

May 18, 2000

H 1586. DRY-CLEANING SOLVENT CLEANUP AMENDS (=S 1303). *TO ESTABLISH A TEMPORARY ENVIRONMENTAL SURTAX TO FUND CLEANUP OF DRY-CLEANING SOLVENT CONTAMINATION; TO DESIGNATE THE STATE SALES TAX REVENUE FROM DRY-CLEANING AND LAUNDRY SERVICES FOR THE DRY-CLEANING SOLVENT CLEAN-UP FUND; TO AMEND THE DRY-CLEANING SOLVENT CLEANUP ACT OF 1997 TO REPEAL THE REQUIREMENT OF FINANCIAL RESPONSIBILITY FOR DRY-CLEANING FACILITIES AND WHOLESALE DRY-CLEANING SOLVENT DISTRIBUTION FACILITIES; TO ALLOW THE ENVIRONMENTAL MANAGEMENT COMMISSION TO ENTER INTO CONTRACTS WITH PRIVATE CONTRACTORS FOR ASSESSMENT AND REMEDIATION ACTIVITIES AT DRY-CLEANING FACILITIES AND WHOLESALE DRY-CLEANING SOLVENT DISTRIBUTION FACILITIES; TO DIRECT THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO STUDY THE USE OF DRY-CLEANING SOLVENTS IN NORTH CAROLINA, AND TO MAKE OTHER CHANGES IN THE DRY-CLEANING SOLVENT CLEANUP ACT OF 1997, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.* Requires dry-cleaning, laundry, and related businesses to pay a temporary environmental surtax of one cent for every two cents of sales tax payable. Taxes collected must be deposited in the Dry-Cleaning Solvent Cleanup Fund ("the Fund"). Tax is repealed effective July 1, 2003, when a new section (GS 105-164.44E) becomes effective. The new section will be effective until July 1, 2010 and will require the Sec'y of Environment & Natural Resources to transfer an amount equal to the amount of use & sales taxes collected from dry-cleaning, laundry, and related businesses to the Fund. Effective July 1, 2003, increases taxes currently payable under GS 105-187.31 to \$7.50 per gallon (currently, \$5.85) of dry-cleaning solvent that is chlorine-based, and \$1.00 per gallon (currently, 80 cents) of dry-cleaning solvent that is hydrocarbon-based. Repeals sections of GS Ch. 143 requiring dry-cleaning facilities and wholesale dry-cleaning solvent distribution facilities to maintain financial responsibility for legal liability arising from dry-cleaning solvent contamination. Rewrites financial responsibility requirements for potentially responsible persons who petition the Environmental Management Comm'n to enter into dry-cleaning solvent assessment agreements or dry-cleaning solvent remediation agreements. Requires such persons to pay a flat fee plus a percentage of the costs of assessment or remediation up to a maximum of \$1 million. Changes to financial responsibility statutes are retroactive to April 1, 1998. Authorizes Comm'n to enter into contracts with private contractors for assessment and remediation of contaminated active or abandoned dry-cleaning facilities. Requires potentially responsible persons who petition for certification of a facility as contaminated, or for a dry-cleaning solvent assessment or remediation agreement, to provide information demonstrating the petitioner's substantial compliance with the terms of any remediation agreements, brownfields agreements, or similar agreements; the requirements applicable to any remediation in which the petitioner has previously engaged; and federal and state environmental protection laws. Also requires petitioner to provide evidence of dry-cleaning solvent contamination. Costs incurred by a petitioner for activities to obtain certification of a facility or site shall not be reimbursable from the Fund. Reasonable amounts paid by the petitioner for assessment or remediation activities shall be deducted from the applicable amount of financial responsibility. Makes other technical corrections to Dry-Cleaning Solvent Cleanup Act. Authorizes Comm'n to adopt temporary rules to implement the Act until June 30, 2001. Directs Comm'n for Health Services to adopt rules requiring persons who generate certain types of dry-cleaning wastes to ensure delivery of those wastes to an appropriate waste management facility. Requires Sec'y of Environment & Natural Resources to form a working group of specified interested parties to study dry-cleaning processes and equipment and report to the Environmental Review Comm'n by December 1, 2000. Except as otherwise indicated, the act is effective when it becomes law.

Intro. by Gibson.

Ref. to Environment

GS 105, 143