

**TITLE 16. BUREAU OF AUTOMOTIVE REPAIR**  
**DEPARTMENT OF CONSUMER AFFAIRS**  
**INITIAL STATEMENT OF REASONS**

**Hearing Date:** No hearing scheduled

**Subject Matter of Proposed Regulations:** Change of Address Requirements

**Sections Affected:** 3312.1, 3351, and 3351.1 of Chapter 1 of Division 33 of Title 16 of the California Code of Regulations (CCR)

**Background and Statement of the Problem:**

The Department of Consumer Affairs (DCA), Bureau of Automotive Repair (Bureau or BAR) is the state agency charged with licensing automotive repair dealers (ARDs), Smog Check stations, STAR stations, Vehicle Safety Systems Inspection (VSSI) Stations, and their respective inspectors and repair technicians. Pursuant to Article 1 of Chapter 20.3 of Division 3 of the Business and Professions Code (BPC) (commencing with section 9880), the Bureau regulates automotive repair and has the authority to adopt, amend, and repeal necessary rules and regulations.

The Bureau proposes to amend sections 3312.1, 3351, and 3351.1 of Chapter 1 of Division 33 of Title 16 of the CCR as follows:

- Amend section 3312.1 to 1) update the timeframe within which a vehicle safety systems inspection station seeking licensure shall notify the Bureau of material changes (to the information submitted to the Bureau on applications for licensure) from 14 days to 30 days and 2) relocate the existing regulatory provision stating that a vehicle safety systems inspection station shall notify the Bureau of a change of address within 14 days (as this provision is currently located in the subdivision for which the timeframe to notify the Bureau of material changes is being changed from 14 days to 30 days).
- Amend section 3351 to relocate the regulatory provision stating that an automotive repair dealer seeking licensure shall notify the Bureau of a change of address within 14 days. This provision is being relocated in order to update the timeframe for notice of such a change from 30 days to 14 days (thereby making it consistent with the timeframe within which vehicle safety systems inspection stations seeking licensure must similarly notify the Bureau of address changes).
- Amend section 3351.1 to remove outdated and duplicative text, and unincorporate a form (currently incorporated by reference) which will no longer be used.
- Additionally, nonsubstantive changes will be made throughout these sections, including some necessitated by the substantive changes above (re-lettering of subdivisions, capitalization of Bureau, etc.).

### **Anticipated benefits from this regulatory action:**

The Bureau has determined this regulatory proposal will have the following benefits to the welfare of California residents: by implementing these regulatory changes, the Bureau will make specific and clarify timeframes for reporting material changes in information submitted to the Bureau on applications for licensure, which will also remove inconsistencies in the current regulations. These proposed regulatory changes will also remove duplicative text and make some nonsubstantive changes for consistency and clarity.

This regulatory proposal does not affect the health of California residents, worker safety, or the state's environment.

### **Specific purpose of, and rationale for, each adoption, amendment, or repeal:**

#### **1. Amend section 3312.1. Licensing Vehicle Safety Systems Inspection Stations; Inspection, Term, and Renewal.**

##### **Subdivision (d)**

The Bureau proposes changing the number of days within which a VSSI station seeking licensure shall notify the Bureau of material changes (to the information submitted to the Bureau on applications for licensure) from 14 days to 30 days.

Purpose: To change the number of days (from 14 to 30) that a VSSI station has to notify the Bureau of a material change.

Necessity: This is necessary for consistency throughout the regulations. Other regulation sections allow the regulated public 30 days to provide the Bureau with notification of a material change, and this requirement in this regulation section should mirror those requirements.

##### **Subdivision (d)(3)**

The Bureau proposes removing "A change of address, as defined in section 3303(u) of this Chapter" from (d)(3).

Purpose: To move the change of address notification period requirement from subdivision (d)(3) to new subdivision (e).

Necessity: This change is necessary to maintain the current requirement that the Bureau be notified of a change of address within 14 days, as the material changes listed in (d) will, with this proposal, require notification to the Bureau within 30 days.

### **Subdivisions (d)(4)-(6)**

The Bureau proposes re-numbering these subdivisions to (d)(3) through (d)(5).

Purpose: The purpose of this change is to accommodate the removal of the existing subdivision (d)(3) above.

Rationale: This is a nonsubstantive change made for the purpose of “renumbering, reordering, or relocating a regulatory provision” within the meaning of Title 1, CCR section 100(a)(1). This change is necessary for clarity and to ensure consistent numbering and formatting throughout the entire section.

### **New Subdivision (e)**

The Bureau proposes moving the requirement in existing subdivision (d)(3) to new subdivision (e), stating: “A vehicle safety systems inspection station shall notify the Bureau in writing of a change of address, as defined in section 3303(u) of these regulations, within fourteen (14) days of the date of making any change of address.”

Purpose: To create a new subdivision to house the existing requirement that a VSSI station notify the Bureau of a change of address within 14 days.

Necessity: This change is necessary to maintain the current requirement that the Bureau be notified of a change of address within 14 days, as the material changes listed in (d) will, with this proposal, require notification to the Bureau within 30 days. Although a change of address is a material change, the Bureau will still require notice of a change of address to be made within 14 days, so this requirement needs to be in a separate subdivision from the 30-day material notice requirement.

### **Existing Subdivision (e)**

The Bureau proposes changing “subdivision (d)” to “subdivisions (d) and (e)”.

Purpose: To add that notification for a change of address (in new subdivision (e)), like notification of other notice of material changes, shall include the information sought in this subdivision.

Necessity: This change is necessary to ensure that a description of the change, and the effective date of each change, are included with a notice of change of address.

### **Subdivisions (e)-(i)**

The Bureau proposes re-lettering subdivisions (e) through (i) to (f) through (j).

Purpose: The purpose of this change is to accommodate the addition of new subdivision (e) above.

Rationale: This is a nonsubstantive change made for the purpose of “renumbering, reordering, or relocating a regulatory provision” within the meaning of Title 1, CCR section 100(a)(1). This change is necessary for clarity and to ensure consistent lettering and formatting throughout the entire section.

## **2. Amend section 3351. Registration of Automotive Repair Dealers.**

### **Subdivision (e)**

The Bureau proposes removing the word “material”.

Purpose: To remove the word “material” before the word “changes”.

Necessity: This is a necessary because the notification to the Bureau will apply to any change, material or immaterial, made to the information supplied to the Bureau pursuant to subdivision (a)(2). This removes any ambiguity of what notice is required if there is a change to the information submitted to the Bureau under subdivision (a)(2)—this requirement applies to any change regardless of whether it is “material”.

The Bureau proposes removing “For the purposes of this section, “material” means any of the following:” and what follows in subdivisions (e)(1)-(8).

Purpose: Removing the description of what is considered “material”.

Necessity: This is a necessary because leaving it could lead to confusion because the Bureau is removing the word “material” from the subdivision. Any change to any information provided pursuant to subdivision (a)(2) requires that the ARD notify the Bureau, not just material changes.

### **New Subdivision (f)**

The Bureau proposes adding new subdivision (f) to state: “An automotive repair dealer shall notify the Bureau in writing of any change of physical or mailing address, as defined in section 3303(u) of these regulations, within fourteen (14) days of the date of making any change of address.”

Purpose: To create a new subdivision requiring an automotive repair dealer (ARD) to notify the Bureau of a change of address within 14 days.

Necessity: This change is necessary because the material changes listed in (e) require notification to the Bureau within 30 days, and in order for this change of address notification period requirement to mirror the one in 3312.1(e), the notification period should be 14 days. Having the same change of address notification period in the two sections will help avoid confusion.

### **Existing Subdivisions (f)-(g)**

The Bureau proposes re-lettering subdivisions (f) and (g) to (g) and (h).

Purpose: The purpose of this change is to accommodate the addition of subdivision (f) above.

Rationale: This is a nonsubstantive change made for the purpose of “renumbering, reordering, or relocating a regulatory provision” within the meaning of Title 1, CCR section 100(a)(1). This change is necessary for clarity and to ensure consistent lettering and formatting throughout the entire section.

### **New Subdivision (g) (see above)**

The Bureau proposes changing “subdivision (e)” to “subdivisions (e) and (f).”

Purpose: To add that notification for a change of address (in new subdivision (f)), like notification of other material changes, shall include the information sought in this subdivision.

Necessity: This change is necessary to ensure that a description of the change, and the effective date of each change, are included with a notice of change of address.

## **3. Amend section 3351.1. Fees.**

### **Subdivisions (c)-(e)**

The Bureau proposes making the lowercase “b” in bureau into a capital “B”. This change is non-substantive because it is a grammatical change as part of an effort to “[revise] structure, syntax, cross-reference, grammar, or punctuation” within the meaning of Title 1, CCR section 100(a)(4). This is necessary for consistency throughout the Bureau’s regulations. Inconsistent capitalization/lowercasing may result in misinterpretation and confusion.

### **Subdivision (d)**

The Bureau proposes adding “, a” and removing “the licensee or registrant shall submit to the bureau a Change of Name/Address/Corporate Officers or Directors, Form R-5 (Rev. 10/14), which is hereby incorporated by reference within 14 calendar days or the license and/or registration shall cease to be valid. A” from subdivision (d).

Purpose: Remove the requirement that a licensee submit a change of Name/Address/Corporate Officers or Directors on Form R-5.

Necessity: This part of the subdivision is not necessary and may lead to confusion if it remains in the regulation. The Bureau no longer requires the use of Form R-5, as

licensees and registrants may submit a notice of material change through the online portal. They still may submit a form if they prefer, but it is not required, and therefore, the form should no longer be incorporated by reference/part of the regulation. In addition, this part of the subdivision is duplicative, as the requirement to notify the Bureau of a material change, including Name/Address/Corporate Officers or Directors is already addressed in sections 3312.1 and 3351. Furthermore, this is currently in the “Fees” section and this part of the subdivision does not have any relevance to fees.

### **Underlying Data:**

1. Form R-5 (Rev 10/14) Change of Name/Address/Corporate Officers or Directors, in strikethrough.

### **Business Impact:**

BAR has made the initial determination that the proposed regulations will not have a significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states. This initial determination is based on the fact that this proposal will modify the timeline for existing requirements for the regulated public.

This proposal will make specific and clarify timeframes for reporting material changes in information submitted to the Bureau on applications for licensure, which will also remove inconsistencies in the current regulations. These proposed regulatory changes will also remove duplicative text and make some nonsubstantive changes for consistency and clarity.

### **Economic Impact Assessment:**

The Bureau has determined that this regulatory proposal will not:

- (1) Create or eliminate jobs within California because the amendments are technical and provide additional clarity consistent with current law and existing practice;
- (2) Create new businesses or eliminate existing businesses within California because the amendments are technical and provide additional clarity consistent with current law and existing practice;
- (3) Expand businesses currently doing business in the State of California because the amendments are technical and provide additional clarity consistent with current law and existing practice; or
- (4) Affect the health of California residents, worker safety, or the state’s environment because the amendments are technical and provide additional clarity consistent with current law and existing practice because the amendments are technical and provide additional clarity consistent with current law and existing practice.

The regulatory amendments will make specific and clarify timeframes for reporting material changes in information submitted to the Bureau on applications for licensure, which will also remove inconsistencies in the current regulations. These proposed regulatory changes will also remove duplicative text and make some nonsubstantive changes for consistency and clarity.

**Specific Technologies or Equipment:**

This regulation does not mandate the use of specific technologies or equipment.

**Consideration of Alternatives:**

No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of the Bureau would be more effective in carrying out the purpose for which the regulation was proposed, as effective and less burdensome to affected private persons than the adopted regulation, or more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Set forth below is the alternative that was considered and the reason the alternative was rejected:

**Alternative 1:** The Bureau considered taking no action. However, with no action, the regulations would remain inconsistent and contradictory.

**Description of reasonable alternatives to the regulation that would lessen any adverse impact on small business:**

No such alternatives have been proposed, however, the Bureau welcomes comments from the public.