

# Complaint Case Study

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Bureau of Automotive Repair

# Toxic Waste Disposal Costs

## California Code of Regulations (CCR), Title 16, Section 3357

An automotive repair dealer may charge a customer for costs associated with the handling, management and disposal of toxic wastes or hazardous substances under California or federal law which ***directly*** relate to the servicing or repair of the customer's vehicle. Such charge must be disclosed to the customer by being separately itemized on the estimate prepared pursuant to Section 9884.9(a) of the Business and Professions Code and on the invoice prepared pursuant to Section 9884.8 of the Business and Professions Code. In order to assess this charge, the automotive repair dealer must note on the estimate and invoice the station's Environmental Protection Agency identification number required by Section 262.12 of Title 40 of the Code of Federal Regulations. (Emphasis added.)

# Toxic or Hazardous Waste (1 of 2)

Typically includes:

- Lubricants and Fluids
  - Engine oil
  - Transmission fluid
  - Engine coolant
  - Other fluids and lubricants
- Brake cleaning solvent
  - Used to clean brake assemblies to prevent discharge of brake 'dust'
- Brake machining 'shavings'

# Toxic or Hazardous Waste (2 of 2)

## Recent Additions:

- Electrical components such as:
  - Light bulbs
  - Ignition coils
  - Switches, relays, solenoids, and actuators
  - Other electrical components
- Water and solvent used for floor mopping and spill cleanup
- Software used to manage and report hazardous waste
- Salary costs for 'Compliance Officer' to manage toxic waste program

# Hazardous or Toxic Waste Charges

## Example

ARD charging all customers a \$0.25 Hazardous Waste Fee

- Identified during BAR investigations of consumer complaints.
- BAR gathered additional repair transaction estimates and invoices as part of its investigation.

# Headquarters 'Office Conference' (1 of 4)

Generally, Office Conferences are held at a BAR Field Office and include:

- Local BAR Program Representatives and/or Supervisor, and
- ARD owner or manager, service writer, and/or technician
- Headquarters conference included:
  - BAR's deputy chief and program managers
  - ARD executives and other representatives

# Headquarters 'Office Conference' (2 of 4)

## BAR Statements:

- Per CCR §3357, hazardous or toxic waste charges must be **directly** related to the consumer's vehicle.
  - Meaning the services invoiced must generate hazardous or toxic waste.
  - The documents reviewed by BAR showed invoices for tire rotation and balance and other automotive repair services included the \$0.25 fee.
- Per CCR §3357, the hazardous or toxic waste fees must be **itemized** on both the estimate and invoice.
  - Several estimates failed to list the \$0.25 fee which was then added as an "additional authorization" to the invoice.

# Headquarters 'Office Conference' (3 of 4)

## ARD Statements:

- Hazardous and toxic waste costs have increased substantially with the inclusions of automotive repair 'waste' items not previously defined as hazardous or toxic.
- Compliance with new requirements has necessitated software upgrades, establishing additional waste storage procedures, and other costs.
- Determination was made that these costs were best distributed among all customers.



# Headquarters 'Office Conference' (4 of 4)

## Outcome:

- BAR recognizes the increased costs industry is facing and monitoring how those costs are mitigated.
- The ARD adjusted their methodology to calculate and only charge hazardous and toxic waste fees for services directly resulting from handling and disposal of such waste.

# Conclusion

- Proper collection, handling, and disposal of hazardous or toxic waste is a critical responsibility of ARDs.
- BAR supports appropriate charges to recoup the costs associated with hazardous or toxic waste and will take appropriate action to address charges that do not comply with BAR laws and regulations.

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