

## Automotive Service Councils Of California

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March 7, 2023

California Energy Commission 715 P Street Sacramento, CA 95814

**Re: Replacement Tire Regulations** 

On behalf of the Automotive Service Councils of California (ASCCA), we are writing to provide comments regarding the proposed California Energy Commission (CEC) Replacement Tire Regulations. The ASCCA is the largest independent automotive repair organization in California representing members from all areas of the automotive repair industry including mechanical, auto body, supplier, and educators in the automotive technology field.

ASCCA supports efforts in developing and increasing energy efficient replacement tires for consumers. However, the proposed regulation (e.g. potential reduction of tire tread depth) creates issues such as: tire safety (e.g. stopping and braking consequences), harm to the environment (e.g. increasing scrap and waste tires) and increasing future tire costs to low income working families (e.g. reducing the average tire life/mileage requires frequent replacement of tires). This would be inconsistent with AB 844 (Nation, Chapter 645, Statutes of 2003)

ASCCA is concerned that the proposed regulations will negatively impact small businesses by placing unreasonable and costly mandates upon any automotive repair dealer selling tires in California. Below are comments to the proposed CEC Replacement Tire Regulations.

- **Sign Pricing information** The language in section 3309 (a) (1) requiring pricing information on signage for each replacement tire is vague and unworkable for automotive repair dealers (ARDs). Many ARDs do not carry replacement tires in stock. On occasion, they may order a replacement tire for a customer from a wholesale distributor or sublet the tire replacement to a third-party vendor. These ARDs will not know the price of the tire until the time the tire order is placed. Some ARDs may have tires in stock. If tire prices change, due to outside economic factors, the automotive repair dealer would need to continuously replace each sign with current pricing information. Including pricing information on signs is simply not practical.
- Placement of Signage The language in sections 3309 (a)(1)(A)(5)(6) is restrictive, burdensome and may not accomplish the proposed regulation goals. The Bureau of Automotive Repair (BAR) which regulates all ARD's, including tire dealers, currently has sign requirements. See 16 CCR 3307(a)(b)(c). These requirements provide the ARD

flexibility to ensure signage is placed in a location where it is clearly visible to the general public. These regulations should be revised to provide the same flexibility.

Furthermore, the last sentence of Section 3309 (a)(1) stating "The location of the California replacement tire sign shall be accessible within arm's length of the accessible location" is vague and ambiguous and should be deleted.

- **Sign effectiveness** There are so many signs that already required to be posted by ARDs, such as Bureau of Automotive Repair signs, Prop 65 signs, smog check signs, brake station signs, storage signs, battery fee signs, video recording signs, ADA signs and permit postings such as business licenses, fire permits, air quality management permits and the list goes on. There is a Proliferation of signs currently required to be posted by dealers and the question becomes How effective would another sign be?
- Independent Verification of Disclosure Information Section 3309 (a) (1) (B), it is not clear whether the ARD must independent verify every tire energy efficiency disclosure to make sure it's accurate. Will the ARD be able to rely on the tire manufacturer disclosures and simply pass information along to consumer without liability? It would be impractical to have an ARD independently verify tire energy disclosure information for every tire it sells. Who is ultimately responsible for this information? It is not clear, and this should be addressed in the regulation.
- Replacement Tires Sold Internet & Print Catalog Sections 3309 (a) (2) (3) make vague and ambiguous references to tire pricing. Does the language mean that if a dealer does not list the specific price of the tire or offer a specific brand name tire for sale on the internet or catalog the regulations do not apply? In other words, if a dealer uses general terms such as "lowest tire prices" "tire rollbacks" "great deals on tires" "\$50.00 discount off tires" or any expressions of like meaning, then the regulations would not apply?
- Existing Inventory of Non-Compliant Tires Do ARDs have to stop selling noncompliant efficiency rated tires on the date specified in the proposed regulations, namely: January 1, 2025? How do ARDs comply with the regulations if exiting tire stock/inventory is noncompliant after the deadline? Will tires manufactured before the deadline be exempt?
- How to Identify & Confirm California Tire Compliant Tires How do ARDs easily
  ascertain and verify that tires are California compliant with the proposed regulations.
   Will tire manufacturers be required to mark tires as CA compliant? If so, with what type
  of markings? If not, how will the ARDs ascertain and verify compliance?
- **Customer Tires** If a customer purchases and brings their own non-compliant tire to the dealer for installation, can the ARD install tire without violating the law and incurring penalties? How does the ARD handle such a customer request under the proposed regulations and remain compliant?
- ARD Documentation Requirements What documentation and records, if any, will be necessary for the tire dealer to show that they are in compliance with the regulations? The regulations are silent on such requirements.

- **Enforcement of Regulations** How will the CEC enforce these new regulations against ARDs or will other agencies such as the BAR enforce?
- **Economic Impacts and Cost to Small Business** Has the CEC conducted any research or gathered any information as to the economic impacts and costs to small business ARD's, if these regulations were implemented?
- Exemptions for ARDs that occasional replace tires- Auto body shops, smog check test/repair shops, preventative maintenance facilities and other small mechanical shops on occasions will replace a tire upon a consumer request. The primary business of such facilities is not selling tires. Requiring these types of businesses to meet the same requirements as those that primarily are in the business of selling tires is unfair. The CA Air Resources Board took such types of business in consideration when they developed the "check and inflate "tire regulations and provided exemptions for certain businesses. See Title 17 CCR section 95550.

As an alternative to exemptions, the CEC should consider revising the definitions of "Tire Dealer" and "Tire Retailer" under section 3302 to include only those that are primarily in the business of selling tires which would exempt the occasional tire replacement situations. For example, the CEC should consider including in the definition only those automotive repair businesses that represented and obtained BAR licenses/registrations to BAR (under penalty of perjury) that they are primarily in the business of selling tires. Please refer to the BAR application - question #13, Primary Business Type – and the specific Tire Shop designation. See link below to the BAR application. https://www.bar.ca.gov/pdf/ard-reg-app-frm.pdf

- Exemptions for Fleet work/Commercial Business Arrangements Will there be exemptions for tire dealers who have commercial business agreements with other commercial businesses for tire replacement on a continuing basis? These types of arrangements are currently exempted by the BAR and should be exempted in these regulations. See Business and Professions sections 9880.2(b); 9880.1(e).
- Bureau of Automotive Repair (BAR) The BAR regulates automotive repair dealers including all tire dealers. Has the CEC engaged the BAR on these regulations?

Thank you for the opportunity to provide comments to the CEC proposed Replacement Tire Regulations. We look forward to a future CEC workshop where these issues can be discussed in further detail.

Sincerely,

Executive Director