

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2358

2001 SENATE TRANSPORTATION

SB 2358


2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2358

Senate Transportation Committee

Conference Committee

Hearing Date 2-2-01;2-8-01;2-15-01;2-16-01

Tape Number	Side A	Side B	Meter #
1	x		0.0-End
1		x	0.0-33.3
2-8	x		15.9-17.5
2-15	x		0.0-5.1
2-16		x	33.0-39.0;48.1-51.8
Committee Clerk Signature 			

Minutes: SB 2358 relates to the use of replacement crash parts in motor vehicle repairs.

Randy Schobinger: (District 3; Supports) See attached testimony and proposed amendments.

Senator Fischer: (District 46; Supports) Supports bill.

Lane Quandt: (Chairman of ND Auto Body's Association's Legislative Committee; Supports)

See attached testimony.

Senator Trenbeath: Is it your practice to advise customers of the parts you use?

Lane Quandt: Absolutely. There are certain insurance companies that will only put on lower quality parts. We are the ones caught in the middle of the insurance company and the consumer.

Senator Trenbeath: For the record, as the proposed bill is written, after-market parts such as starters, alternators, tires, batteries, radiators, etc. are not included in this bill, correct?

Lane Quandt: That is correct.

Page 2

Senate Transportation Committee

Bill/Resolution Number SB 2358

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Senator O'Connell: In a lot of cases bolt holes don't line up, is this the types of problems we are talking about?

Lane Quandt: Fit, finish, thickness of metal, there are a multitude of problems.

Elton Christopherson: (ND Auto Body Association; Supports) Shows example of defective headlight and states that there is no consistency or standards.

Neil Krueger: (Valley Ford Collision Center; Supports) See attached testimony.

Dick Hedahl: (President of Hedahl's; Supports) He feels like the "seven" year old part of the bill is unfair and also prefers this bill to be an insurance bill, not an automotive bill. He states that his main point is that industry should inform the consumer.

Scott Heintzman: (ND Auto Body Association; Supports) States that ND is one of eleven states that do not have regulations on this issue.

Terry Wels: (ND Association of Insurance and Financial Advisors; Lobbyist #365; Supports) See attached testimony.

Eileen Sottile: (Keystone Automotive Industries, Inc.; Opposes) See attached testimony. She hands out various auto parts comparing original and Non-OEM parts showing Non-OEM parts are of same quality.

Shaun Miller: (President of Fargo Bumper; Opposes) See attached testimony.

Jim Yost: (Dakota Bumper and Body Supply; Opposes) States that his return rate is less than 3% and his non-OEM parts are 40% cheaper than original parts. This bill limits competition and people will lose jobs if this passes.

Rob Hovland: (Center Mutual Insurance; Opposes) Stated that he gives his customers an option to pay higher premiums to get OEM parts. Auto Body owners and employees, insurance

Page 3

Senate Transportation Committee

Bill/Resolution Number SB 2338

Hearing Date 2-2-01;2-8-01;2-15-01;2-16-01

adjusters, and insurance agents are not paying higher premiums for OEM parts; doesn't that say it all?

Senator Trenbeth: You talk about endorsements, what's the language used?

Rob Hovland: "If you want to be guaranteed to have use of OEM parts" versus "Like kind of quality"

Jack Gillis: (Executive Director Certified Automotive Parts Association; Director of Public Affairs for the Consumer Federation of America; Opposes) See attached testimony.

Paul Traynor: (Nodak Mutual Insurance; Opposes) They are the largest domestic insurer with over 200 employees in ND. Insurance rates run in cycles. We have been in a 13 year suppression, this is starting to change. Expect approximately a 15% increase in auto rates for ND.

Patrick Ward: (ND Domestic Insurance Company; State Farm Insurance; National Association of Independent Insurers; Lobbyist #281; Opposes) See attached testimony.

Kent Olson: (NDPIA; Lobbyist #70; Opposes) Recommends three years instead of the seven years stated in bill.

Dean Richter: (State Farm Insurance; Lobbyist #408; Opposes) See State Farm pamphlet.

Leah Coglean: (American Insurance Association; Lobbyist #289; Opposes) Opposes bill.

Hearing closed.

Committee reopened on 2-8-01.

Senator Trenbeth gives out a handout. Needs to get amendment yet.

Committee closed.

Committee reopened on 2-15-01.

Senator Trenbeth hands out a proposed amendment.

Page 4

Senate Transportation Committee

Bill/Resolution Number SB 2358

Hearing Date 2-2-01;2-8-01;2-15-01;2-16-01

Senator Trenbeath motions to accept proposed amendment. Seconded by Senator Mutch. Roll call taken. 4-2-0. Senator Trenbeath moves to Do Pass as amended. Senator Mutch seconds. Roll call taken. 3-3-0. FAILED.

Committee reopened on 2-16-01.

Senator O'Connell Motions to Reconsider bill. Seconded by Senator Mutch. Voice vote roll call taken. 6-0-0.

Senator O'Connell motions to Do Not Pass. Seconded by Senator Bercier. Roll call taken. 3-3-0. FAILED.

Senator Stenehjem hands out proposed amendment. Senator Bercier motions to Do Pass as amended. Seconded by Senator Trenbeath. Roll call taken. 5-1-0.

Committee closed.

