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**BEFORE THE  
DEPARTMENT OF CONSUMER AFFAIRS  
FOR THE BUREAU OF AUTOMOTIVE REPAIR  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:  
**MARTIN GERARDO ISLAS VEGA -  
OWNER, D.B.A.  
VEGA'S TRANSMISSIONS  
1697 Pomona Ave. #3  
San Jose, CA 95112**  
  
**Automotive Repair Dealer Registration No.  
ARD 194895**  
  
Respondent.

Case No. 77/15-50  
  
**DEFAULT DECISION AND ORDER**  
  
[Gov. Code, §11520]

FINDINGS OF FACT

1. On or about April 24, 2015, Complainant Patrick Dorais, in his official capacity as the Chief of the Bureau of Automotive Repair, Department of Consumer Affairs, filed Accusation No. 77/15-50 against Martin Gerardo Islas Vega - Owner d.b.a. Vega's Transmissions (Respondent), before the Director of Consumer Affairs. (Accusation attached as Exhibit A.)
2. On or about October 14, 1997, the Bureau of Automotive Repair (Bureau) issued Automotive Repair Dealer Registration No. ARD 194895 to Respondent. The Automotive Repair Dealer Registration expired on June 30, 2013, and has not been renewed.

1           3.     On or about April 28, 2015, Respondent was served by Certified and First Class Mail  
2 copies of the Accusation No. 77/15-50, Statement to Respondent, Notice of Defense, Request for  
3 Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and 11507.7),  
4 at Respondent's address of record which, pursuant to Business and Professions Code section 136,  
5 is required to be reported and maintained with the Bureau. Respondent's address of record was  
6 and is:

7     1697 Pomona Ave. #3  
8     San Jose, CA 95112.

9           4.     Service of the Accusation was effective as a matter of law under the provisions of  
10 Government Code section 11505, subdivision (c) and/or Business & Professions Code section  
11 124.

12           5.     Government Code section 11506 states, in pertinent part:

13                 (c) The respondent shall be entitled to a hearing on the merits if the respondent  
14 files a notice of defense, and the notice shall be deemed a specific denial of all parts  
15 of the accusation not expressly admitted. Failure to file a notice of defense shall  
16 constitute a waiver of respondent's right to a hearing, but the agency in its discretion  
17 may nevertheless grant a hearing.

18           6.     Respondent failed to file a Notice of Defense within 15 days after service upon him  
19 of the Accusation, and therefore waived his right to a hearing on the merits of Accusation No.  
20 77/15-50.

21           7.     California Government Code section 11520 states, in pertinent part:

22                 (a) If the respondent either fails to file a notice of defense or to appear at the  
23 hearing, the agency may take action based upon the respondent's express admissions  
24 or upon other evidence and affidavits may be used as evidence without any notice to  
25 respondent.

26           8.     Pursuant to its authority under Government Code section 11520, the Director, after  
27 having reviewed the proof of service dated April 28, 2015, signed by Blanca Sobalvarro, finds  
28 that Respondent is in default. The Director will take action without further hearing and, based on  
Accusation No. 77/15-50, the proof of service, and the Affidavit of Bureau Representative  
Salvador J. Orozco, finds that the allegations in Accusation are true.

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ORDER

IT IS ORDERED that Automotive Repair Dealer Registration No. ARD 194895, heretofore issued to Respondent Martin Gerardo Islas Vega - Owner d.b.a. Vega's Transmissions, is revoked.

Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a written motion requesting that the Decision be vacated and stating the grounds relied on within seven (7) days after service of the Decision on Respondent. The motion should be sent to the Bureau of Automotive Repair, ATTN: William D. Thomas, 10949 North Mather Blvd., Rancho Cordova, CA 95670. The agency in its discretion may vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

This Decision shall become effective on April 8, 2016.

It is so ORDERED March 14, 2016



TAMARA COLSON  
Assistant General Counsel  
Division of Legal Affairs  
Department of Consumer Affairs

41306564.DOC  
DOJ Matter ID:SF2015400229

Attachment:  
Exhibit A: Accusation

# Exhibit A

Accusation

(MARTIN GERARDO ISLAS VEGA)

1 KAMALA D. HARRIS  
Attorney General of California  
2 JOSHUA A. ROOM  
Supervising Deputy Attorney General  
3 BRETT A. KINGSBURY  
Deputy Attorney General  
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5 San Francisco, CA 94102-7004  
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*Attorneys for Complainant*

7  
8 **BEFORE THE**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
10 **FOR THE BUREAU OF AUTOMOTIVE REPAIR**  
11 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:  
12 **MARTIN GERARDO ISLAS VEGA -**  
13 **OWNER, D.B.A.**  
14 **VEGA'S TRANSMISSIONS**  
**1697 Pomona Ave. #3**  
**San Jose, CA 95112**  
15 **Automotive Repair Dealer Registration No.**  
16 **ARD 194895**  
17 Respondent.

Case No. **77/15-50**

**A C C U S A T I O N**

18  
19 Complainant alleges:

20 **PARTIES**

21 1. Patrick Dorais (Complainant) brings this Accusation solely in his official capacity as  
22 the Chief of the Bureau of Automotive Repair, Department of Consumer Affairs.

23 **Automotive Repair Dealer Registration No. ARD 194895.**

24 2. On or about October 14, 1997, the Bureau of Automotive Repair issued Automotive  
25 Repair Dealer Registration Number ARD 194895 to Martin Gerardo Islas Vega - Owner, d.b.a.  
26 Vega's Transmissions (Respondent). The Automotive Repair Dealer Registration expired on June  
27 30, 2013, and has not been renewed.

28 ///



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

4           "(2) Causing or allowing a customer to sign any work order that does not state the repairs  
5 requested by the customer or the automobile's odometer reading at the time of repair.

6           ". . . .

7           "(4) Any other conduct which constitutes fraud.

8           ". . . .

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

11          ". . . .

12          "(8) Making false promises of a character likely to influence, persuade, or induce a  
13 customer to authorize the repair, service, or maintenance of automobiles.

14          ". . . .

15          "(b) Except as provided for in subdivision (c), if an automotive repair dealer operates more  
16 than one place of business in this state, the director pursuant to subdivision (a) shall only suspend,  
17 revoke, or place on probation the registration of the specific place of business which has violated  
18 any of the provisions of this chapter. This violation, or action by the director, shall not affect in  
19 any manner the right of the automotive repair dealer to operate his or her other places of business.

20          "(c) Notwithstanding subdivision (b), the director may suspend, revoke, or place on  
21 probation the registration for all places of business operated in this state by an automotive repair  
22 dealer upon a finding that the automotive repair dealer has, or is, engaged in a course of repeated  
23 and willful violations of this chapter, or regulations adopted pursuant to it."

24          8.     Section 9884.6(a) of the Code states:

25                "It is unlawful for any person to be an automotive repair dealer unless that person has  
26 registered in accordance with this chapter [the Automotive Repair Act] and unless that  
27 registration is currently valid."

28          ///

1           9.     Section 9884.8 of the Code states:

2           "All work done by an automotive repair dealer, including all warranty work, shall be  
3 recorded on an invoice and shall describe all service work done and parts supplied. Service work  
4 and parts shall be listed separately on the invoice, which shall also state separately the subtotal  
5 prices for service work and for parts, not including sales tax, and shall state separately the sales  
6 tax, if any, applicable to each. If any used, rebuilt, or reconditioned parts are supplied, the invoice  
7 shall clearly state that fact. If a part of a component system is composed of new and used, rebuilt  
8 or reconditioned parts, that invoice shall clearly state that fact. The invoice shall include a  
9 statement indicating whether any crash parts are original equipment manufacturer crash parts or  
10 nonoriginal equipment manufacturer aftermarket crash parts. One copy of the invoice shall be  
11 given to the customer and one copy shall be retained by the automotive repair dealer."

12           10.    California Code of Regulations, title 16, section 3361.1 provides, in pertinent part:

13           ". . . .

14           "(c) Any automotive repair dealer that advertises or performs, directly or through a sublet  
15 contractor, automatic transmission work and uses the words 'exchanged,' 'rebuilt,'  
16 'remanufactured,' 'reconditioned,' or 'overhauled,' or any expression of like meaning, to describe  
17 an automatic transmission in any form of advertising or on a written estimate or invoice shall only  
18 do so when all of the following work has been done since the transmission was last used:

19           "(1) All internal and external parts, including case and housing, have been thoroughly  
20 cleaned and inspected.

21           "(2) The valve body has been disassembled and thoroughly cleaned and inspected unless  
22 otherwise specified by the manufacturer.

23           "(3) All bands have been replaced with new or relined bands.

24           "(4) All the following parts have been replaced with new parts:

25           "(A) Lined friction plates

26           "(B) Internal and external seals including seals that are bonded to metal parts

27           "(C) All sealing rings

28           "(D) Gaskets

1           "(E) Organic media disposable type filters (if the transmission is so equipped)

2           "(5) All impaired, defective, or substantially worn parts not mentioned above have been  
3 restored to a sound condition or replaced with new, rebuilt, or unimpaired parts. All measuring  
4 and adjusting of such parts has been performed as necessary.

5           "(6) The transmission's electronic components, if so equipped, have been inspected and  
6 found to be functioning properly or have been replaced with new, rebuilt, or unimpaired  
7 components that function properly.

8           "(7) The torque converter has been inspected and serviced in accordance with subsection (d)  
9 of this regulation.

10           "(d) The torque converter is considered to be part of the automatic transmission and shall be  
11 examined, cleaned, and made serviceable before the rebuilt, remanufactured or overhauled  
12 transmission is installed. If the torque converter cannot be restored to a serviceable condition, then  
13 the customer shall be so informed. With the customer's authorization, the converter shall be  
14 replaced with a new, rebuilt, remanufactured, reconditioned, overhauled, or unimpaired used  
15 torque converter. A torque converter shall not be represented as rebuilt, remanufactured,  
16 reconditioned, or overhauled unless the torque converter shell has been opened, all components of  
17 the overrunning clutch assembly have been inspected and replaced as required, all friction  
18 materials have been replaced as required, all rotating parts have been examined and replaced as  
19 required, the shell has been resealed, and the unit has been pressure tested."

20           11. California Code of Regulations, title 16, section 3356 provides:

21           "(a) All invoices for service and repair work performed, and parts supplied, as provided for  
22 in Section 9884.8 of the Business and Professions Code, shall comply with the following:

23           "(1) The invoice shall show the automotive repair dealer's registration number and the  
24 corresponding business name and address as shown in the Bureau's records. If the automotive  
25 repair dealer's telephone number is shown, it shall comply with the requirements of subsection (b)  
26 of Section 3371 of this chapter.

27           "(2) The invoice shall separately list, describe and identify all of the following:  
28



1 Bureau reviewed with Respondent the laws and regulations pertinent to the business of an  
2 automotive repair dealer. Among other items, the Bureau representatives specifically covered (1)  
3 untrue or misleading statements; and (2) describing all service work performed and parts supplied  
4 on invoices. The Bureau representatives made Respondent an offer to conduct training sessions  
5 for service personnel at Respondent's facility, and they informed Respondent that future  
6 compliance would be confirmed by documented undercover vehicles and/or station inspections.

7 **UNDERCOVER OPERATION #1 (1997 CHEVROLET)**

8 14. On April 10, 2014, an operator drove a Bureau-documented 1997 Chevrolet to  
9 Respondent's shop and requested a transmission inspection.

10 15. The 1997 Chevrolet had been documented by the Bureau to create a transmission  
11 symptom that can be readily diagnosed and repaired. Specifically, the 2-3 shift solenoid of the  
12 transmission was rendered inoperative. With the 2-3 shift solenoid inoperative, the vehicle  
13 operates in "failsafe" mode, and a diagnostic trouble code is stored in the Vehicle Control Module  
14 that identifies the condition (as a fault in the 2-3 shift solenoid). The Malfunction Indicator Lamp  
15 on the vehicle's instrument panel illuminates; an automotive repair dealer may discover the  
16 source of the problem using a tester to retrieve the diagnostic trouble code. The 2-3 shift solenoid  
17 is then readily accessible by removing the transmission oil pan.

18 16. In response to the operator's request for a transmission inspection, a mechanic from  
19 Respondent's shop test-drove the 1997 Chevrolet with the operator. The mechanic told the  
20 operator that the transmission was not shifting gears properly and that further diagnosis was  
21 needed.

22 17. The operator authorized the further diagnosis, and the mechanic filled out a pink, un-  
23 numbered document with the heading "Estimate and Invoice #[\_\_\_\_]." The operator signed the  
24 document. The document indicated an estimated cost of repairs in the amount of \$1,200. The  
25 mechanic informed the operator that the transmission repairs would result in a better-than-new  
26 transmission.

27 18. Later that day, the operator called Respondent's shop and spoke with a male that  
28 identified himself as "Jerry." Jerry explained that they had determined that the source of the

1 problem was an internal electrical short. Jerry informed the operator that he could "patch" the  
2 problem, meaning just repair the shifting problem, or that they could rebuild the transmission.  
3 The operator stated that he wanted the transmission to work right, and Jerry recommended  
4 rebuilding the transmission. Jerry stated that he would install heavy duty parts, and he estimated  
5 the rebuild to cost \$1,100. The operator agreed, and Jerry requested the operator provide a \$600  
6 deposit.

7 19. The operator then returned to Respondent's shop and spoke to Jerry, who was actually  
8 Respondent. The operator provided Respondent \$500 instead of \$600, stating that \$500 was all  
9 the money the operator had available. Respondent provided the operator a white, un-numbered  
10 document entitled "Estimate and Invoice #[\_\_\_\_]" as a receipt. The document showed the \$500  
11 deposit and stated (in Spanish) "reconstruir trasmission," meaning "rebuild transmission."

12 20. On April 16, 2014, Respondent called to inform the operator that the vehicle was  
13 ready. Respondent told the operator that they had repaired several electrical shorts.

14 21. The operator then returned to Respondent's shop to pick up the 1997 Chevrolet.  
15 Respondent explained that due to an electrical voltage surge/ variance, the inside of the  
16 transmission had been burned/damaged. The operator paid the \$600 balance that was remaining  
17 on the \$1100 estimate, and Respondent provided the operator with another white, un-numbered  
18 document entitled "Estimate and Invoice #[\_\_\_\_]." This document also stated "reconstruir  
19 trasmission" in a slightly different location than the prior "Estimate and Invoice #[\_\_\_\_]." The  
20 operator re-took possession of the vehicle.

21 22. None of the "Estimate and Invoice #[\_\_\_\_]" documents provided to the operator  
22 contained Respondent's automotive repair dealer registration number or the 1997 Chevrolet's  
23 odometer reading. None of them separately listed parts that were supplied or contained any  
24 description of any parts supplied (or stated whether such parts were new, used, reconditioned,  
25 rebuilt, OEM crash parts, or OEM aftermarket crash parts). None of them included any subtotals  
26 or indications regarding the amount of sales tax charged, if any.

27 23. The Bureau then re-inspected the 1997 Chevrolet. The Bureau discovered that  
28 Respondent did not rebuild the transmission. Respondent painted the existing transmission case

1 silver (externally) and freshly painted blue the existing torque converter. Respondent did not even  
2 disassemble the transmission. Respondent only replaced four solenoids, all of which were readily  
3 accessible without disassembling the transmission. Respondent replaced the inoperative 2-3 shift  
4 solenoid, and Respondent also (needlessly) replaced the 1-2 shift solenoid, the 3-2 shift solenoid,  
5 and the torque converter clutch pulse width modulation solenoid.

6 24. Having not rebuilt the transmission, Respondent failed to replace many of the internal  
7 parts that must be replaced in a transmission rebuild. Respondent did not replace any of the 1997  
8 Chevrolet's 22 friction plates, did not replace the 2-4 band, and did not replace any of the 17  
9 rubber square cut and lip seals or 3 metal clad seals. Respondent did not replace any of the 6  
10 solid Teflon sealing rings or 3 angle cut Teflon sealing rings, did not replace any of the vehicle's 4  
11 gaskets, and did not replace the 1997 Chevrolet's organic media disposable type filter. Finally,  
12 having failed to even disassemble the transmission, Respondent did not clean and inspect all  
13 internal parts of the transmission and did not clean and inspect the valve body.

14 **FIRST CAUSE FOR DISCIPLINE**

15 **(Delinquent Registration)**

16 25. Respondent is subject to disciplinary action under Code section 9884.7(a)(6) in  
17 conjunction with section 9884.6(a) in that Respondent operated as an automotive repair dealer  
18 without a current, valid registration issued by the Bureau. Respondent's automotive repair dealer  
19 registration expired in June 2013, nearly one year before Respondent performed work on the  
20 Bureau's 1997 Chevrolet. The circumstances are more fully described above in "Parties" and in  
21 "Undercover Operation #1 (1997 Chevrolet)."

22 **SECOND CAUSE FOR DISCIPLINE**

23 **(Untrue or Misleading Statements)**

24 26. Respondent is subject to disciplinary action under Code section 9884.7(a)(1) in that  
25 Respondent made or authorized a statement, by any method or means, that was untrue or  
26 misleading and which was known, or which by the exercise of reasonable care should have been  
27 known, to be untrue or misleading. Specifically, Respondent wrote (in Spanish) on two of the  
28 "Estimate and Invoice #[\_\_\_\_]" documents provided to the operator, "Reconstruir trasmission,"

1 meaning "rebuild transmission." This represented that Respondent would rebuild (for the first  
2 document) and had rebuilt (for the second document) the transmission of the 1997 Chevrolet.  
3 Respondent did not rebuild or even disassemble the transmission.

4 **THIRD CAUSE FOR DISCIPLINE**

5 **(False Promises)**

6 27. Respondent is subject to disciplinary action under Code section 9884.7(a)(8) in that  
7 Respondent made false promises of a character likely to influence, persuade, or induce a customer  
8 to authorize the repair, service, or maintenance of an automobile. Specifically, Respondent told  
9 the operator that Respondent would use heavy duty parts in rebuilding the transmission.  
10 Respondent replaced four solenoids, did not rebuild the transmission, and did not even  
11 disassemble the transmission, let alone use heavy duty parts.

12 **FOURTH CAUSE FOR DISCIPLINE**

13 **(Conduct Constituting Fraud)**

14 28. Respondent is subject to disciplinary action under Code section 9884.7(a)(4) in that  
15 Respondent engaged in conduct constituting fraud. Specifically, Respondent agreed to rebuild the  
16 transmission of the 1997 Chevrolet, invoiced the operator for rebuilding the transmission, and  
17 accepted full payment for rebuilding the transmission, but Respondent did not rebuild the  
18 transmission. Respondent painted external parts of the existing transmission, changed out a few  
19 solenoids, and returned the vehicle to the operator as if the transmission had been entirely rebuilt.  
20 The circumstances are more fully described above in "Undercover Operation #1 (1997  
21 Chevrolet)."

22 **FIFTH CAUSE FOR DISCIPLINE**

23 **(Work Order Lacking Odometer Information)**

24 29. Respondent is subject to disciplinary action under Code section 9884.7(a)(2) in that  
25 Respondent caused the operator to sign a work order that did not contain the automobile's  
26 odometer reading at the time of repair. The circumstances are described above in "Undercover  
27 Operation #1 (1997 Chevrolet)."

28 ///

1 **SIXTH CAUSE FOR DISCIPLINE**

2 **(Failure to Comply with Transmission Rebuild Requirements)**

3 30. Respondent is subject to disciplinary action under Code section 9884.7(a)(6) in  
4 conjunction with California Code of Regulations, title 16, section 3361.1(c), in that Respondent  
5 did not comply with the requirements for asserting that he had performed a transmission rebuild.

6 Specifically:

- 7 A. Respondent was required to replace all friction plates prior to indicating the  
8 transmission was rebuilt, but none of the 1997 Chevrolet's 22 friction plates  
9 were replaced.
- 10 B. Respondent was required to replace all bands prior to indicating the  
11 transmission was rebuilt, yet the 1997 Chevrolet's 2-4 band was not replaced.
- 12 C. Respondent was required to replace all internal and external seals prior to  
13 indicating the transmission was rebuilt, but none of the 1997 Chevrolet's 17  
14 rubber square cut and lip seals or 3 metal clad seals were replaced.
- 15 D. Respondent was required to replace all sealing rings prior to indicating the  
16 transmission was rebuilt, but none of the 1997 Chevrolet's 6 solid Teflon  
17 sealing rings or 3 angle cut Teflon sealing rings were replaced.
- 18 E. Respondent was required to replace all gaskets prior to indicating the  
19 transmission was rebuilt, but none of the 1997 Chevrolet's 4 gaskets were  
20 replaced.
- 21 F. Respondent was required to replace organic media disposable type filters (if the  
22 transmission is so equipped) prior to indicating the transmission was rebuilt, but  
23 the 1997 Chevrolet's organic media disposable type filter was not replaced.
- 24 G. Respondent was required to clean and inspect all internal parts prior to  
25 indicating the transmission was rebuilt, but Respondent did not do so.
- 26 H. Respondent was required to disassemble, clean and inspect the valve body prior  
27 to indicating the transmission was rebuilt, but Respondent did not do so.

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1 **SEVENTH CAUSE FOR DISCIPLINE**

2 **(Insufficient Invoice)**

3 31. Respondent is subject to disciplinary action under Code section 9884.7(a)(6) in  
4 conjunction with California Code of Regulations, title 16, section 3356, in that Respondent failed  
5 to provide the operator an invoice containing required elements. Specifically, as regard the  
6 various "Estimate and Invoice #[ ]" documents provided to the operator:

- 7 A. The documents failed to include Respondent's automotive repair dealer  
8 registration number.
- 9 B. The documents failed to list the parts supplied, with prices for each.
- 10 C. The documents failed to provide a description of the parts supplied, including  
11 whether each part was new, used, reconditioned, rebuilt, an OEM crash part, or  
12 a non-OEM aftermarket crash part.
- 13 D. The documents failed to include a subtotal for all service and repair work.
- 14 E. The documents failed to include a subtotal for all parts supplied.
- 15 F. The documents failed to list any sales tax charged.
- 16 G. In the alternative, Respondent's automotive repair dealer registration is subject  
17 to discipline under Code section 9884.7(a)(6), in conjunction with section  
18 9884.8, in that Respondent failed to provide the operator with any invoice at all.

19 **UNDERCOVER OPERATION #2 (1995 CHEVROLET)**

20 32. On August 4, 2014, an operator drove a Bureau-documented 1995 Chevrolet to  
21 Respondent's shop and requested diagnosis of an improperly operating automatic transmission.

22 33. The 1995 Chevrolet had been documented to have a transmission symptom that can  
23 be readily diagnosed and repaired. Specifically, the 2-3 shift solenoid of the transmission was  
24 rendered inoperative. With the 2-3 shift solenoid inoperative, the vehicle operates in "failsafe"  
25 mode, and a diagnostic trouble code is stored in the Powertrain Control Module that identifies the  
26 fault (as a fault within the 2-3 shift solenoid). An automotive repair dealer may discover the  
27 problem by retrieving the diagnostic trouble code with a tester. The 2-3 shift solenoid is then  
28 readily accessible by removing the transmission pan.

1           34. In response to the operator's request for diagnosis, Respondent offered to test-drive  
2 the vehicle. The operator agreed and accompanied Respondent. Respondent informed the  
3 operator that the transmission appeared to be "stuck" in third gear and was not shifting.

4           35. Respondent asked the operator if the operator wanted Respondent to repair the  
5 transmission or rebuild it. Respondent stated that he could not provide the same guarantee if he  
6 repaired the transmission and that, if merely repaired, the transmission would probably have the  
7 same problem in a couple of weeks. Respondent stated that if he rebuilt the transmission, he  
8 would install heavy duty parts and would replace all of the internal parts. The operator stated that  
9 he wanted the transmission repaired properly. Respondent indicated that he would rebuild it.

10           36. Respondent prepared a \$1,000 estimate/work order, and the operator signed it. The  
11 document stated (in Spanish) "reconstruir trasmission," which means "rebuild transmission."  
12 Respondent informed the operator that Respondent would install "Corvette pistons" and requested  
13 a \$500 deposit, which the operator paid.

14           37. On August 6, 2014, Respondent called the operator and told him the vehicle was  
15 ready. Respondent told the operator he had rebuilt the transmission and replaced all of the  
16 internal parts.

17           38. The operator returned to Respondent's shop to pick up the vehicle. The operator  
18 asked what repairs Respondent had made. Respondent stated he had replaced all of the discs,  
19 switches, sensors, seals, bands, turbine, and had installed a "shift kit." Respondent told the  
20 operator that the discs Respondent had installed were bigger and were heavy duty. The operator  
21 paid the remaining \$500 due. Respondent obtained the prior written estimate/work order from the  
22 operator and wrote "Pagado," meaning "Paid," on it. Respondent then returned the document to  
23 the operator, and the operator reclaimed the 1995 Chevrolet.

24           39. This document, upon which Respondent had written "Pagado," was the only  
25 document Respondent provided as an invoice. It was un-numbered. It did not contain  
26 Respondent's automotive repair dealer registration number or the 1995 Chevrolet's odometer  
27 reading. It did not separately list parts that were supplied and did not contain any description of  
28 any parts supplied (or state whether such parts were new, used, reconditioned, rebuilt, OEM crash

1 parts, or OEM aftermarket crash parts). It did not include any subtotals or an indication regarding  
2 the amount of sales tax charged, if any.

3 40. The Bureau then re-inspected the 1995 Chevrolet. None of the vehicle's pistons had  
4 been replaced with pistons from a Corvette or otherwise. The transmission had been  
5 disassembled or at least partially disassembled but not rebuilt. The existing transmission case had  
6 been freshly painted silver (externally), and the torque converter had been freshly painted blue.  
7 The torque converter similarly had not been rebuilt.

8 41. Respondent failed to replace multiple items that must be replaced in a transmission  
9 rebuild. Respondent had not replaced 16 of the friction plates (four out of the five clutch packs).  
10 Respondent had not replaced the 1995 Chevrolet's 2-4 band, had not replaced any of the 17 rubber  
11 square cut and lip seals, and had not replaced 2 of the 3 metal clad seals. Finally, Respondent had  
12 not replaced any of the 9 Teflon sealing rings or any of the 1995 Chevrolet's 4 gaskets.

13 **EIGHTH CAUSE FOR DISCIPLINE**

14 **(Delinquent Registration)**

15 42. Respondent is subject to disciplinary action under Code section 9884.7(a)(6) in  
16 conjunction with section 9884.6(a) in that Respondent operated as an automotive repair dealer  
17 without a current, valid registration issued by the Bureau. Respondent's automotive repair dealer  
18 registration expired in June 2013, more than one year before Respondent performed work on the  
19 Bureau's 1995 Chevrolet. The circumstances are more fully described above in "Parties" and in  
20 "Undercover Operation #2 (1995 Chevrolet)."

21 **NINTH CAUSE FOR DISCIPLINE**

22 **(Untrue or Misleading Statements)**

23 43. Respondent is subject to disciplinary action under Code section 9884.7(a)(1) in that  
24 Respondent made or authorized a statement, by any method or means, that was untrue or  
25 misleading and which was known, or which by the exercise of reasonable care should have been  
26 known, to be untrue or misleading. Specifically:

27 ///

28 ///

- 1           A.     When Respondent spoke with the operator to inform him that the 1995  
2                    Chevrolet was ready, Respondent told the operator he had rebuilt the  
3                    transmission and replaced all of the internal parts. Respondent had not done so.  
4           B.     When Respondent spoke with the operator at Respondent's shop regarding the  
5                    repairs Respondent had made, Respondent stated he had replaced all of the  
6                    discs, switches, sensors, seals, bands, turbine, and had installed a "shift kit."  
7                    Respondent had not done so.

8                                    **TENTH CAUSE FOR DISCIPLINE**

9    **(False Promises)**

10           44.   Respondent is subject to disciplinary action under Code section 9884.7(a)(8) in that  
11   Respondent made false promises of a character likely to influence, persuade, or induce a customer  
12   to authorize the repair, service, or maintenance of an automobile. Specifically:

- 13           A.     Respondent stated that if he rebuilt the transmission, he would install heavy  
14                    duty parts and would replace all of the internal parts. Respondent did not  
15                    replace all of the transmission's internal parts.  
16           B.     Respondent told the operator he would install "Corvette pistons." Respondent  
17                    did not install any new pistons, let alone Corvette pistons.

18                                    **ELEVENTH CAUSE FOR DISCIPLINE**

19    **(Conduct Constituting Fraud)**

20           45.   Respondent is subject to disciplinary action under Code section 9884.7(a)(4) in that  
21   Respondent engaged in conduct constituting fraud. Specifically, Respondent agreed to rebuild the  
22   transmission of the 1995 Chevrolet, invoiced the operator for rebuilding the transmission, and  
23   accepted full payment for rebuilding the transmission, but Respondent did not rebuild the  
24   transmission. Respondent painted external parts of the existing transmission, performed some  
25   (mostly unnecessary) repairs, and returned the vehicle to the operator as if the transmission had  
26   been entirely rebuilt.

27            ///

28            ///

1 TWELFTH CAUSE FOR DISCIPLINE

2 (Work Order Lacking Odometer Information)

3 46. Respondent is subject to disciplinary action under Code section 9884.7(a)(2) in that  
4 Respondent caused the operator to sign a work order (the written estimate/work order upon which  
5 Respondent later wrote "Pagado") that did not contain the automobile's odometer reading at the  
6 time of repair. The circumstances are described above in "Undercover Operation #2: 1995  
7 Chevrolet."

8 THIRTEENTH CAUSE FOR DISCIPLINE

9 (Failure to Comply with Transmission Rebuild Requirements)

10 47. Respondent is subject to disciplinary action under Code section 9884.7(a)(6) in  
11 conjunction with California Code of Regulations, title 16, section 3361.1(c), in that Respondent  
12 did not comply with the requirements for asserting that he had performed a transmission rebuild.

13 Specifically:

- 14 A. Respondent was required to replace all friction plates prior to indicating that the  
15 transmission was rebuilt, but 16 of the friction plates (four out of five clutch  
16 packs) were not replaced.
- 17 B. Respondent was required to replace all bands prior to indicating that the  
18 transmission was rebuilt, but the 1995 Chevrolet's 2-4 band (the only band in  
19 this transmission) was not replaced.
- 20 C. Respondent was required to replace all internal and external seals prior to  
21 indicating that the transmission was rebuilt, but none of the 1995 Chevrolet's 17  
22 rubber square cut and lip seals were replaced. Additionally, 2 of the 3 metal  
23 clad seals in the transmission were not replaced.
- 24 D. Respondent was required to replace all sealing rings prior to indicating that the  
25 transmission was rebuilt, but none of the 1995 Chevrolet's 9 Teflon sealing  
26 rings were replaced.

27 ///

28 ///

1 E. Respondent was required to replace all gaskets prior to indicating that the  
2 transmission was rebuilt, but none of the 1995 Chevrolet's 4 gaskets were  
3 replaced.

4 **FOURTEENTH CAUSE FOR DISCIPLINE**

5 **(Insufficient Invoice)**

6 48. Respondent is subject to disciplinary action under Code section 9884.7(a)(6) in  
7 conjunction with California Code of Regulations, title 16, section 3356, in that Respondent failed  
8 to provide the operator an invoice containing required elements. Specifically, with regard to the  
9 only document provided to the operator that was arguably an invoice (on which Respondent wrote  
10 "Pagado"):

- 11 A. The document did not contain Respondent's automotive repair dealer  
12 registration number.
- 13 B. The document did not separately describe each part supplied (including whether  
14 the part was new, used, reconditioned, rebuilt, an OEM crash part, or a non-  
15 OEM aftermarket crash part), as well as the price for each part.
- 16 C. The document did not list a subtotal for service and repair work performed and  
17 a subtotal for all parts supplied.
- 18 D. The document did not indicate the applicable sales tax, if any.
- 19 E. In the alternative, Respondent's automotive repair dealer registration is subject  
20 to discipline under Code section 9884.7(a)(6), in conjunction with section  
21 9884.8, in that Respondent failed to provide the operator with any invoice at all.

22 **DISCIPLINE CONSIDERATIONS**

23 49. To determine the degree of discipline, if any, to be imposed, Complainant alleges that  
24 on or about November 5, 2012, the Bureau issued Citation # C2013-0311 to Respondent for  
25 operating as an automotive repair dealer without a current, valid registration. That citation is now  
26 final and is incorporated herein as if fully set forth.

27 50. To determine the degree of discipline, if any, to be imposed, Complainant alleges that  
28 on or about September 5, 2013, the Bureau issued Citation # C2014-0152 to Respondent for

1 operating as an automotive repair dealer without a current, valid registration. That citation is now  
2 final and is incorporated herein as if fully set forth.

3 **PRAYER**

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

6 1. Revoking or suspending Automotive Repair Dealer Registration Number ARD  
7 194895, issued to Martin Gerardo Islas Vega - Owner, d.b.a. Vega's Transmissions;

8 2. Revoking, suspending, or placing on probation any other automotive repair dealer  
9 registration issued to Martin Gerardo Islas Vega;

10 3. Ordering Martin Gerardo Islas Vega to pay the Bureau of Automotive Repair the  
11 reasonable costs of the investigation and enforcement of this case, pursuant to Business and  
12 Professions Code section 125.3;

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

14  
15  
16 DATED:

April 24, 2015



PATRICK DORAIS  
Chief  
Bureau of Automotive Repair  
Department of Consumer Affairs  
State of California  
*Complainant*

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