Legislative Analysis



PROHIBIT MANUFACTURE, SALE, AND USE OF PERCHLOROETHYLENE IN DRY-CLEANING SOLVENTS

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House Bill 4083 (proposed substitute H-2)

Sponsor: Rep. Julie Rogers

Committee: Natural Resources, Environment, Tourism and Outdoor Recreation

Revised 3-22-23

SUMMARY:

House Bill 4083 would amend the Natural Resources and Environmental Protection Act (NREPA) by adding a new Subpart 3 to Part 147 (Chemical Substances). This new subpart would consist of new sections 14731, 14733, and 14735, which together would prohibit the manufacture, sale, and use of dry-cleaning solvents that contain perchloroethylene.

As used in this new subpart, *department* would refer to the Department of Environment, Great Lakes, and Energy (EGLE).

An individual who violated these prohibitions could be ordered to pay a civil fine of up to \$10,000. Violations could be prosecuted by the attorney general or the county prosecutor for the county in which the violation occurred. These prohibitions would take effect as follows:

- For the manufacture: December 1, 2031.
- For the sale: June 1, 2032.
- For the use: December 1, 2032.

The bill would also create the Perchloroethylene Fund within the Department of Treasury, with EGLE serving as fund administrator for auditing purposes. This fund would be used to:

- Provide grants under the cost-share program.
- Provide information and resources regarding the cost-share program.
- Provide information and resources about alternative products, dry-cleaning processes, and equipment.

Money appropriated to the fund would not lapse at the end of each fiscal year and would remain in the fund to support the stated activities. The department would be required to promulgate rules to implement a cost-share program to provide grants to dry-cleaning facilities to cover the costs of transitioning from products that contain perchloroethylene to alternative products, and to establish all of the following:

- Eligibility and selection criteria.
- Application requirements.
- Eligible alternative products, dry-cleaning processes, and equipment.
- A buy-back program to ensure safe disposal of existing products that contain perchloroethylene from dry-cleaning facilities.

Proposed MCL 324.14731, 324.14733, and 324.14735

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FISCAL IMPACT:

House Bill 4083 would not affect revenues for the department. The bill does not increase or decrease current revenues or provide a new source of revenue. The Perchloroethylene Fund created under the bill is likely to maintain a balance of \$0 unless or until money is credited to the fund. The bill is likely to increase costs for the department by requiring the promulgation of administrative rules and posting information on its website for the cost-share program created under the bill. The bill is unlikely to affect revenues or costs for local units of government.

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[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.