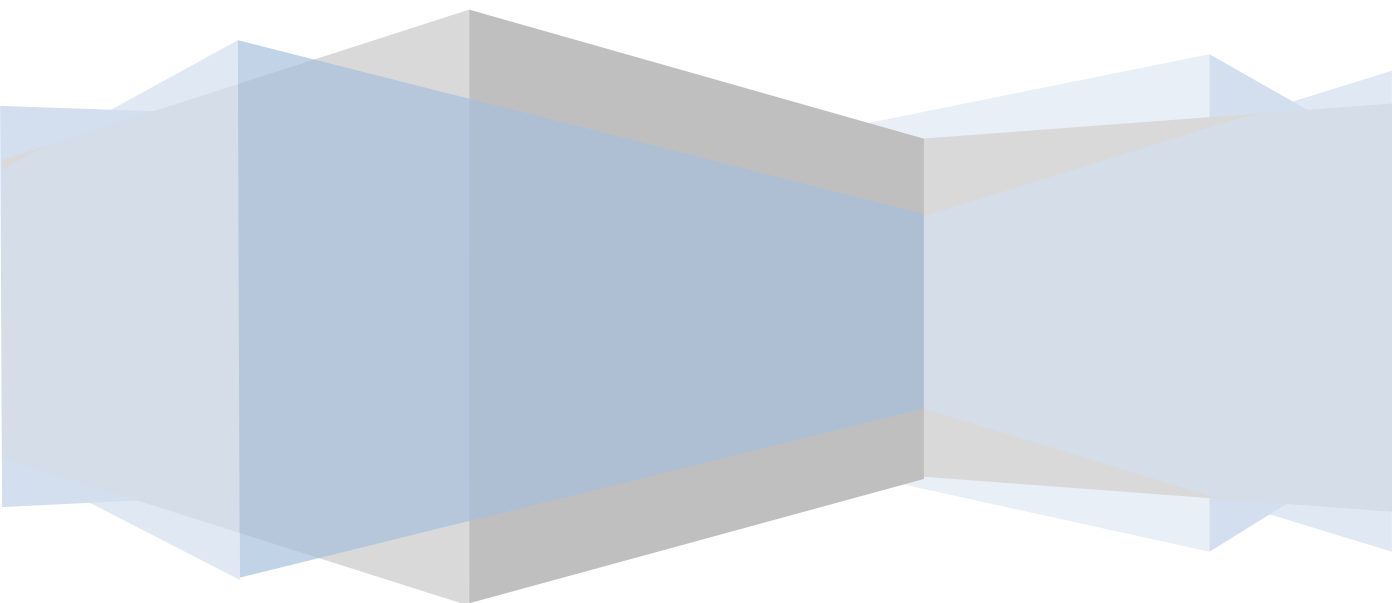




# **ARA POSITION STATEMENTS/2018**



# ARA POSITION STATEMENTS/2018

## 1. SALVAGE ACQUISITION

### **ARA Position (s):**

Purchasing Salvage - ARA supports the acquisition, sale and dismantling of salvage vehicles and asserts that these activities be performed and conducted by businesses qualified and equipped to process such vehicles in accordance with federal, state and local laws and regulations. ARA recommends and also believes that these activities be performed by businesses environmentally capable of handling salvage or vehicles.

Salvage Pools - ARA supports full compliance with federal, state and local laws governing the sale and dismantling of salvage vehicles. ARA calls for state lawmakers to review and update laws and regulations governing salvage pools to help prevent fraud, tax evasion and other unethical or unlawful conduct and supports the sales of vehicles from salvage pools and insurance auctions only to entities as authorized by state and/or local law.

Authorized Buyers or Equivalent Registrations/Licenses - ARA supports state laws that require all salvage vehicle purchasers, in states where such licenses are required, to register with the proper state authorities and have a valid dealer, dismantler or automotive recycling license to bid on salvage vehicles at a salvage pool auction. ARA opposes the ability of unlicensed and unqualified buyers to acquire and sell salvage vehicles. ARA strongly supports full transparency regarding all salvage vehicle purchases and full accountability where all purchasers of salvage vehicles are held to the same standards.

ARA supports laws and regulations which allow automotive recyclers to acquire salvage vehicles when the certificate of title is not available, for the sole purpose of recycling and dismantling parts and materials and scrapping the vehicle. Such provisions shall be limited to automotive recyclers and dismantlers or secondary metals recyclers.

Automotive recyclers, dismantlers and secondary metals recyclers must be in full compliance with the National Motor Vehicle Title Information System (NMVTIS). They should also be in full compliance with all required local, state, and/or federal: license(s), registration(s) and/or permit(s). Moreover, ARA believes that all de-titling laws should apply equally to all individuals and entities that process salvage and vehicles. ARA believes these laws should have penalties to effectively deter potential violators and promotes aggressive enforcement provisions to afford a level marketplace.

## ARA POSITION STATEMENTS/2018

### 2. NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM (NMVTIS)

#### **ARA Position(s):**

NMVTIS -.ARA supports the full implementation of NMVTIS and compliance by all entities required to report. ARA believes that all salvage vehicles must be tracked by NMVTIS so that vehicle fraud and theft can be effectively addressed.

ARA supports the use of a standard salvage vehicle determination throughout the reporting chain. All buyers of vehicles which have been designated as “salvage or junk vehicles” (as defined by NMVTIS) should be assigned a traceable number that must be included in the NMVTIS report along with the buyer's NMVTIS reporting number and contact information. Vehicles that have been reported as scrapped or crushed should be marked clearly in NMVTIS so it is understood by all querying entities (especially state motor vehicle registration and law enforcement agencies) that the car should not be on the road. That VIN should not be eligible for registration.

ARA supports that all states become fully compliant with their responsibilities as required by the NMVTIS rule.

ARA supports state incorporation of NMVTIS reporting into their statutes. ARA recommends the utilization of the NMVTIS system at the state level to track salvage vehicle purchases and supports state efforts to require all applicable sellers and purchasers to report to NMVTIS. ARA also supports eliminating duplicative reporting requirements.

ARA supports efforts to reduce costs of compliance.

### 3. DESIGN FOR RECYCLING

#### **ARA Position (s):**

ARA urges automobile manufacturers to consider the recyclability of parts and materials in the design phase of their vehicle manufacturing process. ARA further urges manufacturers to design for environmentally benign product stewardship.

ARA believes the costs of properly removing materials and parts from automobiles that do not meet these standards are the responsibility of the automobile manufacturer not the automotive recycler.

## ARA POSITION STATEMENTS/2018

### 4. RIGHT TO VEHICLE INFORMATION

#### **ARA Position:**

ARA believes that automobile manufacturers must provide vehicle owners, all stakeholders in the collision repair and automotive parts market and independent repair shops with full access to the information, parts and tools necessary to accurately diagnose, repair, re-program and maintain all parts of the vehicle

### 5. CONSUMER CHOICE IN REPAIRS

#### **ARA POSITION:**

ARA strongly supports consumer choice regarding the type of parts used in vehicle repairs and opposes any effort by vehicle manufacturers and insurance companies to steer customers only to franchised dealerships or "preferred providers" for repairs. ARA supports efforts to require vehicle manufacturers to provide the same diagnostic and service information as well as tool capabilities to independent collision repair facilities that they offer to their franchised dealers.

### 6. OEM REPAIR PROCEDURES

ARA supports that industry standards for automotive repairs should be well defined as to the process necessary to assure the vehicle is returned to pre-loss condition as closely as possible.

ARA does not support repair procedures that disallow the usage of Recycled Original Equipment (ROE) parts or denies the consumer choice of what parts are used in the repair of their vehicles.

### 7. STORMWATER

#### **ARA Position (s):**

1. ARA believes that EPA and/or the appropriate regulatory agencies should continue to affirm the appropriateness of a best management practice (BMP)

## ARA POSITION STATEMENTS/2018

approach for automotive recyclers to protect against polluted stormwater discharges at their facilities under the permitting process of the National Pollutant Discharge Elimination System (NPDES).

2. ARA urges EPA and/or the appropriate regulatory agencies to focus its inspection efforts on those facilities in all types businesses that should have a permit, but have chosen not to fulfill their environmental obligations, and are operating without a permit.
3. ARA urges EPA and/or the appropriate regulatory agencies to utilize the notice and comment rulemaking process when proposing or implementing any changes to the stormwater permitting process/requirements. Guidance memoranda are unacceptable tools through which to propose changes.
4. ARA believes that EPA and/or the appropriate regulatory agencies should continue to affirm the appropriateness of a best management practice (BMP) approach for automotive recyclers to protect against polluted stormwater discharges at their facilities under the permitting process of the National Pollutant Discharge Elimination System (NPDES).
5. ARA strongly opposes the use of numeric effluent limits for automotive recycling facilities.
6. Some state permitting authorities are considering replacing the annual Inspections and Monitoring Reports with monthly and quarterly requirements. ARA believes this is unjustified and recommends that EPA continue annual reporting requirements.
7. In lieu of collecting fees, ARA encourages states to permit automotive recycling facilities to instead utilize those funds to invest back into the facility's stormwater mitigation plan and/or for facility improvements.
8. ARA believes that stormwater management data reports, however reported, must be protected to avoid frivolous and unbiased third party lawsuits. ARA supports establishing more stringent limits on third party stormwater lawsuits.
9. ARA strongly supports that federal and state stormwater regulations should be user-friendly and compliance should not be overly burdensome.
10. Stormwater Utility Fees, sometimes referred to as a "Rain Tax" is based solely on the size of the property and a subjective determination without appeal of the total area of impervious surfaces, not based on accepted science. While the Rain Tax has merit for the purpose of minimizing

## ARA POSITION STATEMENTS/2018

flooding in a broad range of localities, ARA supports the inclusion of additional science-based provisions, including the provision of credits based upon the installation of structural controls that reduce the total volume of storm water discharge as well as the rate of discharge. ARA supports the inclusion of language that would require there to be a discharge before the rain tax could be assessed.

### 8. AUTOMOTIVE SHREDDER RESIDUE (ASR)

#### **ARA Position (s):**

Automotive Shredder Residue Recycling - ARA encourages both public and private research efforts to develop processes to recycle and reuse the residue to use in different products and processes.

Non-Hazardous Waste Determination for ASR - ARA supports the determination by EPA and some states that shredder residue or "fluff" is a nonhazardous solid waste.

### 9. SPECIFIC AUTOMOTIVE COMPONENTS

- Mercury Switches

#### **ARA Position:**

ARA continues to support the National Vehicle Mercury Switch Recovery Program (NVMSRP) MOU through the end of 2021.

- Recycled Airbags

#### **ARA Position (s):**

- ARA opposes legislative and regulatory efforts on the federal and state level to restrict the sale and use of non-deployed original equipment manufacturer OEM airbags.
- ARA supports efforts at the federal and state level to require that all deployed airbags be replaced with a functioning OEM airbag before the vehicle is returned to the road.

## ARA POSITION STATEMENTS/2018

- ARA opposes the sale, installation, reinstallation, import, or manufacture of counterfeit airbags or any device which causes a vehicle's diagnostic system to inaccurately indicate that the vehicle is equipped with a functional airbag
- ARA encourages states to adopt laws to encourage the use of non-deployed OEM airbags.
  
- Used Tires

### **ARA Position (s):**

ARA opposes any legislative and regulatory restriction on the sale of used tires.

Professional Automotive Recyclers resell used tires for many purposes, and the ultimate use of those tires is unknown to the seller at the point of purchase.

Any requirements for the inspection of used tires to determine safety, fit or general roadworthiness should be placed on the installer of a tire as is done with any tire, rather than the seller.

- Batteries

ARA supports the sale of used batteries and encourages the training and adoption of safe handling of all batteries including lithium ion and other new battery technologies.

- Recalled Parts

It is the position of ARA that any electronic system designed to provide data specific to recalled automotive parts be as precise as possible in order to be truly effective in capturing all recalled OEM parts in the marketplace.

Accordingly, any system should have, at a minimum, the following characteristics:

- Systems should be automated with seamless integration, preferably real-time into all inventory management systems serving the automotive recycling industry to assure capture of all recalls at vehicle's point of intake as well as point of sale of a part.
- Data must be protected from outside sources and only shared with third parties authorized by the recycler.

## ARA POSITION STATEMENTS/2018

- Recycler data should not be resold or monetized without full consent of the auto recycler.
- Recyclers should bear no cost or unreasonable administrative burden to participate in or utilize such a system.

### 10. ARA GUIDELINES FOR STATE LEGISLATIVE ACTIVITY INVOLVEMENT

This Policy Statement outlines the process by which ARA members and Affiliate Chapters may request that the Association take a position on and/or make a public statement on a state policy/issue. ARA will attempt to ensure that only one public position on an issue is taken to provide consistency and transparency for members and affiliates.

ARA positions will be consistent with ARA's mission statement and Strategic Plan and will be designed to position the Association as the leading voice for the professional automotive recycling industry.

- Any ARA individual member or Affiliate Chapter is eligible to submit a proposed policy/issue position for consideration. Individual members are encouraged to seek endorsement from their state's Affiliate Chapter, if one (or more) exist in the state, in support of their proposed policy/issue statement. This provides an opportunity for that state's automotive recyclers to vet and discuss the proposed positions.
- If the leadership of the Affiliate Chapter does not endorse the proposal, the ARA member may directly contact the ARA Executive Director to discuss next steps as outlined below.
- Individual ARA members or Affiliate Chapters should submit policy/issue position proposals electronically to the ARA Government Relations Committee Chair, Executive Director and the Executive Committee. An issue overview should summarize the problem/issue, relevance to the automotive recycling industry and include recommendations for potential ARA action.
- As empowered by the ARA Board of Directors, the ARA Executive Committee and Executive Director will make the final determination to endorse or not issue any public positions or issue statements. The leadership



## ARA POSITION STATEMENTS/2018

may also refer the issue to the relevant ARA Committee for further consideration. All efforts will be made to find a position that is in the best interests of the Association membership at large.