

BULLETIN

COLORADO AUTOMOBILE DEALERS ASSOCIATION



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Tariffs

Association Update

Auto Show & Career Fair

April 2025 | Bulletin



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2025 EVENTS CALENDAR

January - May	Colorado Legislative Session	
February 12	Q1 Board Meeting	✓
April 17-20	Colorado Auto Show - Industry Night	✓
June 11	Q2 Board Meeting	
June - August	Regional Meetings	
Sept. 8-10	Project DC & Q3 Board Meeting	
October 8	Golf Event - Clear the Air Foundation	
November 13-14	Strategic Planning Retreat	
November 13	Colorado Automotive Hall of Fame	
December 10	Holiday Luncheon & Q4 Board Meeting	

More details will be provided about each of these events. For questions, please reach out to Margo Finer at margo@colorado.auto.



Jeff Taylor
Chairman of the Board

Navigating 2025: An Auto Industry Outlook Amid Tariffs, Labor Shifts, and Supply Chain Challenges

Closing the books on the first quarter of 2025, the automotive industry confronts a complex landscape shaped by evolving trade policies, labor dynamics, and supply chain disruptions. Collectively, this influences sales trajectories, cost structures, and overall dealer profitability in unpredictable ways, leaving the headache of the unknown having more of an effect on dealers than the actual rises and falls in the economy.

This year started out hot. Demand was high, and even considering expiring purchase incentives on EVs, we experienced one of the best Februaries in the last several years. Still, U.S. automakers have exhibited caution, with GM withdrawing its annual forecast amid market uncertainties.

However, all along tariffs have been the 800 pound gorilla in the room. The reinstatement of a 25% tariff on 'non-American' vehicles and parts by the Trump administration has disrupted established supply chains, particularly affecting manufacturers reliant on components from Canada, Mexico, and China. In response, Trump introduced relief measures, including credits up

to 15% of the value of domestically assembled vehicles, applicable against imported parts. Additionally, tariffs on vehicles and parts will no longer be compounded with existing levies on steel, aluminum, and goods from Canada and Mexico, mitigating some cost pressures. However, the constant press on the 'will he or won't he' conversation has shaken consumer confidence when it comes to making larger purchases. Therefore, while tariffs are still 90% rumor, the consequences are becoming very real.

Tariffs have also prompted across-the-board price increases. Major brands, including Ford and Volkswagen, have raised vehicle prices to offset heightened production costs. NADA estimates that the overall effect of tariffs, if enacted as introduced, could be between \$2,000 and \$10,000 per vehicle. That number will be adjusted following Trump's walk back of levies on steel and aluminum.

The lingering effects of the global chip shortage also continue to slow production schedules, leading to inventory shortages and delayed vehicle deliveries. Manufacturers are grappling with balancing supply constraints against consumer demand, striving to maintain market share while navigating these disruptions.

An often-overlooked aspect of tariffs is their goal of bringing manufacturing back to the United States. We seem to forget that the reason production left in the first place was because of the high – and increasing – costs of labor. The 2023 United Auto Workers strike culminated in significant wage increases and the elimination of tiered employment systems, elevating average labor costs to approximately \$65 per hour. While these changes enhance worker compensation and morale, they also intensify cost pressures for automakers, particularly as they invest heavily in electric vehicle (EV) development and production. This is especially important in Colorado, as the legislature begins poking around the edges of our Labor Peace Act, which has been in place for decades to keep stability in our market.

At the end of the day, when the conversation is around national policy, specifically pertaining to manufacturers, dealers are in a position of disadvantage when it comes to controlling their own fate. But we have been here before. Many times. And each time our resilience and customer first approach has helped us thrive through the national turmoil. Tariffs will be no different. Just as the threat of tariffs propelled a monster weekend at the end of June to boost our first quarter numbers, dealers will find a way to meet consumers' needs as the on-again-off-again soap opera of international trade progresses.



Matthew Groves
President/CEO

Catching Up

With the Colorado legislature in its final days, the Auto Show wrapping up, and federal policy kicking into high gear, it has been difficult to raise our heads above the small fires and get a glimpse of the entire forest. When many of you call, it feels like we're rattling off bullet points of the issues we face, instead of simply answering the question, "how's it going?" I wanted to take a breath here to expand on some large-scale issues in front of your Association this spring.

1. Strength of the Association

Objectively, things are going very well at CADA. We have had two consecutive years of budgetary surplus, allowing us to partially replenish our reserve fund. A gap in DMV data used to assess dues in 2024, has been resolved. The only damage was that some of you will have gotten discounted dues in Q1 of 2025. In a time of tightening margins, we considered that a small win.

After rolling over nearly the entire CADA staff in '23-'24, we are 16 months with no terminations, resignations, or new hires outside of our annual government affairs fellowship. This stability has allowed for greater focus on big picture issues.

2. CADA Headquarters at 290 East Speer Boulevard

CADA cut ribbon at its headquarters on August 1, 1998 – according to the Guest book that I found in storage this week. Evidently, some of you were here to ring in a groundbreaking corporate headquarters with the feel of a home. It has served us very well for the last quarter century plus, with event space that has kept us in the center of the civic and political conversation in Denver.

That said, the Board has been slowly discussing the advantages of being in downtown Denver, against the costs of maintenance and difficulty of doing business in the City and County of Denver. No decisions have been made, and all options are on the table. But as we develop a menu of options for Directors, we would appreciate your feedback on the virtue of preserving legacy, versus embracing a fresh start. As we determine the economics of each option, we are happy to keep you updated on the situation. Please direct feedback to me, or your District Director.

3. The Rocky Mountain Bank Note

If I told you – in the abstract – that owning a paper company in 2025 was a challenge, you'd

justifiably laugh at me. Still, CADA has owned and operated the 645-ARB and 649-RISC since 2016. We have overseen compliance and digital transition with licensing agreements in seven DMS systems. We have expanded the offering into a variety of dealer protection forms.

As the world becomes increasingly globalized and interconnected, we must ask ourselves, “for how long will holding this state-specific asset be a successful proposition?” As we theorize the company’s future, we remain optimistic about finding a solution that will balance dealers’ needs with the relative utility of a Colorado contract.

4. NADA’s/General Motors Effort to Overturn California Emissions Standard

You’ve heard by now that the U.S. House of Representatives has introduced a Congressional Review Act to receive a first vote today, Wednesday, April 30th. This resolution seeks to invalidate the California Air Resources Board’s (CARB) mandate that 100% of vehicle sales become electric by the year 2035.

While certain government entities have expressed doubt that a Congressional Review Act can accomplish its intended purpose, NADA and its legal team are confident that moving forward will provide the desired outcome. Therefore, you will likely be requested to make outreach to targeted representatives in Colorado – namely Brittany Pettersen (CO-07). Rest assured; CADA has also made outreach to all of our representatives with whom we are in close contact.

We will note that atop the federal efforts, the Governor of Maryland also approved a 2-year

enforcement delay for companies failing to meet the California standard. We have engaged Governor Polis’ office on the status of Colorado’s ZEV rule – slated to take effect in Model Year 2026. We will continue those efforts regardless of the outcome of the federal action.

5. Status of Colorado’s Affiliate Legislation

In our last Bulletin, we lauded Senate Bill 160, to prevent manufacturers from selling direct through straw man companies, had passed the Senate on a 23-12 vote. In the meantime, we received opposition from the Governor’s office as well as a slew of environmental organizations that did not matriculate in other states. We held our first Committee hearing in the House on April 16, but delayed a vote, as one of the 13 members on Committee was missing from the hearing.

The reality is, even had we pushed through the House, the bill would have gone on to the Governor. He then has the ability, within 10 days, to sign or veto. Had he waited 9 ½ days to veto, a realistic outcome, we’d have had to go back to the Legislature with only 2 days left in the term. The clock would have run out with the last action being a negative one.

Instead, we are going to take the summer months to hold Legislative Grassroots Meetings with those new members we’ve not yet met and try to solidify our support in both houses so that next year our margins of passage might deter the Governor from attempting to veto.

Additionally, in the meantime, the California New Car Dealers Association has filed a lawsuit against Scout in California, joining the

one filed in Florida. A judicial determination that Scout and VW are one in the same would dramatically flatten opposition to the notion that Scout is independent, and thus, permitted to sell direct anywhere in America.

6. Auto Shows throughout Colorado

On April 20, 2025, we closed the door on the 119th annual Colorado Auto Show (née: Denver Auto Show). While numbers won't be final for approximately 30 days yet, we feel we are making strides in reversing the trends of diminishing auto shows throughout the country.

I would be remiss in not thanking a few dealers who provided display vehicles for us after manufacturers and LMA's declined. Greg Larson with Maserati, Shawn Evans with Porsche, William Johnson with Lexus, Todd Maul with Bentley/Lotus, and Thom Buckley with INEOS.

However, in addition to those dealers, and our recent partnership with the Boy Scouts to hold a pine box derby, we've found success in our partnerships with other Auto Shows. The Automezzi provided a display of its Italian heritage and supercars. Man Cave, a frequent participant, gave us a display of classic and custom cars. Finally, Down to Earth, provided a look at the offerings of the low-rider community.

To wrap up, I am happy to provide you all with periodic updates on what is going on at the Association. However, the phone calls and written correspondence I've shared with many of you during our legislative push this year left me feeling very grateful that each of you continue to respond so positively to CADA's

outreach. Many of our conversations went well beyond the task of the day. I have learned more about many of your dealerships and their history in the four months of 2025 than I have in my 5 ½ years as your General Counsel. I look forward to continuing these conversations this summer as we resume regional meetings and individual dealer visits.

Where our unity is our strength,
you've all left me feeling as though
CADA is in an incredibly strong
position right now.

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Jackson Piggott
Bill Barrow Fellow
for Government Affairs

SB25-005: A Threat to the Business Landscape in Colorado

While this legislative session has been especially active for our industry, a few bills stand out for their potential impact. One such bill is Senate Bill 25-005, also known as the Public Sector Collective Bargaining Act. Currently under debate in the Colorado Legislature, this proposal has sparked significant concern across the business community. This bill seeks to eliminate the second-election requirement under the Colorado Labor Peace Act, making it easier for unions to gain recognition and force workers to pay union dues, even if the initial vote fails to garner sufficient support. The bill, which has passed the Senate earlier this year, is now under consideration in the House, where it faces strong opposition from business leaders across the state.

Legislative Background

The Public Sector Collective Bargaining Act was introduced with the intention of simplifying the unionization process for public sector employees, especially by removing the second-election hurdle currently in place. The second vote, required by the existing law, ensures that unions can only gain recognition after a super majority of workers support the union. By eliminating this safeguard, proponents argue that workers would gain easier access to union representation.

However, this change has drawn significant criticism from employers, especially in

industries like automotive retail. The proposed law could drastically alter labor relations in Colorado by empowering a small group of workers to impose union representation on the entire workforce, even if a super majority of employees do not want it. This shift could have a profound impact on employers' ability to maintain workplace flexibility and manage their businesses effectively.

The Business Community's Opposition

Business groups, including the Colorado Chamber of Commerce and the Denver Metro Chamber of Commerce, have strongly opposed SB25-005. Their opposition stems from the potential impact the bill could have on businesses' ability to operate in a competitive environment.

For many businesses, including those in automotive retail, unionization can create significant challenges. These include rising operational costs, reduced staffing flexibility, and a more adversarial relationship between management and employees. This could stifle innovation and customer service, particularly in industries where adaptability and employee morale are essential to success.

Moreover, the bill's provision to eliminate the second election in unionization efforts is seen by many as undemocratic. This provision could force businesses to accept union representation even if a significant portion of

the workforce is opposed to it. It also limits employees' ability to make a free and fair decision on whether to unionize, which is a key concern for business leaders.

Governor Polis's Position and Potential Compromise

Governor Jared Polis has expressed support for expanding workers' rights but has acknowledged the concerns raised by the business community. While he has not completely rejected the bill, he is reportedly working to broker a compromise. Polis has repeatedly stated that any final version of the bill must strike a balance between protecting workers' rights and addressing the legitimate concerns of employers.

As of now, there have been no definitive solutions presented, and negotiations continue. The governor's willingness to negotiate a middle ground indicates that there may be amendments to the bill in an attempt to satisfy both labor groups and business interests. However, the bill in its current form remains a significant concern for businesses in Colorado, and its potential passage could lead to unintended consequences for the state's labor market.

Impact on Colorado's Dealerships and Business Landscape

For Colorado's automotive dealerships and other employers, SB25-005 represents a significant shift in labor law that could change the way businesses operate. The proposed law's elimination of the second vote requirement could lead to more union representation and forced dues, potentially increasing costs for employers and affecting the already declining business climate in the state. With the potential for higher labor costs and stricter regulations on workplace dynamics, businesses could face more challenges in adapting to a rapidly changing marketplace.

The Road Ahead

As SB25-005 progresses through the legislative process, it is crucial for business leaders to remain engaged in the conversation. Multiple business associations are actively advocating for modifications to the bill that would allow employers to retain flexibility in labor relations while ensuring that workers' rights are respected.

The final version of SB25-005 will have lasting implications for labor relations in Colorado, making it a critical issue for businesses across the state. CADA continues to monitor developments closely and will provide updates as new information becomes available.



Eric Beutz
Board of Directors
Colorado Auto Show, Chair

2025 Colorado Auto Show

This year's Colorado Auto Show was this month and went off without a hitch! Saturday was especially busy, with packed crowds exploring the latest vehicle models, testing out adventurous rides, and engaging with a wide range of exhibits and special features.

One of the major highlights of the show was the newest section, Colorado Adventure, a wildly popular new attraction that featured boats, RVs, and 4-wheelers. The interactive experience brought a whole new level of fun and engagement to the show floor, drawing in families and thrill-seekers alike. Attendees were excited to hop aboard and imagine their next big outdoor adventure. It's safe to say this addition will be a staple in future shows.

We also had the joy of partnering once again with Subaru Loves Pets, and thanks to their heartwarming efforts, 11 adorable puppies found their forever homes. These pups were sourced from local shelters such as the Humane Society of the South Platte Valley, emphasizing the strong ties between our auto community and local rescue efforts. It was a feel-good addition that added both smiles and wagging tails to the event.

Our Industry Night and the Career Fair on Friday were another strong indicator of the health and future of the automotive industry in Colorado. The turnout from both aspiring technicians and participating dealerships demonstrated a

shared commitment to investing in the next generation of auto professionals. Whether students were networking with service managers or taking their first steps toward apprenticeships, the message was clear: the industry is growing, evolving, and welcoming fresh talent.

This year's show also offered more than just vehicles to look at—it gave attendees the chance to get behind the wheel. Test drives were available from Mercedes-Benz, Toyota, Dodge, Jeep, Ram, Chrysler, and Alfa Romeo, providing guests with hands-on experience and real-time impressions. One of the most buzzed-about attractions was the Ford Driving Simulator, which drew long lines and plenty of cheers. It was a hit with both kids and adults and added an exciting, immersive element to the show floor.

Another major success was the official rebrand from the Denver Auto Show to the Colorado Auto Show. The response was overwhelmingly positive. The new name reflects the growing statewide reach of the event and aligns with its broader vision. With more manufacturers, interactive exhibits, and attendees from across Colorado, the new identity sets the tone for the future—this show isn't just for Denver, it's for everyone who loves cars and adventure in the Centennial State.

We also saw a slight increase in manufacturer participation, with 22 brands represented this

year, including the triumphant return of Cadillac after a brief hiatus. Attendees were thrilled with the variety, and we received a lot of support and encouragement to continue growing. That said, there was disappointment over Honda's last-minute withdrawal, and many guests voiced hopes to see BMW and Audi return in 2026.

Finally, none of this would have been possible without the incredible support from our dealers, sponsors, and staff. Special shoutouts go to William Knowles and Steve Powers, who brought unmatched enthusiasm and commitment to the event. To everyone who participated, promoted, and believed in the Colorado Auto Show—thank you. We're already looking forward to what's next.





Mark Zeigler
Clear the Air
Foundation Director

Sponsored by:



Career Fair at the Auto Show

The Automotive Career Fair was a success! Even with inclement weather, we had over 100 students and 10 dealership participate. This was a great event that paired automotive technician students with potential employers. I'm sure many hires will come about as a result of this event. The level of student engagement was high, and I heard from many of the dealership representatives that they were impressed with the format and are already looking forward to participating in the next career fair.

The foundation conducted a drawing, and awarded a \$2,500 tuition scholarship to Oscar McKraig, who attends school at Front Range Community College Larimer campus. He is thrilled beyond words with what that means for his ability to stay in school. Congratulations Oscar!

Mike Brunken with Snap-on Tools donated \$2,500 worth of tools that were given away to several lucky students.

If you would like to participate in the next career fair, please reach out with contact information.

Finally, some more good news: Clifton Hill with Mountain States Toyota received a \$2,500 tuition scholarship in March!



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YOUR SOURCE FOR DEALER EDUCATION

Environmental Compliance Overview for Auto Body and Repair Shops

Auto body shops in Colorado may be subject to various air, waste, and water regulations. This fact sheet provides an overview of the environmental regulations that may apply to your business*.

Scan the QR code to view the digital version and access resource links:



Air Emissions Requirements for Paint Stripping, Surface Coating, and Parts Cleaning

Auto body and repair subjects may be subject to various air regulations due to their use of volatile organic compounds (VOCs) and Hazardous Air Pollutants (HAPs¹). These chemicals can be found in paints, coatings, thinners, and solvents used in automotive operations. When these products are used, the VOCs and HAPs can be released to outside air and be detrimental to human health and the environment.

Paint stripping and surface coating are the most likely operations that would trigger air emissions requirements for auto body and repair shops. If your facility uses solvents for auto parts cleaning, you may also fall under certain air requirements. Using citric acid or other low-VOC cleaning solutions may reduce this need.

Review the sections on calculating your air emissions, and state and federal requirements to learn more about air regulations for paint stripping, surface coating, and parts cleaning.



CALCULATING YOUR AIR EMISSIONS

Your actual uncontrolled VOC and HAP emissions determine what Colorado air regulations will apply to your facility. Often, your paint supplier can provide an “Annual VOC and HAP Report” based on your purchase records, which is the easiest way to decide what regulations would apply to you. If you have questions, we recommend reaching out to the Small Business Assistance Program (SBAP), as they are structured to support you in figuring out exactly what regulations may apply to your facility.

If you're interested in calculating this yourself, the guidance document, “A Simple Guide to Calculating and Reporting your VOCs and HAPs” provides an overview of this process.



***Example:** While the VOC content changes from paint to paint, a facility that has an annual use of 200 gallons of paints and lacquers, 60 gallons of thinners, and 20 gallons of cleanup solvents is likely above the 1 ton/per year threshold for an APEN.*

1. See [Appendix B](#) of Regulation No. 3 for a full list of Hazardous Air Pollutants

*This fact sheet is meant for educational purposes and is not intended to be an exclusive source for the environmental requirements to which auto body and repair shops may be subject.

COLORADO AIR POLLUTION EMISSIONS NOTICE AND AIR PERMIT

You may be required to submit an Air Pollution Emissions Notice (APEN) or Air Permit based on your facility's emissions. If your emissions exceed any of the thresholds listed in Table 1 or 2, you will need to complete the associated report. Consult the APEN and Air Permit guidance to assist with your submission.

Table 1. APEN Reporting Thresholds	Attainment (tons / year)	Nonattainment (tons / year)
Criteria Pollutants (NOx, Ozone)	2 (~500 gallons*)	1 (~280 gallons*)
Other Criteria Pollutants (CO, SOx, PM 2.5/10, etc.)	2	1
Non-Criteria Pollutants (HAPS and other reportable pollutants)	250 pounds per year of any individual non-criteria reportable pollutants	

Table 2. Air Permit Reporting Thresholds	Uncontrolled Actual Emissions (tons / year)	
	Attainment Area	Nonattainment Area
VOC	5	2
PM 2.5/10	5	1
TSP, CO, SOx, NOx	10	5
Non-Criteria Pollutant (HAP)	10 per each pollutant	

*Note: the number of gallons in Table 1 is based on an average density of 7.0 pounds per gallon of VOC (ozone precursor).

VOC REDUCTION REQUIREMENTS

Regulation No. 7 requires businesses in nonattainment areas to reduce VOC emissions using Reasonably Available Control Technology (RACT). These requirements may include using low VOC or high-performance coatings, High Volume Low Pressure (HVLP) spray guns, or other technology that will achieve a high degree of emission control for your operations. RACT should be included with your APEN submission and air permit. A RACT Analysis may include the following information:

1. Actual (uncontrolled) and Requested (considering growth) VOC emissions (tons / year)
2. Types of controls
3. Cost of controls: (ranked on a cost-per-ton basis)



Tip: You can reduce your HAP and VOC emissions by switching to water-based paints.

FEDERAL STANDARDS FOR PAINT STRIPPING AND SURFACE COATING

Subpart HHHHHH (6H) of the National Emission Standards for Hazardous Air Pollutants can apply to paint stripping and surface coating operations using certain hazardous air pollutants. The rule applies to paint stripping operations that use methylene chloride (MeCl) and surface coating operations that use chromium, lead, manganese, nickel, and cadmium.

Applicable paint stripping operations must

- Use best practices to limit MeCl emissions and exposure
- Consider alternatives to MeCl
- If the use of MeCL exceeds one ton/year, develop and implement a minimization plan.

Applicable surface coating operations must

- Train/certify all painters on spray gun selection, technique, maintenance, and environmental rules
- Conduct operations in spray booths with filters that capture at least 98% of paint overspray
- Use high volume, low pressure (HVLP) spray gun or equivalent technology
- Clean spray guns so that no solvent or paint residue escapes

Visit SBAP's guidance for [surface coating](#) and [paint stripping](#) to review how to comply with 6H requirements.

**This fact sheet is meant for educational purposes and is not intended to be an exclusive source for the environmental requirements to which auto body and repair shops may be subject.*

Managing Your Hazardous Waste: Oils, Solvents, and More

Auto body and repair shops can be subject to regulations if they generate hazardous waste above certain thresholds. Common hazardous waste generated from auto body and repair shops can include:

- Aerosol cans
- Antifreeze
- Brake cleaner/fluids
- Gasoline
- Lead acid batteries
- Fluorescent bulbs
- Paint booth filters
- Paint and thinner waste
- Solvents
- Towels used to clean hazardous waste
- Used electronics
- Used oil and filters
- Waste tires

Review the sections below to learn more about calculating your business's waste, hazardous waste storage, used oil management, and cleaning practices.

WHAT REGULATIONS APPLY TO ME?

CALCULATE YOUR BUSINESS'S WASTE TO FIND OUT

Your business's hazardous waste requirements depend on how much waste you generate and store per month. Most auto body and repair shops are classified as Very Small Quantity Generators (VSQG), but some involved in activities like surface coating can be classified as Small Quantity Generators (SQG). Follow the steps below to calculate your waste generated per month and compare your results with Table 3 to find your business's generator status.

Identify your generated waste

- Review the list of common auto body materials above and determine which items your facility generates.

Determine if the waste is hazardous or non-hazardous

- A hazardous waste is a solid, liquid, or contained gaseous material that is no longer used, or that no longer serves the purpose for which it was produced, and could pose dangers to human health and the environment after it is discarded.
- If you are unsure if a waste is hazardous contact, comments.hmwrd@state.co.us

Calculate the amount of hazardous waste

you generate or store

- Total the maximum monthly amount generated or stored

- Ensure your waste is calculated in pounds

Find your generator status

- Compare your results with Table 1 to determine your status.

Review steps to comply

- Review Appendix B of the Small Quantity Generator Checklist to find hazardous waste requirements for your generator status.



Example: 1/2 of a 55-gallon drum equals about 220 lbs.

Table 3. Hazardous Waste Generator Classifications

	Very Small Quantity Generators (VSQG)	Small Quantity Generators (SQG)	Large Quantity Generators (LQG)
Hazardous Waste Generated (per month)	220 lbs.	220 - 2,200 lbs	> 2,200 pounds



Tip: Disposal of hazardous waste through bulk cleaning can cause you to exceed your generator's threshold for that month and require additional reporting. It is recommended to perform routine management of hazardous waste to avoid bulk disposals that change your generator status.

**This fact sheet is meant for educational purposes and is not intended to be an exclusive source for the environmental requirements to which auto body and repair shops may be subject.*

STORAGE AND MANAGEMENT OF HAZARDOUS WASTE

All SQGs must follow regulations for storing and managing hazardous waste, but these are also best practices that VSQGs can implement. Storing and managing your hazardous waste should include the following:

- Labeling all containers storing hazardous waste with the words "Hazardous Waste."
- Indicating the types of hazards in the container with the appropriate placard.
- Listing the date when the first drop of hazardous waste was added to the container.
- Ensuring all containers are in good condition and free from rust, dents, bulging, or leaks.
- All lids are kept closed except when adding or removing waste.
- Promptly containing and cleaning up any leaks.
- Routinely inspecting your facility to identify improper storage of hazardous waste.



USED OIL STORAGE

All auto body and repair shops must follow used oil storage requirements regardless of their generator status. Used oil refers to oil that has been contaminated with physical (like metal fines, sawdust, or dirt) or chemical impurities (like solvents or water) through its use. It can include engine oil, transmission fluid, compressor oil, and hydraulic oil.

Used oil should be stored in containers that are in good condition and free of leaks. Used oil containers and fill pipes used to transfer oil should be clearly labeled with "Used Oil." This labeling also applies to drain pans or buckets used to collect oil from oil filters, vehicles, or other equipment.

See the [Used Oil Generator Guidance](#) for more information on the management and disposal requirements for used oil.

UNIVERSAL WASTE: FLUORESCENT LIGHT BULBS, ELECTRONICS, AND BATTERIES

Many auto body shops generate universal waste, which can include fluorescent bulbs, electronics, batteries, and mercury containing devices. If your business stores universal waste, you must label the waste as "Universal Waste" or indicate the type of universal waste (e.g., "Waste Batteries"). Universal waste can remain on site no longer than one year from the date the waste was created. It is important to track and document the length of time that the universal waste has been stored. Disposal of universal waste should only be handled by facilities that are permitted or authorized to handle such waste.

CLEANING SPILLS WITH SHOP RAGS AND TOWELS

When shop rags or towels are used to clean up hazardous waste or oil spills, they should be handled and disposed of in the same way as the absorbed substance (i.e. hazardous waste or used oil). Contaminated shop rags and towels are only exempt from hazardous waste regulations if they are picked up, cleaned, and delivered back to you by a laundering service that can accommodate such waste.



Tip: Once you use a rag or towel to clean up oil or other hazardous waste, it also becomes hazardous waste, and has to be treated as such.

Wastewater and Stormwater Management

Auto body and repair shops are responsible for managing the wastewater they produce. Wastewater can carry pollutants from sanding and paint wastes, solvents, parts washing, automotive fluids, and other cleaning materials which can significantly impact the quality of surface water and groundwater.

WASTEWATER

It is essential to properly manage the wastewater your business creates and identify where it goes. You should always obtain permission from your local Publicly Owned Treatment Works (POTW) before discharging industrial wastes, such as antifreeze, oil, and wastewater from washing vehicles, maintenance, or cleaning operations to the sanitary sewer system.

Many auto body and repair shops have floor drains in their facility. Since spills, leaks, and material residues can make their way into floor drains, you should identify where these drains lead and what steps you need to take to comply. The POTW may require you to install a sand trap or oil/water separator or meet other requirements to mitigate accidental discharges.

PFAS, or per- and polyfluoroalkyl substances, are of particular concern for wastewater treatment plants. These chemicals are found in a variety of automotive products, including paints and coatings. These chemicals can have long-lasting environmental impacts and are incredibly difficult to treat, giving them the name “forever chemicals.” You can reduce your wastewater impact by using alternative chemicals that do not contain PFAS.



STORMWATER

Stormwater refers to any wastewater that leaves a business's property and either permeates into groundwater, enters sewer drains, or is discharged to local water bodies. Your municipality regulates illicit discharges to sewers and may require practices to prevent chemicals from entering storm drains.

It is recommended that you take steps to prevent stormwater discharges from your business by:

- Keeping all chemical activities and storage within your building or a protected shelter,
- Carefully handling substances when loading them from docks or parking lots,
- Using lids/covers on dumpsters, compactors, or other outdoor containers,
- Ensuring barrels, drums, or tanks stored outside are in good condition, tightly sealed, and have secondary containment to prevent leakage from the area, and cleaning up spills immediately.



Environmental Compliance Checklist



For more information,
and links to the resources
below, scan the QR code

AIR REGULATION CHECKLIST:

- ☐ Calculate your annual VOC and HAP emissions
 - ☐ Use your paint suppliers VOC/HAP report, your calculations, or ask SBAP for assistance
- ☐ Compare your emissions with the APEN/Air Permit tables to identify if you exceed reporting thresholds
 - ☐ If yes, review the reporting requirements
- ☐ Determine if methylene chloride, chromium, lead, manganese, nickel, or cadmium are used in your paint stripping or surface coating operations.
 - ☐ If yes, review EPA's 6H Rule to determine actions required to maintain compliance.
 - ☐ If not, you may be exempt from EPA's 6H Rule.

AIR RESOURCES:

If you have questions about your air emission requirements, contact the Small Business Assistance Program:

cdphe_apcd_sbap@state.co.us
303-691- 4951

LINKS:

[SBAP Compliance Assistance Library By Business](#)

HAZARDOUS WASTE MANAGEMENT CHECKLIST:

- ☐ Calculate your business's waste
- ☐ Find your business's generator status
 - ☐ Review your generator requirements
- ☐ Storage of materials
 - ☐ All hazardous waste is labeled "Hazardous Waste," indicates hazards, and includes the date of storage
 - ☐ All used oil is labeled "Used Oil"
 - ☐ All universal waste is labeled "Universal Waste," indicates hazards, and is stored for less than 1 year
 - ☐ All storage containers are in good condition, with a closed lid, and are free of leaks
- ☐ Used shop rags or towels
 - ☐ Managed and stored as hazardous waste if used to clean hazardous waste

WASTE RESOURCES:

If you would like to have a free hazardous waste site visit with the Generator Assistance Program (GAP) or you have questions about your hazardous waste requirements, contact GAP Technical Assistance:

comments.hmwmd@state.co.us
303-692-3320 or
1-888-569-1831, ext. 3320

LINKS:

[SQG Checklist](#)
[GAP Website](#)
[CDPHE HW Guidance & Policies](#)

WATER REGULATION CHECKLIST:

- ☐ Identify where floor drains carry wastewater
- ☐ Identify if your shop uses any products or chemicals containing PFAS
 - ☐ If yes, look for alternatives to lower your environmental impact
- ☐ Determine if your shop is making any wastewater discharges to the POTW
 - ☐ Contact CDPHE's Water Division with any questions.
- ☐ Ensure all outdoor storage containers are sealed and in good condition
- ☐ Contact your POTW or municipality to learn more about wastewater requirements

WATER RESOURCES:

If you would like to learn more about your water requirements, contact CDPHE's Water Quality Control Division (WQCD):

cdphe_wqcd_permits@state.co.us
303-692-3517

LINKS:

[CDPHE WQCD Homepage](#)
[Information on MS4 Permitting](#)
[CDPHE Water Quality Guidance](#)

**This fact sheet is meant for educational purposes and is not intended to be an exclusive source for the environmental requirements to which auto body and repair shops may be subject.*



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