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Attorneys for Complainant

FILED
DEPT. OF MOTOR VEHICLES
JUL 28 2022
By *himmulceky*

8 DEPARTMENT OF MOTOR VEHICLES
9 STATE OF CALIFORNIA

11 In the Matter of the Accusation Against:

12 TESLA INC. dba TESLA MOTORS INC.,
13 a Vehicle Manufacturer,

15 Respondent.

CASE NO. 21-02188

LICENSE NO. 63277

AIMS NO. 21V1L12011

ACCUSATION

17 COMPLAINANT ALLEGES AS FOLLOWS:

18 **PARTIES**

19 1. AILENE SHORT (Complainant) brings this Accusation solely in her official
20 capacity as Branch Chief, Industry Services Branch, Occupational Licensing Operations,
21 Operations Division, Department of Motor Vehicles.

22 2. During the times set forth in the Cause for Discipline, TESLA INC. was doing
23 business as TESLA MOTORS INC. (Respondent), a corporation, operating in the State of
24 California, under vehicle manufacturer license number 63277 issued by the Department of Motor
25 Vehicles (Department). Said license is in full force and effect and is scheduled to expire on
26 October 31, 2022.

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1 published disclaimers including one observed June 28, 2022, stating in part: "The currently
2 enabled features require active driver supervision and do not make the vehicle autonomous."
3 However, the disclaimer contradicts the original untrue or misleading labels and claims, which
4 is misleading, and does not cure the violation. Respondent advertised statements not based on
5 facts in violation of Cal. Code Regs. Title 13, § 260.00. Respondent made untrue or
6 misleading statements in advertisements in violation of Vehicle Code § 11713(a).
7 Respondent's acts, omissions, or conduct constitutes cause to discipline a manufacturer license
8 pursuant to Vehicle Code § 11705(a)(10).


9 **PRAYER**

10 6. By reason of the facts alleged in paragraph 5 in this Accusation, Respondent's acts
11 or omissions are cause for suspension or revocation of Respondent's manufacturer license and
12 special plates under Vehicle Code § 11705.

13 WHEREFORE, the undersigned prays that the Department of Motor Vehicles take such
14 action against the license of the Respondent as is warranted by the facts of this case, to wit:

- 15 a. To suspend or revoke Respondent's manufacturer license and special plates number
16 63277;
17 b. For an order pursuant to Government Code § 11519.1(a), if applicable, that
18 Respondent pay restitution to the persons or institutions who have suffered financial
19 loss or damage, according to proof; and
20 c. To order any other and further action as it may deem just and proper under the
21 circumstances.

22 DATED: 7/28/2022

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25 AILENE SHORT
26 Branch Chief, Industry Services Branch
27 Occupational Licensing Operations
28 Operations Division
Department of Motor Vehicles

DEPARTMENT OF MOTOR VEHICLES
STATEMENT TO RESPONDENT

FILED
DEPT. OF MOTOR VEHICLES
JUL 28 2022
By *Immulahy*

ACCUSATION

An Accusation filed by the Chief, Occupational Licensing Branch ("Complainant"), Department of Motor Vehicles ("Department"), in which you are named as Respondent, is hereby served on you along with the enclosed Notice of Defense. **THE CHARGES IN THE ACCUSATION, IF PROVED, COULD HAVE SERIOUS CONSEQUENCES ON ANY OCCUPATIONAL LICENSE ISSUED TO YOU BY THE DEPARTMENT. PLEASE READ THE FOLLOWING INFORMATION CAREFULLY:**

Defending the Accusation: If you want to defend the allegations in the Accusation, you must submit a written request for a hearing (Notice of Defense) to the Department, signed by you or by an individual acting on your behalf. The request for hearing may be made by delivering or mailing the Notice of Defense as provided by Section 11506 of the Government Code, to the address checked below. If the Notice of Defense is not **delivered or mailed to the Department within 15 days** after the Accusation was personally served on you or mailed to you, the Department may proceed on the Accusation without a hearing. **Failure to file the Notice of Defense shall constitute a waiver of your right to a hearing** and the Department may take action against your license or license rights as provided by law.

Representation by Counsel and Discovery: You may, but need not, be represented by counsel **at your own expense** at all stages of these proceedings. If you desire the names and addresses of witnesses or an opportunity to inspect and copy the items mentioned in Section 11507.6 of the Government Code in the possession, custody or control of the Department, you may contact the Department at the address checked below. Copies of Sections 11507.5, 11507.6 and 11507.7 of the Government Code are attached.

Postponements: The hearing may be postponed only for good cause. If you desire a postponement and have good cause, you **must** notify the Department AND the Office of Administrative Hearings within 10 working days after you discover the good cause. Failure to give notice within 10 working days will deprive you of a postponement.

Interpreters: The hearing shall be conducted in English. If you or your witnesses do not speak or understand English, you may request an interpreter **BEFORE** the commencement of the hearing, and the Department will provide one.

Waiver of Certain Objections: If you sign and timely file the Notice of Defense, all parts of the Accusation which you do not expressly admit will be deemed denied. However, if you do not separately object to the Accusation on the ground that it is so indefinite or uncertain that you cannot identify the transaction or prepare a defense, all such objections to the form of the Accusation shall be deemed waived.

Burden of Proof and Governing Procedures: The Complainant has the burden of proving the charges in the Accusation before an Administrative Law Judge in an adjudicative proceeding held in accordance with the provisions of Chapters 4.5 and 5 of Title 2, Division 3, Part 1 of the Government Code (Section 11400 et seq.). In reaching a decision, the Administrative Law Judge may rely on certain guidelines applicable to your case. These guidelines are contained in 13 California Code of Regulations, section 440.04. You may obtain a copy of these Occupational Licensing and Disciplinary Guidelines by contacting the **Department of Motor Vehicles, Occupational Licensing Branch, Services and Support Unit, P. O. Box 932342, MS-L224, Sacramento, CA 94232-3420, telephone number (916) 229-3153.**

If you desire further information, you may contact the Department's Legal Office:

320 West Fourth Street, Suite 410, Los Angeles, California 90013-2318
Phone Number: (213) 576-6237

**COPY OF GOVERNMENT CODE SECTION
11507.5, 11507.6 AND 11507.7
PURSUANT TO GOVERNMENT CODE SECTIONS
11504 AND 11505.**

11507.5.

The provisions of Section 11507.6 provide the exclusive right to and method of discovery as to any proceeding governed by this chapter.

11507.6

After initiation of a proceeding in which a respondent or other party is entitled to a hearing on the merits, a party, upon written request made to another party, prior to the hearing and within 30 days after service by the agency of the initial pleading or within 15 days after the service of an additional pleading, is entitled to (1) obtain the names and addresses of witnesses to the extent known to the other party, including, but not limited to, those intended to be called to testify at the hearing, and (2) inspect and make a copy of any of the following in the possession or custody or under the control of the other party:

- (a) A statement of a person, other than the respondent, named in the initial administrative pleading, or in any additional pleading, when it is claimed that the act or omission of the respondent as to this person is the basis for the administrative proceeding;
- (b) A statement pertaining to the subject matter of the proceeding made by any party to another party or person;
- (c) Statements of witnesses then proposed to be called by the party and of other persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, not included in (a) or (b) above;
- (d) All writings, including, but not limited to, reports of mental, physical and blood examinations and things which the party then proposes to offer in evidence;
- (e) Any other writing or thing which is relevant and which would be admissible in evidence;
- (f) Investigative reports made by or on behalf of the agency or other party pertaining to the subject matter of the proceeding, to the extent that these reports (1) contain the names and addresses of witnesses or of persons having personal knowledge of the acts, omissions or events which are the basis for the proceeding, or (2) reflect matters perceived by the investigator in the course of his or her investigation, or (3) contain or include by attachment any statement or writing described in (a) to (e), inclusive, or summary thereof.

For the purpose of this section, "statements" include written statements by the person signed or otherwise authenticated by him or her, stenographic, mechanical, electrical or other recordings, or transcripts thereof, of oral statements by the person, and written reports or summaries of these oral statements.

Nothing in this section shall authorize the inspection or copying of any writing or thing which is privileged from disclosure by law or otherwise made confidential or protected as the attorney's work product.

11507.7.

- (a) Any party claiming the party's request for discovery pursuant to Section 11507.6 has not been complied with may serve and file with the administrative law judge a motion to compel discovery, naming as respondent the party refusing or failing to comply with Section 11507.6. The motion shall state facts showing the respondent party failed or refused to comply with Section 11507.6, a description of the matters sought to be discovered, the reason or reasons why the matter is discoverable under that section, that a reasonable and good faith attempt to contact the respondent for an informal resolution of the issue has been made, and the ground or grounds of respondent's refusal so far as known to the moving party.
- (b) The motion shall be served upon respondent party and filed within 15 days after the respondent party first evidenced failure or refusal to comply with Section 11507.6 or within 30 days after request was made and the party has failed to reply to the request, or within another time provided by stipulation, whichever period is longer.
- (c) The hearing on the motion to compel discovery shall be held within 15 days after the motion is made, or a later time that the administrative law judge may on the judge's own motion for good cause determine. The respondent party shall have the right to serve and file a written answer or other response to the motion before or at the time of the hearing.
- (d) Where the matter sought to be discovered is under the custody or control of the respondent party and the respondent party asserts that the matter is not a discoverable matter under the provisions of Section 11507.6, or is privileged against disclosure under those provisions, the administrative law judge may order lodged with it matters provided in subdivision (b) of Section 915 of the Evidence Code and examine the matters in accordance with its provisions.
- (e) The administrative law judge shall decide the case on the matters examined in camera, the papers filed by the parties, and such oral argument and additional evidence as the administrative law judge may allow.
- (f) Unless otherwise stipulated by the parties, the administrative law judge shall no later than 15 days after the hearing make its order denying or granting the motion. The order shall be in writing setting forth the matters the party is entitled to discover under Section 11507.6. A copy of the order shall forthwith be served by mail by the administrative law judge upon the parties. Where the order grants the motion in whole or in part, the order shall not become effective until 10 days after the date the order is served. Where the order denies relief to the moving party, the order shall be effective on the date it is served.

DEPARTMENT OF MOTOR VEHICLES

STATE OF CALIFORNIA

In the Matter of the Accusation Against:

TESLA INC., dba TESLA MOTORS INC.,
a Vehicle Manufacturer,

Respondent.

CASE NO. 21-02188

NOTICE OF DEFENSE

I, the Respondent, in the above-entitled proceeding, acknowledge receipt of a copy of the Accusation, Statement to Respondent, and a copy of the Notice of Defense.

I hereby request a hearing to permit me to present my defense to the charges contained in said Accusation.

All correspondence concerning this proceeding should be sent to the following address:

(If you are represented by an attorney, all correspondence concerning this matter will be sent to the attorney.)

Address

Telephone Number

City

State

Zip Code

Signature

Date

Email (**Required**)

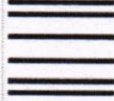
I will need an interpreter at my hearing: Yes _____ No _____

Language? _____

I consent to the proceedings at my hearing being recorded/reported electronically: Yes _____ No _____

ADM 1146 (REV 8/2008)

DEPARTMENT OF MOTOR VEHICLES
LEGAL OFFICE C128
P.O. BOX 932382
SACRAMENTO, CA 94232-3820



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NECESSARY
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SACRAMENTO, CA 94299-9992



DEPARTMENT OF MOTOR VEHICLES
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

TESLA INC. dba TESLA MOTORS INC.,
a Vehicle Manufacturer,

Respondent.

CASE NO. 21-02188

LICENSE NO. 63277

AIMS NO. 21V1L12011

REQUEST FOR DISCOVERY

TO: TESLA INC. dba TESLA MOTORS INC.

Pursuant to Government Code section 11507.6, Complainant requests the following:

1. The names and addresses of all witnesses to the extent known by you, including, but not limited to, those intended to be called to testify at the hearing.

2. An opportunity to inspect and copy each and all the matters set forth in Government Code section 11507.6, subdivisions (a) through (f) inclusive, which are under your possession, custody, or control.

Please be advised that this request for discovery is continuing in nature.

Dated: JUL 28 2022



DANIAN HOPP
Attorney IV

DECLARATION OF SERVICE

Case Name : TESLA, INC., dba TESLA MOTORS, INC.
Case No. : 21-02188
Court : OFFICE OF ADMINISTRATIVE HEARINGS

I declare:

I am employed in the County of Sacramento. My business address is 2415 First Avenue, Sacramento, CA 95818. I am over the age of 18 years and not a party to the within entitled case.

On **July 28, 2022**, I served the following:

**ACCUSATION; STATEMENT TO RESPONDENT; COPY OF GOVERNMENT
CODE SECTION 11507.5, 11507.6, AND 11507.7 PURSUANT TO GOVERNMENT
CODE SECTIONS 11504 AND 11505; NOTICE OF DEFENSE; REQUEST FOR
DISCOVERY**

Addressed as follows:

Tesla Inc., dba Tesla Motors Inc.
45500 Fremont Blvd.
Fremont, CA 94538

By the following method:

☒ **US MAIL:** By placing the true copies thereof enclosed in a sealed envelope marked certified mail with return receipt requested. I am familiar with the business practice at the Department of Motor Vehicles for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Department of Motor Vehicles is deposited with the United States Postal Service that same day in the ordinary course of business.

☐ **E-MAIL:** By causing a true copy of the above described document in pdf form to be e-mailed to the e-mail address/es listed above. **Opposing party has agreed to be served by email.**

☐ **OTHER SERVICE:** I caused such envelope(s) to be delivered to the office of the addressee(s) listed above by:
☐ Golden State Overnight

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed at Sacramento, California on **July 28, 2022**.



MAUREEN MULCAHY
Legal Secretary

9434 7266 9904 2972 0384 51

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Total Postage & Fees

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Sent To:

21-02188 (ACC) SMD

TESLA INC dba TESLA MOTORS INC
45500 FREMONT BOULEVARD
FREMONT, CA 94538

PS Form 3800, April 2015

SEE REVERSE FOR INSTRUCTIONS

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