

# Department of Consumer Affairs Bureau of Automotive Repair

## Electronic Documents and Authorizations

*Public Workshop  
July 23, 2015*

# Electronic Documents and Authorizations

- History
- Goals of proposed regulation:
  - Reorganize and modify language of Article 7 to promote clarity and align with automotive repair transactions
  - Allow for expanded use of technology in automotive repair transactions
- Open Discussion

# Article 7 Reorganization and Clarification

- Clarification of estimate vs. work order
- Section 3353 (Written Estimates) - split into two sections, reordered, and renumbered:
  - §3353: Estimates and Work Orders
  - §3354: Additional authorization
- Sections 3353 and 3354 – clarified that requirements for recording customer authorization apply to both initial and additional repairs

# Allowing for Expanded Use of Technology: Examples

- Authorizing repairs using a signature capture pad
- Receiving repair documents and authorizing repairs via a personal computer or electronic device

# Allowing for Expanded Use of Technology: Existing Requirements

- Estimates must be “written”
- Electronic authorization may be by email and fax
- Copy of invoice must be given to customer
- Recordkeeping – CCR §3358
  - Must maintain proof of customer’s signature/  
authorization

# Allowing for Expanded Use of Technology: Existing Requirements

Business and Professions Code §9884.7(a)(3):

An ARD registration may be denied, suspended, revoked, or placed on probation for “failing or refusing to give to a customer a copy of any document requiring his or her signature, as soon as the customer signs the document.”

# Allowing for Expanded Use of Technology: Definitions

- Proposal to add or amend:
  - Article 1, §3303(s)
    - Signature
  - Article 7, §3352
    - Repair documents
    - Modes of communication

# Allowing for Expanded Use of Technology: Estimates

- Must be a tangible document or in electronic form
- Must be provided prior to authorization
- Methods of electronic authorization expanded
- Must provide customer with copy of printed, handwritten, or electronic estimate as soon as they authorize

## Allowing for Expanded Use of Technology: Work Orders

- Electronic authorization recording requirements (i.e., date, time, specific repairs)
  - Same recording, but methods not limited to email and fax
  - Apply to initial and additional authorization
- Requirements unchanged:
  - Note if act of teardown might prevent restoration of component to former condition
  - Note if replaced parts not returnable
  - Attach designation form to work order

# Allowing for Expanded Use of Technology: Additional Authorization

- Forms of additional authorization documentation are no longer restricted to oral, email or fax
- Designation forms
  - New text focuses on content vs form

# Allowing for Expanded Use of Technology: Invoices

- Requirements for documenting authorization apply to both initial and additional repairs
- Forms of additional authorization documentation are no longer restricted to oral, email or fax
- Other invoice requirements unchanged

# Allowing for Expanded Use of Technology: Recordkeeping

- Per §3358, all records, whether printed or electronic, must be retained for three (3) years and during that time be open for inspection or reproduction by the Bureau.
- An electronically captured signature must be associated with the document authorized by the signature and cannot be used for any other purpose.

# Allowing for Expanded Use of Technology: Information Security

- It is important for all businesses to be aware of and compliant with state and federal laws relating to information security and protection of customer privacy.
- Resources:
  - California Department of Justice, Privacy Enforcement and Protection Unit
  - Federal Trade Commission

# Open Discussion

- Where does the teardown estimate section belong, in estimates/work orders or additional authorization?
- Should we revisit the definition of authorization (signature)?
- How would the proposed regulation impact your automotive repair business practices?
- Are there repair facility issues not accounted for in the proposed regulation?
- Are there consumer protection issues not accounted for in the proposed regulation?

# Additional Questions and Comments

Submit questions, comments, or suggestions pertaining to BAR's electronic documents and authorization regulation by **August 7**, 2015 to:

**Nina Tantraphol**  
**Bureau of Automotive Repair**  
**10949 N. Mather Boulevard**  
**Rancho Cordova, CA 95670**  
**Phone: (916) 403-0210**  
**Email: [Nina.Tantraphol@dca.ca.gov](mailto:Nina.Tantraphol@dca.ca.gov)**