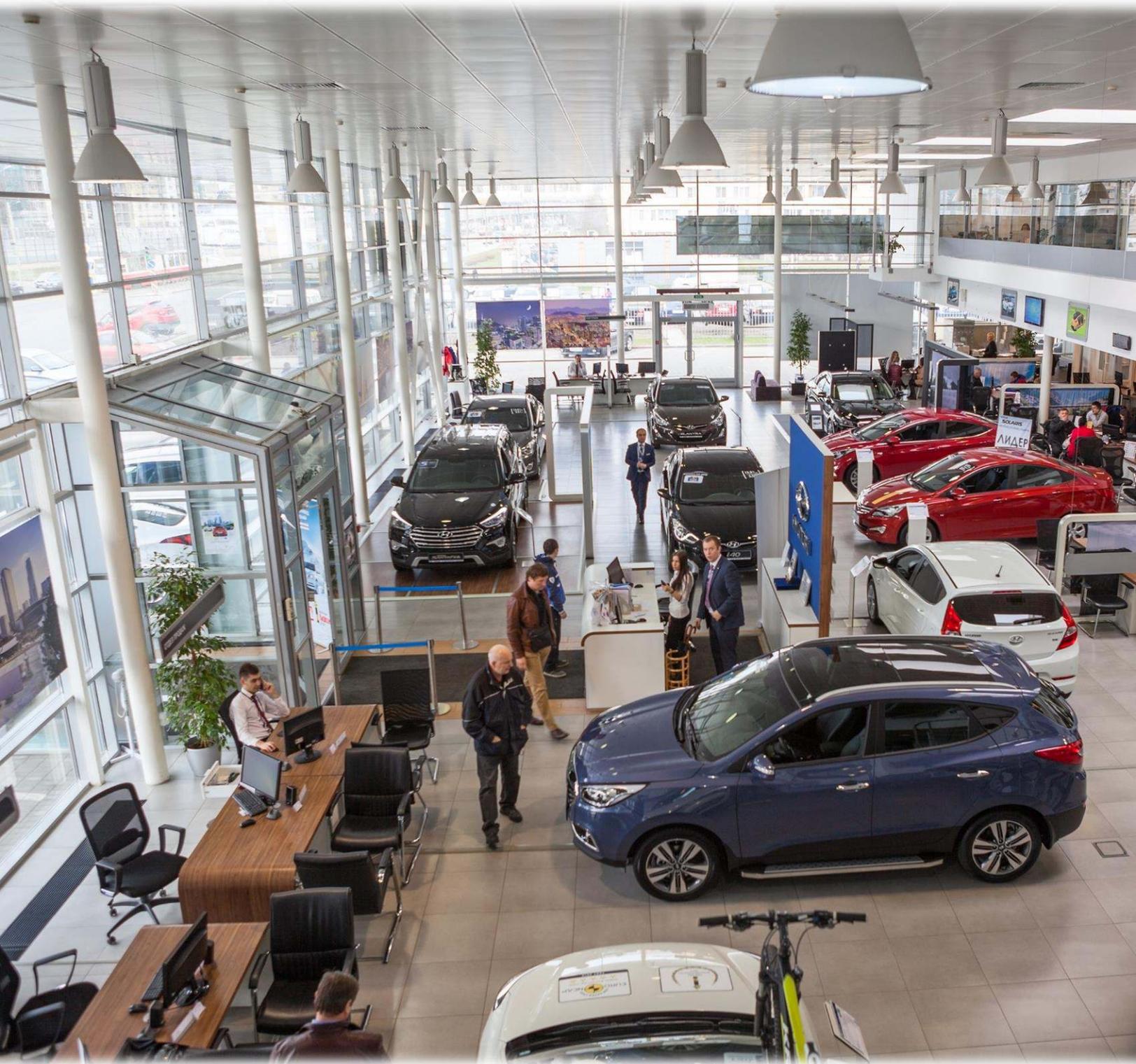


# Chapter 11: Public Signs at Dealerships



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## Overview

California and federal statutes and regulations require the placing of various signs, certificates, and licenses at the dealership premises.

An attempt has been made to exhaustively research state and federal law for sign requirements. However, because of the massive volume of state and federal statutes and regulations, it is possible that some requirements for a sign, certificate, or license may not be included in this chapter. If you become aware of any required sign, certificate or license not included here, please bring that to the attention of your Association representative so that it may be included in the next edition of this Management Guide.

## Covered Elsewhere

### Employment Notices

The chapter does not cover notices that must be posted for the benefit of employees. For discussion of employment issues, please see the CNCDA Employment Law Manual.

### Ancillary Businesses

This discussion does not attempt to cover the various signs and postings required of activities not directly associated with new vehicle dealerships. Dealers who provide ancillary goods and services should therefore be sure to obtain sign and posting compliance information from all regulatory agencies having jurisdiction over such activities. Some ancillary businesses having posting requirements include car washes, recreational vehicle shows, locksmiths, auctioneers, motor fuel or liquefied petroleum retailers, repackagers of lubricating oil, impound lots, tire and used-oil collection or recycling centers, vending machine or public coin telephone owners, providers of food or beverages, vehicle registration services, launderers of wiping rags, licensed lenders, check cashers, credit union related promotions, property brokers, pawn brokers, and retailers offering trading stamps. Also excluded are notices that must be posted when a dealer's license is suspended or terminated by the DMV.

### Hazard and Environmental Warnings

Signs and postings dealing with chemical and hazardous materials or hazardous activities at the dealership, and required business plans respecting emergency release, are excluded from discussion in this chapter since they depend upon the particular substances, equipment, and procedures used at each dealership. Signs or labels required under these excluded topics can include warnings regarding materials and chemicals known or suspected to cause cancer and birth defects, warning signs to be placed during overhead window washing, in elevators and dumbwaiters, warnings related to unreinforced masonry buildings in earthquake zones, and environmental protection notices such as those imposed on temporary household hazardous waste collection facilities licensed, or deemed licensed, by the Department of Health Services.

Consistent with the above, signs and labels required by Proposition 65 dealing with hazardous and toxic materials are excluded from discussion in this chapter. A new Proposition 65 went into effect on August 30, 2018, and Dealers who have not already done so should contact the Association for information on resources available to assist dealers in implementing a comprehensive Proposition 65 compliance program, including the CNCDA Proposition 65 Handbook available upon login in the CNCDA Comply section of the Association's website, [www.cncda.org](http://www.cncda.org).

Posting of licenses and permits from local and state fire, health, and building and safety agencies are also excluded from discussion in this chapter.

Contact the applicable regulatory agencies and your environmental and safety consultants for assistance in this area. Your workers' compensation carrier may be able to direct you to a consultant.

### Local Ordinances and Regulations

Cities and other local governments generally require business licenses and related notices to be posted, and many maintain posting rules for hazardous substances. You should check with local government officials to see what may apply.

### Web and Internet Sites

Notices that must be posted on Web sites are not included in this discussion, including, for example, the privacy notice required under Business and Professions Code section 22575 et seq.

### Signs on Vehicles

Warnings, stickers, instructions, and other materials required to be affixed or attached to any motor vehicle are not included; this topic is covered in the chapter entitled "Other Important Topics."

### California Consumer Privacy Act

Notices to be posted or provided pursuant to the California Consumer Privacy Act are not included in this discussion, including, for example, the notice required under 11 California Code of Regulations section 999.305. Additional information on this topic is contained in the CNCDA California Consumer Privacy Act of 2018 Compliance Handbook (Third Edition) accessible on CNCDA's website ([www.cncda.org](http://www.cncda.org)) under the "CNCDA Comply" tab.

## Table of Public Signs

Below is a table of required signs. References to B. & P. are to the California Business and Professions Code; references to CCR are to the California Code of Regulations; references to CFR are to the Code of Federal Regulations.

Name of Sign	Law Governing	Where to Post
1. General Repair Shop Sign	B & P Code 9884.17, 16 CCR 3351.3 and 3351.4	In a place conspicuous to all customers at the repair dealer's location or at each location if multiple locations are used or given as a handout when conducting business at other locations.
2. B.A.R. Certificate of Registration	B & P Code 9884.6 and 16 CCR 3351.3(a)	In a place conspicuous to customers.
3. Sign Posting Hours Repair Shop is Open to Public	16 CCR 3340.15	In a place conspicuous to the public.
4. Posting of Labor Rates, Non-Smog (Not Required)	There is no law requiring the posting of non-smog labor rates and posting is not recommended.	If posted, in a place conspicuous to repair shop customers.
5. Display of Lamp and Brake Station Licenses	16 CCR 3307(a)	In the station.
6. Display of Adjusters' Licenses	16 CCR 3307(b)	Prominently displayed in the station.
7. Lamp and Brake Station Signs	16 CCR 3307(c); 16 CCR 3309	In a location clearly visible from outside the station.
8. Lamp and Brake Station Prices	16 CCR 3307(d)	In a conspicuous place.
9. Muffler Station Sign	13 CCR 604(b) and 606	In a location clearly visible from outside the station.
10. Display of Muffler Station License	13 CCR 602 and 604(a)	Prominently in customer area of station.

11. Posting of Muffler Station Prices	13 CCR 604(c)	Conspicuously in customer area.
12. Smog Check Station Sign	Health & Safety 44033(a), 16 CCR 3340.22	In a place conspicuous to the public.
13. Smog Check Station Failed Vehicle Repair Options	Health & Safety 44017.3 and 44017, 16 CCR 3340.22.2	Conspicuously in area frequented by customers.
14. Display of Smog Check Station Licenses	16 CCR 3340.15(c)	Prominently in area frequented by customers.
15. Smog Check Station Prices	16 CCR 3340.15(d)	Conspicuously in area frequented by customers.
16. Smog Check Test Only Sign	16 CCR 3340.16(b)	Conspicuously in area frequented by customers.
17. No Cooling Off Period Without Cancellation Option Sign	Vehicle Code section 11709.2	In all cubicles or offices where contracts negotiated or executed.
18. Right to Inspect Used Vehicles Sign	Vehicle Code section 11709.1	In place conspicuous to the public.
19. Spanish/Foreign Translation of Contract Sign	Civil Code section 1632	In a place conspicuous to buyer. (F & I office)
20. Presale Availability of Warranty	15 U.S.C. section 2302; 16 CFR 702.3	In the new and used sales, F&I, service write-up, and parts counter areas, conspicuous to vehicle, accessory, and parts purchasers.
21. Availability of Service Bulletins Sign	Civil Code section 1795.91	In the showroom or other area conspicuous to motor vehicle purchasers.
22. Sign Regarding Credit Card Request for Check Writing	Civil Code section 1725	If required, in conspicuous location where check is written. (see discussion below)

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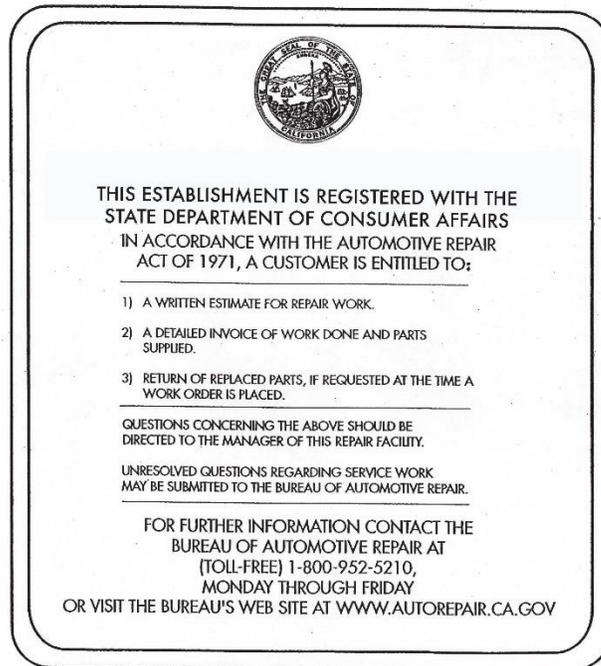
23. Policy Concerning Refunds and Exchanges Sign	Civil Code section 1723(a) and (b)	Either at each cash register and sales counter, at each public entrance, on tags attached to the item, or on seller's order forms, if any.
24. Cellular Telephone Activation Notice	B. & P. Code section 17026.1	Where cellular telephones are displayed and purchased.
25. Grey Market Goods Sign	Civil Code section 1797.8	Conspicuously at product's point of display and affixed to the product.
26. Anti-Graffiti Warning Sign	Penal Code section 594.1	Conspicuous place where paint sold.
27. Child Passenger Restraint Sign	Vehicle Code section 27365	In a place conspicuous to the public.
28. Rental Company Damage Waiver Signs	Civil Code section 1939.09	At place where renter signs the contract.
29. Display of Sales Tax Permit	Revenue & Taxation Code section 6067	Conspicuously in business office.
30. Posting of Insurance Licenses	Insurance Code section 1725	Prominently displayed in the holder's office.
31. Posting of Dealer License	Vehicle Code section 11709(a)	In place conspicuous to the public.
32. Display of Salesperson Licenses	Vehicle Code section 11812	In place conspicuous to the public where he or she sells.
33. Display of Business License	B & P 16111	In the business office.
34. Contract for Parking or Storage Sign	Civil Code section 1630	Conspicuous place at each entrance of parking lot.
35. Public Parking Prohibited Sign	Vehicle Code section 22658(a)	At all entrances to parking areas.
36. Storage Charges for Towed Vehicles Sign	Civil Code section 3070	If required, in plain view at all cashiers' stations. (see discussion below)

37. Exit Signs	Labor Code section 142.3; Health & Safety Code section 18943(c); 8 CCR 3216	At every exit of intersection of corridors, exits, stairways or ramps, etc.
38. Offsite Display	13 CCR section 270.08	In close proximity to or on vehicles when off site.
39. Lien Sale	Civil Code section 3072(f)	Conspicuous place on the premises of the business office.
40. No Smoking	Labor Code section 6404.5	At each entrance to the dealership.
41. Fuel Economy Guide Booklet	49 USC 32908	Prominently in showroom or sales area
42. Towing Fees and Access Notice	Vehicle Code section 22651.07	In the office area of the storage facility, in plain view of the public
43. Battery Fee and Refundable Deposit	Health and Safety Code 21215.2(c)	A clearly visible place in the public sales area of the establishment.

## Language and Format of Signs

### Sign #1. General Repair Shop Sign

In addition to being required to post this sign, when conducting business from other than the dealer's principal business address, the dealer shall provide to every customer a copy of the automotive repair dealer's sign, reduced to fit on 8½" x 11" white paper.



Dealers who, as of June 30, 2006, had the older version of the general repair shop sign may, in lieu of replacing the sign with the new version, post a supplemental sign in proximity to the main sign. The supplemental sign appears as follows:<sup>1</sup>



Figure 1-2

### Sign #2. B.A.R. Certificate

Sign 2 refers to the Certificate of Registration or "license" issued by the Bureau of Automotive Repair to the dealer.<sup>2</sup>

<sup>1</sup> Business and Professions § 9884.17, 16 CCR §§ 3351.3 and 3351.4

<sup>2</sup> Business and Professions § 9884.6 and 16 CCR § 3351.3(a)

## Sign #3. Hours Open to Public



## Sign #4. Posting of Labor Rates

Neither California or Federal law requires the posting of labor rates in repair shops. It is not recommended that labor rates be posted or be set forth on your repair orders. Various sections of Titles 13 and 16 of the California Code of Regulations as footnoted below, do provide for the posting of prices for lamp, brake, smog inspection and muffler stations.

## Sign #5. Lamp, Brake, and Smog Check Station Licenses

The display of these licenses are to be under glass or other transparent cover and prominently displayed in the station.<sup>3</sup>

## Sign #6. Adjustors' Licenses

Licenses of Adjustors employed at a licensed station are to be mounted under glass or other transparent cover and prominently displayed in the station.<sup>4</sup>

## Sign #7. Lamp and Brake Station Official Signs

Figures 7-2 shows these signs. The exact dimensions are available from the Bureau of Automotive Repair.<sup>5</sup>

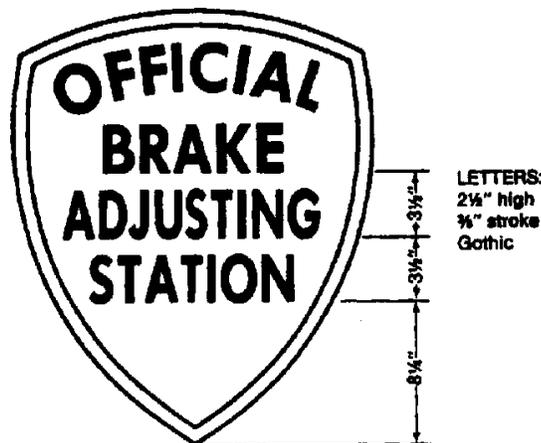


Figure 7-1

<sup>3</sup> 16 CCR § 3307(a)

<sup>4</sup> 16 CCR § 3307(b)

<sup>5</sup> 16 CCR § 3309

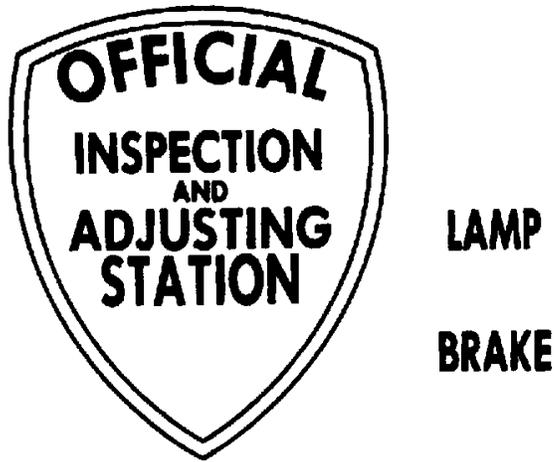


Figure 7-2

## Sign #8. Lamp, Brake, and Smog Check Station Prices

A dealer must post conspicuously a list of price ranges for the specific activities for which it is licensed. Prices may be stated either as a fixed fee or an hourly rate on a time-and-material basis.<sup>6</sup> (See discussion of Sign #15 below on Dealers Smog Check Station Prices)

## Sign #9. Muffler Station Official Sign

Figure 9-1 shows the layout and dimensions of this sign.<sup>7</sup>

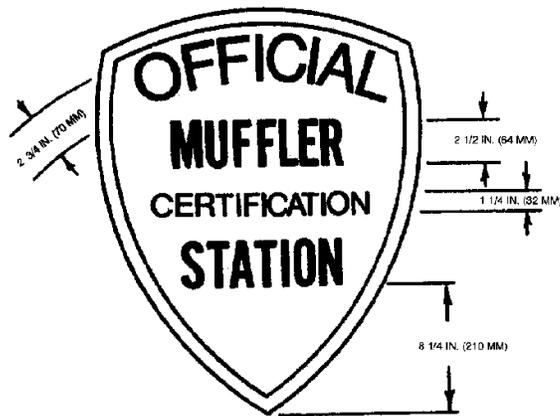


Figure 9-1

## Sign #10. Muffler Station License

The license of a muffler certification station shall be prominently displayed under glazing material in the customer area of the station.<sup>8</sup>

<sup>6</sup> 16 CCR § 3307(d)

<sup>7</sup> 16 CCR §§ 604(b) and 606

<sup>8</sup> 13 CCR §§ 602 and 604(a)

## Sign #11. Muffler Station Prices

Each muffler certification station must post conspicuously in the customer area the prices for issuing exhaust certifications and for clearing enforcement documents.<sup>9</sup>

## Sign #12. Smog Check Station Official Sign

Service signs required to be 24 inches wide and 30 inches high, made of 0.040 aluminum or steel. Camera-ready design and content of required signs are available from the Bureau of Automotive Repair.<sup>10</sup>

## Sign #13. Smog Check Station Failed Vehicle Repair Options

Smog Stations must also conspicuously post a sign issued by the Department of Consumer Affairs explaining potential vehicle repair assistance and vehicle retirement options for consumers whose vehicles fail smog check. The dimensions of this sign are set forth in the Discussion of Applicable Statutes and Regulations section of this chapter.<sup>11</sup>

## Sign #14. Smog Check Station Licenses and Certificates

The station license, inspector license, and/or repair technician license shall be posted prominently under glass or other transparent material in an area frequented by customers.<sup>12</sup>

## Sign #15. Dealer's Smog Check Station Prices

The station is to post conspicuously in an area frequented by customers, a list of price ranges for the specific activities for which it is licensed. The posted prices are to include the price charged by the station for inspections, and, if a separate price is charged for reinspections, such reinspection price. The price of issuance of a certificate of compliance or noncompliance charged by the Bureau of Automotive Repair is to be posted separately from the price of the inspection and of the reinspection, if any.<sup>13</sup>

## Sign #16. Smog Check Test Only Sign

THIS SMOG CHECK TEST ONLY STATION IS LICENSED TO TEST VEHICLES ONLY, AND CANNOT MAKE ANY REQUIRED DIAGNOSIS OR REPAIRS TO A VEHICLE WHICH HAS FAILED A SMOG CHECK TEST.

## Sign #17. No Cooling Off Period Without Cancellation Option Sign

A notice not less than eight inches high and 10 inches wide, in each sales office and sales cubicle of the dealership where written terms of specific sale or lease transactions are discussed with prospective purchasers or lessees, and in each room of a dealer's established place of business where sale and lease contracts are regularly executed, which states the following:<sup>14</sup>

<sup>9</sup> 13 CCR § 604(c)

<sup>10</sup> Health & Safety § 44033(a) and CCR § 3340.22

<sup>11</sup> Health & Safety §§ 44017.3, 44017 and 16 CCR § 3340.22.2

<sup>12</sup> 16 CCR § 3340.15(c)

<sup>13</sup> 16 CCR § 3340.15(d)

<sup>14</sup> Vehicle Code § 11709.2

THERE IS NO COOLING-OFF PERIOD UNLESS YOU OBTAIN A CONTRACT CANCELLATION OPTION  
California law does not provide for a “cooling-off” or other cancellation period for vehicle lease or purchase contracts. Therefore, you cannot later cancel such a contract simply because you change your mind, decide the vehicle costs too much, or wish you had acquired a different vehicle. After you sign a motor vehicle purchase or lease contract, it may only be canceled with the agreement of the seller or lessor or for legal cause, such as fraud. However, California law does require a seller to offer a 2-day contract cancellation option on used vehicles with a purchase price of less than \$40,000, subject to certain statutory conditions. This contract cancellation option requirement does not apply to the sale of a recreational vehicle, a motorcycle, or an off-highway motor vehicle subject to identification under California law. See the vehicle contract cancellation option agreement for details.

### Sign #18. Right to Inspect Used Vehicle Sign

This sign must be not less than 8 inches high and 10 inches wide and posted in a place conspicuous to the public.<sup>15</sup>

THE PROSPECTIVE PURCHASER OF A VEHICLE MAY, AT HIS OR HER OWN EXPENSE AND WITH THE APPROVAL OF THE DEALER, HAVE THE VEHICLE INSPECTED BY ANY INDEPENDENT THIRD PARTY EITHER ON OR OFF THESE PREMISES.

### Sign #19. Spanish/Foreign Language Translation Sign

There should be posted in conspicuous locations visible before contracts negotiated in the foreign language are signed (such as in F & I offices) a sign that states, IN THE FOREIGN LANGUAGE, substantially the following:<sup>16</sup>

WE ARE REQUIRED TO PROVIDE A [Language] LANGUAGE CONTRACT OR AGREEMENT IF WE NEGOTIATE (ORALLY OR IN WRITING) A SALE OR LEASE PRIMARILY IN THE [Language] LANGUAGE”

(In the above, [Language] is replaced, in turn by Spanish, Chinese, Tagalog, Vietnamese, or Korean)

### Sign #20. Presale Availability of Warranty Sign

A dealer's duty to make warranty terms and conditions available to customers for inspection before sale can be satisfied by posting a signs reasonably calculated to elicit the prospective buyer's attention in prominent locations in the dealership advising prospective buyers of the availability of warranties upon request.<sup>17</sup> The following is an example of such a sign:<sup>18</sup>

WARRANTY TERMS AND CONDITIONS ARE AVAILABLE FOR YOUR REVIEW UPON REQUEST

<sup>15</sup> Vehicle Code § 11709.1

<sup>16</sup> Civil Code § 1632

<sup>17</sup> 15 U.S.C. § 2302(b) and 16 CFR § 702.3

<sup>18</sup> 15 U.S.C. § 2302 and 16 CFR § 702.3

## Sign #21. Availability of Service Bulletins Sign

A dealer's duty to notify prospective purchasers and lessees of manufacturer service bulletin availability is satisfied if a sign is posted in the showroom or other area conspicuous to motor vehicle purchasers and written in the following form:<sup>19</sup>

FEDERAL LAW REQUIRES MANUFACTURERS TO FURNISH THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (N.H.T.S.A.) WITH BULLETINS DESCRIBING ANY DEFECTS IN THEIR VEHICLES. THESE BULLETINS ARE NOT RECALLS.

YOU MAY OBTAIN COPIES OF THESE TECHNICAL SERVICE BULLETINS FROM NHTSA, THE MANUFACTURER (ASK YOUR DEALER FOR THE TOLL-FREE NUMBER), OR

CERTAIN CONSUMER PUBLICATIONS, WHICH PUBLISH THESE BULLETINS. SOME COMPANIES WILL SEND THEM TO YOU, FOR A FEE

## Sign #22. Credit Card Request for Check Writing Notice

In connection with check writing, if a request for a credit card, is, or might ever be made, you must either train your employees requesting the credit card to inform all check writing customers that they are not required to display a credit card to write a check; or post the following notice in a conspicuous location in the unobstructed view of the public within the premises where the check is being written, clearly and legibly.<sup>20</sup>

CHECK WRITING I.D.: CREDIT CARD MAY BE REQUESTED BUT NOT REQUIRED FOR PURCHASES.

## Sign #23. Refunds and Exchanges Policy

Unless otherwise agreed in writing, all sales are final; no refunds or exchanges.

Unless you allow full cash refunds during the first seven days after purchase, your actual refund policy must be conspicuously displayed either on signs posted at each cash register and sales counter, at each public entrance, on tags attached to each item sold under that policy, or on your order forms, if any. The display must state your policy, including, but not limited to, whether cash refund, store credit, or exchanges will be given for the full amount of the purchase price; the applicable time period; the types of merchandise which are governed by the policy; and any other conditions which govern the refund, credit, or exchange of merchandise. No dimensions are given for the sign, but it should be easily read by the public if you choose to use such a sign, rather than putting your policy on your order form.<sup>21</sup>

## Sign #24. Cellular Telephone Activation Notice.

Anyone retailing cellular telephones is required by California law to post a large conspicuous sign, in lettering no smaller than 36-point type.<sup>22</sup> The sign shall be prominently displayed and visible to consumers and located in that area in each retail location where cellular telephones are displayed and purchased:

<sup>19</sup> Civil Code § 1795.91

<sup>20</sup> Civil Code § 1725

<sup>21</sup> Civil Code §§ 1723(a) and (b)

<sup>22</sup> Business and Professions Code § 17026.1

Activation of any cellular telephone is not required and the advertised price of any cellular telephone is not contingent upon activation, acceptance, or denial of cellular service by any cellular provider.

### Sign #25. Grey Market Goods Sign

Retail sellers of "grey market goods" (see definition below) must, under California law, post a conspicuous sign at the point of display of such goods and affix to the product or the package a conspicuous ticket, label, or tag disclosing:<sup>23</sup>

As to each item checked below, this product:  
is not covered by a manufacturer's express written warranty valid in the United States (however, any implied warranty provided by law still exists).  
is not compatible with United States electrical currents.  
is not compatible with United States broadcast frequencies.  
has no replacement parts available through the manufacturer's United States distributors.  
has no compatible accessories available through the manufacturer's United States distributors.  
is not accompanied by instructions in English.  
is not eligible for a manufacturer's rebate.  
has other items of incompatibility or nonconformity with relevant domestic standards listed on the tag on the product.

### Sign #26. Anti-Graffiti Warning Sign

Any dealer who sells aerosol containers of paint (which could include touch up paint) must post a sign in a conspicuous place in letters at least three-eighths of an inch-high stating:<sup>24</sup>

Any person who maliciously defaces real or personal property with paint is guilty of vandalism which is punishable by a fine, imprisonment, or both.

### Sign #27. Child Passenger Restraint Sign

If you lease or rent vehicles to your customers for a period not exceeding four months, then the following sign must be posted in a place conspicuous to the public not smaller than 15 inches by 20 inches. It is uncertain whether a dealer who loans a "courtesy car" to a service customer without charge is required to comply with the signage and availability requirements, but conservative dealers may wish to comply with the requirements in all circumstances.<sup>25</sup>

CALIFORNIA LAW REQUIRES ALL CHILDREN WHO ARE 8 YEARS OF AGE TO BE TRANSPORTED IN A CHILD RESTRAINT SYSTEM. THIS AGENCY IS REQUIRED TO PROVIDE FOR RENTAL OF A CHILD RESTRAINT SYSTEM IF YOU DO NOT HAVE A CHILD RESTRAINT SYSTEM YOURSELF.

<sup>23</sup> Civil Code § 1797.8

<sup>24</sup> Penal Code § 594.1

<sup>25</sup> Vehicle Code § 27365

## Sign #28. Rental Company Damage Waiver

### NOTICE ABOUT YOUR FINANCIAL RESPONSIBILITY AND OPTIONAL DAMAGE WAIVER

You are responsible for all collision damage to the rented vehicle even if someone else caused it or the cause is unknown. You are responsible for the cost of repair up to the value of the vehicle, and towing, storage, and impound fees.

Your own insurance, or the issuer of the credit card you use to pay for the vehicle rental transaction, may cover all or part of your financial responsibility for the rented vehicle. You should check with your insurance company, or credit card issuer, to find out about your coverage and the amount of the deductible, if any, for which you may be liable.

Further, if you use a credit card that provides coverage for your potential liability, you should check with the issuer to determine if you must first exhaust the coverage limits of your own insurance before the credit card coverage applies.

The rental company will not hold you responsible if you buy a damage waiver. But a damage waiver will not protect you if (list exceptions).

"The cost of an optional damage waiver is \$\_\_\_ to \$\_\_\_ for every (day or week), depending upon the vehicle rented.

See the discussion of Sign #28 under the "Discussion of Applicable Statutes and Regulations" heading later in this chapter for alternative types of signs.

## Sign #29. Sales Tax Permit

Each sales tax permit issued for each place of business within the state shall at all times be conspicuously displayed at the place for which issued.<sup>26</sup>

## Sign #30. Insurance Licenses

Every license to act as a fire and casualty broker-agent shall be prominently displayed by the holder in his or her office.<sup>27</sup>

## Sign #31. Dealer DMV License

The Dealer license must be posted in a place conspicuous to the public. Dealers must also have erected or posted on the premises signs or devices providing information in relation to the dealer's name and the location and address of the dealer's established place of business to enable every person doing business with the dealer to identify him or her properly. Every such sign erected or posted on an established place of business, shall have an area of not less than 2 square feet per side displayed and shall contain lettering of sufficient size to enable the sign to be read from a distance of least 50 feet.<sup>28</sup>

## Sign #32. Salesperson DMV Licenses

Every salesperson's license, or a true and exact copy of the license, is to be posted in a place conspicuous to the public at each location where he or she is actually engaged in the selling of vehicles for the employing dealer. The license must be displayed continuously during employment.<sup>29</sup>

<sup>26</sup> Revenue and Taxation Code § 6067

<sup>27</sup> Insurance Code § 1725

<sup>28</sup> Vehicle Code § 11709(a)

<sup>29</sup> Vehicle Code § 11812

## Sign #33. Business License

You must post or display the receipt or certificate showing evidence of a business' payment of the Business License Tax Receipt.<sup>30</sup>

## Sign #34. Contract for Parking or Storage Sign

If you have a contract for parking and storage of vehicles, then see the discussion of Sign #34 under the "Discussion of Applicable Statutes and Regulations" heading later in this chapter.

## Sign #35. Public Parking Prohibited Sign

A sign not less than 17 by 22 inches in size, with lettering not less than one inch in height, displayed in plain view at all entrances to the property stating that public parking is prohibited, that vehicles will be removed at the owner's expense, and, optionally, that a citation may be issued. The sign must also contain the telephone number of the local traffic law enforcement agency.<sup>31</sup>

## Sign #36. Storage for Towed Vehicles Sign

If a dealership causes a vehicle to be towed or removed in order to create or acquire a lienhold interest in the vehicle, then see the discussion of Sign #36 under the "Discussion of Applicable Statutes and Regulations" heading later in this chapter.

## Sign #37. Exit Signs

Signs marking exits and giving directions to exits as required under certain California law is further discussed in Sign #37 under the "Discussion of Applicable Statutes and Regulations" heading later in this chapter.<sup>32</sup>

## Sign #38. Off Site Vehicle Display

If a dealer engages in off premises display of vehicles at shopping centers, fairs, and the like, California law requires the posting of a sign on the vehicle or vehicles or in close proximity thereto, printed in letters of not less than three inches in height, with the name, location and address of the dealer's established place of business and the following statement:<sup>33</sup>

No sales permitted, or deposits accepted at this location.

## Sign #39. Notice of Lien Sale

If a dealer conducts a lien sale of a vehicle worth less than \$2,500, California law requires that for a period of at least ten days before the sale, a sign be posted in the business office or at such other site where the lien sale is to take place.<sup>34</sup> The sign is to provide as follows:

<sup>30</sup> Business and Professions Code § 16111

<sup>31</sup> Vehicle Code § 22658(a)

<sup>32</sup> Labor Code § 142.3, Health and Safety Code § 18943(c) and 8 CCR § 3216

<sup>33</sup> Vehicle Code § 11709(b) and 13 CCR § 270.08

<sup>34</sup> Civil Code § 3072(f)

## Notice of Vehicle Lien Sale

On \_\_\_\_\_, 20\_\_\_, at exactly \_\_:\_\_\_  
the vehicle with the following year, make, model, VIN, and California license number will be sold:

### Sign #40. No Smoking

California law completely bans all smoking in the workplace.<sup>35</sup> Employers will not be guilty of knowingly permitting smoking by non-employees if there are posted at all entrances to the facility one of the following signs, as applicable to the dealership involved:

**NO SMOKING**

or

**SMOKING IS PROHIBITED EXCEPT IN DESIGNATED AREAS**

### Sign #41. Fuel Economy Guide Booklet

Federal law requires dealers to display the EPA's Fuel Economy Guide booklet in the same manner it displays vehicle brochures.<sup>36</sup>

### Sign #42. Towing Fees and Access Notice

California law requires posting a "Towing Fees and Access Notice" sign whenever the dealer is charging for towing.<sup>37</sup> The sign text is contained in Vehicle Code section 22651.07.

### Sign #43. Battery Fee and Refundable Deposit

California law provides that dealers shall post a written notice that is clearly visible in the public sales area of the establishment, or include on the purchaser's receipt, the following language:<sup>38</sup>

This dealer is required by law to charge a nonrefundable \$1 California battery fee and a refundable deposit for each lead-acid battery purchased.

A credit of the same amount as the refundable deposit will be issued if a used lead-acid battery is returned at the time of purchase or up to 45 days later along with this dealer's receipt.

<sup>35</sup> Labor Code § 6404.5

<sup>36</sup> 49 U.S.C. § 32908

<sup>37</sup> Vehicle Code § 22651.07

<sup>38</sup> Health and Safety Code § 25215.2

## Discussion of Applicable Statutes and Regulations

The following sets forth in greater detail the statutes and regulations applicable to the signs discussed above. In most situations the exact language of the particular statute or regulation is quoted. The sign numbers below refer to the signs identified both in the chart and the discussion above.

### California Requirements

#### *General Repair Shop Signs*

##### **General Repair Shop. Sign #1**

California Business and Professions Code section 9884.17 states:

*The Bureau shall design and approve of a sign which shall be placed in all automobile repair dealer locations in a place and manner conspicuous to the public. Such sign shall give notice that inquiries concerning service may be made to the Bureau and shall contain the telephone number and Internet website address of the Bureau. Such sign shall also give notice that the customer is entitled to a return of replaced parts upon his request therefore at the time the work order is taken.*

Title 16 of the California Code of Regulations, section 3351.3, provides as follows:

- a. *Except as provided in subsection (b), all automotive repair dealers shall display the following in a place and manner conspicuous to their customers:*
  1. *A current and valid certificate of registration as an automotive repair dealer issued by the bureau; and*
  2. *An official automotive repair dealer's sign, which meets the specifications of the Automotive Repair Act and Section 3351.4 of this article. In the event there are multiple facilities, an official automotive repair dealer's sign shall be displayed in a place and in a manner conspicuous to all customers at each location.*
- b. *When conducting business from other than the principal business address shown in an automotive repair dealer's registration, the dealer shall provide to every customer, with the customer's copy of the work order as provided in paragraph (3) of subdivision (a) of Section 9884.7 of the Business and Professions Code, a copy of an official automotive repair dealer's sign that meets the following specifications:*
  1. *A copy of the sign shall be reproduced on a white sheet of paper, or similar material, no less than eight- and one-half inches by eleven inches (8½" x 11") in size.*
  2. *The sign shall be proportionately reduced in size to fill the page in portrait format with no more than one-inch (1") margins outside the right, left and bottom inset border lines.*
  3. *The current business name, address of record, business telephone number and registration number of the automotive repair dealer, as shown by the bureau's records, shall be printed above the top inset border line of the sign in print no smaller than the smallest print of the reduced sign.*
  4. *No other information, printing, decoration, border or design shall be placed on the page.*
- c. *For the purpose of subsection (b), the term "provide" shall mean to give for retention.*

Title 16 of the California Code of Regulations, section 3351.4, provides as follows:

a. *Official automotive repair dealer signs shall meet the following specifications:*

1. *Content. Until June 30, 2006, signs shall be worded exactly as shown in either Figure 1 or Figure 3. On and after June 30, 2006, signs shall be worded exactly as shown in Figure 3, except that an automotive repair dealer possessing a valid registration on June 30, 2006, may comply with Section 3351.3 and this section by displaying a supplementary sign, containing the bureau's Web site address. The supplementary sign shall be worded exactly as shown in Figure 5, and shall be displayed immediately below any sign that was displayed by the automotive repair dealer in compliance with Section 3351.3 and this section on and before June 30, 2006.*
2. *Dimensions. Signs as shown in Figure 1 shall have the dimensions shown in Figure 2, signs as shown in Figure 3 shall have the dimensions shown in Figure 4, and signs as shown in Figure 5 shall have the dimensions shown in that figure.*
3. *Sign Material. 24-gauge steel or aluminum or synthetic material of equivalent rigidity may be used. Synthetic material may be acceptable provided it meets all of the requirements herein, including durability.*
4. *Color. The background shall be semi-gloss white. All print, border stripe and divider stripes, including the State Seal shall be gloss black in color.*
5. *Paint. Paint shall be a premium grade exterior acrylic enamel or equivalent. The silk screen/bake-on process or an acceptable equivalent may be used.*
6. *Surface Preparation. All bare metal shall be etched and coated with white primer or equivalent to insure proper paint adhesion and corrosion protection.*
7. *Print. Largest lettering shall be 72 pt. Futura Demi "condensed;" medium lettering shall be 48 pt. Futura Bold; and smallest lettering shall be 36 pt. Futura Bold for the signs shown in Figures 1 and 3. The lettering of the supplementary sign shown in Figure 5 shall be 48 pt. Futura Bold for the message and 72 pt. Futura Demi "condensed" for the Web site address.*
8. *General. A three- and one-half inch diameter State Seal is required for the signs shown in Figures 1 and 3.*
9. *The use of embossed letters or a clear protective finish coat is permitted, but not required; and*
10. *There shall be a one-quarter inch mounting hole in each corner.*

b. *Replacement. The bureau may require replacement of any sign which that fails to meet the outlined specifications or which that is no longer readily legible.*

## **B.A.R. Certificate. Sign #2**

Title 16 California Code of Regulations section 3351.3, provides in part as follows:

a. *Except as provided in subsection (b) [relating to requirements when conducting business from other than the principal business address shown in an automotive repair dealer's registration], all automotive repair dealers shall display the following in a place and manner conspicuous to their customers:*

1. *A current and valid certificate of registration as an automobile repair dealer issued by the bureau; and*

- An official automotive repair dealer's sign, which meets the specifications of the Act and Section 3351.4 of this article. In the event there are multiple facilities, an official automotive repair dealer's sign shall be displayed in a place and manner conspicuous to all customers at each location.*

### **Posting of Repair Hours Open To The Public. Sign #3**

Title 16 California Code of Regulations section 3340.15 provides that a dealer whose facility has been granted smog check program certification shall remain open during business hours and have certified smog check personnel during those times. Therefore, it is recommended that the hours during which the facility is open to the public should be posted.

### **Posting of Labor Rates. Sign #4**

Neither California nor Federal law requires the posting of non-smog labor rates in repair shops. The discussion there is very important to avoid claims of deception when flat rate hours or some similar system is used. Various sections of Title 16 of the California Code of Regulations quoted below provide for the posting of prices for lamp, brake, and smog inspection stations. Muffler station prices must also be posted as discussed below.

### *Lamp, Brake, and Muffler Stations*

Title 16 of the California Code of Regulations, section 3307 provides that Official lamp and brake stations shall comply with the following provisions governing display of documents, maintenance of equipment, and record keeping.

### **Display of Station License. Sign #5**

Display of Station License. An official station license shall be placed under glass or other transparent cover and prominently displayed in the station.

### **Display of Adjusters' Licenses. Sign #6**

Display of Adjusters' Licenses. Licenses of all official adjusters employed at a licensed station shall be mounted under glass or other transparent cover and prominently displayed in the station.

### **Display of Station Sign. Sign #7**

Display of Station Sign. Each official station except a fleet owner station shall display an official station sign which meets specifications in section 16 CCR 3309, and the sign shall be displayed in location where it is clearly visible from outside the station.

Title 16 of the California Code of Regulations, section 3309, provides as follows:

*Official station signs shall meet the specifications illustrated in this section and shall be displayed in accordance with section 3307(c) of this article. A station which performs more than one official function may display a separate sign to designate each function or it may display one multipurpose sign appropriate to the official functions for which the station is licensed.*

- Single Function Signs. Official station signs displayed separately to designate each function for which the station is licensed shall meet the following specifications:*
  - Dimensions. Single function signs shall have the dimensions shown in Figure 7-1.*
  - Color. Single function signs shall be bordered and lettered in light chrome yellow; and the background shall be royal blue.*

3. *Lettering. Single function signs shall have lettering in accordance with Figure 7-1, the exact dimensions of which are available from the Bureau of Automotive Repair.*
- b. *Multipurpose Signs. Multipurpose station signs displayed to designate the functions for which the station is licensed shall meet the following specifications:*
  1. *Dimensions. Multipurpose signs shall have the overall dimensions, shield size, placement, and lettering size shown in Figures 7-2.*
  2. *Color. Multipurpose signs shall have lettering, shield border and station designation(s) in light chrome yellow; and the background shall be royal blue.*
  3. *Station Type Designation. The space to the right of the official station shield in a multipurpose sign shall be used to designate the official functions of the station, and such designation shall meet the requirements of section 3309(b)(1) of this article.*

## **Posting Of Prices. Sign #8**

Title 16 of the California Code of Regulations section 3307(d) provides:

*Posting of Prices. Each official station except a fleet owner station may make a reasonable charge for the work performed and shall post conspicuously a list of price ranges for the specific activities for which it is licensed. Prices may be stated either as a fixed fee or an hourly rate on a time-and-material basis. No added charge shall be imposed for the issuance of official lamp adjustment or official brake adjustment certificates, or certifications on enforcement documents or the correction of lamp or brake violations. No charge relating to repair, replacement of parts, or adjustment of lamps or brakes shall be imposed in addition to the posted price for such adjustment or inspection unless such additional work and added charges are authorized in advance by the vehicle owner or operator.*

## **Muffler Station Sign. Sign #9**

Title 13 of the California Code of Regulations, section 604 (b) requires that each muffler certification station, except a fleet owner station that certifies only its own vehicles, shall display a muffler station sign meeting the specifications in section 606 of this title. The sign shall be displayed where it is clearly visible from outside the station.

Section 606 provides: *"Signs for muffler certification stations must meet the following specifications:*

- a. *Signs shall have the dimensions shown in Figure 9-1. (Reproduced above.)*
- b. *The color of the signs shall be bordered and lettered in light chrome yellow. The background shall be royal blue.*
- c. *Lettering on the sign shall have the dimensions shown in Figure 9-2." (Reproduced above.)*

## **Display of Muffler Station License. Sign #10**

Title 13 of the California Code of Regulations, section 601 provides that a "licensed muffler certification station" is an automotive repair facility that meets all requirements of this article of the California Code of Regulations and is licensed and equipped to inspect, repair, replace, and certify vehicular exhaust systems. An "exhaust system" consists of all pipes, converters, and chambers through which the exhaust gas flows from the engine exhaust port to the end of the tailpipe.

Title 13 of the California Code of Regulations, section 604(a) requires that the license of a muffler certification station shall be prominently displayed under glazing material in the customer area of the station.

## Posting Of Muffler Station Prices. Sign #11

Title 13 of the California Code of Regulations, section 604(c) requires that each muffler certification station, except a fleet owner station that certifies only its own vehicles, shall post conspicuously in the customer area the prices for issuing exhaust certifications and for clearing enforcement documents.

## Smog Check Stations

### Smog Check Station Sign. Sign #12

Health & Safety Code section 44033(a) provides that smog check stations meeting the requirements established by the department may be licensed as a smog check station. A licensed smog check station shall display Sign #12 in a manner conspicuous to the public.

Title 16 of the California Code of Regulations, section 3340.22, provides for the following:

*Each smog check station shall display an identifying sign that meets the following specifications:*

- a. Dimensions. The sign shall be 24 inches wide and 30 inches high.*
- b. Sign Material. The sign shall be made of 0.040 aluminum or steel.*
- c. Content. Camera-ready design and content of the sign shall be supplied by the bureau.*

Title 16 of the California Code of Regulations, section 3340.22.1, provides as follows:

- a. Separate sign requirements shall apply to the following types of stations which provide smog check program services:
  - 1. Smog check test only stations.*
  - 2. Smog check stations which only inspect and/or repair heavy-duty vehicle.*
  - 3. Smog check stations which do not inspect and/or repair heavy-duty vehicles.**
- b. The service signs required by subdivision (a) shall be made of 0.040 aluminum or steel stock and shall be 24 inches wide and 8 inches high. Camera-ready design and content of required signs are available from the Bureau upon request.*
- c. Service signs shall be securely attached to the bottom of or immediately below the smog check station signs required by section 3340.22 of this article. Attachment shall be by ring, hook, bracket, or similar device.*

### Required Smog Repair Limits Sign. Sign #13

Health & Safety Code section 44017.3 provides as follows:

- a. The department shall provide a licensed smog check station with a sign informing customers about options when their vehicle fails a biennial smog check inspection, including, but not limited to, the option for qualified consumers to retire vehicles, receive repair assistance, or obtain repair cost waivers. The sign shall include the department's means of contact, including, but not limited to, its telephone number and Internet Web site. This sign shall be posted conspicuously in an area frequented by customers. The sign shall be required in all licensed smog check stations.*
- b. In stations where licensed smog check technician repairs are not performed, the station shall have posted conspicuously in an area frequented by customers a statement that repair technicians are not available and repairs are not performed.*

Title 16 of the California Code of Regulations, section 3340.22.2 reads as follows:

## *Smog Check Station Repair Cost Limits Sign*

- a. *The sign required by section 44107.3 of the Health and Safety Code shall be provided by the bureau and shall have the following dimensions and specifications.*
  1. *Sign shall be 22 inches wide and 16 inches high.*
  2. *Sign shall be in black typeface on white background.*
  3. *Sign wording shall and point size shall be as supplied by the bureau.*
  4. *Typeface shall be bookman.*
- b. *If a sign no longer meets the outlined specifications or is no longer readily legible, it will be replaced by the bureau.*

## **Display Of Smog Check Licenses and Certificates. Sign #14**

Title 16 of the California Code of Regulations, section 3340.15(c) provides: *The station, inspector, and/or repair technician licenses shall be posted prominently under glass or other transparent material in an area frequented by customers.*

## **Posting Of Dealer's Smog Check Station Prices. Sign #15**

Title 16 of the California Code of Regulations, section 3340.15(d) provides as follows: *The station shall post conspicuously in an area frequented by customers a list of price ranges for the specific activities for which it is licensed. The posted prices shall include the price charged by the station for inspections, and, if a separate price is charged for reinspections, the reinspection price. The station shall also post the inspection prices for vans and/or heavy-duty vehicles if those prices differ from the passenger car inspection price. If the station imposes an hourly labor charge for repairs, the hourly labor rate shall be posted. The price of issuance of a certificate of compliance or noncompliance charged by the bureau shall be posted separately from the price of the inspection and of the reinspection, if any." Notice that this regulation does require labor rates to be posted if the station imposes an hourly labor charge for repairs; however, this applies only to the smog check operations.*

## **Smog Check Test Only Sign. Sign #16**

Title 16 of the California Code of Regulations, section 3340.16(b), provides as follows: *A smog check test only station shall post conspicuously, in an area frequented by consumers, a notice to the effect that the station is licensed to test vehicles only, and cannot make any required diagnosis or repairs to a vehicle which has failed a smog check test.*

## ***Other Vehicle Sales Related Signs***

### **No Cooling Off Period Without Cancellation Sign. Sign #17**

In addition to notices required to be printed in every sales contract and lease, legislation designed to warn consumers that no cooling-off period exists mandates Sign #17. Vehicle Code section 11709.2 provides: *Every dealer shall conspicuously display a notice not less than eight inches high and 10 inches wide, in each sales office and sales cubicle of a dealer's established place of business where written terms of specific sale or lease transactions are discussed with prospective purchasers or lessees, and in each room of a dealer's established place of business where sale and lease contracts are regularly executed, which states the following:*

## THERE IS NO COOLING-OFF PERIOD UNLESS YOU OBTAIN A CONTRACT CANCELLATION OPTION

California law does not provide for a "cooling-off" or other cancellation period for vehicle lease or purchase contracts. Therefore, you cannot later cancel such a contract simply because you change your mind, decide the vehicle costs too much, or wish you had acquired a different vehicle. After you sign a motor vehicle purchase or lease contract, it may only be canceled with the agreement of the seller or lessor or for legal cause, such as fraud.

However, California law does require a seller to offer a 2-day contract cancellation option on used vehicles with a purchase price of less than \$ 40,000, subject to certain statutory conditions. This contract cancellation option requirement does not apply to the sale of a motorcycle or an off-highway motor vehicle subject to identification under California law. See the vehicle contract cancellation option agreement for details.

### Right To Inspect Used Vehicles Sign. Sign #18

Vehicle Code section 11709.1 provides as follows:

*Every dealer who displays or offers one or more used vehicles for sale at retail shall post a notice not less than 8 inches high and 10 inches wide, in a place conspicuous to the public, which states the following:*

*"The prospective purchaser of a vehicle may, at his or her own expense and with the approval of the dealer, have the vehicle inspected by an independent third party either on or off these premises."*

### Spanish / Foreign Translation Of Contract Sign. Sign #19

California Civil Code section 1632 provides for certain requirements whenever a dealer negotiates a sale or lease covered by Civil Code section 2982 (Conditional sale contracts) or the Vehicle Leasing Act primarily in the Spanish, Chinese, Korean, Vietnamese, or Tagalog languages. See discussion in the chapter in this Guide entitled "AUTOMOBILE SALES FINANCE ACT" under the topic "Spanish and Other Foreign Language Contract Requirements." Civil Code section 1632 provides that under these circumstances a Spanish or other foreign language notice shall be conspicuously displayed to the effect that the Seller or Lessor is required to provide a translated contract or agreement in one of the five covered languages. If the Seller or Lessor does business at more than one location or branch, the requirements for the sign shall apply only with respect to the location or branch at which the foreign language is used.

### Presale Availability of Warranty Sign. Sign #20

The federal law governing consumer warranties is the Magnuson-Moss Consumer Warranty Act. The Act requires that you make the terms of the any written warranty (including the manufacturer's ) available to potential buyers prior to sale (including through electronic means under certain circumstances).<sup>39</sup> The dealer must either conspicuously display the text of the written warranty (including through electronic means under certain circumstances) in close proximity to the product, or post signs in conspicuous places advising that the warranties are available for inspection. Since Magnuson-Moss covers all written warranties, including new and used cars, F&I products (such as alarms) and parts and accessories, dealers should post the sign in several areas: new and used vehicle sales, F&I, the parts counter, and the service write-up area.

### Availability of Service Bulletins. Sign #21

Dealers are required under California law to advise all prospective buyers and lessees of the availability of factory service bulletins.<sup>40</sup> For this purpose, the law recommends and authorizes the posting of Sign #21 in the showroom or other conspicuous place.

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<sup>39</sup> 15 U.S.C. § 2302(b) and 16 CFR § 702.3

<sup>40</sup> Civil Code § 1795.91

If a dealer receives a service bulletin detailing an adjustment program, the law also requires the dealer to disclose the principal terms and conditions of the warranty adjustment program to any service department customer seeking repair of a condition covered by the program. Dealers should implement a system to ensure that such disclosure is always made.

### *Other State Mandated Signs*

#### **Sign Regarding Credit Card Request For Check Writing. Sign #22**

When a customer writes a check, California law prohibits any policy which requires the presentation of a credit card (regardless of whether credit card numbers are recorded) as a condition to acceptance of the check. The law, however, does allow a credit card to be "requested" for purposes of identification, and as an indication of credit worthiness or financial responsibility. Thus "requesting" is permitted, but "requiring" is barred. California Civil Code section 1725 provides that if a request for a credit card, is, or might ever be made, you must either train your employees requesting the credit card to inform all check writing customers that they are not required to display a credit card to write a check; or post the following notice in a conspicuous location in the unobstructed view of the public within the premises where the check is being written, clearly and legibly: "Check writing ID: credit card may be requested but not required for purchases."

#### **Policy Concerning Refunds and Exchanges Sign. Sign #23**

California Civil Code section 1723 provides as follows:

- a. *Every retail seller which sells goods to the public in this state that has a policy as to any of those goods of not giving full cash or credit refunds, or of not allowing equal exchanges, or any combination thereof, for at least seven days following purchase of the goods if they are returned and proof of their purchase is presented, shall conspicuously display that policy either on signs posted at each cash register and sales counter, at each public entrance, on tags attached to each item sold under that policy, or on the retail seller's order forms, if any. This display shall state the store's policy, including, but not limited to, whether cash refund, store credit, or exchanges will be given for the full amount of the purchase price; the applicable time period; the types of merchandise which are covered by the policy; and any other conditions which govern the refund, credit, or exchange of merchandise.*
- b. *This section does not apply to food, plants, flowers, perishable goods, marked "as is," "no returns accepted," "all sales final," or with similar language, goods used or damaged after purchase, customized goods received as ordered, goods not returned with their original package, and goods which cannot be resold due to health considerations.*
- c. *(1) Any retail store which violates this section shall be liable to the buyer for the amount of the purchase if the buyer returns, or attempts to return, the purchased goods on or before the 30<sup>th</sup> day after the purchase.*  
*(2) Violations of this section shall be subject to the remedies provided in the Consumers Legal Remedies Act (Title 1.5 (commencing with Section 1750) of Part 4).*  
*(3) The duties, rights, and remedies provided in this section are in addition to any other duties, rights, and remedies provided by state law*

This law does not apply to the sale of vehicles because they are used after purchase.

## Cellular Telephone Activation Notice. Sign #24

Anyone retailing cellular telephones is required by Business and Professions Code section 17026.1 to post this sign in the area in each retail location where cellular telephones are displayed and purchased.

## Grey Market Goods Signs. Sign #25

California Civil Code sections 1797.8, and following, deal with grey market goods. "Grey Market Goods" are defined in as consumer goods bearing a trademark and normally accompanied by an express written warranty valid in the United States of America which are imported into the United States through channels other than manufacturer's authorized United States distributor which are not accompanied by the manufacturer's express written warranty valid in the United States.<sup>41</sup> The law includes sale of grey market goods or lease of such goods for more than four months. California law further requires retail sellers of grey market goods to post a conspicuous sign at the product's point of display and affixed to the product or the package with a conspicuous ticket, labeled, or tagged disclosing the various matters required by this statute.<sup>42</sup>

## Anti-Graffiti Warning. Sign #26

In addition to imposing restrictions on the sale of aerosol containers of paint to minors, Penal Code section 594.1 requires all retailers who sell or offer to sell aerosol containers of paint to post Sign #26.

## Child Passenger Restraint Sign. Sign #27

Vehicle Code section 27365 requires every car rental agency in California to post Sign #27 in a place conspicuous to the public in each established place of business.

This law also requires that every such agency shall have available for, and shall, upon request, provide for rental to, adults traveling with children under the age of 6 or weighing less than 60 pounds, child passenger seat restraint systems meeting applicable federal motor vehicle safety standards on the date of the rental transaction, in good and safe condition, with no missing original parts and not older than five years.

Although the term "car rental agency" is not specifically defined in the Vehicle Code section 508 of the code defines a renter as "A person who is engaged in the business of renting, leasing or bailing vehicles for a term not exceeding four months and for a fixed rate or price." It is uncertain whether a dealer who loans a "courtesy car" to a service customer without charge is required to comply with the signage and availability requirements, but conservative dealers may wish to comply with the requirement in all circumstances.

## Rental Company Damage Waiver Signs. Sign #28

If your dealership is in the business of renting passenger vehicles to the public, then California Civil Code section 1939.09, subdivisions (c)(1)-(3) must be complied with. They provide in part:

- c. (1) *A rental company that offers or provides a damage waiver for any consideration in addition to the rental rate shall clearly and conspicuously disclose the following information in the rental contract or holder in which the contract is placed and, also, in signs posted at the location where the renter signs the rental contract, and, for renters who are enrolled in the rental company's membership program, in a sign that shall be posted in a location clearly visible to those renters as they enter the location where their reserved rental vehicles are parked or near the exit of the bus or other conveyance that transports the enrollee to a reserved vehicle:*

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<sup>41</sup> Civil Code § 1797.8

<sup>42</sup> Civil Code § 1797.81

- (A) the nature of the renter's liability, such as liability for all collision damage regardless of cause,
- (B) the extent of the renter's liability, such as liability for damage or loss up to a specified amount,
- (C) the renter's personal insurance policy or the credit card used to pay for the vehicle rental transaction may provide coverage for all or a portion of the renter's potential liability,
- (D) the renter should consult with his or her insurer to determine the scope of insurance coverage, including the amount of the deductible, if any, for which the renter is obligated,
- (E) the renter may purchase an optional damage waiver to cover all liability, subject to whatever exceptions the rental company expressly lists that are permitted under subdivision (b), and
- (F) the range of charges for the damage waiver.

(2) In addition to the requirements of paragraph (1), a rental company that offers or provides a damage waiver shall orally disclose to all renters, except those who are participants in the rental company's membership program, that the damage waiver may be duplicative of coverage that the customer maintains under his or her own policy of motor vehicle insurance. The renter shall acknowledge receipt of the oral disclosure near that part of the contract where the renter indicates, by the renter's own initials, his or her acceptance or declination of the damage waiver. Adjacent to that same part, the contract also shall state that the damage waiver is optional. Further, the contract for these renters shall include a clear and conspicuous written disclosure that the damage waiver may be duplicative of coverage that the customer maintains under his or her own policy of motor vehicle insurance.

(3)(A) The following is an example, for purposes of illustration and not limitation, of a notice fulfilling the requirements of paragraph (1) for a rental company that imposes liability on the renter for collision damage to the full value of the vehicle:[see sample sign in previous section.]

### **Display of Sales Tax Permit. Sign #29**

Each sales tax permit issued for each place of business within the state shall at all times be conspicuously displayed at the place for which issued.<sup>43</sup>

### **Posting of Insurance Licenses. Sign #30**

Insurance Code section 1725 provides: Every license to act as a fire and casualty broker-agent shall be prominently displayed by the holder thereof in his or her office in a manner whereby anyone may readily inspect it and ascertain both its currency and the capacity in which its holder is licensed to act.

### **Posting of Dealer License. Sign #31**

Vehicle Code section 11709(a) provides as follows: A dealer's established place of business and other sites or locations as may be operated and maintained by the dealer in conjunction with his or her established place of business, shall have posted, in a place conspicuous to the public in each and every location, the license issued by the department to the dealer and to each salesperson employed by the dealer and shall have erected or posted thereon signs or devices providing information relating to the dealer's name and the location and address of the dealer's established place of business to enable every person doing business with the dealer to identify him or her properly.

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<sup>43</sup> Revenue & Taxation § 6067

Every such sign erected or posted on an established place of business, shall have an area of not less than two square feet per side displayed and shall contain lettering of sufficient size to enable the sign to be read from a distance from at least 50 feet. This section shall not apply to a dealer who is a wholesaler involved for profit only in the sale of vehicles between licensed dealers.

### Display of Salesperson License. Sign #32

Vehicle Code section 11812 provides in part as follows:

- a. *A vehicle salesperson licensed under this article shall, at the time of employment, deliver his or her salesperson's license to his or her employing dealer for the posting of the salesperson's license or a true and exact copy of the salesperson's license in a place conspicuous to the public at each location where he or she is actually engaged in the selling of vehicles for the employing dealer.*
- b. *The license, or a true and exact copy of the license, shall be displayed continuously at each location where he or she is actually engaged in the selling of vehicles during the employment. If a vehicle salesperson's employment is terminated, the license shall be returned to the salesperson and all copies of the license used by the dealer for posting or display shall be destroyed by the dealer.*

### Display of Business License. Sign #33

There is required to be posted or displayed the receipt or certificate showing evidence of a business' payment of the "Business license tax receipt".<sup>44</sup>

### Contract for Parking or Storage Sign. Sign #34

If you issue a parking lot gate-ticket or other device meant to be a contract for parking or storage of vehicles, then California Civil Code section 1630 would apply. It provides as follows:

*Except as provided in section 1630.5, a printed contract of bailment providing for the parking or storage of a motor vehicle shall not be binding, either in whole or in part, on the vehicle owner or on the person who leaves the vehicle with another unless the contract conforms to the following:*

- a. *"This contract limits our liability-read it" is printed at the top in capital letters of 10-point type or larger.*
- b. *All the provisions of the contract are printed legibly in eight-point type or larger.*
- c. *Acceptance of benefits under a contract included within the provisions of this section shall not be construed a waiver of this section, and it shall be unlawful to issue such a contract on condition that provisions of this section are waived.*

*A copy of the contract printed in large type, in an area at least 17 x 22 inches, shall be posted in a conspicuous place at each entrance of the parking lot.*

*Nothing in this section shall be construed to prohibit the enactment of city ordinances on this subject that are not less restrictive, and such enactments are expressly authorized.*

### Public Parking Prohibited Sign. Sign #35

Vehicle Code section 22658(a) provides a non-exclusive means of being allowed to tow away vehicles improperly parked on private property: *the owner or person in lawful possession of private property... may cause the removal of a vehicle parked on the property to a storage facility that meets the requirements of subdivision (n) under any of the following circumstances:*

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<sup>44</sup> Business and Professions Code § 16111

1. *There is displayed, in plain view at all entrances to the property, a sign not less than 17 inches by 22 inches in size, with lettering not less than one inch in height, prohibiting public parking and indicating that vehicles will be removed at the owner's expense, and containing the telephone number of the local traffic law enforcement agency and the name and telephone number of each towing company that is a party to a written general towing authorization agreement with the owner or person in lawful possession of the property. The sign may also indicate that a citation may also be issued for the violation.*
2. *The vehicle has been issued a notice of parking violation, and 96 hours have elapsed since the issuance of that notice.*
3. *The vehicle is on private property and lacks an engine, transmission, wheels, tires, doors, windshield, or any other major part or equipment necessary to operate safely on the highways, the owner or person in lawful possession of the private property has notified the local traffic law enforcement agency, and 24 hours have elapsed since that notification.*
4. *The lot or parcel upon which the vehicle is parked is improved with a single-family dwelling.*

### **Storage Charges for Towed Vehicles Sign. Sign #36**

California Civil Code section 3070(d)(1) provides that any person who improperly causes a vehicle to be towed or removed in order to create or acquire a lienhold interest enforceable under Chapter 6.5 of the California Civil Code, or who violates any of the provisions of that chapter shall forfeit all claims for towing, removal, or storage, and shall be liable to the owner or lessee of the vehicle for the cost of removal, transportation, and storage, damages resulting from the towing, removal transportation, or storage of the vehicle, attorneys' fees, and court costs.

Civil Code section 3070(d)(2)(E) provides that improperly causing a vehicle to be towed or removed includes: *Failure by the owner or operator of a facility used for the storage of towed vehicles to display, in plain view at all cashiers' stations, a sign not less than 17 x 22 inches in size with lettering not less than one inch in height, disclosing all storage fees and charges enforced, including the maximum daily storage rate." It appears that this statute, however, only applies if the dealership caused the vehicle to be towed or removed "in order to create or acquire a lienhold interest.*

### **Exit Signs. Sign #37**

8 California Code of Regulations section 3216 requires the posting of exit or directional signs, or both, at every exit door, at the intersection of corridors, at exits, stairways or ramps, and at such other locations at intervals as are necessary to provide the occupants with knowledge of the various means of egress available. The signs need not be provided for rooms or buildings having an occupant load of 50 or less and when approved, the main exterior exit doors obviously and clearly identifiable as exits. The Regulation further gives specifications concerning the dimensions of the signs and their luminance.

### **Off Site Vehicle Display. Sign #38**

If a dealer engages in off premises display of vehicles at shopping centers, fairs, and the like, as permitted by Vehicle Code section 11709(b), 13 California Code of Regulations section 270.08 provides for the posting of a sign on the vehicle or vehicles or in close proximity thereto, printed in letters of not less than three inches in height, which shall show the dealer's name, location and address of his or her established place of business and the following statement: "No sales permitted, or deposits accepted at this location."

## Lien Sale in Ten Days. Sign #39

If a dealer conducts a lien sale of a vehicle worth less than \$2,500, Civil Code section 3072(f) requires that for a period of at least ten days before the sale, a sign be posted in the business office or at such other site where the lien sale is to take place.

## No Smoking. Sign #40

Labor Code section 6404.5 completely bans all smoking in the workplace, with the exception of outside exhausted breakrooms. Employers will not be guilty of knowingly permitting smoking by non-employees if there are posted at all entrances to the facility one of two alternative "no smoking" signs, as shown above.

## Fuel Economy Guide Booklet. Sign #41.

Federal law requires dealers to display the EPA's Fuel Economy Guide booklet in the same manner it displays vehicle brochures for new vehicles.<sup>45</sup>

## Towing Fees and Access Notice. Sign #42.

Repair dealers that are involved in charging for towing and/or towing related storage, even in the context of passing through a sublet tow charge for services ordered by the vehicle owner or insurer, must comply with the requirements of California Vehicle Code section 22651.07. These requirements include conspicuously posting a "Towing Fees and Access Notice" sign; providing a copy of the notice to customers upon request; and providing a customer with an itemized invoice containing detailed information related to the towing services involved. Dealers who insist that customers or insurers arrange and pay for their own tow charges directly are not subject to the requirements of this law.

## Battery Fee and Refundable Deposit. Sign #43.

Health and Safety Code section 25215.2 provides that a dealer shall charge a refundable deposit to each person who purchases certain types of replacement lead-acid batteries and who does not simultaneously provide the dealer with a used lead-acid battery of the same type and size for each such battery purchased. In addition to other requirements on that section, dealers shall post a written notice that is clearly visible in the public sales area of the establishment, or include on the purchaser's receipt, the language quoted in the Table of Public Signs section above.<sup>46</sup> Note, however, that the notice requirements do not apply to (1) a person whose ordinary course of business does not include the sale of lead-acid batteries or (2) a person that does not sell lead-acid batteries directly to consumers, such as over-the-counter, but instead removes nonfunctional or damaged batteries and installs new lead-acid batteries as a part of an automotive repair dealer service.<sup>47</sup>

## PRACTICAL TIP

**SIGN VENDORS.** The Bureau of Automotive Repair (B.A.R.) no longer maintains a list of sign vendors who sell various B.A.R. signs. The B.A.R. recommends consulting with commercial sign vendors from the telephone directory. Some vendors' signs have a place for hourly labor rates. It is not recommended that you post an hourly rate. Additional information on this topic is accessible in the CNCDA Service Drive Compliance Manual, accessible on CNCDA's website ([www.cncda.org](http://www.cncda.org)) under the "CNCDA Comply" tab.

<sup>45</sup> 49 U.S.C. § 32908

<sup>46</sup> Health and Safety § 25215.2(c)

<sup>47</sup> Health and Safety § 25215.2(e)