ASCCA Legislative Update

November 2026 | By Jack Molodanof

Following the elections, the California Legislature is out of session. Lawmakers will return in early December to organize both houses and begin introducing bills. We are closely monitoring three regulatory issues affecting automotive repair dealers: vehicle storage fees, advertising, and replacement tires.

Regulations

BAR Vehicle Storage Fee Regulations

The Bureau of Automotive Repair (BAR) is expected to adopt regulations in early 2027 that could significantly affect how automotive repair dealers charge vehicle storage fees.

Under the proposal, dealers that intend to charge storage fees after repairing vehicles involved in an accident or recovered after a theft would have to report their maximum daily storage rate for a non-electric passenger vehicle to BAR. All dealers charging storage fees would have to base their daily rates on the costs they incur to store vehicles.

The industry is concerned that BAR oversight of storage rates could set a troubling precedent for future regulation of repair dealers.

BAR regulatory actions

BAR Towing Authorization Regulations

BAR has proposed allowing an automotive repair dealer that does not hold a motor carrier permit (and does not operate a tow truck) to include towing charges on the repair estimate and final invoice. This would allow the customer to receive one invoice covering both repairs and towing.

The dealer would still need to obtain the customer's authorization before the towing service is performed and list towing charges separately on the final invoice.

Public comments are due December 14, 2026.

Read the proposed towing authorization regulations

BAR Internet-Based Advertising Regulations – Proposed Clarification

BAR's proposal addresses industry concerns about using multiple telephone numbers for marketing and tracking. Dealers would no longer need to include a telephone number in their advertising. Ads would still need to display the business name and BAR registration number.

Dealers would still need to keep a business telephone number on file with BAR where the principal or Responsible Managing Employee can be reached during normal business hours. The proposed advertising requirements apply to print, vehicle, and internet-based advertising, including social media, email, and websites.

Public comments are due December 14, 2026.

Read the proposed advertising regulations

BAR Airbag Safety Regulations

BAR proposes prohibiting repair shops from installing or using any component designed to mislead a vehicle owner into believing a functional airbag has been installed. Shops would have to restore any airbag that is part of an inflatable restraint system to its original operating condition, as designed by the original equipment manufacturer.

Shops would also have to buy all replacement airbag parts and components from the manufacturer or an authorized supplier or reseller and retain receipts for all parts purchased and received.

BAR regulatory actions

California Energy Commission (CEC) Replacement Tire Regulations

The CEC approved regulations requiring replacement tires sold in California to meet efficiency standards for low rolling resistance and safety standards that include wet grip performance. Under the new rules, tire retailers, including repair dealers that sell or replace tires, may sell or offer for sale only tires that comply with California's standards.

Retailers would rely on manufacturers' certifications but would remain responsible for ensuring that every tire they sell is approved and listed as compliant. Shops would need to verify their inventory, likely by obtaining supplier assurances and checking the compliance database. **The first phase begins in January 2029.**

CEC Replacement Tire Efficiency Program proceeding