

# COMPLAINT CASE STUDY

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Bureau of Automotive Repair

# ARD Records Requirements (1 of 2)

## Business and Professions Code, Section 9884.11

Each automotive repair dealer shall maintain any records that are required by regulations adopted to carry out this chapter. Those records shall be open for reasonable inspection by the chief or other law enforcement officials. All of those records shall be maintained for at least three years.

# ARD Records Requirements (2 of 2)

## California Code of Regulations, Title 16, Section 3358

Pursuant to Section 9884.11 of the Business and Professions Code, each automotive repair dealer shall maintain, in either written or electronic form, legible copies of the following records for at least three years:

- (a) All invoices relating to automotive repair including invoices received from other sources for parts and/or labor.
- (b) All estimates pertaining to work performed, including all records created to obtain the authorization from the customer for the initial estimate.
- (c) All work orders and/or contracts for repairs, parts and labor, including all records supplementing the work order and created to obtain additional authorization from the customer for any additional repairs estimated.
- (d) All such records shall be open for reasonable inspection and/or reproduction by the Bureau or other law enforcement officials during normal business hours.
- (e) All records as specified in this section associated with an individual transaction shall have a unique identifier linking the records to that specific transaction.

# Records Example #1 (1 of 5)

## Summary of Dispute:

- BAR received a storage referral from a third-party payor (insurer) disputing the number of days for which storage fees were charged by an ARD.
- ARD claimed they determined the vehicle not economically feasible to repair upon arrival.
- Third-party payor prepared an estimate to repair.
- ARD continued to disagree with repairability and prepared supplemental estimate.

# Records Example #1 (2 of 5)

## Summary of Dispute:

- After significant back and forth, both parties agreed to total-loss determination.
- A dispute arose as to when storage began.
- Documents created were inconsistent and confusing.
- ARD reported three different business names during the transaction.
- Consumer was charged \$2,325 by way of reduction in total-loss settlement amount.

# Records Example #1 (3 of 5)

## Storage Transaction History:

- October 2, 2023 – Collision occurs causing damage to consumer's vehicle.
- October 6, 2023 – Vehicle is towed from consumer's home to ARD.
- October 10, 2023 – ARD uploads photos to third-party payor (insurer) website with note they believe vehicle to be total-loss (not economically feasible to repair). NO REPAIRS HAVE BEEN PERFORMED.
- October 17, 2023 – Third-party payor provides estimate based upon photos.
- October 19, 2023 – ARD generates “visual inspection estimate” for \$10,000 more than third-party payor estimate.

# Records Example #1 (4 of 5)

## Storage Transaction History:

- October 19, 2023 – Consumer “authorizes” visual estimate. Records are not clear as to whether this is a tear down estimate. This estimate was not submitted to the third-party payor.
- October 31, 2023 – ARD submits a second “visual estimate” to third-party payor for an amount several hundred dollars more than the October 19, 2023 estimate. The consumer signed this estimate on November 3, 2023.
- November 16, 2023 – Third-party payor agrees to total-loss determination and ARD submits final invoice in the amount of \$5,500.00. Invoice includes \$150 estimate fee and \$100 raise and inspect fee. The third-party payor issued payment in the amount of \$5,500.00.

# Records Example #1 (5 of 5)

## Storage Transaction History:

- November 17, 2023 – The third-party payor sent a letter to the consumer detailing the approved charges and providing notification of the pending \$2,325 from the total-loss settlement.
- January 8, 2024 – The third-party payor believed the ARD should refund 13 days of storage fees to the consumer and referred the claim to BAR for review.
- January 25, 2024 – BAR advised the ARD the documents did not support their claim of having not performed repairs and suggested refunding the storage fees to the consumer.
- January 29, 2024 – The ARD advised BAR they disagreed and declined to offer any assistance to the consumer.



# November 17, 2023 Third-Party Payor Letter Excerpts (1 of 3)

“An Automotive Repair Dealer cannot assess storage fees until the teardown is complete and the itemized estimate has been provided to the consumer. On 10/31/23 we received confirmation the teardown had been completed and we received support that the vehicle is a total loss. Therefore, we would not owe for storage from 10/18/23 to 10/30/23. Your shop of choice [ARD Name] is charging \$175 per day storage for these 13 days. This results in a deduction of \$2,275 from your total loss settlement.”

“Estimate fee of \$150 is not reasonable or customary and is a cost of doing business. We will allow \$100 for a photo fee as photos were provided by the shop. Thus, this results in a cost difference of \$50 that will be deducted from your total loss settlement.”

“Overall, there will be a deduction of \$2,325 from your total loss settlement.”

# November 17, 2023 Third-Party Payor Letter Excerpts (2 of 3)

“Below are the reasonable fees we can cover on this claim.

Storage of \$175 per day from 10/31/23 to 11/16/23 for a total of \$2,975

Photos fee of \$100

Raise and inspect fee of \$100

The total amount of reasonable fees we can cover is \$3,175”

“Below is the information for the Bureau of Automotive Repair (BAR) where you can file a complaint.

The fastest way would be online through <https://www.bar.ca.gov/>”

# November 17, 2023 Third-Party Payor Letter Excerpts (3 of 3)

“You can also write to them in writing or email them

Bureau of Automotive Repair  
10949 North Mather Blvd.  
Rancho Cordova, CA 95670  
Phone: (800) 952-5210  
Email: [BARInfo@dca.ca.gov](mailto:BARInfo@dca.ca.gov)”

“If you believe your claim has been wrongfully rejected or denied, in whole or in part, please contact us for further clarification. The state of California requires that we provide you with the following notice: You may also have the matter reviewed by writing to the California Department of Insurance, Consumer Services and Market Conduct Branch, Claims Services Bureau, 300 South Spring Street, South Tower, Los Angeles, CA 90013 or by calling 1-800-927-4357 or 1-213-897-8921.”

# Records Example #2 (1 of 3)

## Summary of Dispute:

- Consumer complaint filed with BAR alleging unauthorized charges.
- Consumer went to ARD for inspection and diagnosis of shifting concern.
- Initial estimate was for no charge.
- Service writer contacted consumer electronically to obtain authorization for diagnosis of shifting concern.
- Diagnosis performed and repair recommended.
- Service writer contacted consumer and obtained authorization for repairs.
- Repairs completed, consumer paid invoice and retrieved vehicle.
- Documents clearly demonstrated transaction steps and BAR found no evidence of unauthorized charges.

# Records Example #2 (2 of 3)

## Repair Transaction History:

- November 20, 2023 – Consumer visits ARD requesting inspection and diagnosis of shifter concern.
- November 20, 2023 – ARD prepares estimate which includes line item of “SHIFTER” at no-charge.
- November 20, 2023 – Service writer recognizes error and contacts consumer to obtain authorization for shifter diagnosis.
- November 20, 2023 – Consumer authorization for diagnosis and properly documented.
- November 20, 2023 – Diagnosis was completed, a revised estimate prepared, and additional authorization obtained/documentated.
- November 21, 2023 – Repairs completed, consumer contacted, invoice paid, and vehicle returned to consumer.

# Records Example #2 (3 of 3)

## BAR Findings:

- November 21, 2023 – The consumer filed a complaint with BAR alleging the diagnosis of the shifter should have been performed at no-charge as stated in the initial estimate because this was merely a visual inspection.
- November 21, 2023 to January 17, 2024 – The BAR Program Representative reviewed the records provided by the consumer and ARD. One document provided by the consumer showed a screenshot of the word “Shifter” with a \$262.07 charge. Initially this appeared to be a failure to adequately describe the service provided. However, upon review of the ARD documents there was a drop down with a full description.
- January 17, 2024 – BAR determined the repairs were properly authorized and closed the complaint.

# Screenshot of ARD Estimate



The screenshot displays a software interface for an ARD (Automated Repair Diagnosis) estimate. On the left side, there is a vertical toolbar with icons for copy, bookmark, link, edit, document, zoom, and a tag. The main area shows a list of items with their estimated costs. The first item is '2. TIRE PRESSURE' with a cost of '\$0.00'. The second item is '3. SHIFTER' with a cost of '\$262.07'. Each item has a small downward-pointing chevron icon next to its cost, indicating it is a dropdown menu.

2. TIRE PRESSURE	\$0.00
3. SHIFTER	\$262.07

# Moral of the Two Stories

Proper documentation will make transactions more efficient, improve customer experience, and assist BAR in mediating disputes.



# Contact Information

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**[www.bar.ca.gov](http://www.bar.ca.gov)**



Bureau of Automotive Repair