

# Dry Cleaner Environmental Response Fund (DERF) Program\*



PUB-RR-882  
August 2014

## What Is It?

- Industry-developed initiative to provide financial protection for drycleaners should contamination occur from their operations (State Legislature passed in 1997)
- A reimbursement program – with cost controls including no financing costs/attorney costs, multiple-phase bidding requirements with DNR project manager approvals required
- Funded by 2.8% fee on drycleaning gross receipts, \$5/gal perchloroethylene and \$.75/gal other solvents fee paid by chemical distributors
- Collect approximately \$1.5 million/year
- Drycleaner owner and operators and the property owner of a licensed facility are eligible
- Maximum award is \$500,000 per facility
- Sliding scale deductible based on cost of response actions
- 13 states have similar programs



## How Does It Work?

- Dept. of Revenue (DOR) collects fees from licensed drycleaners
- DOR has 1 position from fund for licensing
- DNR has 3 positions from fund (1 auditor/2 hydrogeologists)
- When contamination is discovered, drycleaner notifies DNR and follows process for conducting cleanups
- DNR staff approve selected bidders; provide technical assistance/program management
- Responsible parties must conduct cleanup consistent with ch. NR 700 cleanup rule series/get reimbursed as specific milestones are reached

## Who Are The Clients?

- Individual drycleaners with contamination/property owners who are eligible
- Governor's Council on DERF (four drycleaners, one equipment supplier, one consultant, one chemical manufacturer)
- Wisconsin Fabricare Institute (Brian Swingle, Exec Dir.; Don Gallo, attorney)

## Program Status

- 203 licensed drycleaners in the state
- 230 sites with investigations initiated
- 99 sites with complete investigations
- 85 sites closed

*\*Note: The program is currently closed to new applicants*

This document contains information about certain state statutes and administrative rules but does not necessarily include all of the details found in the statutes and rules. Readers should consult the actual language of the statutes and rules to answer specific questions. The Wisconsin Department of Natural Resources provides equal opportunity in its employment, programs, services, and functions under an Affirmative Action Plan. If you have any questions, please write to Equal Opportunity Office, Department of Interior, Washington, D.C. 20240. This publication is available in alternative format upon request. Please call 608-267-3543 for more information.