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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:

Case No. 77/06-123

STEVE'S AUTO RESTORATION
STEVEN B. KUPSTIS, OWNER
148 S. Canby Street
Tulare, CA 93274

**DEFAULT DECISION
AND ORDER**

[Gov. Code, §11520]

Automotive Repair Dealer Reg. No. AH 223229

Respondent.

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FINDINGS OF FACT

1. On or about May 24, 2007, Complainant Sherry Mehl, in her official capacity as the Chief of the Bureau of Automotive Repair, Department of Consumer Affairs, filed Accusation No. 77/06-123 against Steve's Auto Restoration; Steven Bruce Kupstis (Respondent) before the Director of Consumer Affairs.

2. On or about August 23, 2002, the Bureau of Automotive Repair (Director) issued Automotive Repair Dealer Registration No. AH223229 to Respondent. The Automotive Repair Dealer Registration expired on August 31, 2006, and has not been renewed.

3. On or about June 6, 2007, Kasey P. Arismende, an employee of the Department of Justice, served by Certified and First Class Mail a copy of the Accusation No. 77/06-123, Statement to Respondent, Notice of Defense, Request for Discovery, and Government Code sections 11507.5, 11507.6, and 11507.7 to Respondent's address of record with the Bureau, which was and is 148 S. Canby Street, Tulare, CA 93274. A copy of the Accusation, the related documents, and Declaration of Service are attached as Exhibit A, and are incorporated herein by reference.

4. On or about June 12, 2007, the aforementioned documents were returned by the U.S. Postal Service marked "Moved left no address." A copy of the envelope returned by the post office is attached as Exhibit B, and is incorporated herein by reference.

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- 1 a. Business and Professions Code ("Code") section 9884.7,
2 subdivision (a)(1) (untrue or misleading statements: 1 count);
- 3 b. Code section 9884.7, subdivision (a)(2) (failure to record odometer
4 reading: 4 counts);
- 5 c. Code section 9884.7, subdivision (a)(4) (fraud: 3 counts);
- 6 d. Code section 9884.7, subdivision (a)(7) (departure from trade
7 standards: 2 counts);
- 8 e. Code section 9884.7, subdivision (a)(6) (violations of Code section
9 9884.9, subdivision (s): failure to provide written estimate: 2 counts); and
- 10 f. Code section 9884.7, subdivision(a)(6) (violations of code
11 section's 9884.8 and 9884.9(c) (failure to record and to provide itemized estimate on invoice: 4
12 counts); and
- 13 g. Code section 9884.7, subdivision (a)(6) (violations of California
14 Code of regulations, Title 16, section 3556, subdivision (a): failure to specify replacement parts
15 as new, used, reconditioned, or rebuilt: 3 counts).
- 16 h. Code section 9884.7, subdivision(a)(3) (failure to provide signed
17 documents: 1 count).

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1 ORDER

2 IT IS SO ORDERED that Automotive Repair Dealer Registration No. AH223229,
3 heretofore issued to Respondent Steve's Auto Restoration; Steven Bruce Kupstis, Owner, is
4 revoked.

5 Pursuant to Government Code section 11520, subdivision (c), Respondent may
6 serve a written motion requesting that the Decision be vacated and stating the grounds relied on
7 within seven (7) days after service of the Decision on Respondent. The agency in its discretion
8 may vacate the Decision and grant a hearing on a showing of good cause, as defined in the
9 statute.

10 This Decision shall become effective on September 19, 2007

11 It is so ORDERED 8/7/07

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14 
15 SPENCER LEE WALKER
16 Staff Counsel
17 Department of Consumer Affairs

18 10354879.wpd
19 DOJ docket number:SA2007100650

20 Attachments:

- 21 Exhibit A: Accusation No.77/06-123, Related Documents, and Declaration of Service
22 Exhibit B: Copy of Envelope Returned by Post Office
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9
10 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
FOR THE BUREAU OF AUTOMOTIVE REPAIR
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:
13 STEVE'S AUTO RESTORATION
STEVEN B. KUPSTIS, OWNER
14 148 S. Canby Street
Tulare, CA 93274
15
16 Automotive Repair Dealer Reg. No. AH 223229
17 Respondent.

Case No. 7706-123

ACCUSATION

18 Complainant alleges:

19 **PARTIES**

- 20 1. Sherry Mehl ("Complainant") brings this Accusation solely in her official
21 capacity as the Chief of the Bureau of Automotive Repair ("Bureau"), Department of Consumer
22 Affairs.
- 23 2. On or about August 23, 2002, the Director of Consumer Affairs
24 ("Director") issued Automotive Repair Dealer Registration Number AH 223229 to Steven B.
25 Kupstis ("Respondent"), owner of Steve's Auto Restoration. Respondent's automotive repair
26 dealer registration expired on August 31, 2006, and has not been renewed.

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1 **JURISDICTION**

2 3. Business and Professions Code ("Code") section 9884.7 provides that the
3 Director may invalidate an automotive repair dealer registration.

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

8 **STATUTORY AND REGULATORY PROVISIONS**

9 **Statutory Provisions**

10 5. Code section 9884.7 states, in pertinent part:

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

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

21 (2) Causing or allowing a customer to sign any work order which does
22 not state the repairs requested by the customer or the automobile's odometer
23 reading at the time of repair.

24 (3) Failing or refusing to give to a customer a copy of any document requiring
25 his or her signature, as soon as the customer signs the document.

26 (4) Any other conduct which constitutes fraud.

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28 (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 owner or his or her duly authorized representative . . .

6. Code section 9884.7, subdivision (c), states, in pertinent part, that the
Director may refuse to validate or may invalidate temporarily or permanently the registration for
all places of business operated in this state by an automotive repair dealer upon a finding that the

1 automotive repair dealer has, or is, engaged in a course of repeated and willful violations of the
2 laws and regulations pertaining to an automotive repair dealer.

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

4 All work done by an automotive repair dealer, including all warranty
5 work, shall be recorded on an invoice and shall describe all service work done
6 and parts supplied. Service work and parts shall be listed separately on the
7 invoice, which shall also state separately the subtotal prices for service work
8 and for parts, not including sales tax, and shall state separately the sales tax,
9 if any, applicable to each . . .

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

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

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19 (c) In addition to subdivisions (a) and (b), an automotive repair dealer,
20 when doing auto body or collision repairs, shall provide an itemized written
21 estimate for all parts and labor to the customer. The estimate shall describe
22 labor and parts separately and shall identify each part, indicating whether
23 the replacement part is new, used, rebuilt, or reconditioned. Each crash part
24 shall be identified on the written estimate and the written estimate shall
25 indicate whether the crash part is an original equipment manufacturer crash part
26 or a nonoriginal equipment manufacturer aftermarket crash part.

23 9. Code section 22, subdivision (a), states:

24 "Board" as used in any provision of this Code, refers to the board in
25 which the administration of the provision is vested, and unless otherwise expressly
26 provided, shall include "bureau," "commission," "committee," "department,"
27 "division," "examining committee," "program," and "agency."

27 10. Code section 477, subdivision (b), states, in pertinent part, that a "license"
28 includes "registration" and "certificate."

1 Regulatory Provisions

2 11. California Code of Regulations, title 16, section ("Regulation") 3303,
3 subdivision (k), states:

4 "Authorization" means consent. Authorization shall consist of the
5 customer's signature on the work order, taken before repair work begins.
6 Authorization shall be valid without the customer's signature only when oral or
7 electronic authorization is documented in accordance with applicable sections of
8 these regulations.

9 12. Regulation 3353, subdivision (e), states, in pertinent part:

10 . . . If the customer has authorized repairs according to a work order on
11 which parts and labor are itemized, the dealer shall not change the method of
12 repair or parts supplied without the written, oral, or electronic authorization of the
13 customer. The authorization shall be obtained from the customer as provided in
14 subsection (c) and Section 9884.9 of the Business and Professions Code . . .

15 13. Regulation 3356, subdivision (a), states:

16 The invoice shall show the dealer's registration number and the
17 corresponding business name and address. If the dealer's telephone number is
18 shown, it shall comply with the requirements of Subsection 3371(b) of this
19 chapter. In addition, the invoice shall describe all service work done, including all
20 warranty work, and shall separately identify each part in such a manner that the
21 customer can understand what was purchased, also stating whether the part was
22 new, used, reconditioned, rebuilt, or an OEM crash part, or a non-OEM
23 aftermarket crash part. The dealer shall give the customer a legible copy of the
24 invoice and shall retain a legible copy as part of the dealer's records.

25 14. Regulation 3364 states:

26 (a) An automotive repair dealer shall not remove, paint over, or otherwise
27 deface any label or sticker which has been affixed to the doorpost, dash,
28 underhood, windshield, or other location on a vehicle, and which contains
identifying information regarding the vehicle or its emission control system
components. An automotive repair dealer shall replace any such label or
sticker which would otherwise be destroyed as part of the repair process, unless
the replacement label or sticker is not reasonably available.

(b) The above requirements shall apply to any label or sticker mandated by
the bureau or other governmental agency as well as those included with the
vehicle as part of its original manufacture and those added onto a vehicle as
part of a manufacturer's authorized recall program.

25 15. Regulation 3365 states, in pertinent part:

26 The accepted trade standards for good and workmanlike auto body and frame
27 repairs shall include, but not be limited to, the following:
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1 All corrosion protection shall be applied in accordance with
2 manufacturers' specifications or nationally distributed and periodically updated
3 service specifications that are generally accepted by the autobody repair
4 industry.

4 **COST RECOVERY**

5 16. Code section 125.3 states, in pertinent part, that a Board may request the
6 administrative law judge to direct a licentiate found to have committed a violation or
7 violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation
8 and enforcement of the case.

9 **CONSUMER COMPLAINT (BARNES): 1965 FORD GALAXIE CONVERTIBLE**

10 17. On or about June 7, 2004, consumer Nancy Barnes ("Barnes") filed a
11 complaint with the Bureau alleging that Respondent failed to properly paint her 1965 Ford
12 Galaxie convertible. Barnes took her vehicle to Respondent's facility on or about May 17, 2004,
13 and retrieved the vehicle on or about June 4, 2004.

14 18. The Bureau determined during their investigation of Barnes' complaint
15 that Respondent violated the Automotive Repair Act, Code sections 9880, et seq. (hereinafter
16 "Automotive Repair Act"), as follows:

17 **FIRST CAUSE FOR DISCIPLINE**

18 **(Violations of the Code)**

19 19. Respondent is subject to disciplinary action pursuant to Code section
20 9884.7, subdivision (a)(6), in that on or about May 17, 2004, Respondent failed to comply with
21 Code section 9884.9, subdivision (c), by failing to provide Barnes with an itemized written
22 estimate for the auto body repairs on her 1965 Ford Galaxie convertible. On the date indicated
23 above, Respondent provided Barnes with Repair Order 3416 in the amount of \$4,000 for "paint
24 & body complete", but did not list or describe all of the parts and labor that were necessary for
25 the repairs on the vehicle.

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1 **CONSUMER COMPLAINT (MARTINEZ): 2003 MITSUBISHI LANCER**

2 20. On or about May 13, 2005, consumer Freddie Martinez ("Martinez") took
3 his 2003 Mitsubishi Lancer to Respondent's facility to have the vehicle repaired and painted and
4 received a verbal estimate of \$750 for the work. On or about May 15, 2005, Martinez went to
5 the facility to retrieve the vehicle and found that the bodywork was not done correctly and that
6 the new paint did not match the existing color of the vehicle. Respondent's manager, Richard
7 Anderson, told Martinez to return the vehicle on May 17, 2005, to be re-worked. On or about
8 May 17, 2005, Martinez returned the vehicle to the facility. That same day, Martinez signed a
9 work order/invoice numbered 0339 totaling \$781.

10 21. On or about May 23, 2005, Martinez filed a complaint with the Bureau
11 alleging that Respondent failed to properly repair the vehicle.

12 22. During their investigation of Martinez's complaint, the Bureau requested
13 and obtained a copy of Respondent's repair records on the vehicle, including work
14 orders/invoices 0339 and 0554. The Bureau determined based upon their examination of the
15 records that Respondent violated the Automotive Repair Act, as follows:

16 **SECOND CAUSE FOR DISCIPLINE**

17 **(Failure to Record Odometer Reading)**

18 23. Respondent is subject to disciplinary action pursuant to Code section
19 9884.7, subdivision (a)(2), in that on or about May 17, 2005, Respondent caused or allowed
20 Martinez to sign work order/invoice 0339 which did not state the odometer reading of Martinez's
21 2003 Mitsubishi Lancer at the time of repair.

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1 **THIRD CAUSE FOR DISCIPLINE**

2 **(Violations of the Code)**

3 24. Respondent is subject to disciplinary action pursuant to Code section
4 9884.7, subdivision (a)(6), in that Respondent failed to comply with provisions of the Code, as
5 follows:

6 a. **Section 9884.8:** Respondent failed to record on work orders/invoices
7 0554 and 0339 all service work performed and/or parts supplied on Martinez's 2003 Mitsubishi
8 Lancer.

9 b. **Section 9884.9, subdivision (c):** On or about May 13, 2005, Respondent
10 failed to provide Martinez with an itemized written estimate for the auto body repairs on his 2003
11 Mitsubishi Lancer.

12 **FOURTH CAUSE FOR DISCIPLINE**

13 **(Violations of Regulations)**

14 25. Respondent is subject to disciplinary action pursuant to Code section
15 9884.7, subdivision (a)(6), in that Respondent failed to comply with Regulation 3356,
16 subdivision (a), by failing to show on work orders/invoices 0554 and 0339 his business name and
17 address as registered with the Bureau.

18 **CONSUMER COMPLAINT (DAILY): 1995 CHRYSLER CONCORD**

19 26. On or about July 11, 2005, consumer Alice Daily ("Daily") took her 1995
20 Chrysler Concord to Respondent's facility to have the vehicle painted. Respondent had Daily
21 sign a work order, but did not give her a copy of the document at that time. On or about
22 September 7, 2005, Daily retrieved the vehicle from the facility and received a copy of a work
23 order/invoice numbered 0587. That same day, Daily filed a complaint with the Bureau alleging
24 that Respondent damaged the vehicle while it was under repair at the facility.

25 27. During their investigation of Daily's complaint, the Bureau determined
26 that Respondent violated the Automotive Repair Act, as follows:

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1 **FIFTH CAUSE FOR DISCIPLINE**

2 **(Failure to Record Odometer Reading)**

3 28. Respondent is subject to disciplinary action pursuant to Code section
4 9884.7, subdivision (a)(2), in that on or about July 11, 2005, Respondent caused or allowed Daily
5 to sign work order/invoice number 0587, which did not state the odometer reading of Daily's
6 1995 Chrysler Concord.

7 **SIXTH CAUSE FOR DISCIPLINE**

8 **(Failure to Provide Customer with Copy of Signed Document)**

9 29. Respondent is subject to disciplinary action pursuant to Code section
10 9884.7, subdivision (a)(3), in that Respondent failed to provide Daily with a copy of work
11 order/invoice number 0587 as soon as Daily signed the document.

12 **SEVENTH CAUSE FOR DISCIPLINE**

13 **(Violations of the Code)**

14 30. Respondent is subject to disciplinary action pursuant to Code section
15 9884.7, subdivision (a)(6), in that Respondent failed to comply with provisions of the Code, as
16 follows:

17 a. **Section 9884.8:** Respondent failed to record on work order/invoice
18 number 0587 all service work performed or parts supplied on Daily's 1995 Chrysler Concord.

19 b. **Section 9884.9, subdivision (a):** On or about July 11, 2005, Respondent
20 failed to provide Daily with a written estimate for parts or labor necessary for a specific job.

21 **EIGHTH CAUSE FOR DISCIPLINE**

22 **(Violations of Regulations)**

23 31. Respondent is subject to disciplinary action pursuant to Code section
24 9884.7, subdivision (a)(6), in that Respondent failed to comply with Regulation 3356,
25 subdivision (a), by failing to show on work order/invoice number 0587 his automotive repair
26 dealer registration number and business name and address.

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1 **CONSUMER COMPLAINT (PHIPPS): 1974 DATSUN 260Z**

2 32. On or about August 31, 2004, consumer Ronald Phipps ("Phipps") had his
3 1974 Datsun 260Z towed to Respondent's facility for repair. That same day, Respondent had
4 Phipps sign a work order/invoice numbered 260, totaling \$4,000, to repair and paint the vehicle,
5 but did not give Phipps a copy of the document at that time.

6 33. On or about October 20, 2005, Phipps retrieved the vehicle from the
7 facility after the repairs were completed and received a copy of work order/invoice number 0260.

8 34. On or about October 31, 2005, Phipps filed a complaint with the Bureau
9 alleging that Respondent failed to properly repair the vehicle.

10 35. During their investigation of Phipp's complaint, the Bureau determined
11 that Respondent violated the Automotive Repair Act, as follows:

12 **NINTH CAUSE FOR DISCIPLINE**

13 **(Failure to Record Odometer Reading)**

14 36. Respondent is subject to disciplinary action pursuant to Code section
15 9884.7, subdivision (a)(2), in that on or about August 31, 2004, Respondent caused or allowed
16 Phipps to sign work order/invoice number 0260 which did not state the odometer reading of his
17 1974 Datsun 260Z at the time of repair.

18 **TENTH CAUSE FOR DISCIPLINE**

19 **(Failure to Provide Customer with Copy of Signed Document)**

20 37. Respondent is subject to disciplinary action pursuant to Code section
21 9884.7, subdivision (a)(3), in that Respondent failed to provide Phipps with a copy of work
22 order/invoice number 0260 as soon as Phipps signed the document.

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1 **ELEVENTH CAUSE FOR DISCIPLINE**

2 **(Violations of the Code)**

3 38. Respondent is subject to disciplinary action pursuant to Code section
4 9884.7, subdivision (a)(6), in that Respondent failed to comply with provisions of the Code, as
5 follows:

6 a. **Section 9884.8:** Respondent failed to record on work order/invoice
7 number 0260 all service work performed or parts supplied on Phipps' 1974 Datsun 260Z.

8 b. **Section 9884.9, subdivision (c):** Respondent failed to provide Phipps
9 with an itemized written estimate for the auto body repairs on his 1974 Datsun 260Z.

10 **TWELFTH CAUSE FOR DISCIPLINE**

11 **(Violations of Regulations)**

12 39. Respondent is subject to disciplinary action pursuant to Code section
13 9884.7, subdivision (a)(6), in that Respondent failed to comply with Regulation 3356,
14 subdivision (a), by failing to show his automotive repair dealer registration number on
15 on work order/invoice number 0260.

16 **VEHICLE INSPECTION #1: 1999 HONDA ACCORD**

17 40. On or about February 9, 2006, Bureau Representatives Gilbert Sanchez
18 ("Sanchez") and Edward Nichols ("Nichols") inspected a 1999 Honda Accord, owned by
19 consumer Yonna Neri ("Neri"), which had been repaired at Respondent's facility. Sanchez and
20 Nichols compared the repair work performed by Respondent with an itemized estimate dated
21 July 12, 2005, totaling \$4,063.29 prepared by Viking Insurance, a division of Royal &
22 Sunalliance (hereinafter "insurance estimate"). Sanchez and Nichols determined that Respondent
23 failed to repair the vehicle per the insurance estimate.

24 41. On February 16, 2006, Dennis Schmidt, owner of Schmidt's Auto Body,
25 and Sanchez inspected the vehicle and found additional repairs that Respondent had failed to
26 perform as estimated.

27 42. The total value of the repairs Respondent failed to perform on Neri's
28 vehicle is approximately \$1,695.92.

1 f. Respondent charged and obtained payment from Viking Insurance for
2 removing and reinstalling the right and left body side moldings on Neri's 1999 Honda Accord
3 when, in fact, those parts were not removed and reinstalled on the vehicle.

4 g. Respondent charged and obtained payment from Viking Insurance for
5 replacing the right mirror assembly on Neri's 1999 Honda Accord when, in fact, that part was not
6 replaced on the vehicle.

7 h. Respondent charged and obtained payment from Viking Insurance for
8 setting and pulling the chassis on Neri's 1999 Honda Accord when, in fact, those labor
9 operations or repairs were not performed on the vehicle.

10 **FOURTEENTH CAUSE FOR DISCIPLINE**

11 **(Departure From Trade Standards)**

12 45. Respondent is subject to disciplinary action pursuant to Code section
13 9884.7, subdivision (a)(7), in that Respondent willfully departed from or disregarded accepted
14 trade standards for good and workmanlike repair without the consent of the owner or the owner's
15 duly authorized representative in a material respect, as follows: Respondent failed to install or
16 replace the under hood information labels after replacing the hood on Neri's 1999 Honda Accord,
17 in violation of Regulation 3364, subdivision (a).

18 **FIFTEENTH CAUSE FOR DISCIPLINE**

19 **(Failure to Provide Customer With Written Itemized Estimate)**

20 46. Respondent is subject to disciplinary action pursuant to Code section
21 9884.7, subdivision (a)(6), in that Respondent failed to comply with Code section 9884.9,
22 subdivision (c), by failing to provide Neri with an itemized written estimate for all parts and
23 labor necessary for the auto body repairs on her 1999 Honda Accord.

24 **VEHICLE INSPECTION #2: 2000 FORD MUSTANG**

25 47. On or about August 1, 2005, consumer Clarence Herbert ("Herbert") took
26 his 2000 Ford Mustang to Respondent's facility for auto body repairs. On or about August 19,
27 2005, Herbert returned to the facility to retrieve the vehicle after the repairs were allegedly

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1 completed and paid the facility \$1,200 in cash. Herbert signed an invoice totaling \$1,200, but
2 did not receive a copy of the document.

3 48. On May 8, 2006, and July 19, 2006, Bureau Representative Nichols
4 inspected the vehicle and compared the repair work performed by Respondent with an itemized
5 estimate dated August 11, 2005, totaling \$2,075.93 (\$2,575.93 less a \$500 insurance deductible)
6 prepared by State Farm Insurance Companies (hereinafter "insurance estimate"). Nichols
7 determined, among other things, that Respondent failed to repair the vehicle per the insurance
8 estimate. The total value of the repairs Respondent failed to perform on the vehicle as estimated
9 is approximately \$1,127.75.

10 49. The Bureau requested and obtained a copy of Herbert's insurance file from
11 State Farm Insurance Companies ("State Farm")^{2/}. The Bureau determined, based upon their
12 examination of the insurance file and the results of the above inspections, that Respondent
13 fraudulently charged for repairs that were not performed on the vehicle, in addition to other
14 violations of the Automotive Repair Act, as follows:

15 **SIXTEENTH CAUSE FOR DISCIPLINE**

16 **(Failure to Provide Customer with Copy of Signed Document)**

17 50. Respondent is subject to disciplinary action pursuant to Code section
18 9884.7, subdivision (a)(3), in that Respondent failed to provide Herbert with a copy of work
19 order/invoice number 0593 as soon as Herbert signed the document.

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27 2. On or about July 14, 2005, State Farm issued Herbert a check in the amount of \$1,582.98 in payment for
28 the repairs, which Herbert subsequently cashed. On or about August 11, 2005, State Farm issued a check in the
amount of \$492.95 made payable to Herbert, for a total of \$2,075.93 for the repairs. Herbert never saw or
endorsed the \$492.95 check.

1 SEVENTEENTH CAUSE FOR DISCIPLINE

2 (Fraud)

3 51. Respondent is subject to disciplinary action pursuant to Code section
4 9884.7, subdivision (a)(4), in that Respondent committed acts constituting fraud, as follows:

5 a. Respondent charged and obtained payment from consumer Herbert and
6 State Farm for repairing the left front frame rail on Herbert's 2000 Ford Mustang when, in fact,
7 that part was not repaired on the vehicle.

8 b. Respondent charged and obtained payment from consumer Herbert and
9 State Farm for replacing the impact absorber on Herbert's 2000 Ford Mustang when, in fact, that
10 part was not replaced on the vehicle.

11 c. Respondent charged and obtained payment from consumer Herbert and
12 State Farm for replacing the front bumper reinforcement on Herbert's 2000 Ford Mustang with
13 an original equipment manufacturer ("OEM") part when, in fact, the front bumper reinforcement
14 was replaced with an aftermarket part.

15 d. Respondent charged and obtained payment from consumer Herbert and
16 State Farm for refinishing the front bumper reinforcement on Herbert's 2000 Ford Mustang
17 when, in fact, that part was not refinished on the vehicle.

18 e. Respondent charged and obtained payment from consumer Herbert and
19 State Farm for replacing the grille mount on Herbert's 2000 Ford Mustang with an OEM part
20 when, in fact, the grille mount was replaced with an aftermarket part.

21 f. Respondent charged and obtained payment from consumer Herbert and
22 State Farm for replacing the left front combination lamp on Herbert's 2000 Ford Mustang with
23 an OEM part when, in fact, the left front combination lamp was replaced with an aftermarket
24 part.

25 g. Respondent charged and obtained payment from consumer Herbert and
26 State Farm for removing and reinstalling the hood scoop on Herbert's 2000 Ford Mustang during
27 the refinishing of the vehicle when, in fact, that part was not removed and reinstalled on the
28 vehicle.

1 **NINETEENTH CAUSE FOR DISCIPLINE**

2 **(Violations of the Code)**

3 53. Respondent is subject to disciplinary action pursuant to Code section
4 9884.7, subdivision (a)(6), in that Respondent failed to comply with provisions of the Code, as
5 follows:

6 a. **Section 9884.8:** Respondent failed to record on work order/invoice
7 number 0593 all service work performed and parts supplied on consumer Herbert's 2000 Ford
8 Mustang.

9 b. **Section 9884.9, subdivision (c):** Respondent failed to provide consumer
10 Herbert with an itemized written estimate for all parts and labor necessary for the auto body
11 repairs on his 2000 Ford Mustang.

12 **UNDERCOVER OPERATION: 2001 CHEVROLET BLAZER**

13 54. On or about March 21, 2006, Bureau Representative Willy Thygesen,
14 using the alias "Kenneth Walker" (hereinafter "operator"), telephoned Steve's Auto Restoration
15 and spoke with Respondent, who identified himself as the owner of the facility. The operator
16 told Respondent that he had seen his advertisement in the phone book indicating that the facility
17 paid most insurance deductibles. Respondent told the operator that in order to save people
18 money on the deductible, they would repair parts instead of replacing them as described on the
19 insurance estimate. The operator stated that he had an estimate from his insurance company with
20 a \$500 deductible. Respondent told the operator that he would not have to pay the deductible if
21 Steve's Auto Restoration performed the repairs, and gave the operator directions to his new
22 repair facility located at 153 Spruce in Tulare.

23 55. On or about March 22, 2006, the operator took the Bureau's 2001
24 Chevrolet Blazer to Respondent's facility located at 153 Spruce Street, Tulare, California. The
25 left rear wheel-well/quarter panel area of the Bureau documented vehicle had been damaged in a
26 controlled collision. The operator met with Respondent and gave him an estimate dated March
27 9, 2006, totaling \$3,816.62 (\$4,316.62 less a \$500 deductible) prepared by California State
28 Automobile Association ("CSAA"). Respondent reviewed the CSAA estimate and told the

1 operator, among other things, that he could repair the vehicle without replacing the quarter panel
2 which would save money. The operator told Respondent that he wanted the vehicle repaired per
3 the CSAA estimate. Respondent stated that his brother-in-law, "Ritchie" (later identified as
4 Richard Anderson, hereinafter "Anderson"), would prepare a written estimate. Anderson arrived
5 a few minutes later and asked the operator if they could use after-market replacement parts on the
6 vehicle. The operator told Anderson that he wanted the vehicle repaired per the CSAA estimate.
7 As Anderson was preparing the estimate, he told the operator that the fuel door did not need to be
8 replaced as indicated on the CSAA estimate and that they could save money by not replacing the
9 part. The operator stated that he wanted the fuel door replaced and signed and received a copy of
10 Estimate #143, authorizing Steve's Auto Restoration to repair the vehicle.

11 56. On April 10, 2006, CSAA issued a check totaling \$3,816.62 made payable
12 to the operator and Steve's Auto Restoration.

13 57. On May 5, 2006, the operator returned to the facility to retrieve the vehicle
14 after the repairs were allegedly completed, paid the facility the \$500 insurance deductible in cash,
15 and received a copy of Estimate #143 as a final invoice.

16 58. On May 31, 2006, Bureau Representative Sam Wharton ("Wharton")
17 inspected the vehicle and compared the repair work performed by Respondent with Estimate
18 #143. Wharton found that the vehicle was not repaired as specified on the estimate.

19 59. As a result of the undercover operation, the Bureau determined that
20 Respondent fraudulently charged CSAA and the Bureau approximately \$439.27 for parts and/or
21 services that were not performed on the vehicle.

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1 **TWENTIETH CAUSE FOR DISCIPLINE**

2 **(Untrue or Misleading Statements)**

3 60. Respondent is subject to disciplinary action pursuant to Code section
4 9884.7, subdivision (a)(1), in that Respondent made or authorized statements which he knew or
5 in the exercise of reasonable care should have known to be untrue or misleading, as follows:

6 a. Respondent represented on Estimate #143 that the left front door molding
7 on the Bureau's 2001 Chevrolet Blazer was removed and reinstalled when, in fact, that part was
8 not removed and reinstalled on the vehicle.

9 b. Respondent represented on Estimate #143 that the left rear door molding
10 on the Bureau's 2001 Chevrolet Blazer was replaced when, in fact, that part was not replaced on
11 the vehicle.

12 c. Respondent represented on Estimate #143 that the left quarter fuel door
13 on the Bureau's 2001 Chevrolet Blazer was replaced when, in fact, that part was not replaced on
14 the vehicle.

15 d. Respondent represented on Estimate #143 that the left rear combination
16 lamp on the Bureau's 2001 Chevrolet Blazer was replaced when, in fact, that part was not
17 replaced on the vehicle.

18 e. Respondent represented on Estimate #143 that the right rear bumper
19 extension on the Bureau's 2001 Chevrolet Blazer was repaired and refinished when, in fact, that
20 part was not repaired or refinished on the vehicle. Further, the right rear bumper extension was
21 not damaged at the time the vehicle was taken to Respondent's facility.

22 f. Respondent represented on Estimate #143 that the left rear quarter panel
23 was completely replaced on the Bureau's 2001 Chevrolet Blazer when, in fact, Respondent
24 sectioned^{3/} the panel at the quarter window.

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28 3. Regulation 3303, subdivision (n), defines "section" or "sectioning" as the replacement of less than a whole part or component by splicing the part or component at non factory seams.

1 **TWENTY-FIRST CAUSE FOR DISCIPLINE**

2 **(Fraud)**

3 61. Respondent is subject to disciplinary action pursuant to Code section
4 9884.7, subdivision (a)(4), in that Respondent committed acts constituting fraud, as follows:

5 a. Respondent charged and obtained payment from CSAA and the Bureau for
6 removing and reinstalling the left front door molding on the Bureau's 2001 Chevrolet Blazer
7 when, in fact, that part was not removed and reinstalled on the vehicle.

8 b. Respondent charged and obtained payment from CSAA and the Bureau for
9 replacing the left rear door molding on the Bureau's 2001 Chevrolet Blazer when, in fact, that
10 part was not replaced on the vehicle.

11 c. Respondent charged and obtained payment from CSAA and the Bureau for
12 replacing the left quarter fuel door on the Bureau's 2001 Chevrolet Blazer when, in fact, that part
13 was not replaced on the vehicle.

14 d. Respondent charged and obtained payment from CSAA and the Bureau for
15 replacing the left rear combination lamp on the Bureau's 2001 Chevrolet Blazer when, in fact,
16 that part was not replaced on the vehicle.

17 e. Respondent charged and obtained payment from CSAA and the Bureau for
18 repairing and refinishing the right rear bumper extension on the Bureau's 2001 Chevrolet Blazer
19 when, in fact, that part was not repaired or refinished on the vehicle. Further, the right rear
20 bumper extension was not damaged at the time the vehicle was taken to Respondent's facility.

21 f. Respondent charged and obtained payment from CSAA and the Bureau for
22 completely replacing the left rear quarter panel on the Bureau's 2001 Chevrolet Blazer when, in
23 fact, Respondent sectioned the panel at the quarter window.

24 g. Respondent or his agent, employee, and/or representative forged the
25 operator's signature on check number 710830828 in the amount \$3,816.62 issued by CSAA.

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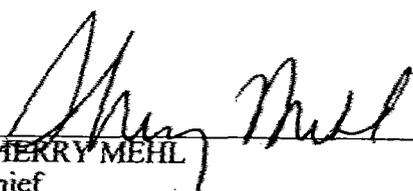
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3. Ordering Respondent Steven B. Kupstis, owner of Steve's Auto Restoration, to pay the Director of Consumer Affairs the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3;

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

DATED: May 24, 2007.


SHERRY MEHL
Chief
Bureau of Automotive Repair
Department of Consumer Affairs
State of California

Complainant