REVIEW OF AUTOMOTIVE REPAIR ACT, CHANGES IN AUTOMOTIVE TECHNOLOGY, AND EXEMPTIONS FROM THE DEFINITION OF “REPAIR”

Public Workshop
April 22, 2015
Automotive Repair Act

• Existing Law
  – BPC § 9880.1 (e) – Repair of Motor Vehicles
  – BPC § 9880.1 (g) – Automotive Technician

• Effect of Existing Law

• Changes in Automotive Technology

• Previous Legislative Proposals

• Current Legislative Proposal

• Open Discussion
Repair of Motor Vehicles

*BPC § 9880.1 (e)*

Existing law defines the repair of motor vehicles to mean all maintenance of, and repairs to, motor vehicles, as specified, and excludes from the definition, among other things, repairing tires, changing tires, and lubricating vehicles.
Repair of Motor Vehicles

*BPC § 9880.1 (e) - continued*

“No service shall be designated as minor…if the director finds that performance of the service requires mechanical expertise, has given rise to a high incidence of fraud or deceptive practices, or involves a part of the vehicle essential to its safe operation.”
Automotive Technician

*BPC § 9880.1 (g)*

- Performs maintenance, diagnostics, repair, removal, or installation of any integral component parts of an engine, driveline, chassis or body of any vehicle
- Not regulated as “technician” if performing the services listed in § 9880.1 (e) or other services which the director, by regulation, determines are customarily performed by a gasoline service station
Effect of Existing Law

- Shops performing regulated services are subject to all laws/regulations applicable to ARDs when performing those services, including:
  - $200 annual registration fee
  - Written estimates
  - Consumer authorization requirements
  - Detailed invoices
  - Return of replaced parts

- Many ARDs opt to use an automated estimate/invoice system to simplify compliance with the Automotive Repair Act.
Changes in Automotive Technology

• Batteries
  – Hybrid vehicles: Batteries are part of the main propulsion and on-board diagnostic systems of the vehicle. Require complex removal procedures.

• Spark Plugs
  – Replacement can require the removal of major systems, including motor mounts and the engine

• Tires
  – Tire pressure monitoring systems include sensors in tires that monitor inflation. These systems are highly specialized and require specific service/replacement procedures.
Previous Legislative Proposals

• Bills proposing the deletion of repairing and changing of tires from the list of excluded services:
  – AB 2065 (Galgiani) (2011-2012)
    • Died in Assembly Appropriations 11/30/2012
  – AB 1665 (Jones) (2013-2014)
    • Vetoed by Governor 9/30/2014
  – SB 202 (Galgiani) (2013-2014)
    • Died in Assembly Appropriations 11/30/2014
Previous Legislative Proposals

• AB 1665 (Jones) (2013-2014):
  – Governor’s veto message directed BAR to “work with interested parties to determine which, if any, automotive repair services merit further regulation.”
Current Legislative Proposal

• AB 873 (Jones)
  – Introduced 2/26/2015
  – Requires the Bureau to adopt regulations prior to 1/1/2017 defining “minor services”
  – Beginning 1/1/2017, amends the definitions of “repair of motor vehicles” and “automotive technician” to delete specific services excluded from regulation
  – Note: Shops that only perform exempted services would not be required to register with BAR or otherwise be subject to the Automotive Repair Act.
Open Discussion

• Which, if any, of the currently exempted services should be regulated by BAR?
• Are there any services that should be exempted?
Questions and Comments

Submit questions, comments, or suggestions pertaining to BAR’s pre-regulatory review of services exempt from the Automotive Repair Act in writing by May 15, 2015 to:

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