



DRYCLEANING SOLVENT CLEANUP PROGRAM

General Program Information

PROGRAM SUMMARY

The Florida Legislature has established a state-funded program to cleanup properties that are contaminated as a result of operations of a drycleaning facility or wholesale supply facility (Chapter 376, Florida Statutes). The program is administered by the Florida Department of Environmental Protection (herein referred to as the Department). The statute was sponsored by the drycleaning industry to address environmental, economic, and liability issues resulting from drycleaning solvent contamination. The program limits the liability of the owner, operator and real property owner of drycleaning or wholesale supply facilities for cleanup of drycleaning solvent contamination if the parties meet the conditions stated in the law.

Funding:

A fund has been established to pay for costs related to the cleanup of these properties. The source of revenue for the fund is a gross receipts sales tax, a tax on perchloroethylene sold to or imported by a drycleaning facility, and annual registration fees.

Registration:

The owner, operator, and real property owner are required to jointly register all operating drycleaning and wholesale supply facilities with the Department. New businesses are required to register and pay an initial \$100 registration fee. Also, the registrants are required to notify the Department of any revisions to the information previously submitted to the Department within 30 days of the change. An annual registration fee of \$100 per operating facility is required. The Department will send an invoice for the registration fee during the latter part of each year for payment. Facilities that fail to pay the registration fee within 30 days of receipt of the invoice are subject to a \$75 late fee.

Legislative Update:

The 2008 Legislature amended Chapter 376, Florida Statutes (F.S.) to require registered drycleaning facilities to display a certificate of registration as a prerequisite to anyone selling or transferring drycleaning solvents to the facility. Drycleaners will receive the certificate following payment of their annual registration fee. The facility shall display this certificate in the vicinity of its drycleaning machine, and ensure that the certificate is easily visible to persons making drycleaning solvent deliveries, and facility inspections.

Effective March 1, 2009 a person may not sell or transfer any drycleaning solvents to an owner or operator of a drycleaning facility unless the owner or operator of the drycleaning facility displays the certificate of registration.

Program Application:

The application period for entry into the Drycleaning Solvent Cleanup Program ended December 31, 1998. Applications to the Drycleaning Solvent Cleanup Program are no longer being accepted.

Eligibility and Priority Ranking:

Section 376.3078(3), F.S., identifies certain criteria that must be met in order for a site to be eligible, and to remain eligible for the program. Eligibility in this program does not relieve the owner, operator or real property owner from federal actions or from current waste management requirements. The score that the site receives determines the order in which the Department will begin site rehabilitation activities. For eligible sites, costs incurred by the state for site rehabilitation will be absorbed at the expense of the fund minus a deductible amount as specified in the law.

GENERAL PROGRAM REQUIREMENTS

An important goal of the Drycleaning Solvent Cleanup Program is to protect the environment from future contamination by drycleaning solvents. In order to achieve this goal, the 1995 Florida Legislature passed requirements for prevention of contamination that apply to all operating drycleaning facilities. In addition to these requirements, the owner, operator and real property owners of drycleaning facilities and wholesale supply facilities have certain responsibilities according to the law. Failure to comply with these requirements may affect a site's eligibility. Some of these responsibilities and requirements are summarized below:

Secondary Containment:

The deadline to install secondary containment and the type of containment required both depend on when the facility commenced operations:

Facilities that begin operation on or after January 1, 1996, must be equipped with secondary containment when the business begins operation. Secondary containment for these facilities must consist of rigid and impermeable containment vessels installed beneath each machine or item of equipment in which drycleaning solvents are used.

Facilities that began operations prior to January 1, 1996, must be equipped with secondary containment by January 1, 1997. Secondary containment for these facilities may consist of rigid and impermeable containment vessels, or at a minimum, a dike around each machine or item of equipment in which drycleaning solvents are used.

All facilities, regardless of when operation began, must install secondary containment around any solvent or waste solvent storage area by January 1, 1997. The secondary containment for storage areas must be either a rigid and impermeable vessel, or a surrounding dike.

The rigid and impermeable vessels shall be constructed of metal or other material that cannot be permeated by drycleaning solvents, according to manufacturer product use and limitation recommendations. All diked containment areas must be sealed or otherwise made impervious to drycleaning solvents, including floor surfaces, floor drains, floor joints and inner dike walls. Concrete or asphalt floor surfaces are not impervious to drycleaning solvents. The Department recommends the installation of containment vessels rather than the installation of dikes, because containment vessels offer greater security from releases.

Additional information on secondary containment is available online at the Program's website listed below.

Discharge Notification:

All owners or operators of a drycleaning facility or wholesale supply facility are required to immediately report a spill of more than one quart of drycleaning solvents outside a containment structure to the **State Warning Point at (800) 320-0519**. This requirement applies to spills of drycleaning solvents occurring on or after July 1, 1995.

Response Actions:

The owners and operators of drycleaning and wholesale supply facilities are required to immediately initiate and complete actions to abate the source of any spill reported to the State Warning Point. The law requires that the spilled drycleaning solvent be removed from all indoor and outdoor surface areas, including any septic tank or catch basin in which the solvent has accumulated. Affected soils must also be removed.

Third Party Liability Insurance:

The law requires the owner or operator of a drycleaning facility or wholesale supply facility to purchase third party liability insurance. The insurance is to provide \$1 million coverage for bodily injury and property damage caused by an incident of contamination. This requirement to obtain insurance only applies if the third party insurance is available at a reasonable rate as determined by the Florida Department of Insurance (DOI). Owners and operators of drycleaning facilities and wholesale supply facilities will not be required to obtain the insurance until the DOI makes a determination that the insurance is available at reasonable cost.

Taxes and Fees:

The owner, operator, and/or real property owner of operating drycleaning facilities or wholesale supply facilities are responsible for payment of certain taxes and fees specified in the statute. The fees and taxes are collected and placed into the program fund to pay for costs associated with the cleanup of drycleaning solvent contamination. The taxes and fees include:

- The gross receipt sales tax became effective on October 1, 1994. As of January 1, 1996, the tax is 2.0% of all charges imposed by a drycleaning facility for the drycleaning or laundering of clothes or other fabrics. All drycleaning facilities imposing this charge for drycleaning clothing are required to register with the Florida Department of Revenue (DOR) and pay a \$30 registration fee to the DOR.
- The tax on perchloroethylene became effective on October 1, 1994. A tax of \$5 per gallon is assessed on the sale of perchloroethylene sold to or imported by a drycleaning facility. Any person producing, importing or selling perchloroethylene in the state must register with the DOR and pay a \$30 registration fee to the DOR.
- An initial registration fee of \$100 is due from all new drycleaners and wholesale supply businesses. Once a facility has registered with the Department, an invoice will be sent for payment of the initial registration fee.
- An annual registration fee of \$100 is due from all operating drycleaning facilities and wholesale supply facilities that have registered with the Department. An invoice will be sent for payment of the annual registration fee at the end of each year. A \$75 late fee will be assessed if the registration fee is not paid within 30 days after billing by the Department.
- Electronic payment of the initial registration fee and annual registration fee is available online via credit card at the Drycleaning Solvent Cleanup Program's website listed below.
- Applicants to the program are responsible for payment of a deductible prior to cleanup of the drycleaning solvent contamination. The amount of the deductible is specified in the statute and ranges from \$1,000 to \$10,000, depending on the date of application to the program. If a facility applied by June 30, 1997, the deductible is \$1,000. For facilities that applied between July 1, 1997 and September 30, 1998, the deductible is \$5,000. A deductible payment of \$10,000 will be required for facilities, which applied to the Department from October 1, 1998 through December 31, 1998.

Certificate of Registration:

Registered drycleaners and wholesale supply facilities will receive a certificate of registration following payment of their annual registration fee. The certificate will expire at the end of each calendar year and a new certificate will be issued following payment of the annual registration fee. The facility shall display this certificate in the vicinity of its drycleaning machines, and should ensure that the certificate is easily visible to persons making drycleaning solvent deliveries and facility inspections.

Effective March 1, 2009 a person may not sell or transfer any drycleaning solvents to an owner or operator of a drycleaning facility unless the owner or operator of the drycleaning facility displays the certificate of registration.

Additional information is available online at the Program's website listed below.

Registration for New Businesses:

New drycleaners and wholesale supply businesses are required to submit to the Department a completed Registration Form and pay an initial registration fee of \$100. The initial Registration Form must be submitted jointly by the owner, operator, and real property owner. Once the Department receives the Registration Form an invoice for the initial \$100 registration fee will be mailed to the facility owner.

The Department strongly encourages facility owners/operators to submit the initial Registration Form at least 45 days prior to the facility opening to allow time to receive the invoice and pay the initial registration

fee. Once the initial registration fee is received the Department will issue the certificate of registration. This certificate of registration will be necessary to purchase drycleaning solvents. The Registration Form and Registration Instructions are available at the Drycleaning Solvent Cleanup Program's website listed below.

Voluntary Cleanup:

Real property owners are authorized to conduct rehabilitation activities, at any time, regardless of the site's eligibility in the Drycleaning Solvent Cleanup Program. The law provides limited liability protection if a real property owner conducts a voluntary cleanup, provided the real property owner:

1. Conducts cleanup activities consistent with state and federal laws and rules;
2. Conducts such site rehabilitation in a timely manner according to an approved schedule; and
3. Does not deny the Department access to the site.

The Department's District Waste Program offices manage voluntary cleanup activities. Telephone numbers for these district offices are listed below.

The 1998 Legislature authorized a voluntary cleanup tax credit to encourage voluntary cleanup of certain drycleaning solvent contaminated sites and sites in designated Brownfield areas. The tax credit can be applied toward corporate income tax for the taxpayers that conduct voluntary cleanup. The credit is limited to 50% percent of the costs of voluntary cleanup, up to \$500,000 per site per year.

A separate information sheet about the voluntary cleanup tax credit program is available at:

<http://www.dep.state.fl.us/waste/categories/vctc/default.htm>

CONTAMINATED SITE CLEANUP CRITERIA RULE 62-780:

The Department has adopted rule 62-780 Florida Administrative Code F.A.C. to implement the requirements of Section 376.3078(4), F.S. The rule establishes criteria for the purpose of determining, on a site-specific basis, the rehabilitation program tasks that comprise a site rehabilitation program and the level at which a rehabilitation program task and a site rehabilitation program may be deemed completed. This rule incorporates to the maximum extent feasible, risk-based corrective action principles to achieve protection of human health and safety and the environment in a cost-effective manner.

FOR MORE INFORMATION

Additional information on the Drycleaning Solvent Cleanup Program is available at:

<http://www.dep.state.fl.us/waste/categories/drycleaning/default.htm>

Copies of the law may be obtained through the Florida Legislature at:

<http://www.leg.state.fl.us>

Drycleaning Solvent Cleanup Program Contacts:

General Program Information & Program Staff	(850) 245-8705
Registration	(850) 245-8839
State Warning Point	(800) 320-0519
Small Business Assistance Program (Air Hotline)	(800) 722-7457
Taxpayer Assistance (DOR)	(800) 352-3671

FDEP District Offices:

Central (Orlando)	(407) 897-4100
Northeast (Jacksonville)	(904) 256-1700
Northwest (Pensacola)	(850) 595-8300
South (Ft. Myers)	(239) 344-5600
Southeast (West Palm Beach)	(561) 681-6600
Southwest (Tampa)	(813) 470-5700