

Auto Body Labor Rate Advisory Board
Meeting held on June 3, 2025 at 2 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
Samantha Tracy
Paul Burke
Sean Kane
John Kwoka
David Brown

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 JC Burton, who had previously notified the co-chairs that she could not attend.

Date for Expert Testimony:

Co-Chair Gotham suggested holding the expert testimony meeting in September. Co-Chair Gotham said Board members could select experts they want to speak at this meeting.

Survey Discussion:

Co-Chair Powers stated that the working group had met again and made edits based on the previous meeting's discussion. He explained that they made changes to the base survey, but there are still two extra questions they cannot decide upon. Co-Chair Powers said he would poll the Board about the revised base survey and the additional two questions after a discussion period.

- Board Member Merante asked Board Member Kwoka for his opinion on how helpful or meaningful the answers auto body shops provide to Question 10 might be.
 - Board Member Kwoka responded that it might be useful to compare that data to rates of insurers. He asked if there is any downside to including this question.
- Opinion: Insurance-paid rates are significant to the decisions the Board is going to make.
- Opinion: The Board would have to look into the terms and conditions of each contract for Question 10 to mean anything. The Board doesn't have the ability to do this, and shops would likely be unwilling to share their contracts.
- Opinion: Contracted rates are not relevant.
- Opinion: Because insurer rates are available, contract rates aren't needed. The numbers are likely the same.

- Suggestion: The highest / lowest question format of Question 10 might cause problems by collecting extreme examples. This question could be changed to ask for the average.
- Question: What will the Board do with the data if someone fills out only part of the survey?
 - Co-Chair Gotham responded that the Board would consider what is provided.
- Board Member Stark said that he agrees to Question 10 being revised to ask for the average for the past 12 months.
- Opinion: Question 10 might negatively affect the likeliness of auto body shops completing the survey.
- Board Member Starbard said that if you got around 300 shops to complete the survey, you would get around 20 at the maximum who would have answer to Question 10. Only a small percent of shops have contracted rates.
- Board Member Kane asked if direct repair programs are included in the 10 percent statistic that has been cited for shops with contracted rates.
 - Board Member Starbard responded that direct repair programs are not included in that statistic. He said he believes around 22 percent of shops are program shops with referrals or direct repair.
- Opinion: 90 percent of all auto body work is done with insurance companies. Question 10 is being asked to ascertain basic information without getting into the weeds.
- Opinion: Questions 10 and 11 should be included. The more information the Board can collect, the better.

Co-Chair Powers conducted roll-call votes on three questions. The Board approved the revised base survey by a unanimous roll-call vote. The Board approved Question 10, with the revised language requesting an average, by a roll-call vote of 7 in favor of the question and 4 against it. The Board approved Question 11 by a roll-call vote of 7 in favor of the question and 4 against it.

Board Member Burke notified the chairs he was logging off the meeting at 3 p.m.

Survey Logistics:

The Board agreed to a 30-day period for shops to fill out the survey with weekly reminders once it's sent out.

Insurer Data:

Co-Chair Gotham asked for feedback on how the Board should gather insurer data. She stated that Rhode Island considers data from insurers which write more than 1 percent of the market.

- Opinion: It's unnecessary to survey insurance companies. Insurers have access to statewide insurer data for the same categories that are in the auto body survey.
- Opinion: Statewide does not represent regional differences.
 - Insurance contracts are the same in every region across the state.

Co-Chair Gotham conducted a vote on whether the Board should poll insurers who write more than 1 percent of the market and whether to include regional differences. The vote to poll insurers passed with 7 in favor and 3 against. The board voted unanimously against considering regional differences.

Next Steps:

Co-Chair Gotham said she and Board Member Kwoka will soon meet to discuss sampling methods. The working group will meet again to draft the insurer survey.

Meeting for Public Testimony:

Hybrid, Zoom and at the State House Room B1, June 12, 2025 at 1 p.m.

Next Board Meeting:

July 29, 2025 at 2 p.m.

Motion to Adjourn:

Board Member Merante motioned to adjourn the meeting, and Board Member Kane seconded the motion. The motion passed by unanimous roll-call vote, and the meeting was adjourned.

Documents relied upon for this meeting:

Agenda – June 3, 2025

Document with revised proposed survey questions