



**OFFICE OF THE DISTRICT ATTORNEY
COUNTY OF KERN**

**CIVIL ENFORCEMENT &
WHITE COLLAR CRIME SECTION**

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FOR IMMEDIATE RELEASE
Press Release #51

**\$3.7 Million Settlement Announced to Address
Illegal Dumping of Hazardous Waste**

Pep Boys Violated State Environmental Protection Laws

BAKERSFIELD – District Attorney Cynthia Zimmer announced today, September 30, 2019, that her office and eight other District Attorney’s offices have obtained a \$3.7 million settlement with The Pep Boys Manny Moe & Jack of California to resolve allegations that the company violated state laws governing hazardous waste, and hazardous materials, by routinely and illegally disposing of automotive fluids, used motor oil, and other hazardous wastes into company waste bins destined for municipal landfills not authorized to accept hazardous waste. The lawsuit also resolves allegations that Pep Boys routinely failed to shred customer records containing confidential information before disposing of those items into the trash.

Notified of the settlement, District Attorney Cynthia Zimmer commented that “Laws governing the proper disposal and treatment of hazardous waste are designed to protect us all, and the District Attorney’s Environmental Enforcement Unit will continue to partner with other counties throughout the state to investigate and hold accountable companies that fall short of the law’s requirements.”

For more information, please see the attached press release issued by the Alameda County District Attorney’s Office (which was the lead agency in the investigation), and please contact Supervising Deputy District Attorney Michael Yraceburn of the Environmental Enforcement Unit of the Kern County District Attorney’s Office.



Office of the District Attorney, Alameda County
Nancy E. O'Malley, District Attorney



PRESS RELEASE

For Immediate Release – September 30, 2019

\$3.7 Million Settlement Announced to Address Illegal Dumping of Hazardous Waste

Pep Boys Violated State Environmental Protection Laws

Oakland, Ca - Alameda County District Attorney Nancy E. O'Malley today announced a \$3.7 million settlement against The Pep Boys Manny Moe & Jack of California (Pep Boys) to resolve allegations that the company violated state laws governing hazardous waste, and hazardous materials, by routinely and illegally disposing of automotive fluids, used motor oil and other hazardous wastes into company waste bins destined for municipal landfills not authorized to accept hazardous waste. The lawsuit also resolves allegations that Pep Boys routinely failed to shred customer records containing confidential information before disposing of those items into the trash.

District Attorney O'Malley previously announced a \$9.86 million statewide settlement with O'Reilly's Auto Parts (November 2016) and an \$11 million statewide settlement with AutoZone, Inc. (June 2019) for similar violations of California's hazardous waste laws.

Pep Boys is an automotive service retailer and distributor of automotive replacement parts, accessories, and engine additives in North America. In California it owns or operates approximately 151 retail facilities and a distribution center.

The investigation of Pep Boys was initiated and led by the Alameda County District Attorney's Office Environmental Protection Unit. From April 2014 through November 2017, inspectors from the Alameda County District Attorney's Office Environmental Protection Division, investigators from other district attorney offices, and environmental regulators statewide, conducted a series of undercover inspections of waste bins originating at 19 separate Pep Boys facilities. These inspections found numerous instances of unlawful disposal of hazardous waste including automotive fluids, batteries, aerosol cans, electronic devices, used oil, and other regulated hazardous waste. Pep Boys also violated laws protecting vulnerable confidential consumer information by unlawfully disposing of customer records without having rendered personal information unreadable.

When Pep Boys officials were notified by the prosecutors of the unlawful disposals, they fully cooperated and quickly responded to enhance company policies and procedures designed to eliminate the improper disposal of hazardous waste products in California. Stores are required to properly manage hazardous waste, and to retain their waste in segregated, labeled containers so as to minimize the risk of exposure to employees and customers and to ensure that incompatible wastes do not combine to cause dangerous chemical reactions. Hazardous waste produced by California Pep Boys stores through damage, spills and returns is being

collected by state-registered haulers, taken to proper disposal facilities and properly documented and accounted for.

The settlement requires a monetary payment of \$3.7 million. This consists of \$1.815 million for civil penalties, \$260,000 for supplemental environmental projects, and \$425,000 for reimbursement of investigative and enforcement costs. Pep Boys gets a credit of \$1.2 million against the penalties if it undertakes at least \$2.4 million in environmental enhancement work not required by law. In addition, the settlement includes provisions requiring Pep Boys to undergo a trash receptacle audit to ensure hazardous waste and confidential consumer information is properly disposed of at all facilities. The results of the audit must be shared with the public. The company must also comply with 23 injunctive requirements to comply with environmental protection and confidential consumer information protection laws.

Joining District Attorney O'Malley in this lawsuit are the District Attorneys of Kern, Orange, San Bernardino, San Diego, San Joaquin, San Mateo, Ventura and Yolo Counties.

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