



General Assembly

Substitute Bill No. 6824

January Session, 2005

* HB06824FIN 050905 *

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

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

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 Section 12-263m of the general statutes is repealed and the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

3 (a) There shall be paid to the Commissioner of Revenue Services by
4 each dry cleaning establishment, as defined in this subsection, a
5 surcharge of one per cent of its gross receipts at retail for any dry
6 cleaning service performed on or after January 1, 1995. Each such
7 establishment shall register with the Commissioner of Revenue
8 Services on forms prescribed by him. Each such establishment shall
9 submit a return quarterly to the Commissioner of Revenue Services,
10 applicable with respect to the calendar quarter beginning January 1,
11 1995, and each calendar quarter thereafter, on or before the last day of
12 the month immediately following the end of each such calendar
13 quarter, on a form prescribed by the commissioner, together with
14 payment of the quarterly surcharge determined and payable in
15 accordance with the provisions of this section. Whenever such
16 surcharge is not paid when due, a penalty of ten per cent of the
17 amount due or fifty dollars, whichever is greater, shall be imposed,
18 and such surcharge shall bear interest at the rate of one per cent per
19 month or fraction thereof until the same is paid. The Commissioner of

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

45 (b) There is established an account within the General Fund to be
46 known as the "dry cleaning establishment remediation account". Said
47 account shall contain any moneys required by law to be deposited in
48 the account. Any balance remaining in the account at the end of any
49 fiscal year shall be carried forward in the account for the fiscal year
50 next succeeding. The account shall be used by the Department of
51 Economic and Community Development for grants made to owners or
52 operators of dry cleaning establishments or owners of property on
53 which an eligible dry cleaning establishment has been in operation for

54 at least a year prior to the approval of the application and there exists a
55 dry cleaning establishment at the time of release of funds, pursuant to
56 subsections (c) and (d) of this section.

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

83 (d) Notwithstanding the terms of any grant made under this section,
84 [a dry cleaning establishment] an applicant shall bear all the costs of
85 such pollution that are less than ten thousand dollars. [, provided, for a
86 release that was reported to the Commissioner of Environmental
87 Protection prior to December 31, 1990, the responsible party shall bear

88 all costs up to twenty thousand dollars.] The Commissioner of
89 Economic and Community Development shall provide a grant of up to
90 three hundred thousand dollars to the applicant where the applicant
91 has provided said commissioner with documentation satisfactory to
92 said commissioner that the services for which payment is sought have
93 been completed. No [dry cleaning establishment] applicant shall
94 receive more than [fifty] three hundred thousand dollars per calendar
95 year. There shall be allocated to the Department of Economic and
96 Community Development annually from the account, for
97 administrative costs, an amount equal to five per cent of the maximum
98 balance of the account in the preceding year or one hundred thousand
99 dollars, whichever is greater. In addition the account may be used (1)
100 to provide grants to the Department of Environmental Protection for
101 expenditures made investigating dry cleaning establishments, [and] (2)
102 to provide potable water whenever necessary, and (3) to conduct
103 environmental site assessments.

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

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

112 (g) The Commissioner of Economic and Community Development
113 shall establish procedures for distribution of the grants and shall adopt
114 criteria to carry out the provisions of this section. Such criteria shall
115 specify (1) who may apply for grants; (2) how establishments, whether
116 owned or leased, will be determined to be eligible for grants; and (3)
117 the costs for which a grant may be made.

118 (h) On or [before] after February 1, 2000, and annually thereafter,
119 the Commissioner of Economic and Community Development shall

120 submit a report, in accordance with section 11-4a, to the joint standing
121 committee of the General Assembly having cognizance of matters
122 relating to the environment regarding the account and grant program
123 established under this section. Such report shall include information as
124 to the number of applications received, and the number and amounts
125 of grants made, since the inception of the program, the names of the
126 applicants, the time period between submission of application and the
127 decision to grant or deny the loan, which applications were approved
128 and which applications were denied and the reasons for denial. Such
129 report shall further include a recommendation as to whether the
130 surcharge and the grant program established under this section should
131 continue.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	12-263m

ENV *Joint Favorable Subst.*

CE *Joint Favorable*

FIN *Joint Favorable*