



EXECUTIVE OFFICE

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MEMORANDUM

DATE	February 12, 2015
TO:	Honorable Mark Leno, Chair Joint Legislative Budget Committee Senate Budget and Fiscal Review Committee Honorable Shirley N. Weber, Chair Assembly Budget Committee
VIA:	Awet Kidane, Director Department of Consumer Affairs
FROM:	Patrick Dorais, Chief Bureau of Automotive Repair 
SUBJECT:	Supplemental Report - Consumer Assistance Program (Item 1111-001-0582)

Purpose

As required by the Supplemental Report to the 2008 Budget Act, the Bureau of Automotive Repair (BAR) is submitting this report on the Consumer Assistance Program (CAP) operations for Fiscal Year 2013-14.

Program Description

CAP offers two options to consumers:

Repair Assistance: Low-income consumers may receive up to \$500 in emissions-related repair work after a vehicle fails its biennially required Smog Check inspection. Repairs must be performed at a STAR certified station pursuant to regulations implementing Assembly Bill 2289 (Eng, Chapter 258, Statutes of 2010). There are currently over 2,250 STAR stations authorized to perform repair assistance services for BAR. To be eligible, a consumer's household income must be less than or equal to 225 percent of federal poverty guidelines, as published by the United States Department of Health and Human Services. The applicant must submit one of several alternative documents to verify income level. As co-payment for participation in the Repair Assistance option of CAP, the participant is responsible for the total cost associated with the testing and diagnosis of the emissions-related failure.

Vehicle Retirement: Eligible consumers receive either \$1,000 or \$1,500 if income eligible to retire their vehicle at a BAR-contracted dismantler. A consumer's household income must be less than or equal to 225 percent of federal poverty guidelines, as published by the United

States Department of Health and Human Services, in order to be eligible for the higher vehicle retirement incentive. The vehicle does not need to fail the biennially required Smog Check inspection to qualify. Consumer participation is limited to no more than once every 12 months. In order to prevent the retirement of out-of-state vehicles, the vehicle must have been registered as operable with the California 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 site.

Consumer Participation

CAP repaired 8,165 vehicles and retired 44,999 vehicles in Fiscal Year 2013-14. During Fiscal Year 2012-13, CAP repaired 8,819 vehicles and retired 36,894 vehicles. In Fiscal Year 2011-12, CAP repaired 23,507 vehicles and retired 39,413 vehicles.

Program Costs

BAR expended \$3,743,989 to repair vehicles, \$53,262,344 to retire vehicles, and incurred \$8,375,034 in administrative costs to operate both programs in Fiscal Year 2013-14.

Emissions Reduction

BAR uses formulas developed in conjunction with the Air Resources Board to estimate emission reductions achieved through CAP.

BAR reduced an estimated 6,496 tons of emissions through these programs in Fiscal Year 2013-14.

South Coast and San Joaquin Valley Air Districts

Because of the special attention given in the State Implementation Plan to air quality issues affecting the San Joaquin Valley Air Pollution Control District and the South Coast Air Quality Management District, BAR has included participation statistics for these two regions. The following statistics are included in the statewide figures shown in the *Consumer Participation* section of this report.

In the South Coast Air Quality Management District, CAP repaired 3,403 vehicles and retired 20,052 vehicles, achieving 2,888 tons of emissions reduction in Fiscal Year 2013-14. During Fiscal Year 2012-13, CAP repaired 2,860 vehicles and retired 13,330 vehicles in the district. In Fiscal Year 2011-12, CAP repaired 8,154 vehicles and retired 13,647 vehicles in the district.

In the San Joaquin Valley Air Pollution Control District, CAP repaired 1,794 vehicles and retired 5,595 vehicles, achieving 830 tons of emissions reduction in Fiscal Year 2013-14. During Fiscal Year 2012-13, CAP repaired 1,503 vehicles and retired 4,510 vehicles in the district. In Fiscal Year 2011-12, CAP repaired 4,843 vehicles and retired 5,563 vehicles in the district.

Attachment: Summary of Program Statistics: Fiscal Year 2013-14, Fiscal Year 2012-13,
Fiscal Year 2011-12

CC: Mac Taylor, Legislative Analyst, Legislative Analyst's Office
Diane F. Boyer-Vine, Legislative Counsel
Daniel Alvarez, Secretary of the Senate
E. Dotson Wilson, Chief Clerk of the Assembly
Michael Cohen, Director, Department of Finance
Anna Caballero, Secretary, Business, Consumer Services, and Housing
Agency

Summary of Program Statistics
Bureau of Automotive Repair - Consumer Assistance Program
July 1, 2013 - June 30, 2014

Program Element	Program Component	Repair Assistance	Vehicle Retirement: On-Cycle		Vehicle Retirement: Off-Cycle Enhanced Fleet Modernization Program (EFMP)		Total
			Income Eligible Option	General Option	EFMP: Income Eligible Option	EFMP: General Option	
State Disbursement Amounts	Maximum State Disbursement	\$500	\$1,500	\$1,000	\$1,500	\$1,000	-
Consumer Participation	Vehicles Repaired or Retired	8,165	11,600	3,430	23,735	6,234	53,164
Program Disbursements	Program Disbursements	\$3,743,989	\$14,726,905	\$2,864,526	\$30,382,403	\$5,288,510	\$57,006,333
	Average Disbursement	\$459	\$1,270	\$835	\$1,280	\$848	-
Estimated Emissions Reduction	Hydrocarbons	101.3	1,051.5		2,096.7		3,250
	Oxides of Nitrogen	115.9	871.2		1,737.2		2,724
	Carbon Monoxide	18.3	168.2		335.4		522
	Total	235.5	2,090.9		4,169.3		6,496

Summary of Program Statistics
Bureau of Automotive Repair - Consumer Assistance Program
July 1, 2012 - June 30, 2013

Program Element	Program Component	Repair Assistance	Vehicle Retirement: On-Cycle		Vehicle Retirement: Off-Cycle Enhanced Fleet Modernization Program (EFMP)		Total
			Income Eligible Option	General Option	EFMP: Income Eligible Option	EFMP: General Option	
State Disbursement Amounts	Maximum State Disbursement	\$500	\$1,500	\$1,000	\$1,500	\$1,000	-
Consumer Participation	Vehicles Repaired or Retired	8,819	8,798	3,200	16,043	8,853	45,713
Program Disbursements	Program Disbursements	\$4,081,678	\$12,912,014	\$3,200,470	\$23,729,534	\$8,928,441	\$52,852,137
	Average Disbursement	\$463	\$1,468	\$1,000	\$1,479	\$1,009	-
Estimated Annual Emissions Reductions (tons per year)	Hydrocarbons	109.4	839.4		1,741.8		2,691
	Oxides of Nitrogen	125.2	695.5		1,443.1		2,264
	Carbon Monoxide	19.8	134.3		278.6		433
	Total	254.4	1,669.2		3,463.5		5,387

Summary of Program Statistics (Attachment to Item 1111-001-0582)
Bureau of Automotive Repair - Consumer Assistance Program
July 1, 2011 - June 30, 2012

Program Element	Program Component	Repair Assistance	Vehicle Retirement: On-Cycle		Vehicle Retirement: Off-Cycle Enhanced Fleet Modernization Program (EFMP)		Total
		Income-Eligible Option	Income Eligible Option	General Option	EFMP: Income Eligible Option	EFMP: General Option	
Consumer Copayment and State Disbursement Amounts	Consumer Copayment	\$20	-	-	-	-	-
	Maximum State Disbursement	\$500	\$1,500	\$1,000	\$1,500	\$1,000	-
Consumer Participation	Vehicles Repaired or Retired	23,507	8,813	4,859	17,496	8,245	62,920
Program Disbursements	Program Disbursements	\$9,529,675	\$12,970,224	\$4,842,621	\$25,886,418	\$8,270,081	\$61,499,019
	Average Disbursement	\$405	\$1,472	\$997	\$1,480	\$1,003	-
Estimated Annual Emissions Reductions (tons per year)	Hydrocarbons	144.3	398.3		587.8		1,130
	Oxides of Nitrogen	165.3	330.0		709.6		1,205
	Carbon Monoxide	1,462.5	3,568.1		6,356.4		11,387
	Total	1,772.1	4,296.4		7,653.8		13,722