



INDUSTRY ADVISORY 19-02

Legislative and Regulatory Implementation Deadline

The **Bureau of Household Goods and Services** is providing a reminder that specific requirements resulting from the following bills, originally enacted January 1, 2019, will become enforceable beginning **January 1, 2020**. The summaries below are intended to assist licensees in meeting specific implementation deadlines, but they are not comprehensive. Please refer to each bill for a complete picture of its impact to your industry.

AB 2998 (Bloom, Chapter 924, Statutes of 2018)

The sale and distribution of juvenile products, upholstered furniture, foam used in mattresses, as well as the use of new components of reupholstered furniture (collectively referred to as covered products) that contain specified flame-retardant chemicals at levels above 1,000 parts per million will be prohibited, **effective January 1, 2020**. As this bill implements a new flame-retardant chemical content standard, there are many impacts to the Bureau and licensees, several of which are highlighted. Each corresponding new section of the Business and Professions Code is in parenthesis. If you have questions that are not answered here, the Bureau published a <u>Frequently Asked Questions</u>, which will be updated in October.

CUSTOM UPHOLSTERERS

 Custom upholsterers will be prohibited from using replacement components that contain flame-retardant chemicals at levels above 1,000 parts per million (BPC §19101(b)).

MANUFACTURERS

- Manufacturers that sell or distribute a covered product in violation of the flame-retardant chemical restriction will be subject to fines of \$1,000-\$10,000 (BPC §19103(b)(2)(A)); and
- Producers of new mattresses registered with the Bureau as of January 1, 2019, and thereafter, will be required to respond to surveys required by this bill to be conducted by the International Sleep Products Association (BPC §19104(b)).

INTERNATIONAL SLEEP PRODUCTS ASSOCIATION (ISPA) REQUIREMENTS

- ISPA will be required to conduct a survey of all mattress producers to report materials and methods used to meet flammability standards (BPC §19104(a)); and
- ISPA will be required to submit results of the survey, including a list of mattress producers that fail to respond, to the Bureau no later than January 31, 2020, and every three years thereafter (BPC §19104(a)).

BUREAU OF HOUSEHOLD GOODS AND SERVICES

The Bureau will be required to extend testing required by <u>SB 1019 (Leno, Chapter 862, Statutes of 2014)</u> to covered products to determine the presence of flame retardant chemicals in excess of 1,000 parts per million (BPC §19103(b)(1));



- The Bureau will be authorized to assess a fine of \$1,000-\$10,000 to any manufacturer that sells or distributes a covered product that testing shows is in violation of the flameretardant chemical restriction (BPC §§19103(b)(2)(A) and 19103(c));
- The Bureau will be required to post a list of covered products that testing shows are in violation of the flame-retardant chemical content limit (BPC §19103(b)(2)(B));
- The Bureau will be authorized to assess a fine of \$1,000-\$10,000 to any person for continued sale or distribution of covered products in the same stock keeping unit as products identified as in violation of the flame-retardant chemical content limit by the Bureau on its website (BPC §§19103(b)(2)(B) and 19103(c)).
- The Bureau will be required to receive complaints regarding possible violations of covered products regulated by this bill (BPC §19103(f)); and
- The Bureau will be required to post the ISPA survey reports, including the list of non-respondents, on its website (BPC §19104(c)).

SB 1483 (Hill, Chapter 578, Statutes of 2018)

This bill makes amendments to the definitions of "service contract" and "consumer goods" that may require some who may not have previously fallen under the Bureau's jurisdiction to register as service contractors. This bill also changed the name of the Bureau from the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation to the Bureau of Household Goods and Services effective January 1, 2019. This amendment requires updates to documents used by each of the Bureau's regulated industries.

SERVICE CONTRACTOR REQUIREMENTS

The definitions for "service contract" and "consumer goods" will be amended and the Bureau's jurisdiction will be extended more generally to all consumer goods used for personal, family, or household purposes, as follows:

"Service contract" as defined under Business and Professions Code §9855, subdivision (a), will mean a contract in writing to perform, over a fixed period of time or for a specified duration, services relating to the maintenance, replacement, or repair of consumer goods and may include provisions for incidental payment of indemnity under limited circumstances, including, but not limited to, power surges, food spoilage, or accidental damage from handling. "Service contract" shall not include a contract in writing to maintain structural wiring associated with the delivery of cable, telephone, or other broadband communications services. "Service contract" shall not include a contract in which a consumer agrees to pay a provider of vision care services for a discount on optical products or contact lenses for a specified duration.

"Consumer goods" as defined under Business and Professions Code §9855, subdivision (j), will mean any new or used product or part thereof that is used, bought, or leased for use primarily for personal, family, or household purposes, including assistive devices.

The amendments will require those who offer service contracts for consumer goods, as defined, to register with the Bureau as a Service Contractor and submit all consumer goods service contracts to the Bureau for approval prior to offering the contract for sale to the public.



NAME CHANGE AFFECTING BUREAU INDUSTRIES

As a reminder, all documents on which the Bureau's name is referenced must be updated to reflect the new name, as follows:

ELECTRONIC AND APPLIANCE REPAIR SERVICE DEALER INDUSTRY

The statement shown on receipts and invoices, as required by California Code of Regulations §§2721, subsection (g), and 2723, must be updated to reflect the Bureau's new name, as follows:

"An estimate as required (Section 9844 of the California Business and Professions Code) for repairs shall be given to the customer by the service dealer in writing, and the service dealer may not charge for work done or parts supplied in excess of the estimate without prior consent of the customer. Where provided in writing, the service dealer may charge a reasonable fee for services provided in determining the nature of the malfunction in preparation of a written estimate for repair. For information contact the Bureau of Household Goods and Services, Department of Consumer Affairs, Sacramento 95834."

HOME FURNISHINGS MANUFACTURER INDUSTRY

The certification statement shown on the law label, as required by California Code of Regulations §1126, subsection (f) Type No. 8, must be updated to reflect the Bureau's new name, as follows:

"Certification is made by the manufacturer that the materials in this article are described in accordance with law. This product meets the requirements of Bureau of Household Goods and Services Technical Bulletin Number 117-2013."

The certification statement shown on the flammability label, as required by California Code of Regulations §1374.3, subsections (a) and (b), must be updated to reflect the Bureau's new name, as follows:

California Code of Regulations §1374.3, subsection (a):

NOTICE

"THIS ARTICLE MEETS ALL FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOUSEHOLD GOODS AND SERVICES TECHNICAL BULLETINS 116 AND 117-2013. CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES."

California Code of Regulations §1374.3, subsection (b):

NOTICE

"THIS ARTICLE MEETS THE FLAMMABILITY REQUIREMENTS OF CALIFORNIA BUREAU OF HOUSEHOLD GOODS AND SERVICES TECHNICAL BULLETIN 117-2013.

CARE SHOULD BE EXERCISED NEAR OPEN FLAME OR WITH BURNING CIGARETTES."



HOUSEHOLD MOVERS INDUSTRY

The notice provided to consignors, as required by Business and Professions Code §19246, subdivision (f), must be updated to reflect the new name, as follows:

"IMPORTANT NOTICE ABOUT YOUR MOVE "IT IS VERY IMPORTANT THAT YOU ONLY AGREE TO A "NOT TO EXCEED" AMOUNT THAT YOU THINK IS A PROPER AND REASONABLE FEE FOR THE SERVICES YOU ARE REQUESTING. THE "NOT TO EXCEED" AMOUNT THIS MOVER IS REQUESTING IS \$_____ TO PERFORM THE FOLLOWING SERVICES: "IF YOU DO NOT AGREE TO THE "NOT TO EXCEED" AMOUNT LISTED OR THE DESCRIPTION OF SERVICES, YOU HAVE THE RIGHT TO REFUSE THE MOVER'S SERVICE AT NO CHARGE TO YOU. "If you request additional or different services at the time of the move, you may be asked to complete a Change Order which will set forth your agreement to pay for additional fees for those newly requested services. If you agree to the additional charges on that Change Order, those charges may be added to the "NOT TO EXCEED" amount set forth above. If you do not agree to the amounts listed in the Change Order, you should not sign it and may refuse the mover's services. "A mover cannot refuse to release your goods once you have paid the "NOT TO EXCEED" amount for the transportation of your goods and personal effects and any additional services that you have agreed to in writing. The "NOT TO EXCEED" amount must be reasonable. "A mover cannot, under any circumstances, withhold food, medicine, medical devices, items to treat or assist a disabled person, or items used for care of a minor child. A mover without a valid permit has no right to withhold your goods for any reason, including claims that you have not adequately paid for services rendered. "For additional information or to confirm whether a mover has a valid permit issued by the Division of Household Movers of the Bureau of Household Goods and Services, please call the Bureau toll free at: _____ Insert toll-free number____. "I have completed this form and provided the consumer (shipper) with a copy of this notice. "Signed _____ Dated _____ "I have been provided with a copy of this form. "Signed ______ Dated _____ "