

Drycleaner Trust Fund

Alabama Drycleaning Environmental Response Trust Fund Act Fact Sheet – August 2016

What is the Alabama Drycleaning Environmental Response Trust Fund Act and how does it work?

In general, the Act established the Alabama Drycleaning Environmental Response Trust Fund to be administered jointly by the Alabama Drycleaning Environmental Response Trust Fund Board (DERTFB) and ADEM. Registration fees for the drycleaning industry are collected for the Fund and used by the DERTFB to pay for the cost of investigation, assessment, and remediation of environmental contamination resulting from drycleaning operations. The Fund is managed as a voluntary drycleaning industry self-insurance program. The Department of Revenue is responsible for the collection of registration fees and the DERTFB administers the Fund. Monies from the Fund are used for the payment of the cost of investigation, assessment, and remediation of drycleaning contamination incurred by drycleaners, persons owning abandoned drycleaning facilities, wholesale distributors, or impacted third parties that is reported to the Alabama Department of Environmental Management (ADEM).

Who can participate in the Alabama Drycleaning Environmental Response Trust Fund?

To be covered by the provisions of the Act, all owners and operators of drycleaners and wholesale distributors in the State may elect to be covered. All owners and operators of drycleaners and wholesale distributors are to notify ADEM of their intent to be covered. To register with ADEM to be covered by provisions of the Act, you should fill out ADEM Form #425. Submit this form to:

Land Division, Chief
Alabama Department of Environmental Management
Post Office Box 301463
Montgomery, Alabama 36130-1463
Attn: ADEM ADERTF Contact

To be covered by the provisions of the Act, all owners and operators of drycleaners and wholesale distributors in the State must pay annual registration fees to the Department of Revenue. For drycleaner operations, the annual fee amounts to two percent of the gross receipts from operations in the State, not to exceed \$25,000. New facilities beginning operation after the effective date of the Act will pay a registration fee of \$5,000 for the first year, and then two percent of gross receipts for subsequent years. Wholesale distributors shall pay a fee of \$5,000 per year. Owners of abandoned dry cleaning facilities shall pay a registration fee of \$5,000 per year for coverage for their abandoned site if and when contamination is discovered at the abandoned site.

How does ADEM administer the Alabama Drycleaning Environmental Response Trust Fund and what steps are associated with completing a Drycleaning Environmental Response Trust Fund cleanup?

ADEM has adopted rules and regulations to administer and enforce provisions of the Act as expeditiously as possible. Such rules and regulations:

- established performance standards for existing and new drycleaning facilities and wholesale distribution facilities
- established criteria for reporting of suspected contamination or the discovery of contamination
- established criteria to prioritize those sites at which contamination is reported

- established requirements for investigation, assessment, and remediation of contamination
- established criteria to determine if remediation is necessary and when remediation is completed

The Act has tasked ADEM with a number of responsibilities. ADEM tracks and prioritizes the number of sites enrolled in the program. This information is provided to the DERTFB. ADEM also provides regulatory oversight by reviewing and commenting on submitted initial investigations, assessments and cleanup plans.

The criteria to prioritize sites and the requirements for investigation, assessment, and remediation of contamination involve the following:

1. Submittal of an Initial Investigation as outlined in ADEM Admin. Code R. 335-16-4-.02. The Initial Investigation allows ADEM to prioritize the site.
2. Submittal of a Property Assessment Plan and Property Assessment Report as outlined in ADEM Admin. Code R. 335-16-6-.01.
3. Submittal of a Property Remediation Plan as outlined in ADEM Admin. Code R. 335-16-6-.02.

Once remediation has been completed at the site, ADEM will issue a Letter of Concurrence to the property owner. If the owner or operator of a site wishes to resign from the fund, please notify ADEM in writing at the above address.

How does the DERTFB administer the Alabama Drycleaning Environmental Response Trust Fund?

An approved consultant must be used to prepare any investigation and conduct any sampling associated with the site. In order to be reimbursed for money spent, your consultant's activities have to be approved in advance. The DERTF Board must approve all cost proposals and payment requests. The approved consultant list can be obtained from the DERTF website: www.drycleaningtrustfund.alabama.gov. Please refer to the DERTF website for guidance for current and future information. Changes to policies by the DERTFB will be placed on the DERTF website.

Where do I find the Regulations associated with the Alabama Drycleaning Environmental Trust Fund?

- Alabama Drycleaning Environmental Trust Fund Board (Administration Regulations): <http://alabamaadministrativecode.state.al.us/docs/dctf/287-1-1.pdf>
- Alabama Drycleaning Environmental Trust Fund webpage: <http://www.drycleaningtrustfund.alabama.gov/rules.aspx>
- ADEM Land Division Drycleaning Trust Fund Program (Oversight Regulations): <http://www.adem.state.al.us/alEnviroRegLaws/files/Division16.pdf>
- Code of Alabama, Health and Environmental Control, Chapter 30D Alabama Drycleaning Environmental Response Trust Fund (Revenue Fee Regulations): <http://alisondb.legislature.state.al.us/alison/CodeOfAlabama/1975/Coatoc.htm>