

**TEXAS DEPARTMENT OF MOTOR VEHICLES
CASE NO. 14-0241 CAF**

**HERIBERTO ESTRADA,
Complainant**

v.

**FORD MOTOR COMPANY,
Respondent**

§
§
§
§
§
§
§

BEFORE THE OFFICE

OF

ADMINISTRATIVE HEARINGS

DECISION AND ORDER

Heriberto Estrada (Complainant) seeks repurchase relief pursuant to Texas Occupations Code §§ 2301.601-.613 (Lemon Law) for an alleged defect in his 2013 Ford F-150 truck. Complainant asserts that the vehicle has defective condition that poses a safety hazard. Ford Motor Company (Respondent) argues that the vehicle is operating as designed. The hearings examiner concludes that a preponderance of the evidence does not establish the existence of a warrantable defect in Complainant's vehicle. Accordingly, Complainant is not eligible for repurchase relief under the Texas Lemon Law.

I. PROCEDURAL HISTORY, NOTICE AND JURISDICTION

Matters of notice and jurisdiction were not contested and are discussed only in the Findings of Fact and Conclusions of Law.

The hearing on the merits in this case convened on June 18, 2014 in Mesquite, Texas, with Hearings Examiner Anne K. Perez presiding. Complainant appeared by telephone and represented himself. He offered the testimony of his spouse, Karla Pasquel de Estrada, who appeared in person. Respondent's representative, Regulatory Compliance Specialist Terrie Stone, appeared telephonically. Respondent's Field Service Engineer Greg Bartos appeared in person and offered testimony. The hearing concluded and the record closed that same day.

II. DISCUSSION

A. Applicable Law

The manufacturer of a motor vehicle must repurchase or replace the vehicle with a comparable vehicle if five conditions are met. First, the manufacturer has not conformed the vehicle to an applicable express warranty because the manufacturer cannot repair or correct a defect or condition in the vehicle. Second, the defect or condition in the vehicle creates a serious safety hazard or substantially impairs the use or market value of the vehicle. Third, the manufacturer has been given a reasonable number of attempts to repair or correct the defect or condition.¹ Fourth, the owner must have mailed written notice of the alleged defect or nonconformity to the manufacturer.² Lastly, the manufacturer must have been given an opportunity to cure the defect or nonconformity.³

“Serious safety hazard” means a life-threatening malfunction or nonconformity that substantially impedes a person’s ability to control or operate a vehicle for ordinary use or intended purposes, or creates a substantial risk of fire or explosion.⁴ A rebuttable presumption exists that a reasonable number of attempts have been undertaken to conform a vehicle to an applicable express warranty if the defect creating a serious safety hazard continues to exist after being subject to repair two or more times and: (1) one of the repair attempts was made in the 12 months or 12,000 miles, whichever occurs first, following the date of original delivery to the owner; and (2) at least one other repair attempt was made in the 12 months or 12,000 miles, whichever occurs first, immediately following the date of the first repair attempt.⁵

¹ Tex. Occ. Code § 2301.604(a)(1) and (2).

² Tex. Occ. Code § 2301.606(c)(1).

³ Tex. Occ. Code § 2301.606(c)(2).

⁴ Tex. Occ. Code § 2301.601(4).

⁵ Tex. Occ. Code § 2301.605(a)(2)(A) and (B).

B. Complainant's Evidence and Arguments

Complainant purchased a new 2013 Ford F-150 (the vehicle) from Grapevine Ford Lincoln (Grapevine Ford) in Grapevine, Texas on May 18, 2013, with mileage of sixteen (16) at the time of delivery.⁶ Respondent manufactured the vehicle. Respondent issued a limited warranty for the truck covering defects in factory-supplied materials and workmanship for 36 months or 36,000 miles, whichever comes first. Respondent also issued a powertrain warranty covering defects in the vehicle's engine, transmission, and drive train for 60 months or 100,000 miles, whichever comes first.⁷ On the date of hearing the vehicle's mileage was 8,983, and both types of warranty coverage were in place.

Complainant resides in Frisco, Texas. His job as a management business consultant requires extensive travel on weekdays. He bought the 2013 Ford F-150 primarily for his spouse, Karla Pasquel de Estrada, shortly after the birth of their child. Complainant wanted his wife and baby to use the new vehicle, while he planned to continue driving their older-model truck, a 2008 Ford.⁸

Complainant testified that on Saturday April 12, 2014, he was driving the new vehicle when the engine seriously malfunctioned. The following account of the incident is a *verbatim* quote from Complainant's correspondence to Respondent dated April 23, 2014⁹ and May 3, 2014;¹⁰ his April 15, 2014 letter addressed to Grapevine Ford's Service Department;¹¹ and his April 2014 complaint filed with the National Highway Traffic Safety Administration (NHTSA):¹²

I was at a complete stop on a main street making a left turn. Traffic was coming in the opposite direction and I was waiting for a clearing within the traffic in order to make my left turn. There was an opening in traffic and I stepped on the gas to accelerate through the lane. As I stepped on the gas the vehicle completely stalled. I completely lost all power on the engine and also on the steering wheel. I looked up

⁶ Complainant Ex. 2, Purchase Agreement.

⁷ Complainant Ex. 8, 2013 Model Year Ford Warranty Guide.

⁸ Complainant Ex. 15 (Vehicle Registration Renewal Notice for a 2008 Ford Pickup Truck). Prior to the 2008 model, Complainant owned a 2000 Ford Pickup Truck. Complainant Ex. 16 (Vehicle Registration Renewal Notice for a 2000 Ford Pickup Truck).

⁹ Complainant Ex. 9 (Letter dated April 23, 2014). This letter provided Respondent with written notice of the vehicle's alleged defect, as required by Texas Occupations Code § 2301.606(c)(1).

¹⁰ Complainant Ex. 12 (Letter dated May 3, 2014).

¹¹ Complainant Ex. 6 (Letter dated April 15, 2014).

¹² Complainant Ex. 13 (April 15, 2014 complaint filed with NHTSA).

and saw a message on my dashboard stating "Low Oil Pressure." The vehicle drifted across the busy lane and barely made it across the lane as traffic was coming directly towards me. Multiple vehicles were coming in my direction and some honked their car horn to get out of the way. This was extremely frightening as I had my baby with me in the back seat. The cars would have clearly hit my vehicle if I had not drifted across that lane. Without engine power and power to the steering wheel I had no control over the vehicle whatsoever.

Once Complainant reached the other side of the road, he said the truck's engine would not start. He raised the hood to alert other drivers that the vehicle was disabled. He called his wife for a ride, knowing it was not safe for him and the baby to be on the shoulder of a busy roadway. Even after Ms. de Estrada arrived the truck's engine would not engage. A motorist (Alan Probst) stopped and offered assistance. Complainant told Mr. Probst that his vehicle was almost brand-new but had inexplicably stalled and now would not start. However, he declined the other man's offer of help, indicating that he planned to contact Ford Roadside Assistance.¹³ Complainant continued trying to start the truck. After about 15 minutes the engine finally engaged and he drove the vehicle to his home.

Complainant emphasized that the vehicle's unexpected loss of engine and steering power is a serious safety concern. After the incident he did not want his wife driving the truck, particularly with their infant aboard, until the underlying cause of the problem was identified and repaired.¹⁴ He therefore began a series of efforts in this direction, starting with Grapevine Ford, the dealer who sold him the vehicle.

Because the vehicle's loss of power occurred late in the day on a Saturday, Complainant was unable to arrange for the vehicle to be towed from his home to Grapevine Ford until the following Monday, April 15, 2014. Along with the vehicle, the tow driver hand-delivered a letter from Complainant to Grapevine Ford's Service Department.¹⁵ As noted, Complainant's letter to the dealer included a

¹³ Complainant Ex. 14 is an email written by Mr. Probst that supports Complainant's description of the incident.

¹⁴ Karla Pasquel de Estrada offered very brief testimony at the hearing. She confirmed that Complainant called her on April 12, 2014, because he and the baby were stranded by the side of the road. When she arrived to pick them up the hood of their new truck was raised. She observed Complainant repeatedly try to start the vehicle. She was also present when Mr. Probst stopped by to offer assistance. Ms. de Estrada said that the truck eventually started and her husband drove it home. She also confirmed that she no longer drives the 2013 Ford F-150 due to safety concerns.

¹⁵ Complainant Ex. 6 (Letter dated April 15, 2014). The dealer did not open a repair order on the vehicle until the next day, April 16, 2014.

description of the truck's problems,¹⁶ along with the following statement:

The truck is practically new as it barely has 6,000 miles. I am 100% sure that this vehicle is not safe to drive as it is unknown when this will happen again. I was fortunate that in this incident there was not an accident but if this happens again my passengers and I could be injured as well as other persons in other vehicles that may be involved. In addition, there could be property damage if I lose control of the vehicle.

... [T]his car is unsafe to drive. This car is my wife's car that she uses to drive her and our baby to their appointments. I have asked her to stop driving this car as it is unsafe. At this point my wife has lost her car.¹⁷

Complainant's vehicle remained at Grapevine Ford between April 15 and 24, 2014. In a letter dated April 21, 2014, Complainant thanked Grapevine Ford's service manager for providing him voice mail updates about the truck on April 18 and 21. He was apparently informed by the service manager that technicians were having trouble duplicating his concern, because Complainant's letter said he was unable to stop by and personally test drive the vehicle with a technician present. As an alternative, Complainant's April 21, 2014, letter provided an account of the exact conditions under which the vehicle's failure occurred.¹⁸

In the end, neither Grapevine Ford nor two other authorized repair facilities were able to reproduce the problem that Complainant had experienced. On April 25, 2014, Complainant arranged for the vehicle to be towed from Grapevine Ford directly to Sam Pack's Five Star Ford (Five Star Ford) in Carrollton, Texas. Five Star Ford described Complainant's concern as "While at a stop and going to turn ... the veh[icle] die[d] and would not restart. Crank but no start,"¹⁹ but once again, service technicians were unable to replicate the problem. The very next day, Complainant had the vehicle towed from Five Star Ford to AutoNation Ford Frisco (AutoNation). AutoNation summarized Complainant's concern as "Vehicle stalled at idle."²⁰ AutoNation's service technicians inspected and tested the truck but did not

¹⁶ See block quotation on page 3 of this decision.

¹⁷ Complainant Ex. 6 (Letter dated April 15, 2014).

¹⁸ Complainant Ex. 7 (Letter dated April 21, 2014).

¹⁹ Complainant Ex. 4 (Five Star Ford repair order, dated April 25, 2014).

²⁰ Complainant Ex. 5 (AutoNation repair order, dated May 6, 2014).

identify any problems. AutoNation was ready to release the vehicle on April 28, 2014, but due to Complainant's travel commitments the truck remained with the dealer until May 6, 2014.²¹

The three dealers' repair orders for Complainant's vehicle reflect the following information:²²

Dates at Repair Facility	Mileage In/Mileage Out	Reported Concern	Diagnostic Action And Dealer's Findings
4-16-14 to 4-24-14	In/6,734 Out/6,801	Vehicle stalled when making a turn; Wouldn't restart for 15 minutes	EEC System Pass; Run OASIS Concerns-None at this time; [Called] Ford Hotline: Concern must be duplicated for effective repair; Test drove 67 miles in stop-n-go traffic w/right & left turns, was unable to duplicate concern; Suggest test drive w/customer; Complimentary multi-point inspection performed; Customer had vehicle towed to another dealer for service
4-25-14 to 4-25-14	In/6,801 Out/6,810	While at a stop and beginning to turn, the vehicle died; would not restart; cranked but no start	Test drove vehicle; Could not duplicate; Started engine multiple times with no trouble; EEC Test-no codes present; No trouble found at this time; Complimentary multi-point inspection performed
4-26-14 to 5-6-14	In/6,810 Out/6,820	Vehicle stalled at idle	No problem found; Hook up IDs and test PCN, Passed, No Codes; Performed PID-monitored road test, all readings in Spec. Road test and Retest, Could not duplicate concern at this time. No problem found. Truck completed 4/28; Customer out of town & unable to pick up at this time

Despite the servicing dealers' findings, Complainant remains convinced that his vehicle has an existing intermittent defect. After the incident on April 12, 2014, he turned to the Internet for help and learned that consumer forums are rife with discussion about intermittent loss of engine power in Ford-F-150 trucks. The problem is not only widely known, Complainant testified, but the issue is the subject of a class-action lawsuit filed by consumers against Respondent.

²¹ *Id.*

²² The repair orders were admitted as Complainant Exs. 3-5. For clarity and ease of reference, some of the information is summarized rather than quoted.

Complainant indicated there are other reasons for him not to rely on the servicing dealers' findings. In his experience, dealers do not report customer concerns to Respondent unless the concern has been duplicated by service technicians. Loss of engine power in Ford-F-150 trucks is known to be an intermittent problem. Therefore, the failure of service technicians to replicate the loss of power in Complainant's truck means very little. Until the defect in his vehicle is identified and repaired, Complainant said the problem could recur at any time, with disastrous consequences. Driving the vehicle in its current state poses a safety risk to Complainant, to his family, and to other drivers on the road, not to mention the likelihood of property damage from a motor vehicle collision.

Several other documents underscore Complainant's belief that his vehicle is unsafe. In an April 30, 2014 letter to Respondent, Complainant stated that safety concerns had placed the truck out of service for several weeks, and he emphasized that the vehicle's absence had placed an extreme hardship for his family.²³ On May 1, 2014, he completed a Lemon Law Complaint form.²⁴ In another letter concerning his Lemon Law complaint, Complainant expressed frustration that Respondent's legal analyst was unavailable to discuss "this serious and urgent matter" by telephone, thereby causing him to incur additional expenses for mailing and postage.²⁵

On cross-examination, Complainant agreed that the truck's mileage was 6,820 on May 6, 2014, the last time it was serviced by an authorized repair facility.²⁶ When questioned about the vehicle's substantial increase in mileage from May 6, 2014 to June 18, 2014 (the hearing date), when mileage was at 8,983, he testified that he was forced to drive the truck for work. More specifically, he drove the vehicle from his home in Texas to the West Coast, where he is currently managing a project that required him to supply his own transportation. Complainant reiterated that he cannot allow his wife and baby to use the 2013 Ford F-150 with its present safety concerns. Therefore, he took the new vehicle on his business trip and left the 2008 Ford truck at home for Ms. de Estrada to drive.

²³ Complainant Ex. 10.

²⁴ Complainant Ex. 1. Complainant's Lemon Law Complaint form was received by the Texas Department of Motor Vehicles on May 7, 2014.

²⁵ Complainant Ex. 11. Complainant also requested reimbursement of \$58.55 in certified mail and postage fees associated with his Lemon Law claim. Complainant Ex. 17.

²⁶ Complainant Ex. 5.

C. Respondent's Evidence and Arguments

Respondent offered the testimony of Greg Bartos, a field service engineer employed by Respondent. Terrie Stone, Regulatory Compliance Specialist for Respondent, also offered brief testimony.

Mr. Bartos testified that on May 12, 2014, he performed an inspection of Complainant's vehicle at AutoNation. He subsequently prepared a report with his findings.²⁷

Mr. Bartos stated that he reviewed all three repair orders for Complainant's vehicle as part of his inspection. He observed that Complainant first reported the truck's alleged loss of engine and steering power to Grapevine Ford on April 16, 2014, and that the dealer's repair order states "Run OASIS Concerns." He explained that "OASIS" is Respondent's computer database system accessible to all authorized repair facilities. According to Mr. Bartos, Grapevine Ford service technicians "ran" Complainant's Vehicle Identification Number (VIN) through OASIS to see if Respondent had issued any special service messages (SSMs) or technical service bulletin (TSBs) addressing stalling and loss of power, but none were found. Mr. Bartos further noted that Grapevine Ford technicians test drove Complainant's vehicle 67 miles in stop-n-go traffic with right and left turns, but were unable to duplicate the reported problem. Two other servicing dealers subsequently performed computer diagnostic testing of the truck, in addition to road tests, and were also unable to replicate Complainant's concern.

With respect to his own inspection and testing activities, Mr. Bartos stated that he scanned all of the vehicle's electronic modules for continuous memory of diagnostic trouble codes (CMDTCs). He explained that the major systems of a vehicle are controlled by different control modules. For example, the Power Control Module (PCM) regulates all of the engine's sensors, components, inputs and outputs. When a vehicle experiences an engine malfunction the event generates a "trouble code" that is stored in the PCM's memory. Pulling up the stored trouble code allows service technicians to identify the source

²⁷ Respondent Ex. 1.

of the failure, *e.g.*, a faulty component. Mr. Bartos testified that the diagnostic scanning he performed revealed no CMDTCs in any of the truck's electronic modules, including the PCM.

Because Complainant's truck reportedly experienced a sudden loss of power or RPMs (Revolutions Per Minute), Mr. Bartos went beyond scanning the PCM for CMDTCs. He also performed two on-demand "self-tests" (Key On Engine Off (KOEO) and Key On Engine Running (KOER)) on the vehicle's PCM. According to Mr. Bartos, the KOEO and KOER self-tests are designed to detect operating faults in the engine system. He testified that Complainant's vehicle passed both self-tests.

Mr. Bartos stated that he also test-drove Complainant's truck a total of 39.2 miles at various speeds on city streets and highways, attempting to duplicate the reported stalling and loss of engine RPM. He brought the vehicle up to operating temperature but observed no abnormal concerns or loss of engine RPM. Similar to the three servicing dealers, Respondent's field service engineer was not able to replicate the stalling event reported by Complainant. Ultimately, Mr. Bartos concluded that Complainant's vehicle has no existing defect and needs no repairs. He likewise confirmed that there are no safety concerns with the truck.

Ms. Stone testified that the applicability of an SSM or TSB to a particular vehicle depends on the issue and the components involved. Thus, an SSM or TSB may have wide application (*e.g.*, a TSB that affects several vehicle models and model years), or be limited in nature (*e.g.*, a TSB that affects automobiles within a specified range of VINs). By entering the VIN of the customer's vehicle into OASIS, Ms. Stone said, service technicians gain access to any and all SSMs and TSBs applicable to that particular vehicle. During the hearing on June 18, 2014, Ms. Stone followed up on the work of Grapevine Ford technicians by entering the VIN of Complainant's truck into the OASIS database. She confirmed that there were no SSMs or TSBs for stalling events applicable to Complainant's vehicle.

Ms. Stone also disagreed with Complainant's statement that servicing dealers do not report unverified customer concerns to Respondent. She noted that Respondent maintains internal records for every vehicle it manufactures based on the assigned VIN. According to Respondent's records, Grapevine Ford contacted Respondent's Technical Service Hotline on April 16, 2014, when technicians were

unable to duplicate the truck's loss of power reported by Complainant; at that time, a Hotline Technical Service Specialist provided the servicing dealer with the following instructions:

An intermittent stall when turning is not a common concern on this vehicle. Intermittent concerns are understandably hard to diagnose. However, this concern must be duplicated in order for an effective repair to be made. Please continue attempts to duplicate the concern. When the vehicle stalls, [I] recommend ... perform[ing] a network test on all modules. If any modules fail the network test, please perform [further] diagnostics...²⁸

Similar advice and recommendations were provided to AutoNation on April 28, 2014, when a service technician at that location contacted Respondent's Technical Service Hotline to report the same concerns about Complainant's vehicle.²⁹

Ms. Stone provided a Respondent's position. Complainant's Lemon Law petition claims that his vehicle stalled and there was a loss of power to the engine and steering wheel. However, neither servicing dealers nor Respondent's field service engineer were able to verify Complainant's concerns. In the absence of warranty repairs for the problem reported, Respondent "does not recognize any days out of service for warranty repairs."³⁰ Further, because no existing defect in the vehicle has been identified, Complainant's petition should be dismissed.

D. Analysis

In order to prevail in his request for repurchase relief, Complainant must show by a preponderance of the evidence that: (1) his truck has an existing defect or nonconformity that Respondent cannot repair; (2) Respondent's express warranty issued for the vehicle covers the defective condition; (3) the nonconformity creates a serious safety hazard that is life-threatening, or substantially impedes the driver's ability to control the vehicle; and (4) Respondent has been given a reasonable number of attempts to conform Complainant's vehicle to an applicable express warranty. The evidence presented by Complainant fails to establish these statutory elements by the required standard of proof.

²⁸ Respondent Ex. 2.

²⁹ *Id.*

³⁰ Respondent Ex. 4.

Complainant testified that on April 12, 2014, he was driving the vehicle and preparing to make a left turn in front of busy oncoming traffic. The truck stalled and there was a complete loss of power to the engine and steering wheel, which left him unable to control the vehicle. Although the truck drifted safely the other side of the road, Complainant was very frightened and upset. If a collision had occurred both he and his infant son could have been seriously injured or killed.

Complainant immediately arranged for the truck to be towed to a dealership for service. During the next two weeks, diagnostic testing and road tests performed by three different servicing dealers failed to uncover a nonconformity in the vehicle. Mr. Bartos, Respondent's field service engineer, subsequently completed a road test and performed extensive diagnostic testing of the vehicle, only to affirm the dealers' previous findings. Nevertheless, Complainant remains convinced that his truck is unsafe. He insists that the vehicle has an existing intermittent defect that poses a safety hazard, and has asked his wife and son to refrain from using the truck.

Complainant's conviction that the vehicle has an existing intermittent defect is, by his own admission, based on a one-time incident that occurred on April 12, 2014, as well as information gleaned from the Internet. On the other hand, between May 6 and June 18 of this year he drove the truck more than 2,000 miles without a stalling event, or any loss of power in the engine and steering. These circumstances, coupled with the results of diagnostic testing performed on the vehicle between April 16 and May 12, 2014, undermine Complainant's position that the truck has a current existing defect.

Complainant also appears to rely on the fact that his vehicle has been serviced for loss of engine power on three different occasions. However, no repairs were attempted on any of the service visits. These facts do not give rise to a rebuttable presumption that a reasonable number of attempts have been undertaken to conform the vehicle to an applicable express warranty.

In summary, a preponderance of the evidence does not demonstrate that a warrantable defect in Complainant's vehicle currently exists. Rather, the evidence supports the conclusion that the vehicle is operating as designed, that no repairs are needed, and that no safety concerns are present.

III. FINDINGS OF FACT

1. Heriberto Estrada (Complainant) purchased a new 2013 Ford F-150 truck (the vehicle) from Grapevine Ford Lincoln (Grapevine Ford) in Grapevine, Texas on May 18, 2013, with mileage of sixteen (16) at the time of delivery.
2. The manufacturer of the vehicle, Ford Motor Company (Respondent) issued a limited warranty for the truck covering defects in factory-supplied materials and workmanship for 36 months or 36,000 miles, whichever comes first. Respondent also issued a powertrain warranty for the vehicle covering defects in the vehicle's engine, transmission, and drive train for 60 months or 100,000 miles, whichever comes first.
3. The vehicle's mileage on the date of hearing was 8,983.
4. At the time of hearing, the vehicle was covered by Respondent's basic limited warranty and its powertrain warranty.
5. On April 12, 2014, Complainant was driving the vehicle and preparing to make a left turn in front of busy oncoming traffic. The truck stalled and there was a complete loss of power to the engine and steering wheel, which left Complainant unable to control the vehicle. Although the truck drifted safely the other side of the road, Complainant was very frightened and upset. If a collision had occurred, both he and his infant son could have been seriously injured or killed.
6. Following the incident on April 12, 2014, Complainant immediately arranged for the truck to be towed to a dealership for service.
7. During the next two weeks, three different servicing dealers attempted to duplicate in the vehicle's reported loss of engine and steering power. The vehicle was delivered to each dealer for service on the following dates:
 - a. April 16, 2014, at 6,734 miles;
 - b. April 25, 2014, at 6,801 miles; and
 - c. April 26, 2014, at 6,810 miles.
8. Road tests and diagnostic testing of Complainant's vehicle performed by the three servicing dealers failed to uncover any defect or nonconformity.
9. A field service engineer employed by Respondent also performed a road test and extensive diagnostic testing of Complainant's vehicle, and he affirmed the dealers' previous findings.

10. Between the dates of May 6, 2014 and June 18, 2014, Complainant drove the truck over 2,000 miles without a stalling event, or any loss of power in the engine and steering.
11. Complainant's vehicle does not have an existing defect or condition that creates a serious safety hazard or substantially impairs the use or market value of the vehicle.
12. On April 23, 2014, Complainant sent written notice of the vehicle's alleged defect to Respondent.
13. On May 7, 2014, Complainant filed a Lemon Law complaint with the Texas Department of Motor Vehicles (Department).
14. On May 28, 2014, the Department's Office of Administrative Hearings issued a notice of hearing directed to Complainant and Respondent, giving all parties not less than 10 days' notice of hearing and their rights under the applicable rules and statutes. The notice stated the time, place and nature of the hearing; the legal authority and jurisdiction under which the hearing was to be held; particular sections of the statutes and rules involved; and the matters asserted.
15. The hearing convened on June 18, 2014 in Mesquite, Texas, with Hearings Examiner Anne K. Perez presiding. Complainant appeared by telephone and represented himself. Respondent's representative, Regulatory Compliance Specialist Terrie Stone, also appeared by telephone. The hearing concluded and the record closed that same day.

IV. CONCLUSIONS OF LAW

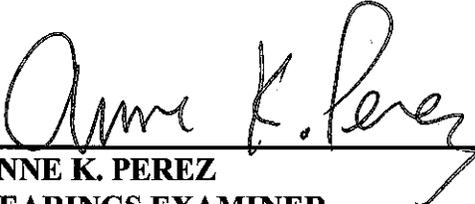
1. The Department has jurisdiction over this matter. Tex. Occ. Code §§ 2301.601-.613 (Lemon Law).
2. A hearings examiner of the Department's Office of Administrative Hearings has jurisdiction over all matters related to conducting a hearing in this proceeding, including the preparation of a decision with findings of fact and conclusions of law, and the issuance of a final order. Tex. Occ. Code § 2301.704.
3. Complainant timely filed a complaint with the Department. Tex. Occ. Code § 2301.204; 43 Tex. Admin. Code § 215.202.
4. The parties received proper notice of the hearing. Tex. Gov't Code §§ 2001.051, 2001.052; 43 Tex. Admin. Code § 215.206(2).

5. Complainant failed to prove by a preponderance of the evidence that the vehicle has a verifiable defect or condition that presents a serious safety hazard or substantially impairs the use or market value of the vehicle. Tex. Occ. Code § 2301.604.
6. Complainant's vehicle does not qualify for replacement or repurchase. Tex. Occ. Code § 2301.604.

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, it is **ORDERED** that Complainant's petition for repurchase relief pursuant to Texas Occupations Code §§ 2301.601-.613 is hereby **DISMISSED**.

SIGNED July 24, 2014.



ANNE K. PEREZ
HEARINGS EXAMINER
OFFICE OF ADMINISTRATIVE HEARINGS
TEXAS DEPARTMENT OF MOTOR VEHICLES