ARBITRATION CERTIFICATION PROGRAM

Strategic Plan 2024-2028



Prepared by SOLID Planning Solutions



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Message from the Program Chief

It is with great pleasure that the Arbitration Certification Program, (ACP or Program), staff and I present the 2024-2028 Strategic Plan. The ACP team is passionate about protecting California consumers and assisting them in handling Lemon Law claims. Through a continuous guality improvement approach, we strive to ensure that consumers are informed and treated with respect and fairness through the arbitration process by ensuring that our certified programs remain in substantial compliance with program regulations. This plan identifies objectives that will improve consistency, efficiency, and alignment with the regulations that authorize this process for California consumers. ACP values accountability and setting expectations, and as a result, each of the objectives is measurable and has a stated timeline for completion. This plan is our challenge over the next five years to reach goals and objectives that will result in the level and quality of service that our stakeholders deserve. We hope you will join in our success as we begin to work towards the objectives identified in this plan.

Cynthia Antar Arbitration Certification Program Chief



About the Program

Program History and Creation

The Arbitration Certification Program (ACP or Program) was created by Assembly Bill (AB) 2057 (Tanner, Chapter 1280, 1987), which also made revisions to the Song-Beverly Consumer Warranty Act. This law mandates that the Department of Consumer Affairs (DCA) certifies and monitors third-party dispute resolution processes established by motor vehicle manufacturers. DCA established ACP to oversee a fair and equitable resolution process for warranty related disputes between manufacturers and consumers. Subsequently, ACP adopted the California Code of Regulations (CCR), title 16, sections 3396.1-3399.6, creating the minimum standards for certification of participating arbitration programs.

The Arbitration Certification Program's Mandates

ACP certifies and monitors third-party arbitration programs of participating automobile manufacturers to ensure compliance with California laws and regulations governing resolution of warranty disputes involving new/used vehicles purchased with the manufacturer's new-car warranty. ACP also ensures that certified programs conduct dispute resolutions in a fair and expeditious manner. One of the program's goals is to promote the use of alternative dispute resolution, in lieu of court action, to reduce the strain and cost on consumers and the court system. ACP is mandated by California Business and Professions Code sections 472-472.5 to perform the following:

- Establish a program for certifying manufacturer's third-party dispute resolution processes for the arbitration of warranty disputes.
- Establish minimum standards to determine whether a third-party dispute resolution process is in substantial compliance with certification requirements.

- Prescribe information that the third-party dispute resolution process must submit to ACP so that ACP can determine whether the process continues to substantially comply with California's laws and regulations.
- Conduct pre- and post-surveys of consumers who participate in the arbitration process to measure customer satisfaction.
- Submit a biennial report to the Legislature on the effectiveness of certified arbitration programs.
- Adopt regulations as necessary and appropriate to implement applicable California laws.

ACP's Program Assessment

Once a manufacturer's arbitration program is certified, ACP monitors the program to determine whether it remains in substantial compliance with California's laws and regulations. ACP's staff gathers and evaluates information about the program through:

- Monitoring arbitration meetings.
- Conducting individual dispute file reviews.
- Investigating consumer complaints.
- Conducting biannual on-site inspections of the program's operations.

ACP investigates complaints alleging that a certified program has failed to follow its written operating procedures. ACP is required to notify the Department of Motor Vehicles of a manufacturer's failure to honor an arbitrator's decision within 30 days of notification that the consumer has accepted the arbitration.

Additionally, ACP tracks program violations or trends, informs consumers of other legal remedies, and evaluates consumers' feedback and suggestions regarding the arbitration process.

Arbitration Certification Program—Strategic Plan 2024-2028



Mission, Vision, and Values

Mission

Provide effective oversight of participating automobile arbitration programs to ensure warranty disputes between manufacturers and consumers are resolved in a timely manner and in compliance with California laws and regulations.

Vision

Expand certification of automobile manufacturers to reach more California consumers.

Values

- Accountability
- Collaboration
- Consistency
- Consumer Protection

- Diversity and Equity
- Integrity
- Transparency
- Trust



Goal 1: Oversight

Enhance effectiveness of certified arbitration programs by investigating consumer complaints and program violations consistently, accurately, and in a timely manner.

- **1.1** Create a training plan with written procedures to ensure consistency in processes and in interpretation of regulations.
- **1.2** Complete the business modernization project with DCA's Office of Information Services to improve ACP's efficiency, consistency, and accuracy.
- **1.3** Create a certification application and increase accessibility through posting on the website.

Goal 2: Legislation and Policy

Develop and update regulations, policies, and procedures that further the mission of ACP.

- **2.1** Review and amend existing regulations as necessary to enhance clarity and understanding.
- **2.2** Improve stakeholder communication and understanding through annual, biennial, and consumer satisfaction reports and updates posted on ACP's website.
- **2.3** Create and update job aids to promote consistent interpretation and application of regulations.

Goal 3:

Communication and Education

Educate consumers and stakeholders on the laws and regulations that govern the arbitration process and increase awareness of ACP and state-certified arbitration programs.

- **3.1** Increase outreach efforts to all California communities to expand awareness and accessibility of ACP's benefits to consumers and manufacturers.
- **3.2** Update ACP's website to be more user-friendly and to educate the public on ACP's role in warranty and Lemon Law disputes.
- **3.3** Collaborate with DCA's Office of Public Affairs to increase social media presence.
- **3.4** Explore search engine optimization (SEO) to increase search result effectiveness.
- **3.5** Collaborate with DCA's Office of Publications, Design, and Editing to create new educational materials to increase stakeholder awareness and understanding.

Goal 4: Administration

Work together to build an excellent organization with effective governance, oversight, strong leadership, and consistent team development.

- **4.1** Prioritize staff recruitment, onboarding, and training.
- **4.2** Establish working relationships with relevant government agencies to improve collaboration, effectiveness, and regulatory understanding.
- **4.3** Update desk manuals to promote consistency in application.
- **4.4** Maintain membership with the International Association of Lemon Law Administrators (IALLA) to stay informed on industry trends and promote ACP's benefits to uncertified manufacturers.
- **4.5** Review the program's existing processes and policies for potential biases and remove as necessary.



Strategic Planning Process

Stakeholders include any individual or group who is influenced by or influences a program. Information for ACP's environmental scan report was gathered by surveying external and internal stakeholders using the following methods:

- SOLID conducted online meeting interviews with internal stakeholders including ACP's chief and staff in September 2023.
- An online survey was distributed to external stakeholders such as consumers. It opened September 18, 2023, and closed on October 2, 2023. The survey link was posted on ACP's website and DCA's website.

The most significant themes and trends identified in the environmental scan were discussed and guided strategic planning participants during the strategic planning session on December 14, 2023, in their creation of objectives for the Program's new strategic plan.





Arbitration Certification Program

1625 North Market Blvd, Suite N 112 Sacramento, CA 95834 (916) 574-7350

https://www.dca.ca.gov/acp/index.shtm

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Prepared by: SOLID Planning Solutions 1747 North Market Blvd., Suite 270 Sacramento, CA 95834



