Legislation and Regulations Update

Holly Helsing BAR Executive Office January 30, 2025



Important Legislative Dates

- January 1, 2025 2024 chaptered bills took effect
- February 21, 2025 Last day for new bills to be introduced

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 <u>www.leginfo.legislature.ca.gov</u> for the most current bill information.

2024 Chaptered Bills

- AB 1901 (Chen): Total Loss Claims
- SB 1526 (Committee on Business, Professions and Economic Development): Technical Clean-up

Pending Regulation Packages

- Tear Down Disclosure Requirements for Automotive Repair Dealers
- Smog Check Readiness Monitor Limits
- Storage Fees Charged by Automotive Repair Dealers
- Mobile and Referral Automotive Repair Dealers

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Tear Down Disclosure Requirements for Automotive Repair Dealers (1 of 2)

Purpose:

- Add and amend definitions relating to disclosure requirements for automotive repair dealers.
- Clarify estimate work order requirements that require a vehicle tear down.
- Set documentation requirements for ARDs when using an estimate that is prepared by or on behalf of a third-party payor.
- Require any towing service fee to be provided to the customer on a separate form and receive authorization separately from the repair estimate.
- Require ARDs to include payment amounts of third-party payors on the estimate prior to authorization of work if the amount is known.

Tear Down Disclosure Requirements for Automotive Repair Dealers (2 of 2)

- <u>History</u>: Public workshop held on October 19, 2023.
- <u>Status</u>: 45-day comment period ended on December 16, 2024, and proposed modified text was submitted to DCA Legal on December 24, 2024.
- <u>Next Steps</u>: Notice for a 15-day public comment period on <u>only</u> the modified text.

Smog Check Readiness Monitor Limits

• <u>Purpose</u>: (1) Remove outdated subdivisions.

(2) Prohibit a vehicle, unless the vehicle has design-related issues, from passing an OBD-II inspection if the vehicle's OBD-II system reports not-complete readiness status. The regulation would affect Smog Check inspection criteria for gasoline-powered vehicles model-years 1996 and newer and diesel-powered vehicles model-years 1998 and newer.

- <u>Status</u>: 45-day comment period ended on December 16, 2024, and the final regulation package was submitted to DCA Legal on December 17, 2024.
- Next Steps: Submit to OAL for final approval and adoption.

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

- <u>Purpose</u>: Bring together existing laws governing storage from the Business and Professions, Civil, and Vehicle Codes under one unified regulatory section. The proposed regulations do the following:
 - Establish that fees charged for the storage of a motor vehicle shall be reasonable.
 - Determine when storage fees may be charged and where a vehicle may be stored.
 - Require that an ARD provide an itemized invoice for storage fees when charged.
 - 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 Fees Charged by Automotive Repair Dealers (2 of 2)

- Create a search tool on BAR's website showing average and median daily storage rates for a given locale based on the maximum daily storage rates reported by ARDs.
- Define a "locale" as one of four geographic radiuses around each reporting ARD that is sufficient to identify average and median storage rates.
- <u>History</u>: Public workshops held on April 25, July 18, and October 17, 2024.
- <u>Status</u>: BAR is working to finalize the initial package.
- <u>Next Steps</u>: Hold 4th public workshop on January 30, 2025, then submit initial package to DCA and Agency for review and approval to file with OAL and begin 45-day public comment period.

Mobile and Referral Automotive Repair Dealers

• <u>Purpose</u>: (1) Clarify definition of "mobile automotive repair."

(2) Add a geographical radius for when automotive repair is to be considered mobile in relation to where the repair is performed.

(3) Add that a person or entity is considered to be an ARD if that person or entity collects compensation for automotive repair services that are referred or sublet to another person or entity to perform.

- <u>Status</u>: Pending review by DCA Legal.
- <u>Next Steps</u>: Submit initial regulation package to Business Consumer Services and Housing Agency for review and approval to file with OAL and begin 45-day public comment period.

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