#### Title 16 Division 33. BUREAU OF AUTOMOTIVE REPAIR

## NOTICE OF PROPOSED REGULATORY ACTION CONCERNING

#### Definitions, § 3303 Registration of Automotive Repair Dealers, § 3351 Bureau-Approved Educational Certifications, § 3395.6

# California Code of Regulations (CCR)

**NOTICE IS HEREBY GIVEN** that the Bureau of Automotive Repair (Bureau) is proposing to take the rulemaking action described below under the heading Informative Digest/Policy Statement Overview. Any person interested may present statements or arguments relevant to the action proposed in writing. Written comments, including those sent by mail, facsimile, or email to the addresses listed under Contact Person in this Notice, must be received by the Bureau at its office on **Tuesday, December 27, 2022**.

The Bureau has not scheduled a public hearing on this proposed action. The Bureau will, however, hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days prior to the close of the written comment period.

The Bureau may, after considering all timely and relevant comments, adopt the proposed regulations substantially as described in this notice, or may modify the proposed regulations if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as the contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

# **AUTHORITY AND REFERENCE**

Pursuant to the authority vested by Business and Professions Code (BPC) sections 9882, 9984, 9984.4, 9984.9, 9984.19, and 9987.1, and to implement, interpret and make specific BPC sections 27, 30, 31, 114.5, 115.4, 115.5, 135.4, 141, 142, 480, 490, 9880.1(a), 9880.1(f), 9880.1(k), 9882, 9884, 9984.1, 9984.2, 9984,7, 9884.7(a)(2), 9884.9, 9889.50, 9889.51 and 9889.52, the Bureau is proposing to adopt the following changes to California Code of Regulations Title 16, Division 33, Chapter 1, Articles 1, 6, and 12.

# INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The Department of Consumer Affairs (DCA), Bureau of Automotive Repair (BAR or Bureau), is the state agency charged with licensing automotive repair dealers (ARDs), Smog Check stations, STAR stations, brake and lamp stations, and their respective inspectors, repair technicians, and adjusters.

Before January 1, 2022, Business and Professions Code section 9884 (BPC) required ARDs to register with the Director (of DCA) upon forms prescribed by the Director that contained sufficient information to identify the automotive repair dealer, including, among other things, the address of each location and the dealer's retail seller's permit number if a permit is required by

law. Assembly Bill (AB) 471 (Low, Chapter 372, Statutes of 2021) amended BPC section 9884 to additionally require the forms to include, among other things, the automotive repair dealer's telephone number, email address, and motor vehicle license plate number if engaged in mobile automotive repairs. Currently, applicants submit an application to the Bureau electronically or as a hard copy. Applications are available electronically on the Bureau's website or hard copies are available at Bureau headquarters or field offices. Currently, the application components are not set forth in regulation, nor is the application incorporated by reference. The regulation simply states: "An application for registration as an automotive repair dealer shall be filed on an application form prescribed and provided by the Bureau...."

AB 471 also requires the Bureau to accept "nationally recognized and industry-accepted educational certifications," and "any Bureau-approved educational certifications" as part of the ARD application. (Bus. & Prof. Code, § 9884 subd. (b)(4).) This requirement necessitates the Bureau develop a definition for "nationally recognized and industry-accepted educational certifications," and a process for an automotive repair training provider to have their educational certifications deemed "Bureau-approved educational certifications."

The Bureau proposes to: (1) amend existing section 3303 of Article 1 of Chapter 1 of Division 33 of Title 16 of the CCR and section 3351 of Article 6 of Chapter 1 of Division 33 of Title 16 of the CCR; and (2) adopt a new section 3395.6 in Article 12 of Title 16 of the CCR, as follows:

- Existing law provides definitions for automotive repair dealers and official stations and adjusters. The amendments to section 3303 will add a definition for "nationally recognized and industry-accepted educational certifications" to identify the certifications an ARD must submit to the Bureau as part of the ARD application process.
- Existing law does not set forth the ARD application components and does not incorporate the application by reference. The amendments to section 3351 will establish the required information those wishing to obtain an ARD registration must provide to the Bureau during the application process.
- Existing law does not provide the requirements for educational certifications for ARDs or the process for obtaining them. New section 3395.6 will establish the requirements for an educational certification to be deemed a "Bureau-Approved Educational Certification."

# ANTICIPATED BENEFITS OF THE PROPOSED REGULATION

By establishing the required information in regulation for those wishing to obtain an ARD registration, the Bureau is providing a more straightforward and transparent application process. The applicant's provision of a telephone number and email address will facilitate communication with ARD applicants and enhance Bureau efficiency in processing applications.

Establishing definitions for "nationally recognized and industry-accepted educational certifications" and "Bureau-approved educational certifications" will clarify the certifications ARDs must provide in the application process. Providing this information to the Bureau will incentivize ARD owners to invest in their staff's training and hire individuals who possess such certifications. Trained and certified automotive repair staff should result in more repairs being performed in a good and workmanlike manner, and greater adherence to the Bureau's accepted trade standards, both of which will benefit the motoring public.

# CONSISTENCY AND COMPATIBILITY WITH EXISTING STATE REGULATIONS

During the process of developing these regulations and amendments, BAR has conducted a search of any similar regulations on this topic and has concluded that these regulations are neither inconsistent nor incompatible with existing state regulations.

### DISCLOSURES REGARDING THE PROPOSED ACTION

#### FISCAL IMPACT ESTIMATES

The Bureau has made the following determinations:

# Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State:

The Bureau anticipates that the proposed regulatory action will have no fiscal impact for the implementation, administration, and enforcement of the proposed regulatory changes.

The regulations do not result in costs or savings in federal funding to the state.

#### Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

<u>Cost to Any Local Agency or School District for Which Government Code Sections 17500</u> <u>– 17630 Require Reimbursement:</u> None

#### Effect on Housing Costs: None

#### Business Impact:

The Bureau has made an initial determination the proposed regulatory action would have no significant statewide adverse economic impact directly affecting businesses, including small businesses and the ability of California businesses to compete with businesses in other states.

#### Cost Impact on Representative Private Person or Business:

The Bureau is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

#### Business Reporting Requirements:

The regulatory action does not require businesses to file a report with the Board.

Effect on Housing Costs: None

# RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS

BAR has determined that this regulatory proposal will have the following effects:

This regulatory proposal will have the following effects:

- It will not create or eliminate jobs within the State of California because it simply adds a definition of "nationally recognized and industry-accepted educational certifications," adds application components in regulation, and deems specified educational certifications "Bureau-approved."
- It will not create new business or eliminate existing businesses within the State of California because it simply adds a definition of "nationally recognized and industry-accepted educational certifications," adds application components in regulation, and deems specified educational certifications "Bureau-approved."
- It will not affect the expansion of businesses currently doing business within the State of California because it simply adds a definition of "nationally recognized and industry-accepted educational certifications," adds application components in regulation, and deems educational certifications "Bureau-approved."
- This regulatory proposal benefits the health and welfare of California citizens because applicants will know what will be requested on the application. In addition, establishing definitions for "nationally recognized and industry-accepted educational certifications" and "Bureau-approved educational certifications" will clarify the certifications ARDs must provide in the application process. Providing this information to the Bureau will incentivize ARD owners to invest in their staff's training and hire individuals who possess such certifications. Trained and certified automotive repair staff should result in more repairs being performed in a good and workmanlike manner, and greater adherence to the Bureau's accepted trade standards, both of which will benefit the motoring public and enhance public safety.
- This regulatory proposal does not affect worker safety because it is not relevant to worker safety.
- This regulatory proposal does not affect the State's environment because it is not relevant to the State's environment.

# EFFECT ON SMALL BUSINESS

This regulatory proposal does not affect small businesses because it is not relevant to small businesses; it only informs applicants of what will be requested on the application.

# **CONSIDERATION OF ALTERNATIVES**

In accordance with Government Code section 11346.5(a)(13), BAR must determine that no reasonable alternative to this proposed regulatory action it considered, or that has otherwise been identified and brought to its attention, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposal described in this Notice, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Any interested person may present statements orally or in writing relevant to the above determinations at the above-mentioned hearing.

# AVAILABILITY OF STATEMENT OF REASONS AND RULEMAKING FILE

The Bureau has compiled a record for this regulatory action, which includes the Initial Statement of Reasons (ISOR), proposed regulatory text, and all the information on which this proposal is based. This material is contained in the rulemaking file and is available for public inspection upon request to the contact persons named in this notice.

# TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations, any document incorporated by reference, the Initial Statement of Reasons, and all of the information upon which the proposal is based, may be obtained upon request from the Bureau of Automotive Repair, 10949 North Mather Boulevard, Rancho Cordova, California 95670.

# AVAILABILITY OF CHANGED OR MODIFIED TEXT

After considering all timely and relevant comments, the Bureau, upon its own motion or at the request of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal, with the modifications clearly indicated, will be available for review and written comment for 15 days prior to its adoption from the person designated in this Notice as the Contact Person and will be mailed to those persons who submit written comments or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

# AVAILABILITY AND LOCATION OF THE RULEMAKING FILE AND THE FINAL STATEMENT OF REASONS

All the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public inspection by contacting the person named above.

You may obtain a copy of the Final Statement of Reasons, once it has been prepared, by making a written request to the contact person named above, or by accessing the website listed below.

# CONTACT PERSON

Inquiries or comments concerning the proposed administrative action may be addressed to:

Holly O'Connor Bureau of Automotive Repair 10949 North Mather Blvd. Rancho Cordova, CA 95670 Telephone: (916) 403-8627 E-mail: <u>Holly.OConnor@dca.ca.gov</u> The backup contact person is:

Mathew Gibson Bureau of Automotive Repair 10949 North Mather Blvd. Rancho Cordova, CA 95670 Telephone: (916) 403-8060 E-mail: <u>Mathew.Gibson@dca.ca.gov</u>

# WEBSITE ACCESS

Materials regarding this proposal can also be found on BAR's Web site at <u>https://www.bar.ca.gov/About\_BAR/Regulatory\_Actions.aspx</u>.