

Auto Body Labor Rate Advisory Board
Meeting held on June 12, 2025 at 1 p.m.

MINUTES

Members Present

Michael Powers, Co-Chair
Stacey Gotham, Co-Chair
Mark Merante
Rick Starbard
Brian Bernard
Matthew Ciaschini
Christopher Stark
Peter Smith
Paul Burke
Sean Kane
David Brown
JC Burton

Call to Order:

Co-Chair Powers called a meeting of the Auto Body Labor Rate Advisory Board, hereby known as the Board, to order with a roll-call vote. All Board members responded present besides John Kwoka and Samantha Tracey. Sean Kane and JC Burton attended the meeting virtually, while all other Board members attended in person at State House Room B1.

Introductions from the Co-Chairs and Board Members:

Co-Chair Powers explained the Board's statutory task and explained that the purpose of this meeting was to gather public testimony from interested parties. Co-Chair Gotham stated her background and gave an update that the approved auto body labor rate survey had been distributed to auto body shops. Co-Chair Powers gave each Board member the chance to briefly speak and address the meeting attendees.

Public Testimony:

Public testimony began with in-person attendees and finished with virtual attendees. Below is a summary of the points and opinions that were shared during attendees' statements:

- Statement: Auto body shops are paid \$20-30 an hour more for labor rates over the border in Connecticut.
 - Labor rates are also higher in New Hampshire.
- Statement: The equipment that auto body shops need to maintain is a lot more expensive than electricians, who are paid more.
 - This equipment is also expensive to update.
- Statement: There are major issues with retaining and recruiting employees. Young people do not want to enter the auto body industry because they are not paid well compared to other industries.
 - Enrollment at technical schools for auto body programs is declining.

- Statement: The price for auto body shops to do business in Massachusetts is double to almost triple what it is in most states.
- Statement: There are severely repressed auto body labor rates in Massachusetts.
 - Suppressed labor rates have forced some auto body shops to pass off the difference to consumers.
- Statement: A regional labor rate should be considered.
- Statement: Labor rates have remained stagnant for years as the cost of completing repairs has risen rapidly.
- Statement: Labor shortages in the auto body industry hurt consumers as well.
 - There are longer wait times for repairs and quality of repairs suffers.
 - Consumer safety could be harmed by suppressed labor rates.
- Statement: It's difficult for auto body shop owners to ball their bills, pay employees, and take of customers at the current labor rates.
- Statement: As vehicles grow more advanced, training and equipment costs increase. But shops operate with stagnant labor rates.
- Statement: The auto body shops are suffering more than the insurance industry.
 - Insurance companies' premiums go up every year and their employees' benefit, but the insurance industry claims it is suffering.
 - Insurance companies had record profits during the COVID-19 pandemic.
- Statement: A representative from the APCIA Insurance Association stated that the insurance industry strongly opposes government price fixing. The representative said he was not aware of special compensation rates in other industries, and fixed rates increase costs and stifle competition to the detriment of Massachusetts consumers.
- Statement: An auto body shop owner stated some shops are forced to hire additional office staff because insurers pass administrative tasks to shops without compensation.
- Statement: The three auto body shop representatives on the Board should be afforded more weight in the Board's decision-making process.
- Statement: The insurance representatives on the Board know how unfair the current rates are.

Co-Chair Powers thanked members of the public for their testimony.

Next Board Meeting:

July 29, 2025 at 2 p.m.

Motion to Adjourn:

Board member Stark member motioned to adjourn the meeting, and Board Member Starbard seconded this motion. The motion passed by unanimous roll-call vote, and the meeting was adjourned.