

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

In the Matter of the Accusation Against:

**SHERALS AUTOMOTIVE LLC,
dba SHERALS AUTOMOTIVE,
CHANDRA JIT SINGH**
9115 Kiefer Boulevard
Sacramento, CA 95826
Automotive Repair Dealer Registration
No. ARD 249670
Smog Check Station License
No. RC 249670

and

JAMES ROY HOLLIS
9115 Kiefer Blvd.
Sacramento, CA 95826
Advanced Emission Specialist Technician
License No. EA 313868

Respondents.

Case No. 79/12-61

DECISION

The attached Stipulated Settlement and Disciplinary Order as to Sherals Automotive Only is hereby accepted and adopted as the Decision of the Director of the Department of Consumer Affairs in the above-entitled matter only as to respondent Sherals Automotive LLC, dba Sherals Automotive, Chandra Jit Singh, Automotive Repair Dealer Registration No. ARD 249670 and Smog Check Station License No. RC 249670.

This Decision shall become effective 9/24/12.

DATED: September 4, 2012


DOREATHEA JOHNSON
Deputy Director, Legal Affairs
Department of Consumer Affairs

1 KAMALA D. HARRIS
Attorney General of California
2 ARTHUR D. TAGGART
Supervising Deputy Attorney General
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8
9 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
FOR THE BUREAU OF AUTOMOTIVE REPAIR
10 **STATE OF CALIFORNIA**
11

12 In the Matter of the Accusation Against:

Case No. 79/12-61

13 **SHERALS AUTOMOTIVE LLC, DBA**
14 **SHERALS AUTOMOTIVE, CHANDRA**
JIT SINGH
15 **9115 Kiefer Boulevard**
Sacramento, CA 95826
16 **Automotive Repair Dealer Registration No.**
ARD 249670
17 **Smog Check Station License No. RC 249670**

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER AS TO
SHERALS AUTOMOTIVE ONLY

18 Respondents.

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

22 PARTIES

23 1. John Wallauch (Complainant) is the Chief of the Bureau of Automotive Repair. He
24 brought this action solely in his official capacity and is represented in this matter by Kamala D.
25 Harris, Attorney General of the State of California, by Geoffrey S. Allen, Deputy Attorney
26 General.

1 court review of an adverse decision; and all other rights accorded by the California
2 Administrative Procedure Act and other applicable laws.

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

5 CULPABILITY

6 10. Respondent admits the truth of each and every charge and allegation in the
7 Accusation.

8 11. Respondent agrees that its Automotive Repair Dealer Registration and Smog Check
9 Station License are subject to discipline and they agree to be bound by the Director's probationary
10 terms as set forth in the Disciplinary Order below.

11 CONTINGENCY

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

22 13. The parties understand and agree that facsimile copies of this Stipulated Settlement
23 and Disciplinary Order, including facsimile signatures thereto, shall have the same force and
24 effect as the originals.

25 14. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an
26 integrated writing representing the complete, final, and exclusive embodiment of their agreement.
27 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,
28 negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary

1 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a
2 writing executed by an authorized representative of each of the parties.

3 15. In consideration of the foregoing admissions and stipulations, the parties agree that
4 the Director may, without further notice or formal proceeding, issue and enter the following
5 Disciplinary Order:

6 **DISCIPLINARY ORDER**

7 IT IS HEREBY ORDERED that Automotive Repair Dealer Registration No. ARD 249670
8 issued , and Smog Check Station License No. RC 249670 to Respondent are revoked. However,
9 the revocations are stayed and Respondent is placed on probation for three (3) years on the
10 following terms and conditions.

11 1. **Actual Suspension.** The Automotive Repair Dealer Registration and Smog Check
12 Station License issued to Respondent are each suspended for ten (10) consecutive days to begin
13 on the effective date of the decision.

14 2. **Obey All Laws.** Comply with all statutes, regulations and rules governing
15 automotive inspections, estimates and repairs.

16 3. **Post Sign.** Post a prominent sign, provided by the Bureau, indicating the beginning
17 and ending dates of the suspension and indicating the reason for the suspension. The sign shall be
18 conspicuously displayed in a location open to and frequented by customers and shall remain
19 posted during the entire period of actual suspension.

20 4. **Reporting.** Respondent or Respondent's authorized representative must report in
21 person or in writing as prescribed by the Bureau, on a schedule set by the Bureau, but no more
22 frequently than each quarter, on the methods used and success achieved in maintaining
23 compliance with the terms and conditions of probation.

24 5. **Report Financial Interest.** Within 30 days of the effective date of this action, report
25 any financial interest which any partners, officers, or owners of the Respondent facility may have
26 in any other business required to be registered pursuant to Section 9884.6 of the Business and
27 Professions Code.

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

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

6 8. **Violation of Probation.** Should the Director determine that Respondent has failed to
7 comply with the terms and conditions of probation, the Department may, after giving notice and
8 opportunity to be heard temporarily or permanently invalidate the Automotive Repair Dealer
9 Registration and/or suspend or revoke the Smog Check Station License.

10 9. **Restrictions.** During the period of probation, Respondent shall not perform any form
11 of smog inspection, or emission system diagnosis or repair, until Respondent has purchased,
12 installed, and maintained the diagnostic and repair equipment prescribed by BAR necessary to
13 properly perform such work, and BAR has been given ten (10) days notice of the availability of
14 the equipment for inspection by a BAR representative.

15 10. **Cost Recovery.** Respondent shall pay to the Bureau the costs associated with its
16 investigation and enforcement pursuant to Business and Professions Code section 125.3 in the
17 amount of \$2,269.27. The costs may be payable to the Bureau in a payment plan of twenty four
18 (24) equal installment payments beginning the effective date of the decision. Payment to the
19 Bureau of the full amount of cost recovery shall be received no later than twelve (12) months
20 before probation terminates. Failure to complete payment of cost recovery within this time frame
21 shall constitute a violation of probation which may subject Respondent's Automotive Repair
22 Dealer Registration and Smog Check Station License to outright revocation; however, the
23 Director or the Director's Bureau of Automotive Repair designee may elect to continue probation
24 until such time as reimbursement of the entire cost recovery amount has been made to the Bureau.

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ACCEPTANCE

I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the stipulation and the effect it will have on my Automotive Repair Dealer Registration and Smog Check Station License. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Director of Consumer Affairs.

DATED: 6/19/2012



SHERALS AUTOMOTIVE LLC, DBA SHERALS
AUTOMOTIVE, CHANDRA JIT SINGH
Respondent

ENDORSEMENT

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

Dated: 7/17/12

Respectfully submitted,
KAMALA D. HARRIS
Attorney General of California
ARTHUR D. TAGGART
Supervising Deputy Attorney General



GEOFFREY S. ALLEN
Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation No. 79/12-61

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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:

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13 **SHERALS AUTOMOTIVE LLC,**
14 **dba SHERALS AUTOMOTIVE**
15 **CHANDRA JIT SINGH, MEMBER**
16 **9115 Kiefer Boulevard**
Sacramento, CA 95826
Automotive Repair Dealer Reg. No. ARD 249670
Smog Check Station License No. RC 249670

A C C U S A T I O N
(Smog Check)

17 and

18 **JAMES ROY HOLLIS**
19 **9115 Kiefer Blvd.**
Sacramento, CA 95826
20 **Advanced Emission Specialist Technician**
License No. EA 313868

21 Respondents.

22 Complainant alleges:

23 **PARTIES**

24 1. Sherry Mehl ("Complainant") brings this Accusation solely in her official capacity as
25 the Chief of the Bureau of Automotive Repair ("Bureau"), Department of Consumer Affairs.

26 **Sherals Automotive LLC dba Sherals Automotive**

27 2. In or about 2007, the Director of Consumer Affairs ("Director") issued Automotive
28 Repair Dealer Registration Number ARD 249670 ("registration") to Sherals Automotive LLC

1 ("Respondent SHERALS"), doing business as SHERALS Automotive, with Chandra Jit Singh as a
2 member. Respondent's registration was in full force and effect at all times relevant to the charges
3 brought herein and will expire on March 31, 2012, unless renewed.

4 3. On or about July 24, 2007, the Director issued Smog Check Station License Number
5 RC 249670 to Respondent SHERALS. Respondent's smog check station license was in full force and
6 effect at all times relevant to the charges brought herein and will expire on March 31, 2012,
7 unless renewed.

8 **James Roy Hollis**

9 4. In or about 2001, the Director issued Advanced Emissions Specialist Technician
10 License Number EA 313868 ("technician license") to James Roy Hollis ("Respondent Hollis").
11 Respondent's technician license was in full force and effect at all times relevant to the charges
12 brought herein and will expire on September 30, 2013, unless renewed.

13 **JURISDICTION**

14 5. Business and Professions Code ("Bus. & Prof. Code") section 9884.7 provides that
15 the Director may revoke an automotive repair dealer registration.

16 6. Bus. & Prof. Code section 9884.13 provides, in pertinent part, that the expiration of a
17 valid registration shall not deprive the Director of jurisdiction to proceed with a disciplinary
18 proceeding against an automotive repair dealer or to render a decision temporarily or permanently
19 invalidating (revoking or suspending) a registration.

20 7. Health and Safety Code ("Health & Saf. Code") section 44002 provides, in pertinent
21 part, that the Director has all the powers and authority granted under the Automotive Repair Act
22 for enforcing the Motor Vehicle Inspection Program.

23 8. Health & Saf. Code section 44072.6 provides, in pertinent part, that the expiration or
24 suspension of a license by operation of law, or by order or decision of the Director of Consumer
25 Affairs, or a court of law, or the voluntary surrender of the license shall not deprive the Director
26 of jurisdiction to proceed with disciplinary action.

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

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

4 13. Health & Saf. Code section 44072.8 states that when a license has been revoked or
5 suspended following a hearing under this article, any additional license issued under this chapter
6 in the name of the licensee may be likewise revoked or suspended by the director.

7 **COST RECOVERY**

8 14. Bus. & Prof. Code section 125.3 provides, in pertinent part, that a Board may request
9 the administrative law judge to direct a licentiate found to have committed a violation or
10 violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation
11 and enforcement of the case.

12 **CONSUMER COMPLAINT (LEE): 2000 NISSAN QUEST**

13 15. On or about January 15, 2011, Joyce Lee was driving her 2000 Nissan Quest when
14 the vehicle stalled and would not restart. After approximately 30 minutes, Joyce was able to get
15 the vehicle re-started and took it to Respondent Sheral's facility ("Sheral's") to have it checked.
16 Later, Joyce's husband, Jeff Lee, met with her at Sheral's and told the owner that the engine would
17 start, then die. The owner looked at the vehicle and told Jeff that it needed a tune up in order to
18 correct the engine problem. The owner also stated that the engine and transmission mounts were
19 "dangerous" and recommended replacing two engine mounts and one transmission mount. Jeff
20 authorized the repairs. After the work was completed, Joyce went to Sheral's to retrieve the
21 vehicle, issued them a check for \$810, and received a copy of Invoice No. 6292. The engine
22 stalled again while Joyce was on her way home, so she put a stop payment on the check.

23 16. On or about January 17, 2011, the vehicle was towed to Sheral's and re-inspected.
24 About two days later, Sheral's informed the Lees that the distributor needed replacement. The
25 Lees declined the repair. Sheral's refused to release the vehicle until the Lees paid them for the
26 previous repairs. The Lees paid Sheral's \$888.99, then took the vehicle.

27 17. On or about January 19, 2011, the Lees had the vehicle towed to Brake Masters
28 located in Orangevale to have it checked. Brake Masters recommended that a Nissan dealership

1 diagnose the stalling problem. The Lees asked Brake Masters to recheck Sherals' work on the
2 vehicle. Later, Brake Masters informed the Lees that Sherals had not replaced the transmission
3 mount or distributor rotor.

4 18. In or about February 2011, Joyce filed a complaint with the Bureau.

5 19. In or about March 2011, Joyce had the vehicle towed to Future Nissan of Roseville
6 ("Future Nissan"). Future Nissan informed Joyce that the distributor needed replacement. The
7 Lees had the vehicle towed back to Brake Masters and had the distributor assembly replaced,
8 which resolved the stalling problem.

9 20. On March 10, 2011, a representative of the Bureau met with Joyce at Future Nissan,
10 and observed one of the technicians inspect the vehicle. The technician found that the two engine
11 mounts had been replaced; however, the remaining two mounts on the "transmission side" had not
12 been replaced. The representative informed Joyce that he needed to conduct further investigation
13 because the invoice Sherals provided to Joyce was not legible.

14 21. On March 21, 2011, the representative went to Sherals and obtained copies of their
15 repair records on the vehicle, including Invoice No. 6292 and parts receipt No. 2821-126662.
16 The parts receipt showed that Sherals had purchased two motor mounts and one transmission
17 mount for the vehicle. Chandra Jit Singh ("Singh") informed the representative that Sherals
18 purchased the parts from O'Reilly Auto Parts ("O'Reilly"). Later, the representative went to
19 O'Reilly located in Rancho Cordova and received documentation showing that Sherals had
20 returned one of the mounts to O'Reilly for credit.

21 22. On March 22, 2011, the representative returned to Sherals and reviewed Invoice No.
22 6292 with Singh. Singh told the representative that the second labor charge and third part listed
23 on the invoice were for the replacement of the transmission mount.

24 23. On April 27, 2011, the representative inspected the vehicle and found that the two
25 transmission mounts had not been replaced.

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1 FIRST CAUSE FOR DISCIPLINE

2 (Untrue or Misleading Statements)

3 24. Respondent Sherals' registration is subject to disciplinary action pursuant to Bus. &
4 Prof. Code section 9884.7, subdivision (a)(1), in that Respondent made or authorized a statement
5 which it knew or in the exercise of reasonable care should have known to be untrue or
6 misleading, as follows: Respondent represented on Invoice No. 6292 that a transmission mount
7 on Joyce Lee's 2000 Nissan Quest had been replaced. In fact, the two transmission mounts had
8 not been replaced on the vehicle.

9 SECOND CAUSE FOR DISCIPLINE

10 (Fraud)

11 25. Respondent Sherals' registration is subject to disciplinary action pursuant to Bus. &
12 Prof. Code section 9884.7, subdivision (a)(4), in that Respondent committed an act constituting
13 fraud, as follows: Respondent obtained payment from Joyce Lee for replacing a transmission
14 mount on her 2000 Nissan Quest. In fact, that part had not been replaced on the vehicle.

15 THIRD CAUSE FOR DISCIPLINE

16 (Violations of Regulations)

17 26. Respondent Sherals' registration is subject to disciplinary action pursuant to Bus. &
18 Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with
19 Regulation 3356 in the following material respects:

20 a. Subdivision (a)(2)(A): Respondent failed to list, describe, or identify on Invoice No.
21 6292 the service work or repairs that were performed on Joyce Lee's 2000 Nissan Quest as part of
22 the tune up.

23 b. Subdivision (d): Respondent failed to provide Joyce Lee with a legible copy of
24 Invoice No. 6292.

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1 **CONSUMER COMPLAINT (ROSS): 2000 JEEP GRAND CHEROKEE**

2 27. On or about March 21, 2011, William Ross ("Ross") filed a complaint with the
3 Bureau, alleging that Goodyear Auto Service Center ("Goodyear") installed the incorrect fluid in
4 the transfer case of his 2000 Jeep Grand Cherokee, causing the transfer case to "clunk" on turns.

5 28. On March 28, 2011, a representative of the Bureau contacted Ross to discuss the
6 complaint. Ross stated that about two years after Goodyear changed the fluid in the transfer case,
7 he took the vehicle to Sherals for repair. Later, Sherals informed Ross that the wrong fluid had
8 been installed in the transfer case, which caused the bearings and clutches in the transfer case to
9 fail. Ross provided the Bureau with copies of various documents, including an invoice from
10 Sherals for the rebuilding of the transfer case and a credit card receipt showing that Ross paid
11 Sherals \$2,283.70 for the repairs.

12 29. On April 1, 2011, the representative went to Sherals and met with Singh. Singh told
13 the representative that when Sherals drained the transmission fluid from the transfer case, it was
14 full of bearing material. Singh stated that he had to buy two used transfer cases from two
15 different wrecking yards to make one good transfer case for the vehicle. Singh provided the
16 representative with copies of parts receipts for a transfer case from West Coast Auto Dismantling
17 and a transfer case from Cordova Truck Dismantlers ("Cordova"). Later, the representative went
18 to Cordova and obtained documentation showing that Sherals purchased a transfer case from
19 Cordova on February 14, 2011, but had returned the part for credit on February 18, 2011.

20 **FOURTH CAUSE FOR DISCIPLINE**

21 **(Untrue or Misleading Statements)**

22 30. Respondent Sherals' registration is subject to disciplinary action pursuant to Bus. &
23 Prof. Code section 9884.7, subdivision (a)(1), in that Respondent made or authorized a statement
24 which it knew or in the exercise of reasonable care should have known to be untrue or
25 misleading, as follows: Respondent's employee, partner, officer, or member, Chandra Jit Singh,
26 represented to the Bureau representative that he had to buy two used transfer cases from two
27 different wrecking yards to make one good transfer case for Ross' 2000 Jeep Grand Cherokee. In

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1 fact. Singh purchased two transfer cases for the vehicle, but returned one transfer case to Cordova
2 for credit, as set forth in paragraph 29 above.

3 **FIFTH CAUSE FOR DISCIPLINE**

4 **(Fraud)**

5 31. Respondent Sheral's registration is subject to disciplinary action pursuant to Bus. &
6 Prof. Code section 9884.7, subdivision (a)(4), in that Respondent committed an act constituting
7 fraud, as follows: Respondent obtained payment from Ross for rebuilding the existing transfer
8 case on his 2000 Jeep Grand Cherokee allegedly using a transfer case purchased from West Coast
9 Auto Dismantling and a transfer case purchased from Cordova Truck Dismantlers. In fact,
10 Respondent's employee, partner, officer, or member, Chandra Jit Singh, returned the transfer case
11 to Cordova for credit on February 18, 2011, as set forth in paragraph 29 above.

12 **SIXTH CAUSE FOR DISCIPLINE**

13 **(Violations of Regulations)**

14 32. Respondent Sheral's registration is subject to disciplinary action pursuant to Bus. &
15 Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with
16 Regulation 3356, subdivisions (a)(2)(A) and (a)(2)(B), in a material respect, as follows:
17 Respondent failed to list, describe, or identify on its invoice dated February 14, 2011, all repairs
18 performed and parts supplied on Ross' 2000 Jeep Grand Cherokee in connection with the
19 rebuilding of the transfer case.

20 **UNDERCOVER OPERATION: 1996 PONTIAC GRAND PRIX**

21 33. On April 5, 2011, an undercover operator with the Bureau ("operator") took the
22 Bureau's 1996 Pontiac Grand Prix to Sheral's and requested a diagnosis of the brake lights. The
23 brake light switch on the Bureau-documented vehicle was inoperative, preventing the rear brake
24 lights from illuminating and causing the Anti-Lock Brake System warning light to illuminate on
25 the instrument panel. The EVAP canister (Evaporative Emissions Canister) had also been
26 removed from the vehicle. The operator was informed that it would cost \$149.95 to diagnose the
27 brake lights. The operator signed a work order and was given a written estimate.

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1 systems on the vehicle, thereby depriving the People of the State of California of the protection
2 afforded by the Motor Vehicle Inspection Program.

3 **NINTH CAUSE FOR DISCIPLINE**

4 **(Violations of the Motor Vehicle Inspection Program)**

5 38. Respondent Sheral's smog check station license is subject to disciplinary action
6 pursuant to Health & Saf. Code section 44072.2, subdivision (a), in that Respondent failed to
7 comply with the following sections of that Code:

8 a. **Section 44012, subdivision (f):** Respondent failed to ensure that the visual
9 inspection of the emission control devices on the Bureau's 1996 Pontiac Grand Prix was
10 performed in accordance with procedures prescribed by the department.

11 b. **Section 44015:** Respondent issued an electronic smog certificate of compliance for
12 the Bureau's 1996 Pontiac Grand Prix without properly testing and inspecting the vehicle to
13 determine if it was in compliance with Health & Saf. Code section 44012.

14 **TENTH CAUSE FOR DISCIPLINE**

15 **(Failure to Comply with Regulations Pursuant**
16 **to the Motor Vehicle Inspection Program)**

17 39. Respondent Sheral's smog check station license is subject to disciplinary action
18 pursuant to Health & Saf. Code section 44072.2, subdivision (c), in that Respondent failed to
19 comply with provisions of California Code of Regulations, title 16, as follows:

20 a. **Section 3340.35, subdivision (c):** Respondent issued an electronic smog certificate
21 of compliance for the Bureau's 1996 Pontiac Grand Prix even though the vehicle had not been
22 inspected in accordance with section 3340.42.

23 b. **Section 3340.42:** Respondent failed to ensure that the required smog tests were
24 conducted on the Bureau's 1996 Pontiac Grand Prix in accordance with the Bureau's
25 specifications.

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1 FOURTEENTH CAUSE FOR DISCIPLINE

2 (Dishonesty, Fraud or Deceit)

3 43. Respondent Hollis' technician license is subject to disciplinary action pursuant to
4 Health & Saf. Code section 44072.2, subdivision (d), in that Respondent committed a dishonest,
5 fraudulent, or deceitful act whereby another is injured by issuing an electronic smog certificate of
6 compliance for the Bureau's 1996 Pontiac Grand Prix without performing a bona fide inspection
7 of the emission control devices and systems on the vehicle, thereby depriving the People of the
8 State of California of the protection afforded by the Motor Vehicle Inspection Program.

9 MATTERS IN AGGRAVATION

10 44. To determine the degree of discipline, if any, to be imposed on Respondents,
11 Complainant alleges as follows:

12 **Respondent Seralis**

13 a. On or about March 4, 2010, the Bureau issued Citation No. C2010-0902 against
14 Respondent for violations of Health & Saf. Code section 44012, subdivision (f) (failure to
15 perform a visual/functional check of emission control devices according to procedures prescribed
16 by the department), and California Code of Regulations, title 16, section ("Regulation") 3340.35,
17 subdivision (c) (issuing a certificate of compliance to a vehicle that was improperly tested).
18 Respondent had issued a certificate of compliance to a Bureau undercover vehicle with a non-
19 functional exhaust gas recirculation (EGR) valve. The Bureau assessed civil penalties totaling
20 \$500 against Respondent for the violations. Respondent appealed the citation on May 13, 2010.
21 The citation became final effective August 26, 2011; however, the civil penalties were reduced to
22 \$250. Respondent paid the civil penalties on August 29, 2011.

23 b. On or about July 15, 2010, the Bureau issued Citation No. C2011-0066 against
24 Respondent for violations of Health & Saf. Code section 44012, subdivision (f) (failure to
25 perform a visual/functional check of emission control devices according to procedures prescribed
26 by the department), and Regulation 3340.35, subdivision (c) (issuing a certificate of compliance
27 to a vehicle that was improperly tested). Respondent had issued a certificate of compliance to a
28 Bureau undercover vehicle with a missing positive crankcase ventilation (PCV) valve/hose

1 assembly. The Bureau assessed civil penalties totaling \$1,500 against Respondent for the
2 violations. Respondent paid the civil penalties on November 5, 2010.

3 c. On or about December 3, 2010, the Bureau issued Citation No. C2011-0661 against
4 Respondent for violations of Health & Saf. Code section 44012, subdivision (f) (failure to
5 determine that emission control devices and systems required by State and Federal law are
6 installed and functioning correctly in accordance with test procedures), and Regulation 3340.35,
7 subdivision (c) (issuing a certificate of compliance to a vehicle that was improperly tested).
8 Respondent had issued a certificate of compliance to a Bureau undercover vehicle with a non-
9 approved, adjustable fuel pressure regulator. The Bureau assessed civil penalties totaling \$2,500
10 against Respondent for the violations. Respondent appealed the citation on February 9, 2011.
11 The citation is currently pending.

12 **Respondent Hollis**

13 d. On or about March 4, 2010, the Bureau issued Citation No. M2010-0903 against
14 Respondent for violations of Health & Saf. Code section 44032 (qualified technicians shall
15 perform tests of emission control systems and devices in accordance with Health & Saf. Code
16 section 44012); and Regulation 3340.30, subdivision (a) (qualified technicians shall inspect, test
17 and repair vehicles in accordance with Health & Saf. Code sections 44012 and 44035 and
18 Regulation 3340.42). Respondent had issued a certificate of compliance to a Bureau undercover
19 vehicle with a non-functional EGR valve. Respondent was directed to complete an 8 hour
20 training course and to submit proof of completion to the Bureau within 30 days from receipt of
21 the citation. Respondent appealed the citation on May 13, 2010, but completed the training on
22 March 1, 2011. The citation became final effective August 26, 2011.

23 e. On or about July 15, 2010, the Bureau issued Citation No. M2011-0067 against
24 Respondent for violations of Health & Saf. Code section 44032 (qualified technicians shall
25 perform tests of emission control systems and devices in accordance with Health & Saf. Code
26 section 44012); and Regulation 3340.30, subdivision (a) (qualified technicians shall inspect, test
27 and repair vehicles in accordance with Health & Saf. Code sections 44012 and 44035 and
28 Regulation 3340.42). Respondent had issued a certificate of compliance to a Bureau undercover

1 vehicle with a missing PCV valve/hose assembly. Respondent was directed to complete a 16
2 hour training course and to submit proof of completion to the Bureau within 30 days from receipt
3 of the citation. Respondent completed the training on March 1, 2011.

4 f. On or about December 3, 2010, the Bureau issued Citation No. M2011-0662 against
5 Respondent for violations of Health & Saf. Code section 44032 (qualified technicians shall
6 perform tests of emission control systems and devices in accordance with Health & Saf. Code
7 section 44012); and Regulation 3340.30, subdivision (a) (qualified technicians shall inspect, test
8 and repair vehicles in accordance with Health & Saf. Code sections 44012 and 44035 and
9 Regulation 3340.42). Respondent had issued a certificate of compliance to a Bureau undercover
10 vehicle with a non-approved, adjustable fuel pressure regulator. Respondent was directed to
11 complete the Basic Clean Air Car Course and to submit proof of completion to the Bureau.
12 Respondent appealed the citation on February 9, 2011. The citation is currently pending.

13 OTHER MATTERS

14 45. Pursuant to Bus. & Prof. Code section 9884.7, subdivision (c), the Director may
15 suspend, revoke, or place on probation the registration for all places of business operated in this
16 state by Respondent Sherals Automotive LLC, doing business as Sherals Automotive, upon a
17 finding that Respondent has, or is, engaged in a course of repeated and willful violations of the
18 laws and regulations pertaining to an automotive repair dealer.

19 46. Pursuant to Health & Saf. Code section 44072.8, if Smog Check Station License
20 Number RC 249670, issued to Respondent Sherals Automotive LLC, doing business as Sherals
21 Automotive, is revoked or suspended, any additional license issued under this chapter in the name
22 of said licensee may be likewise revoked or suspended by the director.

23 47. Pursuant to Health & Saf. Code section 44072.8, if Advanced Emission Specialist
24 Technician License Number EA 313868, issued to James Roy Hollis, is revoked or suspended,
25 any additional license issued under this chapter in the name of said licensee may be likewise
26 revoked or suspended by the director.

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PRAYER

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

1. Revoking or suspending Automotive Repair Dealer Registration Number ARD 249670, issued to Sherals Automotive LLC, doing business as Sherals Automotive;
2. Revoking or suspending any other automotive repair dealer registration issued to Sherals Automotive LLC;
3. Revoking or suspending Smog Check Station License Number RC 249670, issued to Sherals Automotive LLC, doing business as Sherals Automotive;
4. Revoking or suspending any additional license issued under Chapter 5 of the Health and Safety Code in the name of Sherals Automotive LLC;
5. Revoking or suspending Advanced Emissions Specialist Technician License Number EA 313868, issued to James Roy Hollis;
6. Revoking or suspending any additional license issued under Chapter 5 of the Health and Safety Code in the name of James Roy Hollis;
7. Ordering Respondents Sherals Automotive LLC, doing business as Sherals Automotive, and James Roy Hollis 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;
8. Taking such other and further action as deemed necessary and proper.

DATED: 12/16/11


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

SA2011101858