2015 New Legislation

Effective: January 1, 2015

New Information
This memo is a summary of legislation effective January 1, 2015, and later, impacting occupational licensees.

New Laws Summary Legislative Session (2013-2014)

New Motor Vehicle Board
AB 988—This bill places a person acting as a dealer of recreational off-highway vehicles (OHV) and utility-terrain vehicles (UTV), as defined in California Vehicle Code (CVC) §§500 and 531, subject to the licensing requirements of an all-terrain vehicle (ATV) dealer, under the jurisdiction and provisions of the New Motor Vehicle Board (NMVB). In addition, this law prohibits a dealer who exclusively deals in ATVs, as defined in CVC §§111, 3001, and 3003, from appointment to the NMVB as a new motor vehicle dealer.

Repossessors
AB 2503—This bill requires a dealer, transporter, manufacturer, manufacturer branch, remanufacturer, remanufacturer branch, distributor, distributor branch, or a buy-here-pay-here (BHPH) dealer licensed by the Department of Motor Vehicles (DMV) to use a licensed repossession agency when recovering or repossessing viable collateral. This bill also:

- Requires a repossession agency to only transact business with a person or entity as an independent contractor and prohibits a licensed repossession agency from allowing any other person or entity to operate or transact business under the license of the repossession agency.
- Enacts a new law which makes a BHPH, as defined by CVC §241, who knowingly engages a nonexempt unlicensed person to repossess collateral on his/her behalf guilty of a misdemeanor, and punishable by a fine and loss of the dealer license (California Business and Professions Code (CBPC) §§7500.2 and 7502.2).

Vehicles
AB 1627—This bill requires a person acting as a registration service to provide each customer with a written disclosure notice that the services described in CVC §11400 may be provided by DMV without an additional fee. In addition, if a registration service is providing a service described in CVC §11400 on an Internet website, the disclosure notice required pursuant to this subdivision must be in a conspicuous place on the Internet website (CVC §§11400 and 11406).

AB 1732—This bill prohibits a manufacturer, distributor, or dealer from advertising a vehicle’s prior use or ownership in an inaccurate manner. This bill also:

- Authorizes the use of a rebate, if the rebate meets the requirements of existing law and is offered by a finance company affiliated with a vehicle manufacturer or distributor, regulated utility, or government entity.
- Prohibits a dealer from advertising a rebate reduction that conflicts with another advertised rebate deduction (CVC §§11713, 11713.1, and 11713.16).
Access to Bill Language
You may access complete bill language at www.leginfo.legislature.ca.gov/faces/codes.xhtml.

Background
Key bills acted upon in the 2013-2014 legislative session that affect occupational licensees.

Distribution
Notification that this memo is available online at www.dmv.ca.gov/pubs/olin/olin.htm was made via California DMV’s Automated E-mail Alert System in January 2015 to the following:
• Dealers
• Registration Services

Contact
Questions regarding this memo may be directed to the Occupational Licensing Compliance Unit at (916) 229-3154.

References
California Vehicle Code §§111, 241, 500, 531, 3001, 3003, 11400, 11406, 11713, 11713.1, 11713.16, 11400, and 11406
California Business and Professions Code §§7500.2, and 7502.2

Tim Corcoran, Chief
Occupational Licensing