

Governor's Council on the Dry Cleaner Environmental Response Fund (DERF) Program  
October 22, 2001 Meeting Summary  
Lapham Peak State Park

**Participants:**

**Council Members:** Steve Plater, Chair; Jill Fitzgerald; Jim Cherwinka; Richard Klinke; Jim Fitzgerald; Jeanne Tarvin

**Others:** Joe Phillips; Brian Swingle; Don Gallo

**DNR:** Robin Schmidt; Jeff Soellner; Lance Potter; Barbara Schultz

1. Joe Phillips introduced Brian Swingle, who will be serving as the Executive Director of WFI when Joe retires in early 2002. Brian and Joe will work together through the transition, and Joe will likely consult with Brian for a time after the change occurs.
2. The Council asked whether staff from the Department of Revenue would be participating at the meeting. Robin explained that she had sent several requests to DOR staff, however, she had not heard a reply as to their attendance at this meeting, so she assumed they would not be participating. The Council discussed that they would need to make further inquiries to the DOR directly to schedule a meeting on the DERF program and fee collection/licensing issues. Robin asked that if a meeting was scheduled, she would like to be a participant in the meeting. The Council also suggested that this be a topic for an upcoming WFI Board meeting. Steve Plater indicated he would follow up with DOR after that meeting. The Council asked what the implications of DNR collecting fees and issuing licenses. Robin indicated she would bring that back to DNR management, however, she was not optimistic that this would be something the DNR would be interested in pursuing.
3. Robin Schmidt provided an update of statutory changes included in the biennial budget bill. The group discussed some of the upcoming issues relating to the statutes and changes that did not occur. The Council is concerned about the lack of substantive penalties for drycleaners if they choose not to participate in the program. They would like to see penalties increased significantly. In addition, the Council discussed the deadline date for applications for facilities that closed prior to September 1, 1998. The statute states that those facilities cannot submit a reimbursement application after August 30, 2005. The Council suggested that this should be changed so that the facilities cannot submit a notification of potential claim after August 30, 2005, which would allow them to conduct their investigations and cleanups without an artificial date imposed upon them by the program. The Council agreed that additional substantive outreach is needed now, since future statutory language changes are not guaranteed. The Council also indicated the industry's desire to have the 5% sales tax revenues diverted from the general fund to the DERF fund, and will be working separately on that issue.
4. Jeff Soellner presented information on the status of the fund. He indicated the amount of funds dispersed, as well as the status of current applications. The Council discussed concerns with carry-over funds and the ability of the Legislature to tap into unused funds for other purposes. Robin and Jeff indicated that they received an increased spending authority for this upcoming year, and anticipated funds would be distributed reducing the balance to a minimal level.
5. Robin provided a summary of the eligibility criteria for the program. She included a flowchart to further explain eligibility information. The Council discussed eligibility for dry stores, and the implications of purchasing a dry store as opposed to a dry cleaning "facility". The Council also provided input to Jeff on the new Potential Claim Notification form. This form is being revised to allow Jeff to better evaluate eligibility status with the information contained in the notification form.
6. Robin provided a summary of the States Coalition for the Remediation of Drycleaners meeting last month in Portland, Oregon. She provided brief updates of what other states had reported out at the meeting. Most states are dealing with similar issues relating to funding, technological advances, changing products, and fee collection issues.

7. The Council discussed the Program Evaluation Report, submitted in very draft form to the Council. They discussed that there would be one report from the DNR perspective, with likely an addendum page at the end with specific Council recommendations that they will be providing the DNR. Robin indicated she will be asking for an extension for the deadline date of January 1, 2002, since the joint report will take more coordinating time. The Council accepted the format and general background information, and provided Robin and Jeff with additional insights for what they would like to see in the report. They would like the report to emphasize the long term forecast for the fund, the anticipated needs of the program, and statutory fixes that would help the program. They believe the report should highlight the positive aspects of the program, and encourage the continuation of the program. An Executive Summary will be included with the report, for those legislators that chose not to read through the entire report. The Council agreed that they would likely not need another meeting to finalize the report. Robin and Jeff will communicate directly with Council members via e-mail, faxes and phone to finalize the report.
8. The meeting was adjourned at 2:30 p.m.