

Automotive Repair Dealer Tear Down and Disclosure Requirements

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Bureau of Automotive Repair

Tear Down Estimates

In collision repairs, a tear down estimate requires:

- Disassembly of a vehicle to a point where the automotive repair dealer (ARD) can identify the extent of the damage
- Generation of an itemized estimate for restoring the vehicle to its pre-loss condition

When preparing an estimate for a vehicle with a high potential for hidden damage, a tear down estimate can be beneficial by:

- Reducing/eliminating supplemental estimate revisions, resulting in faster repair times
- Providing consumers with a more realistic timeframe for the repair process
- Avoiding a vehicle being deemed a total loss after having performed extensive collision repairs due to discovery of hidden damage

New Disclosure Requirements Overview

The tear down disclosure regulations include the following new estimate/authorization requirements:

- A general description of the area(s) of the vehicle that is/are to be disassembled as part of a tear down
- An ARD to record additional information on their estimate when adopting a third-party payor estimate as the method of repair
- The customer to be informed of the amount approved to be paid by the third-party payor, when that amount is known
- Towing services to be documented on a separate form from the repair estimate or invoice

Tear Down Estimates

The regulations:

- Make clear that a “Tear Down” estimate is a repair as defined in Business and Professions Code Section 9880.1(k)
- Require an ARD to provide a description of the portion(s) or area(s) of the vehicle that will be disassembled as part of a tear down estimate
- Continue to require an ARD providing a tear down estimate to include:
 - The cost of, and maximum time to, reassemble the vehicle or component(s), including the cost to replace parts normally destroyed during the tear down
 - Notification that a tear down may/will prevent the restoration of the vehicle or component(s) to the condition it was in when delivered to the ARD

Any Auto Body & Paint

BAR Registration No. ARD234567
 EPA Identification No. CAL8765432
 10126 Broadway Blvd.
 Anytown, CA 90001
 Phone: (555) 555-5557
 Email: info@anyauto.com

TEAR DOWN ESTIMATE

ID #: 000021
 Date: July 1, 2025

Customer Information:

John Smith
 1000 Rubicon Road
 Anytown, CA 90001
 Home/Cell: (555) 555-1234
 Work/Other: (555) 555-5678

Vehicle Information:

2024 Jeep Grand Cherokee 4xe
 Odometer: 13,292
 License: 4BY4CAL
 Engine: 2.0L 4-Cyl Plug-In Hybrid
 VIN: 13121110987654321



LINE	OPERATION	DESCRIPTION ^{1,2}	PART NUMBER	QTY	PRICE	BODY HOURS	PAINT HOURS
1		Disassemble right front exterior portion of vehicle to assess damage and prepare an estimate to repair. Disassembly will prevent restoration of vehicle to its current condition.				3.0	

NOTE FOR ARDs
 If reassembling the vehicle, indicate the maximum number of days needed from the date of tear down authorization. Always specify whether any portion of the tear down process will be sublet. The tear down is only complete after providing the customer with an itemized repair estimate.

ESTIMATE TOTALS (* taxable)

Parts*		\$0.00
Body Labor	3.0 Hours @ \$100.00 / Hour	\$300.00
Paint Labor	0.0 Hours @ \$100.00 / Hour	\$0.00
Additional Labor		\$0.00
Paint Materials*		\$0.00
SUBTOTAL		\$300.00
SALES TAX		\$0.00
TOTAL		\$300.00

AUTHORIZATION					
Original Estimate:	\$300.00		Date:	7/1/2025	<input checked="" type="checkbox"/> In Person
			Time:		<input type="checkbox"/> By Phone
Authorized By:	John Smith		Phone #:		<input type="checkbox"/> By Text
			Email:		<input type="checkbox"/> By Email
Additional Cost:		Revised Estimate:	Date:		<input type="checkbox"/> In Person
			Time:		<input type="checkbox"/> By Phone
Authorized By:			Phone #:		<input type="checkbox"/> By Text
			Email:		<input type="checkbox"/> By Email
Description:					

Make all checks payable to Any Auto Body & Paint. Payment is expected upon completion of all work. All repairs are covered by our 10-year warranty unless otherwise stated on this document. See reverse side for information regarding warranty exclusions, limitations, and requirements.

¹ All parts are new unless specified as a used, rebuilt, or reconditioned part.

² All new crash parts are original equipment manufacturer (OEM) parts unless specified as a non-OEM aftermarket crash part.

Adopting a Third-Party Payor Estimate

When an ARD adopts a third-party payor estimate as the method of repair, they shall:

- Record that fact on the ARD estimate and include the name of the third-party payor, the provided unique identifier, and total estimated cost of repair
- Attach the third-party payor estimate to the ARD estimate provided to the customer
- Notify the customer that the third-party payor estimate is subject to the California Department of Insurance's Fair Claims Settlement Practice Regulations (Title 10, CCR §§ 2695.8 and 2695.85)
- Notify the third-party payor of any customer authorized changes that alter the estimated payment amount
- Comply with authorization requirements pursuant to CCR §§ 3354(a) and (b)

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Customer Information:
 John Smith
 1000 Rubicon Road
 Anytown, CA 90001
 Home/Cell: (555) 555-1234
 Work/Other: (555) 555-5678

ESTIMATE

ID #: 000021
 Date: July 1, 2025

Vehicle Information:
 2010 Lexus IS 250
 Odometer: 137,963
 License: 4BY4CAL
 Engine: 2.5L V6
 VIN: JTHBF5C20A5125111

ABC Insurance Company

1234 AUTO STREET, ANYTOWN, CA 90001
 Phone: (555) 123-1234

Workfile ID: f28aez61

Estimate of Record

Customer: Smith, John

Job Number: 129905

Written By: Josh Wilson, 6/27/2025 9:11:10 AM
 Adjuster: Ross, Arthur (555) 333-2722

Insured: Smith, John Policy #: CAAS100000005 **Claim #: 1001-17-5541**
 Type of Loss: Collision Date of Loss: 6/25/2025 3:00 AM Days to Repair: 0
 Point of Impact: 15 Total Loss

Owner:
 Smith, John
 1000 Rubicon Road
 Anytown, CA 90001
 (555) 555-1234 Home/Cell

Inspection Location:
 ANY AUTO BODY & PAINT
 10126 Broadway Blvd.
 Anytown, CA 90001
 Repair Facility
 (555) 555-5557

VEHICLE

2010 LEXUS IS 250 Automatic RWD 4D SED 6-2.5L Gasoline Direct Injection

VIN: JTHBF5C20A5125111 Interior Color: Mileage In: 137,963 Vehicle Out:
 License: 4BY4CAL Exterior Color: Silver Mileage Out:
 State: CA Production Date: 7/2010 Condition: Excellent Job #: 1129905

TRANSMISSION	Wood Interior Trim	Stereo	SEATS
Automatic Transmission	CONVENIENCE	Search/Seek	Bucket Seats
Overdrive	Air Conditioning	Auxiliary Audio Connection	Leather Seats
POWER	Intermittent Wipers	Satellite Radio	WHEELS
Power Steering	Tilt Wheel	CD Changer/Stacker	Aluminum/Alloy Wheels
Power Brakes	Cruise Control	SAFETY	PAINT
Power Windows	Rear Defogger	Drivers Side Air Bag	Clear Coat Paint
Power Locks	Keyless Entry	Passenger Air Bag	OTHER
Power Mirrors	Alarm	Anti-Lock Brakes (4)	Fog Lamps
Heated Mirrors	Steering Wheel Touch Controls	4 Wheel Disc Brakes	Traction Control
Power Driver Seat	Telescopic Wheel	Front Side Impact Air Bags	Stability Control
Power Passenger Seat	Climate Control	Head/Curtain Air Bags	Signal Integrated Mirrors
DECOR	Home Link	Communications System	Xenon or L.E.D. Headlamps
Dual Mirrors	RADIO	Hands Free Device	Power Trunk/Liftgate
Tinted Glass	AM Radio	ROOF	
Console/Storage	FM Radio	Electric Glass Sunroof	

LINE	OPERATION	DESCRIPTION ^{1,2}	PART NUMBER	QTY	PRICE	BODY HOURS	PAINT HOURS
1	Replace / Refinish	Repair per the attached estimate from: ABC Insurance Company Claim number 1001-17-5541 Workfile ID# f28aez61 Note: Third party estimates are subject to the California Department of Insurance, Fair Claims Settlement Practice Regulations, Title 10 California Code of Regulations §§ 2695.8 and 2695.85.					

ESTIMATE TOTALS

Parts		\$5,149.63
Body Labor	23.9 Hours @ \$80.00 / Hour	\$1,912.50
Paint Labor	20 Hours @ \$80.00 / Hour	\$1,600.00
Paint Supplies	20 Hours @ \$40.00 / Hour	\$800.00
Miscellaneous		\$211.00
	Subtotal	\$9,672.63
	Sales Tax	\$594.96
	GRAND TOTAL	\$10,267.59
	Deductible	\$500.00
	Additional Customer Pay	\$0.00
	Insurance Company Pay	\$9,767.59

NOTE FOR ARDs

If the customer authorizes any changes that would alter the method of repair and, ultimately, the cost of repair, the third-party payor (e.g., insurance company) must be notified prior to continuing with the repairs. (CCR § 3353(b)(1)(E)) Additionally, customer notification and authorization must be obtained and documented as required by CCR §§ 3354(a) and (b).

In the Estimate Totals section, "Additional Customer Pay" refers to out-of-pocket costs beyond the deductible which are listed on the third-party payor estimate as the responsibility of the customer.

AUTHORIZATION

Original Estimate:	\$10,267.59	Date:	July 1, 2025	<input checked="" type="checkbox"/> In Person
Authorized By:	John Smith	Time:		<input type="checkbox"/> By Phone
		Phone #:		<input type="checkbox"/> By Text
		Email:		<input type="checkbox"/> By Email
Additional Cost:		Date:		<input type="checkbox"/> In Person
Revised Estimate:		Time:		<input type="checkbox"/> By Phone
Authorized By:		Phone #:		<input type="checkbox"/> By Text
		Email:		<input type="checkbox"/> By Email

Make all checks payable to Any Auto Body & Paint. Payment is expected upon completion of all work. All repairs are covered by our 10-year warranty unless otherwise stated on this document. See reverse side for information regarding warranty exclusions, limitations, and requirements.

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² All new crash parts are original equipment manufacturer (OEM) parts unless specified as a new non-OEM aftermarket crash part.

Third-Party Payment Disclosure

If an ARD will be accepting payment for repairs from a third-party payor, prior to obtaining customer authorization, they shall:

- Record the amount approved to be paid by the third-party payor on the estimate – when that amount is known
- Inform the customer that it is their responsibility to contact the third-party payor for approval of payment for authorized repairs – when that amount is unknown, by recording the following statement on the estimate:

“This estimate is for repairs to meet vehicle manufacturer and industry standards. As the customer, it is your responsibility to contact the third-party payor for payment of the repairs you have authorized.”

Providing/Contracting for Towing Services

When an ARD directly provides or contracts for a towing service for their customer, they shall:

- Provide the customer with the towing fees in an electronic or printed document
 - Must be separate from the repair estimate or invoice
- Obtain authorization for towing fees separate and apart from any authorization for repair work

Updated Write It Right Guide Available

BAR has updated the Write It Right guide to help automotive repair dealers with the new teardown and disclosure requirements. The revised guide includes Q&As, updated definitions, and new sample estimates

Find the updated guide at www.bar.ca.gov/wir

Contact Information

Mathew Gibson

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www.bar.ca.gov



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