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8 **BEFORE THE**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
10 **FOR THE BUREAU OF AUTOMOTIVE REPAIR**  
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. *77/13-61*

13 **RIALTO AUTO BODY COLLISION CTR**  
**Inc.**  
14 **MICHAEL LOPEZ PARRA,**  
**President/Secretary/Treasurer**  
15 **18000 Foothill Blvd,**  
**Fontana, Ca. 92335**

**ACCUSATION**

16 **Automotive Repair Dealer Reg. No. ARD**  
**233864**

17 Respondent.  
18

19  
20 Complainant alleges:

21 **PARTIES**

22 1. John Wallauch ("Complainant") brings this Accusation solely in his official capacity  
23 as the Chief of the Bureau of Automotive Repair ("Bureau"), Department of Consumer Affairs.

24 **Automotive Repair Dealer Registration**

25 2. On July 22, 2004, the Bureau issued Automotive Repair Dealer Registration Number  
26 ARD 233864 ("registration") to Michael Lopez Parra – President/Secretary/Treasurer, Rialto  
27 Auto Body Collision CTR Inc., doing business as Rialto Auto Body Collision CTR Inc.  
28 ("Respondent"). The registration expires on May 31, 2013 unless renewed.

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**JURISDICTION**

3. This Accusation is brought before the Director of Consumer Affairs (Director) for the Bureau of Automotive Repair, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

4. Code section 9884.7 provides that the Director may invalidate an automotive repair dealer registration.

5. Code section 9884.13 provides, in pertinent part, that the expiration of a valid registration shall not deprive the director or chief of jurisdiction to proceed with a disciplinary proceeding against an automotive repair dealer or to render a decision invalidating a registration temporarily or permanently.

**STATUTORY PROVISIONS**

6. Code section 9884.7 states, in pertinent part:

(a) The director, where the automotive repair dealer cannot show there was a bona fide error, may refuse to validate, or may invalidate temporarily or permanently, the registration of an automotive repair dealer for any of the following acts or omissions related to the conduct of the business of the automotive repair dealer, which are done by the automotive repair dealer or any automotive technician, employee, partner, officer, or member of the automotive repair dealer.

(1) Making or authorizing in any manner or by any means whatever any statement written or oral which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.

....

(4) Any other conduct which constitutes fraud.

....

(6) Failure in any material respect to comply with the provisions of this chapter or regulations adopted pursuant to it...

(7) Any willful departure from or disregard of accepted trade standards for good and workmanlike repair in any material respect, which is prejudicial to another without consent of the

1 owner or his or her duly authorized representative.

2 . . . .

3 (c) Notwithstanding subdivision (b), the director may invalidate temporarily or  
4 permanently, the registration for all places of business operated in this state by an automotive  
5 repair dealer upon a finding that the automotive repair dealer has, or is, engaged in a course of  
6 repeated and willful violations of this chapter, or regulations adopted pursuant to it.

7 7. Code section 9884.8 states, in pertinent part:

8 All work done by an automotive repair dealer, including all warranty work, shall be  
9 recorded on an invoice and shall describe all service work done and parts supplied . . . One copy  
10 of the invoice shall be given to the customer and one copy shall be retained by the automotive  
11 repair dealer.

12 8. Code section 9884.9 states, in pertinent part:

13 (a) The automotive repair dealer shall give to the customer a written estimated price  
14 for labor and parts necessary for a specific job. No work shall be done and no charges shall accrue  
15 before authorization to proceed is obtained from the customer. No charge shall be made for work  
16 done or parts supplied in excess of the estimated price without the oral or written consent of the  
17 customer that shall be obtained at some time after it is determined that the estimated price is  
18 insufficient and before the work not estimated is done or the parts not estimated are supplied.  
19 Written consent or authorization for an increase in the original estimated price may be provided  
20 by electronic mail or facsimile transmission from the customer. The bureau may specify in  
21 regulation the procedures to be followed by an automotive repair dealer if an authorization or  
22 consent for an increase in the original estimated price is provided by electronic mail or facsimile  
23 transmission. If that consent is oral, the dealer shall make a notation on the work order of the date,  
24 time, name of person authorizing the additional repairs and telephone number called, if any,  
25 together with a specification of the additional parts and labor and the total additional cost, and  
26 shall do either of the following:

27 (1) Make a notation on the invoice of the same facts set forth in the notation on the  
28 work order.

1 (2) Upon completion of the repairs, obtain the customer's signature or initials to an  
2 acknowledgment of notice and consent, if there is an oral consent of the customer to additional  
3 repairs, in the following language:

4 "I acknowledge notice and oral approval of an increase in the original estimated price.

5 \_\_\_\_\_  
6 (signature or initials)"

7 (c) In addition to subdivisions (a) and (b), an automotive repair dealer, when doing  
8 auto body or collision repairs, shall provide an itemized written estimate for all parts and labor to  
9 the customer. The estimate shall describe labor and parts separately and shall identify each part,  
10 indicating whether the replacement part is new, used, rebuilt, or reconditioned. Each crash part  
11 shall be identified on the written estimate and the written estimate shall indicate whether the crash  
12 part is an original equipment manufacturer crash part or a nonoriginal equipment manufacturer  
13 aftermarket crash part.

14 9. Code section 477 provides, in pertinent part, that "Board" includes "bureau,"  
15 "commission," "committee," "department," "division," "examining committee," "program," and  
16 "agency." "License" includes certificate, registration or other means to engage in a business or  
17 profession regulated by the Code.

#### 18 COST RECOVERY

19 10. Code section 125.3 provides, in pertinent part, that a Board may request the  
20 administrative law judge to direct a licentiate found to have committed a violation or violations of  
21 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and  
22 enforcement of the case.

#### 23 CONSUMER COMPLAINT – Sherrye Williams, 2007 Toyota Yaris

24 11. On or about May 3, 2012, consumer, Sherrye Williams's 2007 Toyota Yaris was  
25 damaged in a traffic accident. Williams had the vehicle towed to the Respondent's facility.  
26 Williams informed the Respondent that she did not want the vehicle repaired at that time, but only  
27 wanted an estimate prepared for the repairs of the auto body damage. Williams was not asked to  
28 sign any documents and did not see or receive an estimate.

1           12. On May 7, 2012, a Field Appraiser from Williams's insurance company, Wawanesa  
2 Insurance, arrived at the Respondent's facility to inspect the damage to Williams's vehicle. The  
3 Appraiser met with the Respondent and discussed the appropriate repairs needed to restore the  
4 vehicle to pre-accident condition. The Appraiser appraised the needed repairs, and provided the  
5 Respondent with a copy of the repair estimate, dated 5/7/2012, with a Gross Total dollar amount  
6 of \$3,843.17. On or about May 9, 2012, Wawanesa Insurance issued a check in the amount of  
7 \$3,543.17, made payable to Williams for the repairs to her vehicle.

8           13. Williams later contacted the Respondent and requested that her vehicle be taken to  
9 another shop, used by the Toyota Dealer, to have the repairs performed. The Respondent  
10 informed Williams that the repairs were almost complete. Williams offered to pay for the parts  
11 already installed, but the Respondent declined the offer and Williams felt she had no choice but to  
12 have the Respondent complete the repairs as estimated by her insurance company. Williams did  
13 not give the Respondent any authorization to deviate from the insurance estimate. Williams filed  
14 a complaint with the Bureau against the Respondent for unauthorized repairs and poor auto body  
15 repairs.

16           14. On May 17, 2012, the Bureau made a field visit to the Respondent's facility to  
17 discuss Williams's complaint and the repairs to Williams's vehicle. The Respondent provided the  
18 Bureau with a copy of the Wawanesa Insurance estimate, dated 5/7/2012. The Respondent did not  
19 provide any documents showing customer authorization.

20           15. On May 18, 2012, Williams went to the Respondent's facility to retrieve her vehicle.  
21 Respondent asked Williams to sign a document entitled "Estimate of Repair Costs", dated May  
22 18, 2012, which specified that Respondent was to repair her vehicle as per the insurance estimate  
23 from Wawanesa.

24           16. On May 22, 2012, Williams provided the Bureau with a copy of a cashier's check,  
25 dated May 18, 2012, made payable to the Respondent in the amount of \$3,543.00 as payment for  
26 the repairs, a copy of the Wawanesa Insurance estimate, dated 5/7/2012, and a copy of the  
27 Respondent's document entitled "Estimate of Repair Costs", dated May 18, 2012.

28           17. On May 23, 2012 and May 24, 2012, the Bureau conducted inspections of Williams'

1 vehicle and the repairs performed by the Respondent on Williams' vehicle using a copy of the  
2 Wawanesa Insurance estimate, dated 5/7/2012 as reference. The Bureau's inspections found the  
3 following:

- 4 a. The Front Bumper Reinforcement was not replaced with a "Quality Recycled  
5 Part" as specified and still showed signs of damage.
- 6 b. The Right Front Outer Bumper Impact Absorber was not replaced with a "Quality  
7 Recycled Part" as specified and still showed signs of damage.
- 8 c. The Left Front Outer Bumper Impact Absorber was not replaced with a "Quality  
9 Recycled Part" as specified.
- 10 d. The Front Upper Bumper Impact Cushion was not replaced with a "Quality  
11 Recycled Part" as specified and still showed signs of damage.
- 12 e. The Right Front Bumper Support was not replaced with a "Quality Recycled  
13 Part" as specified.
- 14 f. The Right Front Bumper Bracket was not replaced with a "Quality Recycled  
15 Part" as specified and still showed signs of damage.
- 16 g. The Inner Hood Panel was not repaired as specified and still showed signs of  
17 damage.
- 18 h. The Upper Front Body Support was not repaired as specified and still showed  
19 signs of damage.
- 20 i. The Upper Front Body Support was not refinished as specified.
- 21 j. The Right Front Body Radiator Side Panel was not repaired as specified and still  
22 showed signs of damage.
- 23 k. The Right Front Body Radiator Side Panel was not refinished as specified.
- 24 l. The Right Front Body Front Apron Panel was not repaired as specified and still  
25 showed signs of damage.
- 26 m. The Right Apron Assembly was not refinished as specified.
- 27 n. The Right Front Body Bracket was not replaced as specified.
- 28 o. The Right Front Body Plate was not replaced as specified and still showed signs

1 of damage.

2 p. The Right Front Frame crush/collapse zone was torn, distorted and not restored to  
3 its original shape. Additionally, Corrosion Protection was not restored in the  
4 crush/collapse zone and other areas of repair.

5 **FIRST CAUSE FOR DISCIPLINE**

6 **(Untrue or Misleading Statements)**

7 18. Respondent's registration is subject to discipline under Code section 9884.7(a)(1), in  
8 that Respondent made statements which he knew or which by exercise of reasonable care should  
9 have known to be untrue or misleading by falsely representing that the 2007 Toyota Yaris was to  
10 be repaired as per the Wawanesa Insurance estimate, when, in fact, the vehicle was not repaired  
11 as per the Wawanesa Insurance estimate, as more particularly set forth above in paragraphs 11  
12 through 17 a-p above.

13 **SECOND CAUSE FOR DISCIPLINE**

14 **(Fraud)**

15 17. Respondent's registration is subject to disciplinary action pursuant to Code section  
16 9884.7, subdivision(a)(4), in that on or about May 18, 2012, Respondent committed acts  
17 constituting fraud, by charging for and receiving payment for repairs that were not performed or  
18 for parts that were not supplied, as more particularly set forth above in paragraphs 11 through 17  
19 a-p above.

20 **THIRD CAUSE FOR DISCIPLINE**

21 **(Violations of the Code)**

22 18. Respondent has subjected its registration to discipline under Code section 9884.7,  
23 subdivision (a)(6), in that Respondent failed to comply with provisions of the Code, in the  
24 Following material respects:

- 25 a. Respondent failed to provide Williams with a written estimate for parts and labor for  
26 a specific job, in violation of Code section 9884.9;
- 27 b. Respondent failed to provide Williams with an itemized estimate for auto body  
28 repairs, for all parts and labor, and indicate whether the parts would be new, used,

1           reconditioned, rebuilt, or OEM crash parts, or non-OEM aftermarket crash parts prior  
2           to performing the auto body repairs, in violation of Code section 9884.9, subdivision  
3           (c).

4                                   **FOURTH CAUSE FOR DISCIPLINE**

5                                   **(Departure From Trade Standards)**

6           19.   Respondent's registration is subject to disciplinary action under section 9884.7(a)(7),  
7           by failing to perform collision repairs on the 2007 Toyota Yaris in accordance with trade  
8           standards, in that the Respondent failed to restore the vehicle's Right Front Frame crush/collapse  
9           zone to its original shape, and Restore Corrosion Protection to the crush/collapse zone and other  
10          components, allowing the these components to be exposed to potential rust/corrosion.

11                                  **UNDERCOVER OPERATION – 2000 Subaru**

12          20.   On September 11, 2012, an undercover operator with the Bureau ("operator") drove a  
13          Bureau-documented 2000 Subaru to the Respondent's facility for collision repairs. The vehicle  
14          had auto body damage to the right front corner of the vehicle and the vehicle's unitized body  
15          structure (frame) was out of specifications by several millimeters. A claim had previously been  
16          made with the Interinsurance Exchange of the Automobile Club (AAA) for the body damage, and  
17          a claim number obtained. The operator spoke with a man who identified himself as Tim. Tim  
18          asked the operator to fill out her information on a blank work order. The operator wrote her name  
19          and address and signed the blank work order as requested. The work order did not contain a  
20          description of the repairs or the cost of repairs. The operator was not provided with a copy of the  
21          signed work order. The operator provided Tim with the AAA claim number and AAA adjuster  
22          information. Tim advised the operator that he would get in touch with her when the insurance  
23          claims adjuster had looked at the vehicle.

24          21.   On September 12, 2012, the operator received a telephone call from the AAA  
25          adjuster, Carol Martinez, who said that she had been to the Respondent's facility, spoke with Tim,  
26          inspected the vehicle, and prepared a repair estimate, Estimate ID: ██████████, dated  
27          09/12/2012, with a Gross Total of \$3,673.44, and provided Tim with a copy. Martinez said that  
28          she would send a two party check to the Respondent, and email a copy of the repair estimate to



1 the operator. On or about September 13, 2012, Martinez sent a check for the repairs to the  
2 Respondent in the amount of \$3,173.44, dated September 13, 2012, made payable to the  
3 Respondent and the operator.

4 22. On September 21, 2012, the operator returned to the Respondent facility and paid the  
5 Respondent \$500.00 in cash for the insurance deductible. The operator asked the Respondent if  
6 he had fixed everything the insurance adjuster wanted fixed. The Respondent said that he had.  
7 The Respondent provided the operator with a receipt for the \$500.00. No repair invoice was  
8 provided to the operator.

9 23. On September 25, 2012, the Bureau began inspecting the vehicle comparing its  
10 condition with the repairs specified on the AAA estimate, Estimate ID: [REDACTED], dated  
11 09/12/2012, with a Gross Total of \$3,673.44. The Bureau determined that the Respondent failed  
12 to repair the vehicle as specified. The inspection revealed the following:

- 13 a. The Right Front Bumper Fog Lamp Cover was not replaced as specified.
- 14 b. The Front Bumper Reinforcement was not refinished as specified.
- 15 c. The repairs to the Right Front Body Apron Panel were not completed as  
16 specified. The Right Front Body Apron Panel had been partly repaired, "roughed  
17 out" only, not meeting accepted trade standards.
- 18 d. The Right Front Apron Panel was not refinished as specified.
- 19 e. The Right Front Door Adhesive Moulding was not replaced as specified.
- 20 f. The vehicle's frame had not been repaired as specified. The vehicle's frame had  
21 not been restored to manufacturer's specifications and remained out of  
22 specifications.

23 **FIFTH CAUSE FOR DISCIPLINE**

24 **(Untrue or Misleading Statements)**

25 24. Respondent's registration is subject to discipline under Code section 9884.7(a)(1), in  
26 that Respondent made statements which he knew or which by exercise of reasonable care should  
27 have known to be untrue or misleading by falsely representing that the 2000 Subaru was repaired  
28 as per the AAA estimate, when, in fact, the vehicle was not repaired as per the AAA estimate, as

1 more particularly set forth above in paragraphs 20 through 23 above.

2 **SIXTH CAUSE FOR DISCIPLINE**

3 **(Fraud)**

4 25. Respondent's registration is subject to disciplinary action pursuant to Code section  
5 9884.7, subdivision(a)(4), in that on or about September 13, 2012, Respondent committed acts  
6 constituting fraud, by charging for and receiving payment for repairs that were not performed or  
7 for parts that were not supplied, as more particularly set forth above in paragraphs 20 through 23  
8 above.

9 **SEVENTH CAUSE FOR DISCIPLINE**

10 **(Violations of the Code)**

11 26. Respondent has subjected its registration to discipline under Code section 9884.7,  
12 subdivision (a)(6), in that Respondent failed to comply with provisions of the Code, in the  
13 Following material respects:

- 14 a. Respondent failed to provide the operator with a written estimate for parts and labor  
15 for a specific job, in violation of Code section 9884.9.
- 16 b. Respondent failed to provide the operator with an itemized estimate for auto body  
17 repairs, for all parts and labor, and indicate whether the parts would be new, used,  
18 reconditioned, rebuilt, or OEM crash parts, or non-OEM aftermarket crash parts prior  
19 to performing the auto body repairs, in violation of Code section 9884.9, subdivision  
20 (c).
- 21 c. Respondent had the operator sign a work order that did not contain the repairs  
22 requested, in violation of Code section 9884.7, subdivision (a)(2).
- 23 d. Respondent failed to give the operator a copy of the work order that the operator  
24 signed as soon as it was signed, in violation of Code section 9884.7, subdivision  
25 (a)(3).
- 26 e. Respondent failed to provide the operator with a final invoice describing all service  
27 work performed and parts supplied, in violation of Code section 9884.8.

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1 **EIGHTH CAUSE FOR DISCIPLINE**

2 **(Departure From Trade Standards)**

3 27. Respondent's registration is subject to disciplinary action under section 9884.7(a)(7),  
4 by failing to perform collision repairs on the 2000 Subaru in accordance with trade standards, in  
5 the Following material respects:

- 6 a. Respondent failed to Restore Corrosion Protection to the Right Front Body Apron  
7 Panel, allowing this component to be exposed to potential rust/corrosion;  
8 b. The vehicle's frame had not been repaired / restored to manufacturer's specifications.

9 **OTHER MATTERS**

10 28. Pursuant to Code section 9884.7, subdivision (c), the Director may refuse to validate,  
11 or may invalidate temporarily or permanently, the registrations for all places of business operated  
12 in this state by Rialto Auto Body Collision Ctr., Inc., Michael Lopez Parra,  
13 President/Secretary/Treasurer, upon a finding that it has, or is, engaged in a course of repeated  
14 and willful violations of the laws and regulations pertaining to an automotive repair dealer.

15 **PRAYER**

16 **WHEREFORE**, Complainant requests that a hearing be held on the matters herein alleged,  
17 and that following the hearing, the Director of Consumer Affairs issue a decision:

- 18 1. Revoking, suspending or placing on probation Automotive Repair Dealer Registration  
19 ARD 233864, issued to Michael Lopez Parra – President/Secretary/Treasurer, Rialto Auto Body  
20 Collision CTR Inc., doing business as Rialto Auto Body Collision CTR Inc.  
21 2. Revoking, suspending or placing on probation any other automotive repair dealer  
22 registration issued to Rialto Auto Body Collision CTR Inc.,  
23 3. Ordering Michael Lopez Parra – President/Secretary/Treasurer, Rialto Auto Body  
24 Collision CTR Inc., doing business as Rialto Auto Body Collision CTR Inc., to pay the Bureau of  
25 Automotive Repair the reasonable costs of the investigation and enforcement of this case,  
26 pursuant to Business and Professions Code section 125.3; and,

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4. Taking such other and further action as deemed necessary and proper.

DATED: May 8, 2013

John Wallauch by [Signature]  
JOHN WALLAUCH  
Chief  
Bureau of Automotive Repair  
Department of Consumer Affairs  
State of California  
Complainant