

HB 3273 -1 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

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Meeting Dates: 2/27, 3/8

WHAT THE MEASURE DOES:

REPEAL OF DRY CLEANER ENVIRONMENTAL PROGRAM

Repeals Department of Environmental Quality's (DEQ) dry cleaner environmental program on January 1, 2024. Abolishes Dry Cleaner Environmental Response Account on January 1, 2025 (ORS 465.510) and requires transfer of any moneys remaining in the account on January 1, 2025, that are unexpended, unobligated, and not subject to any conditions to the General Fund and made available for general governmental purposes.

PROHIBITION ON USE OF PERCHLOROETHYLENE AND N-PROPYL BROMIDE

Prohibits use of perchloroethylene and n-propyl bromide as dry-cleaning solvents, operative January 1, 2027, and authorizes the Environmental Quality Commission to adopt rules as necessary to enforce the prohibition. Requires any person who violates a provision of section 5 of the Act, or any rule or order entered or adopted under section 5 of the Act, to incur a civil penalty not to exceed \$25,000 for each day of violation. Authorizes DEQ to enter upon and inspect, at any reasonable time, any dry-cleaning facility for the purpose of investigating either an actual or suspected violation of section 5 of the Act or rules adopted under section 5 of the Act. Authorizes DEQ to require the owner or operator of any dry-cleaning facility to furnish to the department information related to the use of perchloroethylene or n-propyl bromide as a dry-cleaning solvent. Authorizes DEQ to, at any reasonable time, inspect and copy a dry-cleaning facility's documents or records related to the use of perchloroethylene or n-propyl bromide as a dry-cleaning solvent. Authorizes DEQ to, without prior administrative notice or hearing, institute actions or proceedings for legal or equitable remedies to enforce compliance with section 5 of the Act or to restrain further violations of section 5 of the Act whenever it appears to the department that any person is engaged or about to engage in any acts or practices that constitute a violation of section 5 of the Act or any rules or orders adopted or entered under section 5 of the Act. Takes effect on 91st day following adjournment sine die.

- *FISCAL: Fiscal impact statement issued*
- *REVENUE: Minimal revenue impact*

ISSUES DISCUSSED:

- Reason for decline in number of dry cleaners
- Effect of regulations and fees on dry cleaning industry
- Effect of uptake of alternative solvents on industry

EFFECT OF AMENDMENT:

-1 Changes operative date for prohibition on use of perchloroethylene and n-propyl bromide as dry-cleaning solvents to January 1, **2028**.

BACKGROUND:

The Department of Environmental Quality's (DEQ) dry cleaner environmental program's purpose is to create a \$1 million cleanup fund paid for solely by the dry-cleaning industry and to otherwise exempt dry-cleaning owners and dry-cleaning operators from cleanup liability from releases of hazardous substances from dry-cleaning facilities (ORS 465.500). It also ensures the cleanup of contamination resulting from dry-cleaning facilities. Fees assessed on dry-cleaning facilities as part of the program include an annual fee and gross revenue fee for dry-cleaning facilities as well as fees on the sale, transfer, or use of dry-cleaning solvents.

This summary has not been adopted or officially endorsed by action of the committee.

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Perchloroethylene is a colorless liquid used for dry cleaning, as well as for use as a solvent for cleaning and degreasing. The U.S. Environmental Protection Agency's (EPA) 2022 final revised risk determination for perchloroethylene found that the chemical "presents an unreasonable risk of injury to human health under its conditions of use."

1-Bromopropane, or n-propyl bromide, is also a solvent used in dry-cleaning processes and for other purposes. Exposure to n-propyl bromide has been linked to neurological illnesses in humans and may cause cancer and reproductive disorders in animals.

House Bill 3273 would repeal DEQ's dry cleaner environmental program on January 1, 2024 and prohibit the use of perchloroethylene and n-propyl bromide as dry-cleaning solvents.