensed by the Bureau of Standards. The first question before the Board is whether a licensed appraiser must be present in the paintless dent repair shops. Spinelli moved, seconded by Tague, that no licensed person need be present at paintless dent facilities. Motion passed 3-1
The second question presented was can a licensed appraiser use flat fee pricing. The answer was "No". If a licensed shop is only doing PDR work, they can use flat fee. Moved by Tague and seconded by Spinelli that PDR should appear on the appraisal as a sublet item. 3-1 vote.

The third question was whether the Commerce letter to its policyholders directing them to a specific repairer (Dent Wizard) was in violation of steering? Spinelli believed that by mentioning one specific shop it is steering. Commerce, should in the future comment on the new technology and offer a list of different shops. Commerce attorney, Peter McCue stated that that they would not identify specific companies again. Matter disposed.

- Discount on list price – Bruce King moved that all licensed appraisers shall not demand an automatic discount from list price unless otherwise addressed in the policy contract. Seconded by Don Spinelli. Passed 4-0
- Request by Joseph F. Fusco for temporary license. Spinelli moves to allow request upon payment of \$50.00. Valarioti seconds. Passed 4-0
- Request by Brian Starkweather to waive examination requirement based on experience. Valarioti moved that he be invited to the next meeting. Seconded by King. Passed 4-0.
- Clarification on Paint & Material discussion. (See attached).

At the May, 2005 ADALB meeting Mr. Peter McCue representing the Commerce Insurance Company requested further clarification of the Boards ruling on the use of a published manual or other documentation when determining the cost of Paint & Materials in the damage appraisal process.

Mr. Don Spinelli explained that the Board was only enforcing the regulation that Commerce as well as every other carrier and repair shop must comply with the law. Mr. Spinelli explained that failure to comply with the regulation will result in appraiser license suspension, fine and/or other penalties to both the appraiser and the company they are employed by.

The Board hoped that this made it clear to all licensed appraisers that the law will be enforced that failure to comply will have consequences. The Board further explained that this issue had been discussed for the past four months and that it was time to move on.