

EXECUTIVE OFFICE

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February 15, 2020

Honorable Holly J. Mitchell
Joint Legislative Budget Committee
State Capitol, Room 5050
Sacramento, CA 95814

Honorable Philip Ting
Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

Honorable Holly J. Mitchell and Honorable Philip Ting:

Pursuant to the supplemental reporting requirements of the 2008 Budget Act for FY 2018-19 (Item 111-001-0582), the Bureau of Automotive Repair is submitting a report regarding its Consumer Assistance Program.

If you have any questions, please contact Denise Cunningham with the Consumer Assistance Program at (916) 403-8759.

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick Dorais".

Patrick Dorais
Chief, Bureau of Automotive Repair



February 15, 2020

Honorable Holly J. Mitchell
Chair, Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee
State Capitol, Room 5050
Sacramento, CA 95814

Honorable Philip Ting
Chair, Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

RE: Bureau of Automotive Repair – Supplemental Report – Consumer Assistance Program

Chair Mitchell and Chair Ting:

This correspondence fulfills the requirement of the 2008 Budget Act (Item 1111-001-0582) to provide a report on the Consumer Assistance Program (CAP) operations for Fiscal year 2018-19.

CAP offers two options for consumers:

Repair Assistance: Income-eligible consumers receive up to \$500 in emissions repairs after a vehicle fails its biennially required Smog Check. Repairs must be performed at a STAR-certified Smog Check station. There are currently over 2,200 STAR-certified Smog Check stations authorized to perform repair assistance services throughout the state.

Eligibility requires a consumer's household income to be less than or equal to 225 percent of the federal poverty guidelines, as published by the United States Department of Health and Human Services. The applicant must submit one of several acceptable documents to verify their income level. Verification of income, as established in regulation, shall be based on at least one form of documentation, including, but not limited to: (A) an income tax return; (B) an employment warrant; or (C) a form of public assistance. Participants are responsible for the costs associated with diagnosing the emissions failure and any post-repair tests of the vehicle.

Vehicle Retirement: Vehicle owners can retire a vehicle at a BAR-authorized dismantler. Income-eligible consumers receive \$1,500 for the vehicle. As with repair assistance, eligibility is based on a household income less than or equal to 225 percent of the federal poverty guidelines. The vehicle also can be retired without failing a Smog Check.¹ Consumers unable to demonstrate eligibility based on income can retire a vehicle for \$1,000, but only if it fails a Smog Check.

Consumers are limited to retiring no more than one vehicle every 12 months. The vehicle must have been registered as operable with the Department of Motor Vehicles or have proof that it has been primarily operated in California for the past two years. The vehicle must be a passenger car or truck with a gross vehicle weight rating of 10,000 pounds or less. Finally, the vehicle must pass a visual and operational inspection at the dismantler.

There are currently 35 dismantlers under contract with BAR to perform vehicle retirement services. Upon application approval, BAR provides consumers a list of the authorized dismantlers.

CONSUMER PARTICIPATION

In Fiscal Year 2018-19, CAP repaired 2,450 vehicles and retired 52,556 vehicles.

PROGRAM COSTS

In Fiscal Year 2018-19, CAP expended: \$1,007,324 to repair vehicles; \$65,669,265 to retire vehicles; and \$8,519,663² to administer these programs.

AIR POLLUTION CONTROL DISTRICT ASSISTANCE

CAP distributes local air district program information to eligible consumers residing in the San Joaquin Valley. BAR's website provides links to all air district programs.

EMISSIONS REDUCTION

BAR uses formulas developed in conjunction with the California Air Resources Board (CARB) to estimate emissions reductions achieved through these programs.

In Fiscal Year 2018-19, CAP reduced an estimated 7,382 tons of emissions through these programs.³

¹ This provision is made available through the Enhanced Fleet Modernization Program (EFMP), developed and managed in partnership with the California Air Resources Board.

² Figures are estimated. Official year-end figures are expected to be available in March 2020.

³ In cooperation with CARB, BAR is currently reviewing the methodology used to estimate the emissions benefits of the retirement and repair assistance programs.

SOUTH COAST AND SAN JOAQUIN VALLEY AIR DISTRICTS

The State Implementation Plan is particularly focused on air quality issues affecting the South Coast Air Quality Management District (AQMD) and the San Joaquin Valley Air Pollution Control District (APCD).

In Fiscal Year 2018-19, CAP repaired 968 vehicles and retired 26,078 vehicles in the South Coast AQMD, achieving an estimated 3,656 tons of emissions reductions. CAP also repaired 587 vehicles and retired 6,372 vehicles in the San Joaquin APCD, achieving an estimated 903 tons of emissions reductions.

BAR included the air district statistics in the statewide figures shown in the attached summary to this report.

Sincerely,

Patrick Dorais
Chief, Bureau of Automotive Repair

ATTACHMENTS: Summary of Program Statistics: Fiscal Year 2018-19

cc: Anthony Williams, Legislative Secretary
Erika Contreras, Secretary of the Senate
Sue Parker, Chief Clerk of the Assembly
Diane F. Boyer-Vine, Legislative Counsel
Keely Bosler, Director, Department of Finance
Gabriel Petek, Legislative Analyst, Legislative Analyst's Office
Alexis Podesta, Secretary, Business, Consumer Services, and Housing Agency
Lila Mirrashidi, Deputy Secretary, Business, Consumer Services, and Housing Agency
Amy Wilson, Deputy Secretary, Business, Consumer Services, and Housing Agency
Kimberly Kirchmeyer, Director, Department of Consumer Affairs

Summary of Program Statistics: Fiscal Year 2018-19
Bureau of Automotive Repair – Consumer Assistance Program

Program Metric	Repair Assistance	Vehicle Retirement: Income Eligible Option	Vehicle Retirement: General Option	EFMP Vehicle Retirement	Total
State Disbursement (Per-Vehicle)	Up to \$500	\$1,500	\$1,000	\$1,500	-
Vehicles Repaired or Retired	2,450	7,793	18,953	25,810	55,006
Program Disbursements	\$1,007,324	\$11,053,915	\$17,850,302	\$36,765,048	\$66,676,588
Average Disbursement	\$411	\$1,418	\$942	\$1,424	-

ESTIMATED ANNUAL EMISSIONS REDUCTIONS (TONS PER YEAR)*

Emission	Repair Assistance	Vehicle Retirement: Income Eligible Option	Vehicle Retirement: General Option	EFMP Vehicle Retirement	Total
Hydrocarbons	30.4	545.2	1326.0	1,805.7	3,707
Oxides of Nitrogen	34.8	451.7	1098.6	1,496.1	3,081
Carbon Monoxide	5.5	87.2	212.1	288.9	594
Total	70.6	1084.2	2636.7	3,590.7	7,382

* In cooperation with CARB, BAR is currently reviewing the methodology used to estimate the emissions benefits of the retirement and repair assistance programs.