
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2021 - 2022 Regular Session

AB 1221 (Flora) - Consumer warranties: service contracts: cancellation: disclosures

Version: July 15, 2021

Urgency: No

Hearing Date: August 26, 2021

Policy Vote: JUD. 11 - 0

Mandate: Yes

Consultant: Shaun Naidu

Bill Summary: AB 1221 would allow service contracts to cover a class of products, rather than a single product, and continue on a periodic basis until canceled, as provided.

***** **ANALYSIS ADDENDUM – SUSPENSE FILE** *****

The following information is revised to reflect amendments
adopted by the committee on August 26, 2021

Fiscal Impact:

- Courts: Unknown, potentially-significant workload cost pressures to the courts to adjudicate alleged violations of this measure. While the superior courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to increase the amount appropriated to backfill for trial court operations. For illustrative purposes, the Budget Act of 2021 allocates \$118.3 million from the General Fund for insufficient revenue for trial court operations. (General Fund*)
- Department of Justice (DOJ): Unknown workload cost pressures to enforce the provisions of this measure. (Special fund**)

*Trial Court Trust Fund

**Unfair Competition Law Fund

Committee Amendments: Exclude vehicle service contracts from the bill.

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