

Legislation and Regulations Update

Holly Helsing / Kayla Shelton
BAR Executive Office
July 18, 2024



Bureau of Automotive Repair

Important Legislative Dates

- **July 3, 2024 – August 5, 2024** – Summer Recess
- **August 16, 2024** – Last day for fiscal committees to meet and report bills to the Floor
- **August 23, 2024** – Last day to amend bills on the Floor
- **August 31, 2024** – Last day for each house to pass bills
- **September 30, 2024** – Last day for Governor to sign or veto bills

Disclaimer: Though every effort is made to ensure information provided on the following slides is 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.

2024 Legislative Bills

- AB 1901 (Chen): Total Loss Claims
- AB 2188 (Ta): Pollution Control Devices
- SB 301 (Portantino): Zero-Emission Aftermarket Conversion Project (*2-year bill*)
- SB 615 (Allen): Vehicle Traction Batteries (*2-year bill*)
- SB 898 (Skinner): ~~Window Tinting~~ Criminal Procedure
- SB 1526 (Committee on Business, Professions and Economic Development): Technical Clean-up

AB 1901 (Chen): Total Loss Claims

- Status: Passed by the Assembly on April 18, 2024. Amended and re-referred to the Senate Appropriations Committee on June 20, 2024.
- Summary: This bill would, if an insurance company requests a salvage pool or an occupational licensee to take possession of a vehicle that is the subject of a total loss claim, and, subsequently, the insurance company does not take ownership of the vehicle, authorize the insurance company to direct the salvage pool or occupational licensee to release the vehicle to the registered owner.

The bill would require the salvage pool or occupational licensee to send 2 notices to the registered and legal owner and any lienholder of the vehicle informing them that they have 30 days from the date of the first notice and 14 days from the date of the 2nd notice to pick up the vehicle from the salvage pool or occupational licensee.

If the registered and legal owner or any lienholder of the vehicle does not pick up the vehicle in that timeline, the bill would authorize the salvage pool or occupational licensee to request that the DMV issue a salvage certificate or nonrepairable vehicle certificate for the vehicle and would require the DMV to issue the certificate upon receipt of a complete application.

AB 2188 (Ta): Pollution Control Devices

- Status: Referred to the Assembly Transportation Committee on February 26, 2024.
- Summary: Existing law prohibits a person from installing, selling, or advertising any device, intended for use with a motor vehicle pollution control device that alters or modifies the original design or performance of the motor vehicle pollution control device or system.

This bill would create an exception for a new aftermarket catalytic converter that has been approved for sale and use by the United States Environmental Protection Agency.

SB 301 (Portantino): Zero-Emission Aftermarket Conversion Project

- Status: Enrolled and presented to the Governor on June 4, 2024. Vetoed by the Governor on June 14, 2024, since “there is no funding currently identified or available in the state budget to support this new program.”
- Summary: This bill would require the Air Resources Board to establish the Zero-Emission Aftermarket Conversion Project (ZCAP), to provide an applicant who is a California resident with a rebate for an eligible vehicle that has been converted into a zero-emission vehicle. The rebate issued pursuant to the ZACP would have been limited to one per vehicle and a value of up to \$4,000.

SB 615 (Allen and Min): Vehicle Traction Batteries

- Status: Passed by the Senate on May 25, 2023. Passed and re-referred to the Assembly Committee on Natural Resources on June 26, 2024.
- Summary: The bill would, among other things, require vehicle traction batteries in the state to be recovered, and when possible, reused, repaired, repurposed, or remanufactured and eventually recycled at the end of its useful life.
- The bill would also require a battery supplier for ensuring the responsible end-of-life management of a vehicle traction battery once it is removed from a vehicle or other application to which the vehicle traction battery has been used.

SB 898 (Skinner): ~~Window Tinting~~ Criminal Procedure

- Status: This was a spot bill and no longer deals with window tinting or vehicles. It now amends and adds sections to the Penal Code relating to criminal procedure.

SB 1526 (Committee on Business, Professions and Economic Development): Technical Clean-up

- Status: Passed by the Senate on May 9, 2024. Amended and re-referred to the Senate Appropriations Committee on June 26, 2024.
- Summary: This bill would make various technical, non-substantive changes relating to DCA programs, including changing “bureau-approved educational certifications” to “bureau-accepted educational certifications.”

This change will more accurately reflect the process that the Bureau uses to recognize on the application for an automotive repair dealer registration other types of educational certifications that are not nationally recognized and industry accepted. Upon collecting educational certifications from ARDs on either an initial or renewal application, the Bureau plans to add this information to its online Auto Shop Locator.

Regulations Adopted in 2024

- Vehicle Safety Systems Inspection Program
 - Adopted and effective on March 27, 2024
- Updated Smog Check Inspection Equipment and Station Requirements (DAD 2.0)
 - Adopted on May 28, 2024
 - Effective on July 1, 2024

Pending Regulation Packages

- Consumer Assistance Program Incentive Increases
- Smog Check Readiness Monitor Limits
- Tear Down Disclosure Requirements for Automotive Repair Dealers
- Storage and Towing Fees Charged by Automotive Repair Dealers

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Consumer Assistance Program Incentive Increases

- Purpose: (1) Increase Vehicle Retirement program incentives for income-eligible motorists from \$1,500-\$2,000. (2) Increase Vehicle Retirement program incentive for other motorists from \$1,000-\$1,350. (3) Allow the Bureau to increase Vehicle Retirement incentives and Repair Assistance contributions once every three years if there has been a 10% increase in the related series of Bureau of Labor Statistics consumer price index. (4) Remove the eligibility restriction preventing motorists from participating more than once in the Repair Assistance program. (5) Unincorporate the CAP application and list the application requirements in regulation.
- Status: 15-day public comment period on modified text ended on June 28, 2024.
- Next Steps: Submit final package to OAL for approval and file with the Secretary of State for adoption. Expected effective date: October 1, 2024.

Smog Check Readiness Monitor Limits

- Purpose: (1) Prohibit a vehicle from passing an OBD-II inspection if the vehicle's OBD-II system reports not-complete readiness status for gasoline-powered vehicles model-years 1996 and newer and diesel-powered vehicles model-years 1998 and newer. (2) Remove outdated subdivisions.
- Status: The package was submitted to the Business, Consumer Services and Housing (BCSH) Agency for review and approval.
- Next Steps: File with OAL and begin the 45-day public comment period.

Tear Down Disclosure Requirements for Automotive Repair Dealers

- Purpose: Add and amend definitions relating to disclosure requirements for automotive repair dealers.
 - Clarify estimate work order requirements that require a vehicle tear down.
 - Require ARDs to include payment amounts of third-party payors on the estimate prior to authorization of work.
- History: Public workshop held on October 19, 2023.
- Status: Pending review by DCA's Director.
- Next Steps: Submit package to BCSH Agency for review and approval to file with OAL and begin the 45-day public comment period.

Storage and Towing Fees Charged by Automotive Repair Dealers (1 of 2)

- Purpose: Bring together existing laws governing storage and towing fees from the Business and Professions, Civil, Insurance, and Vehicle Codes under one unified regulatory section providing that:
 - Fees charged for the storage and towing of a motor vehicle shall be reasonable.
 - If an ARD stores vehicles, when storage fees may be charged, and where the vehicle may be stored.
 - An ARD must provide an itemized estimate and invoice for storage and towing fees.
 - An ARD that provides storage services shall post their current daily storage fee rate in an area frequented by customers and provide the Bureau with their daily storage rate annually when renewing their registration.
 - An ARD that provides towing services shall display the Towing and Storage Fees Access Notice in an area of the business facility, in plain view of the public and have copies available to the public.

Storage and Towing Fees Charged by Automotive Repair Dealers (2 of 2)

- History: Public workshop held on April 25, 2024.
- Status: BAR is working with DCA Legal to finalize the proposed language.
- Next Steps: Hold public workshop on July 18, 2024 and submit initial package to DCA for review and approval to file with BCSH Agency.

Contact Information

Holly Helsing and/or Kayla Shelton

Holly.Helsing@dca.ca.gov

Kayla.Shelton@dca.ca.gov

www.bar.ca.gov



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