A bill for an act
relating to environment; prioritizing expenditures from dry cleaner environmental
response and reimbursement account; banning perchloroethylene; modifying prior
appropriation; appropriating money for cost-share program; amending Minnesota
Statutes 2018, section 115B.49, subdivision 3; Laws 2019, First Special Session
chapter 4, article 1, section 2, subdivision 10; proposing coding for new law in
Minnesota Statutes, chapter 325E.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2018, section 115B.49, subdivision 3, is amended to read:

Subd. 3. Expenditures. (a) Money in the account may be used:

(1) for environmental response costs incurred by the commissioner under section 115B.50,
subdivision 1;

(2) for reimbursement of amounts spent by the commissioner from the remediation fund
for expenses described in clause (1);

(3) for reimbursements under section 115B.50, subdivision 2; and

(4) for administrative costs of the commissioner of revenue.

(b) Money in the account is appropriated to the commissioner for the purposes of this
subdivision. The commissioner shall transfer funds to the commissioner of revenue sufficient
to cover administrative costs pursuant to paragraph (a), clause (4).

(c) In making reimbursements from the account, the commissioner must give priority
to the following cases, in descending order:
(1) reimbursements for amounts spent on response actions by a person who meets the 
conditions of section 115B.48, subdivision 10, clause (2); and

(2) reimbursements for expenditures made by the commissioner under paragraph (a), 
clause (1) or (2), on behalf of owners or operators when the owner or operator failed to 
complete the requested response action and the commissioner undertook the response action 
to remediate the property.

Sec. 2. [325E.381] PERCHLOROETHYLENE PROHIBITION.

After December 31, 2023, using perchloroethylene as a dry cleaning solvent is prohibited.

Sec. 3. Laws 2019, First Special Session chapter 4, article 1, section 2, subdivision 10, is 
amended to read:

Subd. 10. Transfers

(a) The commissioner must transfer up to 
$44,000,000 from the environmental fund to 
the remediation fund for purposes of the 
remediation fund under Minnesota Statutes, 
section 116.155, subdivision 2.

(b) $600,000 the first year is transferred from 
the remediation fund to the dry cleaner 
environmental response and reimbursement 
account for purposes of Minnesota Statutes, 
section 115B.49, with reimbursement 
prioritized to persons who meet the definition 
in Minnesota Statutes, section 115B.48, 
subdivision 10, clause (2), and who have made 
a request to the commissioner, as required 
under Minnesota Statutes, section 115B.50, 
subdivision 2.

(c) Notwithstanding Minnesota Statutes, 
section 115B.49, subdivision 3, paragraph (a), 
up to $600,000 the first year is transferred 
from the remediation fund to the dry cleaner 
environmental response and reimbursement
account for the commissioner for preparing to prepare a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources finance that includes an assessment of the possibility of recovering environmental response costs from insurance held by dry cleaning facilities, an analysis of the long-term expected revenues and expenditures that would be incurred by the account under current law, and recommendations for ensuring ongoing and future environmental response costs related to dry cleaning facilities are covered. The commissioner must work with interested parties, including owners and operators of dry cleaning facilities, in preparing the report. The report must be submitted by January 15, 2021. The amount transferred under this paragraph is available until June 30, 2022, and any unspent money transferred cancels to the remediation fund.

(d) $600,000 the second year is transferred from the remediation fund to the dry cleaner environmental response and reimbursement account for purposes of Minnesota Statutes, section 115B.49, if legislation is enacted in the 2020 legislative session to address the insolvency of the dry cleaner environmental response and reimbursement account.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 4. **COST-SHARE PROGRAM FOR DRY CLEANERS; APPROPRIATION.**

$400,000 in fiscal year 2021 is appropriated from the remediation fund to the commissioner of the Pollution Control Agency for a cost-share program to reimburse owners
or operators of dry cleaning facilities for the costs of transitioning away from perchloroethylene to using solvents that are technically viable and environmentally preferred alternatives. The commissioner must reimburse an owner's or operator's transition expenses up to $25,000. This is a onetime appropriation and is available until June 30, 2024.