



Maine Auto Recyclers Association

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Major Changes in State Government Will Likely Affect Auto Recyclers

The strongest message sent by Maine voters to Augusta last month was not just the election of a Republican governor, who received less than a majority of the vote, but in now having a Republican majority in the Legislature, which has not happened since 1974.

While the Republican leadership appears to be proceeding carefully, knowing that their every move will be "under the microscope" (quoting outgoing minority leader Rep. Josh Tardy), there will inevitably be changes made at Maine DEP.

Anticipating the need to change, David Ladd – who has headed up DEP's Stormwater Program—phoned recently to ask if our industry would support changes in the program as applied to crusher operations. David suggested that if a recycling facility already has an approved Stormwater Plan, it will not be necessary for an on-site crusher operation to have a separate, additional, and expensive permit. Instead, the crusher operation, with appropriate requirements, would be included in the Stormwater Plan. Crushing cars at a site without a Stormwater Permit would require a separate crushing permit. **Your MARA leadership, in a series of phone conversations, agreed that the proposed change makes sense in concept; we look forward to receiving the details from Maine DEP.**

In these same phone conversations, **MARA's leadership also endorsed continuation of the State of Maine Stormwater Program.** Other industries regulated by this program – marine trades and aggregate (gravel) operators – have also come forward in agreement that this program has been reasonable, fair, and supportive of Maine small business, which would not necessarily be the case if regulated by EPA. We will be seeking to make our views known to Governor-Elect LePage and his administration.

MARA will also be following with interest the naming – by the Legislature – of the next Secretary of State, as well as the membership of the Legislature's Transportation Committee. We would like to revisit the regulation of mobile crushing operations, and also the manner in which the State of Maine lumps together serious auto recyclers with every municipally licensed backyard auto graveyard. As result, the federal listing of Maine facilities eligible to receive vehicles under the Cash for Clunkers program totaled over 700 sites, far more than almost any other state. We work with distinction, care, and pride, and we deserve recognition as such in Maine laws and regulations.

Bill Bell
Executive Director

Recycling Industry Speaker Outlines Federal Attention to NMVTIS Regs

In a mid-November presentation to the Massachusetts Auto Recyclers Association and attended by MARA Executive Director Bill Bell, Jay Svendsen, national sales manager of Auto Data Direct, made the following points:

- Federal Department of Justice personnel are currently investigating auto dealers and auto recyclers for failure to correctly dispose of vehicles under last year's Cash for Clunkers program. The feds are looking for real violations of law, "with malicious intent," and not simple paperwork oversights. Several dealers have been fined. No recyclers have been fined to date, but DOJ is concerned with recyclers that are reporting VINs in error (typos) and are requiring recyclers to fix their errors, or be fined. DOJ is planning on making examples of some "bad actors" in the near future.
 - Recyclers are obligated to report to NMVTIS (National Motor Vehicle Title Identification System) the disposition of vehicles which they take in. NMVTIS, established in March 2009, is intended for consumer protection, by tracking all cars in a national database from "birth to death" with view to eliminating "VIN cloning". At present, over 300,000 cars in the US are registered in more than one state. Such overlapping registrations not only help car thieves but also enable the sale of flood-damaged vehicles without disclosure of such damage. The VIN information system benefits recyclers by providing a vehicle's history before they might undertake rebuilding of the vehicle.
 - The auto repair and recycling industry is now getting on board with the NMVTIS reporting system. 80% of the insurance companies, along with all the large salvage pools and auctions, are now reporting to NMVTIS their transactions by VIN numbers, and 87% of the cars on the road in the US are in the VIN database. 21 states are using this database to check on cars. In some states, including Texas, crushers now will not accept cars which are not registered in the VIN reporting system. If you are getting vehicles from a major pool, these purchases are being reported to NMVTIS.
 - While the NMVTIS rule allowed for individual states to forward to the national database the vehicle disposition reports submitted to the state by recyclers, this is not happening in any state at present, mainly due to state budget problems, timing, and computer interface problems with NMVTIS. **(Note: it definitely is not happening in Maine).** The onus is on the recycler to report. The US Department of Justice is moving forward with enforcement, but at present is not issuing fines as long as a recycler is making a "good faith effort" to comply with the reporting requirements. Compliance audits have begun all over the nation.
- Details of reporting: Reporting receipt of a "total loss" vehicle is mandatory if the vehicle is going to be dismantled or is "unsafe" to operate or "unfit" to repair, meaning the cost to put the vehicle back on the road exceeds the value. This applies even to vehicles with "clean" titles. Title status makes no difference. Receipt of "total loss" vehicles must be reported within 30 days. A vehicle which is going to be restored need not be reported if it does not fit the definition of a "total loss" vehicle. Alternatively, such a vehicle can be reported when received, with future status noted as "unclear".
 - Reporting to NMVTIS can be done at low cost through the Car-Part/Checkmate, Hollander, or URG/Pinnacle database systems. When these reports flow through the Auto Data Direct system, the ADD subscriber will receive next day confirmation of reports which show their data has been sent and was accepted to NMVTIS. A recycler can also check whether the reports have gone into NMVTIS by logging on directly to the NMVTIS website (www.nmvtis.gov) and entering the recycling firm's NMVTIS number.
 - It's recommended firms report to NMVTIS every two weeks on their vehicle transactions, thereby assuring that they are in compliance with NMVTIS' requirement that a report be sent within 30 days of a vehicle transaction. If a recycler is reporting to NMVTIS for the first time, it's recommended the most recent vehicle receipts and dispositions be reported first, and earlier transactions, going back to March 1, 2009, be reported as best as the recycler can report the data. The recycler should at least be able to demonstrate a "good faith" effort.
 - Recyclers can report using one of four methods:
 1. Set up an account with AAMVA (American Association of Motor Vehicle Administrators, www.aamva.org). No cost, but very little customer support provided here.
 2. Set up a Free Service or Full Service Account with Auto Data Direct, www.add123.com. About half of all reports now flow through this data consolidator, serving over 4,000 customers in 50 states. Provides strong customer support (call 850-877-8804). Auto Data Direct works well with Checkmate, Fast Parts, all versions of Hollander, and Powerlink.
 3. Go through Audatex, www.audatex.com, which is being used by many insurance and car rental firms, and works with Hollander.
 4. Set up an account with ISO/NSVRP. (www.iso.com/nmvtis) Very automated, \$25 per year plus \$0.40 per VIN reported, or \$100 first year/\$50 subsequent years, no per-car fee.

MARA Supports Repeal of New 1099 Requirements

Congress last week again failed to repeal an odious provision of new law which as of 2012 would require firms to file a 1099 report of any payment totaling over \$600 in a year for goods and services.

At present, payments of over \$600 per year for services received from an individual or unincorporated business must be reported. The new provision, which was seen as a “revenue enhancer” to offset part of the cost of the new Health Care law, would apply to payment for goods as well as services, and would apply to incorporated businesses as well. You purchase a \$700 pump or heater from a store—file a 1099!

MARA joined thousands of organizations with emails to their U.S. Senators urging repeal of this provision, because of the impact on our members. Senators Snowe and Collins have consistently supported the unsuccessful attempts at repeal. They can be counted on to support what we hope will be a successful effort next time around, when the new Congress is seated.

Maine (Finally) Joins National Vehicle Mercury Switch Recovery Program

All Maine recyclers (plus a lot of other folks who should not have been on the mailing list) should have received a letter from Maine DEP dated October 10, 2010 stating that mercury switches can henceforth be mailed at no cost—in a new, special bucket—to the ELVS waste contractor.

Switches will not be accepted at the old Wesco consolidation centers in Portland and Bangor after December 31 of this year.

You should by now have registered with the new ELVS program by returning to an address in Michigan the sign-up card sent to you by Enid in Maine DEP. You should then have received the new collection bucket, pre-paid shipping label, and instructions.

To receive the \$4 per switch bounty, you can start by taking the switches out of your old DEP bucket (which you can keep) and shipping off the new bucket as per the instructions. You will receive payment within 60 days.

Our Maine Auto Recyclers Association can take great pride in getting this program started, and we can take satisfaction in the fact that there is now a national program into which Maine DEP’s program is being absorbed, making it simpler for everyone. **And remember that removal of the switches is required by Maine law.**

If you did not register for the new program with the card sent to you by Enid, or you have questions, contact Enid at 287-8556 or enid.mitnik@maine.gov. Or call our MARA office.



This June, the six New England state auto recycling organizations came together to form a regional ARA and hold New England’s first trade show. Attendees from Maine included Bob and Gabe Miville, Aable Auto Parts, Chelsea; Paul Pinette, Beth Fulsom, and Shawn Cyr from Paul’s Pick-A-Part, Chelsea; Chris, Dylan, Robbie and Scott Caldwell plus Ken Tracy from Caldwell’s Auto from Limestone, Ovide Corbet from Ovide’s Used Cars, Bridgton, and Bill Bell of MARA.

Vermont Forms Recyclers Association

The Vermont Auto Recyclers Association (VARA) was formed in the spring of 2010 in response to legislation which transferred salvage regulation from the state’s Department of Motor Vehicles to Vermont’s Agency of Natural Resources. According to VARA, “a few dirty salvage yards were ruining the image of other yards in the state.” A survey by an environmental group claimed that Vermont had 76 licensed salvage yards and 215 unlicensed yards. The state’s Commissioner of Environmental Protection stated “the agency wants to support the yards that are doing the right thing.”

The new association is headed up by Matt Brown of Brown’s Auto Salvage.





**Maine Auto
Recyclers Association**

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Scrap Recyclers on the Lookout for Stolen Metals

The Institute of Scrap Recycling Industries has created an emailed alert, issued almost daily, covering metals stolen (and sometimes recovered) at New England sites. Copper wire and fittings are the most frequently reported items, which have included copper downspouts off the exterior of a church; the thefts have also included items as diverse as manhole covers and aluminum light poles. An alert Maine recycler assisted in the recovery of steel railroad ties stolen from MDOT.

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