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AN ACT concerning the environment.

Be it enacted by the People of the State of Illinois,represented in the General Assembly:

4 Section 5. The Drycleaner Environmental Response Trust 5 Fund Act is amended by changing Sections 5, 60, and 65 as 6 follows:

7 (415 ILCS 135/5)

8 Sec. 5. Definitions. As used in this Act:

9 (a) "Active drycleaning facility" means a drycleaning 10 facility actively engaged in drycleaning operations and 11 licensed under Section 60 of this Act.

12 (b) "Agency" means the Illinois Environmental Protection13 Agency.

14 (c) "Claimant" means an owner or operator of a 15 drycleaning facility who has applied for reimbursement from 16 the remedial account or who has submitted a claim under the 17 insurance account with respect to a release.

18 (d) "Council" means the Drycleaner Environmental19 Response Trust Fund Council.

20 (e) "Drycleaner Environmental Response Trust Fund" or
21 "Fund" means the fund created under Section 10 of this Act.

(f) "Drycleaning facility" means a facility located in this State that is or has been engaged in drycleaning operations for the general public, other than a:

25 (1) facility located on a United States military26 base;

27 (2) industrial laundry, commercial laundry, or28 linen supply facility;

(3) prison or other penal institution that engages
in drycleaning only as part of a Correctional Industries
program to provide drycleaning to persons who are

incarcerated in a prison or penal institution or to resident patients of a State-operated mental health facility;

4 (4) not-for-profit hospital or other health care 5 facility; or a

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(5) facility located or formerly located on federal or State property.

8 (g) "Drycleaning operations" means drycleaning of 9 apparel and household fabrics for the general public, as 10 described in Standard Industrial Classification Industry No. 11 7215 and No. 7216 in the Standard Industrial Classification 12 Manual (SIC) by the Technical Committee on Industrial 13 Classification.

(h) "Drycleaning solvent" means any and all nonaqueous solvents, including but not limited to a chlorine-based or petroleum-based formulation or product, including green solvents, that are used as a primary cleaning agent in drycleaning operations.

19 (i) "Emergency" or "emergency action" means a situation 20 or an immediate response to a situation to protect public 21 health or safety. "Emergency" or "emergency action" does not mean removal of contaminated soils, recovery of free product, 22 23 or financial hardship. An "emergency" or "emergency action" would normally be expected to be directly related to a sudden 24 25 event or discovery and would last until the threat to public 26 health is mitigated.

27 <u>(i-5) "Green solvent" or "green drycleaning solvent"</u>
28 <u>includes Rynex, GreenEarth, and CO2 and C10-C13 isoparaffin</u>
29 <u>hydrocarbon solvents (including EcoSolv and DF2000).</u>

30 (j) "Groundwater" means underground water that occurs 31 within the saturated zone and geologic materials where the 32 fluid pressure in the pore space is equal to or greater than 33 the atmospheric pressure.

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(k) "Inactive drycleaning facility" means a drycleaning

facility that is not being used for drycleaning operations
 and is not registered under this Act.

(1) "Maintaining a place of business in this State" or 3 4 any like term means (1) having or maintaining within this State, directly or through a subsidiary, 5 an office, 6 distribution facility, distribution house, sales house, 7 warehouse, or other place of business or (2) operating within 8 this State as an agent or representative for a person or 9 person's subsidiary engaged in the business of selling to persons within this State, irrespective of whether the place 10 11 of business or agent or other representative is located in 12 this State permanently or temporary, or whether the person or the person's subsidiary engages in the business of selling in 13 this State. 14

15 (m) "No Further Remediation Letter" means a letter 16 provided by the Agency pursuant to Section 58.10 of Title 17 XVII of the Environmental Protection Act.

18 (n) "Operator" means a person or entity holding a 19 business license to operate a licensed drycleaning facility 20 or the business operation of which the drycleaning facility 21 is a part.

(o) "Owner" means (1) a person who owns or has possession or control of a drycleaning facility at the time a release is discovered, regardless of whether the facility remains in operation or (2) a parent corporation of the person under item (1) of this subdivision.

(p) "Parent corporation" means a business entity or other business arrangement that has elements of common ownership or control or that uses a long-term contractual arrangement with a person to avoid direct responsibility for conditions at a drycleaning facility.

32 (q) "Person" means an individual, trust, firm, joint 33 stock company, corporation, consortium, joint venture, or 34 other commercial entity. -4- LRB093 12632 AMC 17825 b

(r) "Program year" means the period beginning on July 1
 and ending on the following June 30.

3 (s) "Release" means any spilling, leaking, emitting,
4 discharging, escaping, leaching, or dispersing of drycleaning
5 solvents from a drycleaning facility to groundwater, surface
6 water, or subsurface soils.

7 (t) "Remedial action" means activities taken to comply 8 with Sections 58.6 and 58.7 of the Environmental Protection 9 Act and rules adopted by the Pollution Control Board under 10 those Sections.

11 (u) "Responsible party" means an owner, operator, or 12 other person financially responsible for costs of remediation 13 of a release of drycleaning solvents from a drycleaning 14 facility.

15 (v) "Service provider" means a consultant, testing 16 laboratory, monitoring well installer, soil boring contractor, other contractor, lender, or any other person who 17 provides a product or service for which a claim for 18 19 reimbursement has been or will be filed against the remedial account or insurance account, or a subcontractor of such a 20 21 person.

(w) "Virgin facility" means a drycleaning facility that has never had chlorine-based or petroleum-based drycleaning solvents stored or used at the property prior to it becoming a green solvent drycleaning facility.

26 (Source: P.A. 93-201, eff. 1-1-04.)

27 (415 ILCS 135/60)

28 (Section scheduled to be repealed on January 1, 2020)
29 Sec. 60. Drycleaning facility license.

30 (a) On and after January 1, 1998, no person shall
31 operate a drycleaning facility in this State without a
32 license issued by the Council.

33 (b) The Council shall issue an initial or renewal

1 license to a drycleaning facility on submission by an 2 applicant of a completed form prescribed by the Council and 3 proof of payment of the required fee to the Department of 4 Revenue.

5 (c) <u>Except as provided in subsection (c-1)</u>, on or after 6 January 1, 2004, the annual fees for licensure are as 7 follows:

\$500 for a facility that uses (i) 50 gallons or 8 (1)9 less of chlorine-based or green drycleaning solvents annually, (ii) 250 or less gallons 10 annually of 11 hydrocarbon-based drycleaning solvents in a drycleaning machine equipped with a solvent reclaimer, or (iii) 500 12 gallons or less annually of hydrocarbon-based drycleaning 13 solvents in a drycleaning machine without a solvent 14 15 reclaimer.

16 (2) \$500 for a facility that uses (i) more than 50 gallons but not more than 100 gallons of chlorine-based 17 or green drycleaning solvents annually, (ii) more than 18 gallons but not more 500 gallons annually of 19 250 hydrocarbon-based solvents in a drycleaning 20 machine 21 equipped with a solvent reclaimer, or (iii) more than 500 22 gallons but not more than 1,000 gallons annually of 23 hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer. 24

25 (3) \$500 for a facility that uses (i) more than 100 gallons but not more than 150 gallons of chlorine-based 26 or green drycleaning solvents annually, (ii) more than 27 500 gallons but not more than 750 gallons annually of 28 hydrocarbon-based solvents in a drycleaning 29 machine 30 equipped with a solvent reclaimer, or (iii) more than 1,000 gallons but not more than 1,500 gallons annually of 31 hydrocarbon-based drycleaning solvents in a drycleaning 32 machine without a solvent reclaimer. 33

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(4) \$1,000 for a facility that uses (i) more than

1 150 gallons but not more than 200 gallons of 2 chlorine-based or green drycleaning solvents annually, (ii) more than 750 gallons but not more than 1,000 3 4 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or 5 (iii) more than 1,500 gallons but not more than 2,000 6 7 annually of hydrocarbon-based drycleaning gallons 8 solvents in a drycleaning machine without a solvent 9 reclaimer.

(5) \$1,000 for a facility that uses (i) more than 10 11 200 gallons but not more than 250 gallons of chlorine-based or green drycleaning solvents annually, 12 (ii) more than 1,000 gallons but not more than 1,250 13 gallons annually of hydrocarbon-based solvents 14 in а 15 drycleaning machine equipped with a solvent reclaimer, or 16 (iii) more than 2,000 gallons but not more than 2,500 17 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent 18 19 reclaimer.

(6) \$1,000 for a facility that uses (i) more than 20 250 gallons but not more 21 than 300 gallons of chlorine-based or green drycleaning solvents annually, 22 23 (ii) more than 1,250 gallons but not more than 1,500 gallons annually of hydrocarbon-based solvents in a 24 25 drycleaning machine equipped with a solvent reclaimer, or (iii) more than 2,500 gallons but not more than 3,000 26 27 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent 28 29 reclaimer.

30 (7) \$1,000 for a facility that uses (i) more than 350 31 300 gallons but not more than gallons of chlorine-based or green drycleaning solvents annually, 32 (ii) more than 1,500 gallons but not more than 1,750 33 gallons annually of hydrocarbon-based solvents 34 in a -7- LRB093 12632 AMC 17825 b

drycleaning machine equipped with a solvent reclaimer, or (iii) more than 3,000 gallons but not more than 3,500 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

(8) \$1,500 for a facility that uses (i) more than 6 7 350 gallons but not more than 400 gallons of chlorine-based or green drycleaning solvents annually, 8 9 (ii) more than 1,750 gallons but not more than 2,000 gallons annually of hydrocarbon-based solvents in a 10 11 drycleaning machine equipped with a solvent reclaimer, (iii) more than 3,500 gallons but not more than 4,000 12 13 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent 14 15 reclaimer.

16 (9) \$1,500 for a facility that uses (i) more than 400 than 450 gallons of 17 gallons but not more chlorine-based or green drycleaning solvents annually, 18 19 (ii) more than 2,000 gallons but not more than 2,250 gallons annually of hydrocarbon-based solvents in a 20 21 drycleaning machine equipped with a solvent reclaimer, or (iii) more than 4,000 gallons but not more than 4,500 22 23 annually of hydrocarbon-based drycleaning gallons solvents in a drycleaning machine without a solvent 24 25 reclaimer.

(10) \$1,500 for a facility that uses (i) more than 26 450 27 gallons but not more than 500 gallons of chlorine-based or green drycleaning solvents annually, 28 29 (ii) more than 2,250 gallons but not more than 2,500 30 gallons annually of hydrocarbon-based solvents used in a drycleaning machine equipped with a solvent reclaimer, or 31 (iii) more than 4,500 gallons but not more than 5,000 32 33 annually of hydrocarbon-based drycleaning gallons 34 solvents in a drycleaning machine without a solvent 1 reclaimer.

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2 (11) \$1,500 for a facility that uses (i) more than 550 3 500 gallons but not more than qallons of 4 chlorine-based or green drycleaning solvents annually, (ii) more than 2,500 gallons but not more than 2,750 5 gallons annually of hydrocarbon-based solvents in a 6 7 drycleaning machine equipped with a solvent reclaimer, or (iii) more than 5,000 gallons but not more than 5,500 8 9 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent 10 11 reclaimer.

(12) \$1,500 for a facility that uses (i) more than 12 550 gallons but not more 600 13 than gallons of chlorine-based or green drycleaning solvents annually, 14 (ii) more than 2,750 gallons but not more than 3,000 15 16 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or 17 (iii) more than 5,500 gallons but not more than 6,000 18 19 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent 20 21 reclaimer.

(13) \$1,500 for a facility that uses (i) more than 22 23 600 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 3,000 gallons but not 24 25 more than 3,250 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent 26 reclaimer, or (iii) more than 6,000 gallons of 27 hydrocarbon-based drycleaning solvents annually in a 28 drycleaning machine equipped without a solvent reclaimer. 29

30 (14) \$1,500 for a facility that uses more than
31 3,250 gallons but not more than 3,500 gallons annually of
32 hydrocarbon-based solvents in a drycleaning machine
33 equipped with a solvent reclaimer.

(15) \$1,500 for a facility that uses more than

-9-LRB093 12632 AMC 17825 b

1 3,500 gallons but not more than 3,750 gallons annually of 2 hydrocarbon-based solvents used in a drycleaning machine equipped with a solvent reclaimer. 3

4 (16) \$1,500 for a facility that uses more than 3,750 gallons but not more than 4,000 gallons annually of 5 hydrocarbon-based solvents in a drycleaning machine 6 7 equipped with a solvent reclaimer.

\$1,500 for a facility that uses more than 8 (17)9 4,000 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer. 10

purpose 11 For of this subsection, the quantity of drycleaning solvents used annually shall be determined as 12 follows: 13

(1) the case of an initial applicant, 14 in the drycleaning solvents that the applicant 15 quantity of 16 estimates will be used during his or her initial license year. A fee assessed under this subdivision is subject 17 to audited adjustment for that year; or 18

the case of a renewal applicant, 19 (2) in the quantity of drycleaning solvents actually used in 20 the 21 preceding license year.

The Council may adjust licensing fees annually based on 22 23 the published Consumer Price Index - All Urban Consumers ("CPI-U") or as otherwise determined by the Council. 24

25 (c-1) On and after January 1, 2004, the annual fees for licensure of (i) a virgin facility that uses 100% green 26 drycleaning solvents, (ii) a facility if a No Further 27 Remediation Letter has been issued for the site, a claim has 28 not be made against the Drycleaner Environmental Response 29 Trust Fund with respect to the site, the owner of the 30 facility has signed a binding declaration that no claim will 31 32 be made against the Fund with respect to the site, and the facility is using or, prior to the beginning of the annual 33 licensure period, will convert to using 100% green 34

1 drycleaning solvents, and (iii) a former perchloroethylene or petroleum drycleaning facility if a claim has not been made 2 against the Fund with respect to the site, the owner of the 3 4 facility has signed a binding declaration that no claim will be made against the Fund with respect to the site, the owner 5 of the facility has private insurance or is self-insured with 6 respect to the facility, and the facility is using or, prior 7 to the beginning of the annual licensure period, will convert 8 9 to using 100% green drycleaning solvents, are as follows:

10 (1) \$500 for a facility that purchases 140 gallons
 11 or less of green drycleaning solvents annually.

12 (2) \$1,000 for a facility that purchases more than
 13 140 gallons but less than 360 gallons of green
 14 drycleaning solvents annually.

15 (3) \$1,500 for a facility that purchases 360
 16 gallons or more of green drycleaning solvents annually.

(d) A license issued under this Section shall expire one year after the date of issuance and may be renewed on reapplication to the Council and submission of proof of payment of the appropriate fee to the Department of Revenue in accordance with subsections (c) and (e). At least 30 days before payment of a renewal licensing fee is due, the Council shall attempt to:

24 (1) notify the operator of each licensed
25 drycleaning facility concerning the requirements of this
26 Section; and

27 (2) submit a license fee payment form to the28 licensed operator of each drycleaning facility.

(e) An operator of a drycleaning facility shall submit the appropriate application form provided by the Council with the license fee in the form of cash or guaranteed remittance to the Department of Revenue. The license fee payment form and the actual license fee payment shall be administered by the Department of Revenue under rules adopted by that 1 Department.

2 The Department of Revenue shall issue a proof of (f) payment receipt to each operator of a drycleaning facility 3 4 who has paid the appropriate fee in cash or by guaranteed 5 However, the Department of Revenue shall not remittance. 6 issue a proof of payment receipt to a drycleaning facility 7 that is liable to the Department of Revenue for a tax imposed 8 under this Act. The original receipt shall be presented to 9 the Council by the operator of a drycleaning facility.

10 (g) An operator of a dry cleaning facility who is 11 required to pay a license fee under this Act and fails to pay 12 the license fee when the fee is due may be assessed a penalty 13 of \$5 for each day after the license fee is due and until the 14 license fee is paid. The penalty shall be effective for 15 license fees due on or after July 1, 1999.

16 (h) The Council and the Department of Revenue may adopt 17 rules as necessary to administer the licensing requirements 18 of this Act.

19 (Source: P.A. 93-201, eff. 1-1-04.)

20 (415 ILCS 135/65)

21

(Section scheduled to be repealed on January 1, 2020)

22 Sec. 65. Drycleaning solvent tax.

(a) On and after January 1, 1998, a tax is imposed upon 23 24 the use of drycleaning solvent by a person engaged in the business of operating a drycleaning facility in this State at 25 the rate of \$3.50 per gallon of perchloroethylene or other 26 27 chlorinated drycleaning solvents used in drycleaning 28 operations, <u>and</u> \$0.35 per gallon of petroleum-based 29 drycleaning solvent,-and-\$1.75-per-gallon-of-green-solvents, 30 unless-the-green-solvent-is-used-at--a--virgin--facility,--in 31 which--case--the--rate--is--\$0.35--per--gallon. On and after 32 January 1, 2004, no tax is imposed with respect to the use of 33 green solvents. The Council shall determine by rule which

-12- LRB093 12632 AMC 17825 b

1 products are chlorine-based solvents, which products are 2 petroleum-based solvents, and which products are green 3 solvents. All drycleaning solvents shall be considered 4 chlorinated solvents unless the Council determines that the 5 solvents are petroleum-based drycleaning solvents or green 6 solvents.

7 (b) The tax imposed by this Act shall be collected from 8 the purchaser at the time of sale by a seller of drycleaning 9 solvents maintaining a place of business in this State and 10 shall be remitted to the Department of Revenue under the 11 provisions of this Act.

12 (c) The tax imposed by this Act that is not collected by 13 a seller of drycleaning solvents shall be paid directly to 14 the Department of Revenue by the purchaser or end user who is 15 subject to the tax imposed by this Act.

16 (d) No tax shall be imposed upon the use of drycleaning 17 solvent if the drycleaning solvent will not be used in a 18 drycleaning facility or if a floor stock tax has been imposed 19 and paid on the drycleaning solvent. Prior to the purchase 20 of the solvent, the purchaser shall provide a written and 21 signed certificate to the drycleaning solvent seller stating:

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(1) the name and address of the purchaser;

23 (2) the purchaser's signature and date of signing;24 and

25 (3) one of the following:

26 (A) that the drycleaning solvent will not be
27 used in a drycleaning facility; or

(B) that a floor stock tax has been imposedand paid on the drycleaning solvent.

A person who provides a false certification under this subsection shall be liable for a civil penalty not to exceed \$500 for a first violation and a civil penalty not to exceed \$5,000 for a second or subsequent violation.

34 (e) On January 1, 1998, there is imposed on each

1 operator of a drycleaning facility a tax on drycleaning 2 solvent held by the operator on that date for use in a drycleaning facility. The tax imposed shall be the tax that 3 4 would have been imposed under subsection (a) if the drycleaning solvent held by the operator on that date had 5 6 been purchased by the operator during the first year of this 7 Act.

(f) On or before the 25th day of the 1st month following 8 9 the end of the calendar quarter, a seller of drycleaning solvents who has collected a tax pursuant to this Section 10 11 during the previous calendar quarter, or a purchaser or end user of drycleaning solvents required under subsection (c) to 12 submit the tax directly to the Department, shall file a 13 return with the Department of Revenue. The return shall be 14 filed on a form prescribed by the Department of Revenue and 15 16 shall contain information that the Department of Revenue reasonably requires, but at a minimum will require 17 the reporting of the volume of drycleaning solvent sold to each 18 19 licensed drycleaner. The Department of Revenue shall report quarterly to the Council the volume of drycleaning solvent 20 21 purchased for the quarter by each licensed drycleaner. Each 22 seller of drycleaning solvent maintaining a place of business 23 State who is required or authorized to collect the in this tax imposed by this Act shall pay to the Department 24 the 25 amount of the tax at the time when he or she is required to file his or her return for the period during which the tax 26 27 was collected. Purchasers or end users remitting the tax directly to the Department under subsection (c) shall file a 28 29 return with the Department of Revenue and pay the tax so 30 incurred by the purchaser or end user during the preceding calendar quarter. 31

32 (g) The tax on drycleaning solvents used in drycleaning
33 facilities and the floor stock tax shall be administered by
34 Department of Revenue under rules adopted by that Department.

-14- LRB093 12632 AMC 17825 b

1 (h) On and after January 1, 1998, no person shall 2 knowingly sell or transfer drycleaning solvent to an operator 3 of a drycleaning facility that is not licensed by the Council 4 under Section 60. A person who violates this subsection is 5 liable for a civil penalty not to exceed \$500 for a first 6 violation and a civil penalty not to exceed \$5,000 for a 7 second or subsequent violation.

8 (i) The Department of Revenue may adopt rules as9 necessary to implement this Section.

10 (Source: P.A. 93-201, eff. 1-1-04.)

Section 99. Effective date. This Act takes effect on January 1, 2004.