

## Highlights of House Bill (HB) 1366: Frequently Asked Questions

- Q1:** What is the dry cleaning facility release fund? How can my business benefit from this fund?
- A1:** The dry cleaning facility release fund is a fund that will be used by the Texas Commission on Environmental Quality (TCEQ) to remediate contamination resulting from dry cleaners. The fund will help your business by offsetting some of the costs associated with the environmental cleanup of your site, if cleanup is necessary.
- Q2:** What is a performance standard?
- A2:** Performance standards are methods and equipment designed to prevent or minimize leaks of solvents into the environment (eg. containment dikes, proper storage of waste)
- Q3:** Who is required to register? How much is it going to cost to register?
- A3:** All facilities and drop stations must register with the TCEQ. We anticipate billing you in October 2003 with a payment due date of November 30, 2003. Annual registration fees will be as follows:
- \$2,500 for a dry cleaning facility with gross annual receipts of more than \$100,000;
  - \$1,000 for dry cleaning drop stations owned by a dry cleaning facility;
  - \$250 for dry cleaning drop stations not owned by the owner of a dry cleaning facility;
  - \$250 for a dry cleaning facility with gross annual receipts of \$100,000 or less;
  - \$250 for eligible dry cleaning facilities that choose not to participate in the fund;
  - Carbon dioxide facilities must register; however, they are not required to pay a registration fee.
- Q4:** What does “gross annual receipts” mean?
- A4:** “Gross annual receipts” means the sum of all payments or compensation received by a dry cleaning facility or drop station, less any returns, discounts, or allowances. The calculation of gross annual receipts shall not be reduced for cost of goods sold, general and administrative expenses, depreciation and amortization, or other operating expenses. Gross annual receipts does not include any taxes imposed on the services provided by any municipality, state, or other governmental unit and collected by the facility for such governmental unit.
- Q5:** Will there be a fee on the purchase of dry cleaning solvent? How will I pay the solvent fees?
- A5:** The fee will be \$15 per gallon for perchloroethylene (“PERC”) and \$5 per gallon for all other solvents. The fee will be paid to the solvent distributor, who will in turn pay the fee to the TCEQ. There will be no fee for the solvent carbon dioxide.
- Q6:** What if I do not want to participate in the fund?
- A6:** There is an option not to participate. You must file an option not to participate by January 1, 2004. Once you opt out of the fund, you can never get back in. In order to opt out of the fund, you must declare, subject to penalty, that you have never used the solvent PERC at any dry cleaning facility in the state, and that you will not use PERC at any dry cleaning facility in the future. If you decide not to participate, your business will not be eligible for any expenditure of money from the fund. All new dry dry cleaning facilities that begin operation on or between September 1, 2003 and December 31, 2003 and who decide not to participate must also provide the TCEQ a bond or other financial assurance in the amount of \$500,000 to guarantee costs of any future corrective action that may be required at the facility. **After January 1, 2004, facilities will no longer have the option to opt out.**
- Q7:** Do I need to register with the TCEQ even if I choose to opt out?
- A7:** Yes, **ALL** facilities and drop stations must register, including those who choose to opt out of the fund.