

**TITLE 16. PROFESSIONAL AND VOCATIONAL REGULATIONS**  
**Division 33**  
**Chapter 1**

**DEPARTMENT OF CONSUMER AFFAIRS**  
**BUREAU OF AUTOMOTIVE REPAIR**

**FINAL STATEMENT OF REASONS**

**Subject Matter of Proposed Regulations:** Mobile and Referral Automotive Repair Dealers

**Sections Affected:** California Code of Regulations (CCR), Title 16, Division 33, Chapter 1, sections 3351, 3351.7.1, 3351.7.2, 3351.7.3, 3371.1, and 3371.2

**Updated Information:** The Informative Digest and Initial Statement of Reasons are included in the rulemaking file and incorporated as though set forth herein.

The Bureau received no comments during the notice period.

**Non-Substantive Changes**

1. **Section 3351.7.1(a)**

The Bureau added an underline to “of”, as it was inadvertently omitted.

2. **Section 3351.7.3(d)**

The Bureau added in and struck out “~~subsection (c)~~”, and added “section 3371.2(a)”. The Bureau inadvertently removed “subsection (c)” from the text rather than striking it out. The Bureau moved the language from original subsection (c) to section 3371.2(a), so making this non-substantive change removes any confusion to which section the Bureau was referring to. It was an oversight the Bureau is correcting.

3. **Section 3351.7.3(e)(1)**

The Bureau removed “the complete address, including” from the noticed proposed text for the subdivision to read: “When performing mobile automotive repair, the automotive repair dealer shall include on the final invoice the street address, city, and zip code, if identifiable, of the location where the repairs were performed if a physical address is available.

The Bureau removed “the complete address, including” because it is unnecessary, wordy, and could lead to confusion. The Bureau simply wants the street address, city, and zip code of the location where the repairs were performed if a physical address is available. Removing the additional language makes the subdivision more clear and concise.

4. **Section 3371.1(e)**

The Bureau amended the noticed proposed text to remove “Collects” and replace it with “Engages in the business of collecting”. This revision matches the language with

Business and Professions Code section 9880.1(a). Using the same language makes the regulation more clear and concise.

5. Section 3371.1(e)(2)

The Bureau amended the noticed proposed text to remove “collecting of” and “or payment” and replace it with “engaging in the business of collecting compensation”. Like the change in item 4 above, this revision aligns the regulation language with Business and Professions Code section 9880.1(a). Using the same language makes the regulation more clear and reduced any potential confusion.

Further Clarification

After discussions with the Office of Administrative Law, the Bureau further clarifies section 3371.1(e) with the below examples.

1. If “Referral Service” refers a consumer to “Autobody Shop” and “Referral Service” collects payment from the consumer, that would be
2. However, if “Referral Service” refers the consumer to “Autobody Shop” and the consumer pays “Autobody Shop” directly **AND** “Referral Service” receives a \$10 gift card for each referral, “Referral Service” would be required to register as an ARD because they are in the engaging in the business of collecting compensation for the referral.

However, any member of the public that goes to “Autobody Shop” also receives a \$10 gift card, the “Referral Service” would not have to register as an ARD because that offer is made to members of the public.

**Local Mandate:** A mandate is not imposed on local agencies or school districts.

**Consideration of Alternatives:** No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of the Bureau would be more effective in carrying out the purpose for which it was proposed or would be as effective and less burdensome to affected private persons than the adopted regulations or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law than the adopted regulation. The Bureau incorporates by reference the alternatives identified in its Initial Statement of Reasons and did not receive any comments that altered its findings.

Set forth below are the alternatives the Bureau considered and the reason the Bureau rejected the alternatives:

**Alternative 1:**

The Bureau considered taking no action. However, with no action, the definition of mobile ARD was vague and inconsistent with other CCR sections, and did not require the ARD to include important information on the customer’s invoice. In addition, taking no action would not make clear that a person who is engaged in the business of

collecting compensation for automotive repair services that are referred or sublet to someone other than an ARD or their employees and that those people are now required to be registered as an ARD. A person or entity not being registered as an ARD could make it very difficult for a consumer to have any recourse if they need to file a complaint or grievance.

**Description of reasonable alternatives to the regulation that would lessen any adverse impact on small business:**

No such alternatives have been proposed, however, the Board welcomes comments from the public.

**Objections or Recommendations/Responses**

The 45-day comment period began on March 28, 2025 and ended on May 12, 2025. The Bureau did not hold a hearing.

The Bureau received no comments during the notice period.