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AB-1263 Vehicles: Bureau of Automotive Repair: smog check program. (2023-2024)



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# Assembly Bill No. 1263

# CHAPTER 681

An act to amend Sections 27, 9880.1, 9882, 9884.16, 9887.5, 9888.4.1, 9888.5, 9889.19.1, and 9889.21 of, and to add Section 9880.4 to, the Business and Professions Code, to amend Sections 44003.5, 44010.5, 44012, 44014, 44014.2, 44014.5, 44014.7, 44024.5, 44032, and 44072.10 of the Health and Safety Code, and to amend Sections 2525.4, 11519, 24007, 24007.5, and 40616 of the Vehicle Code, relating to vehicles.

Approved by Governor October 10, 2023. Filed with Secretary of State October 10, 2023.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1263, Berman. Vehicles: Bureau of Automotive Repair: smog check program.

(1) Existing law, the Automotive Repair Act, provides for the registration and regulation of automotive repair dealers by the Bureau of Automotive Repair in the Department of Consumer Affairs. A violation of these provisions is a misdemeanor unless otherwise specified. Existing law authorizes the Director of Consumer Affairs to adopt and enforce those rules and regulations that the director determines are reasonably necessary to carry out the purposes of the act and declare the policy of the bureau. Existing law subjects the bureau to review by the appropriate policy committees of the Legislature, as specified, and requires that review to be performed as if the act were scheduled to be repealed on January 1, 2024.

This bill would extend the above-described date to January 1, 2028.

(2) Existing law defines "automotive repair dealer" for purposes of the Automotive Repair Act to mean a person who, for compensation, engages in the business of repairing or diagnosing malfunctions of motor vehicles.

This bill would amend that definition to additionally include a person who engages in the business of collecting compensation for automotive repair services that are referred or sublet to someone other than the dealer or their employees.

(3) Existing law prohibits a person required to have a valid registration under the Automotive Repair Act from having the benefit of a lien for labor or materials or the right to sue on a contract for motor vehicle repairs unless the person possesses a valid registration.

This bill would authorize the Bureau of Automotive Repair to adopt regulations to carry out that prohibition as necessary.

(4) Existing law requires the Director of Consumer Affairs to adopt regulations that prescribe the equipment and other qualifications as a condition to licensing a station as an official station for adjusting lamps or brakes and to prescribe the qualifications of adjusters employed in those stations. Existing law requires a licensed adjuster in a licensed station to issue a certificate of adjustment when requested by the owner or driver of the vehicle if the adjuster determines that the lamps or the brakes of the vehicle conform with the applicable requirements of law. Under existing law, a violation of the provisions regulating lamp and brake adjusting stations is an infraction.

Existing law requires the Director of Consumer Affairs to issue vehicle safety systems inspection licenses to stations and technicians to conduct inspections of, and repairs to, safety systems of vehicles. Existing law requires the director to develop inspection criteria and standards for specific safety systems and components of the vehicle in order to promote the safe and uniform installation, maintenance, and servicing of vehicle safety systems and components. Existing law requires the director to adopt regulations by January 1, 2024, including, but not limited to, the application fee and process for applicants and the certification process for vehicles, as specified.

Existing law provides that the vehicle safety systems inspection license replaces licenses issued pursuant to the existing provisions governing the licensure of lamp and brake adjusting stations and adjusters and repeals those provisions on the effective date of the new regulations. Existing law provides that licenses and certificates issued pursuant to those repealed provisions remain valid for 6 months after the adoption of those regulations.

This bill would instead repeal those provisions 6 months after the effective date of the new regulations and would also provide that licenses and certificates issued pursuant to those repealed provisions remain valid for 6 months after the effective date of the new regulations. The bill would make conforming changes. By extending the operation of those provisions regulating lamp and brake adjusting stations, the violation of which is an infraction, this bill would impose a state-mandated local program.

(5) Existing law requires the Bureau of Automotive Repair and other state licensing entities to disclose on the internet certain information related to enforcement actions the state licensing entity has taken against its licensees, including auto repair dealers, smog stations, lamp and brake stations, smog check technicians, and smog inspection certification stations.

This bill would change the list of licensees within the bureau for this purpose to instead include automotive repair dealers, smog check stations, smog check inspectors and repair technicians, and vehicle safety systems inspection stations and technicians.

(6) Existing law establishes a motor vehicle inspection and maintenance (smog check) program, developed, implemented, and administered by the Department of Consumer Affairs. The smog check program provides for the inspection of all motor vehicles, except those specifically exempted from the program, upon registration, biennially upon renewal of registration, upon transfer of ownership, and in certain other circumstances.

Existing law requires the department to implement a program to test a portion of the state vehicle fleet registered in an enhanced program area, as specified, at test-only facilities and authorizes the department to implement the program through privately operated test-only facilities pursuant to contracts to be awarded pursuant to specified requirements.

This bill would revise and recast this program by, among other things, deleting provisions relating to the contracting of test-only facilities. The bill would also require certain vehicles included for testing in the program to be tested by referee facilities or a similar contracted inspection network established by the department. The bill would authorize a referee to charge a fee sufficient to cover the cost of performing inspections of those vehicles. The bill would make other conforming changes for these purposes.

(7) Existing law authorizes smog tests to include certain test methods and requires the department to implement testing using onboard diagnostic systems, in lieu of loaded mode dynamometer or 2-speed idle testing, only on model year 2000 and newer vehicles, beginning no earlier than January 1, 2013, and otherwise authorizes the Department of Consumer Affairs, in consultation with the State Air Resources Board, to determine the appropriate test procedures, as specified.

This bill would, beginning no earlier than January 1, 2025, also require the department to implement testing using onboard diagnostic systems, in lieu of the above-described test methods, only on model year 1996–1999 vehicles.

(8) Existing law requires the Department of Consumer Affairs to provide for smog check technicians to be qualified for different categories of motor vehicle inspection based on vehicle classification and model-year.

This bill would provide that, for purposes of the provisions of relating to the smog check program, the term "qualified smog check technician" refers to both smog check technicians and smog check inspectors.

(9) Existing law requires the Department of Consumer Affairs to develop a program for the voluntary certification of licensed smog check stations, or to accept a smog check station certification program proposed by accredited industry representatives, for the purpose of providing consumers, whose vehicles fail an emissions test at a test-only facility, an option of services at a single location for vehicle certification, as specified. Existing law requires smog check stations that seek voluntary certification under this program to enter into an agreement with the department to provide certain repair services.

This bill would delete the stated purpose of the program. The bill would authorize, rather than require, a smog check station that seeks voluntary certification under the program to enter into the above-described agreement. The bill would also require certain vehicles required by the department to obtain a certificate of compliance each year in enhanced program areas or in basic program areas to receive their certificate from smog check stations certified under this program rather than from a test-only facility.

(10) Existing law requires the Department of Consumer Affairs to compile and maintain statistical and emissions profiles and data from motor vehicles that are subject to the motor vehicle inspection program and, in cooperation with the State Air Resources Board, to perform analyses of that data and report the results to the public on an annual basis.

This bill would instead require the department, in cooperation with the state board, to report the results of those analyses on a biennial basis.

(11) Existing law requires the Department of Consumer Affairs to revoke the license of any smog check technician or station licensee who fraudulently certifies vehicles or participates in the fraudulent inspection of vehicles. Under existing law, a fraudulent inspection includes clean piping, as defined by the department.

This bill would provide that a fraudulent inspection, for purposes of this provision, includes clean plugging, clean glassing, clean tanking, or any other fraudulent inspection practice, as defined by the department.

(12) Existing law authorizes a fleet owner, as defined, to operate a facility, licensed by the Commissioner of the California Highway Patrol, to inspect and maintain fleet vehicles. Existing law prohibits such a licensed facility from certifying the adjustment of lamps or brakes or the installation, inspection, repair, or servicing of motor vehicle pollution control devices or systems, except for vehicles in the licensee's own fleet.

This bill would instead prohibit a licensed fleet inspection and maintenance facility from certifying vehicle safety systems or the installation, inspection, repair, or servicing of motor vehicle pollution control devices or systems, except for vehicles in the licensee's own fleet.

(13) Existing law prohibits the subsequent registration of a vehicle that has been reported as a total loss salvage vehicle or dismantled vehicle until certain documentation, including an official lamp and brake adjustment certificate, has been submitted to the Department of Motor Vehicles.

This bill would, instead of an official lamp and brake adjustment certificate, require the submission of a vehicle safety systems certificate of compliance to the department before the subsequent registration of a total loss salvage vehicle or dismantled vehicle, as specified.

(14) Existing law prohibits a person from violating a written promise to correct or willfully failing to deliver proof of correction of a correctable motor vehicle equipment violation. Existing law provides that proof or correction can be certified by a peace officer, the Department of Motor Vehicles, a court clerk, a licensed lamp and brake adjusting station, or a licensed smog inspection station, as specified.

This bill would, instead of certification by a licensed lamp and brake adjusting station, authorize proof of correction for certain violations to be provided by a station licensed or contracted to certify vehicle safety systems, as specified.

(15) Existing law prohibits a dealer or person holding a retail seller's permit from selling a new or used vehicle that is not in compliance with specified statutes and regulations, unless the vehicle is sold to another dealer, for the purpose of being legally wrecked or dismantled, or for off-highway use exclusively.

This bill would require a salvage vehicle rebuilder, when selling a total loss salvage vehicle, to provide the purchaser with a valid vehicle safety systems certificate of compliance, as specified, prior to, or at the time of, delivery for sale, unless the vehicle is sold to a dealer or for the purpose of being legally wrecked or dismantled. The bill would make findings and declarations of the Legislature.

(16) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(17) This bill would incorporate additional changes to Section 27 of the Business and Professions Code proposed by SB 373 to be operative only if this bill and SB 373 are enacted and this bill is enacted last.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

### THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 27 of the Business and Professions Code is amended to read:

**27.** (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section

1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of the licensee's home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as the licensee's address of record, to provide a physical business address or residence address only for the entity's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the internet.

- (b) In providing information on the internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs' guidelines for access to public records.
- (c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:
  - (1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.
  - (2) The Bureau of Automotive Repair shall disclose information on its licensees, including automotive repair dealers, smog check stations, smog check inspectors and repair technicians, and vehicle safety systems inspection stations and technicians.
  - (3) The Bureau of Household Goods and Services shall disclose information on its licensees, registrants, and permitholders.
  - (4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.
  - (5) The Professional Fiduciaries Bureau shall disclose information on its licensees.
  - (6) The Contractors State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.
  - (7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.
  - (8) The California Board of Accountancy shall disclose information on its licensees and registrants.
  - (9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.
  - (10) The State Athletic Commission shall disclose information on its licensees and registrants.
  - (11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.
  - (12) The Acupuncture Board shall disclose information on its licensees.
  - (13) The Board of Behavioral Sciences shall disclose information on its licensees and registrants.
  - (14) The Dental Board of California shall disclose information on its licensees.
  - (15) The California State Board of Optometry shall disclose information on its licensees and registrants.
  - (16) The Board of Psychology shall disclose information on its licensees, including psychologists and registered psychological associates.
  - (17) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permitholders.
- (d) The State Board of Chiropractic Examiners shall disclose information on its licensees.
- (e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.
- (f) "Internet" for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

- 27. (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of the licensee's home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as the licensee's address of record, to provide a physical business address or residence address only for the entity's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the internet.
- (b) In providing information on the internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs' guidelines for access to public records.
- (c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:
  - (1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.
  - (2) The Bureau of Automotive Repair shall disclose information on its licensees, including automotive repair dealers, smog check stations, smog check inspectors and repair technicians, and vehicle safety systems inspection stations and technicians.
  - (3) The Bureau of Household Goods and Services shall disclose information on its licensees, registrants, and permitholders.
  - (4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.
  - (5) The Professional Fiduciaries Bureau shall disclose information on its licensees.
  - (6) The Contractors State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.
  - (7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.
  - (8) The California Board of Accountancy shall disclose information on its licensees and registrants.
  - (9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.
  - (10) The State Athletic Commission shall disclose information on its licensees and registrants.
  - (11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.
  - (12) The Acupuncture Board shall disclose information on its licensees.
  - (13) The Board of Behavioral Sciences shall disclose information on its licensees and registrants.
  - (14) The Dental Board of California shall disclose information on its licensees.
  - (15) The California State Board of Optometry shall disclose information on its licensees and registrants.
  - (16) The Board of Psychology shall disclose information on its licensees, including psychologists and registered psychological associates.
  - (17) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permitholders.
- (d) The State Board of Chiropractic Examiners shall disclose information on its licensees.

- (e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.
- (f) Notwithstanding subdivisions (a) and (c), the Board of Behavioral Sciences shall not disclose on the internet the full address of record of their licensees and registrants. However, the board shall disclose the city, state, county, and ZIP Code of the address of record for its licensees and registrants. This subdivision shall not apply to secondary documents linked to the board's internet website which may contain an address.
- (g) Notwithstanding subdivisions (a) and (c), the Board of Psychology shall not disclose on the internet the full address of record of their licensees and registered psychological associates. However, the board shall disclose the city, state, county, and ZIP Code of the address of record for its licensees and registered psychological associates. This subdivision shall not apply to secondary documents linked to the board's internet website which may contain an address.
- (h) Notwithstanding subdivisions (a) and (c), the Veterinary Medical Board shall not disclose on the internet the full address of record of their licensees and registrants. However, the board shall disclose the city, state, county, and ZIP Code of the address of record for its licensees and registrants. This subdivision shall not apply to secondary documents linked to the board's internet website which may contain an address.
- (i) "Internet" for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538. **SEC. 2.** Section 9880.1 of the Business and Professions Code is amended to read:

### **9880.1.** The following definitions apply for the purposes of this chapter:

- (a) "Automotive repair dealer" means a person who, for compensation, engages in the business of repairing or diagnosing malfunctions of motor vehicles, or engages in the business of collecting compensation for automotive repair services that are referred or sublet to someone other than the dealer or their employees.
- (b) "Automotive technician" means an employee of an automotive repair dealer or that dealer, if the employer or dealer repairs motor vehicles and who, for salary or wage, performs repairs of motor vehicles as set forth in subdivision (k).
- (c) "Bureau" means the Bureau of Automotive Repair.
- (d) "Chief" means the Chief of the Bureau of Automotive Repair.
- (e) "Commercial business agreement" means an agreement, whether in writing or oral, entered into between a business or commercial enterprise and an automotive repair dealer, prior to the repair that is requested to be made, that contemplates a continuing business arrangement under which the automotive repair dealer is to repair any motor vehicle covered by the agreement, but does not mean any warranty or extended service agreement normally given by an automotive repair facility to its customers.
- (f) "Customer" means the person presenting a motor vehicle for repair and authorizing the repairs to that motor vehicle. "Customer" shall not mean the automotive repair dealer providing the repair services or an insurer involved in a claim that includes the motor vehicle being repaired or an employee or agent or a person acting on behalf of the dealer or insurer.
- (g) "Director" means the Director of Consumer Affairs.
- (h) "Motor vehicle" means a passenger vehicle required to be registered with the Department of Motor Vehicles and all motorcycles whether or not required to be registered by the Department of Motor Vehicles.
- (i) "Person" includes a firm, partnership, association, limited liability company, or corporation.
- (j) "Preventative maintenance services" means the following maintenance services: checking tire pressure and adding or relieving pressure, as necessary; rotating tires; changing transmission fluid, transmission filter, engine oil and filter, differential fluid, power steering fluid, and transfer case fluid; changing engine or cabin air filters, and external fuel filters; changing engine coolant; performing a fuel system induction service; replacing belts and windshield wiper blades; replacing light bulbs and restoring headlamps; adding oil or fuel treatments through the designated fill points; and topping off fluids; and all of the listed services include the removal, reinstallation, and replacement of any components necessary to perform each service, and the tapping of damaged threads without removal of any fluid pan.
- (k) "Repair of motor vehicles" means all maintenance of and repairs to motor vehicles performed by an automotive repair dealer, including automotive body repair work, but excluding those repairs made pursuant to a commercial business agreement and roadside services.

- (I) "Roadside services" means the services performed upon a motor vehicle for the purpose of transporting the vehicle or to permit it to be operated under its own power, by, or on behalf of, a motor club holding a certificate of authority pursuant to Chapter 2 (commencing with Section 12160) of Part 5 of Division 2 of the Insurance Code, or by an operator of a tow truck, as defined in Section 615 of the Vehicle Code, that is owned or operated by a person or entity who possesses a valid motor carrier permit, as described in Section 34620 of the Vehicle Code, and is enrolled in the Basic Inspection of Terminals program, as described in Section 34501.12 of the Vehicle Code.
- SEC. 3. Section 9880.4 is added to the Business and Professions Code, to read:
- 9880.4. The Legislature finds and declares all of the following:
- (a) The Bureau of Automotive Repair established the BAR Advisory Group to increase the level of communication between the bureau, the automotive repair industry, education providers, consumers, and other stakeholders. The advisory group meets quarterly to provide input to the chief on bureau and other state regulatory programs.
- (b) It is the intent of the Legislature that the bureau continues to maintain a group of volunteer representatives to advise the bureau on regulatory issues and programs affecting the automotive repair industry.
- **SEC. 4.** Section 9882 of the Business and Professions Code, as amended by Section 1 of Chapter 372 of the Statutes of 2021, is amended to read:
- **9882.** (a) (1) There is in the Department of Consumer Affairs a Bureau of Automotive Repair under the supervision and control of the director. The duty of enforcing and administering this chapter is vested in the chief who is responsible to the director. The director may adopt and enforce those rules and regulations that the director determines are reasonably necessary to carry out the purposes of this chapter and declare the policy of the bureau, including a system for the issuance of citations for violations of this chapter as specified in Section 125.9.
  - (2) (A) On or after July 1, 2023, the director may include in the citation system a process for informal review of and recommendation on citations, including establishment of an informal citation conference conducted by a panel of independent representatives appointed by the chief. The informal citation conference panel shall consist of three members, with one representative each from the bureau, the public, and the automotive repair industry.
    - (B) (i) The director may include in the citation system a process for an automotive repair dealer, upon successful completion of remedial training conducted by a provider certified pursuant to subdivision (d) of Section 9884.7, to prevent disclosure of the citation on the internet as provided in Section 27.
      - (ii) To be eligible for citation nondisclosure under this subparagraph, the automotive repair dealer shall not have attended remedial training in the prior 18-month period from the effective date of citation.
      - (iii) Any employee of the automotive repair dealer who was involved in the violation resulting in the bureau's issuance of the citation also may be required by the bureau to attend remedial training with the automotive repair dealer to prevent disclosure of the citation.
  - (3) Rules and regulations adopted pursuant to this subdivision shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.
- (b) (1) Notwithstanding any other law, the powers and duties of the bureau, as set forth in this article and under the Automotive Repair Act, shall be subject to review by the appropriate policy committees of the Legislature. In that review, the bureau shall have the burden of demonstrating a compelling public need for the continued existence of the bureau and its regulatory program, and that its function is the least restrictive regulation consistent with the public health, safety, and welfare.
  - (2) The review required by this subdivision shall be performed as if this chapter were scheduled to be repealed as of January 1, 2028.
- (c) This section shall be effective only until July 1, 2026, and as of that date is repealed.
- **SEC. 5.** Section 9882 of the Business and Professions Code, as added by Section 2 of Chapter 372 of the Statutes of 2021, is amended to read:
- **9882.** (a) (1) There is in the Department of Consumer Affairs a Bureau of Automotive Repair under the supervision and control of the director. The duty of enforcing and administering this chapter is vested in the chief who is responsible to the director. The director may adopt and enforce those rules and regulations that the director determines are reasonably necessary to carry out the

purposes of this chapter and declare the policy of the bureau, including a system for the issuance of citations for violations of this chapter as specified in Section 125.9.

- (2) The director may include in the citation system a process for informal review of and recommendation on citations, including establishment of an informal citation conference conducted by a panel of independent representatives appointed by the chief. The informal citation conference panel shall consist of three members, with one representative each from the bureau, the public, and the automotive repair industry.
- (3) Rules and regulations adopted pursuant to this subdivision shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.
- (b) (1) Notwithstanding any other law, the powers and duties of the bureau, as set forth in this article and under the Automotive Repair Act, shall be subject to review by the appropriate policy committees of the Legislature. In that review, the bureau shall have the burden of demonstrating a compelling public need for the continued existence of the bureau and its regulatory program, and that its function is the least restrictive regulation consistent with the public health, safety, and welfare.
  - (2) The review required by this subdivision shall be performed as if this chapter were scheduled to be repealed as of January 1, 2028.
- (c) This section shall become operative on July 1, 2026.
- SEC. 6. Section 9884.16 of the Business and Professions Code is amended to read:
- **9884.16.** (a) A person required to have a valid registration under the provisions of this chapter shall not have the benefit of any lien for labor or materials, including the ability to charge storage fees in accordance with applicable laws, or the right to sue on a contract for motor vehicle repairs unless the person possesses a valid registration.
- (b) The bureau may adopt regulations, as necessary, in accordance with Chapter 6.5 (commencing with Section 3067) of Title 14 of Part 4 of Division 3 of the Civil Code and Section 22524.5 of the Vehicle Code, and any regulations of the Insurance Commissioner pertaining to vehicle towing or storage fees, or both, adopted pursuant to Sections 758.5 and 790.03 of the Insurance Code, to carry out the provisions of this section.
- SEC. 7. Section 9887.5 of the Business and Professions Code is amended to read:
- **9887.5.** This article shall remain operative only until six months after the effective date of the regulations adopted by the director pursuant to Article 6.5 (commencing with Section 9888.5) and as of that date is repealed.
- SEC. 8. Section 9888.4.1 of the Business and Professions Code is amended to read:
- **9888.4.1.** This article shall remain operative only until six months after the effective date of the regulations adopted by the director pursuant to Article 6.5 (commencing with Section 9888.5) and as of that date is repealed.
- SEC. 9. Section 9888.5 of the Business and Professions Code is amended to read:
- **9888.5.** (a) The director shall develop inspection criteria and standards for specific safety systems and components of the vehicle in order to promote the safe and uniform installation, maintenance, and servicing of vehicle safety systems and components.
- (b) The director shall issue vehicle safety systems inspection licenses to stations and technicians to conduct inspections of, and repairs to, safety systems of vehicles. The director may electronically issue these licenses.
- (c) By January 1, 2024, the director shall adopt the regulations, in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), including, but not limited to, all of the following:
  - (1) Inspection criteria and standards for specific safety systems and components of the vehicle in order to promote the safe and uniform installation, maintenance, and servicing of vehicle safety systems and components.
  - (2) The application fee and process for applicants, including any specialized application process for those licensees licensed pursuant to Article 5 (commencing with Section 9887.1) and Article 6 (commencing with Section 9888.1).
  - (3) The certificate of compliance fee and certification process for vehicles, including any specialized certification process for those vehicles certified pursuant to Article 8 (commencing with Section 9889.15). The director shall prescribe a form for the certificate of compliance that contains, at a minimum, the date of issuance, the make and registration number of the vehicle, and the official license of the station.

- (d) The vehicle safety systems inspection license shall replace licenses issued pursuant to Article 5 (commencing with Section 9887.1) and Article 6 (commencing with Section 9888.1). Licenses issued in accordance with those articles shall remain valid until six months after the effective date of regulations adopted pursuant to subdivision (c). A licensee with a license issued pursuant to Article 5 (commencing with Section 9887.1) or Article 6 (commencing with Section 9888.1) shall thereafter be regulated under this article and shall apply for and be issued a vehicle safety systems inspection license under this article.
- (e) The vehicle safety systems inspection certificate shall replace certificates issued pursuant to Article 8 (commencing with Section 9889.15). Certificates issued in accordance with that article shall remain valid until six months after the director adopts regulations pursuant to subdivision (c).
- SEC. 10. Section 9889.19.1 of the Business and Professions Code is amended to read:
- **9889.19.1.** This article shall remain operative only until six months after the effective date of the regulations adopted by the director pursuant to Article 6.5 (commencing with Section 9888.5) and as of that date is repealed.
- **SEC. 11.** Section 9889.21 of the Business and Professions Code, as amended by Section 11 of Chapter 372 of the Statutes of 2021, is amended to read:
- **9889.21.** (a) Any person who violates any provision of Article 5 (commencing with Section 9887.1), Article 6 (commencing with Section 9888.1), Article 6.5 (commencing with Section 9888.5), and Article 7 (commencing with Section 9889.1) of this chapter is guilty of an infraction and punishable as specified in subdivision (a) of Section 42001 of the Vehicle Code.
- (b) This section shall remain operative only until six months after the effective date of the regulations adopted pursuant to Article 6.5 (commencing with Section 9888.5) and as of that date is repealed.
- **SEC. 12.** Section 9889.21 of the Business and Professions Code, as added by Section 12 of Chapter 372 of the Statutes of 2021, is amended to read:
- **9889.21.** (a) Any person who violates any provision of Article 6.5 (commencing with Section 9888.5) and Article 7 (commencing with Section 9889.1) of this chapter is guilty of an infraction and punishable as specified in subdivision (a) of Section 42001 of the Vehicle Code.
- (b) This section shall become operative six months after the effective date of the regulations adopted pursuant to Article 6.5 (commencing with Section 9888.5).
- **SEC. 13.** Section 44003.5 of the Health and Safety Code is amended to read:
- **44003.5.** (a) Notwithstanding any other law, an enhanced motor vehicle inspection and maintenance program, including the provisions of Section 44010.5, is established in the San Francisco Bay Area Basin, consistent with the requirements described in subdivision (b).
- (b) The department shall commence operation of the enhanced motor vehicle inspection and maintenance program in the urbanized areas of the San Francisco Bay Area Basin, including directing motor vehicles to test facilities, after the department determines that an adequate number of test stations, test and repair stations, referee services, and other facilities and equipment necessary to provide reliable and convenient service to vehicle owners subject to the program exist in that basin.
- (c) Upon commencing operation of the enhanced program in those areas of the San Francisco Bay Area Basin subject to the requirements of the program, the bureau shall utilize emission standards for oxides of nitrogen, and percentages of vehicles directed to test stations similar to those utilized to begin the initial implementation of the program in other enhanced areas of the state. The department shall phase in more stringent emission standards for oxides of nitrogen and direct higher percentages of vehicles to test stations, so that the fully implemented enhanced program in the San Francisco Bay area is consistent with the fully implemented enhanced program in other areas of the state.
- (d) (1) On or before January 1, 2004, and concurrent with implementing subdivision (b), the board shall submit for peer review the study produced by the University of California at Riverside and commissioned by the Bay Area Air Quality Management District, and any other available scientifically credible evidence, to determine the impact of the enhanced motor vehicle inspection and maintenance program on Contra Costa County and surrounding areas. If the peer review concludes that the enhanced motor vehicle inspection and maintenance program in the urbanized areas of the San Francisco Bay Area Basin results in adverse ozone and other air quality impacts in Contra Costa County or parts of Solano, San Joaquin, Alameda, and Santa Clara Counties, the board, on or before January 1, 2004, shall suggest mitigation measures to the Legislature and to the respective air quality districts. These measures may include, but need not be limited to, a recommendation for additional funds to be made available for transit purposes and private passenger motor vehicle maintenance and repair purposes.

- (2) It is the intent of the Legislature in enacting this section to seek implementation of those mitigation measures suggested under paragraph (1) that are found to be scientifically credible means to mitigate adverse ozone and other air quality impacts, are consistent with this section, and do not adversely impact downwind regions.
- (e) Consistent with subdivision (b), it is the intent of the Legislature that the department commence operation of the enhanced motor vehicle inspection and maintenance program in the urbanized areas of the San Francisco Bay Air Basin as expeditiously as possible in order to assist the San Francisco Bay Area and downwind air districts in meeting their federal air quality attainment requirements.
- **SEC. 14.** Section 44010.5 of the Health and Safety Code is amended to read:
- **44010.5.** (a) The department shall implement a program with the capacity to inspect that portion of the total state vehicle fleet subject to inspection each year in the biennial program and registered in the enhanced program area, as established pursuant to paragraph (1) of subdivision (a) of Section 44003, which is sufficient to meet the emission reduction performance standards established by the United States Environmental Protection Agency in regulations adopted pursuant to the Clean Air Act Amendments of 1990. Except as provided in paragraph (2) of subdivision (b), the department shall afford smog check stations licensed pursuant to Section 44014 and certified pursuant to Section 44014.2 the initial opportunity to inspect vehicles subject to the program in this section.
- (b) (1) The program shall use the testing procedures described in Section 44012.
  - (2) Vehicles selected for testing pursuant to this section shall include vehicles equipped without second generation onboard diagnostic systems (OBD II) and vehicles with emission problems that may not be adequately detected by the vehicle's OBD II, as determined by the department in consultation with the state board. Vehicles subject to testing under this paragraph shall be tested by referee facilities or a similar contracted inspection network established by the department, which may include subcontracted licensed smog check stations, as provided in subdivision (f) of Section 44014.
  - (3) The department, in consultation with the state board, may also select for testing pursuant to this section any other vehicles necessary in order to meet the requirement described in subdivision (a).
- (c) Vehicles in the enhanced program area that are not subjected to the program established by this section may be tested at smog check stations licensed pursuant to Section 44014 using appropriate testing procedures as determined by the department.
- (d) The department shall ensure that there is a sufficient number of test facilities, and that they are properly located, to ensure reasonable accessibility and convenience to all persons within an enhanced program area.
- (e) The department shall implement the program established in this section only in urbanized areas classified by the United States Environmental Protection Agency as a serious, severe, or extreme nonattainment area for ozone or a moderate or serious nonattainment area for carbon monoxide with a design value greater than 12.7 ppm, and shall not implement the program in any other area.
- SEC. 15. Section 44012 of the Health and Safety Code is amended to read:
- **44012.** The test at the smog check stations shall be performed in accordance with procedures prescribed by the department and may require loaded mode dynamometer testing in enhanced areas, two-speed idle testing, testing utilizing a vehicle's onboard diagnostic system, or other appropriate test procedures as determined by the department in consultation with the state board. The department shall implement testing using onboard diagnostic systems, in lieu of loaded mode dynamometer or two-speed idle testing, on model year 2000 and newer vehicles only, beginning no earlier than January 1, 2013, and on model-year 1996–99, inclusive, vehicles only, beginning no earlier than January 1, 2025. However, the department, in consultation with the state board, may prescribe alternative test procedures that include loaded mode dynamometer or two-speed idle testing for vehicles with onboard diagnostic systems that the department and the state board determine exhibit operational problems. The department shall ensure, as appropriate to the test method, the following:
- (a) Emission control systems required by state and federal law are reducing excess emissions in accordance with the standards adopted pursuant to subdivisions (a) and (c) of Section 44013.
- (b) Motor vehicles are preconditioned to ensure representative and stabilized operation of the vehicle's emission control system.
- (c) For other than diesel-powered vehicles, the vehicle's exhaust emissions of hydrocarbons, carbon monoxide, carbon dioxide, and oxides of nitrogen in an idle mode or loaded mode are tested in accordance with procedures prescribed by the department. In determining how loaded mode and evaporative emissions testing shall be conducted, the department shall ensure that the emission reduction targets for the enhanced program are met.

- (d) For other than diesel-powered vehicles, the vehicle's fuel evaporative system and crankcase ventilation system are tested to reduce any nonexhaust sources of volatile organic compound emissions, in accordance with procedures prescribed by the department.
- (e) For diesel-powered vehicles, a visual inspection is made of emission control devices and the vehicle's exhaust emissions are tested in accordance with procedures prescribed by the department, that may include, but are not limited to, onboard diagnostic testing. The test may include testing of emissions of any or all of the pollutants specified in subdivision (c) and, upon the adoption of applicable standards, measurement of emissions of smoke or particulates, or both.
- (f) A visual or functional check is made of emission control devices specified by the department, including the catalytic converter in those instances in which the department determines it to be necessary to meet the findings of Section 44001. The visual or functional check shall be performed in accordance with procedures prescribed by the department.
- (g) A determination as to whether the motor vehicle complies with the emission standards for that vehicle's class and model-year as prescribed by the department.
- (h) An analysis of pass and fail rates of vehicles subject to an onboard diagnostic test and a tailpipe test to assess whether any vehicles passing their onboard diagnostic test have, or would have, failed a tailpipe test, and whether any vehicles failing their onboard diagnostic test have or would have passed a tailpipe test.
- (i) The test procedures may authorize smog check stations to refuse the testing of a vehicle that would be unsafe to test, or that cannot physically be inspected, as specified by the department by regulation. The refusal to test a vehicle for those reasons shall not excuse or exempt the vehicle from compliance with all applicable requirements of this chapter.
- **SEC. 16.** Section 44014 of the Health and Safety Code is amended to read:
- **44014.** (a) Except as otherwise provided in this chapter, the testing and repair portion of the program shall be conducted by smog check stations licensed by the department, and by smog check technicians who have qualified pursuant to this chapter.
- (b) A smog check station may be licensed by the department as a smog check test-only station and, when so licensed, need not comply with the requirement for onsite availability of current service and adjustment procedures specified in paragraph (3) of subdivision (b) of Section 44030. A smog check technician employed by a smog check test-only station shall be qualified in accordance with this section.
- (c) (1) The department shall supply a network of referees. Except as provided in paragraph (2) of subdivision (b) of Section 44010.5, a referee shall have no ownership interest in, or business or economic interest with, a smog check station. Referees may issue repair cost waivers, certificates of compliance or noncompliance, and hardship extensions, in accordance with regulations adopted by the department, and promote automotive training through community colleges and other training institutions certified by the department pursuant to Section 44030.5. Referees shall provide inspection services for specially constructed vehicles pursuant to Section 44017.4 and issue exhaust system certificates of compliance in accordance with Section 27150.2 of the Vehicle Code.
  - (2) The department may adopt regulations to establish qualification standards and any special administrative, operational, and licensure standards that the department determines to be necessary for the provision of referee services.
  - (3) The department may adopt, by regulation, a process by which vehicles that present prohibitive or unusual inspection circumstances are inspected by referees, including, but not limited to, the inspection of vehicles in which the manufacturer's physical or operational design presents inspection incompatibilities, vehicles equipped with emission control configurations that do not match United States Environmental Protection Agency or state board certified configurations, including direct import vehicles and vehicles with engine changes, and vehicles equipped with retrofit alternative fuel conversion kits.
  - (4) (A) A referee may charge a fee sufficient to cover the costs of performing inspections of specially constructed vehicles pursuant to Section 44017.4, inspections pursuant to Section 27150.2 of the Vehicle Code, inspections of vehicles subject to paragraph (2) of subdivision (b) of Section 44010.5, and other appropriate categories of referee services as determined by the department. Requirements applicable to the fee, including its amount, shall be established by the department by regulation and the amount may be adjusted to reflect changes in the Consumer Price Index, as published by the United States Bureau of Labor Statistics. The fee may be collected by either a contracted referee or by the department, if the department is providing the referee service.
    - (B) If the fee is imposed and collected by a contracted referee, the contracted referee shall deposit the fees collected from the vehicle owner into a separate trust account that the referee shall account for and manage in accordance with generally accepted accounting practices.

- (C) If the fee is imposed and collected by the department, the fees shall be deposited into the Vehicle Inspection and Repair Fund.
- (d) A smog check station may also be licensed as a repair-only station, and if so licensed, may perform repairs to reduce excessive emissions on vehicles which have failed the smog check test. Repair procedures and equipment requirements shall be established by the department. Technicians employed by a smog check repair-only station shall be qualified in accordance with this section.
- (e) Smog check technicians are qualified to test and repair only those classes and categories of vehicles for which they have passed a qualification test administered by the department. The department shall provide for smog check technicians to be qualified for different categories of motor vehicle inspection based on vehicle classification and model-year. For the purposes of this chapter, "qualified smog check technician" refers to either a smog check repair technician or smog check inspector, or both.
- (f) The consumer protection-oriented quality assurance portion of the program, including the provision of referee and inspection services pursuant to paragraph (2) of subdivision (b) of Section 44010.5, may be conducted by one or more private entities pursuant to contracts with the department.
- SEC. 17. Section 44014.2 of the Health and Safety Code is amended to read:
- **44014.2.** (a) The department shall develop a program for the voluntary certification of licensed smog check stations, or the department may accept a smog check station certification program proposed by accredited industry representatives. The department shall establish inspection-based performance standards consistent with Section 44014.6 for stations certified under this program that the stations would be required to meet to be eligible to issue certificates of compliance or noncompliance for vehicles selected pursuant to Sections 44010.5 and 44014.7, or vehicles identified by the department as gross polluters.
- (b) The department shall adopt regulations that apply to all enhanced areas of the state, including those areas subject to the enhanced program pursuant to Section 44003.5, that permit both of the following:
  - (1) Any vehicle that fails a required smog test at a test facility may be repaired, retested, and certified at a station licensed pursuant to Section 44014, and certified pursuant to subdivision (a).
  - (2) Any vehicle that is identified as a gross polluter may be repaired, retested, and certified at a station licensed pursuant to Section 44014, and certified pursuant to subdivision (a).
- (c) Smog check stations that seek voluntary certification under this section may enter into an agreement with the department to provide repair services pursuant to Section 44062.1.
- (d) An agreement made pursuant to this section shall not be deemed to be a contract subject to the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code.
- **SEC. 18.** Section 44014.5 of the Health and Safety Code is amended to read:
- **44014.5.** (a) The enhanced program shall provide for the testing and retesting of vehicles in accordance with Sections 44010.5 and 44014.2 and this section.
- (b) The repair of vehicles at test-only stations is prohibited, except that the minor repair of components damaged by station personnel during inspection at the station, any minor repair that is necessary for the safe operation of a vehicle while at a station, or other minor repairs, such as the reconnection of hoses or vacuum lines, may be undertaken at no charge to the vehicle owner or operator if authorized in advance in writing by the department.
- (c) The department shall make available to consumers a list, compiled by region, of smog check stations licensed to make repairs of vehicular emission control systems. A test-only station shall not refer a vehicle owner to any particular provider of vehicle repair services in which the test-only station has a financial interest.
- (d) (1) The department shall establish standards for training, equipment, performance, or data collection for smog check stations.
  - (2) (A) The department shall establish inspection-based performance standards consistent with Section 44014.6 that smog check stations would be required to meet to be eligible to issue certificates of compliance or noncompliance for vehicles selected pursuant to Section 44010.5 or 44014.7, or vehicles identified by the department as gross polluters. Failure at any time to meet these standards shall result in suspension of the certification to test these vehicles granted by the department. A test station not meeting the performance standards may continue to issue certificates of compliance and noncompliance for other vehicles. The department shall adopt measures to ensure the requirements of this subparagraph are met, including through the use of the computer database and computer network authorized by Section 44037.1.

- (B) The department shall provide the test station with written or electronic notice, prior to the suspension pursuant to subparagraph (A). The notice shall specify the grounds for the suspension and provide that the station within five days of receipt of the notice may request a hearing before the chief of the bureau or their designee to contest the suspension. The request for hearing shall be in writing or shall be made electronically. Receipt of this hearing request shall stay the suspension pending the outcome of the hearing. If a request for hearing is not made, the chief of the bureau shall issue a final written decision of suspension within 10 days of the last date that a hearing could have been requested.
- (C) The hearing conducted by the chief of the bureau or their designee shall be held not later than 10 days from the date that the request for a hearing is received by the chief of the bureau. The hearing requirements of Section 44072 shall not apply. The chief of the bureau shall render a written decision within 10 days of the hearing. The decision may rescind the suspension, affirm the suspension, or order any other appropriate action. Administrative review, before an administrative law judge, of the decision of the chief of the bureau may be sought within 30 days of the date of the decision.
- (D) The department may adopt regulations to implement this paragraph.
- (e) The department shall prohibit test-only stations from engaging in other business activities that represent a conflict of interest, as determined by the department. Upon implementation of the performance standards described in paragraph (2) of subdivision (d), ownership of a test-and-repair station by an owner of a test-only station shall not be considered a conflict of interest.
- (f) A test facility contracted pursuant to paragraph (2) of subdivision (b) of Section 44010.5 may charge an inspection fee, established by the department, sufficient to cover the facility's cost to perform the tests or services, including, but not limited to, referee services and the issuance of waivers and hardship extensions required by this chapter. In addition, the station shall charge and collect the certificate fee established pursuant to Section 44060.
- (g) The department shall ensure that there is a sufficient number of test facilities to provide convenient testing for the following vehicles:
  - (1) All vehicles identified and confirmed as gross polluters pursuant to Section 44081 and Section 27156 of the Vehicle Code.
  - (2) (A) Vehicles initially identified as gross polluters by a smog check station licensed as a test-and-repair station may be issued a certificate of compliance by a licensed smog check station certified pursuant to Section 44014.2.
    - (B) For purposes of this section, the department shall implement a program that allows vehicles initially identified as gross polluters to be repaired and issued a certificate of compliance by a facility licensed and certified pursuant to Section 44014.2.
  - (3) All vehicles designated by the department pursuant to Sections 44014.7 and 44020.
  - (4) Vehicles issued an economic hardship extension in the previous biennial inspection of the vehicle.
- (h) The department shall provide a sufficient number of referees authorized to perform referee functions to provide convenient testing for those vehicles that are required to report to, and receive a certificate of compliance from, a referee by this chapter, including all of the following:
  - (1) All vehicles seeking to utilize state-operated financial assistance or inclusion in authorized scrap programs.
  - (2) All vehicles unable to obtain a certificate of compliance from a licensed smog check station pursuant to subdivision (c) of Section 44015.
  - (3) Any other vehicles that may be designated by the department.
- (i) Gross polluters shall be referred for a postrepair inspection and retest pursuant to subdivision (g). Passing the emissions test is not a sufficient condition for receiving a certificate of compliance. A certificate of compliance shall only be issued to a vehicle that does not have any defects with its emission control system or any defects that could lead to damage of its emission control system, as provided in regulations adopted by the department.
- SEC. 19. Section 44014.7 of the Health and Safety Code is amended to read:
- **44014.7.** (a) The department shall require 2 percent of the vehicles required to obtain a certificate of compliance each year in enhanced program areas to receive their certificate from a licensed smog check station certified pursuant to Section 44014.2.
- (b) The department may require a number not to exceed 2 percent of the vehicles required to obtain a certificate of compliance each year in basic program areas to receive their certificate from a licensed smog check station certified pursuant to Section 44014.2.

- (c) The vehicles specified in subdivisions (a) and (b) shall be selected at random. The department shall select the vehicles and the Department of Motor Vehicles shall notify the owners of their obligation under this section pursuant to Section 4000.3 of the Vehicle Code. Selection shall be made from vehicles in an area where a test station is located.
- SEC. 20. Section 44024.5 of the Health and Safety Code is amended to read:
- **44024.5.** (a) The department shall compile and maintain statistical and emissions profiles and data from motor vehicles that are subject to the motor vehicle inspection program. The department may use data from any source, including remote sensing data, in use data, and other motor vehicle inspection program data, to develop and confirm the validity of the profiles, to evaluate the program, and to assess the performance of smog check stations. The department shall undertake these requirements directly or seek a qualified vendor for these services.
- (b) The department, in cooperation with the state board, shall perform analyses of data collected pursuant to subdivision (a) and report the results to the public biennially beginning no later than July 1, 2011. The report shall include, at a minimum, all of the following:
  - (1) An independent validation of the evaluation methods, findings, and conclusions presented in the report.
  - (2) The percentage of vehicles that initially passed a smog check inspection and then failed a subsequent inspection as indicated by the data collected pursuant to subdivision (a).
  - (3) The percentage of vehicles that initially failed a smog check inspection and then failed a subsequent inspection as indicated by the data collected pursuant to subdivision (a).
  - (4) An estimate of excessive emissions resulting from vehicles identified in paragraphs (2) and (3).
  - (5) A best-efforts explanation regarding the reasons vehicles identified in paragraphs (2) and (3) inappropriately failed or passed an inspection.
  - (6) Recommended changes to the smog check program to reduce to a minimum the excess emissions identified in paragraph
  - (4). In developing the recommended changes, the department and the state board shall undertake a thorough evaluation of the best practices of other state smog check inspection programs, and shall include in the recommendations how these other state best practices can be incorporated into California's program. Program recommendations pertaining to contracting with one or more entities to manage smog check stations shall not be implemented unless the Legislature, by statute, authorizes that contracting.
  - (7) A comparison to the findings of the report "Evaluation of the California Smog Check Program Using Random Roadside Data" dated March 12, 2009.
- (c) The department and the state board, in consultation with the Inspection and Maintenance Review Committee, may determine that, in addition to the vehicles excepted pursuant to Section 44011, certain other motor vehicles may be excepted from the biennial certification requirements of this chapter without significantly compromising the emission reduction objectives set forth in the State Implementation Plan (SIP).
- (d) The department may conduct a pilot program to except from the biennial certification requirement those vehicles that may be jointly determined by the department and the state board, after consultation with the Inspection and Maintenance Review Committee, to warrant exception. The department shall provide written notification to the Legislature specifying the number of vehicles to be exempted as well as the geographic location and duration of the pilot program not less than 30 days prior to the implementation of the pilot program. The department shall submit the results of the pilot program to the state board and the Inspection and Maintenance Review Committee for review. Subject to the approval of the United States Environmental Protection Agency as an amendment to the SIP, the department may establish the exception program as a permanent program.
- (e) For vehicles four model years old or less, the department shall use test data generated pursuant to Section 44014.7 to develop statistical and emissions profiles. The department may use data from any source, including remote sensing data, warranty repair and recall data, and other motor vehicle inspection program data, to develop and confirm the validity of the data. If the department and state board jointly determine that the emissions from a class of motor vehicles would potentially compromise the emission reduction objectives set forth in the SIP, the state board shall consider appropriate corrective action, including, but not limited to, recall pursuant to Section 43105.
- SEC. 21. Section 44032 of the Health and Safety Code is amended to read:
- **44032.** No person shall perform, for compensation, tests or repairs of emission control devices or systems of motor vehicles required by this chapter unless the person performing the test or repair is a qualified smog check technician and the test or repair

is performed at a licensed smog check station. Qualified smog check technicians shall perform tests of emission control devices and systems in accordance with Section 44012.

SEC. 22. Section 44072.10 of the Health and Safety Code is amended to read:

- **44072.10.** (a) Notwithstanding Sections 44072 and 44072.4, the director, or the director's designee, pending a hearing conducted pursuant to subdivision (e), may temporarily suspend any smog check station or technician's license issued under this chapter, for a period not to exceed 60 days, if the department determines that the licensee's conduct would endanger the public health, safety, or welfare before the matter could be heard pursuant to subdivision (e), based upon reasonable evidence of any of the following:
  - (1) Fraud.
  - (2) Tampering.
  - (3) Intentional or willful violation of this chapter or any regulation, standard, or procedure of the department implementing this chapter.
  - (4) A pattern or regular practice of violating this chapter or any regulation, standard, or procedure of the department implementing this chapter.
- (b) If a motor vehicle dealer sells any used vehicle, knowing that the vehicle has been fraudulently certified, that act shall be additional grounds for suspension or revocation pursuant to Section 11705 of the Vehicle Code. A dealer's license revoked pursuant to this subdivision shall not be reinstated for any reason for a period of at least five years.
- (c) The department shall revoke the license of any smog check technician or station licensee who fraudulently certifies vehicles or participates in the fraudulent inspection of vehicles. A fraudulent inspection includes, but is not limited to, all of the following:
  - (1) Clean piping, clean plugging, clean glassing, clean tanking, or any other fraudulent inspection practice, as defined by the department.
  - (2) Tampering with a vehicle emission control system or test analyzer system.
  - (3) Tampering with a vehicle in a manner that would cause the vehicle to falsely pass or falsely fail an inspection.
  - (4) Intentional or willful violation of this chapter or any regulation, standard, or procedure of the department implementing this chapter.
- (d) Once a license has been revoked for a smog check station or technician under subdivision (a) or (c), the license shall not be reinstated for any reason. A hearing shall be held and a decision issued within 60 days after the date on which the notice of the temporary suspension was provided unless the time for the hearing has been extended, or the right to a hearing has been waived, by the licensee.
- (e) The hearing shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, or by court order.
- (f) The department shall adopt, by regulation, procedures to ensure that any affected licensee is provided adequate notice and opportunity to be heard, except as otherwise provided in subdivision (a), prior to issuing an order temporarily suspending a license under this section.
- SEC. 23. Section 2525.4 of the Vehicle Code is amended to read:
- 2525.4. (a) Fleet owners licensed as inspection and maintenance stations shall do all of the following:
  - (1) Conduct all installations, adjustments, inspections, and maintenance under the supervision of, and subject to the regulations of, the department, and subject to Division 12 (commencing with Section 24000).
  - (2) If engaged in interstate transportation, also conduct inspections and maintenance in accordance with the requirements of the United States Department of Transportation.
  - (3) If operating or maintaining vehicles described in subdivisions (a), (b), (d), (e), (f), or (g), of Section 34500, enroll each licensed inspection and maintenance station for inspection by the Department of the California Highway Patrol pursuant to subdivision (d) of Section 34501.12 and pay the fees required by subdivision (e) of that section.
- (b) Fleet owners may not certify vehicle safety systems, as described in Section 9888.5 of the Business and Professions Code, or the installation, inspection, repair, or servicing of motor vehicle pollution control devices or systems, except for vehicles in the

owner's fleet.

- SEC. 24. Section 11519 of the Vehicle Code is amended to read:
- **11519.** (a) A vehicle that has been reported as a total loss salvage vehicle or dismantled vehicle may not be subsequently registered until there is submitted to the department all of the following:
  - (1) The prescribed bill of sale.
  - (2) An appropriate application.
  - (3) A vehicle safety systems certificate of compliance issued pursuant to Article 6.5 (commencing with Section 9888.5) of Chapter 20.3 of Division 3 of the Business and Professions Code, except that a fleet owner of motor trucks of three or more axles that are more than 6,000 pounds unladen weight, and a fleet owner of truck tractors, may instead submit certification for their own rebuilt vehicle if the fleet owner operates an inspection and maintenance station licensed by the commissioner under subdivision (b) of Section 2525.
  - (4) With respect to a motor vehicle subject to Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code, a valid certificate of compliance from a licensed motor vehicle pollution control device installation and inspection station indicating that the vehicle is properly equipped with a motor vehicle pollution control device that is in proper operating condition and is in compliance with Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code.
  - (5) Any other documents or fees required under law.
- (b) The department may not register a vehicle that has been referred to the Department of the California Highway Patrol under subdivision (b) of Section 5505 or that has been selected for inspection by that department under subdivision (c) of that section, until the applicant for registration submits to the department a certification of inspection issued by the Department of the California Highway Patrol and all of the documents required under subdivision (a).
- SEC. 25. Section 24007 of the Vehicle Code is amended to read:
- **24007.** (a) (1) No dealer or person holding a retail seller's permit shall sell a new or used vehicle that is not in compliance with this code and departmental regulations adopted pursuant to this code, unless the vehicle is sold to another dealer, sold for the purpose of being legally wrecked or dismantled, or sold exclusively for off-highway use.
  - (2) Paragraph (1) does not apply to any vehicle sold by either (A) a dismantler after being reported for dismantling pursuant to Section 11520 or (B) a salvage pool after obtaining a salvage certificate pursuant to Section 11515 or a nonrepairable vehicle certificate issued pursuant to Section 11515.2.
  - (3) Notwithstanding paragraph (1), the equipment requirements of this division do not apply to the sale of a leased vehicle by a dealer to a lessee if the lessee is in possession of the vehicle immediately prior to the time of the sale and the vehicle is registered in this state.
- (b) (1) Except as provided in Section 24007.5, no person shall sell, or offer or deliver for sale, to the ultimate purchaser, or to any subsequent purchaser a new or used motor vehicle, as those terms are defined in Chapter 2 (commencing with Section 39010) of Part 1 of Division 26 of the Health and Safety Code, subject to Part 5 (commencing with Section 43000) of that Division 26 which is not in compliance with that part and the rules and regulations of the State Air Resources Board, unless the vehicle is sold to a dealer or sold for the purpose of being legally wrecked or dismantled.
  - (2) Prior to or at the time of delivery for sale, the seller shall provide the purchaser a valid certificate of compliance or certificate of noncompliance, as appropriate, issued in accordance with Section 44015 of the Health and Safety Code.
  - (3) Paragraph (2) does not apply to any vehicle whose transfer of ownership and registration is described in subdivision (d) of Section 4000.1.
  - (4) Paragraphs (1) and (2) do not apply to any vehicle sold by either (A) a dismantler after being reported for dismantling pursuant to Section 11520 or (B) a salvage pool after obtaining a salvage certificate pursuant to Section 11515 or a nonrepairable vehicle certificate issued pursuant to Section 11515.2.
- (c) (1) With each application for initial registration of a new motor vehicle or transfer of registration of a motor vehicle subject to Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code, a dealer, the purchaser, or their authorized representative, shall transmit to the Department of Motor Vehicles a valid certificate of compliance or noncompliance, as appropriate, issued in accordance with Section 44015 of the Health and Safety Code.

- (2) Notwithstanding paragraph (1) of this subdivision, with respect to new vehicles certified pursuant to Chapter 2 (commencing with Section 43100) of Part 5 of Division 26 of the Health and Safety Code, a dealer may transmit, in lieu of a certificate of compliance, a statement, in a form and containing information deemed necessary and appropriate by the Director of Motor Vehicles and the Executive Officer of the State Air Resources Board, to attest to the vehicle's compliance with that chapter. The statement shall be certified under penalty of perjury, and shall be signed by the dealer or the dealer's authorized representative.
- (3) Paragraph (1) does not apply to a transfer of ownership and registration under any of the circumstances described in subdivision (d) of Section 4000.1.
- (d) A salvage vehicle rebuilder, when selling a total loss salvage vehicle, including a revived salvage loss vehicle, shall provide the purchaser with a valid vehicle safety systems certificate of compliance issued pursuant to Article 6.5 (commencing with Section 9888.5) of Chapter 20.3 of Division 3 of the Business and Professions Code prior to, or at the time of, delivery for sale, unless the vehicle is sold to a dealer or sold for the purpose of being legally wrecked or dismantled.
- **SEC. 26.** Section 24007.5 of the Vehicle Code is amended to read:
- **24007.5.** (a) (1) No auctioneer or public agency shall sell, at public auction, any vehicle specified in subdivision (a) of Section 24007, which is not in compliance with this code.
  - (2) Paragraph (1) does not apply to a vehicle that is sold under the conditions specified in subdivision (c), (d), (e), or (g) or is sold to a dealer or for the purpose of being wrecked or dismantled or is sold exclusively for off-highway use.
- (b) Except with respect to the sale of a vehicle specified in paragraph (2) of subdivision (a), the consignor of any vehicle, specified in subdivision (b) of Section 24007, sold at public auction, shall provide the purchaser a valid certificate of compliance or certificate of noncompliance, as appropriate, issued in accordance with Section 44015 of the Health and Safety Code.
- (c) Notwithstanding any other provision of this code, if, in the opinion of a public utility or public agency, the cost of repairs to a vehicle exceeds the value of the vehicle to the public utility or public agency, the public utility or public agency shall, as transferee or owner, surrender the certificates of registration, documents satisfactory to the Department of Motor Vehicles showing proof of ownership, and the license plates issued for the vehicle to the Department of Motor Vehicles. As used in this section, "public utility" means a public utility as described in Sections 218, 222, and 234 of the Public Utilities Code.
- (d) The public utility or public agency having complied with subdivision (c) shall, upon sale of the vehicle, give to the purchaser a bill of sale which includes, in addition to any other required information, the last issued license plate number.
- (e) (1) Subdivisions (a) and (b) do not apply to any judicial sale, including, but not limited to, a bankruptcy sale, conducted pursuant to a writ of execution or order of court.
  - (2) Subdivision (b) does not apply to any lien sale if the lienholder does both of the following:
    - (A) Gives the notice required by subdivisions (a) and (b) of Section 5900.
    - (B) Notifies the buyer that California law requires that the buyer obtain a certificate of compliance or noncompliance and register the vehicle with the department, and that failure to comply will result in a lien against any vehicle owned by the buyer pursuant to Section 10876 of the Revenue and Taxation Code, enforceable pursuant to Section 10877 of the Revenue and Taxation Code and Article 6 (commencing with Section 9800) of Chapter 6 of Division 3. Receipt of the notice required by this subparagraph shall be evidenced by the signature of the buyer.
- (f) The exceptions in this section do not apply to any requirements for registration of a vehicle pursuant to Section 4000.1, 4000.2, or 4000.3.
- (g) Except as otherwise provided in subdivision (e), any public agency or auctioneer which sells, at public auction, any vehicle specified in subdivision (b) of Section 24007, which is registered to a public agency or a public utility, shall provide each bidder with a notice in writing that certificates of compliance are required to be obtained, certifying that the vehicle complies with Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code and Article 6.5 (commencing with Section 9888.5) of Chapter 20.3 of Division 3 of the Business and Professions Code, before the vehicle may be registered in this state, unless the vehicle is sold to a dealer or for the purpose of being wrecked or dismantled or is sold exclusively for off-highway use. Prior to the sale of the vehicle, a public agency or public utility shall remove the license plates from the vehicle and surrender them to the department. The purchaser of the vehicle shall be given a bill of sale which includes, in addition to any other required information, the vehicle's last issued license plate number.

#### SEC. 27. Section 40616 of the Vehicle Code is amended to read:

- **40616.** Any person willfully violating a written promise to correct or willfully failing to deliver proof of correction of violation is guilty of a misdemeanor. Proof of correction may consist of a certification by an authorized representative of one of the following agencies that the alleged violation has been corrected:
- (a) Brake, lamp, smog device, or muffler violations may be certified as corrected by any station licensed or contracted to inspect and certify for the violation pursuant to Article 6.5 (commencing with Section 9888.5) of Chapter 20.3 of Division 3 of the Business and Professions Code or Section 27150.2.
- (b) Driver license and registration violations may be certified as corrected by the Department of Motor Vehicles or by any clerk or deputy clerk of a court.
- (c) Any violation may be certified as corrected by a police department, the California Highway Patrol, sheriff, marshal, or other law enforcement agency regularly engaged in enforcement of the Vehicle Code.
- **SEC. 28.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.
- **SEC. 29.** Section 1.5 of this bill incorporates amendments to Section 27 of the Business and Professions Code proposed by both this bill and Senate Bill 373. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2024, (2) each bill amends Section 27 of the Business and Professions Code, and (3) this bill is enacted after Senate Bill 373, in which case Section 1 of this bill shall not become operative.