



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2003 Wisconsin Act 312 [2003 Senate Bill 324]	Changes to the Dry Cleaner Environmental Response Program
2003 Acts: www.legis.state.wi.us/2003/data/acts/	Act Memos: www.legis.state.wi.us/lc/act_memo/act_memo.htm

2003 Wisconsin Act 312 makes a number of changes to the Dry Cleaner Environmental Response Program and the administration of the dry cleaning facility license and fee.

The Dry Cleaner Environmental Response Program provides reimbursement to owners and operators of dry cleaning facilities for a portion of the cost for responding to discharges of dry cleaning solvents. The program is funded by fees on dry cleaning facilities and products. Dry cleaning facility operators are required to be licensed and pay the facility fee. The Department of Natural Resources (DNR) administers the program, and the Department of Revenue (DOR) issues the licenses and collects the fees.

Changes to the Dry Cleaner Environmental Response Program

Act 312 makes the following changes to the Dry Cleaner Environmental Response Program:

- Adds a definition of “launder.” This term is used in an exception in the definition of “dry cleaning product” in the program and fee provisions.
- Adds to the list of operators and owners of dry cleaning facilities eligible to receive a program award to include an operator or owner of specified closed facilities.
- Repeals the formula setting the priority for the payment of program awards by the DNR after it has paid awards for immediate action activities.
- Expands the authority of an agent of an owner or operator of a dry cleaning facility to engage in program activities on behalf of the owner or operator under the specified conditions.
- Establishes that the amount of a program award is reduced by the amount of tax credits or sources of reimbursement, in addition to insurance proceeds, that recover eligible costs.

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents.

- Expands costs eligible to be reimbursed under the program to include costs up to \$15,000 incurred by a third party in the discovery of the discharge of a dry cleaning product from an eligible owner's or operator's dry cleaning facility before the owner or operator discovered the discharge.
- Establishes that anyone other than an owner or operator, and not just "consultants," who prepares an award application for an owner or operator that includes ineligible costs is subject to a penalty payment equal to 50% of the ineligible costs specified in prior law.
- Excludes from eligible costs any costs incurred before October 14, 1997. Prior law excluded costs incurred before January 1, 1991.
- Revises the deadlines for submitting an application for a program award to be that the notification of potential claim must be submitted by August 30, 2008.
- Directs the DNR to deny an application for a program award if the applicable facility fees, interest, and penalties due under the fee requirements have not been paid, regardless of who owns them, unless an agreement has been entered into with the DOR establishing a payment schedule for all of the fees, interest, and penalties due.
- Clarifies the conditions under which the DNR must transfer funds from the appropriation for program awards to the Environmental Fund when the DNR expends funds from the Environmental Fund because of a discharge of a dry cleaning product at a dry cleaning facility.

Changes to Dry Cleaning Facility License and Fee

Act 312 makes the following changes to the dry cleaning facility license and fee:

- Defines "gross receipts," the amount on which the fee is based to have, in general, the same meaning as "gross receipts" for sales and use tax purposes.
- Establishes that a license is valid until the license is surrendered by the person to whom it was issued, transferred, or revoked by the DOR, rather than requiring annual license renewal.
- Specifies that a person operating a dry cleaning facility without a license is subject to the same misdemeanor penalty that applies to a person selling without a seller's permit under sales tax law and repeals the penalties in prior law for operating without a license or for late license applications.
- Authorizes the DOR to require that a person submitting a license application provide a security deposit and specifies the uses and procedures for administering these deposits.
- Establishes the conditions and procedures for the DOR to revoke a license.
- Clarifies the applicability of income tax laws to the collection of the delinquent dry cleaning facility and product fees.

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