

Legislation and Regulations Update

Holly O'Connor / Kayla Shelton
BAR Executive Office
July 20, 2023



Bureau of Automotive Repair

Important Legislative Dates

- **July 14 – August 14, 2023** – Summer recess
- **September 1, 2023** – Last day for fiscal committees to meet and report bills to the Floor
- **September 8, 2023** – Last day to amend bills on the Floor
- **September 14, 2023** – Last day for each house to pass bills
- **October 14, 2023** – Last day for Governor to sign or veto bills

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.

2023 Legislative Bills

Catalytic Converter Bills

- AB 641 (Fong): Automobile Dismantlers
- AB 1519 (Bains): VIN Marking Requirements
- SB 55 (Umberg): VIN Marking Requirements

Other Bills

- AB 1263 (Assembly Committee on Business and Professions): BAR Sunset Review
- SB 301 (Portantino): Zero-Emission Aftermarket Conversion Project
- SB 429 (Bradford): Vehicle inspections for Transportation Network Companies
- SB 544 (Laird): Bagley-Keene Open Meeting Act: Teleconferencing
- SB 615 (Allen): Vehicle Traction Batteries

AB 641 (Fong): Automobile Dismantlers

- Status: In committee: Set, first hearing. Hearing canceled at the request of author on June 21, 2023.
- Summary:
 - This bill would revise the definition of automobile dismantler to include a person who keeps or maintains on property owned by the person, or under their possession or control:
 - Two or more unregistered motor vehicles no longer intended for, or in condition for, legal use on the highways.
 - Six or more used catalytic converters that have been cut from a motor vehicle using a sharp-implement.
 - This bill would apply to vehicles or catalytic converters that are used for restoration or replacement parts or to a “junk dealer,” a “recycler,” a “commercial enterprise” or “core recycler,” as defined in the Business and Professions Code even if it does possess six or more used catalytic converters that have been cut from a motor vehicle.

AB 1519 (Bains): VIN Marking Requirements

- Status: Referred to Committees on Transportation and Public Safety on June 14, 2023.
- Summary: This bill would prohibit any person from removing or altering the VIN that has been added to a catalytic converter, or from knowingly possessing three or more catalytic converters that have been so altered.

SB 55 (Umberg): VIN Marking Requirements

- Status: Read second time and amended. Re-referred to Committee on Transportation on June 19, 2023.
- Summary:
 - This bill would prohibit a dealer or retailer from selling a new or used motor vehicle equipped with a catalytic converter unless the catalytic converter has been engraved or etched with the vehicle identification number (VIN) of the vehicle to which it is attached.
 - This bill would, until January 1, 2025, exempt from this prohibition a vehicle purchased from a dealer licensed in California who is also licensed in another state and does not have a warranty service facility in California.
 - Added motorcycles to be included.

AB 1263: Bureau of Automotive Repair (1 of 3)

- Status: Referred to Committee on Business, Professions, and Economic Development on June 7, 2023
- Summary—This bill would:
 - Extend BAR's sunset date to January 1, 2028.
 - Authorize BAR to adopt regulations to clarify the authority to regulate storage fees charged by automotive repair dealers consistent with provisions of the Vehicle Code and Civil Code.
 - Authorize BAR to establish a centralized testing network for inspecting model year 1995 and older vehicles that require a BAR-97 inspection, which may include subcontracted licensed smog check stations.

AB 1263: Bureau of Automotive Repair (2 of 3)

- Summary—This bill would:
 - Beginning no earlier than January 1, 2025, require testing using onboard diagnostic systems only (i.e., no BAR-97 inspection) on model year 1996–1999 vehicles, as is currently done on model year 2000 and newer vehicles.
 - Exempt a motor vehicle from biennial inspection if BAR adopts regulations and determines that the motor vehicle warrants temporary waiver from the biennial inspection. Require the Smog Check Performance Report to be completed biennially rather than annually.
 - Specifies that it is the intent of the Legislature that the bureau continues to maintain the BAR advisory group to advise the bureau on regulatory issues and programs affecting the automotive repair industry.
 - Provides that any employee of the ARD who is involved in the violation resulting in the bureau's issuance of the citation also may be required to attend remedial training with the ARD to prevent disclosure of the citation.

AB 1263: Bureau of Automotive Repair (3 of 3)

- Provide that, for purposes of the provisions of relating to the smog check program, the term “qualified smog check technician” refers to both smog check (repair) technicians and smog check inspectors.
- Provide that a fraudulent inspection additionally includes clean plugging, clean glassing, clean tanking, or any other fraudulent inspection practice.
- Make technical cleanup updates to the Business and Professions Code and Vehicle Code to transition the lamp and brake programs to the vehicle safety systems inspection program pursuant to AB 471 (Low, Chapter 372, Statutes of 2021).
- Require the seller of a salvaged vehicle to provide the purchaser a valid vehicle safety systems certificate prior to, or at the time of, delivery for sale.

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

- Status: Referred to the Committee on Natural Resources on June 15, 2023
- Summary: This bill would require the Air Resources Board to establish the Zero-Emission Aftermarket Conversion Project (ZACP) by allocating no less than a total of \$2 million annually from the Clean Vehicle Rebate Project or any other clean vehicle rebate program 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 be limited to one per vehicle and have a value up to \$4,000.

SB 429 (Bradford): Vehicle Inspections for Transportation Network Companies

- Status: Amended and re-referred to the Committee on Appropriations on July 12, 2023.
- Summary:
 - Transportation network company means an organization that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using a personal vehicle.
 - Personal vehicle is defined as a vehicle that is used by a participating driver to provide prearranged transportation services for compensation and that meets certain requirements including all inspection and other safety requirements.
 - Would require a transportation network company to require a vehicle to satisfy the vehicle inspection requirements.
 - Inspections shall be performed by a mechanic affiliated with a facility licensed by the Bureau of Automotive Repair on location, virtually, or remotely.

SB 544 (Laird): Bagley-Keene Open Meeting Act: Teleconferencing

- Status: Passed by the Senate and referred to the Assembly Committee on Governmental Organization on May 26, 2023.
- Summary:
 - This bill would allow DCA boards and bureaus to continue conducting single-site physical meetings without providing electronic public access, and
 - Allow these regulatory bodies to conduct virtual meetings by either telephone or online platform under the following conditions: (1) Require one physical meeting location with at least one staff member present and provide a way for the public to hear or observe the meeting remotely; (2) Require the telephone number or online information, plus the physical site address, to be included in the meeting notice; and (3) No longer require agendas to identify separately all teleconference locations, post agendas at teleconference locations, and provide public access to all teleconference locations, except for the one physical location.

SB 615 (Allen): Vehicle Traction Batteries (1 of 2)

- Status: June 20, 2023 set for first hearing; canceled at the request of the author.
- Summary - The bill would require vehicle traction batteries in the state to be recovered and reused, repurposed, or remanufactured and eventually recycled at the end of their useful life in a motor vehicle or any other application.
- The bill would also require a vehicle manufacturer, dealer, automobile dismantler, automotive repair dealer, and nonvehicle secondary user to be responsible 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.
- The bill would make a vehicle or battery manufacturer responsible for collecting a stranded battery and repurposing the battery, if possible, but would require the manufacturer to ensure the battery is recycled if it cannot be reused.

SB 615 (Allen): Vehicle Traction Batteries (2 of 2)

- Summary - The bill would require, by January 1, 2025, a battery supplier to be responsible for the development of a core exchange program for replacing a battery, module, or cell removed from a vehicle, as specified.
- The bill would also require a battery supplier to annually submit a report to the Department of Toxic Substances Control.
- The bill would require a qualified facility buying removed batteries to submit a report containing specified information to DTSC and would require specified entities that remove a battery from a vehicle that is still in service to participate in the core exchange program.
- The bill would make a secondary user that purchases a battery that was removed from a vehicle responsible for ensuring the battery is sent to a qualified facility at the end of the battery's useful life and reporting specified information to DTSC.

Regulations Adopted in 2023

- Automotive Repair Dealer Registration Application Requirements*
 - Adopted on May 1, 2023
 - Effective on July 1, 2023

- Citation and Remedial Training Programs for Automotive Repair Dealers*
 - Adopted on May 31, 2023
 - Effective on July 1, 2023

Automotive Repair Dealer Registration Application Requirements

- Outcome: This package was filed with the Secretary of State on May 1, 2023 and became effective on July 1, 2023.
- Purpose: (1) Define “nationally recognized and industry-accepted educational certifications.” (2) Establish a process for Bureau review and approval of educational certifications that do not meet this definition. (3) Establish a process for recognizing educational certifications on the ARD application. (4) Require ARD applicants to provide an email address.

Citation and Remedial Training Programs for Automotive Repair Dealers

- Outcome: This package was filed with the Secretary of State on May 31, 2023 and became effective on July 1, 2023.
- Purpose:
 - Expand BAR's citation program to cover ARD violations of the Automotive Repair Act.
 - Specify the process for an ARD to contest a citation and request its review by a 3-member (BAR-consumer-industry) panel.
 - Establish a process for ARDs to obtain remedial training to prevent citations deemed minor in nature from being posted on the BAR website.
 - Establish a process for certification of remedial training providers.

Pending Regulation Packages

- Smog Check Inspection Equipment and Station Requirements (DAD Specification Update)
- CAP Incentive Increases
- Vehicle Safety Systems Inspection Program*
- ARD Registration Renewal Requirements*

* AB 471 (Low, Chapter 372, Statutes of 2021)

Disclaimer: Though every effort is made to ensure information provided on these slides is current, given the nature of the regulatory process, dates or status summaries shown here may not reflect the latest updates. Please be sure to check BAR's regulatory actions page at <https://www.bar.ca.gov/regulatory-actions> for the most current information.

Smog Check Equipment and Station Requirements (DAD Specification Update)

- Purpose: (1) Replace the current OBD Data Acquisition Device (DAD) specification with a more comprehensive and updated version to provide additional tools to combat Smog Check fraud. (2) Allow the DAD to communicate with new vehicles that use a communication protocol not supported by the current generation of Bureau-certified DADs.
- Status: BAR is working with DCA Legal to prepare the package for Business, Consumer Services, and Housing Agency (Agency) approval to file with OAL and begin the official public comment period.
- Next Steps: Submit to Agency for review and approval.

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: BAR is working with DCA Legal to prepare the package for Agency approval to file with OAL and begin the official public comment period.
- Next Steps: Submit to Agency for review and approval.

Vehicle Safety Systems Inspection Program

- Purpose: Creates a new Vehicle Safety Systems Inspection Program, which does the following:
 - Establishes procedures and program requirements in a Vehicle Safety Systems Inspection Manual.
 - Creates license requirements for vehicle safety systems inspection/repair stations and technicians.
 - Sunsets the lamp and brake inspection programs six months after adoption of the regulations.
- History: Public workshops held on April 20, 2022, July 21, 2022, and April 27, 2023.
- Status: BAR is working with DCA Legal to prepare the package for Agency approval to file with OAL and begin the official public comment period.
- Next Steps: Submit to Agency for review and approval.

ARD Registration Renewal Requirements

- Purpose: (1) Requires ARDs to renew registration on forms prescribed by the Bureau. (2) Specifies ARD registration shall expire within one year from the last date of the month unless the registrant provides all necessary information. (3) Specifies that upon renewal, ARDs shall provide all newly required information – such as email addresses and educational certifications pursuant to AB 471 (Low, Chapter 372, Statutes of 2021) and notify the Bureau of any change of information since their last renewal.
- Status: Pending Agency approval.
- Next Steps: Notice filed with OAL to begin 45-day public comment-period.

Contact Information

Holly O'Connor and/or Kayla Shelton

Holly.OConnor@dca.ca.gov

Kayla.Shelton@dca.ca.gov

www.bar.ca.gov



Bureau of Automotive Repair