Legal Title
Nontoxic Dry Cleaning Incentive Trust Fund

Legal Citation/Authority
Chapter 821, Statutes of 2003 (AB 998)
Health and Safety Code section 41998(b)

Purpose
This fund was created to deposit revenue received from a $3.00 per gallon fee imposed on every manufacturer of perchloroethylene (perc) and on every person that imports perc into the state for use in dry cleaning operations.

The revenue generated by the fee would be used to provide grants up to $10,000 to eligible dry cleaners to aid their transition to nontoxic and nonsmog technologies (70%), and to support a demonstration program for these technologies (30%). The demonstration program would require 50% matching funds.

In accordance with Section 41998(d), not more than 5% of the money in the fund, calculated annually, may be utilized by the state board to administer the grant and demonstration programs to cover the costs of the program.

Administering Agency/Organization Code
State Air Resources Board/ Org 3900

Major Revenue Source
$3.00 per gallon fee imposed on perc manufactured or imported for use in dry cleaning operations.

Disposition of Fund (upon abolishment)
Pursuant to Government Code section 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.

Appropriation Authority
The money in this fund is available upon appropriation by the Legislature.

State Appropriations Limit
Excluded – Revenues in this fund are not proceeds of taxes, however, when transferred, may become proceeds of taxes. These revenues are used to regulate the activities engaged in by the payers.

Comments/Historical Information
Pursuant to Health and Safety Code section 41998(a)(2) The amount of this fee will increase by $1.00 per gallon on January 1, 2005, and will increase by $1.00 each subsequent year, until January 1, 2013.