



Maura Healey
GOVERNOR

Kim Driscoll
LIEUTENANT GOVERNOR

THE COMMONWEALTH OF MASSACHUSETTS AUTO DAMAGE APPRAISER LICENSING BOARD

One Federal Street, Boston, MA 02110
(617) 521-7794 • FAX (617) 521-7475
TTY/TDD (617) 521-7490
<http://www.mass.gov/doi>

MICHAEL DONOVAN, CHAIRMAN
WILLIAM E. JOHNSON
PETER SMITH
CARL GARCIA
VICKY WEI YE

Minutes of the Meeting of the Board held on September 23, 2025 and approved at the Board Meeting held on December 11, 2025; Motion of Board Member William Johnson, Seconded by Board Member Peter Smith with Chairman Michael Donovan absent. The Motion Passed by a Vote of: 3-0, with Board Member Ye abstaining, because she was unable to attend the September 23, 2025, meeting.

Minutes of the Board Meeting held on September 23, 2025

The Auto Damage Appraiser Licensing Board (ADALB or Board) held a meeting on September 23, 2025, at One Federal Street, Boston, Massachusetts.

Members Present:

Chairman Donovan
William Johnson
Peter Smith
Carl Garcia

Attending to the Board:

Michael D. Powers, Counsel to the Board

Call to Order:

Chairman Michael Donovan called the meeting to order at 10:00AM with a roll call vote and 3 Board Members responded present. Chairman Donovan noted that Board Member Vicky Wei Ye contacted him and informed him that she was not feeling well and could not attend the meeting.

Approval of the Board minutes for the Board meeting held on May 13, 2025:

Chairman Donovan requested a motion to approve the minutes of the May 13, 2025, meeting. Board Member Peter Smith made the motion to approve the minutes, and the motion was seconded by Board Member William Johnson. Chairman Donovan called for a vote and the motion passed by a Vote of 3-0, with Chairman Donovan abstaining because he votes only to make or break a tie.

Chairman Donovan asked that those recording the proceedings to identify themselves and state with whom they were affiliated. Those responding to the Chairman's request were: James Bates of the MAPFRE/Commerce Insurance Company and Evangelous "Lucky" Papageorg of the Alliance of Automotive Service Providers of Massachusetts (AASP/MA). In attendance were: Lucky Papageorg, AASP/MA Executive Director, Don Dowling, AASP/MA Secretary and owner of Marblehead Collision, and Jeff White, AASP/MA Zone 4 Director and owner of North

Andover Auto Body in North Andover. Ed Jankowski of MAPFRE/Commerce Insurance Company, Rob Torres from Travelers Insurance Company and Parker Riley from Progressive Insurance Company were also in attendance.

Report by Board Member Peter Smith on the Part-II examination for motor vehicle damage appraiser:

Chairman Donovan requested an update on the preparations for the Part-II examination for motor vehicle damage appraiser. Board Member Peter Smith reported that a Part-II examination was held on August 20th with 44 applicants, 41 passed and 3 failed the exam. Board Member Smith stated that he was able to make contact with the 3 applicants who failed the exam and attempted to help them understand why they failed, reviewing the areas wherein they appeared deficient and explained what they needed to do to successfully pass the examination in the future; all of the applicants expressed their appreciation for the assistance. Two of the applicants stated that they would be re-taking a future exam. Mr. Smith thanked Board Member Johnson for his assistance in proctoring the exam and asked him if he had any observations or comments. Board Member Johnson responded by stating he was impressed with the security at the MAPFRE/Commerce Insurance Company's facility where the examination was held, noting he hoped to replicate it at his facilities [Board Member Johnson is the owner of several companies engaged in the delivery of high quality automotive repair and towing services, "The Johnson Groups"]. Mr. Johnson noted this was the first Part-II exam he attended in a long time due to restrictions placed on the number of Board members whom are able to participate in sanctioned events [no more than 2 Board Members can administer the Part-II examination based on an opinion issued by the Division of Open Government in the Office of the Attorney General, which overruled the Auto Damage Appraiser Licensing Board's enabling statute G.L. c. 26, § 8G empowering the entire Board to administer examinations for the licensing of motor vehicle damage appraisers]. Board Member Johnson stated he felt the examination was conducted fairly and equitably. Board Member Smith noted this exam had two live cars which differed from recent exams and reported the date for the next exam was not set and noted that there were about 20 applicants who signed up for the exam, but he needed another 30 applicants before scheduling the next exam, which will probably be held in December. Board Member Johnson expressed concerns about the use of "Mitchell Guide Sheets" and felt the manner of the test was far from the "real world" of estimating motor vehicle damage, noting licensed appraisers write what they see, which is a visual appraisal to ensure they understand what's going on. Board Member Johnson noted a couple of applicants used Mitchell Guide Sheets but the Mitchell Guide was not accessible during the exam to confirm that the applicants were correctly appraising the damage. Board Member Johnson opined that the focus of the test should be paint hours times dollars. Board Member Garcia noted that when he was involved in the exam process, they would intentionally use a ridiculous dollars time hours calculation and he explained it was used as a method to extract an applicant's knowledge. Board Member Garcia recalled that he used a disclaimer letter stating the labor rate and P&M calculation used for the test should not be considered as anything but a tool for the calculation of the exam. Board Member Smith stated he believed that such a letter is still distributed at the point of an applicant's acceptance to take the Part-II exam and will check with Mr. Robert Hunter, from the Producer Licensing Unit with the Division of Insurance, and ascertain if there is a need to update the letter.

The Executive Director of AASP/MA “Lucky” Papageorg asked why the Board required a six-month delay between a failed examination by an applicant and being allowed to re-take the Part-II examination. Board Member Smith responded that it is required by the Board’s Regulation 212 CMR 2.02(3). and the enabling act [the Board’s Enabling Act M.G.L. c. 26, § 8G mandates six months, “[A]n applicant failing to pass an examination satisfactory to the board, shall, after payment of a further fee of fifty dollars, be entitled to a reexamination after the expiration of six months from the date of the last examination...”]. Mr. Garcia noted that in his prior participation on the Board, they never enforced the six-month rule, and he suggested that it might be added to the changes in the Regulation the Board is currently undertaking. Board Member Smith stated the delay of six months would allow an applicant time for further education in the process of how to properly appraise a damaged motor vehicle. It was agreed that the Board would review whether they could reduce the waiting time from six months to a shorter waiting period.

Discussion about the Auto Body Labor Rate Advisory Board (Advisory Board) created under Governor Healey’s “Mass Leads Act” Section 292 of Chapter 238 of the acts of 2024, which provides: SECTION 292:

Chairman Donovan requested Board Legal Counsel Michael D. Powers provide a report about the recently enacted law. Legal Counsel Powers, who is the Co-chair of the Auto Body Labor Rate Advisory Board, reported that the Legislature enacted a new law at the end of 2024 as part of the Governor’s “Mass. Leads Act” which he read and is the following:

There is hereby established an auto body labor rate advisory board to address any issues related to auto body labor rates. The advisory board shall consist of: 1 person appointed by the commissioner of insurance, who shall serve as co-chair; 1 person appointed by the attorney general, who shall serve as co-chair; 1 person appointed by the director of standards; 3 persons selected from the auto insurance industry by the Automobile Insurers Bureau of Massachusetts; 3 persons selected from the auto repair industry from different geographic regions of the commonwealth by the Alliance of Automotive Service Providers of Massachusetts, Inc.; 1 person selected by the Massachusetts State Automobile Dealers Association, Inc; 1 person selected by the Massachusetts Association of Insurance Agents, Inc.; and 3 persons to be appointed by the co-chairs, 1 of whom shall be from a consumer advocacy group, 1 of whom shall be from a group representing the business community and 1 of whom shall be an economist with expertise on the insurance industry.

The advisory board shall be responsible for creating, implementing and overseeing a survey given to relevant auto body shops. The advisory board shall collect industry data including, but not limited to: (i) labor rates in neighboring states; (ii) auto body shop costs; (iii) total labor costs; (iv) inflation data; (v) work force data; (vi) vocational-technical school trends; (vii) insurance premiums; and (viii) any additional information as requested by the advisory board. The results of the survey and the data collected shall be reviewed and analyzed by the advisory board.

Not later than December 31, 2025, the advisory board shall make recommendations to the division of insurance for a fair and equitable labor rate and file a report of its findings,

conclusions and recommendations with the clerks of the senate and house of representatives, the joint committee on financial services, the senate and house committees on ways and means and the division of insurance.

Board Legal Counsel Powers reported on the progress made by the Advisory Board which was established to report recommendations to the Division of Insurance for a fair and equitable labor rate and file a report of its findings, conclusions and recommendations with the clerks of the senate and house of representatives, the joint committee on financial services, the senate and house committees on ways and means and the division of insurance. Legal Counsel Powers brought the Board members up to date on the progress made by the Advisory Board, of which he serves as Co-Chair. Legal Counsel Powers stated that the Advisory Board sent surveys to 1497 auto body repair shops registered with the Division of Standards and received responses from approximately 500 auto body repairers, which were under review by Co-chair Stacey Gotham and Advisory Board Member Professor John Kwoka, an actuary and an expert economist. At the last meeting of the Advisory Board, it was agreed that a survey would be sent to auto insurance carriers with a market share in Massachusetts of 1% or above of auto insurance premiums written and the auto insurance carriers were given 30 days to respond. Those surveys were distributed through the Massachusetts Insurance Federation to approximately 17 carriers who represent a market share in Massachusetts of more than 1%. Legal Counsel Powers described the law in the neighboring state of Rhode Island and its method of surveying auto insurance carriers about auto body labor rates paid by them, and suggested Rhode Island's method provided value to consumers who can review the rates annually posted on the state of Rhode Island Insurance Department's website and the law was also beneficial for auto body repair shops, especially start-up repair shops whose owners don't have the experience and knowledge long-time established repair shops have. Both the start-ups and long-time auto body repair shops would benefit, because they would see what auto insurance carriers are willing to pay for auto body labor. Legal Counsel Powers stated the next meeting of the Advisory Board would be held in October at a vocational technical high school and believed that the location could be the Assabet Vocational school and added that expert testimony may be submitted electronically. Legal Counsel Powers stated that he wanted all members of the Advisory Board in physical attendance at the school for the meeting so the members can tour the facility. Board Member Johnson asked Legal Counsel Powers whether the ultimate goal of the Advisory Board was to set a minimum auto body labor rate to be paid by auto insurance carriers. Legal Counsel Powers responded that the Advisory Board was not authorized to set any minimum labor rate, the Advisory Board was charged with making recommendations to the Division of Insurance and Chairs of the Financial Services Committee, House and Senate Ways and Means, and any such minimum labor rate would require enactment by the State Legislature. Board Member Johnson stated that the auto body repair industry should be careful what they wish for, citing the towing industry's plight (Board Member Johnson as President of the Massachusetts Statewide Towing Association Inc. spanning 2 decades), which was initially regulated in 1970, and to-date only obtained five rate increases, noting the light duty towing industry, like the auto body repair industry, relies on "ancillary fees" to make up the difference in the rates. Board Member Powers described the regulation of insurance premium rates that were in effect up until 2007, whereby a fixed and established system required auto insurance carriers to annually submit their proposals to the Insurance Commissioner, who would review them and, thereafter, establish the auto insurance premium rates. By 2007 there were only three national auto insurance carriers providing insurance coverage in Massachusetts. The subsequent removal of that process brought several national

carriers into the state competing for business, and the new competition reduced the average premium for insurance on private passenger motor vehicles. That reduction in insurance premiums, due to the introduction of the enhanced competitive market by auto insurance carriers, stayed below the 2007 average insurance premium rates up until 2012. Legal Counsel Powers said he was looking forward to seeing the recommendations by the auto body repair industry. Legal Counsel Powers stated that the state of Rhode Island recently enacted a law that expedites the arbitration process when a dispute arises over the appraisal of damage between an owner of a motor vehicle's auto body repair shop and an auto insurance carrier and suggested that may be a worthwhile process adopted in Massachusetts. Board Member Garcia agreed and said the Rhode Island law has a lot more teeth and described its attributes. Chairman Donovan requested confirmation that the Advisory Board's deadline for filing its report was December 31, 2025, and Legal Counsel Powers confirmed the date. Lucky Papageorg asked Legal Counsel Powers, as a Co-chair of the Advisory Board would Mr. Powers inform those in attendance as to who would write the final report. Legal Counsel Powers responded that the recommendations would be made by Advisory Board members, which would be reviewed, and a final draft of the report written by the Co-chairs, thereafter the report would be presented to the entire Advisory Board for a vote to approve it, in the same manner as the report was prepared and approved by Chairman James Murphy for the "2022 Special Commission on Auto Body Labor Rates." After the report is approved by the Advisory Board, the report would be sent to the Division of Insurance, Clerks of the House and Senate, Senate and House Committees on Ways and Means, and the Chairs of the Joint Committee on Financial Services. Legal Counsel Powers concluded that the Advisory Board was comprised of 14 Members who had extensive backgrounds within their specialties and were a "Blue Ribbon" panel of specialists in the auto repair, auto insurance, actuarial, and economists industries.

Update on status of proposed amendments to the ADALB's Regulation, 212 CMR 2.00 et seq. The newly constituted Board, with new Board Members Carl Garcia and Vicky Ye and Peter Smith (reappointed) appointed by Governor Maura Healey, will consider proposed amendments to the Board's Regulations 212 CMR 2.00 et seq. The process began by the Board reviewing the proposed amendments that were approved by the previously constituted Board that concluded at the Board meeting held on July 19, 2022:

Board Member Smith stated that he sent updated versions to be discussed today, starting with License renewals. A proposed new section was distributed to the Board Members, specifically found in 212 CMR 2.02(4). The proposed renewal language included the requirement that applicants disclose any adverse actions, convictions, and civil judgements and Mr. Smith read the new wording. Mr. Garcia expressed concern that the term civil action was included in the proposed language, noting any one can make a civil case against anyone for any reason, and he stated that he was proof of that, having had several civil cases brought against him in his various endeavors. Mr. Johnson concurred, citing a divorce is a civil action and a lengthy and robust discussion ensued among the Members of the Board. Board Member Johnson suggested the Board use standard review language which can cover all aspects of the renewal review process and would provide Mr. Smith with a copy to review.

Board Member Smith moved on to subsection 3. Mr. Garcia advised his review found no problem with the proposed language of the section except for the beginning which has already been discussed. Board Member Smith provided proposed amendments to the "Conflict of Interest"

section 212 CMR 2.02(7)(a) and (b) with subsection (b) as a new section, and he read the new wording. Mr. Johnson requested input from Mr. Powers stating that every single vote the Board takes has a direct financial interest with his company and offered suggested changes. Board Member Garcia said that technically as a Board, we're not voting on financial interests, the Board is voting on the conduct of the appraisers and the appraisal process. Board Member Smith agreed offering a solution to add the language "interest in the matter itself". Board Member Smith said he would change the proposed language by removing the word "financial" and replace it with the phrase "Interest in the matter".

Board Member Smith moved on to the language contained in the Board's Regulation under "Revocation and Suspension" in subsection 8 and he read the proposed changes. After reading the proposed changes, Board Member Johnson requested at some future Board meeting the Board's Regulation should be read with the proposed amendments in its entirety, so a better understanding would be known of any potential ramifications with the other sections contained in the Board's Regulation and the related regulations adopted by the Division of Insurance, 211 CMR 123.00 et seq and 211 CMR 133.00 et seq.

Board Member Smith returned to subsection 212 CMR 2.02 (9), "Drive-in Claims and Appraisal Facilities" and questioned if there were any Drive-ins left to have this section remain relevant. It was suggested these Drive-in centers can cover catastrophes when temporary emergencies arise, which has been the case when temporary Drive-in centers are often used. Board Member Smith said he would propose language addressing this section of the Board's regulation.

Other Business – reserved for matters the Chair did not reasonably anticipate at the time of the posting of the meeting and agenda:

Board Member Johnson noted that the letterhead for the last meeting agenda had the old 1000 Washington Street address, which some might find confusing. Legal Counsel Powers stated that he made the change several months ago from the old address of 1000 Washington Street to the One Federal Street location, the new location of the Division of Insurance in Boston, for whatever reason the computer did not capture the change, and he would ensure the new location will be properly written in the Board's letterhead. Notwithstanding, the notice of meeting contained the proper location and time for the Board's meeting held today.

Review of Complaints number: 2025-21, 2025-22, 2025-23, 2025-24, 2025-25, 2025-26, 2025-27, 2025-28, 2025-29, and 2025-30:

Chairman Donovan recommended tabling the complaints until the next meeting when Board Member Ye would be present. Board Member Johnson disagreed, stating that he didn't think anything was postponed when he was unable to attend a meeting. Legal Counsel Powers suggested there weren't any complaints reviewed when Board Member Johnson was unable to attend the meeting. Chairman Donovan stated the complaints would be tabled until the following meeting.

Motion to Adjourn:

Legal Counsel Powers said there was nothing scheduled for the executive session and, therefore, the next item would be for a motion to adjourn. Board Member Peter Smith made a motion to adjourn the meeting and the motion was seconded by Board Member Garcia. Chairman Donovan called for a roll call vote, Board Member Johnson voted no, and Board Members Smith and Garcia

voted yes. The motion passed by a Vote of: 2-1, with Chairman Donovan abstaining and the meeting was adjourned.

Whereupon the Board's business was concluded.

The form of these minutes comports with the requirements of M.G.L. c. 30A, §22(a)