

DEPARTMENT OF CONSUMER AFFAIRS
TITLE 16. BUREAU OF AUTOMOTIVE REPAIR

PROPOSED REGULATORY LANGUAGE
Tear Down Disclosure Requirements for Automotive Repair Dealers

Legend:	Added text is indicated with an <u>underline</u> . Omitted text is indicated by (* * * *) Deleted text is indicated by strikeout .
----------------	---

Amend sections 3352 and 3353 of Division 33 of Title 16 of the California Code of Regulations to read as follows:

§ 3352. Definitions.

In this article, unless the context otherwise requires:

- (a) "Estimate" means a paper or electronic document provided to the customer that contains an estimated price for labor and parts for a specific job and that meets the requirements of Business and Professions Code Section 9884.9 and California Code of Regulations Section 3353-;
- (1) "Specific job" shall adequately describe the repair to be performed in terms the customer can understand, or;
- (2) In the case of a "tear down" as defined in subdivision (d), "specific job" shall adequately describe the specific portion, or area of the vehicle, or the specific vehicle component, to be disassembled.
- (b) "Work order" means a paper or electronic document that contains the estimate and memorializes the customer's authorization for a specific job.
- (c) "Invoice" means a paper or electronic document provided to the customer that meets the invoice requirements of Business and Professions Code Section 9884.8 and California Code of Regulations Section 3356.
- (d) "Tear Down" means the act of disassembling ~~a vehicle~~ a specific portion or area of the vehicle or a specific vehicle component for the purpose of performing a diagnosis and preparing an estimate to repair the vehicle.
- ****
- (h) "Pre-loss condition" shall mean the condition of a vehicle immediately prior to an event resulting in a claim with an insurer or other third-party payor.
- (i) "Third-party payor" means an aftermarket warranty provider, insurer, or other entity who has contracted with the consumer to provide payment for repairs or maintenance necessary to ensure continued operation of the vehicle or restore a vehicle to its pre-loss condition.

NOTE: Authority cited: Section 9882, Business and Professions Code. Reference: Sections 9884.8, 9884.9, 9889.50 and 9889.52, Business and Professions Code.

§ 3353. Estimate/Work Order Requirements.

An estimate shall be provided to and authorized by the customer before any work commences. The estimate shall meet the requirements of Business and Professions Code section 9884.9 as well as the following:

- (a) Estimate for Parts and Labor. ~~Every~~ An automotive repair dealer shall give to each customer an estimate containing the estimated price for parts and labor for a specific job prior to obtaining authorization. Each part listed in the estimate shall be new unless specifically identified as a used, rebuilt, or reconditioned part.
- (b) Estimate for Auto Body or Collision Repairs. ~~Every~~ An automotive repair dealer, when doing auto body or collision repairs, shall give to each customer an itemized estimate containing the estimated price for parts and labor for a specific job. Parts and labor shall be described separately and each part shall be listed in the estimate. Each part listed in the estimate shall be new unless specifically identified as a used, rebuilt or reconditioned part. Each new replacement crash part listed in the estimate shall be an original equipment manufacturer (OEM) part unless specifically identified as a non-OEM aftermarket crash part.
- (c) ~~Tear down~~ Tear Down Estimates.

If it is necessary to tear down a ~~vehicle~~ specific portion or area of the vehicle or a specific vehicle component in order to perform a diagnosis~~diagnosis~~, the automotive repair dealer shall do all of the following:

- (1) Estimate of ~~tear down~~ tear down. The automotive repair dealer shall first give the customer an estimate for the ~~tear down~~ tear down and obtain authorization for the ~~tear down~~ tear down. The tear down estimate shall include the following:
 - (A) The cost of reassembling ~~the vehicle~~ a specific portion or area or component of the vehicle after performing the tear down.
 - (B) The cost of all parts and labor necessary to replace items that are normally destroyed by a tear down ~~tear down~~ of the vehicle or component such as gaskets, seals and O rings.
 - (C) If applicable, notification that the act of ~~tear down~~ tear down might prevent the restoration of the vehicle or component to the condition in which it was provided by the customer.
 - (D) The maximum time it will take the automotive repair dealer to reassemble the vehicle or component in the event the customer elects not to proceed with the repair or maintenance of the vehicle. The automotive repair dealer shall reassemble the vehicle or component within the time period specified in the ~~tear down~~ tear down estimate. The maximum time shall be counted from the date of authorization of the ~~tear down~~ tear down.
 - (E) The number of days after presentation of the itemized estimate after tear down that the customer has to authorize the repair or remove the vehicle

from the automotive repair dealer, which shall not to be less than six business days.

- (2) Itemized estimate for repair after ~~teardown~~tear down. Upon completion of the ~~teardown~~tear down, the automotive repair dealer shall give the customer an itemized estimate for parts and labor ~~and parts~~ necessary for the required repair. The automotive repair dealer shall then obtain the customer's authorization for either repair or reassembly before any further diagnosis or repair is done, or charges accrue.
- (3) If, after performing a ~~teardown~~tear down, a customer declines repair or reassembly, the automotive repair dealer shall, as applicable, document on the ~~teardown~~tear down invoice that the customer declined repair or reassembly.
- (d) Estimates Involving an Insurance Claim or Other Third Party Payor. In automotive repair transactions involving an insurance claim or other third-party payor, the itemized estimate shall include the amount the insurer or other third-party payor is paying on the claim.
- (e) ~~(d)~~ Sublet Disclosure. No automotive repair shall be done by someone other than the automotive repair dealer or ~~his or her~~their employees without the consent of the customer, unless the customer cannot reasonably be notified. An automotive repair dealer shall include with the estimate a statement of any sublet repair to be performed on the vehicle. If requested by the customer, an automotive repair dealer shall disclose the name and location of the facility performing the sublet repair.

NOTE: Authority cited: Sections 9882 and 9884.9, Business and Professions Code.
Reference: Sections 9884.8, 9884.9, 9889.50 and 9889.52, Business and Professions Code.