

CONCURRENCE IN SENATE AMENDMENTS

AB 471 (Low)

As Amended September 3, 2021

Majority vote

SUMMARY

Authorizes the Bureau of Automotive Repair (Bureau or BAR) to establish an informal citation conference for automotive repair dealers, beginning July 1, 2023, and authorizes the Bureau to establish a program to permit remedial training in lieu of posting minor violations online until July 1, 2026. Requires the Bureau to collect additional information on licensing applications. Revises and recasts the provisions of the brake and lamp inspection act into a new Vehicle Safety Systems Inspection program, as determined by the Bureau.

Senate Amendments

- 1) Delay implementation of the informal citation conference to July 1, 2023, and sunset the remedial training program on July 1, 2026.
- 2) Delete the provision authorizing the Bureau to hire legal counsel.
- 3) Incorporate a chaptering amendment to resolve a conflict between this bill and SB 607 (Min) of the current legislative year.

COMMENTS

Bureau of Automotive Repair. The Bureau is the state agency tasked with enforcing the Automotive Repair Act (Act), which provides consumer protection against unsafe and unethical automotive repair practices in California. The Act establishes various noticing and technician competency requirements that automotive repair dealers must follow. The Act authorizes the Bureau to mediate complaints, investigate violations, and take disciplinary action against automotive repair dealers and technicians that fail to comply with the Act or the Bureau regulations.

Cite and Fine Program. Existing law allows the Bureau to establish an informal citation conference program only for smog check licensees, but not other licensees under the Bureau. Currently, a request for an informal conference must be in writing, and requires the informal citation conference to be held within 60 days from the receipt of the request for an informal conference with the cited person. At the conclusion of the informal conference, the Bureau may affirm, modify or dismiss the citation, including any fine levied, order of abatement or order of correction issued and must state in writing the reasons for the enforcement action.

Remedial Training. This bill authorizes the Bureau to create an informal citation review program for its licensees in addition to its formal system of citations and fines. This program would authorize the Bureau to appoint a three-member panel that would have a process to make recommendations on low-level citations. Under that program, an automotive repair provider may be given the option to complete a Bureau-approved remedial training course. Upon completion of the remedial training course, the violation will not be posted on the Bureau's licensing website. For the provider to be eligible for this informal citation conference review and remedial training option, the violation must be related to documentation or recordkeeping, or another type of violation the Bureau determines to be minor in nature. This bill also provides the informal

citation conference program a three year sunset date. This is to ensure that the legislature can eventually review the program, and that the panel only acts upon low-level citations as intended by this bill. The informal citation conference would be enacted on July 1, 2023 and the remedial program would sunset on July 1, 2026.

Salvage Vehicle Safety Inspection. Generally, when a consumer's vehicle is involved in accident, it is examined and repaired by a licensed automotive repair dealer. If it is determined that repairing the vehicle is economically unfeasible, it is declared a "total loss" and towed to the auction to be sold as "junk" and gets a "salvage" certificate. Most of these salvage vehicles are purchased for parts and are dismantled. However, some of these vehicles are purchased by "rebuilters" who repair the car, generally with the intent of reselling it. In order to legally revive the salvage for use on public roads, the vehicle must only pass a brake and lamp inspection, smog check, and obtain a California Highway Patrol inspection to make sure there are no stolen parts. Many of these revived total loss salvage vehicles could have safety issues such as cracked windshield, illuminated air bag light, or defective seat belts, and still pass inspection. This bill aims to address this problem and add additional consumer protection measures from unsafe, revived, or total loss salvaged vehicles by combining the existing lamp and brakes inspection program into a new "Vehicle Safety Systems Inspection" program that would incorporate additional safety inspection criteria standards, as determined by the Bureau.

According to the Author

This bill is author-sponsored. According to the author: "AB 471 will improve and enhance existing consumer protections by helping consumers to easily identify automotive repair dealers that have proper training and certification credentials through the Auto Shop Locator; improve the current citation and fine regulatory program by creating an independent citation conference panel to review citations; allow BAR to certify providers that train auto repair dealers; protect consumers from unsafe salvage vehicles by establishing a vehicle safety inspection program, and provide opportunity for repair shops to attend training for minor documentation citation violations, similar to traffic school."

Arguments in Support

CAWA, the California Autobody Association, the Auto Care Association, the Independent Automotive Professionals Association, the Automotive Service Councils of California, the Automotive Oil Change Association, the California Automotive Business Coalition, the Motor & Equipment Manufacturers Association, the Automotive Service Association, the Coalition for Automotive Repair Equality, and the California Tire Dealers Association write in support: "AB 471 is multi-faceted legislation that would, among other things, enhance the Bureau of Automotive Repair programs for consumers, protect consumers from unsafe salvage vehicle repairs, improve the current citation and fine regulatory program."

Les Schwab Tire Center writes in support and notes, "AB 471 holds great promise for expediting the three year average enforcement timeframe for resolving disciplinary matters."

Worldwide Environmental Products writes in support, "AB 471 will improve and enhance existing consumer protections by helping consumers to easily identify automotive repair dealers that have proper training and certification credentials through the Auto Shop Locator; improve the current citation and fine regulatory program by creating an independent citation conference panel to review citations; allow BAR to hire in house legal assistants to prepare accusations; assign administrative law judges to hear cases which will allow for more efficient and expedited

disciplinary hearings; allow BAR to certify providers that train auto repair dealers; protect consumers from unsafe salvage vehicles by establishing a vehicle safety inspection program, and provide opportunity for repair shops to attend training for minor documentation citation violations, similar to traffic school."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee:

The BAR notes:

- 1) Administrative costs of approximately \$6,848 to revise and review automotive repair dealer registration application forms to include the additional registrant information.
- 2) Total cost of approximately \$149,752 to establish and implement a process for an automotive repair detailer to prevent disclosure of a citation upon successful remedial training. Costs include a one-time change to BAR's Central Authentication Service/Application Tracking System (CAS/ATS) to create the new citation category, as well as workload to develop and review applications, and draft regulations.
- 3) Total costs of approximately \$303,904 to administer the Vehicle Safety Systems Inspection program. Costs include workload to create certification forms, develop regulations, process new and converted licenses, develop and implement program plans, and to update, training materials, examination vendor contracts, and examination handbooks.
- 4) Information technology costs of approximately \$100,000 to the Office of Information Services (OIS) to update the CAS/ATS with two new license categories and transition existing license types.
- 5) Unknown IT costs ranging between \$2.0 million to \$2.5 million for OIS to add system functionality that would electronically transmit vehicle safety inspection results and certificates. The bill specifies that BAR may charge a transaction fee, which may offset its regulatory costs to administer the transmissions.
- 6) Total annual revenue loss of approximately \$1.7 million from the discontinuation of brake and lamp adjustment certificates and licenses.
- 7) Unknown annual revenue gain from new vehicle safety systems inspection certificates and licenses. Revenue from the new certificates and licenses may, to some extent, offset revenue loss from the discontinuation of the brake and lamp adjustment certificates and licenses.

The BAR anticipates that all associated administrative costs may be absorbable within existing resources (Vehicle Inspection and Repair Fund). The BAR's IT costs are not anticipated to be absorbable.

VOTES:**ASM BUSINESS AND PROFESSIONS: 19-0-0**

YES: Low, Flora, Arambula, Berman, Bloom, Chen, Chiu, Cunningham, Megan Dahle, Fong, Gipson, Grayson, Holden, Irwin, McCarty, Medina, Mullin, Salas, Ting

ASM APPROPRIATIONS: 12-0-4

YES: Lorena Gonzalez, Calderon, Carrillo, Chau, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Holden, Luz Rivas

ABS, ABST OR NV: Bigelow, Megan Dahle, Davies, Fong

ASSEMBLY FLOOR: 77-1-1

YES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bigelow, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Fong, Frazier, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Lorena Gonzalez, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mathis, McCarty, Medina, Mullin, Muratsuchi, Nazarian, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

NO: Nguyen

ABS, ABST OR NV: Mayes

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CONSULTANT: Patrick Le / B. & P. / (916) 319-3301

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