



Legislative Update on Behalf of ASCCA's Lobbyist Jack Molodanof

As of this writing, September 26, the Governor has 353 bills left on his desk, and has until September 30 to either sign or veto the remaining bills. The following key automotive repair bills are still pending:

AB 1174 (Bonilla): Vetoed - This bill originally included language that would have required the Bureau of Automotive Repair (BAR) to post on its website all complaints against an automotive repair dealer (ARD), without any due process - very similar to "Yelp." The bill also provided BAR citation and fine authority (up to \$5,000 per violation) for shops making simple paperwork mistakes. There was strong opposition and push back from the automotive industry, which included intense grassroots lobbying efforts. With our continued lobbying throughout the legislative process, the Assembly Member agreed to delete the objectionable sections from the bill. **The bill was vetoed by the Governor because it was "unnecessary and duplicative of existing practice at the Bureau."** Read the Governor's full veto message [here](#).

SB 778 (Allen): Originally opposed/Concerns - This bill originally required an ARD to notify a customer who provides an oil change of the recommended oil drain interval, oil grade, and viscosity specified in the maintenance schedule of the vehicle's owner's manual. The bill also required that the ARD use only the oil drain interval specified in the maintenance of the vehicle owner's manual if the ARD was recommending the date or mileage for the next oil change. Finally, the bill did not require unlicensed oil changes to be licensed/registered with BAR or to comply with the requirements of the bill. As originally written, the automotive industry opposed the bill. This bill was part of the industry legislative lobbying day where Senator Allen spoke and listened to feedback from the industry. He agreed that he would modify his bill to address the industry opposition and would include unlicensed oil changers as part of BAR.

After intense lobbying and meetings with Senator Allen, the bill was amended to require currently unlicensed oil change businesses to register with the BAR as an "Automotive Maintenance Provider" (AMP). This is defined as businesses engaged in the preventative automotive maintenance services associated with fluid and filter changes, fluid treatments, and belts and windshield wiper sales. This new AMP category was a compromise but has become controversial and has caused much concern. Some industry leaders believe that these maintenance providers should simply be registered as ARDs and that no new category/definition should be created.

The bill was also amended to require that when either an ARD/AMP recommends a date or mileage oil drain interval, they must follow the vehicle manufacturer published schedules. If a recommendation deviates from the vehicle manufacturer schedule, then the basis must be noted on the invoice. Nothing prohibits consumers from selecting oil drain interval of choice. Also, the following disclosure language must be included on the invoice or attachment: "It is important to change your oil at proper intervals. Your vehicle manufacturer published oil change intervals in your owner's manual and on the manufacturer website." **The bill passed the Legislature and is pending on the Governor's desk.**

AB 873 (Jones): Support - This bill authorizes BAR to create regulations to provide oversight over "minor services" which are currently exempted from BAR regulations. The language in this bill was included in SB 778, and the bills were "double joined," meaning the Governor will either sign both or veto both bills. **The bill is pending on the Governor's desk.**

AB 2167 (Achadjian): Support - Current law requires businesses that accept vehicles from tow operators to obtain certain information including the tow driver license number. This bill is intended to provide relief by allowing businesses to also accept a government authorized unique identifier, or a motor club driver's identification number. **The bill was signed by the Governor on September 23.**

AB 2153 (Garcia): Concerns - This bill establishes new fees on lead-acid batteries to fund lead contamination cleanup. The bill requires retailers (including ARD's) that sell batteries to collect \$1.00 per new battery sold and remit to the State Board of Equalization starting April 1, 2017. It requires that the battery fee be separately listed on the invoice. Furthermore, it requires retailers to accept batteries from a customer for recycling and requires a battery dealer to provide a written notice stating that the dealer is required by law to accept batteries and charge a fee on all replacement batteries. The automotive industry was able to get an exemption with respect to the posting of the written notice requirement if the ARD does not sell lead-acid batteries directly (such as over the counter), but instead removes nonfunctional/damaged batteries and installs new lead acid batteries as part of an automotive repair dealer service. **The bill will most likely be signed by the Governor. ASCCA will work to ensure that all shops are in compliance with this new mandate and have updated POS software.**