



Substitute House Bill No. 6824

Public Act No. 05-176

**AN ACT CONCERNING THE DRY CLEANING ESTABLISHMENT
REMEDATION ACCOUNT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 12-263m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There shall be paid to the Commissioner of Revenue Services by each dry cleaning establishment, as defined in this subsection, a surcharge of one per cent of its gross receipts at retail for any dry cleaning service performed on or after January 1, 1995. Each such establishment shall register with the Commissioner of Revenue Services on forms prescribed by him. Each such establishment shall submit a return quarterly to the Commissioner of Revenue Services, applicable with respect to the calendar quarter beginning January 1, 1995, and each calendar quarter thereafter, on or before the last day of the month immediately following the end of each such calendar quarter, on a form prescribed by the commissioner, together with payment of the quarterly surcharge determined and payable in accordance with the provisions of this section. Whenever such surcharge is not paid when due, a penalty of ten per cent of the amount due or fifty dollars, whichever is greater, shall be imposed, and such surcharge shall bear interest at the rate of one per cent per

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month or fraction thereof until the same is paid. The Commissioner of Revenue Services shall cause copies of a form prescribed for submitting returns as required under this section to be distributed to persons subject to the surcharge. Failure to receive such form shall not be construed to relieve anyone subject to the surcharge under this section from the obligations of submitting a return, together with payment of such surcharge within the time required. The provisions of sections 12-548 to 12-554, inclusive, and sections 12-555a and 12-555b shall apply to the provisions of this section in the same manner and with the same force and effect as if the language of said sections 12-548 to 12-554, inclusive, and sections 12-555a and 12-555b had been incorporated in full into this section and had expressly referred to the surcharge imposed under this section, except to the extent that any such provision is inconsistent with a provision of this section and except that the term "tax" shall be read as "dry cleaning establishment surcharge". Any moneys received by the state pursuant to this section shall be deposited into the account established pursuant to subsection (b) of this section. For the purposes of this section, "dry cleaning establishment" means any place of business engaged in the cleaning of clothing or other fabrics using tetrachlorethylene, Stoddard solvent or other chemicals or any place of business which accepts clothing or other fabrics to be cleaned by another establishment using such chemicals and "gross receipts at retail" means the total amount accruing from dry cleaning services at retail, valued in money, without any deduction for the cost of the materials used, labor or service cost or any other expense.

(b) There is established an account within the General Fund to be known as the "dry cleaning establishment remediation account". Said account shall contain any moneys required by law to be deposited in the account. Any balance remaining in the account at the end of any fiscal year shall be carried forward in the account for the fiscal year next succeeding. The account shall be used by the Department of

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Economic and Community Development for grants made to owners or operators of dry cleaning establishments or owners of property on which an eligible dry cleaning establishment has been in operation for at least a year prior to the approval of the application and there exists a dry cleaning establishment at the time of release of funds, pursuant to subsections (c) and (d) of this section.

(c) The state, acting through the Commissioner of Economic and Community Development, shall use the dry cleaning establishment remediation account to provide grants to [dry cleaning establishments] applicants for the purposes of the containment and removal or mitigation of environmental pollution resulting from the discharge, spillage, uncontrolled loss, seepage or filtration of chemical liquids or solid, liquid or gaseous products or hazardous wastes on or at the site of [such] a dry cleaning establishment or for measures undertaken to prevent such pollution which are approved by the Commissioner of Environmental Protection. In order to qualify for a grant under the provisions of this section [a dry cleaning establishment] an applicant must demonstrate to the satisfaction of the Commissioner of Economic and Community Development that [it] (1) the subject dry cleaning establishment is using or has previously used, tetrachlorethylene or Stoddard solvent or other chemicals for the purpose of cleaning clothes or other fabrics, (2) the applicant has been doing business and has maintained its principal office and place of business [in this state] at the site for a period of at least one year prior to the [date of its] submission date or approval date of the application for assistance under this section, and [(3) is unable to obtain financing from conventional sources on reasonable terms or in reasonable amounts, and (4)] (3) the applicant is not in arrears with regard to any tax levied by the state or any political subdivision of the state. Any funds disbursed as a grant under this section shall not be subject to attachment in the satisfaction of any judgment against the recipient of such grant in any civil action.

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(d) Notwithstanding the terms of any grant made under this section, [a dry cleaning establishment] an applicant shall bear all the costs of such pollution that are less than ten thousand dollars. [, provided, for a release that was reported to the Commissioner of Environmental Protection prior to December 31, 1990, the responsible party shall bear all costs up to twenty thousand dollars.] The Commissioner of Economic and Community Development shall provide a grant of up to three hundred thousand dollars to the applicant where the applicant has provided said commissioner with documentation satisfactory to said commissioner that the services for which payment is sought have been completed. No [dry cleaning establishment] applicant shall receive more than [fifty] three hundred thousand dollars per calendar year. There shall be allocated to the Department of Economic and Community Development annually from the account, for administrative costs, an amount equal to five per cent of the maximum balance of the account in the preceding year or one hundred thousand dollars, whichever is greater. In addition the account may be used (1) to provide grants to the Department of Environmental Protection for expenditures made investigating dry cleaning establishments, [and] (2) to provide potable water whenever necessary, and (3) to conduct environmental site assessments.

(e) Requests for grants shall be made to the Commissioner of Economic and Community Development. Any [dry cleaning establishment] applicant seeking grants shall provide documentation supporting the need for the grant.

(f) Any dry cleaning establishment which unlawfully or intentionally discharges or spills any chemical liquids or solid, liquid or gaseous products or hazardous wastes shall not be eligible for grants from the account.

(g) The Commissioner of Economic and Community Development shall establish procedures for distribution of the grants and shall adopt

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criteria to carry out the provisions of this section. Such criteria shall specify (1) who may apply for grants; (2) how establishments, whether owned or leased, will be determined to be eligible for grants; and (3) the costs for which a grant may be made.

(h) On or ~~[before]~~ after February 1, 2000, and annually thereafter, the Commissioner of Economic and Community Development shall submit a report, in accordance with section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters relating to the environment regarding the account and grant program established under this section. Such report shall include information as to the number of applications received, and the number and amounts of grants made, since the inception of the program, the names of the applicants, the time period between submission of application and the decision to grant or deny the loan, which applications were approved and which applications were denied and the reasons for denial. Such report shall further include a recommendation as to whether the surcharge and the grant program established under this section should continue.

Approved July 1, 2005