

Auto Body Labor Rate Advisory Board
Meeting held on September 15, 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.

Introduction and Approval of Minutes:

Co-Chair Powers began the meeting by explaining the Board's statutory task. Board Member Merante motioned to approve the minutes from the Board's last meeting, July 29, 2025, and Board Member Stark seconded this motion. The motion passed unanimously.

Auto Body Shop Survey Data Discussion:

Co-Chair Gotham began the discussion by summarizing the results of the auto body shop survey and discussing flaws in the data, including duplicate responses and input errors.

- Co-Chair Gotham asked if any Board members had problems using the most recent response for duplicate answers. No one disagreed with this procedure.
- The Board discussed eliminating 29 responses with significant input errors.
- Co-Chair Gotham asked how the Board should handle responses which include a range for labor rates.
 - Suggestion: For the responses with the large ranges, the lower end should probably be more heavily weighted.

Co-Chair Gotham suggested that a sample of 58 responses be selected for verification.

- Opinion: Verification might not be worthwhile to pursue.
- Opinion: Subgroup originally suggested verification to ensure that labor rates reported in survey were accurate. But the Board might not have the time and capacity to do this.

- Board Member Starbard motioned to forgo verification and work with the data collected. Board Member Bernard seconded this motion. The Board unanimously passed this motion by a roll-call vote.

Insurer Survey Discussion:

Co-Chair Gotham provided an update on the outstanding questions for the insurer survey. Insurance representatives said they could get data on number of claims but didn't think this data would provide relevant information about size of shops. The subgroup members all agreed on this, according to Co-Chair Gotham. Co-Chair Gotham said it was her recommendation to send the insurer survey with the questions already agreed upon in the prior meeting.

- The Board agreed to move ahead with the existing insurer survey voted upon in the prior meeting.
- Board Member Stark offered to circulate the survey to insurance companies writing one percent or more of the Massachusetts market.
- Board Member Stark motioned to circulate the survey with a 30-day deadline. Board Member Burke seconded this motion. The Board unanimously passed this motion by a roll-call vote.

Vocational School Trends & Other State Labor Rate Data Discussion:

Co-Chair Gotham inquired about sources of data for vocational school trends.

- Board Member Starbard said he had previously reached out to contacts at DESE asking for data on collision repairs program. He received a report he will share later via email.
- Question: Does CREF get down to state level in trend analysis of vocational schools?
 - Board Member Starbard: Not every school works with them. Best data would likely come from DESE, unless CREF interacts with DESE at state level.

Co-Chair Gotham said the Board is to consider labor rate data from other states. She said she acquired data on a few states from Labor Rate Hero. She circulated this data to the Board prior to the meeting. She said that for other states, the response rate for the Labor Rate Hero data is not great, so there is not a lot of data.

- Board Member Stark said he has data on total labor cost, total repair cost, and insurance premiums for 2017-2022 for New England states, which he will circulate.

Economic Inflation Data Discussion:

Co-Chair Gotham invited Board Member Kwoka to speak on economic inflation data.

- Board Member Kwoka spoke on various sources of inflation data. He said he can produce a memo summarizing the information on inflation data he has found.
- Question: Is the Board considering past inflation data?
 - Co-Chair Gotham asked what the purpose would be of doing so.
- Opinion: The reason to look at past inflation data is that labor rates have failed to keep pace with inflation data for over 40 years.

- Co-Chair Gotham stated she is unsure how past inflation data could be used alongside survey data and that using data about the past might not be appropriate when calculating rates for the future.
- Opinion: The Board needs to make sure the report is thorough and discusses how we arrived at the state of labor rates today.
- Opinion: Massachusetts auto body labor rates have been suppressed historically, so it's important to consider that past suppression.
- Suggestion: The Board should consider cost of living adjustments since the 80s.
- Board Member Merante motioned for Board Member Kwoka to get the Board readily available inflation data going back to the 80s.
- Opinion: Inflating past rates assumes a great deal.
- Opinion: The auto body industry in Massachusetts has been subsidizing insurance rates for years. It can't afford to do so any longer. If rates must go up, then so be it.
- Board Member Merante amended his motion to a motion for the Board not to collect past or future inflation data. Board Member Stark seconded this motion. The Board passed this motion 6-4 by roll-call vote. One Board member abstained.
- Question: What are the sources the Board is using to determine a fair and equitable rate?
 - Co-Chair Gotham said the survey results and data from other states.
- Board Member Stark said the AIB can run the numbers on how labor rate increases will affect consumers' premiums.
- Co-Chair Gotham said the Board's next steps are to process data from surveys and look at information discussed in this meeting.

Next Board Meeting:

Public meeting on October 29 at 4 p.m. at a vocational educational high school.

Motion to Adjourn:

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

Documents referenced in this meeting:

Agenda – September 15, 2025

Labor Rate Hero data

DESE report

AIB data