

1 AMENDMENT TO SENATE BILL 1000

2 AMENDMENT NO. _____. Amend Senate Bill 1000 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Drycleaner Environmental Response Trust
5 Fund Act is amended by changing Sections 5, 15, 25, 30, 40,
6 45, 60, 65, and 85 as 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 Protection
13 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 Environmental
19 Response Trust Fund Council.

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

22 (f) "Drycleaning facility" means a facility located in

1 this State that is or has been engaged in drycleaning
2 operations for the general public, other than a:

3 (1) facility located on a United States military
4 base;

5 (2) industrial laundry, commercial laundry, or
6 linen supply facility;

7 (3) prison or other penal institution that engages
8 in drycleaning only as part of a Correctional Industries
9 program to provide drycleaning to persons who are
10 incarcerated in a prison or penal institution or to
11 resident patients of a State-operated mental health
12 facility;

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

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

17 (g) "Drycleaning operations" means drycleaning of
18 apparel and household fabrics for the general public, as
19 described in Standard Industrial Classification Industry No.
20 7215 and No. 7216 in the Standard Industrial Classification
21 Manual (SIC) by the Technical Committee on Industrial
22 Classification.

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

28 (i) "Emergency" or "emergency action" means a situation
29 or an immediate response to a situation to protect public
30 health or safety. "Emergency" or "emergency action" does not
31 mean removal of contaminated soils, recovery of free
32 product, or financial hardship. An "emergency" or "emergency
33 action" would normally be expected to be directly related to
34 a sudden event or discovery and would last until the threat

1 to public health is mitigated.

2 (j) "Groundwater" means underground water that occurs
3 within the saturated zone and geologic materials where the
4 fluid pressure in the pore space is equal to or greater than
5 the atmospheric pressure.

6 (k) "Inactive drycleaning facility" means a drycleaning
7 facility that is not being used for drycleaning operations
8 and is not registered under this Act.

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

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

24 (n) "Operator" means a person or entity holding a
25 business license to operate a licensed drycleaning facility
26 or the business operation of which the drycleaning facility
27 is a part.

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

33 (p) "Parent corporation" means a business entity or
34 other business arrangement that has elements of common

1 ownership or control or that uses a long-term contractual
2 arrangement with a person to avoid direct responsibility for
3 conditions at a drycleaning facility.

4 (q) "Person" means an individual, trust, firm, joint
5 stock company, corporation, consortium, joint venture, or
6 other commercial entity.

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

9 (s) "Release" means any spilling, leaking, emitting,
10 discharging, escaping, leaching, or dispersing of drycleaning
11 solvents from a drycleaning facility to groundwater, surface
12 water, or subsurface soils.

13 (t) "Remedial action" means activities taken to comply
14 with Sections 58.6 and 58.7 of the Environmental Protection
15 Act and rules adopted by the Pollution Control Board under
16 those Sections.

17 (u) "Responsible party" means an owner, operator, or
18 other person financially responsible for costs of remediation
19 of a release of drycleaning solvents from a drycleaning
20 facility.

21 (v) "Service provider" means a consultant, testing
22 laboratory, monitoring well installer, soil boring
23 contractor, other contractor, lender, or any other person who
24 provides a product or service for which a claim for
25 reimbursement has been or will be filed against the remedial
26 account or insurance account, or a subcontractor of such a
27 person.

28 (w) "Virgin facility" means a drycleaning facility that
29 has never had chlorine-based or petroleum-based drycleaning
30 solvents or other hazardous chemicals or materials stored or
31 used at the property prior to it becoming a green solvent
32 drycleaning facility.

33 (Source: P.A. 90-502, eff. 8-19-97; 91-453, eff. 8-6-99.)

1 (415 ILCS 135/15)

2 Sec. 15. Creation of Council.

3 (a) The Drycleaner Environmental Response Trust Fund
4 Council is established and shall consist of the following
5 voting members to be appointed by the Governor:

6 (1) Four ~~Three~~ members who own or operate a
7 drycleaning facility. ~~Two--of--these--members--must--be~~
8 ~~members--of--the--Illinois--State--Fabricare--Association.~~
9 These members shall serve 3 year terms, except that of
10 the initial members appointed, one shall be appointed for
11 a term of one year, one for a term of 2 years, and one
12 for a term of 3 years.

13 (2) One member who represents wholesale
14 distributors of drycleaning solvents. This member shall
15 serve for a term of 3 years.

16 (3) One member who represents the drycleaning
17 equipment manufacturers and vendor community. This
18 member shall serve for a term of 3 years.

19 (4) One member ~~Two--members~~ with experience in
20 financial markets or the insurance industry. This member
21 ~~These--members~~ shall serve 3-year-terms, ~~--except--that--of~~
22 ~~the--initial--appointments,--one--shall--be--appointed--for--a~~
23 ~~term--of--2--years,--and--one~~ for a term of 3 years.

24 Each member shall have experience, knowledge, and
25 expertise relating to the subject matter of this Act.

26 (b) The Governor may remove any member of the Council
27 for incompetency, neglect of duty, or malfeasance in office
28 after service on him or her of a copy of the written charges
29 against him or her and after an opportunity to be publicly
30 heard in person or by counsel in his or her own defense no
31 earlier than 10 days after the Governor has provided notice
32 of the opportunity to the Council member. Evidence of
33 incompetency, neglect of duty, or malfeasance in office may
34 be provided to the Governor by the Agency or the Auditor

1 General following the annual audit described in Section 80.

2 (c) Members of the Council are entitled to receive
3 reimbursement of actual expenses incurred in the discharge of
4 their duties within the limit of funds appropriated to the
5 Council or made available to the Fund. The Governor shall
6 appoint a chairperson of the Council from among the members
7 of the Council.

8 (d) The Attorney General's office or its designee shall
9 provide legal counsel to the Council.

10 (Source: P.A. 90-502, eff. 8-19-97.)

11 (415 ILCS 135/25)

12 Sec. 25. Powers and duties of the Council.

13 (a) The Council shall have all of the general powers
14 reasonably necessary and convenient to carry out its purposes
15 and may perform the following functions, subject to any
16 express limitations contained in this Act:

17 (1) Take actions and enter into agreements
18 necessary to reimburse claimants for eligible remedial
19 action expenses, assist the Agency to protect the
20 environment from releases, reduce costs associated with
21 remedial actions, and establish and implement an
22 insurance program.

23 (2) Acquire and hold personal property to be used
24 for the purpose of remedial action.

25 (3) Purchase, construct, improve, furnish, equip,
26 lease, option, sell, exchange, or otherwise dispose of
27 one or more improvements under the terms it determines.
28 The Council may define "improvements" by rule for
29 purposes of this Act.

30 (4) Grant a lien, pledge, assignment, or other
31 encumbrance on one or more revenues, assets of right,
32 accounts, or funds established or received in connection
33 with the Fund, including revenues derived from fees or

1 taxes collected under this Act.

2 (5) Contract for the acquisition or construction of
3 one or more improvements or parts of one or more
4 improvements or for the leasing, subleasing, sale, or
5 other disposition of one or more improvements in a manner
6 the Council determines.

7 (6) Cooperate with the Agency in the implementation
8 and administration of this Act to minimize unnecessary
9 duplication of effort, reporting, or paperwork and to
10 maximize environmental protection within the funding
11 limits of this Act.

12 (7) Except as otherwise provided by law, inspect
13 any document in the possession of an owner, operator,
14 service provider, or any other person if the document is
15 relevant to a claim for reimbursement under this Section
16 or may inspect a drycleaning facility for which a claim
17 for benefits under this Act has been submitted.

18 (b) The Council shall pre-approve, and the contracting
19 parties shall seek pre-approval for, a contract entered into
20 under this Act if the cost of the contract exceeds \$75,000.
21 The Council or its designee shall review and approve or
22 disapprove all contracts entered into under this Act.
23 However, review by the Council or its designee shall not be
24 required when an emergency situation exists. All contracts
25 entered into by the Council shall be awarded on a
26 competitive basis to the maximum extent practical. In those
27 situations where it is determined that bidding is not
28 practical, the basis for the determination of
29 impracticability shall be documented by the Council or its
30 designee.

31 (c) The Council may prioritize the expenditure of funds
32 from the remedial action account whenever it determines that
33 there are not sufficient funds to settle all current claims.
34 In prioritizing, the Council may consider the following:

1 (1) the degree to which human health is affected by
2 the exposure posed by the release;

3 (2) the reduction of risk to human health derived
4 from remedial action compared to the cost of the
5 remedial action;

6 (3) the present and planned uses of the impacted
7 property; and

8 (4) other factors as determined by the Council.

9 (d) The Council shall adopt rules allowing the direct
10 payment from the Fund to a contractor who performs
11 remediation. The rules concerning the direct payment shall
12 include a provision that any applicable deductible must be
13 paid by the drycleaning facility prior to any direct payment
14 from the Fund.

15 (e) The Council may purchase reinsurance coverage to
16 reduce the Fund's potential liability for reimbursement of
17 remedial action costs.

18 (Source: P.A. 90-502, eff. 8-19-97.)

19 (415 ILCS 135/30)

20 Sec. 30. Independent contractors retained by Council.

21 (a) A contract entered into to retain a person to act as
22 the administrator of the Fund shall be subject to public bid,
23 provided that no such contract shall be entered into without
24 the review and approval of the Director of the Agency. The
25 Council may enter into a contract or an agreement authorized
26 under this Act with a person, the Agency, the Department of
27 Revenue, other departments, agencies, or governmental
28 subdivisions of this State, another state, or the United
29 States, in connection with its administration and
30 implementation of this Act.

31 (b) The Council may reimburse a public or private
32 contractor retained pursuant to this Section for expenses
33 incurred in the execution of a contract or agreement.

1 Reimbursable expenses include the costs of performing duties
2 or powers specifically delegated by the Council.

3 (Source: P.A. 90-502, eff. 8-19-97.)

4 (415 ILCS 135/40)

5 Sec. 40. Remedial action account.

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

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

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

21 (2) In the case of a claimant who is the owner of
22 an inactive drycleaning facility and was the owner or
23 operator of the drycleaning facility when it was an
24 active drycleaning facility, the claimant is only
25 eligible for reimbursement of remedial action costs
26 incurred in connection with a release from the
27 drycleaning facility, subject to any other limitations
28 under this Act.

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

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

33 (2) At the time the release was discovered by the

1 claimant, the claimant and the drycleaning facility were
2 in compliance with the Agency reporting and technical
3 operating requirements.

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

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

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

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

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

22 (C) That every drycleaning facility:

23 (I) install a containment dike or other
24 containment structure around each machine, ~~or~~
25 item of equipment, ~~or the entire~~ drycleaning
26 area, and portable waste container in which any
27 drycleaning solvent is utilized, which shall be
28 capable of containing leaks, spills, or
29 releases any ~~leak, spill, or release~~ of
30 drycleaning solvent from that machine, item, ~~or~~
31 area, or container. The containment dike or
32 other containment structure shall be capable of
33 at least the following: (i) containing a
34 capacity of 110% of the drycleaning solvent in

1 the largest tank or vessel within the machine;
2 (ii) containing 100% of the drycleaning solvent
3 of each item of equipment or drycleaning area;
4 and (iii) containing 100% of the drycleaning
5 solvent of the largest portable waste container
6 or at least 10% of the total volume of the
7 portable waste containers stored within the
8 containment dike or structure, whichever is
9 greater.

10 Petroleum underground storage tank systems
11 that are upgraded in accordance with USEPA
12 upgrade standards pursuant to 40 CFR Part 280
13 for the tanks and related piping systems and
14 use a leak detection system approved by the
15 USEPA or IEPA are exempt from this secondary
16 containment requirement; and

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

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

24 (6) An active drycleaning facility has maintained
25 continuous financial assurance for environmental
26 liability coverage in the amount of at least \$500,000 at
27 least since the date of award of benefits under this
28 Section or July 1, 2000, whichever is earlier. An
29 uninsured drycleaning facility that has filed an
30 application for insurance with the Fund by January 1,
31 2004, obtained insurance through that application, and
32 maintained that insurance coverage continuously shall be
33 considered to have conformed with the requirements of
34 this subdivision (6). To conform with this requirement

1 the applicant must pay the equivalent of the total
2 premiums due for the period beginning June 30, 2000
3 through the date of application plus a 20% penalty of the
4 total premiums due for that period.

5 (7) The release was discovered on or after July 1,
6 1997 and before July 1, 2006 2004.

7 (d) A claimant shall submit a completed application form
8 provided by the Council. The application shall contain
9 documentation of activities, plans, and expenditures
10 associated with the eligible costs incurred in response to a
11 release of drycleaning solvent from a drycleaning facility.
12 Application for remedial action account benefits must be
13 submitted to the Council on or before June 30, 2005 2004.

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

17 (1) An eligible claimant submitting a claim for an
18 active drycleaning facility is responsible for the first
19 \$5,000 of eligible investigation costs and for the first
20 \$10,000 of eligible remedial action costs incurred in
21 connection with the release from the drycleaning facility
22 and is only eligible for reimbursement for costs that
23 exceed those amounts, subject to any other limitations of
24 this Act.

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

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

1 (1) Subsequent to meeting the deductible
 2 requirements of subsection (e), and pursuant to the
 3 requirements of Section 75, reimbursement shall not
 4 exceed \$300,000 per active drycleaning facility and
 5 \$50,000 per inactive drycleaning facility.†

6 †(A)--\$160,000-per-active--drycleaning--facility
 7 for--which-an-eligible-claim-is-submitted-during-the
 8 program-year-beginning-July-1,1999;

9 †(B)--\$150,000-per-active--drycleaning--facility
 10 for--which-an-eligible-claim-is-submitted-during-the
 11 program-year-beginning-July-1,2000;

12 †(C)--\$140,000-per-active--drycleaning--facility
 13 for--which-an-eligible-claim-is-submitted-during-the
 14 program-year-beginning-July-1,2001;

15 †(D)--\$130,000-per-active--drycleaning--facility
 16 for--which-an-eligible-claim-is-submitted-during-the
 17 program-year-beginning-July-1,2002;

18 †(E)--\$120,000-per-active--drycleaning--facility
 19 for-which-an-eligible--claim-is-submitted-during-the
 20 program-year-beginning-July-1,2003;-or

21 †(F)--\$50,000-per-inactive-drycleaning-facility.

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

32 (3) A claimant may appoint the Council as an agent
 33 for the purposes of negotiating contracts with suppliers
 34 of goods or services reimbursable by the Fund. The

1 Council may select another contractor for goods or
2 services other than the one offered by the claimant if
3 the scope of the proposed work or actual work of the
4 claimant's offered contractor does not reflect the
5 quality of workmanship required or if the costs are
6 determined to be excessive, as determined by the Council.

7 (4) The Council may require a claimant to obtain
8 and submit 3 bids and may require specific terms and
9 conditions in a contract subject to approval.

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

16 (6) Unless emergency conditions exist, a service
17 provider shall obtain the Council's approval of the
18 budget for the remediation work before commencing the
19 work. No expense incurred that is above the budgeted
20 amount shall be paid unless the Council approves the
21 expense prior to its being incurred. All invoices and
22 bills relating to the remediation work shall be submitted
23 with appropriate documentation, as deemed necessary by
24 the Council, not later than 30 days after the work has
25 been performed.

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

30 (8) The Council may determine the usual and
31 customary costs of each item for which reimbursement may
32 be awarded under this Section. The Council may revise the
33 usual and customary costs from time to time as necessary,
34 but costs submitted for reimbursement shall be subject to

1 the rates in effect at the time the costs were incurred.

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

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

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

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

27 (Source: P.A. 90-502, eff. 8-19-97; 91-453, eff. 8-6-99.)

28 (415 ILCS 135/45)

29 Sec. 45. Insurance account.

30 (a) The insurance account shall offer financial
31 assurance for a qualified owner or operator of a drycleaning
32 facility under the terms and conditions provided for under
33 this Section. Coverage may be provided to either the owner or

1 the operator of a drycleaning facility. The Council is not
2 required to resolve whether the owner or operator, or both,
3 are responsible for a release under the terms of an agreement
4 between the owner and operator.

5 (b) The source of funds for the insurance account shall
6 be as follows:

7 (1) Moneys appropriated to the Council or moneys
8 allocated to the insurance account by the Council
9 according to the Fund budget approved by the Council.

10 (2) Moneys collected as an insurance premium,
11 including service fees, if any.

12 (3) Investment income attributed to the insurance
13 account by the Council.

14 (c) An owner or operator may purchase coverage of up to
15 \$500,000 per drycleaning facility subject to the terms and
16 conditions under this Section and those adopted by the
17 Council. Coverage shall be limited to remedial action costs
18 associated with soil and groundwater contamination resulting
19 from a release of drycleaning solvent at an insured
20 drycleaning facility, including third-party liability for
21 soil and groundwater contamination. Coverage is not provided
22 for a release that occurred before the date of coverage.

23 (d) An owner or operator, subject to underwriting
24 requirements and terms and conditions deemed necessary and
25 convenient by the Council, may purchase insurance coverage
26 from the insurance account provided that the drycleaning
27 facility to be insured meets the following conditions:

28 (1) a site investigation designed to identify soil
29 and groundwater contamination resulting from the release
30 of a drycleaning solvent has been completed. The Council
31 shall determine if the site investigation is adequate.
32 This investigation must be completed by June 30, 2006
33 2004. For drycleaning facilities that apply for
34 insurance coverage become--active after June 30, 2006

1 2004, the site investigation must be completed prior to
2 issuance of insurance coverage; and

3 (2) the drycleaning facility is participating in
4 and meets all requirements of a drycleaning compliance
5 program approved by the Council.

6 (e) The annual premium for insurance coverage shall be:

7 (1) For the year July 1, 1999 through June 30,
8 2000, \$250 per drycleaning facility.

9 (2) For the year July 1, 2000 through June 30,
10 2001, \$375 per drycleaning facility.

11 (3) For the year July 1, 2001 through June 30,
12 2002, \$500 per drycleaning facility.

13 (4) For the year July 1, 2002 through June 30,
14 2003, \$625 per drycleaning facility.

15 (5) For subsequent years, an owner or operator
16 applying for coverage shall pay an annual
17 actuarially-sound insurance premium for coverage by the
18 insurance account. The Council may approve Fund coverage
19 through the payment of a premium established on an
20 actuarially-sound basis, taking into consideration the
21 risk to the insurance account presented by the insured.
22 Risk factor adjustments utilized to determine
23 actuarially-sound insurance premiums should reflect the
24 range of risk presented by the variety of drycleaning
25 systems, monitoring systems, drycleaning volume, risk
26 management practices, and other factors as determined by
27 the Council. As used in this item, "actuarially sound" is
28 not limited to Fund premium revenue equaling or exceeding
29 Fund expenditures for the general drycleaning facility
30 population. Actuarially-determined premiums shall be
31 published at least 180 days prior to the premiums
32 becoming effective.

33 (f) If coverage is purchased for any part of a year, the
34 purchaser shall pay the full annual premium. The insurance

1 premium is fully earned upon issuance of the insurance
2 policy.

3 (g) The insurance coverage shall be provided with a
4 \$10,000 deductible policy.

5 (h) A future repeal of this Section shall not terminate
6 the obligations under this Section or authority necessary to
7 administer the obligations until the obligations are
8 satisfied, including but not limited to the payment of claims
9 filed prior to the effective date of any future repeal
10 against the insurance account until moneys in the account are
11 exhausted. Upon exhaustion of the moneys in the account, any
12 remaining claims shall be invalid. If moneys remain in the
13 account following satisfaction of the obligations under this
14 Section, the remaining moneys and moneys due the account
15 shall be used to assist current insureds to obtain a viable
16 insuring mechanism as determined by the Council after public
17 notice and opportunity for comment.

18 (Source: P.A. 90-502, eff. 8-19-97; 91-453, eff. 8-6-99.)

19 (415 ILCS 135/60)

20 (Section scheduled to be repealed on January 1, 2010)

21 Sec. 60. Drycleaning facility license.

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

25 (b) The Council shall issue an initial or renewal
26 license to a drycleaning facility on submission by an
27 applicant of a completed form prescribed by the Council and
28 proof of payment of the required fee to the Department of
29 Revenue.

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

32 (1) \$500 for a facility that uses (i) 50 purchases
33 140 gallons or less of chlorine-based or green

1 drycleaning solvents annually, (ii) 250 or less gallons
 2 annually of hydrocarbon-based drycleaning solvents in a
 3 drycleaning machine equipped with a solvent reclaimer, or
 4 (iii) 500 ±400 gallons or less annually of
 5 hydrocarbon-based drycleaning solvents in a drycleaning
 6 machine without a solvent reclaimer annually.

7 (2) \$500 \$1,000 for a facility that uses (i)
 8 purchases more than 50 ±40 gallons but not more than 100
 9 less---than---360 gallons of chlorine-based or green
 10 drycleaning solvents annually, (ii) more than 250 gallons
 11 but not more 500 gallons annually of hydrocarbon-based
 12 solvents in a drycleaning machine equipped with a solvent
 13 reclaimer, or (iii) more than 500 ±400 gallons but not
 14 more than 1,000 less--than--3600 gallons annually of
 15 hydrocarbon-based drycleaning solvents in a drycleaning
 16 machine without a solvent reclaimer annually.

17 (3) \$500 \$1,500 for a facility that uses (i) more
 18 than 100 purchases--360 gallons but not more than 150
 19 gallons or more of chlorine-based or green drycleaning
 20 solvents annually, (ii) more than 500 gallons but not
 21 more than 750 gallons annually of hydrocarbon-based
 22 solvents in a drycleaning machine equipped with a solvent
 23 reclaimer, or (iii) more than 1,000 gallons but not more
 24 than 1,500 gallons annually 3600--gallons--or more of
 25 hydrocarbon-based drycleaning solvents in a drycleaning
 26 machine without a solvent reclaimer annually.

27 (4) \$1,000 for a facility that uses (i) more than
 28 150 gallons but not more than 200 gallons of
 29 chlorine-based or green drycleaning solvents annually,
 30 (ii) more than 750 gallons but not more than 1,000
 31 gallons annually of hydrocarbon-based solvents in a
 32 drycleaning machine equipped with a solvent reclaimer, or
 33 (iii) more than 1,500 gallons but not more than 2,000
 34 gallons annually of hydrocarbon-based drycleaning

1 solvents in a drycleaning machine without a solvent
2 reclaimer.

3 (5) \$1,000 for a facility that uses (i) more than
4 200 gallons but not more than 250 gallons of
5 chlorine-based or green drycleaning solvents annually,
6 (ii) more than 1,000 gallons but not more than 1,250
7 gallons annually of hydrocarbon-based solvents in a
8 drycleaning machine equipped with a solvent reclaimer, or
9 (iii) more than 2,000 gallons but not more than 2,500
10 gallons annually of hydrocarbon-based drycleaning
11 solvents in a drycleaning machine without a solvent
12 reclaimer.

13 (6) \$1,000 for a facility that uses (i) more than
14 250 gallons but not more than 300 gallons of
15 chlorine-based or green drycleaning solvents annually,
16 (ii) more than 1,250 gallons but not more than 1,500
17 gallons annually of hydrocarbon-based solvents in a
18 drycleaning machine equipped with a solvent reclaimer, or
19 (iii) more than 2,500 gallons but not more than 3,000
20 gallons annually of hydrocarbon-based drycleaning
21 solvents in a drycleaning machine without a solvent
22 reclaimer.

23 (7) \$1,000 for a facility that uses (i) more than
24 300 gallons but not more than 350 gallons of
25 chlorine-based or green drycleaning solvents annually,
26 (ii) more than 1,500 gallons but not more than 1,750
27 gallons annually of hydrocarbon-based solvents in a
28 drycleaning machine equipped with a solvent reclaimer, or
29 (iii) more than 3,000 gallons but not more than 3,500
30 gallons annually of hydrocarbon-based drycleaning
31 solvents in a drycleaning machine without a solvent
32 reclaimer.

33 (8) \$1,500 for a facility that uses (i) more than
34 350 gallons but not more than 400 gallons of

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

9 (9) \$1,500 for a facility that uses (i) more than
10 400 gallons but not more than 450 gallons of
11 chlorine-based or green drycleaning solvents annually,
12 (ii) more than 2,000 gallons but not more than 2,250
13 gallons annually of hydrocarbon-based solvents in a
14 drycleaning machine equipped with a solvent reclaimer, or
15 (iii) more than 4,000 gallons but not more than 4,500
16 gallons annually of hydrocarbon-based drycleaning
17 solvents in a drycleaning machine without a solvent
18 reclaimer.

19 (10) \$1,500 for a facility that uses (i) more than
20 450 gallons but not more than 500 gallons of
21 chlorine-based or green drycleaning solvents annually,
22 (ii) more than 2,250 gallons but not more than 2,500
23 gallons annually of hydrocarbon-based solvents used in a
24 drycleaning machine equipped with a solvent reclaimer, or
25 (iii) more than 4,500 gallons but not more than 5,000
26 gallons annually of hydrocarbon-based drycleaning
27 solvents in a drycleaning machine without a solvent
28 reclaimer.

29 (11) \$1,500 for a facility that uses (i) more than
30 500 gallons but not more than 550 gallons of
31 chlorine-based or green drycleaning solvents annually,
32 (ii) more than 2,500 gallons but not more than 2,750
33 gallons annually of hydrocarbon-based solvents in a
34 drycleaning machine equipped with a solvent reclaimer, or

1 (iii) more than 5,000 gallons but not more than 5,500
2 gallons annually of hydrocarbon-based drycleaning
3 solvents in a drycleaning machine without a solvent
4 reclaimer.

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

15 (13) \$1,500 for a facility that uses (i) more than
16 600 gallons of chlorine-based or green drycleaning
17 solvents annually, (ii) more than 3,000 gallons but not
18 more than 3,250 gallons annually of hydrocarbon-based
19 solvents in a drycleaning machine equipped with a solvent
20 reclaimer, or (iii) more than 6,000 gallons of
21 hydrocarbon-based drycleaning solvents annually in a
22 drycleaning machine equipped without a solvent reclaimer.

23 (14) \$1,500 for a facility that uses more than
24 3,250 gallons but not more than 3,500 gallons annually of
25 hydrocarbon-based solvents in a drycleaning machine
26 equipped with a solvent reclaimer.

27 (15) \$1,500 for a facility that uses more than
28 3,500 gallons but not more than 3,750 gallons annually of
29 hydrocarbon-based solvents used in a drycleaning machine
30 equipped with a solvent reclaimer.

31 (16) \$1,500 for a facility that uses more than
32 3,750 gallons but not more than 4,000 gallons annually of
33 hydrocarbon-based solvents in a drycleaning machine
34 equipped with a solvent reclaimer.

1 (17) \$1,500 for a facility that uses more than
2 4,000 gallons annually of hydrocarbon-based solvents in a
3 drycleaning machine equipped with a solvent reclaimer.

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

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

12 (2) in the case of a renewal applicant, the
13 quantity of drycleaning solvents actually used in the
14 preceding license year.

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

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

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

28 (2) submit a license fee payment form to the
29 licensed operator of each drycleaning facility.

30 (e) An operator of a drycleaning facility shall submit
31 the appropriate application form provided by the Council with
32 the license fee in the form of cash or guaranteed remittance
33 to the Department of Revenue. The license fee payment form
34 and the actual license fee payment shall be administered by

1 the Department of Revenue under rules adopted by that
2 Department.

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

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

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

20 (Source: P.A. 90-502, eff. 8-19-97; 91-453, eff. 8-6-99.)

21 (415 ILCS 135/65)

22 (Section scheduled to be repealed on January 1, 2010)

23 Sec. 65. Drycleaning solvent tax.

24 (a) On and after January 1, 1998, a tax is imposed upon
25 the use of drycleaning solvent by a person engaged in the
26 business of operating a drycleaning facility in this State at
27 the rate of \$3.50 per gallon of perchloroethylene or other
28 chlorinated drycleaning solvents used in drycleaning
29 operations, and \$0.35 per gallon of petroleum-based
30 drycleaning solvent, and \$3.50 per gallon of green solvents,
31 unless the green solvent is used at a virgin facility, in
32 which case the rate is \$0.35 per gallon. The Council shall
33 determine by rule which products are chlorine-based

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

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:

- 22 (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
 - 28 (B) that a floor stock tax has been imposed
 - 29 and paid on the drycleaning solvent.

30 A person who provides a false certification under this
31 subsection shall be liable for a civil penalty not to exceed
32 \$500 for a first violation and a civil penalty not to exceed
33 \$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
3 drycleaning facility. The tax imposed shall be the tax that
4 would have been imposed under subsection (a) if the
5 drycleaning solvent held by the operator on that date had
6 been purchased by the operator during the first year of this
7 Act.

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

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.

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 as
9 necessary to implement this Section.

10 (Source: P.A. 90-502, eff. 8-19-97.)

11 (415 ILCS 135/85)

12 Sec. 85. Repeal of fee and tax provisions. Sections 60
13 and 65 of this Act are repealed on January 1, 2020 ~~2010~~.

14 (Source: P.A. 90-502, eff. 8-19-97; 91-453, eff. 8-6-99.)".