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State of Minnesota

HOUSE OF REPRESENTATIVES

THIRD SPECIAL SESSION

H. F. No. 19

08/12/2020 Authored by Hansen, Morrison and Fischer
The bill was read for the first time and referred to the Committee on Ways and Means

1.1 A bill for an act
1.2 relating to environment; prioritizing expenditures from dry cleaner environmental
1.3 response and reimbursement account; banning perchloroethylene; modifying prior
1.4 appropriation; appropriating money for cost-share program; amending Minnesota
1.5 Statutes 2018, section 115B.49, subdivision 3; Laws 2019, First Special Session
1.6 chapter 4, article 1, section 2, subdivision 10; proposing coding for new law in
1.7 Minnesota Statutes, chapter 325E.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2018, section 115B.49, subdivision 3, is amended to read:

1.10 Subd. 3. Expenditures. (a) Money in the account may be used:

1.11 (1) for environmental response costs incurred by the commissioner under section 115B.50,
1.12 subdivision 1;

1.13 (2) for reimbursement of amounts spent by the commissioner from the remediation fund
1.14 for expenses described in clause (1);

1.15 (3) for reimbursements under section 115B.50, subdivision 2; and

1.16 (4) for administrative costs of the commissioner of revenue.

1.17 (b) Money in the account is appropriated to the commissioner for the purposes of this
1.18 subdivision. The commissioner shall transfer funds to the commissioner of revenue sufficient
1.19 to cover administrative costs pursuant to paragraph (a), clause (4).

1.20 (c) In making reimbursements from the account, the commissioner must give priority
1.21 to the following cases, in descending order:

2.1 (1) reimbursements for amounts spent on response actions by a person who meets the
 2.2 conditions of section 115B.48, subdivision 10, clause (2); and

2.3 (2) reimbursements for expenditures made by the commissioner under paragraph (a),
 2.4 clause (1) or (2), on behalf of owners or operators when the owner or operator failed to
 2.5 complete the requested response action and the commissioner undertook the response action
 2.6 to remediate the property.

2.7 **Sec. 2. [325E.381] PERCHLOROETHYLENE PROHIBITION.**

2.8 After December 31, 2023, using perchloroethylene as a dry cleaning solvent is prohibited.

2.9 Sec. 3. Laws 2019, First Special Session chapter 4, article 1, section 2, subdivision 10, is
 2.10 amended to read:

2.11 **Subd. 10. Transfers**

2.12 (a) The commissioner must transfer up to
 2.13 \$44,000,000 from the environmental fund to
 2.14 the remediation fund for purposes of the
 2.15 remediation fund under Minnesota Statutes,
 2.16 section 116.155, subdivision 2.

2.17 (b) \$600,000 the first year is transferred from
 2.18 the remediation fund to the dry cleaner
 2.19 environmental response and reimbursement
 2.20 account for purposes of Minnesota Statutes,
 2.21 section 115B.49, with reimbursement
 2.22 prioritized to persons who meet the definition
 2.23 in Minnesota Statutes, section 115B.48,
 2.24 subdivision 10, clause (2), and who have made
 2.25 a request to the commissioner, as required
 2.26 under Minnesota Statutes, section 115B.50,
 2.27 subdivision 2.

2.28 (c) Notwithstanding Minnesota Statutes,
 2.29 section 115B.49, subdivision 3, paragraph (a),
 2.30 up to \$600,000 the first year is transferred
 2.31 from the remediation fund to the dry cleaner
 2.32 environmental response and reimbursement

3.1 account for the commissioner for preparing to
 3.2 prepare a report to the chairs and ranking
 3.3 minority members of the legislative
 3.4 committees and divisions with jurisdiction
 3.5 over environment and natural resources
 3.6 finance that includes an assessment of the
 3.7 possibility of recovering environmental
 3.8 response costs from insurance held by dry
 3.9 cleaning facilities, an analysis of the long-term
 3.10 expected revenues and expenditures that would
 3.11 be incurred by the account under current law,
 3.12 and recommendations for ensuring ongoing
 3.13 and future environmental response costs
 3.14 related to dry cleaning facilities are covered.

3.15 The commissioner must work with interested
 3.16 parties, including owners and operators of dry
 3.17 cleaning facilities, in preparing the report. The
 3.18 report must be submitted by January 15, 2021.
 3.19 The amount transferred under this paragraph
 3.20 is available until June 30, 2022, and any
 3.21 unspent money transferred cancels to the
 3.22 remediation fund.

3.23 ~~(d) \$600,000 the second year is transferred~~
 3.24 ~~from the remediation fund to the dry cleaner~~
 3.25 ~~environmental response and reimbursement~~
 3.26 ~~account for purposes of Minnesota Statutes,~~
 3.27 ~~section 115B.49, if legislation is enacted in~~
 3.28 ~~the 2020 legislative session to address the~~
 3.29 ~~insolvency of the dry cleaner environmental~~
 3.30 ~~response and reimbursement account.~~

3.31 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2019.

3.32 Sec. 4. **COST-SHARE PROGRAM FOR DRY CLEANERS; APPROPRIATION.**

3.33 \$400,000 in fiscal year 2021 is appropriated from the remediation fund to the
 3.34 commissioner of the Pollution Control Agency for a cost-share program to reimburse owners

- 4.1 or operators of dry cleaning facilities for the costs of transitioning away from
- 4.2 perchloroethylene to using solvents that are technically viable and environmentally preferred
- 4.3 alternatives. The commissioner must reimburse an owner's or operator's transition expenses
- 4.4 up to \$25,000. This is a onetime appropriation and is available until June 30, 2024.
- 4.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.