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February 13, 2025

Honorable Scott Wiener
Chair, Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee
1020 N Street, Room 502
Sacramento, CA 95814

Honorable Jesse Gabriel
Chair, Assembly Budget Committee
1021 O Street, Room 8230
Sacramento, CA 95814

RE: Bureau of Automotive Repair – Supplemental Report – Consumer Assistance Program

Chair Wiener and Chair Gabriel:

This correspondence fulfills the requirement of the Supplemental Report of the 2008 Budget Act (Item 1111-001-0582) to provide a report on the Consumer Assistance Program (CAP) operations for Fiscal Year 2023-24.

The Bureau of Automotive Repair (BAR) offers two CAP options for consumers: (1) Repair Assistance and (2) Vehicle Retirement.

Repair Assistance: Prior to January 1, 2025, income-eligible consumers received up to \$1,200¹ in emissions-related repairs for a vehicle that failed its required biennial Smog Check. Repairs must be performed at a STAR-certified Smog Check repair station². There are over 1,400 STAR-certified Smog Check repair stations authorized to perform repair assistance services throughout the state.

To be eligible for repair assistance, a consumer's household income must be less than or equal to 225 percent of the federal poverty guidelines, as published by the United States Department of Health and Human Services. Income verification shall be based on at least one form of documentation, including, but not limited to: (A) an income tax return; (B) an employment warrant; or (C) evidence of receiving a type of public assistance. BAR pays 80 percent of diagnostic and

¹ Recently adopted regulations, effective January 1, 2025, will increase repair assistance contributions, providing up to \$1,450 in emission related repairs for income-eligible consumers.

² STAR-certified Smog Check stations must meet higher testing performance standards than other licensed Smog Check stations, pursuant to California Code of Regulations, Title 16, Section 3392.2.

repair costs. Participants are responsible for any repair costs that exceed the state contribution limit.

Vehicle Retirement: Prior to January 1, 2025, eligible vehicle owners received either \$1,500 or \$1,000 to retire a vehicle at a BAR-authorized dismantler. As with the repair assistance option, consumers with a household income less than or equal to 225 percent of the federal poverty guidelines received \$1,500 to retire their vehicle. Income-eligible participants are allowed to retire their vehicle without failing a Smog Check.³ Consumers that are not eligible based on income received \$1,000 to retire their vehicle, but only if it failed a Smog Check.⁴

Consumers can only retire one vehicle every 12 months. At the time of application, the vehicle must be registered as operable with the Department of Motor Vehicles or have proof that it has been primarily operated in California for the two preceding years. The vehicle must be a passenger car or truck with a gross vehicle weight rating of 10,000 pounds or less. Finally, the vehicle must pass a visual and operational inspection at the dismantler.

There are currently 35 dismantlers under contract with BAR to perform vehicle retirement services. BAR provides a list of the authorized dismantlers to each consumer upon approval of their application.

CONSUMER PARTICIPATION

In Fiscal Year 2023-24, CAP repaired 4,585 vehicles and retired 21,575 vehicles.

PROGRAM COSTS

In Fiscal Year 2023-24, CAP expended: \$3,879,453 to repair vehicles; \$23,140,587 to retire vehicles; and \$8,907,000 to administer these programs.

EMISSIONS REDUCTION

BAR uses formulas developed in conjunction with the California Air Resources Board (CARB) to estimate emissions reductions achieved through these programs.

In Fiscal Year 2023-24, CAP reduced an estimated 903.1 tons of emissions through these programs.

SOUTH COAST AND SAN JOAQUIN VALLEY AIR DISTRICTS

The State Implementation Plan focuses on air quality issues affecting the South

³ This provision is made available through the Enhanced Fleet Modernization Program (EFMP) developed and managed in partnership with the California Air Resources Board.

⁴ Recently adopted regulations, effective January 1, 2025, will raise vehicle retirement incentives, providing up to \$2,000 for income-eligible consumers and \$1,350 for all others. The incentive increases are expected to increase participation. (Note: The EFMP retirement incentive will remain \$1,500.)

Coast Air Quality Management District (AQMD) and the San Joaquin Valley Air Pollution Control District (APCD).

In Fiscal Year 2023-24, CAP repaired 1,565 vehicles and retired 9,551 vehicles in the South Coast AQMD, achieving an estimated 388.6 tons of emissions reductions. CAP also repaired 995 vehicles and retired 2,935 vehicles in the San Joaquin APCD, achieving an estimated 131.8 tons of emissions reductions.

BAR included the air district statistics in the statewide figures shown in the attached summary to this report.

Sincerely,

Patrick Dorais

Patrick Dorais
Chief, Bureau of Automotive Repair

ATTACHMENTS: Summary of Program Statistics: Fiscal Year 2023-24

cc: Christine Aurre, Legislative Secretary
Erika Contreras, Secretary of the Senate
Sue Parker, Chief Clerk of the Assembly
Cara L. Jenkins, Legislative Counsel
Joe Stephenshaw, Director, Department of Finance
Heather Gonzalez, Legislative Analyst, Legislative Analyst's Office
Tomiquia Moss, Secretary, Business, Consumer Services, and Housing Agency
Kimberly Kirchmeyer, Director, Department of Consumer Affairs

Summary of Program Statistics: Fiscal Year 2023-24
Bureau of Automotive Repair – Consumer Assistance Program

Program Metric	Repair Assistance	Vehicle Retirement: Income-Eligible Option	Vehicle Retirement: General Option	EFMP Vehicle Retirement	Total
Assistance Amount (Per-Vehicle)	Up to \$1,200	\$1,500	\$1,000	\$1,500	-
Vehicles Repaired or Retired ¹	4,585	6,834	5,251	9,490	26,160
Program Disbursements	\$3,879,453	\$8,037,211	\$3,834,894	\$11,268,481	\$27,020,040
Average Disbursement (Per-Vehicle)	\$846	\$1,176	\$730	\$1,187	-

ESTIMATED ANNUAL EMISSIONS REDUCTIONS (TONS)

Emission	Repair Assistance	Vehicle Retirement: Income-Eligible Option	Vehicle Retirement: General Option	EFMP Vehicle Retirement	Total
Reactive Organic Gases	47.0	139.2	107.0	193.3	486.5
Oxides of Nitrogen	54.4	100.1	76.9	139.0	370.5
Carbon Monoxide	8.7	11.8	9.1	16.4	46.0
Total	110.1	251.2	193.0	348.8	903.1

1. Recently adopted regulations, effective January 1, 2025, will raise vehicle retirement incentives, providing up to \$2,000 for income-eligible consumers and \$1,350 for all others. (Note: The EFMP retirement incentive will remain \$1,500.) Repair assistance contributions will also increase, providing up to \$1,450 in emission related repairs for income-eligible consumers. The incentive and contribution increases are expected to increase participation.