

BEFORE THE DIRECTOR  
DEPARTMENT OF CONSUMER AFFAIRS  
BUREAU OF AUTOMOTIVE REPAIR  
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

**GEORGE SEROUR NAKHLA**  
**dba SOTO SMOG INCORP., ET AL.**  
918 N. Soto Street  
Los Angeles, CA 90033

Automotive Repair Dealer Registration  
No. ARD 223617  
Smog Check Station License No. TC 223617  
Smog Technician License No. EA 133386

Respondents.

Case No. 79/10-85

**DECISION**

The attached Stipulated Settlement and Disciplinary Order is hereby accepted and adopted as the Decision of the Director of the Department of Consumer Affairs in the above-entitled matter.

This Decision shall become effective on 10-11-10.

DATED: September 7, 2010

  
\_\_\_\_\_  
DORÉATHEA JOHNSON  
Deputy Director, Legal Affairs  
Department of Consumer Affairs

1 EDMUND G. BROWN JR.  
Attorney General of California  
2 KAREN B. CHAPPELLE  
Supervising Deputy Attorney General  
3 GREGORY J. SALUTE  
Supervising Deputy Attorney General  
4 State Bar No. 164015  
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*Attorneys for Complainant*  
7

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

10  
11 In the Matter of the Accusation Against:

Case No. 79/10-85

12 **GEORGE SEROUR NAKHLA DBA SOTO**  
**SMOG INCORP., ET. AL**  
13 **918 N. Soto Street**  
**Los Angeles, CA 90033**  
14 **Automotive Repair Dealer License No. ARD**  
**223617**  
15 **Smog Check Station No. TC 223617**  
**Smog Technician License No. EA 133386**  
16

**STIPULATED SETTLEMENT AND**  
**DISCIPLINARY ORDER**

17 Respondents.

18  
19 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-  
20 entitled proceedings that the following matters are true:

21 PARTIES

22 1. Sherry Mehl (Complainant) is the Chief of the Bureau of Automotive Repair. She  
23 brought this action solely in her official capacity and is represented in this matter by Edmund G.  
24 Brown Jr., Attorney General of the State of California, by Gregory J. Salute, Supervising Deputy  
25 Attorney General.

26 2. Respondent George Serour Nakhla dba Soto Smog Incorp., et.al (Respondent) is  
27 representing himself in this proceeding and has chosen not to exercise his right to be represented  
28 by counsel.



1 present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel  
2 the attendance of witnesses and the production of documents; the right to reconsideration and  
3 court review of an adverse decision; and all other rights accorded by the California  
4 Administrative Procedure Act and other applicable laws.

5 9. Respondent voluntarily, knowingly, and intelligently waives and gives up each and  
6 every right set forth above.

7 CULPABILITY

8 10. Respondent admits the truth of each and every charge and allegation in Accusation  
9 No. 79/10-85.

10 11. Respondent agrees that Automotive Repair Dealer License No. ARD 223617,  
11 Smog Check Station No. TC 223617, and Smog Technician License No. EA 133386, are all  
12 subject to discipline and he agrees to be bound by the Director of Consumer Affairs (Director)'s  
13 imposition of discipline as set forth in the Disciplinary Order below.

14 CIRCUMSTANCES IN MITIGATION

15 12. Respondent George Serour Nakhla dba Soto Smog Incorp., et. al is admitting  
16 responsibility at an early stage in the proceedings.

17 CONTINGENCY

18 13. This stipulation shall be subject to approval by the Director of Consumer Affairs or  
19 his designee. Respondent understands and agrees that counsel for Complainant and the staff of  
20 the Bureau of Automotive Repair may communicate directly with the Director and staff of the  
21 Department of Consumer Affairs regarding this stipulation and settlement, without notice to or  
22 participation by Respondent. By signing the stipulation, Respondent understands and agrees that  
23 he may not withdraw his agreement or seek to rescind the stipulation prior to the time the Director  
24 considers and acts upon it. If the Director fails to adopt this stipulation as the Decision and  
25 Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for  
26 this paragraph, it shall be inadmissible in any legal action between the parties, and the Director  
27 shall not be disqualified from further action by having considered this matter.

28



1 Professions Code.

2 4. **Random Inspections.** Provide Bureau representatives unrestricted access to inspect  
3 all vehicles (including parts) undergoing repairs, up to and including the point of completion.

4 5. **Jurisdiction.** If an accusation is filed against Respondent during the term of  
5 probation, the Director of Consumer Affairs shall have continuing jurisdiction over this matter  
6 until the final decision on the accusation, and the period of probation shall be extended until such  
7 decision.

8 6. **Violation of Probation.** Should the Director of Consumer Affairs determine that  
9 Respondent has failed to comply with the terms and conditions of probation, the Department may,  
10 after giving notice and opportunity to be heard suspend or revoke the license.

11 7. **Continuing Education Courses.** During the period of probation, Respondent shall  
12 attend and successfully complete a Bureau certified training course in diagnosis and repair of  
13 emission systems failures and engine performance, applicable to the class of license held by the  
14 Respondent. Said course shall be completed and proof of completion submitted to the Bureau  
15 within 60 days of the effective date of this decision and order. If proof of completion of the  
16 course is not furnished to the Bureau within the 60-day period, Respondents' license shall be  
17 immediately suspended until such proof is received.

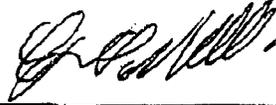
18 8. **Cost Recovery.** Payment to the Bureau of the full amount of cost recovery in the  
19 amount of \$4660.00 shall be received no later than 6 months before probation terminates. Failure  
20 to complete payment of cost recovery within this time frame shall constitute a violation of  
21 probation which may subject Respondent's license to outright revocation; however, the Director  
22 or the Director's Bureau of Automotive Repair designee may elect to continue probation until  
23 such time as reimbursement of the entire cost recovery amount has been made to the Bureau.

24 ACCEPTANCE

25 I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the  
26 stipulation and the effect it will have on my Automotive Repair Dealer License, and Smog Check  
27 Station, and Smog Technician License. I enter into this Stipulated Settlement and Disciplinary  
28

1 Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order  
2 of the Director of Consumer Affairs.

3 DATED: 08-18-10



4 GEORGE SEROUR NAKHLA DBA SOTO SMOG  
5 INCORP., ET. AL  
6 Respondent

7 ENDORSEMENT

8 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
9 submitted for consideration by the Director of Consumer Affairs.

10 Dated: 8-20-10

Respectfully Submitted,

11 EDMUND G. BROWN JR.  
12 Attorney General of California  
13 KAREN B. CHAPPELLE  
14 Supervising Deputy Attorney General



15 GREGORY J. SALUTE  
16 Supervising Deputy Attorney General  
17 Attorneys for Complainant

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**Exhibit A**

**Accusation No. 79/10-85**

1 EDMUND G. BROWN JR.  
Attorney General of California  
2 ALFREDO TERRAZAS  
Senior Assistant Attorney General  
3 GREGORY J. SALUTE  
Supervising Deputy Attorney General  
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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.

79/10-85

13 **SOTO SMOG INCORPORATED**  
14 **GEORGE SEROUR NAKHLA, President**  
918 N. Soto Street  
15 Los Angeles, CA 90033  
**Automotive Repair Dealer License No. ARD 223617**  
16 **Smog Check Station No. TC 223617**

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

SMOG CHECK

17 Respondent.

18  
19 Sherry Mehl ("Complainant") alleges:

20 **PARTIES**

21 1. Complainant brings this Accusation solely in her official capacity as the Chief of the  
22 Bureau of Automotive Repair I/M Smog ("Bureau"), Department of Consumer Affairs.

23 **Automotive Repair Dealer Registration No. ARD 223617**

24 2. On or about October 24, 2002, the Bureau issued Automotive Repair Dealer  
25 Registration No. ARD 223617 ("registration") to Soto Smog Incorporated ("Respondent") with  
26 George Serour Nakhla as the President. The registration will expire on or about  
27 September 30, 2010, unless renewed.

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1 against an automotive repair dealer or to render a decision invalidating a registration temporarily  
2 or permanently.

3 6. Section 44002 of the Health and Safety Code provides, in pertinent part, that the  
4 Director has all the powers and authority granted under the Automotive Repair Act for enforcing  
5 the Motor Vehicle Inspection Program.

6 7. Section 44072.2 of the Health and Safety Code states, in pertinent part:

7 The director may suspend, revoke, or take other disciplinary action against a license  
8 as provided in this article if the licensee, or any partner, officer, or director thereof, does  
9 any of the following:

10 (a) Violates any section of this chapter [the Motor Vehicle Inspection Program  
11 (Health and Saf. Code, § 44000, et seq.)] and the regulations adopted pursuant to it, which  
12 related to the licensed activities.

13 (c) Violates any of the regulations adopted by the director pursuant to this chapter.

14 (d) Commits any act involving dishonesty, fraud, or deceit whereby another is  
15 injured.

16 8. Section 44072.6 of the Health and Safety Code provides, in pertinent part, that the  
17 expiration or suspension of a license by operation of law, or by order or decision of the  
18 Director of Consumer Affairs, or a court of law, or the voluntary surrender of the license shall not  
19 deprive the Director of jurisdiction to proceed with disciplinary action.

20 9. Section 44072.8 of the Health and Safety Code states:

21 “When a license has been revoked or suspended following a hearing under this article, any  
22 additional license issued under this chapter in the name of Soto Smog Incorporated may be  
23 likewise revoked or suspended by the director.”

### 24 COST RECOVERY

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

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1 THIRD CAUSE FOR DISCIPLINE

2 (Failure to Comply with Chapter Requirements)

3 14. Respondent's station license is subject to discipline under Health and Safety Code  
4 section 44072.2(a), in that on or about September 9, 2009, regarding the 1987 Chevrolet Nova, it  
5 failed to comply with the following sections of that Code:

6 a. Section 44012(a): Respondent failed to determine that all emission control devices and  
7 systems required by law were installed and functioning correctly in accordance with test  
8 procedures.

9 b. Section 44012(f): Respondent failed to perform emission control tests on the vehicle in  
10 accordance with procedures prescribed by the department.

11 c. Section 44015(b): Respondent issued electronic Certificate of Compliance No.  
12 WD293462 without properly testing and inspecting the vehicle to determine if it was in  
13 compliance with Code section 44012.

14 d. Section 44059: Respondent willfully made false entries for electronic Certificate of  
15 Compliance No. WD293462 by certifying that the vehicle had been tested and inspected as  
16 required, when in fact, it had not.

17 FOURTH CAUSE FOR DISCIPLINE

18 (Failure to Comply with Regulations)

19 15. Respondent's station license is subject to discipline under Health and Safety Code  
20 section 44072.2(c), in that on or about September 9, 2009, regarding the 1987 Chevrolet Nova, it  
21 failed to comply with provisions of California Code of Regulations, title 16, as follows:

22 a. Section 3340.24(c): Respondent falsely or fraudulently issued electronic Certificate of  
23 Compliance No. WD293462, in that the vehicle could not pass the visual portion of the smog  
24 inspection because the vehicle's EGR system was missing.

25 b. Section 3340.35(c): Respondent issued electronic Certificate of Compliance No.  
26 WD293462 even though the vehicle had not been tested and inspected in accordance with the  
27 procedures specified in Code section 3340.42.

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1 c. Section 3340.42: Respondent failed to conduct the required smog tests and inspections  
2 on the vehicle in accordance with the Bureau's specifications.

3 **FIFTH CAUSE FOR DISCIPLINE**

4 **(Dishonesty, Fraud, or Deceit)**

5 16. Respondent's station license is subject to discipline under Health and Safety Code  
6 section 44072.2(d), in that on or about September 9, 2009, it committed acts involving  
7 dishonesty, fraud, or deceit whereby another was injured by issuing electronic Certificate of  
8 Compliance No. WD293462 for the 1987 Chevrolet Nova without performing a bona fide  
9 inspection of the emission control devices and systems on that vehicle, thereby depriving the  
10 People of the State of California of the protection afforded by the Motor Vehicle Inspection  
11 Program.

12 **PRIOR CITATIONS**

13 17. To determine the degree of discipline, if any, Complainant alleges the following:

14 **Automotive Repair Dealer Registration and Smog Check Test Only Station License  
May 23, 2008**

15 a. On or about May 23, 2008, the Bureau issued Citation No. C08-1040 against  
16 Respondent's registration and station licenses for violations of Health and Safety Code section  
17 44012(f) (failure to perform a visual/functional check of emission control devices according to  
18 procedures prescribed by the department), and California Code of Regulations, title 16, section  
19 3340.35(c) (issuing a certificate of compliance to a vehicle that was improperly tested), for  
20 issuing a certificate of compliance to a Bureau undercover vehicle that was missing the positive  
21 crankcase ventilation system. The Bureau assessed civil penalties totaling \$500 against  
22 Respondent for the violations. Respondent complied with this citation on July 8, 2008.

23 **November 24, 2008**

24 b. On or about November 24, 2008, the Bureau issued Citation No. C09-0660 against  
25 Respondent's registration and station licenses for violations of Health and Safety Code section  
26 44012(f) (failure to perform a visual/functional check of emission control devices according to  
27 procedures prescribed by the department), and California Code of Regulations, title 16, section  
28 3340.35(c) (issuing a certificate of compliance to a vehicle that was improperly tested), for

1 issuing a certificate of compliance to a Bureau undercover vehicle that was missing an  
2 evaporative canister. The Bureau assessed civil penalties totaling \$1,000 against Respondent for  
3 the violations. Respondent complied with this citation on January 16, 2009.

4 **May 19, 2009**

5 c. On or about May 19, 2009, the Bureau issued Citation No. C09-1335 against  
6 Respondent's registration and station licenses for violations of Health and Safety Code section  
7 44012(f) (failure to perform a visual/functional check of emission control devices according to  
8 procedures prescribed by the department), and California Code of Regulations, title 16, section  
9 3340.35(c) (issuing a certificate of compliance to a vehicle that was improperly tested), for  
10 issuing a certificate of compliance to a Bureau undercover vehicle with the ignition timing  
11 adjusted beyond the manufacturer's specifications. The Bureau assessed civil penalties totaling  
12 \$2,000 against Respondent for the violations. Respondent complied with this citation on  
13 July 15, 2009.

14 **OTHER MATTERS**

15 18. Under Code section 9884.7(c), the director may invalidate temporarily or  
16 permanently or refuse to validate, the registrations for all places of business operated in this state  
17 by Soto Smog Incorporated, upon a finding that it has, or is, engaged in a course of repeated and  
18 willful violation of the laws and regulations pertaining to an automotive repair dealer.

19 19. Under Health and Safety Code section 44072.8, if Smog Check Station License  
20 Number TC 223617, issued to Soto Smog Incorporated, is revoked or suspended, any additional  
21 license issued under this chapter in the name of Soto Smog Incorporated may be likewise revoked  
22 or suspended by the director.

23 **PRAYER**

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

26 1. Temporarily or permanently invalidating Automotive Repair Dealer Registration No.  
27 ARD 223617, issued to Soto Smog Incorporated;

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1           2.     Temporarily or permanently invalidating any other automotive repair dealer  
2 registration issued to Soto Smog Incorporated;

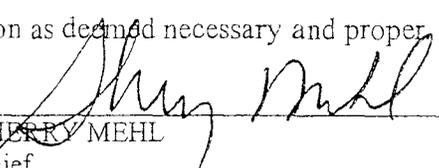
3           3.     Revoking or suspending Smog Check Test Only Station License Number  
4 TC 223617, issued to Soto Smog Incorporated;

5           4.     Revoking or suspending any additional license issued under Chapter 5 of  
6 Health and Safety Code in the name of Soto Smog Incorporated;

7           5.     Ordering Soto Smog Incorporated to pay the Director of Consumer Affairs the  
8 reasonable costs of the investigation and enforcement of this case, pursuant to Code section  
9 125.3; and,

10          6.     Taking such other and further action as deemed necessary and proper.

11 DATED: 6/23/10

  
\_\_\_\_\_  
SHERRY MEHL  
Chief

Bureau of Automotive Repair I/M Smog  
Department of Consumer Affairs  
State of California  
*Complainant*

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