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 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

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