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Committee on Civil Service and Labor The City Council of New York, New York

December 12, 2013

RE: Intro 852-A: The Car Wash Accountability Act

Dear Members of the New York City Council:

I am here today to express my opinion regarding the environmental impact of Car Wash Facilities as related to Intro 852-A, "The Car Wash Accountability Act." I will address the environmental consequences of car wash facilities, and am not specifically expressing support for or against this legislation. However, I am surprised that the car wash industry has escaped regulation for so long. The wastes coming from car washes pose grave environmental concerns, and city oversight over the car wash industry would go a long way towards protecting New York City's people and environment.

As background, I am a tenured Associate Professor and program director of the Environmental and Occupational Health Sciences program at City University of New York School of Public Health (Hunter College) and have over 35 years of experience. Our program has been teaching and training professionals in the identification, evaluation and control of environmental and industrial health hazards since 1978 and has graduated over 600 students. Our alumni conduct environmental health assessments throughout the United States and abroad.

With regard to my experience and expertise commenting on the New York City Sewage Treatment System, I studied the process and engineering aspects of the sewage treatment system during my studies at CUNY and The Polytechnic Institute. During my course of study, I did an extended internship at three New York City Department of Environmental Protection (DEP) wastewater treatment plants (Bowery Bay, Newtown Creek, Ward's Island), as well as a summer on the New York Harbor Survey Boat out of Flushing Bay. As a Professor, I received a large training contract in the late 1980's from DC37, whereby I conducted safety and health training for all sewage treatment workers who were members of Local 1320. I also authored a Right to Know Handbook for Sewage Treatment Workers, which describes sewage treatment plant processes and the chemicals that go into the sewage system. In short, I am very familiar with both the theoretical and practical aspects of wastewater treatment. Finally, on a personal note, I am born, raised and educated in New York City. I've lived in Washington Heights, Astoria, and Flushing and now East Midtown in Manhattan.

The car wash industry and its wastes present a serious ecological threat to our city's waterways, thereby preventing citizens from enjoying the water, and endangering the lives of the plants and animals that live in the water. The untreated wastewater coming out of car wash operations contains numerous environmentally persistent chemicals that impact New York City's waterways. Many of these compounds are not removed (i.e. treated or destroyed) during the city's normal secondary sewage treatment process. That means that harmful materials will enter the waterways: the East River, Hudson River, Long Island Sound, Jamaica Bay, and Lower New York Harbor.

Let me briefly describe some of the harmful compounds. First, car wash wastewater contains many petroleum hydrocarbons – the oils, greases, and lubricants associated with automobile engines. They are unlike the biodegradable fats, greases, and oils associated with food. Petroleum hydrocarbons do not readily degrade and may pass through the secondary sewage treatment process. A second type of harmful compound is the particles coming off of the cleaning process, which are both organic and inorganic-based and are often coated with numerous surfactants –ionic and non-ionic cleaners. The particles are not simply roadway grit. They, too, will likely pass through the secondary sewage treatment process and into our waterways.

Wastes from the car wash industry might also pose a serious human health threat. I can't say exactly what the health consequences of the car wash wastes are, but it is indisputable that the chemicals used in car washing are corrosive and harmful. When wastes are sufficiently concentrated with these chemicals, the wastes themselves pose public health dangers.

In short, the wastewater coming out of car washes contains unacceptably high levels of contaminants. It is therefore imperative that car washes have a wastewater filtration system that will adequately remove harmful materials from its wastewater before that wastewater is sent to the city sewers. The filtration system must have oil/water separators and be adequately maintained such that sludge doesn't build up in the filter and overflow the system. Without these filters, harmful chemicals and compounds will end up in our city's waters.

If car washes aren't maintaining the proper filters — which I suspect they aren't — their wastewater poses a serious ecological risk. Grasses, plants, shellfish, birds, and other wildlife are threatened by these pollutants. Car wash pollution might also pose a human health threat. And it's certainly an aesthetic concern — surfactants like those found in car wash wastewater produce sudsing (foam that collects on the water's surface), and suds are ugly. People don't want to recreate in polluted water. In these ways, pollution from the car wash industry is affecting waterways throughout the city. It is affecting Jamaica Bay, which has finally become a nice recreation area. It's affecting the waterways in Pelham; and so on.

New York City has had tremendous success with improving its wastewater treatment. The harbor water quality has improved by a great order of magnitude, to the point where we now have swimmable and fishable waters. And this is all due to strong and effective environmental regulations. Regulating the car wash industry is a necessary next step towards protecting the city's environment.

If we don't take measures to regulate the car wash industry, we risk nearly irreversible damage to our ecosystem. A prime example is the Gowanus Canal, a Superfund site. Years ago, we thought that if we stopped polluting the Gowanus Canal, it would be restored naturally. But it's been so heavily polluted over the decades that it's just not happening fast enough. Finally, the EPA decided that the Gowanus Canal is too contaminated, so we have to take affirmative measures to clean it out. They're in the long (Superfund) process of sealing it up and digging out tons of sediment. This goes to show that pollution from commercial operations can be long-lasting and costly.

Another concern, in addition to concerns related to wastewater, is the way in which car washes are disposing of the sludge that collects in their filtration system. The federal Resource Conservation and

Recovery Act (RCRA), 42 U.S.C. § 6901 et seq., requires that businesses which generate "hazardous wastes" must treat, store, and dispose of their wastes in specific, safe ways. They can't just throw hazardous wastes into the garbage or down the city sewers.

To my knowledge, the EPA doesn't know one way or the other whether car wash sludge is classified as hazardous waste. But there's a good chance that car wash sludge is what's called a "characteristic" hazardous waste due to its corrosive properties. When concentrated, many of the chemicals in car wash cleaning agents are *definitely* hazardous wastes; it's just a question of whether the sludge itself has sufficiently high quantities of these chemicals to be considered hazardous in its own right. In any case, pursuant to 40 C.F.R. § 262.11, the burden is on the car wash to test their solid waste and determine whether it is hazardous or not. I doubt that car washes are doing this. Thus, the sludge from car washes is yet another environmental concern posed by the car wash industry.

All in all, I was surprised to learn that this industrial group is completely unregulated with regard to water use and waste disposal. Comparable industries like dry cleaners are regulated. Even the fat coming out of a restaurant is more heavily regulated than the chemicals coming out of a car wash. While I realize that such regulations could be economically burdensome to car wash owners, the cost of environmental damage and deterioration should be internalized. Currently, car washes are imposing untold costs on New York City, and they are getting away without paying for any of the damage they're causing.

The importance of the City Council in protecting the citizens of New York City is historic and indisputable. Numerous initiatives generated by this body have made NYC one of the safest and healthiest places to live; be they targeted at crime, disease eradication or cleaner streets. Today, the Council should act to protect New York from the hazards posed by the car wash industry and to make our city a healthier, more beautiful, and more ecologically friendly place to live.

Thank you for your time and consideration.

Sincerely:

Jack Caravanos, DrPH, CIH

Associate Professor of Environmental Health

Track Coordinator; EOHS MS / MPH degree programs



FOR THE RECORD

Comments from the New York Staffing Association

on Proposed Legislation to Amend Local Law 46

We thank the Council for clarifying that only a maximum of 40 accrued hours may be rolled over from one calendar year to the next. While that was the original intent, it was unclear in the original bill language. We would like to present several other points which we think would help clarify the LL46's intent which could be incorporated into this new bill:

- 1. Clarify that employees only accrue paid sick time for those hours actually worked within the City of New York. It is clear that the City Council's intent was to link the accrual of benefits to time worked within the City of New York. For instance, Section 20-912(f) of the Act defines a covered "employee" as a person "employed for hire within the city" (emphasis added). However, there is a technical fix required to effectuate this intent. Specifically, Section 20-913(b) should be modified to read "All employers shall provide a minimum of one hour of sick time for every thirty hours worked by an employee within the City of New York" In the absence of this fix, an employee may argue that time spent working in Westchester, Long Island, or Albany (or California for that matter) should be counted toward calculating the amount of paid sick time accrued.
- 2. <u>Clarify that employees may only use accrued paid sick time for absences from work within the City of New York</u>. Again, it is clear that the City Council's intent was to affect the terms and conditions of employees working within the City of New York. To make this clear, Section 20-914(a) should be modified to read "An employee shall be entitled to use sick time for absence from work <u>within</u> the City of New York" In the absence of this technical fix, employees might argue that they are eligible to use accrued time for absences from work anywhere in the nation.
- 3. <u>Clarify whether existing employees must be given notice of their rights under the Act</u>. As currently drafted, Section 20-919 only requires employers to provide new employees with a notice of their rights under the Act. That is, the Act does not address providing such notice to existing or continuing employees as of the Act's effective date. This Section should modified to make clear whether existing employees must be provided with such notice of rights.
- 4. <u>Clarify whether a notice posting is required in addition to providing individual employee notice</u>. As currently drafted, Section 20-919 also states that, in addition to providing individual workers with a notice of rights under the Act, employers "may also" conspicuously post a notice of rights at the employer's place of business. Because of the permissive ("may" also) language used by the City Council, this Section should be clarified to read that "<u>In the alternative</u>, [s] uch notice may also be conspicuously posted at an employer's place of business"

Please feel free to contact us directly if you wish to discuss any of these points. Thank you.

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Testimony of Juan Carlos Rivera New York City Council Committee on Civil Service and Labor December 12, 2013

My name is Juan Carlos Rivera, and I am a car wash worker. I have worked at a few different car washes for a total of about eight years. I also have many friends who work at car washes, and talk to them to learn more about different practices at different car washes.

I am here today to explain some observations about the car wash industry that might raise concerns. My testimony is based on my own experiences at car washes as well as what other car wash workers have told me. I'm not an expert and don't know the law, but I can tell you some things that I have heard about or observed at car washes. Hopefully, my testimony will help you put the testimony of today's other speakers into context.

Just like what Miguel described, the car washes I know about have a filtration system that recycles water to use the same water over and over again to wash more cars. The filter is inside a manhole cover on the floor of the car wash. Over time, the filter gets clogged up and needs to be cleaned out or else it will overflow.

I am aware of a few different ways that car washes have cleaned out their filters. One car wash used to put all of the sludge from the filter into special containers that would get taken away by a company. But these containers cost a few hundred dollars. After a while, that car wash began to clean its filter by opening up the pipe that's underneath the filter, turning on the faucet, and letting water rinse all of the sludge down the drain into the sewer.

At one car wash where I worked a long time ago, the other workers and I were asked to clean out the filter and throw the sludge into the sewer. But they told us "nobody can see you do this" as though they needed it to be a secret. At another car wash that I am familiar with, the sludge gets taken into the basement where there is a drain that leads directly to the sewer. The car wash takes the sludge from the filter and pours it down the drain. Disposing of sludge in the city sewer seems to be very common in the car wash industry, because many of my friends who work in different car washes have seen sludge poured into the sewer at their car wash.

I will also tell you what happens sometimes when a car gets damaged at a car wash. I witnessed situations where a car got damaged at a car wash, but when the customer pointed it out, the manager denied it. In these situations, the manager argued with the customer, saying that it didn't get broken at the car wash and refusing to pay for it. Sometimes, the manager would win and the customer would give up and leave. Other times, the customer would argue long enough that the manager would finally agree to replace the damaged part. But even then, the manager didn't always give the customer exactly the right part for the customer's car; they used something cheap or whatever is available.

Thank you for listening to my testimony.

Testimony of Rocio Valerio-Gonzalez Hearing before the Committee on Civil Service and Labor On The Car Wash Accountability Act of 2012 Intro 0852-A

December 12, 2013

My name is Rocio Valerio-Gonzalez. I work for New York Communities for Change. I have been a part of NYCC since September of 2011, and have worked on the car wash campaign since then. Currently I am the campaign coordinator for WASH NY.

We started talking workers in the car wash industry in September of 2011 to learn about their working conditions. From the beginning, we found that workers were concerned about their health and safety. We know that workers need better protection at their workplace and we have strived to solve some of those issues through union contracts. But we know it's not just workers that need better protections. The fact that there is little oversight in the car wash industry means that the communities that live near by car washes and the customers who go to car washes also need be protected. For that reason, the WASH NY Campaign recently conducted another survey asking workers to tell us more about the practices of the car washes where they work or have worked at in the past. In those surveys, we found that it was not just workers at risk- survey responses raised questions about whether the customers and the community as a whole might also be at risk.

In the survey, when we asked workers about whether the water in their car wash was filtered before it went into the city sewer, we found some respondents to the worker survey who indicated that they had seen wastewater flow into the street without being filtered, or who suspected that the filtration system at their car wash was not working properly. For example, one worker at a car wash in Brooklyn said that "the water goes everywhere" - not just into the filter, but also into the street. A worker at a car wash in Queens reported that "sometimes, on busy days, the filter gets plugged up... the water then flows to the city sewers." Other responses as to the filtering system include: "Water goes to other places. Mostly to the drain, but also to other places;" "It doesn't all get caught in the filter;" Almost every worker that we've talked has complained about having to clean out sludge from the canals and other manholes located in the car wash. Workers are often forced to lower themselves without protective gear into confined areas and shovel out sludge collected over a period of a month. Another area of concern is the disposal of sludge - a mixture of grit, chemicals, and other particles which gradually accumulate in car wash filtration systems. Sludge must be periodically cleaned out and disposed of in order to prevent the filter from overflowing. Every worker who responded to the WASH NY Survey said that they had experience cleaning sludge out of a filter or witnessing another worker clean sludge out of a filter.

Workers at 37.5% of the 24 car washes for which surveys were performed reported that sludge is collected by a hazardous waste disposal company. However, workers at the remaining 62.5% of car washes reported that their car wash simply disposes of its sludge along with all of its other trash, throws the sludge into the city sewer, or pushes the sludge into the street. Wastewater filtration and sludge disposal are only two of the many important environmental concerns related to the car wash industry, but they were two of the environmental concerns that workers had observations about. With minimal oversight over the car wash industry, it is difficult to know whether car washes are in compliance with the numerous federal, state, and city laws which protect human health and the environment.

We are also concerned about customers, and one specific concern is about how managers respond when a car gets damaged at a car wash. Reports from workers suggest that managers will do whatever they can to avoid having to pay for damage. A couple of the survey responses revealed that workers had seen managers try to avoid compensating the customer fairly. We also know from workers' reports that workers at some car washes are being forced to pay for damage either out of pocket or from their tip pool.

In order to protect consumers and the environment from the harms caused by car washes, New York City must enact legislation to increase city oversight over the car wash industry. With the industry's current lack of regulation, New York City has no way to know whether car washes are engaged in abusive activity, such as the improper disposal of harmful wastes or the refusal to compensate consumers for vehicle damage. New Yorkers deserve to have confidence in the safety of their health and vehicles when they go to get their cars washed. The car wash industry in New York City is in serious need of reform. Enacting the Car Wash Accountability Act of 2012 (Int. 0852-A) is a step towards regulating the car wash industry. This Act puts in place a basic requirement that car washes apply for and receive an annual license from the Department of Consumer Affairs if they are to do business in the city.

Testimony of Miguel Portillo New York City Council Committee on Civil Service and Labor December 12, 2013

My name is Miguel Portillo, and I am a car wash worker. I have worked at car washes for over five years, at a couple of different locations. I also talk to workers at car washes all over the city, to learn more about different practices at different car washes.

I am here today to explain the types of equipment and chemicals that car washes use, and to explain some observations about the car wash industry that might raise environmental concerns. My testimony is based on my own experiences at car washes as well as what other car wash workers have told me. I'm not an expert and don't know the law, but I can tell you some things that I have heard about or observed at car washes. Hopefully, my testimony will help you put the testimony of today's other speakers into context.

First, I will explain a little bit about how car washes work and where their water goes. At the type of car wash where I work, a conveyor belt pulls each car from the entrance to the exit. The first thing that happens to the car when it goes through the car wash is that it gets vacuumed. Then, workers remove grease from the underside of the car, the bumpers, and the wheels using a brush and a strong soap that's diluted with water. That's the type of work that I have usually done. After that, it goes past a bunch of machines which squirt different things onto it: soap, polish wax, hot wax, Rain-X. There are also automatic brushes and water squirting out from all sides. The water that is coming out during this part of the car wash is dirty water because it gets reused over and over to clean more cars. It goes through a filter, but the water is noticeably brown. I have observed that sometimes the water coming out of the bathroom sinks is the same color brown as the dirty water during the car wash process; you can't drink it. The only time that clean water is used is at the very end of the car-wash, when cars are given a final spray of water that appears to be clean. After that, the inside of the car is scrubbed with very strong chemicals. We do not dilute the chemicals before we use them. Sometimes workers who do this job have complained to me about problems from breathing in all the chemicals, like burning in their nose or even acne from being around all of the chemicals all day. Before the car gets handed back to the customer, the worker will turn on the heat or air conditioning up high and make sure that the chemicals are dry so that the customer doesn't have to breathe it in.

Along the entire length of a car wash, there are two canals. The canals are narrow but they are very deep – probably about my height, which is 5 feet and 9 inches. These canals collect the water after it is squirted onto the car. In the part of the car wash where the water gets reused, the water eventually passes through a filter which is basically a tube that looks kind of like a muffler, which is stored inside a manhole cover. After the water goes through the filter, it gets squirted up again onto new cars.

Sometimes, on busy days when a lot of cars are being washed, the filter system gets clogged and then the water rises. The car wash can't allow it to go all the way to the top, because then the machinery would get damaged, so they get a snake – a curly machine that's almost like a drill – and unclog it.

Over time, mud, chemicals, and other grime will build up in the canals. It starts to smell really bad after a while, so it needs to be cleaned about every month to month and a half. The actual filter doesn't get cleaned quite as often – maybe about every four months.

Like I said before, there are two different types of water used at the car wash: clean water and recycled, dirty water. Both the clean water and the dirty water go into the same canals, but the canals are divided into two sections with a divider that's kind of like a two-by-four. The clean water from the car wash is allowed to just run out of the canals onto the street.

When the canals are cleaned out, workers go down into the canal and stand inside it, and sweep out all of the sludge that collects down there. I know of instances where the two-by-four dividing the clean side from the dirty side has been taken out of the canal, and the sludge has just been swept all the way down the canal and out into the street.

One other thing I'd like to discuss with you is that some car washes seem to not have a good policy in place for dealing with damage to vehicles. At my current car wash, the manager does the right thing and pays the customer for the damage directly. But at other car washes, it gets taken out of the tip jar or workers have to pay out of pocket. Once, at a car wash where I used to work, one car crashed into another car so the owner said that nobody was allowed to have their tips for a week.

Thank you for listening to my testimony.



Testimony of Joanna Laine regarding Int 0852-A The Car Wash Accountability Act of 2012 Hearing before the Committee on Civil Service and Labor December 12, 2013

My name is Joanna Laine. I am a law student intern at Make the Road New York.

I am here today to discuss the mistreatment of consumers by New York City car washes. Primarily, I will discuss research which my organization, Make the Road New York, conducted in order to investigate consumer complaints regarding car wash misconduct. What we found is that car wash customers often reported frustration with the apparent indifference of management to their concerns. This was especially prominent in the area of vehicle damage – many consumers reported that their vehicle was damaged at the car wash, and managers refused to fix it or compensate for it.

When conducting this research, we surveyed 284 online customer reviews describing customer experiences at 54 New York City car washes. We found the reviews on popular consumer forums, including YELP, Yahoo! Local, City Search, Insider Pages, and Google+. 148 of the reviews—more than half of them—were complaints. As we read them, we found the same types of stories repeated over and over. The most prominent of these stories is that consumers repeatedly reported that car wash managers do whatever they can to avoid paying for damage done to vehicles.

Almost a quarter (24.2%) of customer complaints dealt with damage to a vehicle. A car wash customer in Brooklyn described the indifference of management:

"They damaged my auto and I required a tow truck to get my vehicle off their premises! To make matters worse, their 'manager' was useless, none of the workers would assist me in any way and I was stuck trying to locate a tow truck and repair shop on my own."

A customer at a car wash in Queens echoed that experience:

"While washing my car another car (yellow cab) was parked too close and when opening the door one of the workers dented my car. They never fixed it for me."

The cost to individual consumers can be quite significant. For example, a customer a Brooklyn car wash explained:

"I paid \$50 for the carwash and they broke my \$250 car key. [T]he manager didn't want to help. [H]e just told me to file a police report."

Unfortunately, car wash customers report that car wash managers are unmoved by threats of police action. For example, a customer of one Manhattan car wash explained:

"Car wash machine malfunctioned in the middle of the wash, slamming my car into the vehicle in front of it. I now have cracks in the middle of the grill and the

hood was lightly bent. The owner of the shop negated all responsibility for this incident. ... To add insult to injury, he still forced me to pay for the wash. When I threatened to call the police, he mentioned that it has happened before, police can do nothing with regard to these incidents."

Another consumer at a car wash in Manhattan attempted to file a police report after having a conflict with a car wash manager, and lamented that filling the police report "did nothing."

In addition to the repeated instances of customer complaints related to the refusal of managers to compensate the customer for damage to their vehicle, there are also some isolated reports of managers swindling customers in other ways. For example, a customer at a car wash in Manhattan said:

"They refused to honor my Groupon. They're that scammy. So they collected all the Groupon income and then refused to honor the certificates."

Other problematic reports include car washes that peddle unnecessary services and/or tack on unexpected costs to the car wash bill, and a lack of onsite supervision by car wash managers – 7.4% of complaints reported that the consumer struggled to get in touch with a manager. Further, 37.8% of complaints state that car wash managers, if available, don't listen or pay attention to their requests or complaints

It is clear that misconduct at car washes exacts a cost on customers, whether due to vehicle damage, poor service, or deceptive business practices. As is common, we expect these costs hit low-income New Yorkers hardest. This type of mistreatment is simply unacceptable. New York City must protect car wash consumers by passing legislation such as the Car Wash Accountability Act.

The Car Wash Accountability Act would help protect consumers by requiring car washes to be licensed and overseen by the Department of Consumer Affairs. As part of this licensing requirement, the commissioner of the DCA "shall refuse to issue a license to an applicant who lacks good character, honesty and integrity." In addition to this general provision, car washes would be required to keep a detailed log documenting consumer complaints of damage to vehicles and the manner and amount of compensation. Car washes would also be required to obtain a surety bond which would guarantee payment of any judgments against the car wash, including those brought by consumers.

New York City must develop oversight over the car wash industry in order to protect car wash consumers from vehicle damage, mistreatment, and poor service at car washes. Thank you very much for your time and consideration.

Joanna Laine Law Student Intern, Make the Road New York

TESTIMONY IN SUPPORT OF TECHNICAL AMENDMENTS TO THE PAID SICK TIME BILL Int. No. 1208-A

Submitted by Sherry Leiwant, Co-President, A Better Balance

Thank you for the opportunity to testify on the technical amendments to the earned sick time bill that this Council passed in May and made law by override of the Mayor's veto in June. The earned sick days law appears at Section 20-912 of the administrative code of the city of New York, added by local law 46 for the year 2013.

I was part of the negotiating team that developed the final agreement with Speaker Quinn on earned sick days last March and then negotiated the final language of the bill along with Alison Hirsh, Amy Carroll, Ady Barkan, Jared Make, Gale Brewer, Shula Warren, Laura Popa, Matt Carlin and Terza Nasser. I can assure you that we all worked long and hard on every aspect of this bill, literally day and night, and that everyone was operating in good faith with respect to the elements and language of the bill. Nevertheless as often happens when there were as many details as there are in this earned sick time bill, mistakes can be made.

This is what happened with this bill. Our negotiations resulted in the agreement that certain manufacturing workers would receive unpaid, job protected sick days although not paid sick days. The bill was written to exclude manufacturing businesses that met certain Federal definitions from the definition of "employer." (The exclusion being "(iv) any employer that is a business establishment classified in section 31, 32 or 33 of the North

American Industry Classification System.") The bill then went on to require that certain employers were to provide paid sick time and all other "employers" were to provide unpaid sick time. Because certain manufacturing employers were defined out of the

definition of "employer," therefore, their workers were not covered by the technical language of the bill either for paid or unpaid sick time.

This was not our agreement. The technical amendments will revise the law in a straightforward way to exclude manufacturing employers from having to provide paid sick time but saying that all other EMPLOYEES (which would include employees of excluded manufacturing employers) receive unpaid sick time.

This fix is necessary to effectuate the agreement made with respect to this law and to insure that manufacturing workers are not totally excluded from the benefits of being able to stay home sick without risk of being fired.

Thank you for this opportunity to testify, for making these technical corrections, and above all for passing a paid sick days bill that will cover millions of workers in one form or another in the city of New York.



Testimony of Benjamin Locke on Int 0852-A The Car Wash Accountability Act of 2012

Hearing before the Committee on Civil Service and Labor December 12, 2013

Benjamin Locke Staff Attorney, Make the Road New York

My name is Benjamin Locke. I am a staff attorney with Make the Road New York. Make the Road is the lead author of the Car Wash Accountability Act.

The testimony we have heard today highlights a range of possible misconduct taking place at New York City's car washes. Consumers report unscrupulous business practices. And workers are reporting suspect environmental practices. In 2012 this Committee also heard testimony raising concerns about compliance with environmental health and safety standards and worker rights. When it comes to New York City's car wash industry, it seems the old adage holds true: The more you dig, the more dirt you come up with.

That is to say, we don't know the full range of bad practices that take place at car washes. And we can only begin to calculate the toll they take on the City. The research and testimony presented today tell only a part of the story. But we know enough to conclude that this is an industry that needs oversight. With City oversight, we can begin to tally non-compliance and finally rein in car washes.

The bill proposed here is intended to create a mechanism for doing this. As the Committee is aware, this is a proposal to extend the licensing requirements of the Department of Consumer Affairs to cover car washes. The Department of Consumer Affairs is the most appropriate agency in which to house oversight authority. Under New York City's Licensing Law, the DCA already oversees 78,000 business in 55 industries. Tow truck companies, garages, parking lots, and car booters must all have licenses to operate. Car washes would be a very logical addition to this list. Moreover, the DCA has legal authority to enforce wide-ranging reporting requirements, which would go a long way toward bringing transparency to an industry whose opacity otherwise shields it from effective scrutiny.

The DCA also has the power to require businesses to supply proof of compliance with laws that are ordinarily the province of other agencies. For example, under the Licensing Law, laundry operators must demonstrate compliance with the building code and the health code. The DCA's authority to examine compliance across a broad range of practices means that the City can identify and target the worst offenders in the industry.

Car wash licensing requirements are already in force in other jurisdictions. California's experience is perhaps the most germane to today's discussion. California's licensing law also emerged from a car wash campaign. It was passed in 2003 and set to sunset at the close of 2006.

The sunset has since been extended twice. And most recently, this past October, the sunset provision was eliminated, thus making the licensing requirement permanent. The licensing requirement has also ushered in the start of a transformation of the industry. Within the first four years of the law's statewide enactment, the percentage of car washes deemed to be in compliance went from 18% to 63%. The main industry group retreated from its outright opposition to the law and car wash operators even went on the record calling for stronger enforcement so that rogue operators would not gain an advantage over compliant car washes. It is our belief that a licensing requirement would have the same effect in New York City. By rewarding good conduct and targeting bad conduct we can turn honest car wash operators into the reformers of their industry.

The bill addresses the issues we heard about today. It requires proof of compliance with rules on wastewater discharge. It also requires that car washes maintain a log documenting consumer complaints. But it also incorporates broader transparency requirements. Car washes are required to disclose corporate information and the identities of their officers. In our experience with car washes, this information is often difficult to track down. Also, car washes are required to furnish proof of insurance coverage. By introducing new transparency to the industry, these provisions will promote compliance, inform consumers, and provide the wherewithal for effective enforcement.

In sum, New York City's car wash industry is in need of oversight. The Committee has heard about a range of bad practices impacting New Yorkers' general welfare and their pocketbooks. The Car Wash Accountability Act would hold car washes to a new standard of transparency and oversight, one that numerous other businesses follow while competing successfully and contributing to the life of the City. The result will be a marketplace that rewards integrity and good business practices for the benefit of all New Yorkers.

THE COUNCIL THE CITY OF NEW YORK

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THE COUNCIL THE CITY OF NEW YORK

	THE CITY OF NEW YORK
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	Date: 12/12/2013
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	19 Franklyn Ave, Bronz NY 10056
	NASH NY
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Name: MIGHE POITHO	
Address: 9840 544 Aul Owens 11368	
I represent: NACH NY	
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Please complete this card and return to the Sergeant-at-Arms	4
THE CITY OF NEW YORK	
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I intend to appear and speak on Int. No. 852 Res. No.	
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Name: JACK CARAVANOS	1. 5
Name: JACK CARAVANOS Address: 333 FAT SS STREET NIC 10022	<u></u>
Name: JACK CARAVANOS Address: 333 FAST SS STREET NIC 10022	1. P.
Name: JACK CARAVANOS). ! !C