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

10 In the Matter of the Accusation Against:

Case No. 79/24-19471

11 **YIOVANNY PENALOZA, DBA RANCHO**
12 **SMOG**
13 **5070 Etiwanda Avenue,**
14 **Mira Loma, CA 91752**

OAH No. 2025100005

DEFAULT DECISION AND ORDER AS
TO YIOVANNY PENALOZA, DBA
RANCHO SMOG

-and-

15 **Mailing address**
16 **3735 San Rafael Way**
17 **Riverside, CA 92504**

[Gov. Code, §11520]

18 **Automotive Repair Dealer Registration No.**
19 **ARD 306724**
20 **Smog Check, Test-Only, Station License No.**
21 **TC 306724,**

22 **LUIS ZUNIGA-MARTINEZ**
23 **2471 N Roxbury Drive**
24 **San Bernardino, CA 92404**

25 **Smog Check Inspector License No. EO**
26 **642737,**

-and-

27 **DANNY PAUL DUYAN; AKA DANNY**
28 **PAUL KJELLESVIG**
1555 N High Street
Banning CA, 92220

Smog Check Inspector License No. EO
636954

Respondents.

FINDINGS OF FACT

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2 1. On or about July 21, 2025, Complainant Patrick Dorais, in his official capacity as the
3 Chief of the Bureau of Automotive Repair, Department of Consumer Affairs, filed Accusation
4 No. 79/24-19471 against Yiovanny Penaloza, dba Rancho Smog (Respondent) before the Director
5 of the Department of Consumer Affairs. (Accusation attached as Exhibit A.)

6 2. On or about August 18, 2023, the Bureau of Automotive Repair (Bureau) issued
7 Automotive Repair Dealer Registration No. ARD 306724 to Respondent. The Automotive
8 Repair Dealer Registration was in full force and effect at all times relevant to the charges brought
9 in Accusation No. 79/24-19471 and will expire on August 31, 2026, unless renewed.

10 3. On or about December 13, 2023, the Bureau of Automotive Repair issued Smog
11 Check, Test-Only, Station No. TC 306724 to Respondent. The Smog Check, Test-Only, Station
12 was in full force and effect at all times relevant to the charges brought in Accusation No. 79/24-
13 19471 and will expire on August 31, 2026, unless renewed.

14 4. On or about July 23, 2025, Respondent was served with Accusation No. 79/24-19471,
15 Statement to Respondent, Notice of Defense, Request for Discovery and Discovery Statutes
16 (Government Code sections 11507.5, 11507.6, and 11507.7) at Respondent's address of record
17 which, pursuant to Business and Professions Code section 136, is required to be reported and
18 maintained with the Bureau. Respondent's address of record was and is: 5070 Etiwanda Ave
19 Mira Loma, CA 91752. Respondent further has a mailing address of 3735 San Rafael Way,
20 Riverside, CA 92504.

21 5. On or about August 7, 2025, Respondent signed and returned a Notice of Defense,
22 requesting a hearing in this matter.

23 6. On or about October 20, 2025, a Notice of Hearing was served by mail at
24 Respondent's address of record and mailing address. The Notice of Hearing informed him that an
25 administrative hearing in this matter was scheduled for February 19, 2026.

26 7. Service of the Accusation was effective as a matter of law under the provisions of
27 Government Code section 11505(c) and/or Business and Professions Code section 124.

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8. The matter was called for hearing at the date, time and location set forth in the Notice of Hearing. The assigned Administrative Law Judge found that the service of the Notice of Hearing on Respondent was proper. There was no appearance by or on behalf of Respondent. A default was declared and on motion of counsel for Complainant, the matter was remanded to the Bureau under Government Code section 11520.

9. Government Code section 11506(c) states, in pertinent part:

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

10. California Government Code section 11520(a) states, in pertinent part:

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

11. Pursuant to its authority under Government Code section 11520, the Director after having reviewed the proof of service dated July 23, 2025, signed by Nellia Amansec, finds Respondent is in default. The Director will act without further hearing and, based on the relevant evidence contained in the Default Decision Investigatory Evidence Packet in this matter, finds that the charges and allegations in Accusation No. 79/24-19471, are separately and severally, found to be true and correct by clear and convincing evidence.

12. The Director finds that the actual costs for Investigation and Enforcement are \$8,024.34 as of January 5, 2026.

DETERMINATION OF ISSUES

1. Based on the foregoing findings of fact, Respondent Yiovanny Penalosa, dba Rancho Smog has subjected his Automotive Repair Dealer Registration No. ARD 306724 and Smog Check Test only Station License No. TC 306724 to discipline.

2. The agency has jurisdiction to adjudicate this case by default.

3. The Director of the Department of Consumer Affairs is authorized to revoke Respondent's Automotive Repair Dealer Registration based upon the following violations alleged

1 in the Accusation which are supported by the evidence contained in the Default Decision
2 Investigatory Evidence Packet in this case:

3 a. Respondent's registration is subject to disciplinary action pursuant to section 9884.7,
4 subdivision (a)(1), in that Respondent's employees made or authorized statements which they
5 knew or in the exercise of reasonable care should have known to be untrue or misleading.
6 Respondent's employees certified that vehicles had passed inspection and were in compliance
7 with applicable laws and regulations. In fact, Respondent's employees conducted the inspections
8 on those vehicles using the clean plugging method to issue smog certificates of compliance, and
9 did not test or insect the vehicles as required by Health and Safety Code section 44012.

10 b. Respondent's registration is subject to disciplinary action pursuant to section 9884.7,
11 subdivision (a)(4), in that Respondent's employees committed acts which constitute fraud by
12 issuing electronic certificates of compliance for the vehicles without performing bona fide
13 inspections of the emission control devices and systems on those vehicles, thereby depriving the
14 People of the State of California of the protection afforded by the Motor Vehicle Inspection
15 Program.

16 c. Respondent's smog station license is subject to disciplinary action pursuant to Health
17 and Safety Code section 44072.2, subdivision (a), in conjunction with Health and Safety Code
18 section 44072.10 subdivision (c), in that Respondent failed to comply with the following sections
19 of the Health and Safety Code:

20 (a) **Section 44012**: Respondent's employees failed to ensure that the emission control
21 tests were performed on the vehicles, in accordance with procedures prescribed by the
22 department.

23 (b) **Section 44015**: Respondent's employees issued electronic certificates of compliance
24 for the vehicles, without ensuring that the vehicles were properly tested and inspected to
25 determine if they were in compliance with Health and Safety Code section 44012.

26 d. Respondent's smog station license is subject to disciplinary action pursuant to Health
27 and Safety Code section 44072.2, subdivision (c), in that Respondent's employees failed to
28 comply with the following provisions of the California Code of Regulations, Title 16, as follows:

1 (a) **Section 3340.35, subdivision (c)**: Respondent's employees issued electronic
2 certificates of compliance even though those vehicles had not been inspected in accordance with
3 section 3340.42, Title 16, of the California Code of Regulations.

4 (b) **Section 3340.42**: Respondent's employees failed to conduct the required smog
5 tests and inspections on those vehicles in accordance with the Bureau's specifications.

6 e. Respondent's smog station license is subject to disciplinary action pursuant to Health
7 and Safety Code section 44072.2, subdivision (d), in conjunction with Health and Safety Code
8 section 44072.10 subdivision (c), in that Respondent's employees committed acts involving
9 dishonesty, fraud or deceit whereby another was injured by issuing electronic certificates of
10 compliance for those vehicles without performing bona fide inspections of the emission control
11 devices and systems on the vehicles, thereby depriving the People of the State of California of the
12 protection afforded by the Motor Vehicle Inspection Program.

13 **ORDER**

14 IT IS SO ORDERED that Automotive Repair Dealer Registration No. ARD 306724 and
15 Smog Check Test only Station License No. TC 306724, issued to Respondent Yiovanny
16 Penaloza, dba Rancho Smog, is revoked.

17 Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a
18 written motion requesting that the Decision be vacated and stating the grounds relied on within
19 seven (7) days after service of the Decision on Respondent. The motion should be sent to the
20 Bureau of Automotive Repair, ATTN: Patrick Lutfi. The agency in its discretion may vacate the
21 Decision and grant a hearing on a showing of good cause, as defined in the statute.

22 This Decision shall become effective on June 17, 2026.

23 It is so ORDERED June 10, 2026.

24 Original signature on file

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GRACE ARUPO RODRIGUEZ
Assistant Deputy Director
Division of Legal Affairs
Department of Consumer Affairs

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