R O S T E R
NEW MOTOR VEHICLE BOARD

2415 1st Avenue, MS L242
Sacramento, California 95818

NAME	APPOINTING AUTHORITY	STATUS
Anne Smith Boland Term exp. 1-15-27	Governor's Office	Dealer Member
Ashley Dena Term exp. 1-15-26	Governor's Office	Dealer Member
Garrett Jensen Term exp. 1-15-27	Speaker of the Assembly	Public Member
Shirley G. Jones Term exp. 1-15-29	Governor's Office	Dealer Member
Ardashes (Ardy) Kassakhian Term exp. 1-15-26	Senate Rules Committee	Public Member
Bismarck Obando Term exp. 1-15-26	Governor's Office	Public Member
Alexandra Schultheis Term exp. 1-15-29	Governor's Office	Public Member
Jacob Stevens Term exp. 1-15-27	Governor's Office	Public Member

STATE OF CALIFORNIA

NEW MOTOR VEHICLE BOARD

NOTICE OF GENERAL BOARD MEETING

10:30 a.m. October 13, 2026

Glendale City Hall
Council Chamber Room
613 E. Broadway, 2nd Floor
Glendale, California 91206
(818) 548-2094

The New Motor Vehicle Board (Board) is hosting a hybrid meeting, with in-person and remote options available to members of the public who wish to attend. You may attend the meeting in-person at the location noted above or join the meeting electronically via Zoom.

Virtual participation information:
Call in number: 1-408-638-0968 or 1-669-900-6833 (both San Jose)

Meeting ID: 992 2446 3899

Participant ID: Does not apply

Passcode: 756909

Zoom video link:

https://zoom.us/j/99224463899?pwd=H2dqSPQtajicnZP743E2jNCF33XvTc.1

Additional join instructions:
https://zoom.us/meetings/98015639447/invitations?signature=5oJrJG6PDa4zp8-WlRLi1aZBeVyZ1L20dN3-4xwkPcM

To turn on Captions In the meeting controls toolbar, click the **Show captions** icon CC. If you don't see **Show captions**, click the **More** icon, then click **Show captions**.

The Board provides an opportunity for members of the public to comment on each agenda item before or during the discussion or consideration of the item as circumstances permit. (Gov. Code § 11125.7) Written comments, if any, can be submitted at nmvb@nmvb.ca.gov. Items of business scheduled for the meeting are listed on the attached agenda. Recesses may be taken at the discretion of the Chairperson and items may be taken out of order.

When the public comment period opens for your item, you may comment using the “raise hand” function in Zoom. You can do this by clicking “Raise Hand” under the “participants” menu, which you can find at the bottom of your screen on the Zoom platform, or by pressing *9 if you are joining by phone. The person facilitating public comment will call on you and ask you to unmute your microphone by pressing *6 when your name is called. After you have made public comment, please lower your hand by pressing *9 and return to listen only mode by pressing *6. You may also email your public comment to nmvb@nmvb.ca.gov with “Public Comment” in the subject line.

Building Access information:
Building Access information: The meeting room is located in Council Chambers on the 2nd floor inside Glendale City Hall (stair and elevator access).

Transportation/Parking information:
Street parking is available along with parking in the Civic Center Parking Structure.

Other transportation options: Downtown Glendale Transportation | Downtown Glendale

Addressing technical issues on Zoom:
You may email nmvb@nmvb.ca.gov and staff will respond.

Contact:
2415 1st Avenue, MS L242
Sacramento, California 95818
Telephone: (916) 445-1888
Board staff contact: Alex Martinez
New Motor Vehicle Board website
DMV press contact: (916) 657-6438
dmvpublicaffairs@dmv.ca.gov

To request disability-related modifications or accommodations, please contact staff at (916) 445-1888 or Alejandro.martinez2@dmv.ca.gov. Providing your request at least five (5) business days before the meeting will help ensure availability of the requested accommodation.

Para solicitar modificaciones o adaptaciones relacionadas una discapacidad, comuníquese con el personal al (916) 445-1888 o Alejandro.martinez2@dmv.ca.gov. Presentar su solicitud al menos cinco (5) días hábiles antes de la reunión ayudará a garantizar la disponibilidad de la adaptación solicitada.

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STATE OF CALIFORNIA

NEW MOTOR VEHICLE BOARD

A G E N D A

GENERAL MEETING

Glendale City Hall
Council Chamber Room
613 E. Broadway, 2nd Floor
Glendale, California 91206
(818) 548-2094

October 13, 2026

Please note that Board action may be taken regarding any of the issues listed below. As such, if any person has an interest in any of these issues, they may want to attend.

The Board provides an opportunity for members of the public to comment on each agenda item before or during the discussion or consideration of the item as circumstances permit. (Gov. Code § 11125.7)

1. **10:30 a.m. -- Meeting called to order.**

2. **Roll Call.**

3. **Pledge of Allegiance.**

4. **Land Acknowledgement.**

5. **Introduction and welcome newly hired Chief Counsel, Autumn Gonzalez, and Senior Staff Counsel, Bosco Li, New Motor Vehicle Board.**

6. **Approval of the Minutes from the July 16, 2026, meeting of the Committee on Equity, Justice and Inclusion, and July 16, 2026, General Meeting.**

7. **Discussion and consideration of approval of an exception to the CalPERS 180-day waiting period for the appointment of Robin Parker as a retired annuitant under Government Code sections 7522.56 and 21224 - Administration Committee.**

8. **Update on Board Development Activities - Board Development Committee.**

9. **Discussion and consideration of expanding the discretion granted to the Executive Director to take action responsive to the objectives in the Board's Strategic Plan 2024-30 by allowing the Executive Director or designee to review and approve EV Expert Pledges without prior Board approval (Strategic Plan Objective 2.4) - Executive Committee.**

10. **Report on the Board's financial condition and related fiscal matters - Fiscal Committee.**

    a. Report on the Board's Financial Condition through the 4th quarter of Fiscal Year 2025-2026.

    b. Report concerning the Board's collection of its Annual Board Fee.

    c. Status report concerning the Board's collection of the Arbitration Certification Programs' annual fee.

11. **Discussion and consideration of additional out-of-state travel for Fiscal Year 2026-2027 - Fiscal Committee.**

12. **Discussion and consideration of new motor vehicle dealers that took the EV (electric vehicle) Expert Pledge (Strategic Plan Objective 2.7) - Government and Industry Affairs Committee.**

    - Bunnin Chevrolet of Fillmore
    - Tim Moran Chevy
    - Tim Moran Ford
    - Tim Moran Hyundai
    - Mid-City Motor World (Toyota and Honda)
    - Harper Motors – Ford
    - Harper Motors – Kia

13. **Discussion concerning enacted legislation - Legislative Committee.**

14. **Discussion and consideration of proposed regulatory amendments to the Board's Conflict of Interest Code in Section 599 of Title 13 of the California Code of Regulations - Policy and Procedure Committee.**

15. **Report on the National Association of Motor Vehicle Boards and Commissions Fall Conference by Tim Corcoran, Executive Director.**

16. **Executive Director's Report.**

    A. Administrative Matters.
    B. Case Management.
    C. Judicial Review.
    D. Notices Filed Pursuant to Vehicle Code sections 3060/3070 and 3062/3072.
    E. Other.

17. **Selection of Board meeting dates for 2027.**

18. **Public Comment. (Gov. Code § 11125.7)**

19. **Adjournment.**

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Memorandum

Date : SEPTEMBER 28, 2026

To : ALL BOARD MEMBERS

From : TIMOTHY M. CORCORAN

Subject : UPCOMING EVENTS

The following highlights the upcoming Board and industry events:

- October 13, 2026, Meeting of the Committee on Equity, Justice and Inclusion (Glendale)
- October 13, 2026, General Meeting (Glendale)
- November 20-29, 2026, AutoMobility LA (Los Angeles Convention Center)
- February 17-20, 2027 NADA Show (Orlando)
- February 2027, General Meeting (location to be determined)
- March 8-14, 2027 Vehicle Safety Recalls Week
- March 17, 2027, California New Car Dealers Association (CNCDA) Dealer Day (Sacramento)
- March 18, 2027, Special Meeting – Industry Roundtable (Sacramento)

If you have any questions or concerns about any of the upcoming Board meetings, please do not hesitate to contact me at (916) 244-6774.

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STATE OF CALIFORNIA

NEW MOTOR VEHICLE BOARD

M I N U T E S

The Committee on Equity, Justice and Inclusion held a meeting on July 16, 2026, at the Department of Motor Vehicles Headquarters in Sacramento in the Assembly Room.

Jacob Stevens, Chair and Public Member, called the meeting of the Board to order at 9:47 a.m. Chair Stevens indicated that this was the first Committee Meeting with virtual and telephonic access via Zoom for public participation. Next, he reviewed detailed public comment instructions.

2. **ROLL CALL AND ESTABLISHMENT OF QUORUM**

Committee on Equity, Justice and Inclusion Members Present:

Jacob Stevens, Chair
Anne Smith Boland, Member
Ashley Dena, Member
Garrett Jensen, Member
Shirley G. Jones, Member
Ardashes Kassakhian, Member
Allie Schultheis, Member

Committee Member Not Present: Bismarck Obando

Board Staff Present:
Timothy M. Corcoran, Executive Director
Kim Vaye, Assistant Director and Equity Officer
Robin P. Parker, Chief Counsel
Suzanne Luke, Senior Administrative Services Analyst
Alex Martinez, Legal Program Analyst
Navpreet (Penny) Bhatti, Administrative & Consumer Services Analyst
Rabia Sadiq, Staff Support and Public Services Analyst

Assistant Director Vaye indicated that a quorum was established.

3. **<u>PRIOR REVIEW OF PROPOSED REVISIONS TO THE BOARD ADOPTED DELEGATION OF AUTHORITY TO THE EXECUTIVE DIRECTOR TO PROCEED WITH UPDATING ADDRESSES IN THE BOARD'S REGULATIONS WITHOUT BOARD APPROVAL AS THESE CHANGES ARE WITHOUT REGULATORY EFFECT</u>**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning proposed revisions to the Board adopted delegation of authority to the Executive Director to proceed with the rulemaking process to include updating addresses in the Board's regulations without Board approval as these changes are without regulatory effect.

Assistant Director Vaye reviewed the revised delegation of authority to the Executive Director using the Equity Lens Assessment Rubric, which (1) identified stakeholders, (2) stakeholder input, (3) benefits, burdens, overall impact, (4) access, equity, and inclusion, and (5) measurable outcomes.

Member Smith Boland moved to bring this matter to the full Board. Member Kassakhian seconded the motion. The motion carried unanimously by roll call vote. This matter will be considered by the Board at its July 16, 2026, General Meeting.

4. **<u>PRIOR REVIEW OF PROPOSAL OF A NEW POLICY MAKING BOARD PUBLICATIONS AN EXCEPTION REPORT WHEN THE ANNUAL UPDATES ARE LIMITED TO THE DATE OF PUBLICATION, COMPOSITION OF THE BOARD MEMBERS AND STAFF, ADDRESSES, WEBSITES, OR PHONE NUMBERS</u>**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning a proposed policy making Board publications an exception report not requiring Board approval when the annual updates are limited to the date of publication, composition of Board Members and staff, and update addresses, websites, or phone numbers.

Assistant Director Vaye reviewed the proposed policy making Board publications an exception report as specified using the Equity Lens Assessment Rubric, which (1) identified stakeholders, (2) stakeholder input, (3) benefits, burdens, overall impact, (4) access, equity, and inclusion, and (5) measurable outcomes.

Member Schultheis moved to bring this matter to the full Board. Member Jensen seconded the motion. The motion carried unanimously by roll call vote. This matter will be considered by the Board at its July 16, 2026, General Meeting.

5. **PRIOR REVIEW OF IMPLEMENTING ELECTRONIC FUNDS TRANSFER (EFT) FOR THE PAYMENT OF FILING FEES, THE ANNUAL BOARD FEE PAID BY MANUFACTURERS AND DISTRIBUTORS, AND DOCUMENT REQUEST FEES (STRATEGIC PLAN 2024-30, GOAL 4.3)**

The members were provided with a memo from Kim Vaye concerning implementing Electronic Funds Transfer (EFT) for the payment of filing fees, the Annual Board Fee paid by manufacturers and distributors, and document request fees.

Assistant Director Vaye reviewed implementation of Electronic Funds Transfer for specified payments using the Equity Lens Assessment Rubric, which (1) identified stakeholders, (2) stakeholder input, (3) benefits, burdens, overall impact, (4) access, equity, and inclusion, and (5) measurable outcomes.

Member Stevens moved to bring this matter to the full Board. Member Dena seconded the motion. The motion carried unanimously by roll call vote. This matter will be considered by the Board at its July 16, 2026, General Meeting.

6. **ANNUAL REVIEW OF THE DIVERSITY EQUITY, AND INCLUSION (DEI) GLOSSARY**

Assistant Director Vaye provided the members with the DEI glossary for their annual review. It was adopted November 2024. This is a dynamic document that can change and member input was sought. Requests for learning opportunities and guest speakers were encouraged. Chair Stevens suggested bias training.

7. **CHARTER REVIEW**

Assistant Director Vaye discussed the Charter and the Committee's progress on the following goals:

1. Engage in individual and group reflection and research to develop a land acknowledgement for cities where board meetings are held.
2. Develop and maintain an Equity Glossary of terms to be updated annually for accuracy and relevancy.
3. Develop and formally implement an equity lens assessment rubric for reviewal of Board proposed, new, and amended policies and practices.
4. Engage in individual and group learning and development opportunities throughout the year to increase awareness and expand knowledge of Diversity, Equity, Inclusion, Justice, and Accessibility principles.
5. Explore options to improve accessibility of all NMVB public meetings.
6. Examine the steps new motor vehicle franchisors can take to provide women, and other members of under-represented and marginalized groups access to flooring and ownership of their own franchised dealers.
7. Explore opportunities for women, and other members of under-represented and marginalized groups to be considered for exempt executive level positions within CalSTA and its departments.
8. Support NMVB staff with strategic plan objectives related to the advancement of

the CalSTA Core Four priorities: Safety, Equity, Climate Action, and Economic Prosperity.

Assistant Director Vaye stated that Goals 6. and 7. need to be expanded to include workforce development and pathways to prosperity.

Chair Stevens stated he was heartened to see the goals come to fruition and appreciated Assistant Director Vaye's sincere efforts.

8. **FUTURE MEETING DATES DISCUSSION**

The dates for future Committee meetings coincide with meetings of the full Board. The next meeting was subsequently changed to October 13, 2026, from October 15 or 16.

9. **PUBLIC COMMENT (GOV. CODE § 11125.7)**

No additional public comment was presented.

10. **ADJOURNMENT**

With no further business to discuss, the meeting was adjourned at approximately 10:09 a.m.

Submitted by

____
KIMBERLEE VAYE
Assistant Director and Equity Officer

APPROVED: __________________________
Jacob Stevens, Chair
Committee on Equity, Justice and Inclusion
New Motor Vehicle Board

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STATE OF CALIFORNIA

NEW MOTOR VEHICLE BOARD

M I N U T E S

The New Motor Vehicle Board ("Board") held a General Meeting on July 16, 2026, at the Department of Motor Vehicles Headquarters in Sacramento in the Assembly Room.

Jacob Stevens, President and Public Member, called the meeting of the Board to order at 10:31 a.m. President Stevens indicated that this was the first General Meeting of the Board with virtual and telephonic access via Zoom for public participation. Next, he reviewed detailed public comment instructions.

2. **ROLL CALL**

Board Members Present:	Anne Smith Boland Ashley Dena Garrett Jensen Shirley G. Jones (left at 1:21 p.m.) Ardashes "Ardy" Kassakhian Allie Schultheis Jacob Stevens (left at 1:54 p.m.)
Board Members Not Present:	Bismarck Obando
Board Staff Present:	Timothy M. Corcoran, Executive Director Kim Vaye, Assistant Director and Equity Officer Robin P. Parker, Chief Counsel Suzanne Luke, Senior Administrative Services Analyst Alex Martinez, Legal Program Analyst Navpreet (Penny) Bhatti, Administrative & Consumer Services Analyst Rabia Sadiq, Staff Support and Public Services Analyst

Executive Director Corcoran indicated that a quorum was established for general business.

3. **PLEDGE OF ALLEGIANCE**

Kathryn Doi, former Public Member led the members and staff in the Pledge of Allegiance.

4. **LAND ACKNOWLEDGEMENT**

Assistant Director Vaye read the Board adopted Land Acknowledgment:

> We acknowledge that the land we now call California is the ancestral lands of the over 109 Nations, Tribes, and Peoples, along with over 60 non-federally recognized tribes located throughout the state. The Indigenous Peoples of this area have a deep, reciprocal relationship with the land as its original stewards. Their ways, methods, and traditions contribute to California's rich biodiversity and impact the transportation network for the state. Our transportation network not only connects us to families, friends, work, and leisure, it connects us to our past and future. We acknowledge that our nation and economy were created using the labor of enslaved African and Indigenous peoples, and the labor of many immigrants which enrich our communities.
>
> We know this statement is only meaningful when coupled with actionable steps and sustained commitment. As such, we embrace our past, and commit to ongoing collective learning, fostering authentic relationships, and practicing inclusiveness and equity for everyone who calls this state home.

There was no Board action as this matter was for information only.

5. **APPROVAL OF THE MINUTES FROM THE FEBRUARY 19, 2026, SPECIAL MEETING, FEBRUARY 19, 2026, MEETING OF THE COMMITTEE ON EQUITY, JUSTICE AND INCLUSION, AND FEBRUARY 20, 2026, GENERAL MEETING**

Member Smith Boland moved to adopt the minutes from the February 19, 2026, Special Meeting, February 19, 2026, meeting of the Committee on Equity, Justice and Inclusion, and February 20, 2026, General Meeting. Member Kassakhian seconded the motion. The motion carried unanimously by roll call vote.

6. **INTRODUCTION AND WELCOME OF ALICIA FOWLER, GENERAL COUNSEL, AND JEN-ANN LEE, DEPUTY GENERAL COUNSEL, CALIFORNIA STATE TRANSPORTATION AGENCY - BOARD DEVELOPMENT COMMITTEE**

The Board welcomed Alicia Fowler, General Counsel, and Jen-Ann Lee, Deputy General Counsel, California State Transportation Agency (CalSTA). Executive Director Corcoran provided brief biographies highlighting Ms. Fowler's prior service with the California High-Speed Rail Authority, CalSTA, and the Office of the Attorney General, as well as her assistance in recruiting the Board's next Chief Counsel. He also summarized Ms. Lee's prior regulatory and public-agency experience before various state and federal bodies. Both Ms. Fowler and Ms. Lee offered brief remarks and expressed appreciation for the opportunity to engage with the Board.

There was no Board action as this matter was for information only.

7. **PUBLIC DISCUSSION ON WHETHER ACTUAL OR SOLD TECHNICIAN HOURS ARE USED IN CALCULATING A RETAIL LABOR RATE PURSUANT TO VEHICLE CODE SECTION 3065.2 AS REQUESTED BY THE CALIFORNIA NEW CAR DEALERS ASSOCIATION**

At the August 1, 2025, General Meeting, Anthony Bento on behalf of the California New Car Dealers Association (CNCDA) asked the Board to consider agendizing a future meeting to discuss whether under Vehicle Code section 3065.2 actual hours or billed (sold) hours should be used for determining a retail labor rate.

Mr. Bento, Chief Legal Officer, CNCDA, along with Jordan Jankowski, Chief Operating Officer, Armatus Dealer Uplift, and Gavin Hughes, Hughes Dealer Law made a detailed PowerPoint presentation to the members and audience. Mr. Bento provided the background on Section 3065.2, which provides "[t]he franchisee shall calculate its retail labor rate by dividing the total labor charges by the total number of hours that generated those charges." This is the formula dealers use to calculate their labor rate. It is based on customer repair orders. For example, if a customer asks for a repair outside of their warranty, the dealer presents an estimate to the customer of the total amount of labor and parts charges in advance of any work performed.

The question posed is does "hours" mean the time-guide hours a dealer actually bills or the minutes a particular technician spends on the job. Mr. Bento stated that the industry answered this question long ago in everyday practice and it is all based on the amount that is billed to the customer (sold hours) and not the actual amount of time the technician spends to repair the vehicle. Mr. Bento noted the Board's August 2025, Decision that in the view of CNCDA does not reflect the "architecture of the law," so the discussion today is to educate the Board on what CNCDA believes the legislature intended and what the law requires when calculating a dealer's retail labor rate. He elaborated on the statute, which was effective January 1, 2020, and the purpose which was to equalize the amount dealers received for customer pay and warranty work.

Next, Mr. Jankowski discussed how the industry bills. As indicated in the PowerPoint:

- Every job carries a set time.
  A labor guide assigns each repair a predetermined time value —the same for everyone who performs it.

- The customer pays the booked time.
  Whether the technician finishes early or runs long, the charge is the booked figure

—not the clock.

- The technician is paid the same way.
  “Flag time”: pay follows the booked hours of the jobs completed, not hours sitting in the building.

Mr. Jankowski discussed the various time guides available to dealers, and how warranty pay and retail pay can differ. He also discussed the national picture and noted that all 50 states have retail warranty reimbursement laws.

Mr. Bento discussed in detail what the law as interpreted by the panelists requires, which is upfront pricing. As indicated in the PowerPoint, “[n]o work for compensation shall be commenced and no charges shall accrue without specific authorization from the customer.” This occurs before the work begins. The sold hours are used to determine the labor cost and not the actual hours. Actual technician minutes are never measured, quoted, or billed, so they cannot be the hours that “generated those charges.”

Mr. Hughes discussed the Board’s Decision in Putnam Kia, which is pending review in Superior Court. He summarized the factual information in the Putnam Kia protest. The PowerPoint indicated that the “Board adopted the reading that ‘the total number of hours that generated those charges’ refers to actual hours —and, on that basis, concluded the dealer's submission, which used time-guide (‘sold’) hours, was materially inaccurate.” In closing Mr. Hughes added that they are asking the Board to take a look the statute and when this issue arises again to make a different decision than in the Putnam Kia case.

President Stevens thanked the panelists for their candor, expertise, and for traveling to the meeting. This issue is important to the industry and something the Board takes seriously.

Member Jensen asked if there have been any legislative attempts to clarify the statute. Mr. Hughes stated that there has been litigation since 2022 or 2023.

Steven McFarland on behalf of the Alliance for Automotive Innovation (Alliance), which is a nonprofit organization whose members include many motor vehicle manufacturers, distributors, and suppliers of automotive technologies. The Alliance’s position is the Board should decline to enact a hard and fast rule that would apply in every scenario. Instead, the Board should retain its good judgment and discretion and decide these protests on a case-by-case basis. In agreement with the panelists, Mr. McFarland agreed that these statutes are intended to provide fair and reasonable compensation for dealers, for technicians, and for manufacturers. That dealers should be compensated for warranty labor at the same rate charged to customers for retail work. The question remains how to determine those hours; actual hours or sold hours. Steven stated that there is no concrete definition for sold hours in the industry, and the term means what the number of hours are on an invoice when a repair is estimated for customer pay work. Furthermore, where this issue arises, the distinction between time guide, sold hours, and actual hours is not really going to matter.

Next, Mr. McFarland discussed the recent Board Decisions in Putnam Ford and Putnam Kia. In closing, he stated that these decisions demonstrate that there can be significant issues with enacting a one size fits all rule that labor rates should be measured by sold hours. Respectfully, the Board should maintain its power to address these on a case-by-case basis using the Board's knowledge, experience in the industry, judgment, and discretion as it has for many years in the past.

No additional comments were presented. There was no Board action as this matter was for information only.

8. **BOARD MEMBER EDUCATION CONCERNING STATEMENT OF INCOMPATIBLE ACTIVITIES (GOV. CODE §§ 19572, 19990; *FISHER* V. *STATE PERSONNEL BD.* (2018) 25 CAL. APP. 5TH 1), EXAMPLES OF ACTIVITIES THAT ARE INCOMPATIBLE, CONFLICTS OF INTEREST (GOV. CODE § 87100, ET SEQ.), AND ETHICS AND DISCLOSURE RULES BY JOHN T. MCGLOTHLIN, DEPUTY ATTORNEY GENERAL ASSIGNED TO THE BOARD - BOARD DEVELOPMENT COMMITTEE**

John McGlothlin, the Deputy Attorney General assigned to represent the Board, provided Board member education on statement of incompatible activities in Government Code section 19990, examples of activities that are incompatible, conflicts of interest in Government Code section 87100, and ethics and disclosure rules. Mr. McGlothin also discussed Executive Order N-4-26, which addresses incompatible activities around prediction markets. The message is that using public positions for personal benefit would abuse and harm the public trust.

By statute, each agency can also identify additional activities that would be incompatible with fulfilling its public mission. And for this purpose, the Board utilizes the DMV's Statement of Incompatible Activities, which discusses grounds for disciplinary action under Government Code section 19572. A violation of the incompatible activities can be grounds for disciplinary action that could include suspensions, demotions, and even dismissals. The Governor's office also has its own statement for appointees, which all Board members have signed. Questions regarding these policies can be directed to the Board's Chief Counsel or Executive Director.

Next, Mr. McGlothlin reviewed real-life examples taken from published court decisions that highlight how the courts have addressed certain issues that have come up with individuals working for California state agencies (not the New Motor Vehicle Board).

- The takeaway from the *Fisher* v. *State Personnel Board* case is that ignorance of the law is not a defense to Section 19990 and it does not matter if the misconduct does not become a subject of public knowledge and notoriety for disciplinary action to result.

- In *Byrne* v. *State Personnel Board* the court frowned on accepting gratuities like a free drink in a bar by an Alcoholic Beverage Control Agent.

- Lastly, in *Nightingale* v. *State Personnel Board* the court found that you cannot intercede in the process to help friends obtain special treatment.

Mr. McGlothin then explained executive order N-4-26, which was issued this year by the Governor's office, in response to malfeasance related to prediction markets, particularly as related to government employees and appointees. Prediction markets are online sites where people bet on the likelihood of certain instances occurring. In California, appointees cannot use nonpublic information for their profit or for the profit of others, including spouses, family members, or business associates.

President Stevens thanked Mr. McGlothlin for his presentation. There was no Board action as this matter was for information only.

9. **DISCUSSION CONCERNING BOARD MEMBERS USING THEIR PERSONAL EMAILS AND CELL PHONES FOR BOARD BUSINESS BY JOHN T. MCGLOTHLIN, DEPUTY ATTORNEY GENERAL ASSIGNED TO THE BOARD - BOARD DEVELOPMENT COMMITTEE**

Next, John McGlothlin discussed the use of personal email accounts and personal cell phones for Board business. Mr. McGlothlin explained that emails or text messages sent on personal devices or accounts on public business may constitute public records under the California Public Records Act and could be subject to disclosure. He also noted that in 2017, the California Supreme Court ruled that communications by a public employee on their personal email account regarding public business were considered a public record subject to potential disclosure under the Public Records Act.

President Stevens thanked Mr. McGlothlin for the presentation. There was no Board action as this matter was for information only.

10. **PRESENTATION OF RESOLUTION TO KATHRYN DOI, FORMER PUBLIC BOARD MEMBER**

At the February 20, 2026, General Meeting, the members unanimously moved to present a Resolution to Kathryn Doi, former Public Member of the Board in appreciation of her dedication and service to the Board, the automotive industry, and the State of California. President Stevens and Members Kassakhian, Smith Boland, and Dena all spoke on former Member Doi's contributions, depth of knowledge, and legal skill. Former Member Doi thanked President Stevens, the members, and staff. She remarked on her 12 years of service with the Board, the changes that have come to pass over that time period, and the ways in which the Board has continued to adapt, make contributions to the automotive industry, and stay relevant. She thanked everyone for their friendship, camaraderie, and hard work for the people of the state of California.

11. **PRESENTATION OF RESOLUTION TO DIANA WOODWARD HAGLE, FORMER ADMINISTRATIVE LAW JUDGE**

At the February 20, 2026, General Meeting, the members unanimously moved to present a Resolution to Diana Woodward Hagle, former Board Administrative Law Judge (ALJ) in appreciation of her dedication and service to the Board, the automotive industry, and the State of California. Ms. Woodward Hagle thanked President Stevens, the members, and staff. She remarked on her experience with the Board, and it having been the best professional experience of her career as an attorney thanks to the staff and members.

12. **PRESENTATION OF RESOLUTION TO EVELYN I. MATTEUCCI, FORMER ADMINISTRATIVE LAW JUDGE**

At the February 20, 2026, General Meeting, the members unanimously moved to present a Resolution to Evelyn Matteucci, former ALJ in appreciation of her dedication and service to the Board, the automotive industry, and the State of California.

Ms. Matteucci remarked that, before joining the Board, she had heard of the Board but did not truly grasp how complex its work was. Ms. Matteucci described that when she started at the Board as an ALJ, she immediately found herself diving into two particularly challenging matters, one involving an experienced attorney, Mr. Gavin Hughes, and she observed firsthand how many hours staff invest in each case. She also highlighted Chief Counsel Parker's exceptional commitment to the Board, noting that while she focused on one case, Chief Counsel Parker managed several at once. She thanked the Board for its hard work, noted how challenging the cases are, and expressed her gratitude for the privilege of having served.

13. **PRESENTATION OF RESOLUTION OF RESOLUTION TO DWIGHT V. NELSEN, FORMER ADMINISTRATIVE LAW JUDGE**

At the February 20, 2026, General Meeting, the members unanimously moved to present a Resolution to Dwight Nelsen, former Board ALJ in appreciation of his dedication and service to the Board, the automotive industry, and the State of California. Mr. Nelsen was unable to attend the meeting so staff will mail his Resolution.

14. **PRESENTATION OF RESOLUTION OF RESOLUTION TO KYMBERLY PIPKIN, FORMER ADMINISTRATIVE LAW JUDGE**

At the February 20, 2026, General Meeting, the members unanimously moved to present a Resolution to Kymberly Pipkin, former Board ALJ in appreciation of her dedication and service to the Board, the automotive industry, and the State of California. Ms. Pipkin thanked President Stevens, the members, and staff.

Ms. Pipkin remarked that her 30 years of state service across five agencies gave her broad insight into how departments operate, and she said the Board is one of the best-run agencies she has worked for. She noted that most of her hearings involved working with Chief Counsel Parker and praised her exceptional organization and communication, saying she could not imagine how the Board would replace her. She concluded by saying she truly enjoyed and appreciated her time working for the Board.

15. **DISCUSSION AND CONSIDERATION OF IMPLEMENTING ELECTRONIC FUNDS TRANSFER (EFT) FOR THE PAYMENT OF FILING FEES, THE ANNUAL BOARD FEE PAID BY MANUFACTURERS AND DISTRIBUTORS, AND DOCUMENT REQUEST FEES (STRATEGIC PLAN 2024-30, GOAL 4.3) - ADMINISTRATION COMMITTEE**

The members were provided with a memo from Kim Vaye concerning implementing Electronic Funds Transfer (EFT) for the payment of filing fees, the Annual Board Fee paid by manufacturers and distributors, and document request fees.

As indicated in the memo, as part of the Board's Strategic Plan 2024-30, Goal 4.3 provides the Board will adopt a resilient credit, debit, Electronic Funds Transfer payment option. Staff have been working with the Department of Motor Vehicles, Department of Finance, State Treasurer's Office, and U.S. Bank, to develop a mechanism for the Board's stakeholders to have the option to pay filing fees, the Annual Board Fee paid by manufacturers and distributors, and document request fees via EFT (e-check) through a secure portal.

This option is timelier than a payer mailing a check to the Board's offices, likely easier and there are no fees that are incurred by the Board or payer. When the Board adopted the Strategic Plan, it authorized the Executive Director to take action responsive to this goal among others.

Assistant Director Vaye reported that if the implementation is approved, the payment portal will be live by fall or winter; the portal needs to be built and tested, and stakeholders must be informed of the new payment option. Assistant Director Vaye also thanked Penny for her hard work in getting the project to fruition.

All new and revised Board Policies are first reviewed by the Committee on Equity, Justice and Inclusion prior to Board consideration. This proposal was reviewed by the Committee at its July 16, 2026, meeting. The Committee authorized bringing this matter to the full Board for discussion and consideration at the July 16, 2026, General Meeting.

President Stevens moved to authorize the staff to implement Electronic Funds Transfer (EFT) for the payment of filing fees, the Annual Board Fee paid by manufacturers and distributors, and document request fees. Member Dena seconded the motion. The motion carried unanimously by roll call vote.

16. **UPDATE ON BOARD DEVELOPMENT ACTIVITIES - BOARD DEVELOPMENT COMMITTEE**

The members were provided a memo from Tim Corcoran concerning Board development activities. Executive Director Corcoran noted that along with the Board Development Committee he endeavors to introduce meaningful educational topics at every Board meeting. He added that this meeting serves as a strong example of that goal because it featured three educational topics.

President Stevens reiterated his request for bias education that is being addressed by the Equity, Justice and Inclusion Committee.

There was no Board action as this matter was for information only.

17. **CONSIDERATION OF NOMINEE FOR THE SOLON C. SOTERAS EMPLOYEE RECOGNITION AWARD RECIPIENT AS RECOMMENDED BY THE BOARD DEVELOPMENT COMMITTEE**

At the July 18, 2000, meeting, the members adopted an Employee Recognition Award Program to recognize staff for their accomplishments. The program was renamed the Solon C. Soteras Employee Recognition Award. The Board Development Committee recommended Navpreet (Penny) Bhatti in recognition of her furthering many of the Board's Strategic Plan goals and contributing to the overall success of the team.

Director Corcoran stated that Penny embodies what the Board is about. She models the best of the best, digging in and learning everything-- not only about her own role, but other aspects of the Board, so that she may assist when needed, which is critical for a small organization. Penny also had a key role in contributing to the Board's first ever strategic plan, and provided many ideas on how the Board can contribute to CalSTA's Core Four priorities. Her contributions to the Board are significant and valued.

President Stevens moved to adopt the Committee's recommendation. Member Kassakhian seconded the motion. The motion carried unanimously by roll call vote.

27. **DISCUSSION AND CONSIDERATION OF PROPOSED REVISIONS TO THE BOARD ADOPTED DELEGATION OF AUTHORITY TO THE EXECUTIVE DIRECTOR TO PROCEED WITH THE RULEMAKING PROCESS TO INCLUDE UPDATING ADDRESSES IN THE BOARD'S REGULATIONS WITHOUT BOARD APPROVAL AS THESE CHANGES ARE WITHOUT REGULATORY EFFECT - POLICY AND PROCEDURE COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning proposed revisions to the Board adopted delegation of authority to the Executive Director to proceed with the rulemaking process to include updating addresses in the Board's regulations without Board approval as these changes are without regulatory effect.

As indicated in the memo, Proposed regulatory amendments and new regulations are reviewed and approved by the Board at a noticed meeting. This includes substantive and non-substantive changes (i.e., changes without regulatory effect). Once the Board approves the proposed text, staff proceed with the rulemaking process, which can be lengthy.

Periodically, addresses need to be revised. Even though address changes are without regulatory effect, it could still take months to update. The proposed changes are considered at a noticed Board meeting. The Board meets every 3-5 months. Once the documents are submitted, the Office of Administrative Law (OAL) has up to 30 working days for its review.

Non-substantive changes do not have an effective date since the changes are without regulatory effect. Once the changes are published, they are part of the California Code of Regulations.

To streamline the process for updating addresses, the staff proposed revisions to the existing delegation of authority to the Executive Director to proceed with the rulemaking process to include updating addresses in the Board's regulations without Board approval as these changes are without regulatory effect. Any such changes would be reported at next General Meeting in the Executive Director's Report.

All new and revised Board Policies are first reviewed by the Committee on Equity, Justice and Inclusion prior to Board consideration. This proposal was reviewed by the Committee at its July 16, 2026, meeting. The Committee authorized bringing this matter to the full Board for discussion and consideration at the July 16, 2026, General Meeting.

Member Dena moved to adopt the proposed revisions to the Board adopted delegation of authority to the Executive Director to proceed with the rulemaking process to include updating addresses in the Board's regulations without Board approval as these changes are without regulatory effect. Member Kassakhian seconded the motion. The motion carried unanimously by roll call vote.

18. **REVIEW AND CONSIDERATION OF BOARD DELEGATIONS IN COMPLIANCE WITH THE 1996 PERFORMANCE AUDIT CONDUCTED BY BUSINESS, TRANSPORTATION & HOUSING AGENCY - EXECUTIVE COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker updating the Board delegations that were originally adopted in 1997 in compliance with the 1996 Performance Audit conducted by Business, Transportation & Housing Agency.

As indicated in the memo, the revised delegations are as follows:

1. In “Assignment of Merits Hearings to Office of Administrative Hearings” on page 50, all Board merits ALJs were separated in 2025, so there is no need to retain them on the Alternative MSC Assignment Log and the Alternative Law and Motion Assignment Log.

2. The Board Fee increase was approved without change and effective April 1, 2026. Therefore, the delegation to staff with discretion to adjust the fee to any number between $400 and $425 and $.60 and $.65 in “Promulgating Regulations” on pages 53-54 was deleted.

3. In “Promulgating Regulations” on page 54, staff proposed revising the delegation of authority to the Executive Director to proceed with the rulemaking process to include updating addresses in the Board’s regulations without Board approval as these changes are without regulatory effect. Updates would be provided in the Executive Director’s Report at each General meeting. If the Board adopts this delegation at the July 16, 2026, General Meeting, the Delegations will be updated to avoid the need to consider this matter at a future meeting.

Member Kassakhian moved to adopt the Board delegations as amended. President Stevens seconded the motion. The motion carried unanimously by roll call vote.

19. **UPDATE CONCERNING THE BOARD’S COMPLIANCE WITH THE 1996 PERFORMANCE AUDIT CONDUCTED BY BUSINESS, TRANSPORTATION & HOUSING AGENCY, AND THE RESULTANT CORRECTIVE ACTION PLAN - EXECUTIVE COMMITTEE**

Mr. Corcoran and Ms. Parker provided the members with an update regarding the Board’s compliance with the 1996 performance audit. As indicated in the memo, the chart below provides a brief summary of the updates to the corrective action plan taken by the Board:

Finding No.	Description	Update
9	Issue memo for reorganization.	The language authorizing the Executive Director discretion to assign additional merits hearings to the Office of Administrative Hearings (OAH) outside the current assignment log was deleted. As of February 28, 2025, all merits hearings in new and existing protests are assigned to OAH. The Board’s retired annuitant merits ALJs were separated from service in 2025.
15	Board delegations are not formalized.	Reflects updates to the Board adopted delegations.

28(29)	Designation of economic conflict-of-interest filing officials is incomplete.	Amendments to reflect the new Assistant Division Chief/Program Manager position (Assistant Director and Equity Officer) were effective August 9, 2025.

There was no Board action as this matter was for information only.

20. **REPORT ON THE BOARD'S FINANCIAL CONDITION AND RELATED FISCAL MATTERS - FISCAL COMMITTEE**

   a. Report on the Board's Financial Condition through the 3rd quarter of Fiscal Year 2025-2026.

   b. Report concerning the Board's collection of its Annual Board Fee.

   c. Status report concerning the Board's collection of the Arbitration Certification Programs' annual fee.

   d. Discussion and consideration of the Board's proposed budget for the current fiscal year.

The members were provided with a memo from Tim Corcoran, Kim Vaye, and Suzanne Luke. Assistant Director Vaye reported that the Board's appropriation for fiscal year 2025-2026 is $2.2 million and the reserve balance is $1.9 million. She stated the annual fee collection will start in October or November with the fee increase. The fee collection for the Arbitration Certification Program is almost completed. Concerning the Board's proposed budget for fiscal year 2026-2027, the top expenses are personnel for staff and the Office of Administrative Hearings, travel for Board meetings, and DMV administrative fees. The allotment is slightly higher at $2.218 million. In closing, Assistant Director Vaye stated that the Board is fiscally on track and that staff continually look for ways to reduce costs.

There was no Board action as this matter was for information only.

21. **CONSIDERATION OF OUT-OF-STATE TRAVEL PLANS FOR FISCAL YEAR 2026-2027 - FISCAL COMMITTEE**

The members were provided with a memo from Kim Vaye and Tim Corcoran concerning out-of-state travel plans for Fiscal Year 2026-2027. As indicated in the memo, due to the timing of the National Association of Motor Vehicle Boards and Commissions (NAMVBC) Annual Conference and the requirement that all out-of-state travel requests be submitted to the Department of Motor Vehicle's Budget Office by May 13th to be included in the out-of-state travel request to the Governor's Office, Board staff submitted a blanket travel proposal for one out-of-state travel trip in Fiscal Year 2026-2027 as follows:

- Four trip requests for one staff, Timothy Corcoran, and up to three Board members, to attend the NAMVBC Conference in Providence, Rhode Island, September 29 through October 2, 2026.

This conference provides an opportunity to maintain and develop relationships with other motor vehicle boards, commissions and departments across the country. Participation in this conference provides insight into other states' concerns and issues in the global automotive industry, including but not limited to international trade and tariffs, warranty labor rate hearings, and autonomous vehicles and zero emission vehicles and technology. As a leader in innovation, it is crucial for California to share its experience and learn from others.

Assistant Director Vaye noted that if the Executive Director and up to three Board members attend staff estimates the expenses will not exceed $7,000.

Member Jensen inquired about additional requests for travel being added in the current fiscal year at a future meeting. In response, Assistant Director Vaye explained a blanket request for out-of-state travel and individual trip requests. For budget purposes, the Board typically plans ahead. Executive Director Corcoran added there a difference between out-of-state travel and travel to a border state such as Nevada. Assistant Director Vaye noted that travel to Las Vegas has to be approved by the Governor's Office.

Member Kassakhian moved to approve the proposed out-of-state travel for Fiscal Year 2026-2027. Member Schultheis seconded the motion. The motion carried unanimously by roll call vote.

22. **DISCUSSION AND CONSIDERATION OF WHO WILL ATTEND THE OUT-OF-STATE TRIP FOR THE 1ST HALF OF FISCAL YEAR 2026-2027 THAT WERE APPROVED BY THE BOARD - EXECUTIVE COMMITTEE**

Executive Director Corcoran provided additional information on the NAMVBC conference, which coincides with AAMVA's (American Association of Motor Vehicle Administrators) conference. AAMVA includes various DMVs in the nation and Canada. There will be shared presentations and topics of interest. The newer Public Members were encouraged to attend. Topics could include franchises, warranty reimbursement, licensing regulatory work, enforcement activities from DMV for vehicles sold out-of-California to avoid California state registration and sales tax, and advertising. Lonnie Haschel from the National Safety Council will discuss the Board's partnership on "Check to Protect," for reducing the number of open recalls and other states modeling the Board on this national stage.

President Stevens moved to authorize the designated staff and members to attend the out-of-state trip planned for the 1st half of fiscal year 2026-2027. Member Smith Boland seconded the motion. Executive Director Corcoran clarified that he was looking for names of members that wanted to attend the conference. Executive Director Corcoran suggested Board approval for Members Jones, Kassakhian, and Schultheis and perhaps Obando. President Stevens offered to amend his motion to authorize Members Jones, Obando, Kassakhian, and Schultheis to attend the out-of-state trip. A further amendment was suggested by Executive Director Corcoran that only three of the four members attend the out-of-state trip for the first half of the fiscal year. President Stevens so moved. Member Smith Boland seconded the amended motion. The motion carried unanimously by roll call vote. Member Jones left the meeting at 1:21 p.m. and did not vote for the remainder of the meeting.

23. **STATUS REPORT ON PARTICIPANT AND AUDIENCE RESPONSES TO THE QUESTIONNAIRE CONCERNING THE APRIL 8, 2026 NEW MOTOR VEHICLE BOARD INDUSTRY ROUNDTABLE FOCUSING ON CALIFORNIA STATE TRANSPORTATION AGENCY'S (CALSTA) CORE FOUR: SAFETY, CLIMATE ACTION, EQUITY, AND ECONOMIC PROSPERITY - GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE**

Assistant Director Vaye presented a PowerPoint related to the Board's April 8, 2026 Industry Roundtable (Roundtable). The PowerPoint summarized feedback from participants at the Roundtable, showing appreciation for the event and offering broad suggestions to improve communication, access, and collaborative problem-solving between the industry and state agencies.

Assistant Director Vaye reported that the Roundtable drew more than 100 attendees, and about one-quarter of them completed the follow-up survey. Participants rated the event 4.119 out of 5 stars. She said attendees found the morning sessions extremely valuable, especially the Pathways to Prosperity panel. She also noted that the Spotlight on Safety session received strong positive responses.

Assistant Director Vaye further reported that attendees wanted more time for conversations and questions, and most said they would attend a future Roundtable. She emphasized that participants valued meeting agency representatives face-to-face, particularly those with agencies that are hard to reach. She also noted that many attendees wanted a remote or recorded option, especially those from Southern California who could not travel due to cost. President Stevens agreed that Zoom would work for future events.

Member Jensen praised the event, the venue, and the impact of the prosperity panel. Member Smith Boland commended the team for successfully adjusting the panel format and delivering a strong experience. President Stevens closed by congratulating Assistant Director Vaye.

There was no Board action as this matter was for information only.

24. **DISCUSSION OF JURISDICTIONS AND MUNICIPALITIES THAT RECEIVED THE ZEV READINESS AWARD (STRATEGIC PLAN OBJECTIVE 2.7) - GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE**

Assistant Director Vaye discussed jurisdictions and municipalities that received the ZEV Readiness Award. Members Jones (Carson), Schultheis (Alameda), Dena (Fresno), and Stevens (Pasadena) presented ZEV Readiness Awards. Assistant Director Vaye presented to Contra Costa County and she co-presented with Member Jensen at the San Joaquin Council of Governments. Executive Director Corcoran presented to Santa Barbara County. Assistant Director Vaye stated that CalSTA has been putting the ZEV Readiness Awards on its social media. President Stevens remarked that he loved this program.

There was no Board action as this matter was for information only.

25. **DISCUSSION AND CONSIDERATION OF NEW MOTOR VEHICLE DEALERS THAT TOOK THE EV (ELECTRIC VEHICLE) EXPERT PLEDGE (STRATEGIC PLAN OBJECTIVE 2.7) - GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE**

Assistant Director Vaye encouraged the members to look at the Board's website, which was recently updated to reflect pictures of EV Expert signatories and all 13 economic regions. She stated that since February 2026, there were 12 signatories of the EV Expert Pledge and today there more than 40. Only four regions have no dealers that have taken the EV Expert Pledge.

Assistant Director presented 32 qualifying new car dealerships for Board consideration of the Certificate of Participation of the EV Expert Pledge:

Capitol Region 3

1. Hoblit Motors Ford
2. Hoblit Chevrolet GMC
3. Hoblit Chrysler Dodge Jeep RAM
4. Mazda of Elk Grove
5. Nissan of Elk Grove

Bay Area Region 5

1. Coliseum Lexus of Oakland
2. Manly Honda
3. Marin County Ford
4. Acura of Concord
5. Concord Chevrolet
6. Concord Nissan

7. Dublin Buick GMC
8. Dublin Cadillac
9. Dublin Chevrolet
10. Dublin Infiniti
11. Dublin Kia
12. Dublin Nissan
13. Fremont Buick GMC
14. Fremont Cadillac
15. Fremont Chevrolet
16. Fremont Ford
17. Fremont Hyundai
18. Livermore Toyota
19. Stevens Creek Cadillac
20. Stevens Creek Chevrolet

San Joaquin Region 6

1. Valley BMW
2. Valley Lexus
3. Valley Kia of Modesto

Central Coast Region 8

1. Bunnin Chevrolet of Santa Paula
2. Ventura Toyota

Inland SoCal Region 8

1. Fairview Ford Sales

Southern Border Region 13

1. Norm Reeves Toyota San Diego

Member Kassakhian moved to award each of the 32 designated dealerships to receive the "Certificate of Participation of the EV Expert Pledge." President Stevens seconded the motion. The motion carried unanimously by roll call vote.

President Stevens remarked that this program is outstanding and well-recognized by colleagues and something we should continue supporting.

26. **<u>DISCUSSION CONCERNING PENDING LEGISLATION - LEGISLATIVE COMMITTEE</u>**

Chief Counsel Parker explained the reporting criteria for legislation of general interest, which is a bill that impacts the Vehicle Code, and the Board and industry in general but does not directly impact the Board. Legislation of special interest would be legislation that impacts the Vehicle Code provisions the Board operates under by perhaps adding a new product to the Board's jurisdiction. She noted that Assembly Bill 395 seeks to amend the Bagley-Keene Open Meeting Act by adding a number of holidays that are ancestral, cultural, or religious that staff would need to be mindful of when scheduling Board meetings. Other bills being monitored pertain to governance of AI (artificial intelligence) and transparency laws. These bills are all pending. She also noted Senate Bill 168 pertaining to ZEV incentives.

There was no Board action as this matter was for information only.

27. **<u>DISCUSSION AND CONSIDERATION OF PROPOSED REVISIONS TO THE BOARD ADOPTED DELEGATION OF AUTHORITY TO THE EXECUTIVE DIRECTOR TO PROCEED WITH THE RULEMAKING PROCESS TO INCLUDE UPDATING ADDRESSES IN THE BOARD'S REGULATIONS WITHOUT BOARD APPROVAL AS THESE CHANGES ARE WITHOUT REGULATORY EFFECT - POLICY AND PROCEDURE COMMITTEE</u>**

This matter was moved after Agenda Item 17.

28. **<u>DISCUSSION AND CONSIDERATION OF PROPOSED POLICY MAKING BOARD PUBLICATIONS AN EXCEPTION REPORT NOT REQUIRING BOARD APPROVAL WHEN THE ANNUAL UPDATES ARE LIMITED TO THE DATE OF PUBLICATION, COMPOSITION OF BOARD MEMBERS AND STAFF, AND UPDATE ADDRESSES, WEBSITES, OR PHONE NUMBERS - POLICY AND PROCEDURE COMMITTEE</u>**

The members were provided with a memo from Tim Corcoran and Robin Parker concerning a proposed policy making Board publications an exception report not requiring Board approval when the annual updates are limited to the date of publication, composition of Board Members and staff, and update addresses, websites, or phone numbers.

As indicated in the memo, at the first General Meeting of the year, the Board reviews and approves the *Guide to the New Motor Vehicle Board*, *Informational Guide for Manufacturers and Distributors*, and *Export or Sale-for-Resale Prohibition Policy Protest Guide*. The updates, although important, are often not substantive as they pertain to the date of the publication, composition of the Board Members and staff, and update addresses, websites, or phone numbers.

To expedite the publications and make them quickly available to the Board's constituents and the public, staff propose making these non-substantive updates an exception report not requiring Board approval at a noticed meeting. Substantive changes would continue to be reviewed and considered by the Board at a noticed meeting. If the Board adopts this policy, updates would be reported at the next General Meeting in the Executive Director's Report.

All new and revised Board Policies are first reviewed by the Committee on Equity, Justice and Inclusion prior to Board consideration. This proposal was reviewed by the Committee at its July 16, 2026, meeting. The Committee authorized bringing this matter to the full Board for discussion and consideration at the July 16, 2026, General Meeting.

Member Smith Boland moved to adopt the proposed policy making Board publications an exception report not requiring Board approval when the annual updates are limited to the date of publication, composition of Board Members and staff, and update addresses, websites, or phone numbers. Member Dena seconded the motion. The motion carried unanimously by roll call vote.

29. **DISCUSSION AND CONSIDERATION OF PROPOSED REGULATORY AMENDMENTS ADDING ELECTRONIC FUNDS TRANSFER (EFT) TO SECTION 553.40 (FILING FEES) OF TITLE 13 OF THE CALIFORNIA CODE OF REGULATIONS - POLICY AND PROCEDURE COMMITTEE**

The members were provided with a memo from Tim Corcoran and Robin Parker regarding proposed regulatory amendments to Section 553.40 of Title 13 of the California Regulations, which pertains to filing fees. Chief Counsel Parker reported that the Board has authority to accept credit card payments but does not have any authority for electronic funds transfer so staff are asking the Board's approval for a regulatory amendment. With the Board's approval, staff will proceed with the rulemaking process.

As indicated in the memo, as part of the Board's Strategic Plan 2024-30, Goal 4.3 provides the Board will adopt a resilient credit, debit, Electronic Funds Transfer (EFT) payment option. The staff in conjunction with Bank of America, the Department of Motor Vehicles, and the California State Treasurer's Office is working to open a Zero Balance Checking Account. This will enable the Board to collect filing fees, the Annual Board Fee paid by manufacturers and distributors, and document request fees via an optional EFT payment. This is timelier than a payer mailing a check to the Board's offices and likely easier. Additionally, there are no fees that are incurred by the Board or payer.

The proposed amendments in Section 553.40 are:

> § 553.40. Filing Fees.
>
> A party filing a request for informal mediation, petition, or protest pursuant to the provisions of this chapter shall simultaneously deliver to the board a

filing fee of $200, which is to be in the form of a check or money order payable directly to the board, or ~~a credit card payment~~ an Electronic Funds Transfer (EFT) The initial pleading filed in response to such request for informal mediation, petition, or protest shall also be accompanied by a $200 filing fee. The board, in the discretion of the executive director, may refuse to accept for filing any pleading subject to this section that is not accompanied by the requisite fee. The executive director may, upon showing of good cause, waive any such fee.

Note: Authority cited: Sections 3016, 3050 and 3050.5, Vehicle Code; and Section 6163, Government Code. Reference: Sections 3050, 3060, 3062, 3064, 3065, 3065.1, 3065.3, 3065.4, 3070, 3072, 3074, 3075, 3076 and 3085,Vehicle Code.

President Stevens moved to adopt the proposed regulatory amendments. Member Kassakhian seconded the motion. The motion carried unanimously by roll call vote.

Then, President Stevens read the following statement into the record for the proposed regulatory changes:

Given the Board's decision to go forward with the proposed regulatory amendments, I hereby delegate to the Executive Director the ministerial duty of proceeding through the rulemaking process in compliance with the Administrative Procedure Act and/or the Fair Political Practices Act.

Notice of the proposed rulemaking will be published in the California Regulatory Notice Register and will be sent to the Public Mailing List.

During the public comment period, I want to invite and encourage written and oral comments. Additionally, a public hearing at the Board's offices may be held to accept oral and written comments. By the Board instructing staff to go forward with the proposed regulatory amendments, this does not necessarily indicate final Board action.

If any written or oral comments are received, the full Board will consider the comments and reconsider the text of the proposed regulatory amendments. Furthermore, if the staff decides that substantive modifications to the proposed text are necessary, the Board will consider those modifications at a noticed meeting.

However, non-substantive changes involving format, grammar, or spelling suggested by the Office of Administrative Law, the Fair Political Practices Commission, or the staff will not be considered by the Board because they are non-regulatory in nature. They will be considered by the Executive Committee and ultimately reported to the Board at a future meeting.

If there are no written or oral comments received, then the rulemaking process will proceed without further Board involvement.

30. **EXECUTIVE DIRECTOR'S REPORT**

A. Administrative Matters.
B. Case Management.
C. Judicial Review.
D. Notices Filed Pursuant to Vehicle Code sections 3060/3070 and 3062/3072.
E. Other.

Executive Director Corcoran provided the members with a report on Administrative Matters that identified all pending projects, the Board staff and committee assigned, estimated completion dates, and status. Executive Director Corcoran discussed the EV Expert program, noting that there was robust discussion about growing the program, and highlighted that a number of dealers, regions and brands are signing up to participate in the program, with 18 total brands now involved. CNCDA and the OEMs [original equipment manufacturers, i.e., distributors and manufacturers] have been helpful in reaching dealers, as has outreach to past Board members. The program benefits auto makers, dealers, and the consumer who might be making a decision to transition to an EV.

Next, Executive Director Corcoran discussed another element of the Board's strategic plan, which is consumer education on advanced driver assistance (ADA) systems, and the difference between these systems versus self-driving technology. There is a lot of confusion and misinformation that educational programs can help to overcome. EVs often have the most advanced ADA systems, and the Board is reaching out to EV experts who might be interested in being pilot dealers on educational programs for consumers on what ADA systems can do and how they work.

Chief Counsel Parker indicated that since the members received the Executive Director's Report, 15 new protests were filed; 14 for Scout and one warranty protest for Toyota. Also, 14 amended Volkswagen protests were filed. Eight protests were dismissed. Many protests are settling without a hearing. A total of 23 statutory notices were received encompassing 17 RV termination notices, one termination notice for a Scooter dealer, four relocation notices for Toyota, and an establishment notice for Hyundai.

President Stevens left the meeting at 1:54 p.m. so Vice President Smith Boland noted that there was no Board action as this matter was for information only.

31. **PUBLIC COMMENT (Gov. Code § 11125.7)**

No additional public comment was presented.

32. **ADJOURNMENT**

With no further business to discuss, Vice President Smith Boland adjourned the meeting at 1:55 p.m.

Submitted by

____
TIMOTHY M. CORCORAN
Executive Director

APPROVED: ____________________________
Jacob Stevens
President
New Motor Vehicle Board

APPROVED: ____________________________
Anne Smith Boland
Vice President
New Motor Vehicle Board

Memorandum

Date : SEPTEMBER 16, 2026

To : ADMINISTRATION COMMITTEE
BISMARK OBANDO, CHAIR
SHIRLEY G. JONES, MEMBER

From : TIMOTHY CORCORAN
KIMBERLEE VAYE
BOSCO LI

Subject : DISCUSSION AND CONSIDERATION OF APPROVAL OF AN EXCEPTION TO THE CALPERS 180-DAY WAITING PERIOD FOR THE APPOINTMENT OF ROBIN PARKER AS A RETIRED ANNUITANT UNDER GOVERNMENT CODE SECTIONS 7522.56 AND 21224

EXECUTIVE SUMMARY

To comply with California Public Employees' Retirement System (CalPERS) requirements, Board action is required to approve Ms. Robin Parker's appointment as a retired annuitant (RA) following her retirement and before the 180-day waiting period expires.

An RA is a CalPERS retiree who returns to work for a CalPERS employer in a designated RA position without reinstating from retirement. The New Motor Vehicle Board (Board) is authorized to hire RAs; however, a retiree generally must wait 180 days after retirement before returning to work, unless a statutory exception applies. One of those exceptions applies when the employer certifies the nature of the employment and that the appointment is necessary to fill a critically needed position, and the employer's governing body approves the appointment at a public meeting.

Ms. Parker, Chief Counsel for the Board, is scheduled to retire from state service at the end of September 2026. As discussed below, appointing Ms. Parker as an RA before the 180-day waiting period is necessary to maintain continuity due to her specialized skills and knowledge. Without her appointment before the 180-day waiting period expires, Board staff anticipate operational challenges due to the absence of critically needed skills to avoid disruption to normal business operations.

Accordingly, this matter is submitted for the Board's discussion and consideration at its October 13, 2026 General Meeting regarding the proposed appointment of Ms. Parker as an RA within the 180-day waiting period. A proposed resolution approving the appointment is included as Attachment C.

BACKGROUND

An RA is a CalPERS retiree working as an at-will employee for a CalPERS employer without reinstating from retirement.[1] A CalPERS retiree may be appointed as an RA when the temporary work is needed to prevent stoppage of public business or when the retiree has specialized skills required for work of limited duration.[2] RAs are also subject to additional requirements such as limits on hours, compensation, and benefits.[3]

The Board, as a CalPERS-covered employer, is authorized to appoint retirees as RAs.[4] CalPERS recognizes two types of appointments: extra-help or interim appointment to fill a vacant position.[5] This matter concerns an extra-help appointment under—the retiree has specialized skills needed in performing work of limited duration.[6]

The California Public Employees' Pension Reform Act separately requires a CalPERS retiree to wait 180 days following retirement before returning to work for a CalPERS employer, unless a statutory exception applies.[7] Government Code section 7522.56, subdivision (f) provides several exceptions to that waiting period, one of which applies when the employer certifies the nature of the employment and that the appointment is necessary to fill a critically needed position, and the employer's governing body approves the appointment at a public meeting.[8]

In 2024, CalPERS issued the following guidance for the 180-day wait period:[9]

> [A retiree] cannot be employed as a retired annuitant for a period of 180 days after [the retiree's] retirement date unless [the retiree] qualif[ies] for one of the following exceptions. The 180-day wait period begins on [the retiree's] retirement date.
>
> **Exceptions**
>
> Before [a retiree] begin[s] work, [their] employer must certify the nature of the employment and that the appointment is necessary to fill a critically needed position sooner than 180 days. The appointment must be approved by the employer's governing body, in a public meeting, and must be approved as an action item, rather than on a consent calendar.

"Critical need" is not defined by statute or regulation. However, pursuant to a CalHR

[1] CalPERS, *A Guide to CalPERS Employment After Retirement* (Attachment A), at p. 2.
[2] Gov. Code., § 21224, subd. (a).
[3] Gov. Code., §§ 7522.56 & 21224.
[4] See Attachment A, p. 7; see also Gov. Code, § 21224.
[5] Gov. Code., § 21221.
[6] Gov. Code., § 21224.
[7] Gov. Code., § 7522.56, subd. (f).
[8] Board staff recognizes that state employees may qualify for an exception under Government Code section 7522.56(f)(2)(A), which requires only CalHR approval and employer certification. However, CalPERS guidance states that the governing body must also approve the appointment in a public meeting as an action item. Given the timing of Ms. Parker's retirement and to ensure full compliance, staff is pursuing both CalHR approval under subdivision (f)(2)(A) and Board approval under subdivision (f)(1).
[9] See Attachment A, p. 9.

memorandum titled “Retired Annuitants Hiring Exception Procedure,” reference number 2013-001 (see Attachment B—CalHR Memo 2013-001), “critical need” means:

> An immediate need for a particular skill-set that only the [retired annuitant] can provide to complete a function for the department to meet one of the requirements outlined below and that cannot be met by a current State employee, [including legislative mandate, court ordered mandate, health and safety emergencies, fiscal impact – loss of funding, or any disruption in normal business that may result in failure of business operations.]

DISCUSSION

Ms. Parker has served the Board for more than 30 years, beginning as a law student intern, later as an attorney, and then as Chief Counsel. Through that tenure, Ms. Parker has developed extensive institutional knowledge and experience with the Board’s mission, history, and administrative functions. This experience uniquely positions her to provide needed support during the transition of responsibilities to newly hired legal staff and reflects the specialized skills required under Government Code section 21224.

Moreover, appointing Ms. Parker as an RA before the 180-day waiting period expires meets the critical need standard under Government Code section 7522.56. Her appointment would help maintain continuity in the Board’s quasi-judicial work, facilitate the transfer of institutional knowledge to new staff, and provide short-term operational support during the transition. This assistance is particularly important given the limited availability of experienced personnel qualified to conduct settlement conferences and handle other specialized Board matters. Given her tenure as Chief Counsel and familiarity with Board processes, Ms. Parker is ideally positioned to provide temporary support to the Board, Executive Director, and Board staff. Without such an appointment, Board staff anticipate operational challenges due to the absence of critically needed skills to avoid disruption to normal business operations.

To comply with CalPERS requirements discussed above, Board staff requests that the Board adopt of a resolution in Attachment C approving Ms. Parker’s appointment as a retired annuitant before the 180-day post-retirement waiting period and certifying that the appointment is necessary to fill a critically needed position based on her expertise, and to satisfy the public-meeting requirement under Government Code section 7522.56, subdivision (f)(1).

This matter is being agendized for discussion and consideration at the October 13, 2026, General Meeting.

If you have any questions or require additional information, please contact me at (916) 244-6774, Kim at (916) 818-2993, or Bosco at (916) 809-8956.

Attachments: Attachment A—CalPERS, A Guide to CalPERS Employment After Retirement; Attachment B—CalHR Memo 2013-001; Attachment—C, Resolution.

cc: Jacob Stevens, President

Attachment A

CalPERS, *A Guide to CalPERS Employment After Retirement*

A Guide to CalPERS

Employment After Retirement

learn

consider

decide

CalPERS

Working After Retirement? Know the Rules

If you are planning to supplement your CalPERS pension by working after retirement, you need to know there are specific laws governing the type, timing, and amount of work you can accept without affecting your pension.

You should fully understand the rules surrounding employment after retirement and the consequences of unlawful employment. This publication is designed to help you navigate those rules and help you **avoid these potential pitfalls:**

- Termination of your monthly CalPERS retirement allowance
- Reinstatement from retirement
- Repayment of retirement benefits already received
- Payment of retroactive retirement contributions and interest
- Loss of cost-of-living increases
- Loss of golden handshake benefits

This publication also provides information about working for a CalPERS employer as an independent contractor, contract employee, or through a third-party employer, such as a temp agency. Additional CalPERS publications referenced within can be obtained on our website at **www.calpers.ca.gov** or by calling us at **888 CalPERS** (or **888**-225-7377).

Contents

Introduction

Terms and Definitions

The following table lists key terms and definitions used in this publication.

Term	Definition
Reinstatement	Returning from retirement status to active employment with a CalPERS employer. Your retirement allowance is terminated until you re-retire in the future. You and your employer also resume making retirement contributions, and you earn service credit.
CalPERS Retiree	An employee of a CalPERS employer who terminates active employment and receives a monthly CalPERS retirement allowance.
Retired Annuitant	A CalPERS retiree working as an at-will employee for a CalPERS employer without reinstating from retirement.
Termination of Retirement	The cancellation of your monthly retirement allowance.
Unlawful Employment	Retiree employment found to be in violation of the retirement law and regulations.

Partial Service Retirement

An alternative to service retirement and working as a retired annuitant is partial service retirement. This benefit is available to full-time state miscellaneous, full-time state industrial, and full-time public agency employees whose employer contracts for this benefit. Partial service retirees are not subject to the working after retirement rules.

The benefit works this way: With employer approval, an employee who meets the eligibility requirements can reduce his or her work time by at least 20% but not more than 60% and receive a retirement allowance for the balance.

For more information about partial service retirement, contact your employer and ask if they contract for this benefit and refer to ***A Guide to Your CalPERS Partial Service Retirement*** (PUB 14).

Volunteering for a CalPERS Employer After Retirement

You may serve as a volunteer for a CalPERS employer after your retirement. Service as a bona fide volunteer is not subject to retired annuitant restrictions. However, you may not volunteer in a position that is normally compensated, and you may not volunteer in order to avoid retired annuitant restrictions. Service that is not in a bona fide volunteer position will have to comply with retired annuitant restrictions.

Before You Retire

1. Apply for Retirement and Select a Retirement Date

Separation from employment alone is not considered retirement — you must submit a retirement application to CalPERS to complete the retirement process. You must stop working in all CalPERS-covered employment, including all full-time and part-time positions and any elected or appointed offices for which you have CalPERS membership. Consider employment that you may be working in as noncontributory. If you cease working in a full-time position, noncontributory part-time positions will become contributory if you do not separate from them prior to retirement.

It is your responsibility to inform every CalPERS employer of your planned retirement date so that each employer can submit permanent separation information on your behalf. Your retirement date can be no earlier than the day after your last day on payroll with any CalPERS employer.

2. Determine your "Normal Retirement Age"

You will want to know how we define "normal retirement age" if you intend on working for a CalPERS employer after retirement; this age determines if you will be subject to the bona fide separation requirement. Federal tax law and California retirement law require a retiring member who is younger than normal retirement age on his or her retirement date to meet a bona fide separation in service before working after retirement for a CalPERS employer.

Normal retirement age for CalPERS purposes is the age listed in your retirement benefit formula, for example, age 55 for the 2% at 55 formula or age 62 for the 2% at 62 formula. However, maximum normal service retirement age is never greater than 62, even for the 1.25% at 65 formula.

If your retirement allowance is based on more than one formula, regardless of when that formula was earned, the oldest benefit formula age determines your normal retirement age. If you are younger than the age in that formula on your retirement date, refer to the "Bona Fide Separation in Service Requirement" section on page 8.

To determine your normal retirement age, access your myCalPERS account through our website. Your normal retirement age is listed on the home page. You can also refer to your CalPERS Annual Member Statement or contact CalPERS.

To review your most recent Annual Member Statement, log in to your myCalPERS account at **my.calpers.ca.gov**.

Restrictions on Post-Retirement Employment

State and federal laws provide specific employment restrictions for retirees who return to work with an employer in the same public retirement system from which they receive a benefit.

These restrictions are intended to prevent the "double-dipping" of a retiree receiving a monthly CalPERS retirement benefit while also receiving a salary from permanent or regular staff employment with a CalPERS employer. Retirees may work in retired annuitant positions only. Refer to "Retired Annuitant Rules" beginning on page 7. Disability retirees are subject to additional requirements and restrictions. Also refer to "Disability Retirees – Additional Requirements and Restrictions" beginning on page 14.

When applying for employment with any employer, it is your responsibility to:

- Ask if the employer contracts with CalPERS for retirement benefits.
- Inform the employer you are a CalPERS retiree (receiving a retirement benefit from CalPERS) and specify the type of retirement, whether service, disability, or industrial disability.
- Apply for retired annuitant positions only. Disability retirees may work in a permanent position upon receipt of CalPERS' written pre-approval. Refer to "Working for a CalPERS Employer in a Permanent Capacity After Disability Retirement" beginning on page 15.

You and the employer are responsible for ensuring your employment complies with the retirement law when hired and during the entire course of your employment. Violating these laws and restrictions could financially impact you, so it is advised that you be aware of these laws and ensure you are in compliance.

Termination of Retirement (Reinstatement From Retirement) Due to Unlawful Employment

Any retiree employment found to be in violation of the retirement laws and regulations is unlawful employment. If you are found to be employed in unlawful employment, you will be financially impacted due to the violation. This could result in your reinstatement from retirement, retroactive to the date the unlawful employment began.

If reinstated, your retirement allowance (pension payments) will stop and you will be required to reimburse CalPERS the amount of retirement allowance you received during the period of unlawful employment. In addition, you will pay your employer the member contributions plus interest owed retroactive to your reinstatement date. The employer who unlawfully employed you will submit your member contributions and pay employer contributions plus interest owed retroactive to your reinstatement date.

When you re-retire, be aware that your new retirement may not include the same benefits you had with your previous retirement. Reinstatement may result in a loss of medical coverage and adversely affect other benefits from your prior retirement, such as a golden handshake or reciprocity, if another system's final compensation was used to calculate your CalPERS allowance.

For information about voluntary reinstatement from retirement into active employment, review ***A Guide to CalPERS Reinstatement From Retirement*** (PUB 37).

Post-Retirement Employment Scenarios

Private Sector Employment

If you are a service retiree, you can work for a private industry employer not associated with any CalPERS employer without restrictions and continue to receive your CalPERS retirement allowance.

If you are a disability retiree, there are limitations on private sector employment. If you are a disability or industrial disability retiree, be sure to review the "Disability Retirees – Additional Requirements and Restrictions" section beginning on page 14.

If you are either a service retiree or a disability retiree, and you want to work for a private industry employer who provides a service to a CalPERS employer, refer to the section on "Independent Contractor Employment" beginning on page 12.

Employment in Other Public Retirement Systems

If you are a service retiree, you can work without restrictions in a position that qualifies for membership in any other defined benefit plan public retirement system without terminating your CalPERS retirement and continue to receive your CalPERS allowance. This includes certificated (teaching) positions covered by the California State Teachers' Retirement System (CalSTRS).

If you are a disability retiree, there are restrictions on working for an employer in a different public retirement system. Refer to the section on "Disability Retirees – Additional Requirements and Restrictions" beginning on page 14.

CalPERS/CalSTRS Election

The retirement system election to elect coverage under CalSTRS for a CalPERS-covered position or CalPERS for a CalSTRS-covered position under Government Code section 20309 only applies to active members. Retirees are ineligible for this election.

Employment in JRS II

For information about employment in positions that qualify for membership in the Judges' Retirement System II, call (916) 795-3688.

Working for a CalPERS Employer

If your post-retirement plans include working for a CalPERS employer, you have these options: reinstating from retirement, under contract as an independent contractor, or retired annuitant employment. Disability retirees have another option, which is to work in a permanent position under Government Code section 21232. If you are a disability or industrial disability retiree, there are additional restrictions on the work you can do while retired. Review the "Disability Retirees – Additional Requirements and Restrictions" section beginning on page 14 for information on that option.

Voluntary Reinstatement From Retirement

You should only apply for and accept a regular staff position with a CalPERS employer if you are voluntarily reinstating from retirement, and you and the employer have completed the ***Reinstatement From Service Retirement Application*** form or the ***Reinstatement From Disability/Industrial Disability Retirement Application*** form. For more information about voluntary reinstatement from retirement into active employment, review ***A Guide to CalPERS Reinstatement From Retirement*** (PUB 37).

Independent Contractor Employment

You can be lawfully under contract with a CalPERS employer as an "independent contractor" or as an "employee of a third-party employer," including your own business entity, if there is no common law employer-employee relationship between you and the CalPERS employer. Refer to the section on "Independent Contractor Employment" beginning on page 12.

Retired Annuitant Employment

A retired annuitant is a CalPERS retiree who works as an at-will employee of a CalPERS employer with certain restrictions to avoid jeopardizing their retirement allowance (pension payments). Retired Annuitant positions must be temporary in nature and are not to be permanent, ongoing, or used to supplement a CalPERS retirees' pension, but instead to fill a temporary void or business need of a CalPERS employer.

As a retired annuitant, you do not accrue service credit or otherwise acquire any additional retirement benefits from the employment. If you intend to remain retired and work for a CalPERS employer, you should only apply for and accept a retired annuitant position. Appointment to any permanent or regular staff position (part or full time, intermittent, hourly, seasonal, on call, exempt from civil service, exempt from membership, etc.) requires reinstatement from retirement. This applies to all CalPERS member classifications (miscellaneous, safety, police, fire, etc.).

Retired Annuitant Rules

There are two types of retired annuitant employment: "extra help" and interim (or acting) "vacant position" employment.

Extra Help Positions

The retired annuitant employment restrictions for extra help positions are authorized by Government Code sections 7522.56, 21224, 21227, and 21229. All CalPERS-covered employers are able to use retirees to fill in for extra help positions. However, your employment must meet the following restrictions:

- **Limited-Duration Work**
  You have skills needed to perform work of limited duration or your employment is needed during an emergency (such as floods, earthquakes, etc.) to prevent stoppage of public business. While these workloads may last more than one fiscal year, the employment should terminate when the limited-duration work you were hired to perform is completed. Examples of limited duration work are work to eliminate a backlog, work on a special project, and work that is in excess of what regular staff can do. You cannot be employed in any regular staff position such as "seasonal," "permanent intermittent," "exempt from civil service," "exempt from membership," "TAU," or any other "temporary" position other than a retired annuitant position.
- **Compensation**
  The hourly pay rate you receive cannot be less than the minimum or exceed the maximum paid to other employees performing comparable duties as listed in the employer's publicly available pay schedule. Also, you cannot receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate. For example, longevity compensation, sick leave, or vacation benefits cannot be provided to a retired annuitant. **The only exception** would be if the employee is being reimbursed dollar for dollar for job-related expenses. Items such as housing or commuting are not job-related expenses.
- **960-Hour Limit**
  The hours you work cannot exceed 960 hours in a fiscal year (July 1 through June 30) for employment with all CalPERS employers combined. **There are no exceptions to this limit.** Your hours will reset each July 1, and you can work another 960 hours for the new fiscal year. Your employer must enroll and report your hours to CalPERS, per Government Code section 21220. Your total employer-reported retired annuitant hours from all employers can be found in your myCalPERS account.

California State University (CSU) academic staff retirees can work as retired annuitant academic staff for CSU employers as authorized by Government Code sections 7522.56 and 21227. However, the hours worked for all CSU employers cannot exceed 960 hours in a fiscal year or 50% of the hours employed during the last fiscal year prior to retirement, whichever is less.

- **Unemployment Insurance Payments**
  You cannot be appointed as a retired annuitant if you received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within 12 months prior to your appointment date. Upon accepting employment, you must certify in writing to the employer that you comply with this requirement. Review additional information in the section "Unemployment Insurance Payments" on page 9.

Vacant Positions

A CalPERS-contracted public agency may appoint you to an interim position by the governing body of an employer, as authorized by Government Code sections 7522.56 and 21221(h). The employment must meet all the requirements listed on page 7 for extra help positions and the following additional requirements below. Examples of these positions include city manager, police chief, fire chief, individual department head, director, CEO, etc.

- **Active Recruitment**
  Before you are hired, the employer must have in place an active recruitment for a permanent replacement for the vacant position.
- **Limited-Duration Work**
  You can be hired only as an interim or acting appointment during the period of recruitment; you cannot work in a permanent capacity or for an indefinite period of time.
- **Single Appointment**
  You can be appointed only once to the vacant position. If your contracted term ends and a replacement has not been found, you must vacate the position. If you continue after your contracted term expires, this is considered a second appointment and will result in unlawful employment.
- **Compensation**
  Your hourly pay rate cannot be less than the minimum or exceed the maximum for the vacant position as listed on the employer's publicly available pay schedule. You cannot receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate.

Eligibility Requirements for Retired Annuitants

In addition to the requirements on the previous pages, all retirees must meet both of the following two requirements to be eligible to work for a CalPERS employer:

1. Bona Fide Separation in Service Requirement
You cannot be employed as a retired annuitant if you are younger than the "normal retirement age" on your retirement date, unless both of the following conditions are met:
- There can be no verbal or written agreement to return to work as a retired annuitant between you and any CalPERS employer before you retire.
- There is a termination of employment (separation in service) for 60 days between your retirement date and the date your limited-duration employment as a retired annuitant will begin.

Normal retirement age is the oldest age listed in your retirement benefit formula(s) between all previous CalPERS employment. To find this age, log in to your myCalPERS account at **my.calpers.ca.gov**.

All retirees who are under normal retirement age at retirement must meet the bona fide separation in service requirement even if an exception to the 180-day wait period applies. These two requirements may be served concurrently. The only exception to the 60-day wait period restriction is for employment due to the specific emergency conditions as defined in Government Code section 8558. A predetermined agreement can never exist if you are under your normal retirement age. This bona fide separation requirement is in California retirement law and regulations to comply with Internal Revenue Code tax regulations.

2. 180-Day Wait Period Requirement

You cannot be employed as a retired annuitant for a period of 180 days after your retirement date unless you qualify for one of the following exceptions. The 180-day wait period begins on your retirement date.

Exceptions

- Before you begin work, your employer must certify the nature of the employment and that the appointment is necessary to fill a critically needed position sooner than 180 days. The appointment must be approved by the employer's governing body, in a public meeting, and must be approved as an action item, rather than on a consent calendar.
- You will participate in the CSU Faculty Early Retirement Program (FERP) pursuant to a collective bargaining agreement with CSU that existed prior to January 1, 2013, or has been included in subsequent agreements.
- You are a retired firefighter or retired public safety officer as defined in Government Code section 3301 (peace officer) who will perform firefighter or peace officer retired annuitant work.
- You are a CalSTRS retiree who is subject to sections 24212, 24214.5, or 26812 of the Education Code. Call CalSTRS at (800) 228-5453 for more information.

If you receive a golden handshake or any other retirement or separation incentive, you must wait 180 days before returning to work and you are not eligible for any of the 180-day wait period exceptions.

State Employer Civil Service Eligibility Requirement

Retired annuitant employment with a state agency is limited to retirees who have civil service eligibility from previous state agency employment or who qualify for appointment under an applicable civil service employment list. Visit the California Department of Human Resources (CalHR) website at **www.calhr.ca.gov** for more information. Retired State of California employees can apply for retired annuitant positions via the Boomerang website at **boomerang.ca.gov**.

Unemployment Insurance Payments

California law prohibits appointment of a retired annuitant by a CalPERS employer if, during the 12-month period before an appointment, you received unemployment insurance compensation for prior retired annuitant employment with any CalPERS employer. Upon accepting employment, you must certify in writing to the employer that you comply with this requirement.

If you are working as a retired annuitant and it is discovered that during the previous 12 months you were paid unemployment insurance compensation based on prior retired annuitant employment with any CalPERS employer, your employment must be terminated on the last day of the current pay period. You will not be eligible for appointment as a retired annuitant with any CalPERS employer for 12 months following the termination date of the current employment. Violation of this unemployment insurance compensation restriction does not result in mandatory reinstatement from retirement.

Exceptions to Retired Annuitant Requirements

Elected or Appointed Offices

As authorized by Government Code section 21231 (previously Government Code sections 21221(d) and 21222), a CalPERS retiree may serve in an elected or appointed office while retired. However, if all or part of your retirement allowance is based on service credit in that office, the portion of the retirement allowance based on that service credit is suspended during your time in office. The PERL requires your employer to immediately inform CalPERS of the appointment of any CalPERS retiree into an elective or appointed office. To notify CalPERS the employer must complete the ***Elective Officer Retiree Certification Form*** and send to **working_after_retirement@calpers.ca.gov** immediately upon you taking office. When you leave office, your allowance is unsuspended prospectively.

If you wish to elect membership to earn additional CalPERS service credit for your time in the elected or appointed office and that office is subject to CalPERS membership, you must reinstate from retirement.

An elected or appointed officer, who has elected membership for their current term, may not retire mid-term and continue to serve in the elected or appointed position. You must separate from this service prior to retiring. An elected or appointed officer may separate prior to being re-elected and then begin their next term after retirement. However, you need a Bona Fide Separation from service. For more information on Bona Fide Separations, review the section titled "Bona Fide Separation in Service Requirement" on page 8.

Special State Appointments

Part-Time Member of State Board or Commission – CalPERS Retirees and Non-CalPERS Retirees

You can serve without reinstatement from retirement as a salaried part-time member of a state board or commission, where part time is defined as an appointment with a salary of no more than $60,000 annually, which will be increased in any fiscal year in which a general salary increase is provided for state employees. The amount of the increase cannot exceed the percentage of the general salary increases provided for state employees during that fiscal year. You acquire no benefits, service credit, or retirement rights from this employment.

Full-Time Member of State Board or Commission – CalPERS Retirees

You can serve without reinstatement from retirement as a non-salaried full-time member of a state board or commission. You may receive only per diem authorized to all members of the board or commission. You do not earn any service credit or benefits in CalPERS or make any CalPERS contributions. If you accept the salary, you must reinstate from retirement.

Full-Time Member of State Board or Commission – Non-CalPERS Retirees

If you receive retirement from a public retirement system other than CalPERS, you can serve as a non-salaried full-time member of a state board or commission and continue to receive your retirement allowance in addition to any per diem authorized to all members of the board or commission. If you accept the salary, you must suspend your retirement benefit from the other system and enroll as a new member of CalPERS.

Upon retirement (1) the pensionable compensation earned from the service on this board or commission will not be eligible for reciprocity with any other retirement system or plan, and (2) you will be entitled to future reinstatement of any suspended benefits, including employer-provided retiree health benefits, for which you were entitled at the time of appointment to the board or commission.

Full-Time Commissioner of the State Board of Parole Hearings or Full-Time Commissioner of the State Board of Juvenile Hearings – CalPERS Retirees and Non-CalPERS Retirees

If you are appointed as a full-time commissioner of the California Board of Parole Hearings or the California Board of Juvenile Hearings, you may serve without reinstatement from retirement, and without loss or interruption of benefits provided by the retirement system. These appointments are made by the Governor and require confirmation by the California Senate.

Independent Contractor Employment

You can be lawfully employed by a CalPERS employer as an "independent contractor" or as an "employee of a third-party employer," including your own business entity, without restrictions if there is no common law employer-employee relationship between you and the CalPERS employer.

If a common law employer-employee relationship exists, the employment is subject to the retired annuitant restrictions even if the employment agreement claims to be for an independent contractor. If the work you will perform is the same or similar to work you performed as an active employee or is work performed by an active employee of that employer, an employer-employee relationship exists and the employment is subject to the retired annuitant restrictions.

If you work as an independent contractor and are later determined to be an employee and that employment violates any of the retired annuitant restrictions, your retirement will be subject to reinstatement. Refer to "Termination of Retirement (Reinstatement From Retirement) Due to Unlawful Employment" on page 4 for details.

If you are planning to work as an independent contractor and the service is determined to be employment with a CalPERS employer, your service will need to adhere to all post-retirement employment requirements before you begin that service.

Independent Contractor or Third-Party Employee

Independent contractors are not "employees" and are excluded from membership in CalPERS by Government Code section 20300(b). A true independent contractor is someone who contracts to provide a service or complete a task and is not subject to the CalPERS-covered entity's control as to the manner and means by which the work is performed, only to acceptance of the end product. Often, but not always, third-party employees are considered employees of the CalPERS-covered entity, meaning retirees are still subject to the post-retirement employment restrictions identified in this publication.

We use the "common law control test" as a guide to determining independent contractor status. Many factors are considered, including the manner and means by which the work is accomplished. We will request and use all relevant information that provides evidence of the degree of control of the work being performed to make a determination.

The common law control test is a guide to determine whether a worker should be classified as an employee or an independent contractor.

You cannot be hired as an independent contractor or as an employee of a third-party employer for a position established by statute, city charter, or municipal code. Examples of these positions are city manager, police chief, fire chief, etc.

Independent Contractor Determination

To ensure a proposed employment agreement or position is a true independent contractor position, we recommend you obtain an independent contractor determination from CalPERS before you begin any such employment.

If you would like us to review your proposed independent contractor service agreement, send the complete agreement by mail, email, or fax as indicated below. We will review the contract within 60 days.

Mail:
Employer Account Management Division
P.O. Box 942709
Sacramento, CA 94229-2709

Email: working_after_retirement@calpers.ca.gov

Fax: (916) 795-4166

Disability Retirees – Additional Requirements and Restrictions

In addition to being subject to all the rules and restrictions mentioned on the previous pages, disability and industrial disability retirees are subject to the following additional eligibility requirements and restrictions.

If you are a **disability retiree:**

- You may work for a CalPERS-covered employer in a retired annuitant compliant position and continue to receive your CalPERS retirement allowance if the position is not the same position from which you retired nor includes duties or activities you were restricted from performing at the time of your disability retirement per Government Code section 21233. You will be subject to the 960-hour limit.

- You may work for a CalPERS-covered employer in a permanent position with CalPERS' written pre-approval and continue to receive your CalPERS retirement allowance per Government Code section 21232. You will be subject to an earnings limit if approved. Refer to "Working for a CalPERS Employer in a Permanent Capacity After Disability Retirement" on page 15 for requirements.

- You may work for a non-CalPERS covered employer and continue to receive your CalPERS retirement allowance subject to applicable limitations.

- If you are under the minimum service retirement age (50, 52, or 55) and work for a non-CalPERS-covered employer, your retirement benefit will be subject to an earnings limit under Government Code section 21432.
  - You are required to report your gross earnings to CalPERS annually.
  - The total employer-paid portion of your monthly retirement allowance and your new gross earnings cannot be greater than the current compensation of the position from which you retired. If the total is greater, your retirement allowance will be reduced.
  - Once you reach your minimum service retirement age, your employment is no longer subject to an earnings limit (Government Code section 21432). Call us toll free at **888 CalPERS** (or **888**-225-7377) to request a ***Disability Retiree's Report of Earnings*** form.

- If you are under the minimum service retirement age and are performing duties similar to those from which you were previously found disabled, CalPERS can reevaluate your medical condition to determine whether you should be reinstated from retirement. Refer to "Termination of Retirement (Reinstatement From Retirement) Due to Unlawful Employment" on page 4 for details.

- Your disability retirement requires you to inform CalPERS immediately if you are no longer incapacitated, or if your current employment is in a position similar to the one from which you retired.

If you are an **industrial disability retiree:**

- You may work for a CalPERS-covered employer in a retired annuitant compliant position and continue to receive your CalPERS retirement allowance if the position is not the same position from which you retired nor includes duties or activities you were restricted from performing at the time of your disability retirement per Government Code section 21233. You will be subject to the 960-hour limit.
- You may work for a CalPERS-covered employer in a permanent position with CalPERS' written pre-approval and continue to receive your CalPERS retirement allowance per Government Code section 21232. You will be subject to an earnings limit if approved. Refer to "Working for a CalPERS Employer in a Permanent Capacity After Disability Retirement" for requirements.
- You may work for a non-CalPERS covered employer and continue to receive your CalPERS retirement allowance subject to applicable limitations.
- Your retirement benefit is not subject to an earnings limit if you work for a non-CalPERS-covered employer per Government Code section 21432, even if you are under the minimum service retirement age.
- If you are under the minimum service retirement age and are performing duties similar to those from which you were previously found disabled, CalPERS can reevaluate your medical condition to determine whether you should be reinstated from retirement. Refer to "Termination of Retirement (Reinstatement From Retirement) Due to Unlawful Employment" on page 4 for details.
- Your disability retirement requires you to inform CalPERS immediately if you are no longer incapacitated, or if your current employment is in a position similar to the one from which you retired.

Working for a CalPERS Employer in a Permanent Capacity After Disability Retirement

Under Government Code section 21232, disability or industrial disability retirees may seek permanent employment while receiving retirement benefits with CalPERS' written pre-approval. However, certain restrictions apply.

Your job duties must differ significantly from those required in the position from which you retired. The position should not be the same position from which you retired or in the same member classification, and the position should not include duties or activities you were restricted from performing at the time of your retirement. If you are approved to work, you will be required to report your earnings to CalPERS and your retirement allowance will be subject to an earnings limit.

To be eligible for employment, you must first meet the following requirements (refer to specific sections in this publication):

- The bona fide separation requirement, if applicable.
- The 180-day wait period requirement or an allowable exception.
- No receipt of unemployment insurance payments for previous retired annuitant employment for 12 months before the appointment.
- State Employer Civil Service Eligibility for employment with a state agency employer.

Applying to Work Under Government Code Section 21232

You must have CalPERS' written approval before beginning employment. To request approval to work for a CalPERS employer in any regular staff position including permanent part-time, full-time, seasonal or state limited-term positions, while receiving disability or industrial disability benefits, you must submit the following required documents to CalPERS:

- ***Request to Work While Receiving Disability/ Industrial Disability Retirement Benefits*** form
  - You complete and sign Section 1.
  - Your prospective employer completes and signs Section 2.
- ***Physical Requirements of Position/ Occupational Title*** form
  - You and your prospective employer must complete all sections and sign jointly.
- **Position duty statement**
  - The position duty statement provided by your prospective employer must describe the permanent position in which you wish to work.
- **Current medical report(s)**
  - You must schedule an appointment with a specialist for the disabling condition(s) that precluded you from working, and you must provide the specialist with a copy of the position duty statement and the completed ***Physical Requirements of Position/Occupational Title*** form.
  - Provide to CalPERS a current medical report from that specialist. If you had more than one disabling condition at the time of retirement, you must provide a medical report on appropriate letterhead from each medical specialist. The specialist(s) must include the following pertinent information in their medical report:
    - Your name and the date of the most recent examination.
    - Your current medical diagnosis.
    - Confirmation that the specialist reviewed and discussed with you the position duty statement (by title) and the ***Physical Requirements of Position/Occupational Title*** form.
    - A statement as to whether you are presently capable of performing all tasks involved in your new position with or without restrictions or limitations.
    - If there are restrictions or limitations, include specific details about the restrictions for the new position.
    - Specialist's signature, printed name, medical specialty, and contact information.
- **Additional required documents – local safety retirees**
  - If you are a local safety disability or local safety industrial disability retiree, you must also submit the medical documentation used at the time of your retirement identifying the restrictions placed upon you. You must also submit a position duty statement describing the position you held when you became disabled.
- ***Physician's Report on Disability*** form is not required.

All the forms are available on our website at **www.calpers.ca.gov**.

For CalPERS to begin the determination process, which can take approximately three months to complete, you must submit all required documents with your request form. There are times when we may require additional information or an independent medical examination to supplement your medical specialist's report. If so, we will select the medical specialist, schedule the appointment, and pay for the examination.

All permanent employment under Government Code section 21232 requires CalPERS' written approval prior to employment; there are no exceptions. If you violate this law, you and your employer will be responsible for the unlawful employment. This could result in your mandatory reinstatement from retirement into the current position, whether or not the permanent position is part time or full time. Refer to "Termination of Retirement (Reinstatement From Retirement) Due to Unlawful Employment" on page 4 for details.

Once Approved Under Government Code Section 21232

Retirees approved to work under Government Code section 21232 do not accrue service credit or otherwise acquire retirement rights for employment as a retiree.

You will be informed of the amount of your earnings limit and how to report your earnings. The total employer-paid portion of your monthly retirement benefit and your new earnings cannot be greater than the current compensation of the position from which you retired. If it is greater, your retirement benefit will be reduced. The earnings limitation continues as long as you are employed in the approved position; it does not end when you reach your service retirement age.

If you wish to change to a different employer, change job location, change to a different job (demotion, reclassification, lateral transfer, promotion, etc.), or restart employment in a previously approved position, you must reapply to CalPERS and await our written approval before beginning employment. If you do not receive prior written approval, you will be considered unlawfully employed and subject to reinstatement (i.e., termination of retirement). There are no exceptions to this requirement.

You cannot be concurrently employed in any other positions (retired annuitant, other temporary position, or another permanent position) with the employer you are approved to work for or any other CalPERS-covered employer(s). If you are found in violation of this requirement you will be subject to mandatory reinstatement from retirement into the approved position. Refer to "Termination of Retirement (Reinstatement From Retirement) Due to Unlawful Employment" on page 4 for details.

How to Contact Us

Find Us Online

www.calpers.ca.gov
Learn about your benefits and subscribe to email alerts. You'll also find all our publications and forms.

my.calpers.ca.gov
Log in to access your account information or send us a secure message.

news.calpers.ca.gov
Stay up to date on CalPERS news that matters to you.

Call Us

Our offices are open Monday through Friday, 8:00 a.m. to 5:00 p.m. We're closed on state holidays.

Toll free: **888 CalPERS** (or **888**-225-7377)
TTY: (877) 249-7442
Fax: (800) 959-6545
International Calls: +1 916-795-3000

¿Hablas Español?
Para servicio en español marque:
888 CalPERS (o **888**-225-7377)

Write to Us

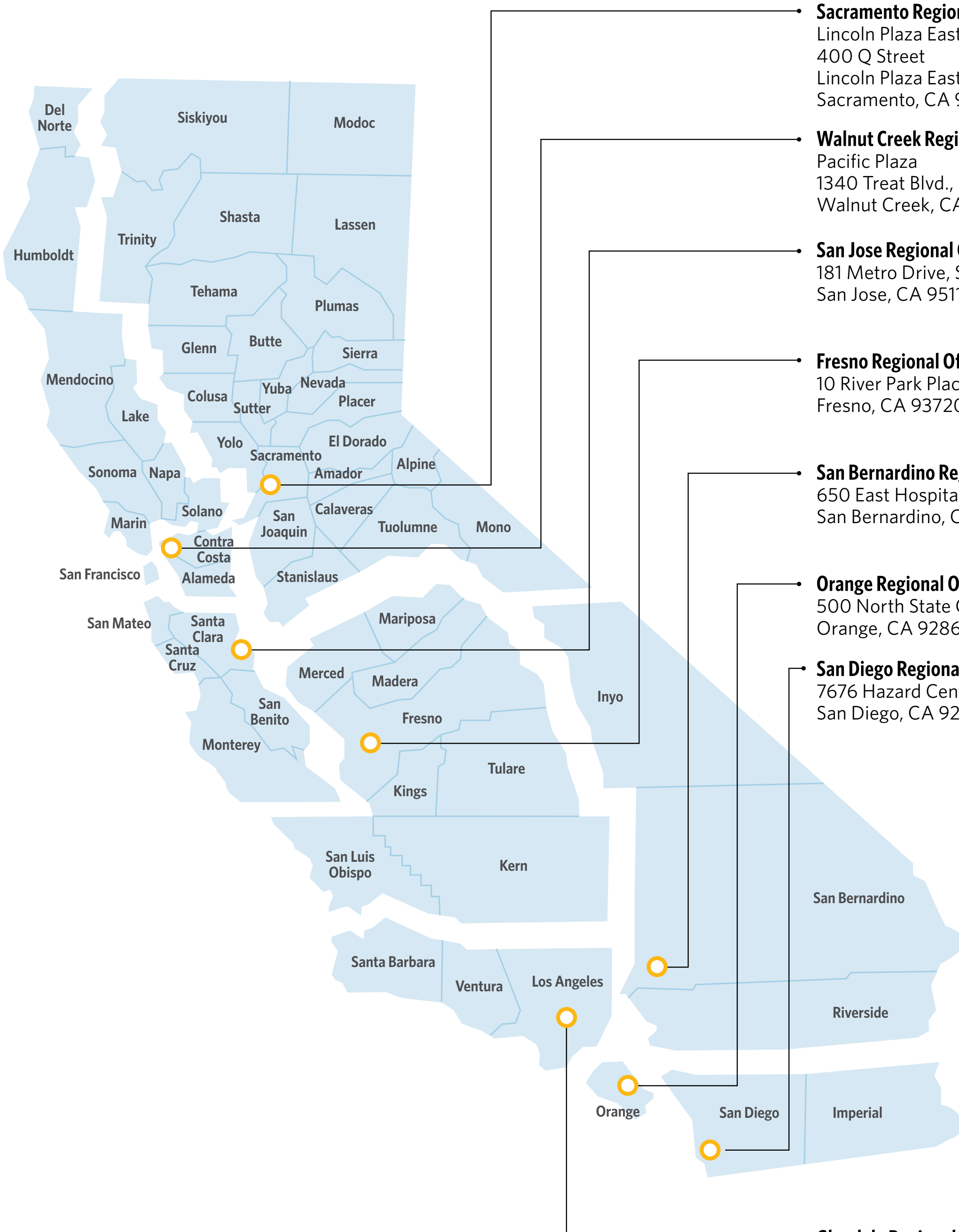
California Public Employees' Retirement System
Employer Account Management Division
P.O. Box 942709
Sacramento, CA 94229-2709

Experience CalPERS Through Social Media

Connect with us to get the latest CalPERS news.

Visit Your Nearest CalPERS Regional Office

Go to **www.calpers.ca.gov/regionaloffices** to learn how to make an appointment and prepare for your visit.



Sacramento Regional Office
Lincoln Plaza East
400 Q Street
Lincoln Plaza East, Suite 1820
Sacramento, CA 95811

Walnut Creek Regional Office
Pacific Plaza
1340 Treat Blvd., Suite 200
Walnut Creek, CA 94597

San Jose Regional Office
181 Metro Drive, Suite 520
San Jose, CA 95110

Fresno Regional Office
10 River Park Place East, Suite 230
Fresno, CA 93720

San Bernardino Regional Office
650 East Hospitality Lane, Suite 330
San Bernardino, CA 92408

Orange Regional Office
500 North State College Blvd., Suite 750
Orange, CA 92868

San Diego Regional Office
7676 Hazard Center Drive, Suite 350
San Diego, CA 92108

Glendale Regional Office
Glendale Plaza
655 North Central Ave., Suite 1400
Glendale, CA 91203

Privacy Notice

The privacy of personal information is of the utmost importance to CalPERS. The following information is provided to you in compliance with the Information Practices Act of 1977 and the Federal Privacy Act of 1974.

Information Purpose

The information requested is collected pursuant to the Government Code (sections 20000 et seq.) and will be used to conduct CalPERS Board of Administration duties under the Public Employees' Retirement Law, the Social Security Act, and/or the Public Employees' Medical and Hospital Care Act, as the case may be. Submission of the requested information is mandatory. Failure to submit the required information may result in CalPERS being unable to perform its functions regarding your status.

Please do not include information that is not requested.

Social Security Numbers

Social Security numbers are collected either on a mandatory or voluntary basis. If this is CalPERS' first request for disclosure of your Social Security number, then disclosure is mandatory. If your Social Security number has already been provided, disclosure is voluntary. Due to the use of Social Security numbers by other agencies for identification purposes, we may be unable to verify eligibility for benefits without the number.

Social Security numbers are used for the following purposes:

1. Enrollee identification
2. Payroll deduction/state contributions
3. Billing of contracting agencies for employee/employer contributions
4. Reports to CalPERS and other state agencies
5. Coordination of benefits among carriers
6. Resolving member appeals, complaints, or grievances with health plan carriers

Information Disclosure

Portions of this information may be transferred to other state agencies (such as your employer), physicians, and insurance carriers, but only in strict accordance with current statutes regarding confidentiality.

Your Rights

You have the right to review your membership files maintained by CalPERS. For questions about this notice, our Privacy Policy, or your rights, please write to:

CalPERS
CalPERS Privacy Officer
400 Q Street
Sacramento, CA 95811

You may also call us at **888 CalPERS** (or **888**-225-7377).

CalPERS is governed by the Public Employees' Retirement Law and the Alternate Retirement Program provisions in the Government Code, together referred to as the Retirement Law. The statements in this publication are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this publication, any decisions will be based on the law and not this publication. If you have a question that is not answered by this general description, you may make a written request for advice regarding your specific situation directly to the CalPERS Privacy Officer at 400 Q Street, Sacramento, CA 95811.

California Public Employees' Retirement System
400 Q Street
P.O. Box 942701
Sacramento, California 94229-2701
888 CalPERS (or **888**-225-7377)
www.calpers.ca.gov

PUB 33
November 2024

2024.11.1

CalPERS

D

Attachment B

CalHR, Retired Annuitants Hiring Exception Procedure

Department of Human Resources
Memorandum
TO: Personnel Management Liaisons (PML)

SUBJECT: Retired Annuitants Hiring Exception Procedure	REFERENCE NUMBER: 2013-001
DATE ISSUED: 01/08/13	SUPERSEDES:

This memorandum should be forwarded to:

Personnel Officers
Personnel Transactions Supervisors

FROM: California Department of Human Resources
Personnel Management Division

CONTACT: Personnel Management Division
(916) 324-9381
Fax (916) 327-1886
625Requests@CalHR.ca.gov

This PML sets forth the policy, procedure, and document processing requirements appointing authorities must follow when requesting an exception to the 180 day requirement when hiring retired annuitants (RA). Per AB 340, effective January 1, 2013, a retired person shall not be eligible for employment as a RA for a period of 180 calendar days after the date of retirement unless the appointment is necessary to fill a critically needed function. The 180 day waiting period does not apply to:

- A retired peace officer or firefighter.
- A retiree who takes office as a judge of a court of record or a retiree under the Judges' Retirement System I/II who is appointed as a retired judge.

Definition of Critical Need - An immediate need for a particular skill-set that only the RA can provide to complete a function for the department to meet one of the requirements outlined below and that cannot be met by a current State employee.

- Legislative Mandate
- Court Ordered Mandate
- Health and Safety Emergencies
- Fiscal Impact – Loss of Funding
- Any Disruption in Normal Business that may Result in Failure of Business Operations

Approval Policy and Procedures

1. Retired Annuitant Hiring Policy

   Appointing Authorities are authorized to hire RAs after the RA has been retired for 180 days. Hires shall not be made prior to the 180 days requirement unless the hire meets the exception guidelines.

2. Retired Annuitant Hiring Procedure

a. When to request approval to hire a RA:

- If it has been less than 180 days following the date the employee retired.

b. Who to ask for approval for an exception to hire a retired annuitant within 180 days of retirement:

- Send the request to your department's assigned CalHR, Personnel Management Division (PMD) Analyst.

c. What to include with your request:

- A completed CalHR 625 form
- A justification outlining the critical need for the hire which includes:
  - An in-depth explanation of why the RA being hired is the only person that can provide the expertise needed
  - A detailed long-term plan of how this need will be resolved or met in the future
- An organizational chart reflecting the position/function
- Proof of the RA's retirement date (e.g., NOPA)

Requests for exceptions should be sent to 625Requests@CalHR.ca.gov. For questions regarding this PML, please contact your designated CalHR, PMD Analyst.

/s/ Debbie True
Acting Chief, Personnel Management Division

Attachment C

Resolution

State of California

New Motor Vehicle Board
R E S O L U T I O N

WHEREAS, in compliance with Government Code section 7522.56, the NEW MOTOR VEHICLE BOARD must provide California Public Employees' Retirement System (CalPERS) with this certification resolution when hiring retirees before 180 days has passed since their retirement date; and

WHEREAS, Robin Paige Parker retired from the ***NEW MOTOR VEHICLE BOARD*** in the position of Attorney IV, Chief Counsel, effective October 1, 2026; and

WHEREAS, Government Code section 7522.56 requires that post-retirement employment commence no earlier than 180 days after Ms. Parker's retirement date, which is March 30, 2027, without this certification resolution; and

WHEREAS, the ***NEW MOTOR VEHICLE BOARD*** certifies that there is a critical need to hire Ms. Parker as an extra-help retired annuitant to perform the duties of Attorney IV under Government Code section 21224, effective October 13, 2026; and

WHEREAS, Government Code section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any retirement-related incentive; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, Ms. Parker has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate; and

WHEREAS, Ms. Parker has not and will not receive any unemployment insurance benefits; and

WHEREAS, the appointment as a retired annuitant shall be limited to 960 hours per fiscal year; and

WHEREAS, no matters, issues, terms, or conditions related to this appointment as a retired annuitant have been or will be placed on a consent calendar; and

THEREFORE, BE IT RESOLVED, the ***NEW MOTOR VEHICLE BOARD*** hereby certifies the nature of the employment of Robin Paige Parker as described herein and that this appointment is necessary to perform critically needed duties beginning immediately.

Dated this 13th day of October 2026

JACOB STEVENS, PRESIDENT	ANNE SMITH BOLAND, VICE PRESIDENT
ASHLEY DENA, MEMBER	GARRETT JENSEN, MEMBER
SHIRLEY G. JONES, MEMBER	ARDASHES KASSAKHIAN, MEMBER
BISMARCK OBANDO, MEMBER	ALEXANDRA SCHULTHEIS, MEMBER

Memorandum

Date : SEPTEMBER 16, 2026

To : BOARD DEVELOPMENT COMMITTEE
ASHLEY DENA, CHAIR
ALLIE SCHULTHEIS, MEMBER

From : TIMOTHY M. CORCORAN

Subject : UPDATE ON BOARD ACTIVITIES

In an effort to have on-going discussions regarding Board Member education and activities of interest, the Board Development Committee suggested agendizing this topic at each Board Meeting to get input from the members. Additionally, education on topics of interest are scheduled for most General Meetings.

At the October 13, 2026, Equity, Justice and Inclusion Committee Meeting, Assistant Director Vaye will provide education on bias including the types of bias and key takeaways from two podcasts. Additional resources will be discussed.

Educational presentations will be agendized for each Board Meeting. Board Members can advise staff of any topics they wish to receive more information or training, which will be added to the following list:

- Presentation from dealer and manufacturer attorneys on common disputes between, and differing perspectives of, franchisees and their franchisors.
- Presentation on industry strategies to assure ZEV profitability, by dealer and manufacturer representatives.
- Presentation on implementation of alternative fuel vehicles in mass transit.
- Presentations highlighting local efforts to make communities ZEV-ready.
- Topics on Board procedure, including:
    - Writs of Administrative Mandate.
    - Stipulated Decisions and Orders.
    - Dealer Member Participation.
    - Foundational Board published cases and their common application.
    - Petitions.
    - Case management procedures:
        - Paths a protest can take (law and motion, settlement, merits

hearing).

- Types of protests and the various burdens of proof.
- Role of the statutorily required notices and time to file a protest.
- Protests that do not require a notice.

The information in this memorandum is provided for informational purposes only at the October 13, 2026, General Meeting. No Board action is required.

If you have any questions or require additional information, please do not hesitate to contact me at (916) 244-6774.

cc: Jacob Stevens, President

Memorandum

Date : SEPTEMBER 16, 2026

To : EXECUTIVE COMMITTEE
JACOB STEVENS, CHAIR
ANNE SMITH BOLAND, MEMBER

From : TIMOTHY M. CORCORAN
KIMBERLEE VAYE

Subject : DISCUSSION AND CONSIDERATION OF EXPANDING THE DISCRETION GRANTED TO THE EXECUTIVE DIRECTOR TO TAKE ACTION RESPONSIVE TO THE OBJECTIVES IN THE BOARD'S STRATEGIC PLAN 2024-30 BY ALLOWING THE EXECUTIVE DIRECTOR OR DESIGNEE TO REVIEW AND APPROVE EV EXPERT PLEDGES WITHOUT PRIOR BOARD APPROVAL (STRATEGIC PLAN OBJECTIVE 2.4)

At the April 25, 2024, General Meeting, the Board adopted the Board's Strategic Plan 2024-30. The Strategic Plan Goals are:

1. Improve outcomes for all motor vehicle consumers;
2. Contribute to the advancement of the CalSTA Core Four priorities: Safety, Equity, Climate Action and Economic Prosperity;
3. Transform our organization to become more resilient and conserve limited resources; and
4. Reimagine the engagement experience to meet the needs of the public, our industry, and litigant stakeholders.

Within each goal they are several objectives. The Executive Director was granted discretion to take action responsive to these objectives. Objective 2.4 is "[s]upport the ZEV transition in California by encouraging the use of industry best practices in motor vehicle sales activities."

Qualifying new car dealer signatories of the EV Expert Pledge have been considered at each General Meeting since August 1, 2025. After Board approval, the signatory is mailed a certificate and the Board's website is updated to reflect new recipients in their respective economic region. (See https://www.nmvb.ca.gov/apps/Zev_Pledge/)

With the Board meeting approximately every 3-5 months, there is a lag in acknowledging dealer signatories and updating the Board's website. To streamline this process, the staff are proposing expanding the existing discretion granted to the Executive Director to allow either the Executive Director or designee to review and approve EV Expert Pledges without prior

Board approval. At each General Meeting, the recipients of the “Certificate of Participation of the EV Expert Pledge” would be reported in the Executive Director’s Report with a new category B. as follows:

Executive Director's Report.

A. Administrative Matters.
B. EV Expert Pledge Signatories.
C. Case Management.
D. Judicial Review.
E. Notices Filed Pursuant to Vehicle Code sections 3060/3070 and 3062/3072.
F. Other.

This matter is for Board consideration at the October 13, 2026, General Meeting.

If you have any questions or require additional information, please contact me at (916) 244-6774 or Kim at (916) 818-2993.

Memorandum

Date	:	**September 16, 2026**
To	:	**FISCAL COMMITTEE ARDY KASSAKHIAN, CHAIR ANNE SMITH BOLAND, MEMBER**
From	:	**SUZANNE LUKE KIMBERLEE VAYE TIMOTHY CORCORAN**
Subject	:	**REPORT ON THE BOARD'S FINANCIAL CONDITION AND RELATED FISCAL MATTERS**

Please note: Due to the timing of receiving adjusted revenue and expenditure reports for FY 25-26 and the timing of this committee memo, the format is different. The next Board Fiscal Committee memo will return to its original format.

FISCAL YEAR 25-26 REVENUES

New Dealer Licensing Fee:	$1,073,907
Manufacturer and Distributor Fee	$872,756
NMVB Filing Fee	$12,800
Miscellaneous Services	$1,264
Arbitration Certification Program	$3,056
Fiscal Year total:	$1,963,783

FISCAL YEAR 25-26 EXPENDITURES

Operating Expenses and Equipment

Budgeted Amount: $231,000
Expended: $48,825

<u>Payroll</u>

Full-Time staff salaries:
Budgeted Amount: $1,170,000
Expended: $795,297

Part-Time staff salaries:
Budgeted Amount: $79,000
Expended: $106,538

Benefits:
Budgeted Amount: $694,000
Expended: $416,878

<u>Administrative Expenses</u>
Pro Rata: $184,643
DMV Administrative Charge: $100,084

<u>GRAND TOTAL – Fiscal Year 2025-26</u>
Beginning Reserve Balance: $1,613,956
Revenue: $1,963,783
Expenditures: $ 1,652,265 (payroll and operating expense + administrative expenses)
Ending Balance for June 30, 2026: $1,831,503

FISCAL YEAR 26-27 ALLOTMENT
Personal Services: $1,977,000
Operating Expenses: $241,000 (Includes DMV Administrative Charge of $100,084)
TOTAL ALLOTMENT $2,218,000

Pro Rata Expense: $196,000 (generally deducted in August, November, and March)

- <u>New Motor Vehicle Board (NMVB) Annual Fee</u> – This collection began August 27, 2026.

- <u>Arbitration Certification Program (ACP) Annual Fee</u> – This collection is nearly complete with one remaining manufacturer payment to be collected.

This memorandum is being provided for informational purposes only, and no Board action is required. If you have any questions prior to the Board Meeting, please contact me at (916) 818-2993.

cc: Jacob Stevens, President

Memorandum

Date : SEPTEMBER 16, 2026

To : FISCAL COMMITTEE
ARDASHES "ARDY" KASSAKHIAN, CHAIR
ANNE SMITH BOLAND, MEMBER

From : KIMBERLEE VAYE
TIMOTHY CORCORAN

Subject : DISCUSSION AND CONSIDERATION OF ADDITIONAL OUT-OF-STATE TRAVEL FOR FISCAL YEAR 2026-2027

BACKGROUND

It is the policy of the Board to review and approve all out-of-state travel plans. State policy mandates that out-of-state travel be mission critical or must be beneficial to the state.

CONSIDERATIONS

At the July 16, 2026, General Board meeting, the Board approved travel to the National Association of Motor Vehicle Boards and Commissions (NAMVBC) Annual conference held in Providence, Rhode Island on September 29-October 2, 2026. Travel arrangements have been made for Timothy Corcoran, Executive Director, and NAMVBC Director-At-Large. He will be reporting on the conference at the October 13, 2026, General Board meeting.

At the July 16, 2026, General Board meeting, Member Jensen requested that the Board discuss the annual Lifesavers Conference on Roadway Safety. This conference provides an opportunity to learn about the latest highway safety research, best practices, and cutting-edge initiatives; and to explore innovative technology and strategies used to combat risky driving behaviors and save lives. The conference is March 6-9, 2027, in San Antonio, Texas.

At the time of this memo, registration fees were not posted, so the 2026 fee of $800 is being used. With registration, hotel and flights, the average cost per person is $2,200.

If the Board approves an additional out-of-state travel request, it will need to be submitted at least 60 days before the travel date to allow California State Transportation Agency and the Governor's Office time for review and approval.

RECOMMENDATION

Staff recommends that the Board postpone attendance until the 2028 Lifesavers Conference, which takes place April 22-25 in Minneapolis, MN. This would allow Board staff to allocate funds in the Fiscal Year 2027-28 Budget. Currently, the Board lacks the budget capacity to support this added cost.

If you have any questions prior to the Board Meeting, please contact Kim at (916) 818-2993.

cc: Jacob Stevens, President

Memorandum

Date : SEPTEMBER 16, 2026

To : GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE
ASHLEY DENA, CHAIR
GARRETT JENSEN, MEMBER

From : KIMBERLEE VAYE

Subject : DISCUSSION AND CONSIDERATION OF NEW MOTOR VEHICLE DEALERS THAT TOOK THE EV (ELECTRIC VEHICLE) EXPERT PLEDGE (STRATEGIC PLAN OBJECTIVE 2.4)

The New Motor Vehicle Board's EV Expert Pledge was launched May 12, 2025. Pledges are accepted on a rolling basis.

The Board continues with our year-end goal of recognizing at least one signatory dealer in each of the 13 Economic Regions of California, as defined by the Governor's Office of Business and Economic Development (GO-Biz):

GO-Biz Region #	Region Name
1	North State
2	Redwood
3	Capital
4	Sierra
5	Bay Area
6	Northern San Joaquin
7	Central San Joaquin
8	Central Coast
9	Kern County
10	Los Angeles County
11	Inland SoCal
12	Orange County
13	Southern Border

As of July 16, 2026, we had 44 EV Expert Pledge signatory dealers, representing nine regions of the state. At the October 13, 2026 General Board meeting, seven (7) additional new motor vehicle dealerships will be presented for consideration, and will include three regions of the state (2, 8 and 11), with Region 2, Redwood, putting us closer to reaching our goal of signatories across all 13 regions. The new signatories are:

- Bunnin Chevrolet of Fillmore
- Tim Moran Chevy
- Tim Moran Ford
- Tim Moran Hyundai
- Mid-City Motor World (Toyota and Honda)
- Harper Motors – Ford
- Harper Motors – Kia

Over the next few months, we will work to get pledges in the remaining regions:
North State (1), Sierra (4) and Kern County (9).

The EV Pledge landing page has been updated highlighting signatory dealers who also participate in the Driving Clean Assistance Program. This program partners with California Air Resources Board, California Climate Investments and Community Housing Development Corporation to focus on reducing greenhouse gas emissions, strengthen the economy, and improve public health and the environment particularly in disadvantaged communities. The Driving Clean Assistance Program has also placed the EV Expert Pledge information on their Dealership Network page.

If you have any questions or require additional information, please contact me at (916) 818-2993.

cc: Jacob Stevens, President

Memorandum

Date : SEPTEMBER 16, 2026

To : POLICY AND PROCEDURE COMMITTEE
JACOB STEVENS, CHAIR
ALLIE SCHULTHEIS, MEMBER

From : TIMOTHY M. CORCORAN
AUTUMN GONZALEZ

Subject : DISCUSSION AND CONSIDERATION OF PROPOSED REGULATORY AMENDMENTS TO THE BOARD'S CONFLICT OF INTEREST CODE IN SECTION 599 OF TITLE 13 OF THE CALIFORNIA CODE OF REGULATIONS

Pursuant to Government Code section 87300, "[e]very agency shall adopt and promulgate a Conflict of Interest Code . . ." Additionally, each state entity is required to review its Conflict of Interest Code every odd-numbered year to ensure it remains current and accurate.

Board staff have reviewed the Board's Conflict of Interest Code as set forth in Section 599 of Title 13 of the California Code of Regulations. "Appendix B – Disclosure Category" subsection (b) requires an update to reflect a change to the Political Reform Act of 1974, which will become effective January 1, 2027. The proposed change is highlighted yellow on page 3 of the attachment. Briefly, it requires disclosure of direct or indirect interests in digital financial assets. An update is also proposed on page 2 of the attachment to reflect current position titles and eliminate a position that is no longer utilized by the Board. Preliminary review as required by the Fair Political Practices Commission is forthcoming.

If the Board adopts the proposed regulatory changes, staff will proceed with the rulemaking process as delineated in Fair Political Practices Act and the Administrative Procedure Act. Updates concerning the status of the rulemaking process will be provided at future Board meetings during the Administrative Matters portion of the Executive Director's Report.

This matter is being agendized for discussion and consideration at the October 13, 2026 General Meeting.

If you have any questions or require additional information, please contact me at (916) 244-6774 or Autumn at (916) 809-8958.

Attachment: as stated

Section 599

CONFLICT OF INTEREST CODE

NEW MOTOR VEHICLE BOARD

The Political Reform Act (Government Code, Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation that contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code. (2 California Code of Regulations Section 18730) After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the New Motor Vehicle Board (Board).

Board Members and the Executive Director must file their statements of economic interests electronically with the Fair Political Practices Commission. All other individuals holding designated positions must file their statements with the Board. All statements must be made available for public inspection and reproduction under Government Code Section 81008.

Authority cited: Section 3050(a), Vehicle Code; Sections 81008, 87300, and 87306, Government Code. Reference: Section 87302, Government Code.

CONFLICT OF INTEREST CODE
NEW MOTOR VEHICLE BOARD

APPENDIX A – DESIGNATED POSITIONS

Designated Positions	Assigned Disclosure Category
EXECUTIVE DIVISION	
Board Member	1
Executive Director	1
Assistant Division Chief/Program Manager	1
~~Staff Services Manager (all levels)~~	~~1~~
ADMINISTRATIVE SERVICES DIVISION	
~~Staff Services~~ Analyst Series (I & II)	1
~~Associate Governmental Program Analyst~~	~~1~~
LEGAL DIVISION	
Administrative Law Judge (all levels)	1
Attorney (all levels)	1
Consultants/New Positions	*

* Consultants and new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Executive Director may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Gov. Code, § 81008)

APPENDIX B-DISCLOSURE CATEGORY

Category 1

Designated positions assigned to this category must report:

(a) Income, including receipt of gifts, loans, and travel payments, received during the reporting period from an individual or entity which the designated position knows or has reason to know is:

(1) Any licensee subject to the jurisdiction of the New Motor Vehicle Board pursuant to Vehicle Code section 3050, et seq.;

(2) An applicant to the Board who has or has had during the filing period any proceeding pending before the Board;

(3) A party contracting with the Board or engaged in the performance of work or services of the type utilized by the Board including, the provision of goods, services, office space or realty.

(b) Investments held during the reporting period in any business entity or a direct or indirect interest in a digital financial asset, as defined in Section 3102 of the Financial Code, which the designated position knows or has reason to know is described in parts (1), (2) or (3) of subsection (a).

(c) The fact that the designated position, during the reporting period was a director, officer, partner, trustee, employee or held any position of management in a business entity the designated position knows or has reason to know is described in parts (1), (2) or (3) of subsection (a).

EXECUTIVE DIRECTOR'S REPORT

October 13, 2026

A.

ADMINISTRATIVE MATTERS

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
ADMINISTRATION COMMITTEE			
1. <u>CalPERS Exception to 180-day Waiting Period for Retired Annuitant</u> Tim Corcoran, Bosco Li	Consider approving exception to the CalPERS 180-day waiting period for the appointment of Robin Parker as a retired annuitant under Government Code sections 7522.56 and 21224.	October 2026	In progress. This will be considered at the October 13, 2026, Committee Meeting.
2. <u>Update *Guide to the New Motor Vehicle Board*</u> Tim Corcoran, Autumn Gonzalez, Bosco Li	Update the *Guide to the New Motor Vehicle Board* to incorporate statutory and regulatory changes.	February 2027	In progress. The revised Guide will be considered at the February 2027, General Meeting.
<u>Acceptance of Payments Via Electronic Funds Transfer (EFT)</u> Kim Vaye Administration Committee	As part of the Board's Strategic Plan 2024-30, Goal 4.3 provides the Board will "[a]dopt a resilient credit/debit/EFT [Electronic Funds Transfer] payment option." The staff is working to open a Zero Balance Checking Account, which will enable the Board to collect filing fees, the Annual Board Fee, and document request fees via an optional EFT payment.	July 2026	<u>Completed</u> The Board approved collecting payments for filing fees, the Annual Board Fee, and document request fees via an optional EFT payment at the July 16, 2026, General Meeting.
BOARD DEVELOPMENT COMMITTEE			
1. <u>Schedule Board Member Education Presentations</u> Tim Corcoran	Develop a schedule for prioritizing topics and speakers for Board member education presentations for upcoming meetings.	Ongoing	In progress. Board education will be presented at each General Meeting.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
Solon C. Soteras Employee Recognition Award Recipient Tim Corcoran	Compile the nominations provided by staff and select a nominee for the Solon C. Soteras Employee Recognition Award.	July 2026	Completed Navpreet "Penny" Bhatti received the Employee Recognition Award at the July 16, 2026, General Meeting.
COMMITTEE ON EQUITY, JUSTICE AND INCLUSION			
1. Develop Strategies for Board Consideration Kim Vaye	Develop strategies for the Board's consideration, which advance California State Transportation Agency's stated goal of "Enhancing the lives of all Californians – particularly people of color and disadvantaged communities…"	Ongoing	In progress. This will be discussed at the October 13, 2026, Committee Meeting.
2. Charter Review Kim Vaye	Review the Charter that includes the purpose of the Committee, membership, responsibilities, meetings, equity goals, and deliverables.	Ongoing	In progress. This will be discussed at the October 13, 2026, Committee Meeting.
Annual Review of the Diversity Equity, and Inclusion (DEI) Glossary Kim Vaye	Annual review of DEI Glossary of Terms to ensure it is accurate and relevant.	July 2026	In progress. The Glossary was reviewed at the July 16, 2026, Committee Meeting.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
Review delegation of authority to the Executive Director to update addresses in the Board's regulations without Board approval as these changes are without regulatory effect Kim Vaye	This delegation will be reviewed by the Committee on Equity, Justice and Inclusion prior to being considered by the Board at its July 16, 2026, General Meeting.	July 2026	Completed The delegation of authority to the Executive Director to update addresses in the Board's regulations without Board approval as these changes are without regulatory effect were unanimously moved for Board consideration at the July 16, 2026, Committee meeting and were approved by the Board at the July 16, 2026, General Meeting.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
Review of new policy making Board publications an exception report when the annual updates are limited to the date of publication, composition of the Board Members and staff, and addresses, websites, or phone numbers Kim Vaye	This policy will be reviewed by the Committee on Equity, Justice and Inclusion prior to being considered by the Board at its July 16, 2026, General Meeting.	July 2026	Completed The policy making Board publications an exception report when the annual updates are limited to the date of publication, composition of the Board Members and staff, and addresses, websites, or phone numbers were unanimously moved for Board consideration at the July 16, 2026, Committee meeting and were approved by the Board at the July 16, 2026, General Meeting.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
<u>Review of proposed policy adding Electronic Funds Transfer (EFT) as an alternative for the payment of filing fees, the Annual Board Fee, and document request fees</u> Kim Vaye	This policy will be reviewed by the Committee on Equity, Justice and Inclusion prior to being considered by the Board at its July 16, 2026, General Meeting.	July 2026	<u>Completed</u> The policy adding Electronic Funds Transfer (EFT) as an alternative for the payment of filing fees, the Annual Board Fee, and document request fees were unanimously moved for Board consideration at the July 16, 2026, Committee meeting and were approved by the Board at the July 16, 2026, General Meeting.
EXECUTIVE COMMITTEE			
1. <u>Strategic Plan July 2024 - June 2030</u> Tim Corcoran, Kim Vaye	Develop and implement the Board's first Strategic Plan encompassing July 2024 through June 2030. Delegate discretion to the Executive Director to implement action items responsive to the objectives in the Strategic Plan.	Ongoing	In progress. The Strategic Plan was adopted at the April 25, 2024, General Meeting and the Executive Director was granted discretion to implement action items.
2. <u>Expand Strategic Plan Discretion to the Executive Director for EV Expert Pledge (Strategic Plan Objective 2.4)</u> Tim Corcoran, Kim Vaye	Expand the discretion granted to the Executive Director to take action responsive to the objectives in the Board's Strategic Plan 2024-30 by allowing the Executive Director or designee to review and approve EV Expert Pledges without prior Board approval	October 2026	In progress. This matter will be considered at the October 13, 2026, General Meeting.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
<u>Consideration of Amendments to Board delegations</u> Tim Corcoran, Robin Parker	Review and consider amendments to the Board adopted delegations in compliance with the 1996 Performance Audit.	July 2026	<u>Completed</u> Revised delegations were adopted at the July 16, 2026, General Meeting.
<u>Update concerning Board's Compliance with 1996 Performance Audit</u> Tim Corcoran, Robin Parker	Update regarding the Board's compliance with the 1996 Performance Audit and the resultant Corrective Action Plan	July 2026	<u>Completed</u> An update was presented at the July 16, 2026, General Meeting.
FISCAL COMMITTEE			
1. <u>Quarterly Financial Reports</u> Tim Corcoran, Kim Vaye, Suzanne Luke	Quarterly reports on the Board's financial condition and related fiscal matters.	Ongoing	In progress. A status report will be provided at the October 13, 2026, General Meeting.
2. <u>Status report concerning the Board's collection of the Annual Board Fee</u> Tim Corcoran, Kim Vaye, Suzanne Luke	The staff will provide a report concerning the Board's collection of the Annual Fee.	Ongoing	In progress. A status report will be provided at the October 13, 2026, General Meeting.
3. <u>Status Report on the Collection of Fees for the Arbitration Certification Program</u> Tim Corcoran, Kim Vaye, Suzanne Luke	The staff will provide a report concerning the annual fee collection for the Department of Consumer Affairs, Arbitration Certification Program.	Ongoing	In progress. A status report will be provided at the October 13, 2026, General Meeting.
4. <u>Additional Out-of-State Travel for Fiscal Year 2026-2027</u> Tim Corcoran, Kim Vaye	The staff will provide a report on the annual Lifesavers Conference on Roadway Safety on March 6-9, 2027, in San Antonio, Texas.	October 2026	In progress. This matter will be considered at the October 13, 2026, General Meeting.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
Proposed Board Budget for the Next Fiscal Year Tim Corcoran, Kim Vaye, Suzanne Luke	The staff, in conjunction with the Fiscal Committee, will discuss and consider the Board's proposed Budget for fiscal year 2026-2027.	July 2026	Completed The 2026-2027 Budget was presented at the July 16, 2026, General Meeting.
Out-of-State Travel Plans for Fiscal Year 2026-2027 Tim Corcoran, Kim Vaye	The staff will provide a report on proposed out-of-state travel plans for Fiscal Year 2026-2027.	July 2026	Completed The Board approved the proposed out-of-state travel at the July 16, 2026, General Meeting.
GOVERNMENT AND INDUSTRY AFFAIRS COMMITTEE			
1. **EV (Electric Vehicle) Expert Pledge (CalSTA Core Four)** Tim Corcoran, Kim Vaye	Ask new car dealers to pledge to have one EV expert on their sales team. (Strategic Plan Objective 2.4)	Ongoing	In progress. EV Expert Pledge submissions will be considered at the October 13, 2026, General Meeting.
2. **Recognition of Jurisdictions and municipalities that are ZEV Ready (CalSTA Core Four)** Tim Corcoran, Kim Vaye	Recognize local jurisdictions that demonstrate Zero Emission Vehicle Readiness. (Strategic Plan Objective 2.7)	Ongoing	In progress. A report will be presented at the February 2027, General Meeting on Jurisdictions and municipalities that received the ZEV Readiness Award.
3. **Host Board Industry Roundtable** Tim Corcoran, Kim Vaye, Board staff	Host the Industry Roundtable.	March 2027	In progress. The Roundtable is in conjunction with CNCDA's Dealer Day on March 18, 2027.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
Participant Surveys for Industry Roundtable Tim Corcoran, Kim Vaye	Based upon the feedback provided at the Industry Roundtable in the surveys, highlight areas for improvement and develop a preliminary list of suggested topics for a future event.	July 2026	Completed Feedback was presented at the July 16, 2026, 2026, General Meeting
LEGISLATIVE COMMITTEE			
1. Review of Pending Legislation Tim Corcoran, Autumn Gonzalez	The staff will provide an overview of pending legislation of special and general interest, and pending federal legislation, if any.	Ongoing	In progress. An update will be provided at the October 13, 2026, 2026, General Meeting.
POLICY AND PROCEDURE COMMITTEE			
1. Draft Proposed Regulatory Amendments to the Board's Conflict of Interest Code Tim Corcoran, Autumn Gonzalez	In compliance with the Political Reform Act and the Administrative Procedure Act, amend the Board's Conflict of Interest Code as set forth in Section 599 of Title 13 of the California Code of Regulations to update Appendix A, Designated Positions and add disclosure of direct or indirect interests in digital financial assets in Appendix B, Disclosure Category.	October 2026	In progress. This matter will be considered at the October 13, 2026, General Meeting.
2. Report on the Assignment of Cases to Board Administrative Law Judges Tim Corcoran, Autumn Gonzalez, Bosco Li	Annual report on the assignment of cases to Board Administrative Law Judges ("ALJs").	February 2027	In progress. A report on the assignment of cases to Board ALJs will be presented at the February 2027, General Meeting.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
3. <u>Update the *Informational Guide for Manufacturers and Distributors*</u> Tim Corcoran, Autumn Gonzalez, Bosco Li	Update the *Informational Guide for Manufacturers and Distributors*.	February 2027	In progress. The revised Guide will be considered at the February 2027, General Meeting.
4. <u>Update the *Export or Sale-For-Resale Prohibition Policy Guide*</u> Tim Corcoran, Autumn Gonzalez, Bosco Li	Update the *Export or Sale-For-Resale Prohibition Policy Guide* for Vehicle Code section 3085 protests filed by an association, as defined.	February 2027	In progress. The revised Guide will be considered at the February 2027, General Meeting.
5. <u>Annual Rulemaking Calendar</u> Tim Corcoran, Autumn Gonzalez, Bosco Li	Consideration of the annual rulemaking calendar.	February 2027	In progress. The 2027 Rulemaking Calendar will be considered at the February 2027, General Meeting.
6. <u>Promulgate Proposed Regulatory Amendments Adding Electronic Funds Transfer (EFT) to Section 553.40 (Filing Fees)</u> Tim Corcoran, Autumn Gonzalez, Bosco Li	In compliance with the Administrative Procedure Act, amend Section 553.40 of the Board's regulations to delete the reference to "credit card payment" and add "Electronic Funds Transfer (EFT)."	February 2027	In progress. The Proposed text was approved at the July 16, 2026, General Meeting. Staff is in the process of preparing the rulemaking package for CalSTA approval.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
<u>Proposed Regulatory Amendments Adding Electronic Funds Transfer (EFT) to Section 553.40 (Filing Fees)</u> Tim Corcoran, Robin Parker	In compliance with the Administrative Procedure Act, amend Section 553.40 of the Board's regulations to delete the reference to "credit card payment" and add "Electronic Funds Transfer (EFT)." This is consistent with Goal 4.3 of the Board's Strategic Plan 2024-30: the Board will "[a]dopt a resilient credit/debit/EFT [Electronic Funds Transfer] payment option."	July 2026	<u>Completed</u> The proposed amendments were approved at the July 16, 2026, General Meeting.
<u>Consideration of proposed revisions to the Board adopted delegation of authority to the Executive Director to proceed with the rulemaking process to include updating addresses in the Board's regulations without Board approval as these changes are without regulatory effect</u> Tim Corcoran, Robin Parker	The revised delegation will be reviewed by the Committee on Equity, Justice and Inclusion prior to being considered by the Board at its July 16, 2026, General Meeting.	July 2026	<u>Completed</u> At the July 16, 2026, General Meeting the Executive Director was delegated the authority to update addresses in the Board's regulations without Board approval as these changes are without regulatory effect.

Project Title/Manager	Project Goal (Description)	Estimated Completion Date	Status
<u>Consideration of proposed policy making Board publications an exception report not requiring Board approval when the annual updates are limited to the date of publication, composition of Board Members and staff, and update addresses, websites, or phone numbers</u> Tim Corcoran, Robin Parker	The proposed policy will be reviewed by the Committee on Equity, Justice and Inclusion prior to being considered by the Board at its July 16, 2026, General Meeting.	July 2026	<u>Completed</u> At the July 16, 2026, General Meeting, the Board approved a new policy making Board publications an exception report not requiring Board approval when the annual updates are limited to the date of publication, composition of Board Members and staff, and update addresses, websites, or phone numbers.
<u>Draft Proposed Regulatory Amendments Adding Electronic Funds Transfer (EFT) to Section 553.40 (Filing Fees)</u> Tim Corcoran, Robin Parker	In compliance with the Administrative Procedure Act, amend Section 553.40 of the Board's regulations to delete the reference to "credit card payment" and add "Electronic Funds Transfer (EFT)." This is consistent with Goal 4.3 of the Board's Strategic Plan 2024-30: the Board will "[a]dopt a resilient credit/debit/EFT [Electronic Funds Transfer] payment option."	July 2026	<u>Completed</u> The proposed amendments were adopted at the July 16, 2026, General Meeting.

B.

CASE MANAGEMENT

CASE VOLUME

JUNE 26, 2026, THROUGH SEPTEMBER 24, 2026

VEHICLE CODE SECTION	CASE TYPE	NUMBER OF NEW CASES	NUMBER OF RESOLVED CASES	NUMBER OF PENDING CASES
3060	Termination	0	1	5
3060	Modification	3	0	3
3062	Establishment	0	0	0
3062	Relocation	0	4	0
3062	Off-Site Sale	0	0	0
3064	Delivery/Preparation Obligations	0	0	0
3065	Warranty Reimbursement	1	0	5
3065.1	Incentive Program Reimbursement	0	2	0
3065.3(a)	Performance Standard	0	2	1
3065.3(d)	Competing with Dealer	14	0	28
3065.4	Retail Labor Rate or Retail Parts Rate	1	0	2
3070	Termination	0	0	0
3070	Modification	0	0	0
3072	Establishment	0	0	0
3072	Relocation	0	0	0
3072	Off-Site Sale	0	0	0
3074	Delivery/Preparation Obligations	0	0	0
3075	Warranty Reimbursement	0	0	0
3076	Incentive Program Reimbursement	0	0	0
3085	Export or Sale-For Resale	0	0	0
3050(b)	Petition	0	0	0
	TOTAL CASES:	19	9	44

PENDING CASES

BY CASE NUMBER

ABBREVIATIONS			
ALJ	Administrative Law Judge	**Bd. Mtg.**	Board Meeting
HRC	Hearing Readiness Conference	**IFU**	Informal Follow-Up
MH	Merits Hearing	**CMH**	Continued Merits Hearing
RMH	Resumed Merits Heading	**MSC**	Mandatory Settlement Conference
CMSC	Continued Mandatory Settlement Conference	**RMSC**	Resumed Mandatory Settlement Conference
MTCP	Motion to Compel Production	**MTC**	Motion to Continue
MTD	Motion to Dismiss	**PHC**	Pre-Hearing Conference
CPHC	Continued Pre-Hearing Conference	**RPHC**	Resumed Pre-Hearing Conference
PD	Proposed Decision	**RFPD**	Requests for Production of Documents
PSDO	Proposed Stipulated Decision and Order	**ROB**	Rulings on Objections
CROB	Continued Rulings on Objections	**RROB**	Resumed Rulings on Objections
SC	Status Conference	**CSC**	Continued Status Conference
*** Consolidated, non-lead case**			

PROTESTS

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
1.	PR-2858-24 8-13-24	HRC: 10-6-26 MH: OAH	Jasper Auto Group, Inc. dba Victorville Hyundai, a California corporation v. Hyundai Motor America, a California corporation	Protestant: Bert Rasmussen Respondent: John Streelman, Rachel Sternlieb, Mariah Emmons	Termination
2.	PR-2859-24 9-13-24	OAH PHC/MSC: 5-14-27 OAH MH: 6-14-27 to 6-18-27	Raceway Ford, Inc. dba Raceway Ford v. Ford Motor Company	Protestant: Gavin Hughes, Robert Mayville Respondent: Elizabeth McNellie, Jeremiah Wood, Marcus McCutchen	Performance Standard
3.	PR-2860-24 12-19-24	Parties are working on settlement IFU: 9-30-26	Sunroad Auto LLC d/b/a Kearny Mesa Kia, California limited liability company v. Kia America, Inc., a California corporation	Protestant: Aaron H. Jacoby, Susanne L. Boniadi Respondent: Lauren A. Deeb	Termination

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
4.	PR-2862-25 1-23-25	HRC: 1-8-27	Hanlees Seven, Inc., dba Genesis of Richmond v. Genesis Motor America	Protestant: Gavin Hughes, Robert Mayville Respondent: John Streelman, Rachel Sternlieb, Mariah Emmons	Termination
5.	PR-2874-25 11-25-25	Parties are working on settlement IFU: 10-9-26	Rusnak/ Pasadena dba Bentley Pasadena, A California Corporation v. Bentley Motors, Inc., A Delaware Corporation	Protestant: Halbert Rasmussen Respondent: Owen Smith, David Lurie, Olivia Glass	Termination
6.	PR-2875-25 12-5-25	Stayed until 1-29-27 IFU: 2-1-27	Martin's Auto Group Inc. dba Oxnard Mitsubishi v. Mitsubishi Motors North America, Inc.	Protestant: John K. Rounds, Randall V. Sutter, Charles A. Thornburg Respondent: Brandon Bigelow, Bill Benson	Termination
7.	PR-2876-25 12-12-25	Parties are working on settlement IFU: 10-30-26	DPEP 7 Inc dba Pedder CDR + J of Poway v. FCA US LLC (Chrysler)	Protestant: Gavin Hughes, Robert Mayville Respondent: Mark Clouatre	Warranty

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
8.	PR-2877-25* 12-12-25	Parties are working on settlement IFU: 10-30-26	DPEP 7 Inc dba Pedder CDR + J of Poway v. FCA US LLC (Dodge)	Protestant: Gavin Hughes, Robert Mayville Respondent: Mark Clouatre	Warranty
9.	PR-2878-25* 12-12-25	Parties are working on settlement IFU: 10-30-26	DPEP 7 Inc dba Pedder CDR + J of Poway v. FCA US LLC (Jeep)	Protestant: Gavin Hughes, Robert Mayville Respondent: Mark Clouatre	Warranty
10.	PR-2879-25* 12-12-25	Parties are working on settlement IFU: 10-30-26	DPEP 7 Inc dba Pedder CDR + J of Poway v. FCA US LLC (RAM)	Protestant: Gavin Hughes, Robert Mayville Respondent: Mark Clouatre	Warranty
11.	PR-2890-26 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Mission Volkswagen Inc. dba Capistrano Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
12.	PR-2891-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Community Auto Group Inc. dba Community Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
13.	PR-2892-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	NAG Auto 1, LLC dba Covina Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent Volkswagen: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
14.	PR-2893-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Cornelius Bros LLC dba Dublin Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
15.	PR-2894-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	R L Niello Co Inc. dba Niello Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
16.	PR-2895-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Shayco, Inc. dba Ontario Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
17.	PR-2896-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Mathew Enterprise Inc. dba Serramonte Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
18.	PR-2897-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Corbro LLC dba Stevens Creek Volkswagen v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
19.	PR-2898-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Team Volkswagen of Hayward Corporation dba Team Volkswagen of Hayward v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
20.	PR-2899-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	CLVW LLC dba Volkswagen of Clovis v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
21.	PR-2900-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	County Wide Rambler Inc. dba Volkswagen of Garden Grove v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
22.	PR-2901-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Oakland Auto Ventures Inc. dba Volkswagen of Oakland v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
23.	PR-2902-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	TOV Motors Inc. dba Volkswagen Thousand Oaks v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
24.	PR-2903-26* 4-29-26	MTD: Opposition: 10-19-26 Reply: 11-9-26 Hearing: 12-7-26	Trans Ocean Motor Co Inc dba Volkswagen Pasadena v. Volkswagen Group of America, Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Paul Collins, Steven McFarland, Christopher Genovese	Franchisor competing with dealer
25.	PR-2904-26 5-18-26	HRC: 11-18-26 MH: OAH	KPAuto, LLC, dba Putnam Ford Burlingame v. Ford Motor Company	Protestant: Gavin Hughes, Robert Mayville Respondent: Lou Chronowski, Connor Grants, Mara Klebaner	Retail Labor Rate
26.	PR-2905-26 7-6-26	MTD:10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Mission Volkswagen Inc. dba Capistrano Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
27.	PR-2906-26* 7-6-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Community Auto Group, dba Community Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
28.	PR-2907-26* 7-6-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Nag Auto 1, LLC dba Covina Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
29.	PR-2908-26* 7-6-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Cornelius Bros LLC dba Dublin Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
30.	PR-2909-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	R L Niello Co Inc. dba Niello Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich	Franchisor competing with dealer
31.	PR-2910-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Shayco, Inc. dba Ontario Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
32.	PR-2911-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Mathew Enterprise Inc. dba Serramonte Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
33.	PR-2912-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Corbro LLC dba Stevens Creek Volkswagen v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich	Franchisor competing with dealer
34.	PR-2913-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Team Volkswagen of Hayward Corporation dba Team Volkswagen of Hayward v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
35.	PR-2914-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	CLVW LLC dba Volkswagen of Clovis v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
36.	PR-2915-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	County Wide Rambler Inc. dba Volkswagen of Garden Grove v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
37.	PR-2916-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Oakland Auto Ventures Inc. dba Volkswagen of Oakland v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
38.	PR-2917-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	TOV Motors Inc. dba Volkswagen Thousand Oaks v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer
39.	PR-2918-26* 7-7-26	MTD: 10-2-26 Opposition: 10-30-26 Reply: 11-24-26 Hearing: 1-6-27	Trans Ocean Motor Co Inc dba Volkswagen Pasadena v. Scout Motors Inc.	Protestant: Tim Robinett, Gary Prudian, Joe Berberich Respondent: Billy M. Donley Alex E. Spjute, Marcus McCutcheon	Franchisor competing with dealer

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
40.	PR-2919-26 7-9-26	MTD: 8-24-26 Opposition: 9-25-26 Reply: 10-16-26 Hearing: 11-13-26	DKD of Davis, Inc., dba Hanlees Toyota v. Toyota Motor Sales U.S.A. Inc.	Protestant: Gavin Hughes, Robert Mayville Respondent: Steve A. McKelvey, Jr., Steven B. McFarland	Warranty
41.	PR-2920-26 9-22-26	PHC: 10-7-26	Courtesy Automotive Group Inc., DBA Mercedes-Benz of Chico v. Mercedes-Benz USA LLC (Passenger Cars)	Protestant: Gavin Hughes, Robert Mayville Respondent:	Modification
42.	PR-2921-26 9-22-26	PHC: 10-7-26	Courtesy Automotive Group Inc., DBA Mercedes-Benz of Chico v. Mercedes-Benz USA LLC (Light Trucks)	Protestant: Gavin Hughes, Robert Mayville Respondent:	Modification
43.	PR-2922-26 9-22-26	PHC: 10-7-26	Courtesy Automotive Group Inc., DBA Mercedes-Benz of Chico v. Mercedes-Benz USA LLC (Commercial Vehicles)	Protestant: Gavin Hughes, Robert Mayville Respondent:	Modification

	CASE NUMBER/ DATE FILED	STATUS	PROTEST NAME	COUNSEL	CASE TYPE
44.	PR-2923-26 9-24-26	PHC: 10-9-26	KM3G Inc., d/b/a Putnam KIA of Burlingame v. KIA America Inc.	Protestant: Gavin Hughes, Robert Mayville Respondent:	Retail Labor Rate

PETITIONS

CASE NUMBER/ DATE FILED	STATUS	PETITION NAME	COUNSEL

C.

JUDICIAL REVIEW

Either the Protestant/Petitioner/Appellant or Respondent seeks judicial review of the Board's Decision or Final Order by way of a petition for writ of administrative mandamus (Code of Civil Procedure section 1094.5). The writ of mandamus may be denominated a writ of mandate (Code of Civil Procedure section 1084).

1. KPAUTO, LLC, DBA PUTNAM FORD OF SAN MATEO v. CALIFORNIA NEW MOTOR VEHICLE BOARD; FORD MOTOR COMPANY
   Court of Appeal, First Appellate District, Division 1, No. A175485, A175485
   San Mateo County Superior Court No. 24-CIV-05035
   New Motor Vehicle Board No. CRT-283-24
   Protest No. PR-2759-21

   In December 2021, KPAuto, LLC, dba Putnam Ford of San Mateo's (Putnam Ford) filed a Retail Labor Rate protest pursuant to Vehicle Code section 3065.4. Putnam Ford argued its current warranty labor reimbursement rate was significantly below its effective labor rate charged to retail customers. Putnam Ford requested an adjusted retail rate of $436.76 per hour in July 2021. Ford Motor Company (Ford) denied this request because it was alleged to be double the rate being charged by other Ford dealers in the market and it claimed the submission was inaccurate or fraudulent. Ford proposed an adjusted retail labor rate of $220.00. This was an increase from the $177 per hour retail labor rate.

   An 8-day Zoom merits hearing was held before Administrative Law Judge Wim van Rooyen of the Office of Administrative Hearings in September 2023. In the Proposed Decision, the ALJ determined that Ford had shown by a preponderance of the evidence that Putnam Ford's submission and determination of its retail labor rate were materially inaccurate. The Proposed Decision overruled Putnam Ford's protest. At the June 28, 2024, Special Meeting, the Public Members adopted the Proposed Decision as amended as its final Decision.

   Putnam Ford filed a Verified Petition for Writ of Administrative Mandate (Petition) on August 12, 2024. The Board was served on August 28, 2024. A copy of the administrative record was provided.

   Putnam Ford contends that the Board:

   - Denied Putnam Ford a fair hearing and prejudicially abused its discretion by failing to proceed in the manner required by law.
   - Denied Putnam Ford a fair hearing and violated Putnam Ford's due process rights.
   - Prejudicially abused its discretion by failing to proceed in the manner required by law.

   Putnam Ford seeks the issuance of a peremptory writ of administrative mandate directing the Board to set aside and vacate its Decision and to adopt and issue a new and different decision sustaining the protest. In the alternative, the issuance of a writ of administrative mandate directing the Board to set aside and vacate its Decision and remand this case to the Board to consider evidence which in the exercise of reasonable diligence, could not have been produced or that was improperly excluded at the hearing.

President Kassakhian determined that there is not a state interest at issue in the writ so the Board will not participate via the Attorney General's Office.

On September 23, 2024, Petitioner filed Notice of Board's intent not to appear. On October 3, 2024, Real Party in Interest filed its Answer. At the January 22, 2025, hearing on the parties' First Joint Motion to Seal Exhibit A, the court denied the motion without prejudice. At the January 29, 2025, Case Management and Trial Setting Conference, the parties stipulated to, and the court ordered, the following dates:

- Petitioner's Opening Brief - Friday, April 18, 2025 . . . amended to May 9, 2025;
- Joint Appendix listing and containing regularly cited portions of the administrative record - Friday, April 18, 2025 . . . amended to May 9, 2025;
- Real Party in Interest's Opposition Brief - June 20, 2025 . . . amended to July 11, 2025;
- Petitioner's Reply Brief - Friday, August 8, 2025 . . . amended to August 29, 2025.

At the April 2, 2025, hearing on the parties' Second Joint Motion to Seal Exhibit A, the court denied the motion without prejudice. At the August 13, 2025, hearing on the Third Joint Motion to Seal Exhibit A, the court adopted its tentative ruling and granted the motion to seal.

On August 29, 2025, Petitioner filed its Motion for Leave to Amend to Filed First Amended Writ Petition. The effect of the amendment is to place at issue in this Petition proceeding the legal issue of whether the Board failed to proceed in the manner required by law when it precluded Putnam from offering evidence Ford violated Section 3065.2(i)(2)(G) through its retaliatory audit of Putnam. Petitioner argues leave to amend is necessary and proper because Ford first disputed in the Labor Rate Protest that it engaged in any retaliatory adverse conduct towards protestant. Ford argued that Putnam will have the opportunity to litigate that issue in the warranty audit protest (PR-2826-23). Then in the warranty audit protest, Ford disputed Putnam could litigate that issue. The Board issued a final Decision in PR-2826-23 precluding Putnam from raising the Section 3065.2(i)(2)(G) claims. Furthermore, Petitioner contends the Board further failed to proceed in the manner required by law when it precluded Putnam from presenting evidence and argument of Ford's adverse action against Putnam Ford in the form of a nonroutine and nonrandom warranty audit Ford conducted in response to Putnam Ford's labor rate submission and Section 3065.4 Protest. The hearing set for January 7, 2026, was vacated by the Court.

On September 5, 2025, Petitioner filed an *Ex Parte* Application to Advance Hearing on Motion for Leave to Amend and Continue Hearing on Writ Petition. The Application seeks to continue the hearing on the Writ Petition from October 8, 2025, to January 7, 2026, and advance the Motion for Leave to Amend hearing from January 7, 2026, to October 8, 2025. The hearing on the Application set for September 18, 2025, was continued to September 25, 2025. The Court denied the application, advances the motion for leave to amend, and denies the motion for leave to amend.

At the October 8, 2025, hearing on the Writ Petition, Petitioner KPAuto, LLC, dba Putnam Ford of San Mateo's request for a writ of administrate mandate, pursuant to Code of Civil Procedure, section 1094.5 was granted in part and denied in part. The parties were served on November 7, 2025. An amended order was issued on November 18, 2025. The only difference is a correction to a reference to "3095.2" in the original version which became the intended citation "3065.2" in the amended version.

Putnam Ford provided the Board with an electronic service copy of a notice of appeal on December 13, 2025, and a second notice of appeal on January 14, 2026. Notices designating the record on appeal were submitted on January 14, 2026, and January 23, 2026. On February 2, 2026, the Court of Appeal, First Appellate District, Division 1, assigned case no. A175485 to the first notice of appeal (11/7/25 order) and case no. A175487 to the second notice of appeal (11/18/25 amended order). On January 13, 2026 and January 23, 2026, Ford filed cross-appeals.

On February 13, 2026, Ford substituted Horvitz & Levy LLP in place of Greenberg Traurig, LLP as counsel of record. Additionally, the parties jointly proposed the following briefing sequence in this appeal:

- Putnam Ford files its opening brief 100 days after the record is filed, which was filed April 13, 2026. The brief was filed July 22, 2026.
- Ford Motor Co. files its combined respondent's and cross-appellant's opening brief 90 days after Putnam files its first brief on October 20, 2026.
- Putnam Ford files its combined appellant's reply and cross-respondent's brief 90 days after Ford files its first brief.
- Ford Motor Co. files its cross-appellant's reply brief 80 days after Putnam files its second brief.

The parties stipulated to consolidate the two appeals and cross-appeals. On February 24, 2026, the Court consolidated the appeals and accepted the parties joint briefing sequence. The administrative record has been filed and Appellant's opening brief is due July 22, 2026.

2. <u>KM3G, INC., DOING BUSINESS AS PUTNAM KIA OF BURLINGAME</u> v. <u>CALIFORNIA NEW MOTOR VEHICLE BOARD; KIA AMERICA, INC.</u>
Sacramento County Superior Court No. 25WM000170
New Motor Vehicle Board Court No. CRT-284-25
Protest No. PR-2803-22

On September 15, 2022, KM3G, Inc., doing business as Putnam Kia of Burlingame (Putnam Kia) filed a Vehicle Code section 3065.4 protest disputing Kia America Inc.'s (Kia) denial of its submission for an increased retail labor rate. Putnam Kia requested an adjusted retail labor rate of $447.52 per hour in March 2022. Kia denied this request as it was materially inaccurate and potentially fraudulent. Kia proposed an adjusted retail labor rate of $268.89. This was an increase from $225.30 per hour. Pursuant to Vehicle Code section 3065.4, Putnam Kia argued Kia failed to comply with Vehicle Code section 3065.2 by denying its submission for an increased labor rate. Putnam Kia used time allowances identified as sold hours on its repair orders to make its calculations.

A 9-day Zoom merits hearing was held before Administrative Law Judge (ALJ) Diana Woodward Hagle on October 9-13, 2023, and February 12-15, 2024. At the November 1, 2024, Special Meeting, the Board remanded the ALJ's Proposed Decision for additional briefing and/or to open the record for additional evidence or testimony for the purpose of making a determination pursuant to subdivision (a) of Section 3065.4 "for a declaration of the franchisee's retail labor rate." Additionally, for the ALJ to reconsider paragraphs 161-174 in the subheading entitled "[t]he Consequences of Putnam's Failure to Conform its Submission to the Express Requirements of Section 3065.2" and paragraph 120. The Remand Hearing was held May 12-14, 2025. At the Remand Hearing, expert witnesses testified regarding a declaration of the franchisee's retail labor rate pursuant to Vehicle Code section 3065.4(a). Kia's expert's proposed retail labor rate was $268.85/hour. Putnam Kia's expert's proposed retail labor rate at the conclusion of the Remand Hearing was $322.96/hour.

At the August 1, 2025, Special Meeting, the Public Members of the Board adopted ALJ Woodward Hagle's Proposed Decision Following Remand as amended. The Board overruled the protest and determined that:

a. Kia complied with Section 3065.2 by timely responding to Putnam Kia's submission in conformity with statutory requirements.
b. The phrase actual hours is the correct interpretation of the word hours in the statutory phrase "the total number of hours that generated those [labor] charges." Putnam Kia's use of sold hours in its calculations was materially inaccurate.
c. Kia established that by using "sold hours," Putnam Kia inaccurately claimed that $440/hour was the labor rate it generally charged its customers for retail repairs, then submitted that claim as a basis for a higher warranty labor rate from Kia.
d. The Board declared a retail labor rate of $268.85/hour for Putnam Kia.

Putnam Kia filed a Verified Petition for Writ of Administrative Mandate (Petition) on September 18, 2025 and the Board was served on September 26, 2025. Kia acknowledged service on October 16, 2025. A copy of the administrative record has been requested but will take time to prepare.

Putnam Kia contends:

- The Board in error determined that the statutory phrase “the total number of hours that generated those charges” means actual technician hours.
  - Such hours are not used to price customer pay repairs, are unlawful when pricing customer repairs, and are not relied on by Kia in any other statutory labor rate submission.
  - Billed or sold hours should be used.

- The Board’s Decision erred as a matter of law when it relieved Kia of its statutory burden of proof to show it complied with Section 3065.2 including when providing a proposed adjusted retail labor rate.

- The Board failed to provide it a fair trial and abused its discretion in reaching the Decision.

- The Board failed to proceed in the manner required by law, the Decision is not supported by the findings, and the findings are not supported by the evidence.

Putnam Kia seeks:

- The issuance of a peremptory writ of administrative mandate directing the Board to set aside and vacate its Decision and to adopt and issue a new and different decision sustaining the protest.

- In the alternative, the issuance of a writ of administrative mandate directing the Board to set aside and vacate its Decision and remand this case to the Board with the direction to take further findings on the evidence improperly excluded during the Remand Hearing and to calculate a retail labor rate based on the sold hours in the repair orders.

- Putnam Kia asserts that even if the Court determines actual hours are the total number of hours that generated those charges, the Court should still issue a writ of administrative mandamus directing the Board to take further findings on the evidence improperly excluded during the Remand Hearing and to calculate a retail labor rate working from and correcting Kia’s proposed adjusted retail labor rate which supports a $350.35 per hour retail labor rate, or otherwise reach a retail labor rate for Putnam that complies with Section 3065.2.

President Stevens determined that there is not a state interest at issue in the writ so the Board will not participate via the Attorney General’s Office. The parties were notified of this decision on October 29, 2025. The Administrative Record was available on December 8, 2025. On March 20, 2026, Petitioner served electronic copies of the administrative record.

The parties stipulated to the following schedule and hearing date:

- Petitioner's Opening Brief shall be filed and served on or before Friday, July 31, 2026 (111 days prior to the hearing on the Petition);
- Real Party in Interest's Opposition Brief shall be filed and served on or before Tuesday, September 29, 2026 (51 days prior to the hearing on the Petition);
- Petitioner's Reply Brief shall be filed and served on or before Thursday, October 29, 2026 (21 days prior to the hearing on the Petition).
- November 19, 2026, hearing, at 1:30 p.m. Dept. 3AB

NOTICES FILED

PURSUANT TO VEHICLE CODE SECTIONS
3060/3070 AND 3062/3072
JUNE 26, 2026, THROUGH SEPTEMBER 25, 2026

These are generally notices relating to termination or modification (Sections 3060 and 3070) and establishment, relocation, or off-site sales (Sections 3062 and 3072).

SECTIONS 3060/3070

Manufacturer	Number of Notices
BMW/Mini	
Ford	
GM (Buick, Cadillac, Chevrolet, GMC)	
Honda/Acura	
Hyundai/Genesis	
Kia	
Nissan/Infiniti	
Stellantis (Chrysler, Jeep, Dodge, RAM,)	
Stellantis (Alfa Romeo, FIAT)	
Stellantis (Maserati)	
Subaru	
Toyota/Lexus	
Volkswagen/Audi	
Miscellaneous Car/Heavy Duty Truck	151
Miscellaneous Motorcycles/ATVs	2
Miscellaneous Recreational Vehicle	33
Total	**186**

SECTIONS 3062/3072

Manufacturer	Number of Notices
BMW	
Ford	
GM (Buick, Cadillac, Chevrolet, GMC)	
Honda/Acura	
Hyundai/Genesis	1
Kia	
Nissan/Infiniti	
Stellantis (Chrysler, Jeep, Dodge, RAM)	
Stellantis (Alfa Romeo, FIAT)	
Stellantis (Maserati)	
Subaru	
Toyota/Lexus	4
Volkswagen/Audi	
Miscellaneous Car/Heavy Duty Truck	
Miscellaneous Motorcycles/ATVs	
Miscellaneous Recreational Vehicle	
Total	**5**

Memorandum

Date : SEPTEMBER 28, 2026

To : ALL BOARD MEMBERS

From : TIMOTHY M. CORCORAN

Subject : BOARD MEETING DATES

The following identifies planned Board meeting dates:

- October 13, 2026, Meeting of the Committee on Equity, Justice and Inclusion (Glendale)
- October 13, 2026, General Meeting (Glendale)
- November 20-29, 2026, AutoMobility LA (Los Angeles Convention Center)
- February 2027 Equity, Justice and Inclusion Committee Meeting (date/location to be determined)
- February 2027 Special Meeting (date/location to be determined)
- February 2027 General Meeting (date/location to be determined)
- February 17-20, 2027 NADA Show (Orlando)
- March 17, 2027, California New Car Dealers Association (CNCDA) Dealer Day (Sacramento)
- March 18, 2027, Special Meeting – Industry Roundtable (Sacramento)
- Summer 2027 Equity, Justice and Inclusion Committee Meeting (date/location to be determined)
- Summer 2027 Special Meeting (date/location to be determined)
- Summer 2027 General Meeting (date/location to be determined)
- Fall/Winter 2027 Equity, Justice and Inclusion Committee Meeting (date/location to be determined)

- Fall/Winter 2027 Special Meeting (date/location to be determined)

- Fall/Winter 2027 General Meeting (date/location to be determined)

If you have any questions or concerns about any of the upcoming Board meetings, please do not hesitate to contact me at (916) 244-6774.