

AMENDED IN ASSEMBLY APRIL 10, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1732

Introduced by Assembly Member Stone

February 14, 2014

An act to amend ~~Section~~ Sections 11713, 11713.1, and 11713.16 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 1732, as amended, Stone. Vehicles: manufacturers—~~and distributors~~., *distributors, and dealers.*

Existing law generally requires a manufacturer, manufacturer branch, remanufacturer, remanufacturer branch, distributor, distributor branch, transporter, or dealer of vehicles to be licensed by the Department of Motor Vehicles. Existing law prohibits these licensees from engaging in certain practices, including, failing to, within 48 hours, withdraw in writing an advertisement of a vehicle that has been sold or withdrawn from sale and advertising or representing a vehicle as a new vehicle if the vehicle is a used vehicle. Existing law makes it a crime to violate these provisions.

This bill would additionally prohibit a licensee from advertising a vehicle's prior use or ownership history in an inaccurate manner. By expanding the scope of a crime, the bill would impose a state-mandated local program.

Existing law makes it a violation for the holder of a dealer's license to, among other things, use "rebate" or similar words in advertising the sale of a vehicle unless the rebate is expressed in a specified dollar amount and is in fact a rebate offered by the vehicle manufacturer or distributor. Existing law also makes it a violation to advertise as the

total sales price of a vehicle an amount that includes a deduction from a rebate, except as specified.

This bill would additionally authorize the use of “rebate” if the rebate meets the requirements described above and is offered by a finance company affiliated with a vehicle manufacturer or distributor, a regulated utility, or a government entity. The bill would also prohibit a dealer from advertising a rebate reduction that conflicts with another advertised rebate deduction. By expanding the scope of a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Section 11713 of the Vehicle Code is amended
2 to read:

3 11713. A holder of a license issued under this article shall not
4 do any of the following:

5 (a) Make or disseminate, or cause to be made or disseminated,
6 before the public in this state, in a newspaper or other publication,
7 or an advertising device, or by public outcry or proclamation, or
8 in any other manner or means whatever, a statement that is untrue
9 or misleading and that is known, or that by the exercise of
10 reasonable care should be known, to be untrue or misleading; or
11 to so make or disseminate, or cause to be so disseminated, a
12 statement as part of a plan or scheme with the intent not to sell a
13 vehicle or service so advertised at the price stated therein, or as so
14 advertised.

15 (b) (1) (A) Advertise or offer for sale or exchange in any
16 manner, a vehicle not actually for sale at the premises of the dealer
17 or available to the dealer directly from the manufacturer or
18 distributor of the vehicle at the time of the advertisement or offer.
19 However, a dealer who has been issued an autobroker’s
20 endorsement to his or her dealer’s license may advertise his or her
21 service of arranging or negotiating the purchase of a new motor

1 vehicle from a franchised new motor vehicle dealer and may
2 specify the line-makes and models of those new vehicles.
3 Autobrokering service advertisements may not advertise the price
4 or payment terms of a vehicle and shall disclose that the advertiser
5 is an autobroker or auto buying service, and shall clearly and
6 conspicuously state the following: “All new cars arranged for sale
7 are subject to price and availability from the selling franchised
8 new car dealer.”

9 (B) As to printed advertisements, the disclosure statement
10 required by subparagraph (A) shall be printed in not less than
11 10-point bold type size and shall be textually segregated from the
12 other portions of the printed advertisement.

13 (2) Notwithstanding subparagraph (A), classified advertisements
14 for autobrokering services that measure two column inches or less
15 are exempt from the disclosure statement in subparagraph (A)
16 pertaining to price and availability.

17 (3) Radio advertisements of a duration of less than 11 seconds
18 that do not reference specific line-makes or models of motor
19 vehicles are exempt from the disclosure statement required in
20 subparagraph (A).

21 (c) Fail, within 48 hours, to withdraw in writing an
22 advertisement of a vehicle that has been sold or withdrawn from
23 sale.

24 (d) Advertise or represent a vehicle as a new vehicle if the
25 vehicle is a used vehicle.

26 (e) Engage in the business for which the licensee is licensed
27 without having in force and effect a bond as required by this article.

28 (f) Engage in the business for which the dealer is licensed
29 without at all times maintaining an established place of business
30 as required by this code.

31 (g) Include, as an added cost to the selling price of a vehicle,
32 an amount for licensing or transfer of title of the vehicle, which is
33 not due to the state unless, prior to the sale, that amount has been
34 paid by a dealer to the state in order to avoid penalties that would
35 have accrued because of late payment of the fees. However, a
36 dealer may collect from the second purchaser of a vehicle a
37 prorated fee based upon the number of months remaining in the
38 registration year for that vehicle, if the vehicle had been previously
39 sold by the dealer and the sale was subsequently rescinded and all
40 the fees that were paid, as required by this code and Chapter 2

1 (commencing with Section 10751) of Part 5 of Division 2 of the
2 Revenue and Taxation Code, were returned to the first purchaser
3 of the vehicle.

4 (h) Employ a person as a salesperson who has not been licensed
5 pursuant to Article 2 (commencing with Section 11800), and whose
6 license is not displayed on the premises of the dealer as required
7 by Section 11812, or willfully fail to notify the department by mail
8 within 10 days of the employment or termination of employment
9 of a salesperson.

10 (i) Deliver, following the sale, a vehicle for operation on
11 California highways, if the vehicle does not meet all of the
12 equipment requirements of Division 12 (commencing with Section
13 24000). This subdivision does not apply to the sale of a leased
14 vehicle to the lessee if the lessee is in possession of the vehicle
15 immediately prior to the time of the sale and the vehicle is
16 registered in this state.

17 (j) Use, or permit the use of, the special plates assigned to him
18 or her for any purpose other than as permitted by Section 11715.

19 (k) Advertise or otherwise represent, or knowingly allow to be
20 advertised or represented on behalf of, or at the place of business
21 of, the licenseholder that no downpayment is required in connection
22 with the sale of a vehicle when a downpayment is in fact required
23 and the buyer is advised or induced to finance the downpayment
24 by a loan in addition to any other loan financing the remainder of
25 the purchase price of the vehicle. The terms “no downpayment,”
26 “zero down delivers,” or similar terms shall not be advertised
27 unless the vehicle will be sold to a qualified purchaser without a
28 prior payment of any kind or trade-in.

29 (l) Participate in the sale of a vehicle required to be reported to
30 the Department of Motor Vehicles under Section 5900 or 5901
31 without making the return and payment of the full sales tax due
32 and required by Section 6451 of the Revenue and Taxation Code.

33 (m) Permit the use of the dealer’s license, supplies, or books by
34 any other person for the purpose of permitting that person to engage
35 in the purchase or sale of vehicles required to be registered under
36 this code, or permit the use of the dealer’s license, supplies, or
37 books to operate a branch location to be used by any other person,
38 whether or not the licensee has any financial or equitable interest
39 or investment in the vehicles purchased or sold by, or the business
40 of, or branch location used by, the other person.

1 (n) Violate any provision of Article 10 (commencing with
2 Section 28050) of Chapter 5 of Division 12.

3 (o) Sell a previously unregistered vehicle without disclosing in
4 writing to the purchaser the date on which a manufacturer's or
5 distributor's warranty commenced.

6 (p) Accept a purchase deposit relative to the sale of a vehicle,
7 unless the vehicle is present at the premises of the dealer or
8 available to the dealer directly from the manufacturer or distributor
9 of the vehicle at the time the dealer accepts the deposit. Purchase
10 deposits accepted by an autobroker when brokering a retail sale
11 shall be governed by Sections 11736 and 11737.

12 (q) Consign for sale to another dealer a new vehicle.

13 (r) Display a vehicle for sale at a location other than an
14 established place of business authorized by the department for that
15 dealer or display a new motor vehicle at the business premises of
16 another dealer registered as an autobroker. This subdivision does
17 not apply to the display of a vehicle pursuant to subdivision (b) of
18 Section 11709 or the demonstration of the qualities of a motor
19 vehicle by way of a test drive.

20 (s) Use a picture in connection with an advertisement of the
21 price of a specific vehicle or class of vehicles, unless the picture
22 is of the year, ~~make~~ *make*, and model being offered for sale. The
23 picture shall not depict a vehicle with optional equipment or a
24 design not actually offered at the advertised price.

25 (t) Advertise *for sale* a vehicle ~~for sale~~ that was used by the
26 selling licensee in its business as a demonstrator, executive vehicle,
27 service vehicle, rental, loaner, or lease vehicle, unless the
28 advertisement clearly and conspicuously discloses the previous
29 use made by that licensee of the vehicle. An advertisement shall
30 not describe any of those vehicles as "new."

31 (u) Advertise the prior use or ownership history of a vehicle in
32 an inaccurate manner.

33 *SEC. 2. Section 11713.1 of the Vehicle Code is amended to*
34 *read:*

35 11713.1. It is a violation of this code for the holder of a dealer's
36 license issued under this article to do any of the following:

37 (a) Advertise a specific vehicle for sale without identifying the
38 vehicle by its model, model-year, and either its license number or
39 that portion of the vehicle identification number that distinguishes
40 the vehicle from all other vehicles of the same make, model, and

1 model-year. Model-year is not required to be advertised for current
2 model-year vehicles. Year models are no longer current when
3 ensuing year models are available for purchase at retail in
4 California. An advertisement that offers for sale a class of new
5 vehicles in a dealer's inventory, consisting of five or more vehicles,
6 that are all of the same make, model, and model-year is not required
7 to include in the advertisement the vehicle identification numbers
8 or license numbers of those vehicles.

9 (b) Advertise the total price of a vehicle without including all
10 costs to the purchaser at time of sale, except taxes, vehicle
11 registration fees, the California tire fee, as defined in Section 42885
12 of the Public Resources Code, emission testing charges not
13 exceeding fifty dollars (\$50), actual fees charged for certificates
14 pursuant to Section 44060 of the Health and Safety Code, finance
15 charges, and any dealer document processing charge or charge to
16 electronically register or transfer the vehicle.

17 (c) (1) Exclude from an advertisement of a vehicle for sale that
18 there will be added to the advertised total price at the time of sale,
19 charges for sales tax, vehicle registration fees, the California tire
20 fee, the fee charged by the state for the issuance of a certificate of
21 compliance or noncompliance pursuant to a statute, finance
22 charges, a charge to electronically register or transfer the vehicle,
23 and a dealer document processing charge.

24 (2) The obligations imposed by paragraph (1) are satisfied by
25 adding to the advertisement a statement containing no abbreviations
26 and that is worded in substantially the following form: "Plus
27 government fees and taxes, any finance charges, any dealer
28 document processing charge, any electronic filing charge, and any
29 emission testing charge."

30 (3) For purposes of paragraph (1), "advertisement" means an
31 advertisement in a newspaper, magazine, or direct mail publication
32 that is two or more columns in width or one column in width and
33 more than seven inches in length, or on a Web page of a dealer's
34 Internet Web site that displays the price of a vehicle offered for
35 sale on the Internet, as that term is defined in paragraph (6) of
36 subdivision (f) of Section 17538 of the Business and Professions
37 Code.

38 (d) Represent the dealer document processing charge, electronic
39 registration or transfer charge, or emission testing charge, as a
40 governmental fee.

1 (e) Fail to sell a vehicle to a person at the advertised total price,
2 exclusive of taxes, vehicle registration fees, the California tire fee,
3 the fee charged by the state for the issuance of a certificate of
4 compliance or noncompliance pursuant to a statute, finance
5 charges, mobilehome escrow fees, the amount of a city, county,
6 or city and county imposed fee or tax for a mobilehome, a dealer
7 document processing charge, an electronic registration or transfer
8 charge, and a charge for emission testing not to exceed fifty dollars
9 (\$50) plus the actual fees charged for certificates pursuant to
10 Section 44060 of the Health and Safety Code, while the vehicle
11 remains unsold, unless the advertisement states the advertised total
12 price is good only for a specified time and the time has elapsed.
13 Advertised vehicles shall be sold at or below the advertised total
14 price, with statutorily permitted exclusions, regardless of whether
15 the purchaser has knowledge of the advertised total price.

16 (f) (1) Advertise for sale, sell, or purchase for resale a new
17 vehicle of a line-make for which the dealer does not hold a
18 franchise.

19 (2) This subdivision does not apply to a transaction involving
20 the following:

21 (A) A mobilehome.

22 (B) A recreational vehicle as defined in Section 18010 of the
23 Health and Safety Code.

24 (C) A commercial coach, as defined in Section 18001.8 of the
25 Health and Safety Code.

26 (D) An off-highway motor vehicle subject to identification as
27 defined in Section 38012.

28 (E) A manufactured home.

29 (F) A new vehicle that will be substantially altered or modified
30 by a converter prior to resale.

31 (G) A commercial vehicle with a gross vehicle weight rating of
32 more than 10,000 pounds.

33 (H) A vehicle purchased for export and exported outside the
34 territorial limits of the United States without being registered with
35 the department.

36 (I) A vehicle acquired in the ordinary course of business as a
37 new vehicle by a dealer franchised to sell that vehicle, if all of the
38 following apply:

39 (i) The manufacturer or distributor of the vehicle files a
40 bankruptcy petition.

1 (ii) The franchise agreement of the dealer is terminated,
2 canceled, or rejected by the manufacturer or distributor as part of
3 the bankruptcy proceedings and the termination, cancellation, or
4 rejection is not a result of the revocation by the department of the
5 dealer's license or the dealer's conviction of a crime.

6 (iii) The vehicle is held in the inventory of the dealer on the
7 date the bankruptcy petition is filed.

8 (iv) The vehicle is sold by the dealer within six months of the
9 date the bankruptcy petition is filed.

10 (3) Subparagraph (I) of paragraph (2) does not entitle a dealer
11 whose franchise agreement has been terminated, canceled, or
12 rejected to continue to perform warranty service repairs or continue
13 to be eligible to offer or receive consumer or dealer incentives
14 offered by the manufacturer or distributor.

15 (g) Sell a park trailer, as specified in Section 18009.3 of the
16 Health and Safety Code, without disclosing in writing to the
17 purchaser that a park trailer is required to be moved by a transporter
18 or a licensed manufacturer or dealer under a permit issued by the
19 Department of Transportation or a local authority with respect to
20 highways under their respective jurisdictions.

21 (h) Advertise free merchandise, gifts, or services provided by
22 a dealer contingent on the purchase of a vehicle. "Free" includes
23 merchandise or services offered for sale at a price less than the
24 seller's cost of the merchandise or services.

25 (i) (1) Advertise vehicles, and related goods or services, at a
26 specified dealer price, with the intent not to supply reasonably
27 expectable demand, unless the advertisement discloses the number
28 of vehicles in stock at the advertised price. In addition, whether
29 or not there are sufficient vehicles in stock to supply a reasonably
30 expectable demand, when phrases such as "starting at," "from,"
31 "beginning as low as," or words of similar import are used in
32 reference to an advertised price, the advertisement shall disclose
33 the number of vehicles available at that advertised price.

34 (2) For purposes of this subdivision, in a newspaper
35 advertisement for a vehicle that is two model-years old or newer,
36 the actual phrase that states the number of vehicles in stock at the
37 advertised price shall be printed in a type size that is at least equal
38 to one-quarter of the type size, and in the same style and color of
39 type, used for the advertised price. However, in no case shall the
40 phrase be printed in less than 8-point type size, and the phrase

1 shall be disclosed immediately above, below, or beside the
2 advertised price without intervening words, pictures, marks, or
3 symbols.

4 (3) The disclosure required by this subdivision is in addition to
5 any other disclosure required by this code or any regulation
6 regarding identifying vehicles advertised for sale.

7 (j) Use “rebate” or similar words, including, but not limited to,
8 “cash back,” in advertising the sale of a vehicle unless the rebate
9 is expressed in a specific dollar amount and is in fact a rebate
10 offered by the vehicle manufacturer or distributor, *a finance*
11 *company affiliated with a vehicle manufacturer or distributor, a*
12 *regulated utility, or a government entity* directly to the retail
13 purchaser of the vehicle or to the assignee of the retail purchaser.

14 (k) Require a person to pay a higher price for a vehicle and
15 related goods or services for receiving advertised credit terms than
16 the cash price the same person would have to pay to purchase the
17 same vehicle and related goods or services. For the purpose of this
18 subdivision, “cash price” has the meaning as defined in subdivision
19 (e) of Section 2981 of the Civil Code.

20 (l) Advertise a guaranteed trade-in allowance.

21 (m) Misrepresent the authority of a salesperson, representative,
22 or agent to negotiate the final terms of a transaction.

23 (n) (1) Use “invoice,” “dealer’s invoice,” “wholesale price,”
24 or similar terms that refer to a dealer’s cost for a vehicle in an
25 advertisement for the sale of a vehicle or advertise that the selling
26 price of a vehicle is above, below, or at either of the following:

27 (A) The manufacturer’s or distributor’s invoice price to a dealer.

28 (B) A dealer’s cost.

29 (2) This subdivision does not apply to either of the following:

30 (A) A communication occurring during face-to-face negotiations
31 for the purchase of a specific vehicle if the prospective purchaser
32 initiates a discussion of the vehicle’s invoice price or the dealer’s
33 cost for that vehicle.

34 (B) A communication between a dealer and a prospective
35 commercial purchaser that is not disseminated to the general public.
36 For purposes of this subparagraph, a “commercial purchaser”
37 means a dealer, lessor, lessor-retailer, manufacturer,
38 remanufacturer, distributor, financial institution, governmental
39 entity, or person who purchases 10 or more vehicles during a year.

1 (o) Violate a law prohibiting bait and switch advertising,
2 including, but not limited to, the guides against bait advertising
3 set forth in Part 238 (commencing with Section 238) of Title 16
4 of the Code of Federal Regulations, as those regulations read on
5 January 1, 1988.

6 (p) Make an untrue or misleading statement indicating that a
7 vehicle is equipped with all the factory-installed optional equipment
8 the manufacturer offers, including, but not limited to, a false
9 statement that a vehicle is “fully factory equipped.”

10 (q) Affix on a new vehicle a supplemental price sticker
11 containing a price that represents the dealer’s asking price that
12 exceeds the manufacturer’s suggested retail price unless all of the
13 following occur:

14 (1) The supplemental sticker clearly and conspicuously discloses
15 in the largest print appearing on the sticker, other than the print
16 size used for the dealer’s name, that the supplemental sticker price
17 is the dealer’s asking price, or words of similar import, and that it
18 is not the manufacturer’s suggested retail price.

19 (2) The supplemental sticker clearly and conspicuously discloses
20 the manufacturer’s suggested retail price.

21 (3) The supplemental sticker lists each item that is not included
22 in the manufacturer’s suggested retail price, and discloses the
23 additional price of each item. If the supplemental sticker price is
24 greater than the sum of the manufacturer’s suggested retail price
25 and the price of the items added by the dealer, the supplemental
26 sticker price shall set forth that difference and describe it as “added
27 mark-up.”

28 (r) Advertise an underselling claim, including, but not limited
29 to, “we have the lowest prices” or “we will beat any dealer’s price,”
30 unless the dealer has conducted a recent survey showing that the
31 dealer sells its vehicles at lower prices than another licensee in its
32 trade area and maintains records to adequately substantiate the
33 claims. The substantiating records shall be made available to the
34 department upon request.

35 (s) (1) Advertise an incentive offered by the manufacturer or
36 distributor if the dealer is required to contribute to the cost of the
37 incentive as a condition of participating in the incentive program,
38 unless the dealer discloses in a clear and conspicuous manner that
39 dealer participation may affect consumer cost.

1 (2) For purposes of this subdivision, “incentive” means anything
2 of value offered to induce people to purchase a vehicle, including,
3 but not limited to, discounts, savings claims, rebates, below-market
4 finance rates, and free merchandise or services.

5 (t) Display or offer for sale a used vehicle unless there is affixed
6 to the vehicle the Federal Trade Commission’s Buyer’s Guide as
7 required by Part 455 of Title 16 of the Code of Federal Regulations.

8 (u) Fail to disclose in writing to the franchisor of a new motor
9 vehicle dealer the name of the purchaser, date of sale, and the
10 vehicle identification number of each new motor vehicle sold of
11 the line-make of that franchisor, or intentionally submit to that
12 franchisor a false name for the purchaser or false date for the date
13 of sale.

14 (v) Enter into a contract for the retail sale of a motor vehicle
15 unless the contract clearly and conspicuously discloses whether
16 the vehicle is being sold as a new vehicle or a used vehicle, as
17 defined in this code.

18 (w) Use a simulated check, as defined in subdivision (a) of
19 Section 22433 of the Business and Professions Code, in an
20 advertisement for the sale or lease of a vehicle.

21 (x) Fail to disclose, in a clear and conspicuous manner in at
22 least 10-point boldface type on the face of a contract for the retail
23 sale of a new motor vehicle that this transaction is, or is not, subject
24 to a fee received by an autobroker from the selling new motor
25 vehicle dealer, and the name of the autobroker, if applicable.

26 (y) Sell or lease a new motor vehicle after October 1, 2012,
27 unless the dealer has a contractual agreement with the department
28 to be a private industry partner pursuant to Section 1685. This
29 subdivision does not apply to the sale or lease of a motorcycle or
30 off-highway motor vehicle subject to identification under Section
31 38010 or a recreational vehicle as defined in Section 18010 of the
32 Health and Safety Code.

33 (z) As used in this section, “make” and “model” have the same
34 meaning as is provided in Section ~~565.3~~ 565.12 of Title 49 of the
35 Code of Federal Regulations.

36 ~~(aa) This section shall become operative on July 1, 2012.~~

37 *SEC. 3. Section 11713.16 of the Vehicle Code is amended to*
38 *read:*

39 11713.16. It is a violation of this code for the holder of any
40 dealer’s license issued under this article to do any of the following:

- 1 (a) Advertise any used vehicle of the current or prior model-year
2 without expressly disclosing the vehicle as “used,” “previously
3 owned,” or a similar term that indicates that the vehicle is used,
4 as defined in this code.
- 5 (b) Use the terms “on approved credit” or “on credit approval”
6 in an advertisement for the sale of a vehicle unless those terms are
7 clearly and conspicuously disclosed and unabbreviated.
- 8 (c) Advertise an amount described by terms such as “unpaid
9 balance” or “balance can be financed” unless the total sale price
10 is clearly and conspicuously disclosed and in close proximity to
11 the advertised balance.
- 12 (d) Advertise credit terms that fail to comply with the disclosure
13 requirements of Section 226.24 of Title 12 of the Code of Federal
14 Regulations. Advertisements of terms that include escalated
15 payments, balloon payments, or deferred downpayments shall
16 clearly and conspicuously identify those payments as to amounts
17 and time due.
- 18 (e) Advertise as the total sales price of a vehicle an amount that
19 includes a deduction for a rebate. However, a dealer may advertise
20 a separate amount that includes a deduction for a rebate provided
21 that the advertisement clearly and conspicuously discloses, in close
22 proximity to the amount advertised, the price of the vehicle before
23 the rebate deduction and the amount of the rebate, each so
24 identified. *A dealer may not advertise a rebate deduction that*
25 *conflicts with another advertised rebate deduction.*
- 26 (f) Advertise claims such as “everyone financed,” “no credit
27 rejected,” or similar claims unless the dealer is willing to extend
28 credit to any person under any and all circumstances.
- 29 (g) Advertise the amount of any downpayment unless it
30 represents the total payment required of a purchaser prior to
31 delivery of the vehicle, including any payment for sales tax or
32 license. Statements such as “\$_____ delivers,” “\$____ puts you
33 in a new car” are examples of advertised downpayments.
- 34 (h) Advertise the price of a new vehicle or class of new vehicles
35 unless the vehicle or vehicles have all of the equipment listed as
36 standard by the manufacturer or distributor or the dealer has
37 replaced the standard equipment with equipment of higher value.
- 38 (i) Fail to clearly and conspicuously disclose in an advertisement
39 for the sale of a vehicle any disclosure required by this code or
40 any qualifying term used in conjunction with advertised credit

1 terms. Unless otherwise provided by statute, the specific size of
2 disclosures or qualifying terms is not prescribed.

3 ~~SEC. 2.~~

4 *SEC. 4.* No reimbursement is required by this act pursuant to
5 Section 6 of Article XIII B of the California Constitution because
6 the only costs that may be incurred by a local agency or school
7 district will be incurred because this act creates a new crime or
8 infraction, eliminates a crime or infraction, or changes the penalty
9 for a crime or infraction, within the meaning of Section 17556 of
10 the Government Code, or changes the definition of a crime within
11 the meaning of Section 6 of Article XIII B of the California
12 Constitution.