



Fact Sheet

California Environmental Protection Agency

 **Air Resources Board**

Implementation of Assembly Bill 998 (Non-Toxic Dry Cleaning Incentive Program)

What is Assembly Bill (AB) 998?

Assembly Bill 998 established the Non-Toxic Dry Cleaning Incentive Program to provide the dry cleaning industry with grant funds to switch from systems using perchloroethylene (Perc), an identified toxic air contaminant and potential human carcinogen, to non-toxic and non-smog forming alternatives. The legislation also establishes a demonstration program to showcase these non-toxic and non-smog forming technologies in the state.

What does AB 998 require?

AB 998 requires the Air Resources Board (ARB) to develop and administer a fee-funded grant and demonstration program. The ARB will be assessing a three-dollar (\$3) per gallon fee on the manufacturers and importers of perchloroethylene (Perc) for dry cleaning operations beginning January 1, 2004. This fee will increase one dollar (\$1) per gallon per year from 2005 through 2013 to twelve dollars (\$12) per gallon per year. As required by the legislation, the majority of these funds will be used to provide \$10,000 grants to assist dry cleaners in switching to non-toxic and non-smog forming cleaning technologies. The balance of funds will be used to establish a demonstration program to showcase these technologies statewide. Under the demonstration program, applicants will be required to obtain 50 percent matching funds.

What cleaning technologies qualify as non-toxic and non-smog forming?

Based on currently available information, ARB staff have made a preliminary determination that wet cleaning and carbon dioxide (CO₂) cleaning meet the legislation's requirements of non-toxic and non-smog forming. Before making a final determination, ARB will consult with the Office of Environmental Health Hazard Assessment (OEHHA), the State Water Resources Control Board (SWRCB), the Department of Toxic Substances Control (DTSC), and other parties, as appropriate. Note that any determination of qualifying technologies made by ARB does not represent a determination of the cleaning efficacy of that technology.

When will grants be available?

ARB staff is currently in the process of developing the grant eligibility criteria. Additionally, within the next few months, we will begin invoicing Perc importers for their Perc sales to dry cleaners commencing from January 1, 2004. Therefore, we anticipate that grant funds should be available fall 2004 (subject to the enactment of the state budget). The ARB will notify all interested parties when funds are available.

Will the grant and demonstration programs continue indefinitely?

Under the legislation, the grant and demonstration programs are designed to run indefinitely. However, ARB staff is anticipating the possibility that the need for the demonstration program may diminish over time. Should this occur, those resources will be directed toward making more grants available to the dry cleaning community.

For more information

Visit our website at <http://www.arb.ca.gov/toxics/dryclean/ab998.htm>, or call the ARB's Public Information Office at (916) 322-2990. You may also obtain this document in an alternative format by contacting ARB's ADA Coordinator at (916) 323-4916. TTY/TDD/Speech-to-Speech users may dial 7-1-1 for the California Relay Service. Also, you are encouraged to sign up for e-mail notification of dry cleaning related issues, including AB 998, by visiting https://public.govdelivery.com/accounts/CARB/subscriber/new?topic_id=dryclean