LEGISLATION AND REGULATIONS UPDATE



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EXECUTIVE OFFICE
BAR ADVISORY GROUP MEETING
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LEGISLATION IMPORTANT DATES

- February 19, 2021 Last day for bills to be introduced.
- May 7, 2021

 Last day for policy committees to hear bills introduced in the first house.
- May 21, 2021 Last day for fiscal committees to hear bills introduced in the first house.
- June 4, 2021 Last day for bills to be passed out of the house of origin.
- July 14, 2021 Last day for policy committees to hear bills introduced in the second house.

2021 LEGISLATIVE BILLS

- AB 220 (Voepel): Smog Check Exemption
- AB 294 (Santiago): Vehicle Towing and Storage Act
- AB 467 (Grayson): Historic Vehicles Exemption
- AB 471 (Low): BAR Administration/Citations/Safety Inspections
- AB 646 (Low): Expunged Convictions
- AB 745 (Gipson): Clean Cars 4 All Program
- SB 586 (Bradford): Criminal Fees

^{*} Disclaimer: Though every effort is made to ensure information provided on these slides is the most current, given the nature of the legislative process, hearing dates or bill summaries shown here may not reflect the latest updates. Please be sure to check www.leginfo.legislature.ca.gov for the most current bill information.

AB 220 (VOEPEL): SMOG CHECK EXEMPTION

- Status: Referred to Assembly Committee on Transportation on January 28, 2021.
- Summary: This bill would exempt all motor vehicles manufactured prior to 1983 from Smog Check.
 - Exemption currently applies to pre-1976 vehicles.

AB 294 (SANTIAGO): VEHICLE TOWING AND STORAGE ACT

- <u>Status</u>: Referred to Assembly Committees on Transportation and Business and Professions on January 28, 2021.
- Summary:
- This bill would do the following:
 - Establish a 9-member Vehicle Storage and Tow Board (VTSB) within DCA to:
 - Issue permits (upon payment of annual fee) to any business that tows and/or stores a vehicle;
 - Example: ARD storage of a vehicle after total loss determination by an insurance company.
 - Maintain a public database of permit holders;

AB 294 (SANTIAGO): VEHICLE TOWING AND STORAGE ACT (continued)

- Resolve disputes and make determinations (including assessment of penalties) associated with the tow and storage of vehicles; and
 - Exceptions: (1) tow/storage charges for tows initiated by motor clubs holding a certificate of authority pursuant to Insurance Code; and (2) tow/storage charges based on a written agreement between vehicle owner and the business.
- Enforce the Act's provisions.
- Repeal existing law that deems storage fees
 reasonable if they are comparable to storage-related
 rates and fees charged by other facilities in the same
 locale.

AB 294 (SANTIAGO): VEHICLE TOWING AND STORAGE ACT (continued)

- Instead, towing and storage fees are capped by the daily storage rates charged by CHP in a geographic region in response to other public agency requests.
- Add VTSB authority information to the current Towing and Storage Fees and Access Notice.
 - Notice (and permit) must be posted in plain view of the public (with copies of Notice readily available) at facilities that charge for towing and/or storage.
 - ARDs that do not provide towing services are exempt from the Notice posting requirements.
- Establish penalties up to \$10,000 for each violation.

AB 467 (GRAYSON): HISTORIC VEHICLES EXEMPTION

- Status: Referred to Assembly Committee on Transportation on February 18, 2021.
- Summary: This bill would exempt from Smog Check all motor vehicles that have been issued a license plate in accordance with Vehicle Code section 5004.
 - Exemption would apply to vehicle owners who obtained a special identification plate for the following types of vehicles operated or moved over the highway for purpose of historic exhibition:

AB 467 (GRAYSON): HISTORIC VEHICLES EXEMPTION (continued)

- Exemption would apply to vehicle owners who obtained a special identification plate for the following types of vehicles operated or moved over the highway for purpose of historic exhibition:
 - A motor vehicle with an engine of 16 or more cylinders manufactured prior to 1965;
 - A motor vehicle manufactured prior to 1923;
 - A vehicle manufactured after 1922, is at least 25 years old, and is of historic interest.
 - A vehicle is of historic interest if it is collected, restored, maintained, an operated by a collector or hobbyist principally for purposes of exhibition and historic vehicle club activities.

AB 471 (LOW): BAR ADMINISTRATION/ CITATIONS/SAFETY INSPECTIONS

- Status: Referred to Assembly Committee on Business and Professions on February 18, 2021. Language amended on March 22, 2021.
- Summary: This bill would do the following:
 - Authorize DCA Director to appoint an Administrative Law Judge (ALJ) for each BAR field office and to employ legal staff in support of BAR administrative discipline cases
 - Require ARD registration application forms to include educational certifications of applicants
 - Authorize through regulation establishment of an informal review process for BAR-issued citations to ARDs
 - Include option for 3-member panel that shall include a representative of BAR, the public, and the automotive repair industry

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AB 471 (LOW): BAR ADMINISTRATION/ CITATIONS/SAFETY INSPECTIONS (continued)

- Provide a remedial training option for BAR-issued citations to ARDs limited to recordkeeping, documentation, or when BAR deems the violation to be minor
 - Authorize nondisclosure of citations if remedial training completed within 18 months of citation effective date
 - Require regulations to create a certification program for remedial training providers
 - Specify remedial training is not available when fraud is involved

AB 471 (LOW): BAR ADMINISTRATION/ CITATIONS/SAFETY INSPECTIONS (continued)

- Specify that benefit of any lien for labor or materials includes the ability to charge storage fees.
- Require regulations to establish (by 1/1/23) a <u>new</u> vehicle safety systems inspection and certification program
 - Consolidate the current lamp/brake inspection and certification programs into the new program
 - Authorize electronic transmittal of certificates issued by licensees to BAR and DMV
 - Make conforming changes to BAR's disciplinary authority under the new program

AB 471 (LOW): BAR ADMINISTRATION/ CITATIONS/SAFETY INSPECTIONS (continued)

- Provide a remedial training option for BAR-issued citations to ARDs limited to recordkeeping, documentation, or when BAR deems the violation to be minor
 - Authorize nondisclosure of citations if remedial training completed within 18 months of citation effective date
 - Require regulations to create a certification program for remedial training providers
 - Specify remedial training is not available when fraud is involved
- Specify that benefit of any lien for labor or materials includes the ability to charge storage fees.

AB 646 (LOW): EXPUNGED CONVICTIONS

- <u>Status</u>: Introduced on February 12, 2021. Referred to Assembly Committee on Business and Professions on February 25, 2021. Referred to Assembly Committee on Appropriations March 23, 2021.
- <u>Summary</u>: This bill would require DCA Boards/Bureaus to do the following when a person's license is revoked due to a criminal conviction and the person has obtained an expungement:
 - If the person reapplies for licensure or has been relicensed, post notification of expungement order on Board/Bureau website.
 - If the person is not currently licensed and does not apply for relicensure, remove the initial website posting of the license revocation.
 - Authorizes the DCA Boards/Bureaus to collect a fee of \$50 for administrative costs.

AB 745 (GIPSON): CLEAN CARS 4 ALL PROGRAM

- Status: Introduced on February 16, 2021. Amended and re-referred to Assembly Committee on Transportation on April 5, 2021.
- Summary: This bill would require the Air Resources
 Board to provide vouchers to low income persons
 living in disadvantaged communities. The vouchers
 would be used to purchase zero-emission vehicles that
 fail their Smog Check inspection. The repair cost of
 each replaced vehicle must be greater than the
 maximum amount provided by BAR's Consumer
 Assistance Program.

SB 586 (BRADFORD): CRIMINAL FEES

- <u>Status</u>: Introduced on February 19, 2021. Referred to Senate Committee on Public Safety on March 3, 2021.
- <u>Summary</u>: This bill would require every ignition interlock provider to annually report to BAR the following:
 - Provider's fee schedule
 - Total number of people for whom income verification was conducted
 - Number of people for whom a reduction of charges was made
 - Amount of the reductions

SB 586 (BRADFORD): CRIMINAL FEES (continued)

- Total dollar amount collected for charges related to the charges of installed devices
- Total dollar amount that remains unpaid for charges related to the costs of installed devices
- Provider's standard ignition interlock device program charges upon which the fee schedule in subdivision (k) of Section 23575.3 is based

Failure to meet this requirement would be punishable as a crime.

BAR REGULATION PROPOSALS

- Rehabilitation Criteria for Licensure
- Smog Check Equipment Security and Fraud Prevention
- STAR Program Updates
- Smog Check Repair Assistance
- Laws and Regulations Training
- Application Updates
- Auto Body Equipment and Supplemental Restraint Systems
- Citation Program for Automotive Repair Dealers

REHABILITATION CRITERIA FOR LICENSURE

- Purpose: Pursuant to AB 2138 (Chapter 995, Statutes of 2018), establish: (1) criteria for determining rehabilitation of an applicant or licensee when considering denial, suspension, or petition for reinstatement of a license due to a criminal conviction; (2) criteria for determining when a crime is substantially related to the qualifications, functions and duties of a licensee.
- <u>Status</u>: This regulation package was approved by OAL and became effective on February 18, 2021.

SMOG CHECK EQUIPMENT SECURITY AND FRAUD PREVENTION

Purpose:

- Require the use of biometric and web camera devices when performing a Smog Check.
- Require that Smog Check stations allow BAR access whenever inspections are being performed, even if the inspections occur outside normal business hours.
- Require that Smog Check inspectors allow BAR staff remote access to the inspection process, via the internet, when prompted by the BAR-OIS software.
- History: Submitted to DCA Legal for informal review on February 3, 2020. Public workshop held on October 22, 2020.

SMOG CHECK EQUIPMENT SECURITY AND FRAUD PREVENTION (continued)

- Status: Undergoing DCA Legal informal review.
- <u>Next Steps</u>: Complete DCA Legal informal review; submit to DCA for formal review.

STAR PROGRAM UPDATES

- Purpose: (1) Amend STAR eligibility criteria; (2) provide STAR suspension process consistent with statute; and (3) delete outdated Gold Shield Program provisions.
- History: Submitted to DCA for formal review on November 1, 2019.
- Status: Undergoing DCA formal review.
- Next Steps: Complete DCA formal review; publish Notice with OAL to begin the 45-day public comment period.

SMOG CHECK REPAIR ASSISTANCE

- <u>Purpose</u>: Increase Smog Check repair assistance participation by: (1) providing higher repair contributions based on vehicle model year; (2) reducing pre-repair diagnostic fees for low-income vehicle owners; and (3) removing unnecessary eligibility restrictions pertaining to vehicle registration.
- <u>History</u>: Emergency regulation was approved by OAL and became effective on August 31, 2020.

SMOG CHECK REPAIR ASSISTANCE (continued)

- Status: Under E.O. N-40-20 and E.O. N-66-20, BAR has until June 28, 2021 to adopt as permanent via regular rulemaking. Submitted to DCA for formal review on January 5, 2021.
- Next Steps: Complete DCA formal review; publish
 Notice with OAL to begin the 45-day public comment
 period. Possible need to request extension of
 emergency regulation.

LAWS AND REGULATIONS TRAINING

- Purpose: Amend BAR Disciplinary Guidelines to establish laws and regulations training as a rehabilitative option for respondents. Administrative law judges and BAR would have the option to require, as a condition of probation or relicensure, training in compliance with the Automotive Repair Act and regulations.
- <u>History</u>: Submitted to DCA for formal review on October 21, 2019. Completed formal review on March 24, 2021. Submitted to OAL to publish Notice on March 26, 2021.

LAWS AND REGULATIONS TRAINING (continued)

- Status: Undergoing 45-day public comment period.
 Began March 30, 2021 and ends May 24, 2021.
- Next Steps: Finalize package with FSOR for DCA/BCSH and OAL review and adoption.

AUTO BODY EQUIPMENT AND SUPPLEMENTAL RESTRAINT SYSTEMS

• Purpose:

- Require autobody repair shops to have access to all repair, testing, and measuring equipment and current reference materials necessary to diagnose, section, replace, or repair structural damage.
- Require that all auto body repair equipment meets current trade standards for the work being performed
- Adopt the following components to the definition of supplemental restraint system: airbag modules, airbag sensors, computer modules, inflatable restraint systems, seatbelts, seatbelt pre-tensioners, seat structural components, and steering columns.

AUTO BODY EQUIPMENT AND SUPPLEMENTAL RESTRAINT SYSTEMS (continued)

- History: Internal workgroup established November 2018. Public workshop held on April 18, 2019.
 Submitted to DCA for informal review on June 22, 2020. Completed DCA informal review March 17, 2021.
- Status: Submitted to DCA for formal review on March 17, 2021.
- Next Steps: Complete DCA formal review; Publish Notice to begin the 45-day public comment period.

CITATION PROGRAM FOR AUTOMOTIVE REPAIR DEALERS

Purpose:

- Establishes citation program for Automotive Repair Dealers by specifying citable violations, establishing a fee structure for citable violations, and organizing regulatory language under Articles 11.1 and 11.2.
- Status: Public workshop held on April 22, 2021.
- Next Steps: Submit to DCA Legal for informal review on April 30, 2021.

QUESTIONS AND COMMENTS

Submit questions and/or comments to:

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