

BUSINESS & LABOR

EXHIBIT NO. 4

ISSUES REGARDING MONTANA BID CARD BILL SB ~~207~~ 1-20-09

BILL NO. SB 207

- There is currently a open/Competitive marketplace for salvage vehicle sales in Montana. A pool of over 100,000 purchasers U.S. and Worldwide (primarily dismantlers, recyclers, rebuilders, auto repair shops, exporters, etc.) exists for Montana salvage vehicles.
- BID Card Statues severely reduce the number of potential purchasers for salvage vehicles. Could take Montana.
- Real effect of BID Card is to severely reduce number of buyers for salvage. The following are general figures for how many BID Card holders exist and therefore, represent the entire marketplace in that particular state with BID Cards: Alabama Less than 700; Arkansas Approximately 900; Michigan Approximately 350; Ohio Less than 500; Utah Approximately 350; Wisconsin Approximately 1,000; (figures obtained from state licensing bureaus as of summer 2008)
- BID Card's are a dying law. Only 7 states allow a BID Card environment to exist, with 4 states recently having repealed their BID Card statutes.
- None of our neighboring states have BID Card requirements
- SB 207 penalizes business in Montana. CoPart has two locations in Montana, Helena and Billings and this bill hurts those businesses.
- The long term negative aspects of BID Card is the severe reduction in competitive bids and severe impacts to Copart's sales prices for these vehicles. This is extremely negative to Copart's business and to its vehicle suppliers.
- SB 207 takes away the benefits of Copart's very expensive patented live auction bidding software and systems.
- SB 207 creates an unfair market place, it places severe restrictions on a business seller, yet private owners of salvage vehicles may from sell to whom they wish, including on e-bay.