## LEGISLATION & REGULATIONS UPDATE

DEPARTMENT OF CONSUMER AFFAIRS

#### LUCY SARKISYAN EXECUTIVE OFFICE BAR ADVISORY GROUP MEETING OCTOBER 17, 2019

#### CHAPTERED BILLS

- AB 142 (Garcia, Carrillo & Santiago): Lead-Acid Batteries
- AB 596 (Grayson): Electronic Authorization of Vehicle Defects
- AB 949 (Medina): Unsafe Used Tires Installation
- AB 1538 (Weber): Auto Collision Coverage
- SB 210 (Leyva): Heavy-Duty Smog Check Program

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#### AB 142: LEAD-ACID BATTERIES

- <u>Status</u>: Approved by the Governor and chaptered by Secretary of State on October 13, 2019.
- <u>Summary</u>:
  - Effective April 1, 2022, the manufacturer fee on lead-acid batteries shall be increased from \$1 to \$2.
  - This bill would provide, on and after January 1, 2020, if a new motor vehicle dealer sells or leases to a person a used vehicle into which the new motor vehicle dealer has incorporated a replacement leadacid battery, that the California battery fee does not apply to the person with regard to that replacement lead-acid battery.
  - This bill would require the Department of Toxic Substances Control to establish a Lead-Acid Battery Recycling Facility Investigation and Cleanup Program.

# AB 596: Electronic Authorization of Vehicle Defects

- <u>Status</u>: Approved by Governor and chaptered by Secretary of State on October 3, 2019.
- <u>Summary</u>:
  - Existing law requires a motor vehicle dealer to provide specified conspicuous notice to prospective purchasers and lessees on how to get copies of service bulletins describing any defects in their vehicles from the manufacturer or the National Highway Traffic Safety Administration (NHTSA). This bill would expand the provision stating that copies may be obtained from NHTSA, manufacturer, or consumer publications.
  - This bill would also permit a new motor vehicle dealer to receive electronic authorization from consumers for any repair of a manufacturer recall.

### AB 949: UNSAFE USED TIRES INSTALLATION

- <u>Status</u>: Approved by the Governor and chaptered by the Secretary of State on September 6, 2019.
- <u>Summary</u>:
  - This bill would prohibit an automotive repair dealer from installing an unsafe used tire. It would require an automotive repair dealer to use a visual inspection to determine whether a tire meets the criteria of an unsafe used tire.
  - This bill provides a number of unsafe tire examples, including a tire with a tread depth that is worn to two thirty-seconds (2/32) of one inch or less.
  - This bill does not apply to tire repairs, tire rotations, tire balancing, or a tire mounted on a wheel or rim that is temporarily removed from a vehicle and reinstalled on the same vehicle.

#### AB 1538: AUTO COLLISION COVERAGE

- <u>Status</u>: Approved by the Governor and chaptered on July 30, 2019.
- <u>Summary</u>:
  - Provides that automobile physical damage or collision insurance payments do not interfere with: (1) a consumer's right to select the repair shop of the consumer's choice; or (2) a consumer's right to choose a cash payment in the amount the repairs would cost in lieu of proceeding to repair the insured damage.
  - This does not prevent an insurer from restricting payment in cases of suspected insurance fraud.
  - This does not require an insurer to agree to an insured's request that the vehicle not be repaired if the damage to the vehicle is sufficiently serious that safety features that are part of the vehicle's operating systems have been compromised.

#### SB 210: HEAVY-DUTY SMOG CHECK PROGRAM

- <u>Status</u>: Approved by the Governor and chaptered on September 20, 2019.
- <u>Summary</u>: Requires Air Resources Board (ARB) to adopt and implement a Heavy Duty Inspection and Maintenance Program for non-gasoline, heavy-duty, on-road trucks. BAR has a consultative role in this matter.

#### TWO-YEAR BILLS

- AB 161 (Ting): Electronic Proofs of Purchase
- AB 210 (Voepel): Smog Check Exemption
- AB 390 (Frazier & Grayson): Notice to Correct Violations
- AB 755 (Holden): California Tire Fee
- AB 1359 (Santiago): Towing Companies
- SB 59 (Allen): Automated Vehicle Technology
- SB 460 (Beall): Biennial Registration

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#### **BAR REGULATIONS**

- Rehabilitation Criteria for Licensure
- STAR Program Clean-Up
- Laws/Regulations Training
- Repair Assistance
- Licensing Applications
- Smog Check Training Providers
- Brake/Lamp Stations and Adjusters

#### REHABILITATION CRITERIA FOR LICENSURE

- <u>Purpose</u>: Pursuant to AB 2138 (Chapter 995, Statutes of 2018), establish: (1) criteria for determining rehabilitation of an applicant or licensee when considering denial, suspension, or petition for reinstatement of a license due to a criminal conviction; (2) criteria for determining when a crime is substantially related to the qualifications, functions and duties of a licensee. Must be adopted and implemented by July 2020.
- <u>Status</u>: Undergoing DCA-wide formal review process.
- <u>Next Steps</u>: Complete DCA-wide formal review; file with OAL to begin 45-day public comment period.

#### STAR PROGRAM CLEAN-UP

- <u>Purpose</u>: (1) Delete outdated Gold Shield Program provisions; (2) amend STAR eligibility criteria; and (3) provide STAR suspension process consistent with statute.
- <u>History</u>: Public workshop held on July 21, 2016. Initiated DCA Legal informal review on March 1, 2019.
- <u>Status</u>: BAR revising Initial Statement of Reasons for DCA informal review.
- <u>Next Steps</u>: Complete DCA informal review; submit for DCA-wide formal review; and file with OAL to begin 45-day public comment period.

#### LAWS/REGULATIONS TRAINING

- <u>Purpose</u>: Amend the Bureau's Disciplinary Guidelines and establish laws and regulations training as a rehabilitative option for respondents who have demonstrated an insufficient understanding of the laws and regulations protecting consumers in repair transactions. Specifically, administrative law judges and the Bureau would have the option to require, as a condition of probation or relicensure, training in compliance with specified parts of the Automotive Repair Act and its corresponding regulations.
- <u>Status</u>: BAR has been working with DCA Legal since July 2019 in cleaning up the regulatory language. Regulatory package submitted to DCA Legal for informal review on October 4, 2019.
- <u>Next Steps</u>: Complete DCA Legal informal review; submit for DCA-wide formal review; and file with OAL to begin 45day public comment period.

#### **REPAIR ASSISTANCE**

- <u>Purpose</u>: Increase Smog Check repair assistance participation by: (1) providing higher repair contributions based on vehicle model year; (2) reducing pre-repair diagnostic fees for low-income vehicle owners; and (3) removing unnecessary eligibility restrictions pertaining to vehicle registration.
- <u>History</u>: Public workshop held on January 17, 2019.
- <u>Status</u>: BAR is revising the rulemaking package based on DCA Legal informal review.
- <u>Next Steps</u>: Complete DCA Legal informal review; submit for DCA-wide formal review; and file with OAL to begin 45-day public comment period.

#### LICENSING APPLICATIONS

- <u>Purpose</u>: (1) Unincorporate BAR's licensing applications and list application components in regulation; and (2) update application review timeframes.
- <u>Status</u>: BAR is revising the rulemaking package based on DCA Legal informal review.
- <u>Next Steps</u>: Complete DCA Legal informal review; submit for DCA-wide formal review; and file with OAL to begin 45-day public comment period.

#### SMOG CHECK TRAINING PROVIDERS

- <u>Purpose</u>: Make requirements for certification of Smog Check training providers consistent with current licensing requirements.
- <u>History</u>: Public workshops held on January 9, 2014 and October 21, 2015. Initiated DCA Legal informal review on January 23, 2018.
- <u>Status</u>: BAR revising rulemaking package based on DCA Legal informal review.
- <u>Next Step</u>: Resubmit to DCA Legal for informal review.

#### BRAKE/LAMP STATIONS AND ADJUSTERS

- <u>Purpose</u>:
  - Revise: (1) identification numbers for licensing applications; (2) license renewal and equipment requirements; (3) handbooks on inspection procedures for brake and lamp systems; and (4) brake and lamp certificates of adjustment/compliance.
  - Eliminate the Gross Vehicle Weight Rating (GVWR) restriction of vehicles to be inspected and certified by Class C stations.
- <u>History</u>: Public workshop held on October 20, 2016. Submitted rulemaking package to DCA Legal for informal review on March 30, 2018.
- <u>Status</u>: BAR revising rulemaking package based on DCA Legal informal review.
- <u>Next Steps</u>: Resubmit to DCA Legal for informal review.

#### QUESTIONS AND COMMENTS

Submit questions and/or comments to:

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