

DEQ Dry Cleaner Program Sunset

House Bill 3273 was signed by Governor Kotek on July 13, 2023. The full text of HB 3273 is available on the Oregon Legislative Information System <u>here</u>.

This law will:

- 1. End all aspects of the DEQ Dry Cleaner Program on Jan. 1, 2024.
- 2. Prohibit the use of perc and n-propyl bromide as dry cleaning solvents on Jan. 1, 2028.

Background

In 1995, the Oregon Legislature created the <u>DEQ Dry Cleaner Environmental Program</u> to create a \$1 million fund paid solely by the dry cleaning industry to fund the cleanup of contamination resulting from the use of toxic solvents at dry cleaning facilities and to exempt dry cleaning owners and operators from environmental cleanup liability. The program never reached the \$1 million benchmark nor the envisioned financial capacity.

Oregon Revised Statute 465.500 to 465.545 requires dry cleaners to comply with measures designed to prevent dry cleaning solvent from being leaked into the soil, groundwater, or air. Statute also requires dry cleaners to pay fees into a fund to be used for program administration, compliance inspections, and cleanups at eligible current and former dry cleaners. Fee amounts are set in statute and depend on a dry cleaner's use of solvent, both current and historical usage, and revenue from dry cleaning.

In 2016, the program determined it was unable to establish adequate revenue to ensure a financially sustainable program beyond 2021. After numerous meetings with the <u>Dry Cleaner Advisory Committee</u>, attempts to develop a proposal to fund the program were unsuccessful.

Dry Cleaning Solvents: It's Time to Move On

Dry cleaners use fluids called solvents to clean clothes and other fabrics. These solvents are harmful to people and the environment, causing soil and groundwater contamination that can last a long time, with vapors seeping into neighboring buildings. Even a small quantity of dry cleaning solvent can threaten humans by contaminating indoor air or drinking water.

The U.S. Environmental Protection Agency has found that a common dry cleaning solvent, perchloroethylene, also called perc, presents an unreasonable risk of injury to human health. Symptoms associated with exposure to perc include depression of the central nervous system, damage to the liver and kidneys, impaired memory, confusion, dizziness, headache, drowsiness, and skin, eye, nose, and throat irritation. It is also a possible



carcinogen. Perc is the number one reason that a dry cleaner site would require an environmental clean up. EPA's Risk Evaluation for perchloroethylene can be found <u>here</u>. Fortunately, use of this solvent by Oregon dry cleaners has greatly declined and HB 3273 prohibits the use of this solvent in dry cleaning beginning January 1, 2028.

EPA also found that another common dry cleaning solvent, n-propyl bromide, also called nPB or 1-BP, presents an unreasonable risk of injury to humans, including adverse effects to skin, lungs and the neurological system. EPA's Risk Evaluation for n-propyl bromide can be found here. Currently, no dry cleaners in Oregon use n-propyl bromide, however, it is often billed as a perc alternative. To avoid a regrettable substitution, HB 3273 also prohibits the use of this solvent in dry cleaning beginning January 1, 2028.

Current State of the Dry Cleaner Program

The program has had environmental successes in the 28 years of its operation. Over 50 contaminated dry cleaner sites haven been cleaned up at a total cost of over \$8.4 million dollars. In addition, fewer dry cleaners use harmful solvents – there are currently only about 35 dry cleaners in Oregon that still use perc.

The dry cleaning industry has declined over time and program fee revenue has declined with it. There are now fewer active dry cleaners statewide, reflecting a nationwide trend. There were approximately 350 dry cleaning establishments in 1999, 200 in 2017, and 140 in 2023. Over the years, dry cleaners have invested in more efficient machines that recover and reuse solvent, another environmental success that has also reduced program fee revenue. Fee revenue for 2022 totaled about \$200,000 and was not projected to increase in future years.

The DEQ Dry Cleaner Program is no longer financially viable. Fees no longer cover program administration and no longer provide sufficient revenue to clean up additional contaminated properties. DEQ did not anticipate the account will increase in the future as the number of contributing dry cleaning businesses and annual fee revenues continued to decline.

More information is available on the DEQ Dry Cleaner Environmental Program webpage.

Alternate formats

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