



## **SC Drycleaning Facility Restoration Trust Fund** **Eligibility Criteria**

### **The following criteria apply to ALL sites (former and operating):**

**Transfer of Ownership of the Facility:** Section 44-56-470(F) of the Act states that eligibility for the Fund will transfer with the facility. Section 33.8 of the Regulation requires that the seller provides a notarized statement of the transfer to the Department within fifteen (15) days of the sale. Form DHEC 2057 is available at our website, <http://www.scdhec.gov/environment/lw/drycleaner/> for this purpose. To remain eligible, any new owner of the facility must also comply with the terms of the Regulation and Act. Failure of a new owner to comply could result in financial liability for all parties that have been associated with the site.

**Provide Access for Department Staff:** Section 44-56-470(G)(3) of the Act removes eligibility for a facility if the Owner, Operator, or Property Owner denies site access to Department staff and/or Department contractors who are required to carry out the provisions of the Act.

**Payment of Deductibles:** Section 33.10 of the Regulation provides: (A) After the Department spends Fund money on the facility, the Responsible Applicant shall pay into the Fund any unspent balance of the deductible up to the amount spent by the Department; and, (B) The Responsible Applicant shall remit the full balance of the expended funds or shall enter into a payment plan with the Department within thirty days after notification by the Department that the funds have been used. Section 33.10 (C), Parts 1 – 3 of the Regulation provide details of the payment plan and interest rates. Please contact Kevin Graham at 803.898.1272 or at [grahamkb@dhec.sc.gov](mailto:grahamkb@dhec.sc.gov) for questions about deductible payments.

**Payment of 1% Sales Tax on Laundering and Drycleaning:** Section 44-56-450(A) of the Act requires payment of one percent of the gross proceeds of sales of laundering and drycleaning services as an environmental surcharge on every owner or operator of a drycleaning facility or a dry drop-off facility. This 1% sales tax is collected regardless of whether the customer picks up the garment at the registered plant location or at remote locations (dry-drop stores, home delivery, etc.).

### **The following criteria apply only to sites with OPERATING drycleaning machines:**

**Yearly Registration Fees:** Section 44-56-440(B) of the Act requires payment of yearly fees into the Fund from all drycleaning facilities under your control. The fees are based on the number of employees at the facility:

Number of employees	Annual fee
1-4	\$750
5-10	\$1500
11 or more	\$2250

The South Carolina Department of Revenue (DOR) is responsible for collecting the yearly fees and the sales tax. Questions about fee payment or the sales tax should be directed to David Demary, DOR, at 803-896-1902 or at [dmaryd@sctax.org](mailto:dmaryd@sctax.org).



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**Solvent Surcharges:** Section 44-56-460(A) of the Act requires all drycleaning facilities registered with the Fund to pay surcharges on all drycleaning solvents purchased for use within the state. These surcharges are usually collected by the solvent supplier. However, the drycleaner has the ultimate responsibility to ensure that they are paid. The Act defines solvents as "Halogenated Drycleaning Fluid" or "Non-Halogenated Drycleaning Fluid" based on the chemical makeup of the solvent.

- **Halogenated Drycleaning Fluids** are subject to a \$10.00 per gallon surcharge. Halogenated fluids include all solvents that contain 10% or more of any of the compounds known as "Halogens," which is a chemical name for substances containing chlorine, bromine, fluorine, or iodine. Perchloroethylene is a Halogenated Fluid.
- **Non-Halogenated Drycleaning Fluids** are subject to a \$2.00 per gallon surcharge. Non-Halogenated Drycleaning Fluids contain less than 10% halogen compounds. All current formulations of commercial petroleum-based solvents are considered as Non-Halogenated Cleaners, as are the newer synthetic silicone- or propylene-glycol-based cleaning agents (i.e., "GreenEarth" or "Impress"). Non-Halogenated Drycleaning agents that are in a non-liquid physical state (e.g., carbon dioxide, etc.) are assessed a surcharge of \$0.20 per pound.

**Containment:** Section 44-56-480(A) of the Act requires all operating drycleaning facilities to have containment in place around all areas where solvents and wastes-containing-solvents are stored or used. Containment is intended to prevent releases from drycleaning facilities. Drycleaning owners are required to certify the containment meets the requirements every five years. The Drycleaning Containment Guidelines and the Containment Certification Form (DHEC 3879) are available on our website (<http://www.scdhec.gov/environment/lw/drycleaner/>) or by calling our toll-free telephone number 1.866.343.2379.

**Spills:** Section 44-56-480(B) of the Act requires that a spill of solvent outside of a containment structure must be reported immediately upon its discovery to the Department if the quantity exceeds the Federal Reportable Quantity (RQ):

<b>Solvent</b>	<b>Reportable Quantity (RQ)</b>
Halogenated solvents (ex. Perchloroethylene)	100 pounds (approx. 7 gallons of pure solvent)
Petroleum-based solvents (ex. Stoddard)	Any amount that causes an oil sheen or deposit in "waters of the U.S."

**Spills may be reported to SCDHEC's 24-hour toll free number (1-888-481-0125).**

**Gross Negligence:** Section 44-56-470 (B)(5) of the Act requires that the contamination cannot be the result of Gross Negligence in operations after November 18, 1980. Gross negligence could include but is not limited to dumping, pouring, or otherwise intentionally releasing drycleaning solvent into the environment; failure to pay annual fees and surcharges; failure to have wastes or waste products handled properly; or not having required containment structures in place.

**The Drycleaning Act, Regulations, and other important information is available at**  
**<http://www.scdhec.gov/environment/lw/drycleaners/>**