

BAR Advisory Group Committee Meeting Summary and Vehicle Storage Fee Regulatory Workshop Summary

Meeting Date: January 30, 2025

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BAR Advisory Group Committee Meeting

Welcome and Introductions

BAR Chief, Patrick Dorais, made welcoming remarks and introductions of the BAG members.

Legislation and Regulations Update

Chaptered bills include AB 1901 (Total Loss Claims) and SB 1526 (Committee Clean-up). Pending Regulations include Tear Down Disclosure Requirements; Smog Check Readiness Monitor Limits; Storage Fees and Mobile and Referral Automotive Repair Dealers. See the link for the presentation:

<https://www.bar.ca.gov/pdf/bag/202501/legislation-regulations.pdf>

Licensing, Administration and Consumer Assistance Division Update

Accomplishments included: BAR completing the ELM/SimpliGov modernization project (on-line services) and launching the Vehicle Safety Systems Inspection Program and the Sunset of Brake and Lamp program. There were some site relocations of BAR field offices. The Consumer Assistance Program adopted regulations to increase incentives. BAR also hosted a delegation for Japan. Plans for 2025 include continued support of moderation of the BAR online services, relocating more field offices and promoting automotive repair training and education opportunities. See the link for the presentation:

<https://www.bar.ca.gov/pdf/bag/202501/licensing.pdf>

Smog Check Engineering and Information Services Division Update

Accomplishments included: BAR adopting regulations to update smog check inspection equipment and supporting DMV modernization efforts, expanding data collection to address fraud issues. Plans for 2025 include conducting surveys to receive input on how to support inspection of older vehicles (pre-OBD); supporting the inspection of motorcycles for excessive exhaust noise, improving smog check schools and supporting Windows 11 migration. See the link for the presentation:

<https://www.bar.ca.gov/pdf/bag/202501/engineering.pdf>

Field Operations and Enforcement Division Update

The BAR established two new branches/units, the Statewide Investigative Branch and Field Support unit. The BAR created a new complaint process to reduce overall complaint cycle time. BAR revamped the consumer complaint process to reduce complaint cycle time. BAR held informal citation appeal conferences. BAR received over 16,000 consumer complaints in 2024. Plans for 2025 include having the Statewide Investigative Branch to develop advanced investigative methodologies to quickly seek discipline where appropriate. See the link for the presentation:

<https://www.bar.ca.gov/pdf/bag/202501/enforcement.pdf>

Cool Air Rebate Program Update

The Cool Air Rebate program provides financial assistance to income-eligible vehicle owners to repair leaking or open A/C systems. It will reimburse participating auto repair shops who repair A/C units. The shop gets paid directly for diagnostics and repair costs within two weeks of completion. There is a \$1,500 limit on repair reimbursement, with the customer responsible for 20% of the cost. So far, 73 shops participated, and 601 repairs made with \$702,893 paid out. Average reimbursement is about \$1,000. They need more shops to participate in the program. The program is available throughout the state. See the link for the presentation: <https://www.bar.ca.gov/pdf/bag/202501/cool-air-rebate.pdf>

SimpliGov (online) Demonstration

The BAR provided a demonstration of how the BAR's on-line ARD application and updates work. The application and updating of information can be easily done on-line, which is quicker than using old paper applications. The BAR also provides a helpline for applicants who may have trouble with the on-line process.

Enforcement Statistics

The enforcement statistics, detailing consumer complaints received by BAR in different categories, are as follows: Engine Repair 33%; General Repair/Maintenance 17%; Auto Body 16%; Transmission 6%; Vehicle Purchase 6%; Smog 5%; Used Car lots 5%; Towing and Storage 3%. Unlicensed activity 2%. See the link for the handout presentation: <https://www.bar.ca.gov/pdf/bag/202501/enforcement-statistics.pdf>

Licensing Statistics

A total of 34,755 automotive repair dealers are in the state. There are 435 Vehicle Safety Systems Stations. See the link for the handout presentation: <https://www.bar.ca.gov/pdf/bag/202501/licensing-statistics.pdf>

Next BAR Advisory Group Meeting – Thursday, April 24, 2025

Vehicle Storage Fees Regulatory Workshop

The BAR is proposing regulations that will make significant changes to how much shops can charge for vehicle storage fees. This workshop marked the fourth session held by BAR to gather input on the proposed regulations.

The regulations, among other things, require shops that perform repairs resulting from accidents or theft recoveries to report their daily storage rate to BAR annually. Shops must determine the daily storage rate based on the costs associated with storing a vehicle. Additionally, shops must post and visibly display current daily storage rates for customers, and notify them in writing, when charges will accrue.

Vehicle Storage Fees Regulatory Workshop cont.

BAR is also creating a search tool, which essentially is a survey, for the public, third party payors and other stakeholders to identify average and median storage rates for a specific locale. This survey will be posted and become public information. The locale is defined as a radius of an ARD sufficient to identify the shops geographically closest ARDs performing the same type of repairs and reporting daily storage rates.

Vehicles must be stored at the shop's primary business, and the shop must notify consumer if the vehicle is moved to another location. Shops must also provide a minimum of 3 business days of "free" storage after presenting the estimate following the tear down, allowing customers time to authorize repairs or remove the vehicle before charging storage.

Concerns were raised that the BAR survey determining an average will allow insurers to "cap" storage rates. Also, the defined radius of the survey is too large of an area which will result in an inaccurate and flawed survey. Also having one storage rate rather than a tiered rate (inside, outside, electric vehicles) will create issues. Suggestions from stakeholders included making the BAR survey non-public and providing shops with the right to sue an insurance company (called a "private right of action") if they cap storage rates. Many also objected to giving away free storage and that the BAR has no legal authority to do so.

Additional concerns included that shops performing no repairs will only be able to charge storage fees (e.g. clearly non-repairable vehicle), similar to those charged by CHP or local police departments. In other words, a shop will not be able to charge its regular market storage rate but instead will be "capped" at CHP or local police rates (negotiated or contract rates), if no teardown or repairs are performed.

BAR will review all comments and concerns and has stated they will make some revisions. See the link to the regulation language for more details:

<https://www.bar.ca.gov/pdf/workshops/202501-Storage/draft-text.pdf>