

AMENDED IN SENATE APRIL 10, 2025

SENATE BILL

No. 766

Introduced by Senator Allen

February 21, 2025

An act to add Title 1.5B (commencing with Section 1784.20) to Part 4 of Division 3 of, and to repeal Section 2982.2 of, of the Civil Code, to amend Section 6012.3 of the Revenue and Taxation Code, and to amend Section 24020 of, to repeal Section 11713.21 of, and to repeal and add Section 11709.2 of, the Vehicle Code, relating to civil law.

LEGISLATIVE COUNSEL'S DIGEST

SB 766, as amended, Allen. California Combating Auto Retail Scams (CARS) Act.

Existing law governs motor vehicle conditional sale contracts, as defined, and requires a seller, prior to the execution of a conditional sale contract, to make certain disclosures to the buyer, including a description and the price of each item sold if the contract includes a charge for the item, and the sum of all of those charges.

~~This bill would repeal those disclosure requirements.~~

Existing law prohibits a dealer from selling a used vehicle, as defined, ~~that is subject to registration,~~ *specified used vehicles* at retail to an individual for personal, family, or household use without offering the buyer a contract cancellation option agreement that allows the buyer to return the vehicle without cause. Existing law sets forth certain requirements for the contract cancellation option agreement, including prescribing the purchase price for the contract cancellation option and requiring specified disclosures.

~~This bill would repeal those provisions relating to a contract cancellation option agreement.~~

This bill would enact the California Combating Auto Retail Scams (CARS) Act. The bill would make it a violation of the act for a dealer to make any misrepresentation regarding material information about specified matters relating to the vehicle sale, including the costs or terms of purchasing, financing, or leasing a vehicle, the availability of vehicles at an advertised price, and the remedy available if a dealer fails to sell or lease a vehicle at the offering price. The bill would also make it a violation of the act for a dealer to fail to make certain disclosures clear and conspicuous, including specified information relating to the offering price and any add-on product or services. The bill would make it a violation of the act for a dealer, in connection with the sale or financing of a vehicle, to charge for certain items, including an add-on product or service if the vehicle purchaser or lessee would not benefit from the add-on product or service. The bill would *repeal the above-described contract cancellation option agreement requirement and would instead prohibit a dealer from selling or leasing a used vehicle specified used vehicles without providing the purchaser or lessee a 10-day 3-business-day right to cancel the purchase or lease, as provided.* The bill would require a dealer to create and retain, for a period of ~~7~~ 2 years from the date the record is created, all records necessary to demonstrate compliance with the act, including specified records.

The bill would make related conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Title 1.5B (commencing with Section 1784.20)
2 is added to Part 4 of Division 3 of the Civil Code, to read:

3
4 TITLE 1.5B. CALIFORNIA COMBATING AUTO RETAIL
5 SCAMS (CARS) ACT

6
7 CHAPTER 1. GENERAL PROVISIONS

8
9 1784.20. This title shall be known, and may be ~~cited as~~, *cited*,
10 *as the California Combating Auto Retail Scams (CARS) Act.*

11 1784.21. Any waiver by a consumer of the provisions of this
12 title is contrary to public policy and is unenforceable and void.

1784.22. The provisions of this title are not exclusive. The remedies provided in this title for a violation of this title or for conduct proscribed by this title shall be in addition to any other remedies available under other law. This title does not limit or alter the remedies and liabilities set forth in other laws that may apply.

1784.23. If any provision of this title or the application of this title to any person or circumstance is held to be unconstitutional or otherwise deemed to be invalid, the remainder of the title and the application of the provision to other persons or circumstances shall not be affected.

CHAPTER 2. CONSTRUCTION AND DEFINITIONS

1784.30. (a) This title shall be liberally construed and applied to promote its underlying purposes, which are to protect purchasers and lessees of new or used motor vehicles against unfair and deceptive business practices and to provide efficient and economical procedures to secure that protection.

(b) The failure of a dealer to comply with this title shall be considered an unfair method of competition and an unfair or deceptive act or practice under subdivision (a) of Section 1770. Moreover, a violation of this section is actionable under the Consumers Legal Remedies Act (Title 1.5 (commencing with Section 1750)), the Unfair Competition Law (Chapter 5 (commencing with Section 17200) of Part 2 of Division 7 of the Business and Professions Code), Section 17500 of the Business and Professions Code, or any other applicable state or federal law.

~~1784.4.31.~~

1784.31. The following definitions apply for purposes of this chapter:

(a) “Add-on” or “add-on product or service” means any product or service not provided to the purchaser or lessee or installed on the vehicle by the vehicle manufacturer and for which the dealer, directly or indirectly, charges a purchaser or lessee in connection with a vehicle sale, lease, or financing transaction.

(b) “Clear and conspicuous” or “clearly and conspicuously” means in a manner that is difficult to miss and easily understandable, including in all of the following ways:

(1) In any communication that is solely visual or solely audible, the disclosure shall be made through the same means through which the communication is presented. In any communication made through both visual and audible means, including a television advertisement or video, the disclosure shall be presented simultaneously in both the visual and audible portions of the communication even if the representation requiring the disclosure is made through only one means.

(2) A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, shall stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.

(3) An audible disclosure, including by telephone or streaming video, shall be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.

(4) In any communication using an interactive electronic medium, including the internet or software, the disclosure shall be unavoidable.

(5) The disclosure shall use diction and syntax understandable to ordinary consumers and shall be provided in each language in which the representation that requires the disclosure appears.

(6) The disclosure shall comply with these requirements in each medium through which it is received.

(7) The disclosure shall not be contradicted or mitigated by, or inconsistent with, anything else in the communication.

(c) “Dealer” means a licensed California motor vehicle dealer or a dealer as defined in Section 285 of the Vehicle Code.

~~(d) (1) “Express, informed consent” means an affirmative act communicating unambiguous assent to be charged, made after receiving, and in close proximity to, a clear and conspicuous disclosure, in writing. The disclosure shall also be made orally for in-person transactions. The disclosure shall state what the charge is for, the amount of the charge, including, if the charge is for a product or service, and all fees and costs to be charged to the consumer over the period of repayment with and without the product or service.~~

~~(2) The following actions fail to constitute express, informed consent:~~

~~(A) A signed or initialed document, by itself.~~

~~(B) Prechecked boxes.~~

1 ~~(C) An agreement obtained through any practice designed or~~
2 ~~manipulated with the substantial effect of subverting or impairing~~
3 ~~the car buyer or lessee's autonomy, decisionmaking, or choice.~~

4 ~~(e)~~

5 (d) "GAP agreement" means an agreement for either of the
6 following:

7 (1) To indemnify a vehicle purchaser or lessee for the difference
8 between the actual cash value of the vehicle in the event of an
9 unrecovered theft or total loss and the amount owed on the vehicle
10 pursuant to the terms of a loan, lease agreement, or installment
11 sales contract used to purchase or lease the vehicle.

12 (2) To waive the unpaid difference between money received
13 from the purchaser's or lessee's vehicle insurer and some or all of
14 the amount owed on the vehicle at the time of the unrecovered
15 theft or total loss, including products or services titled "guaranteed
16 automobile protection agreement," "guaranteed asset protection
17 agreement," "GAP insurance," or "GAP waiver."

18 ~~(f)~~

19 (e) "Government charges" means all fees or charges imposed
20 by a federal, state, or local governmental agency, unit, or
21 department, including taxes, license and registration costs,
22 inspection, or certification costs, and any other similar fees or
23 charges.

24 ~~(g)~~

25 (f) "Material" or "materially" means likely to affect a person's
26 choice of, or conduct regarding, goods or services.

27 ~~(h)~~

28 (g) "Motor vehicle" or "vehicle" means a motor vehicle as
29 defined by Section 415 of the Vehicle Code.

30 ~~(i)~~

31 (h) "Offering price" means the full cash price for which a dealer
32 will sell or finance the vehicle to any consumer, provided that the
33 dealer may exclude only required governmental charges.

34 ~~(j)~~

35 (i) "Service contract" includes products that provide consumers
36 with some type of benefit or payment for repair, maintenance, or
37 service on the vehicle purchased or leased.

38 ~~(k)~~

39 (j) "Used motor vehicle" or "used vehicle" means ~~the~~ a used
40 vehicle as defined in Section 665 of the Vehicle Code.

1 CHAPTER 3. PROHIBITED CONDUCT AND CONSUMER RIGHTS

2
3 1784.40. ~~(a)~~—It is a violation of this title for any dealer to make
4 any misrepresentation, expressly or by implication, regarding
5 material information about any of the following:

6 ~~(b)~~

7 (a) The costs or terms of purchasing, financing, or leasing a
8 vehicle.

9 ~~(c)~~

10 (b) Any costs, limitation, benefit, or any other aspect of an
11 add-on product or service.

12 ~~(d)~~

13 (c) Whether the terms are, or transaction is, for a purchase or a
14 lease.

15 ~~(e)~~

16 (d) The availability of any rebates or discounts that are factored
17 into the advertised price but are not available to all car buyers or
18 lessees.

19 ~~(f)~~

20 (e) The availability of vehicles at an advertised price.

21 ~~(g)~~

22 (f) Whether any consumer has been or will be preapproved or
23 guaranteed for any product, service, or term.

24 ~~(h)~~

25 (g) Information on or about a consumer's application for
26 financing.

27 ~~(i)~~

28 (h) The time at which the transaction is final or binding on all
29 parties.

30 ~~(j)~~

31 (i) Whether the dealer will keep cash downpayments or trade-in
32 vehicles, charge fees, or initiate legal process, or any action if a
33 transaction is not finalized or if the consumer does not go forward
34 with the transaction.

35 ~~(k)~~

36 (j) Whether, and if so, when, a dealer will pay off some or all
37 of the financing or a lease on a consumer's trade-in vehicle, and
38 what happens if a dealer fails to pay off the trade-in vehicle within
39 the time period required by Section 11709.4 of the Vehicle Code.

40 ~~(l)~~

1 (k) The remedy available if a dealer fails to sell or lease a vehicle
2 at the offering price.

3 ~~(m)~~

4 (l) Whether the dealer or any of the dealer's personnel or
5 products or services is or was affiliated with, endorsed or approved
6 by, or otherwise associated with the United States government or
7 any federal, state, or local governmental agency, unit, or
8 department, including the United States Department of Defense
9 or its military departments.

10 ~~(n)~~

11 (m) Whether, or under what circumstances, a vehicle may be
12 repossessed.

13 ~~(o)~~

14 (n) Whether, or under what circumstances, a vehicle may be
15 moved, including across state lines or out of the country.

16 ~~(p)~~

17 (o) Any of the required disclosures identified in this title.
18 1784.41. It is a violation of this title for any dealer to fail to
19 make any disclosure required by this section, clearly and
20 conspicuously.

21 (a) In connection with the sale or financing of a vehicle, a
22 vehicle's offering price shall be disclosed as follows:

23 (1) In any advertisement that references, expressly or by
24 implication, a specific vehicle for sale.

25 (2) In any advertisement that represents, expressly or by
26 implication, any monetary amount or financing term for any
27 vehicle.

28 (3) In any communication with a consumer that includes a
29 reference, expressly or by implication, regarding a specific vehicle
30 for sale, or any monetary amount or financing term for any vehicle.
31 With respect to these communications both of the following apply:

32 (A) The offering price for the vehicle shall be disclosed in the
33 dealer's first response regarding that specific vehicle to the
34 consumer.

35 (B) If the communication or response is in writing, the offering
36 price shall be disclosed in writing.

37 (b) When making any representation, expressly or by
38 implication, directly or indirectly, about an add-on product or
39 service, the dealer shall disclose that the add-on is not required
40 and the consumer can purchase or lease the vehicle without the

1 add-on. This disclosure shall be in writing and shall be clear and
2 conspicuous, and in the same language in which the contract was
3 negotiated.

4 (c) (1) When making any representation, expressly or by
5 implication, directly or indirectly, about a monthly payment for
6 any vehicle, the dealer shall disclose clearly and conspicuously
7 and in writing the total amount the consumer will pay to purchase
8 or lease the vehicle at that monthly payment after making all
9 payments as scheduled.

10 (2) If the total amount disclosed assumes the consumer will
11 provide consideration, including in the form of a cash
12 downpayment or trade-in valuation, the dealer shall disclose the
13 amount of consideration to be provided by the consumer. This
14 disclosure shall be in writing and shall be clear and conspicuous
15 and in the same language in which the contract was negotiated.

16 (d) If the dealer makes any comparison between payment
17 options, expressly or by implication, directly or indirectly, that
18 includes discussion of a lower monthly payment, the dealer shall
19 disclose that the lower monthly payment will increase the total
20 amount the consumer will pay to purchase or lease the vehicle, if
21 true. If the representation is in writing, the disclosure must be in
22 writing.

23 1784.42. It is a violation of this title for any dealer, in
24 connection with the sale or financing of vehicles, to charge for any
25 of the following.

26 (a) A dealer may not charge for an add-on product or service if
27 the vehicle purchaser or lessee would not benefit from the an
28 add-on product or service, including, as applicable, any of the
29 following:

30 (1) Nitrogen-filled tire-related products or services.

31 (2) Products or services that do not provide coverage for the
32 vehicle, the consumer, or the transaction, or that are duplicative
33 of warranty coverage for the vehicle.

34 (3) A GAP agreement ~~if the consumer's vehicle or neighborhood~~
35 ~~is excluded from coverage, the loan-to-value ratio would result in~~
36 ~~the consumer not benefiting financially from the product or service,~~
37 ~~or the GAP agreement would not cover the amount necessary to~~
38 ~~benefit the consumer.~~ *that is not in compliance with Section 2982,*
39 *2982.2, or 2982.12.*

1 (4) A service contract if the service contract includes a limit
2 that would not cover the market value price for the repair of a
3 covered item under the service contract, or if the service contract
4 is void due to preexisting conditions, including prior damage from
5 a crash or flood or preexisting mechanical conditions.

6 (b) A dealer may not fail to pay the person or entity who is
7 supposed to provide the benefit of the add-on within 10 days of
8 the date when the car buyer or lessee signs the purchase or lease.

9 ~~(c) A dealer may not charge a consumer for any item unless the~~
10 ~~dealer obtains the express, informed consent of the consumer for~~
11 ~~the charge.~~

12 *(c) This section does not prohibit a dealer from charging for*
13 *an add-on product or service, such as a service contract, if the*
14 *add-on product or service is selected by, and would benefit, the*
15 *vehicle purchaser or lessee, even if the vehicle purchaser or lessee*
16 *ultimately does not choose to use the add-on product or service.*

17 1784.43. (a) A dealer shall not sell or lease a used vehicle at
18 retail at a price equal to or less than forty-eight thousand dollars
19 (\$48,000), as adjusted pursuant to subdivision (f), to an entity or
20 individual without providing the purchaser or lessee with a ~~10-day~~
21 *three-business-day* right to cancel the purchase or lease.

22 (b) To comply with subdivision (a), and notwithstanding Section
23 2981.9 of the Civil Code, a dealer shall provide the purchaser or
24 lessee a copy of a disclosure titled ~~“10-Day~~ *“3-Business-Day* Right
25 to Cancel Used Car Purchase or Lease” on a separate document
26 that shall set forth this right clearly and conspicuously and that
27 shall contain all of the following:

28 (1) The name of the seller and the purchaser or lessee.

29 (2) A description and the vehicle identification number of the
30 vehicle purchased.

31 (3) A statement specifying the time within which the buyer shall
32 exercise the right to cancel the purchase under the contract
33 cancellation option and return the vehicle to the dealer. The dealer
34 shall not specify a time that is earlier than the dealer’s close of
35 business on the ~~10th~~ *third business* day following the day on which
36 the purchase or lease agreement was signed, and the vehicle was
37 originally delivered to the purchaser or lessee by the dealer.

38 (4) A statement that clearly and conspicuously discloses that
39 the dealer cannot charge the purchaser or lessee for the right to
40 cancel the purchase or lease.

(5) A statement that clearly and conspicuously discloses that the dealer may charge the purchaser or lessee a restocking fee only if the purchaser or lessee exercises the right to cancel and that the fee will be determined by multiplying the cash price of the vehicle on the purchase contract or the agreed-upon value for the vehicle on the lease agreement by the number of miles the vehicle was driven since the purchase or lease and divide that number by 150,000. *In addition to any restocking fee, a dealer may charge a daily use fee of not more than sixty dollars (\$60) for each day that the vehicle was in the customer's possession.*

(6) A statement that clearly and conspicuously discloses that the purchaser or lessee cannot exercise the option if the vehicle has been driven ~~2,000 or more~~ *than 400 miles.*

(7) A statement that clearly and conspicuously discloses that the dealer can charge the purchaser or lessee for damage to the vehicle beyond reasonable wear and tear, the dealer will have the burden of proving the damage is beyond reasonable wear and tear, and the dealer cannot withhold any portion of the purchaser's or lessee's downpayment, or their trade-in vehicle to pay for or to get the purchaser or lessee to pay what the dealer claims is damage beyond reasonable wear and tear.

(8) A statement that clearly and conspicuously discloses that the dealer cannot prevent the customer from exercising the right to cancel because they do not have the money to pay for the restocking fee or for damage the dealer claims is beyond reasonable wear and tear.

(9) A statement that clearly and conspicuously discloses that if the dealer has sold the purchaser's or lessee's trade-in vehicle, the dealer shall pay the purchaser or lessee the greater amount of the agreed-upon value of the trade-in vehicle on the purchase or lease agreement, the fair market value of the vehicle at the time when it was traded in, or the amount at which the dealer sold the trade-in vehicle.

(10) A statement that clearly and conspicuously discloses that if the dealer represents to the purchaser or lessee that it sold the trade-in vehicle, it must provide the purchaser or lessee a copy of the document showing the sale of the trade-in vehicle. The dealer shall redact the personal information of the person or entity to whom the trade-in vehicle was sold.

1 (c) It is a violation of this title for any dealer, in connection with
2 a purchaser or lessee exercising the right to cancel, to do any of
3 the following:

4 (1) To do or say anything to impede a purchaser or lessee from
5 exercising the right to cancel the purchase or lease of a vehicle as
6 provided in this title.

7 (2) To overcharge the purchaser or lessee for the restocking fee.

8 (3) To withhold the purchaser's or lessee's downpayment or
9 trade-in vehicle after the right to cancel has been exercised.

10 (4) To fail to timely refund the purchaser's or lessee's
11 downpayment after the right to cancel has been exercised.

12 (5) To fail to refund the amount owed for the purchaser's or
13 lessee's trade-in vehicle if the trade-in vehicle has been sold.

14 (6) To fail to provide the purchaser or lessee the receipt or
15 contract for the sale of the purchaser's or lessee's trade-in vehicle.

16 (7) To claim damage to the vehicle in excess of reasonable wear
17 and tear without reasonable basis.

18 (8) To claim the person authorized to return the purchaser's or
19 lessee's downpayment or trade-in vehicle is not available.

20 (d) The dealer will clearly and conspicuously disclose on the
21 first page of the purchase or lease agreement the following:

22
23 "CALIFORNIA DOES NOT HAVE A COOLING-OFF
24 PERIOD FOR NEW VEHICLES. HOWEVER, IF YOU
25 PURCHASED OR LEASED A USED VEHICLE, YOU HAVE
26 ~~10~~ 3 BUSINESS DAYS TO CANCEL THIS CONTRACT FOR
27 ANY REASON.

28 You have up to ~~10~~ 3 business days to return the vehicle to the
29 dealer and cancel this contract and obtain a refund. Please review
30 the disclosure, which the dealer is required by law to provide, for
31 the details about this right and how to exercise it."

32
33 (e) This section does not affect the ability of a buyer to rescind
34 the contract or revoke acceptance under any other law.

35 (f) *This section does not apply to a used vehicle with a purchase*
36 *price greater than forty-eight thousand dollars (\$48,000), as*
37 *adjusted June 1, 2027, and every June 1 thereafter, by the*
38 *percentage change in the cost of living, as defined in Section 2212*
39 *of the Revenue and Taxation Code.*

1 1784.44. (a) A dealer subject to this title shall create and retain,
2 for a period of ~~seven~~ *two* years from the date the record is created,
3 all records necessary to demonstrate compliance with this title,
4 including the following records:

5 (1) Copies of all materially different advertisements, sales
6 scripts, training materials, and marketing materials regarding the
7 price, financing, or lease of a vehicle, that the dealer disseminated
8 during the relevant time period. A typical example of a credit or
9 lease advertisement may be retained for advertisements that include
10 different vehicles, or different amounts for the same credit or lease
11 terms, if the advertisements are otherwise not materially different.

12 (2) Copies of all purchase orders, financing and lease documents
13 with the dealer signed by the consumer, whether or not final
14 approval or assignment of the contract is received from a financing
15 or lease transaction, and all written communications relating to
16 sales, financing, or leasing between the dealer and any car buyer
17 or lessee who signs a purchase order or financing or lease contract
18 with the dealer.

19 (3) Records demonstrating that add-ons in a consumer's contract
20 meet the requirements of Section 1784.42, including copies of all
21 service contracts, GAP agreements, proof of timely payment for
22 add-ons, and calculations of loan-to-value ratios in contracts
23 including GAP agreements.

24 (4) Copies of all cancellation requests, proof of refunds of
25 downpayments or other consideration provided in the purchase of
26 a vehicle, and proof of return of trade-in vehicles.

27 (5) Copies of all written complaints from car buyers or lessees
28 received by the dealer relating to sales, financing, leasing, or
29 cancellation requests under Section 1784.43, inquiries related to
30 add-ons, and inquiries and responses about vehicles referenced in
31 Section 1784.41.

32 (b) A dealer subject to this part may keep the records required
33 by subdivision (a) in any legible form, and in the same manner,
34 format, or place as they already keep records in the ordinary course
35 of business. Failure to keep all records required under subdivision
36 (a) is a violation of this title.

37 (c) *This section does not limit the requirements imposed by*
38 *Section 2984.5.*

39 ~~SEC. 2. Section 2982.2 of the Civil Code is repealed.~~

~~SEC. 3.~~

SEC. 2. Section 6012.3 of the Revenue and Taxation Code is amended to read:

6012.3. For purposes of this part, “gross receipts” and “sales price” do not include that portion of the sales price returned to the purchaser of a used motor vehicle pursuant to Section 1784.43 of the Civil Code.

~~SEC. 4.~~

SEC. 3. Section 11709.2 of the Vehicle Code is repealed.

~~SEC. 5.~~

SEC. 4. Section 11709.2 is added to the Vehicle Code, to read:

11709.2. (a) Every dealer shall conspicuously display a notice, not less than three feet high and three feet wide, in each sales office and sales cubicle of a dealer’s established place of business where written terms of specific sale or lease transactions are discussed with prospective purchasers or lessees, and in each room of a dealer’s established place of business where sale and lease contracts are regularly executed that states the following:

“CALIFORNIA DOES NOT HAVE A COOLING-OFF PERIOD FOR NEW VEHICLES. BUT IF YOU PURCHASED OR LEASED A USED VEHICLE, VEHICLE FOR \$____OR LESS, YOU HAVE ~~10~~ 3 BUSINESS DAYS TO CANCEL THIS CONTRACT FOR ANY REASON.

This cooling-off period also does not apply to the sale of a motorcycle or an off-highway motor vehicle subject to registration under California law. See the vehicle contract for details.”

(b) A dealer shall fill in the blank in each notice required by subdivision (a) with the dollar amount described in subdivision (f) of Section 1784.43 of the Civil Code and shall update the amount on or before June 1, 2027, and every June 1 thereafter.

~~SEC. 6.~~

SEC. 5. Section 11713.21 of the Vehicle Code is repealed.

~~SEC. 7. Section 24020 of the Vehicle Code is amended to read:~~

~~24020. (a) A dealer or person holding a retail seller’s permit shall not sell a new or used vehicle equipped with a catalytic converter unless the catalytic converter has been permanently~~

1 marked with the vehicle identification number (VIN) of the vehicle
2 to which it is attached.

3 ~~(b) This section does not apply to any of the following:~~

4 ~~(1) A collector motor vehicle.~~

5 ~~(2) A vehicle sold in any of the of the following circumstances:~~

6 ~~(A) By a licensed automobile dismantler after being reported
7 for dismantling pursuant to Section 11520.~~

8 ~~(B) By or through a salvage pool after obtaining a salvage
9 certificate pursuant to Section 11515, a nonrepairable vehicle
10 certificate pursuant to Section 11515.2, a certificate of title for a
11 vehicle described in subdivision (f) of Section 11515 or subdivision
12 (f) of Section 11515.2, or a similar ownership document issued by
13 another state.~~

14 ~~(C) By or through a salvage disposal auction. For purposes of
15 this section, “salvage disposal auction” means an auction where a
16 person or entity, engaged primarily in the business of selling total
17 loss salvage vehicles on behalf of insurance companies and that
18 has more than eight business locations in California, sells total
19 loss salvage vehicles.~~

20 ~~(D) By or through a wholesale motor vehicle auction. For
21 purposes of this section, “wholesale motor vehicle auction” means
22 an auction where the dealer conducting the auction does not take
23 ownership of the vehicle and the vehicle is sold to a nonretail buyer
24 for resale.~~

25 ~~(3) A vehicle where the buyer declines the seller’s offer to
26 permanently mark the catalytic converter pursuant to subdivision
27 (a) and the dealer discloses the catalytic converter permanent
28 marking as a body part marking product.~~

29 ~~(4) A motorecycle, as defined in Section 400.~~

30 ~~(e) As used in this section, “permanently marked” means
31 prominently engraved, etched, welded, metal stamped, acid marked,
32 or otherwise permanently imprinted using a similarly reliable
33 method of imparting a lasting mark on the exterior case of the
34 catalytic converter.~~

35 ~~(d) A dealer or person holding a retail seller’s permit who
36 violates this section shall be guilty of an infraction punishable
37 pursuant to Section 42001.~~

38 ~~(e) This section shall become operative on January 1, 2025.~~

O