

AN ACT concerning safety.

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

Section 5. The Drycleaner Environmental Response Trust Fund Act is amended by changing Sections 40 and 60 as follows:

(415 ILCS 135/40)

Sec. 40. Remedial action account.

(a) The remedial action account is established to provide reimbursement to eligible claimants for drycleaning solvent investigation, remedial action planning, and remedial action activities for existing drycleaning solvent contamination discovered at their drycleaning facilities.

(b) The following persons are eligible for reimbursement from the remedial action account:

(1) In the case of claimant who is the owner or operator of an active drycleaning facility licensed by the Council under this Act at the time of application for remedial action benefits afforded under the Fund, the claimant is only eligible for reimbursement of remedial action costs incurred in connection with a release from that drycleaning facility, subject to any other limitations under this Act.

(2) In the case of a claimant who is the owner of an

inactive drycleaning facility and was the owner or operator of the drycleaning facility when it was an active drycleaning facility, the claimant is only eligible for reimbursement of remedial action costs incurred in connection with a release from the drycleaning facility, subject to any other limitations under this Act.

(c) An eligible claimant requesting reimbursement from the remedial action account shall meet all of the following:

(1) The claimant demonstrates that the source of the release is from the claimant's drycleaning facility.

(2) At the time the release was discovered by the claimant, the claimant and the drycleaning facility were in compliance with the Agency reporting and technical operating requirements.

(3) The claimant reported the release in a timely manner to the Agency in accordance with State law.

(4) (Blank). ~~The claimant applying for reimbursement has not filed for bankruptcy on or after the date of his or her discovery of the release.~~

(5) If the claimant is the owner or operator of an active drycleaning facility, the claimant has provided to the Council proof of implementation and maintenance of the following pollution prevention measures:

(A) That all drycleaning solvent wastes generated at a drycleaning facility be managed in accordance with applicable State waste management laws and rules.

(B) A prohibition on the discharge of wastewater from drycleaning machines or of drycleaning solvent from drycleaning operations to a sanitary sewer or septic tank or to the surface or in groundwater.

(C) That every drycleaning facility:

(I) install a containment dike or other containment structure around each machine, item of equipment, drycleaning area, and portable waste container in which any drycleaning solvent is utilized, which shall be capable of containing leaks, spills, or releases of drycleaning solvent from that machine, item, area, or container. The containment dike or other containment structure shall be capable of at least the following: (i) containing a capacity of 110% of the drycleaning solvent in the largest tank or vessel within the machine; (ii) containing 100% of the drycleaning solvent of each item of equipment or drycleaning area; and (iii) containing 100% of the drycleaning solvent of the largest portable waste container or at least 10% of the total volume of the portable waste containers stored within the containment dike or structure, whichever is greater.

Petroleum underground storage tank systems that are upgraded in accordance with USEPA upgrade standards pursuant to 40 CFR Part 280 for the tanks

and related piping systems and use a leak detection system approved by the USEPA or IEPA are exempt from this secondary containment requirement; and

(II) seal or otherwise render impervious those portions of diked floor surfaces on which a drycleaning solvent may leak, spill, or otherwise be released.

(D) A requirement that all drycleaning solvent shall be delivered to drycleaning facilities by means of closed, direct-coupled delivery systems.

(6) An active drycleaning facility has maintained continuous financial assurance for environmental liability coverage in the amount of at least \$500,000 at least since the date of award of benefits under this Section or July 1, 2000, whichever is earlier. An uninsured drycleaning facility that has filed an application for insurance with the Fund by January 1, 2004, obtained insurance through that application, and maintained that insurance coverage continuously shall be considered to have conformed with the requirements of this subdivision (6). To conform with this requirement the applicant must pay the equivalent of the total premiums due for the period beginning June 30, 2000 through the date of application plus a 20% penalty of the total premiums due for that period.

(7) The release was discovered on or after July 1, 1997 and before July 1, 2006.

(d) A claimant shall submit a completed application form provided by the Council. The application shall contain documentation of activities, plans, and expenditures associated with the eligible costs incurred in response to a release of drycleaning solvent from a drycleaning facility. Application for remedial action account benefits must be submitted to the Council on or before June 30, 2005.

(e) Claimants shall be subject to the following deductible requirements, unless modified pursuant to the Council's authority under Section 75:

(1) An eligible claimant submitting a claim for an active drycleaning facility is responsible for the first \$5,000 of eligible investigation costs and for the first \$10,000 of eligible remedial action costs incurred in connection with the release from the drycleaning facility and is only eligible for reimbursement for costs that exceed those amounts, subject to any other limitations of this Act.

(2) An eligible claimant submitting a claim for an inactive drycleaning facility is responsible for the first \$10,000 of eligible investigation costs and for the first \$10,000 of eligible remedial action costs incurred in connection with the release from that drycleaning facility, and is only eligible for reimbursement for costs that exceed those amounts, subject to any other limitations of this Act.

(f) Claimants are subject to the following limitations on reimbursement:

(1) Subsequent to meeting the deductible requirements of subsection (e), and pursuant to the requirements of Section 75, reimbursement shall not exceed \$300,000 per active drycleaning facility and \$50,000 per inactive drycleaning facility.

(2) A contract in which one of the parties to the contract is a claimant, for goods or services that may be payable or reimbursable from the Council, is void and unenforceable unless and until the Council has found that the contract terms are within the range of usual and customary rates for similar or equivalent goods or services within this State and has found that the goods or services are necessary for the claimant to comply with Council standards or other applicable regulatory standards.

(3) A claimant may appoint the Council as an agent for the purposes of negotiating contracts with suppliers of goods or services reimbursable by the Fund. The Council may select another contractor for goods or services other than the one offered by the claimant if the scope of the proposed work or actual work of the claimant's offered contractor does not reflect the quality of workmanship required or if the costs are determined to be excessive, as determined by the Council.

(4) The Council may require a claimant to obtain and

submit 3 bids and may require specific terms and conditions in a contract subject to approval.

(5) The Council may enter into a contract or an exclusive contract with the supplier of goods or services required by a claimant or class of claimants, in connection with an expense reimbursable from the Fund, for a specified good or service at a gross maximum price or fixed rate, and may limit reimbursement accordingly.

(6) Unless emergency conditions exist, a service provider shall obtain the Council's approval of the budget for the remediation work before commencing the work. No expense incurred that is above the budgeted amount shall be paid unless the Council approves the expense prior to its being incurred. All invoices and bills relating to the remediation work shall be submitted with appropriate documentation, as deemed necessary by the Council.

(7) Neither the Council nor an eligible claimant is responsible for payment for costs incurred that have not been previously approved by the Council, unless an emergency exists.

(8) The Council may determine the usual and customary costs of each item for which reimbursement may be awarded under this Section. The Council may revise the usual and customary costs from time to time as necessary, but costs submitted for reimbursement shall be subject to the rates in effect at the time the costs were incurred.

(9) If a claimant has pollution liability insurance coverage other than coverage provided by the insurance account under this Act, that coverage shall be primary. Reimbursement from the remedial account shall be limited to the deductible amounts under the primary coverage and the amount that exceeds the policy limits of the primary coverage, subject to the deductible amounts of this Act. If there is a dispute between the claimant and the primary insurance provider, reimbursement from the remedial action account may be made to the claimant after the claimant assigns all of his or her interests in the insurance coverage to the Council.

(g) The source of funds for the remedial action account shall be moneys allocated to the account by the Council according to the Fund budget approved by the Council.

(h) A drycleaning facility will be classified as active or inactive for purposes of determining benefits under this Section based on the status of the facility on the date a claim is filed.

(i) Eligible claimants shall conduct remedial action in accordance with the Site Remediation Program under the Environmental Protection Act and Part 740 of Title 35 of the Illinois Administrative Code and the Tiered Approach to Cleanup Objectives under Part 742 of Title 35 of the Illinois Administrative Code.

(j) Effective January 1, 2012, an active drycleaning

facility that has previously received or is currently receiving reimbursement for the costs of a remedial action, as defined in this Act, shall maintain continuous financial assurance for environmental liability coverage in the amount of at least \$500,000 until the earlier of (i) January 1, 2020 or (ii) the date the Council determines the drycleaning facility is an inactive drycleaning facility. Failure to comply with this requirement will result in the revocation of the drycleaning facility's existing license and in the inability of the drycleaning facility to obtain or renew a license under Section 60 of this Act.

(Source: P.A. 96-774, eff. 1-1-10.)

(415 ILCS 135/60)

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

Sec. 60. Drycleaning facility license.

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

(b) The Council shall issue an initial or renewal license to a drycleaning facility on submission by an applicant of a completed form prescribed by the Council, ~~and~~ proof of payment of the required fee to the Department of Revenue, and, if the drycleaning facility has previously received or is currently receiving reimbursement for the costs of a remedial action, as defined in this Act, proof of compliance with subsection (j) of

Section 40.

(c) On or after January 1, 2004, the annual fees for licensure are as follows:

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

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

(3) \$500 for a facility that uses (i) more than 100 gallons but not more than 150 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 500 gallons but not more than 750 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or (iii) more than 1,000

gallons but not more than 1,500 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

(4) \$1,000 for a facility that uses (i) more than 150 gallons but not more than 200 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 750 gallons but not more than 1,000 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or (iii) more than 1,500 gallons but not more than 2,000 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

(5) \$1,000 for a facility that uses (i) more than 200 gallons but not more than 250 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 1,000 gallons but not more than 1,250 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or (iii) more than 2,000 gallons but not more than 2,500 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

(6) \$1,000 for a facility that uses (i) more than 250 gallons but not more than 300 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 1,250 gallons but not more than 1,500 gallons annually of hydrocarbon-based solvents in a drycleaning machine

equipped with a solvent reclaimer, or (iii) more than 2,500 gallons but not more than 3,000 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

(7) \$1,000 for a facility that uses (i) more than 300 gallons but not more than 350 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 1,500 gallons but not more than 1,750 gallons annually of hydrocarbon-based solvents in a 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 350 gallons but not more than 400 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 1,750 gallons but not more than 2,000 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or (iii) more than 3,500 gallons but not more than 4,000 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

(9) \$1,500 for a facility that uses (i) more than 400 gallons but not more than 450 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 2,000 gallons but not more than 2,250 gallons annually of

hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or (iii) more than 4,000 gallons but not more than 4,500 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

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

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

(12) \$1,500 for a facility that uses (i) more than 550 gallons but not more than 600 gallons of chlorine-based or green drycleaning solvents annually, (ii) more than 2,750

gallons but not more than 3,000 gallons annually of hydrocarbon-based solvents in a drycleaning machine equipped with a solvent reclaimer, or (iii) more than 5,500 gallons but not more than 6,000 gallons annually of hydrocarbon-based drycleaning solvents in a drycleaning machine without a solvent reclaimer.

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

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

(15) \$1,500 for a facility that uses more than 3,500 gallons but not more than 3,750 gallons annually of hydrocarbon-based solvents used in a drycleaning machine equipped with a solvent reclaimer.

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

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

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

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

(2) in the case of a renewal applicant, the quantity of drycleaning solvents actually purchased in the preceding license year.

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

(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:

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

(2) submit a license fee payment form to the 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, or credit card 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 Department.

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

(g) (Blank).

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

(Source: P.A. 96-774, eff. 1-1-10.)