# Legislation and Regulations Update

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### Important Legislative Dates

- June 6, 2025 Last day for each house to pass bills introduced in that house
- July 18, 2025 Last day for policy committees to meet and report bills
- July 18, 2025 August 18, 2024 Summer Recess
- September 5, 2025 Last day to amend bills on the Floor
- September 12, 2025 Last day for each house to pass bills
- October 12, 2025 Last day for the 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 <u>www.leginfo.legislature.ca.gov</u> for the most current bill information.

# 2025 Legislative Bills

- AB 987 (Sharp-Collins): Vehicle Storage and Towing
- AB 1368 (Wallis): Smog Check Exemption
- SB 615 (Allen): Vehicle Traction Batteries
- SB 712 (Grove): Smog Check Exemption for Collector Vehicles
- SB 861 (Senate BPED Committee): Business and Professions Code Technical Cleanup

# AB 987 (Sharp-Collins): Vehicle Storage and Towing

- Status: Re-referred to the Committee on Transportation on April 1, 2025.
- Summary: Existing law requires that storage and towing fees be reasonable and enumerates a list of fees that are presumptively unreasonable. This bill would expand the list of presumptively unreasonable fees in Vehicle Code sections 10652.5(d) and 22524.5(c)(3) to include, among other things, fees for holiday hours and fees assessed on vehicles in emergency situations where the owner or insurer of the vehicle was not at fault.

# AB 1368 (Wallis): Smog Check Exemption

- Status: April 1, 2025 set for first hearing; canceled at the request of the author.
- Summary: Existing law exempts specified vehicles from being inspected biennially upon renewal of registration, including, among others, all motor vehicles manufactured prior to the 1976 model year. This bill would extend the above exemption from vehicles that were manufactured prior to the 1976 model year, to any motor vehicle that is 30 or more model years old.

# SB 615 (Allen): Vehicle Traction Batteries

- Status: Set for hearing on April 22, 2025.
- Summary: This bill would:
  - Require a battery supplier to be responsible for, among other duties, ensuring the responsible end-of-life management of a vehicle traction battery if it is removed from a vehicle that is still in service or is offered or returned to its battery supplier.
  - Impose related duties on a secondary user, including, among other duties, ensuring the responsible end-of-life management for a vehicle traction battery or returning a vehicle traction battery to the battery supplier, and reporting information regarding the sale, transfer, or receipt of a vehicle traction battery or module to the Department of Toxic substances.

# SB 712 (Grove): Smog Check Exemption for Collector Vehicles

- Status: Set for hearing on April 21, 2025.
- Summary: This bill would delete the partial smog check exemption for collector motor vehicles from existing law and fully exempt a collector motor vehicle from the smog check requirement if the vehicle is at least 35 model years old.

# SB 861 (Senate BPED Committee): Business and Professions Code Technical Cleanup

- Status: Set for hearing on April 29, 2025.
- Summary: This bill would update cross-references to the Business and Professions Code that replaced provisions for licensure of lamp and brake adjusting stations and adjusters with provisions for licensure of vehicle safety systems inspection stations and technicians.

# **Regulations Adopted in 2025**

- Omnibus Cleanup to Update Code Sections
  - Adopted on February 6, 2025
  - Effective on April 1, 2025
- Technical Cleanup to Update Terminology: "Bureau-accepted Educational Certifications"
  - Adopted on March 11, 2025
  - Effective on April 1, 2025

# **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)

- <u>Purpose</u>:
  - 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.
  - 45-day public comment period: November 1-December 16, 2024
  - 15-day public comment period on modified text: February 7-28, 2025
- <u>Status</u>: Final regulation package pending review by BCSH Agency.
- <u>Next Steps</u>: Submit final regulation package to OAL.

# **Smog Check Readiness Monitor Limits**

#### • <u>Purpose</u>:

- Remove outdated subdivisions.
- 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 gasolinepowered vehicles model-years 1996 and newer and diesel-powered vehicles modelyears 1998 and newer.
- <u>Status</u>: 45-day comment period ended on December 16, 2024; final regulation package was submitted to DCA Legal on December 17, 2024.
- <u>Next Steps</u>: 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 that is 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, October 17, 2024, and January 30, 2025.
- <u>Status</u>: Pending review by DCA Legal.
- <u>Next Steps</u>: Submit initial regulation package to BCSH 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>:
  - Clarify definition of "mobile automotive repair."
  - Add a geographical radius for when automotive repair is to be considered mobile in relation to where the repair is performed.
  - 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>: Undergoing 45-day public comment period from March 28 to May 12, 2025.
- <u>Next Steps</u>: Submit final package to DCA Legal for approval to file with OAL for review and approval.

## **Contact Information**

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