

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE BILL 700

Short Title: Dry-Cleaning Solvent Act Amends. (Public)

Sponsors: Senator Rand.

Referred to: Commerce.

March 24, 2009

A BILL TO BE ENTITLED

1 AN ACT TO: (1) EXTEND SUNSET DATES APPLICABLE TO THE DRY-CLEANING  
2 SOLVENT CLEANUP ACT, THE DRY-CLEANING SOLVENT CLEANUP FUND,  
3 AND THE DRY-CLEANING SOLVENT TAX; (2) ALLOW THE USE OF STATE AND  
4 LOCAL LAND-USE CONTROLS AND DEED NOTICES IN LIEU OF LAND-USE  
5 RESTRICTIONS FOR PROPERTIES IN THE AREA OF CONTAMINATED  
6 DRY-CLEANING SITES, NOT INCLUDING PROPERTIES ON WHICH A  
7 DRY-CLEANING FACILITY IS OR WAS LOCATED WHICH IS THE SOURCE OF A  
8 SITE'S CONTAMINATION; (3) MODIFY NOTICE AND COMMENT  
9 REQUIREMENTS ASSOCIATED WITH A NOTICE OF INTENT TO REMEDIATE;  
10 AND (4) REMOVE THE LIMITATION ON DISBURSEMENT OF MONIES FROM THE  
11 DRY-CLEANING SOLVENT CLEANUP FUND FOR COSTS INCURRED TO  
12 ADDRESS DRY-CLEANING SOLVENT CONTAMINATION ON STATE-OWNED  
13 PROPERTY.  
14

15 The General Assembly of North Carolina enacts:

16 **SECTION 1.** G.S. 143-215.104I reads as rewritten:

17 **"§ 143-215.104I. Dry-Cleaning solvent remediation agreements.**

18 (a) Upon the completion of assessment activities required by a dry-cleaning solvent  
19 assessment agreement, one or more potentially responsible parties may petition the  
20 Commission to enter into a dry-cleaning solvent remediation agreement for any contamination  
21 requiring remediation. The Commission may, in its discretion, enter into a remediation  
22 agreement with any petitioner who satisfies the requirements of this section and the applicable  
23 requirements of G.S. 143-215.104F. If more than one potentially responsible party petitions the  
24 Commission, the Commission may enter into a single remediation agreement with one or more  
25 of the petitioners. The Commission shall not unreasonably refuse to enter into a remediation  
26 agreement pursuant to this section. The Commission may, in its discretion, enter into a  
27 remediation agreement that includes the assessment described in G.S. 143-215.104H.  
28 Petitioners shall provide the Commission with any information necessary to demonstrate:

- 29 (1) Repealed by Session Laws 2000, c. 19, s. 10, effective June 26, 2000.  
30 (2) As a result of the remediation agreement, the contamination site will be  
31 suitable for the uses specified in the remediation agreement while fully  
32 protecting public health and the environment from dry-cleaning solvent  
33 contamination and any other contaminants included in the remediation  
34 agreement.  
35 (3) There is a public benefit commensurate with the liability protection provided  
36 under this Part.  
37 (4) Repealed by Session Laws 2007-530, s. 6, effective August 31, 2007.



- 1 (5) The petitioner has complied with or will comply with all applicable  
2 procedural requirements.
- 3 (6) The remediation agreement will not cause the Department to violate the  
4 terms and conditions under which the Department operates and administers  
5 remedial programs, including the programs established or operated pursuant  
6 to Article 9 of Chapter 130A of the General Statutes, by delegation or  
7 similar authorization from the United States or its departments or agencies,  
8 including the United States Environmental Protection Agency.
- 9 (7) The priority ranking assigned to the facility or site is consistent with the  
10 rules adopted by the Commission or the priority ranking that the petitioner  
11 agrees to accept is consistent with the rules adopted by the Commission.
- 12 (8) Repealed by Session Laws 2007-530, s. 6, effective August 31, 2007.
- 13 (9) The petitioner will continue to have available the financial resources  
14 necessary to satisfy the share of response costs imposed on the petitioner by  
15 G.S. 143-215.104F.
- 16 (10) Repealed by Session Laws 2007-530, s. 6, effective August 31, 2007.
- 17 (11) The consent of other property owners to enter into their property for  
18 purposes of conducting remediation activities specified in the remediation  
19 agreement.

20 (b) In negotiating a remediation agreement, parties may rely on land-use restrictions  
21 that will be included in a Notice of Dry-Cleaning Solvent Remediation required under  
22 G.S. 143-215.104M. A remediation agreement may provide for remediation in accordance with  
23 standards that are based on those land-use restrictions.

24 (b1) For properties in the area of a contamination site, other State or local land-use  
25 controls and notifications may be used in lieu of land-use restrictions. Any land-use controls  
26 used shall adequately protect human health and the environment, both currently and in the  
27 future, from exposure to dry-cleaning solvent contamination. If controls are used in lieu of  
28 land-use restrictions, then a Notice of Dry-Cleaning Solvent Remediation shall be prepared in  
29 accordance with the provision set forth in subdivisions (1) through (4) of  
30 G.S. 143-215.104M(b) and filed in accordance with subsections (c) through (g) of  
31 G.S. 143-215.104M. In the event that the owner of the property fails to submit and file the  
32 required Notice within the time specified, the Commission may prepare and file the Notice.  
33 This subsection shall not apply to properties on which a dry-cleaning facility is or was located  
34 which is the source of the contamination.

35 (c) A dry-cleaning solvent remediation agreement shall contain a description of the  
36 contamination site that would be sufficient as a description of the property in an instrument of  
37 conveyance and, as applicable, a statement of:

- 38 (1) Any remediation, including remediation of contaminants other than  
39 dry-cleaning solvents, to be conducted on the property, including:
- 40 a. A description of specific areas where remediation is to be conducted.
- 41 b. The remediation method or methods to be employed.
- 42 c. Repealed by Session Laws 2007-530, s. 6, effective August 31, 2007.
- 43 d. A schedule of remediation activities.
- 44 e. Applicable remediation standards. Applicable remediation standards  
45 for dry-cleaning solvent contamination shall not exceed the  
46 requirements adopted by the Commission pursuant to  
47 G.S. 143-104D(b)(3).
- 48 f. A schedule and the method or methods for evaluating the  
49 remediation.
- 50 (2) Any land-use ~~restrictions~~ restrictions and State and local land-use controls  
51 and notifications that will apply to the contamination site or other property.

1 (3) The desired results of any ~~remediation or~~ remediation, land-use ~~restrictions~~  
2 restrictions, or State or local land-use controls or notifications with respect to  
3 the contamination site.

4 (4) The guidelines, including parameters, principles, and policies within which  
5 the desired results are to be accomplished.

6 (5) The consequences of achieving or not achieving the desired results.

7 (6) The priority ranking of the facility or abandoned site.

8 (7) Repealed by Session Laws 2007-530, s. 6, effective August 31, 2007.

9 (d) The Commission may refuse to enter into a dry-cleaning solvent assessment  
10 agreement or dry-cleaning solvent remediation agreement with any petitioner if the petitioner  
11 fails to provide any information that is necessary to demonstrate the facts required to be shown  
12 by subsection (a) of this section.

13 (e) In addition to the basis set forth in subsection (d) of this section, the Commission  
14 may refuse to enter into a dry-cleaning solvent remediation agreement with an owner of the  
15 property on which a contamination site is located if the owner refuses to accept limitations on  
16 the future use of the property and to give notice of these limitations pursuant to  
17 G.S. 143-215.104M.

18 (f) The refusal of the Commission to enter into a dry-cleaning remediation agreement  
19 with any petitioner shall not affect the rights of any other petitioner, other than any parent,  
20 subsidiary, or other affiliate of the petitioner, under this Part. The refusal of the Commission to  
21 enter into a remediation agreement may be the basis for rejection of a petition by any parent,  
22 subsidiary, or other affiliate of the petitioner for the facility or abandoned site.

23 (g) The terms and conditions of a dry-cleaning solvent remediation agreement  
24 concerned with dry-cleaning solvent contamination shall be guided by and consistent with the  
25 rules adopted by the Commission pursuant to G.S. 143-215.104D and the disbursement  
26 authorities and limitations set out in this Part. A remediation agreement shall provide that the  
27 Commission's private contractor conduct assessment and remediation activities at the facility or  
28 abandoned site.

29 (h) Any failure of a petitioner or the petitioner's agents or employees to comply with the  
30 dry-cleaning solvent remediation agreement constitutes a violation of this Part by the  
31 petitioner."

32 **SECTION 2.** G.S. 143-215.104K reads as rewritten:

33 "**§ 143-215.104K. Liability protection.**

34 (a) A potentially responsible party who enters into an assessment agreement or  
35 remediation agreement with the Commission and who is complying with the agreement shall  
36 not be held liable for assessment or remediation of areas of contamination identified in the  
37 agreement except as specified in the assessment agreement or remediation agreement, so long  
38 as any activities conducted at the contamination site by or under the control or direction of the  
39 petitioner do not increase the risk of harm to public health or the environment and the petitioner  
40 is not required to undertake additional remediation to unrestricted use standards pursuant to  
41 subsection (c) of this section. The liability protection provided under this Part applies to all of  
42 the following persons to the same extent as the petitioner, so long as these persons are not  
43 otherwise potentially responsible parties or parents, subsidiaries, or affiliates of potentially  
44 responsible parties and the person is not required to undertake additional remediation to  
45 unrestricted use standards pursuant to subsection (c) of this section:

46 (1) Repealed by Session Laws 2007-503, s. 8, effective August 31, 2007.

47 (2) Any future owner of the contamination site.

48 (3) A person who occupies the contamination site.

49 (4) A successor or assign of any person to whom the liability protection  
50 provided under this Part applies.

1 (5) Any lender or fiduciary that provides financing to the petitioner to pay the  
2 petitioner's financial obligations under G.S. 143-215.104F.

3 (b) A person who conducts an environmental assessment or transaction screen on  
4 contamination resulting from a release at a certified facility or certified abandoned site  
5 consistent with a dry-cleaning solvent assessment agreement, if any was required under this  
6 Part, and who is not otherwise a potentially responsible party is not a potentially responsible  
7 party as a result of conducting the environmental assessment or transaction screen unless that  
8 person increases the risk of harm to public health or the environment by failing to exercise due  
9 diligence and reasonable care in performing the environmental assessment or transaction  
10 screen.

11 (c) If a land-use restriction set out in a Notice of Dry-Cleaning Solvent Remediation  
12 required under G.S. 143-215.104M is violated, the owner of the contamination site at the time  
13 the land-use restriction is violated, the owner's successors and assigns, and the owner's agents  
14 who direct or contract for alteration of the contamination site in violation of a land-use  
15 restriction shall be liable for remediation of all contaminants to unrestricted use standards. A  
16 petitioner who completes the remediation ~~or redevelopment~~ required under a dry-cleaning  
17 solvent remediation agreement or other person who receives liability protection under this Part  
18 shall not be required to undertake additional remediation unless:

19 (1) The petitioner knowingly or recklessly provides false information that forms  
20 a basis for the remediation agreement or that is offered to demonstrate  
21 compliance with the remediation agreement or fails to disclose relevant  
22 information about contamination related to a facility or abandoned site.

23 (2) New information indicates the existence of previously unreported  
24 dry-cleaning solvent contaminants or any other contaminants to be  
25 remediated under the remediation agreement, or an area of previously  
26 unreported contamination by contaminants addressed in the remediation  
27 agreement is discovered to be associated with the facility or abandoned site  
28 and has not been remediated to unrestricted use standards, unless the  
29 remediation agreement is amended to include any previously unreported  
30 contaminants and any additional area of contamination. If the remediation  
31 agreement sets maximum concentrations for contaminants and new  
32 information indicates the existence of previously unreported areas of these  
33 contaminants, further remediation shall be required only if the areas of  
34 previously unreported contaminants raise the risk of the contamination to  
35 public health or the environment to a level less protective of public health  
36 and the environment than that required by the remediation agreement.

37 (3) The level of risk to public health and the environment from contaminants is  
38 unacceptable at or in the vicinity of the contamination site due to changes in  
39 exposure conditions, including (i) a change in land use that increases the  
40 probability of exposure to contaminants at or in the vicinity of the  
41 contamination ~~site or site~~; (ii) the failure of remediation to mitigate risks to  
42 the extent required to make the contamination site fully protective of public  
43 health and the environment as planned in the remediation  
44 ~~agreement~~ agreement; or (iii) removal of a State or local land-use control.

45 (4) The Commission obtains new information about a contaminant to be  
46 remediated under the remediation agreement and associated with the facility  
47 or abandoned site or exposures at or around the contamination site that raises  
48 the risk to public health or the environment associated with the  
49 contamination site beyond an acceptable range and in a manner or to a  
50 degree not anticipated in the remediation agreement. Any person whose use,  
51 including any change in use, of the contamination site causes an

1 unacceptable risk to public health or the environment may be required by the  
2 Commission to undertake additional remediation measures under the  
3 provisions of this Part.

4 (5) A petitioner fails to file a timely and proper Notice of Dry-Cleaning Solvent  
5 Remediation under this Part.

6 (6) A facility or abandoned site loses its certification before the assessment and  
7 any remediation required under the provisions of this Part and the  
8 dry-cleaning solvent remediation agreement are completed to the satisfaction  
9 of the Department.

10 (7) The remediation required in the remediation agreement has resulted in  
11 notification from the United States or its departments and agencies,  
12 including the Environmental Protection Agency, that the Department will  
13 violate the terms and conditions under which it operates and administers  
14 remedial programs by delegation or similar authorization."

15 **SECTION 3.** G.S. 143-215.104L reads as rewritten:

16 "**§ 143-215.104L. Public notice and community involvement.**

17 (a) If a petitioner desires to enter into a dry-cleaning solvent remediation agreement  
18 based on remediation standards that rely on the creation of land-use restrictions, or on the use  
19 of State or local land-use controls and notifications, the Commission or the Commission's  
20 private contractor on behalf of the petitioner shall notify the public and the community in  
21 which the facility or abandoned site is located of the planned remediation ~~and redevelopment~~  
22 activities. On behalf of the petitioner, the Commission or the Commission's private contractor  
23 shall prepare a Notice of Intent to Remediate a Dry-Cleaning Solvent Facility or Abandoned  
24 Site and a summary of the Notice of Intent. The Notice of Intent shall provide, to the extent  
25 known, a legal description of the location of the contamination site, a map showing the location  
26 of the contamination site, a description of the contaminants involved and their concentrations in  
27 the media of the contamination site, a description of the future use of the contamination site,  
28 any proposed investigation and remediation, and a ~~proposed Notice of Dry-Cleaning Solvent~~  
29 ~~Remediation prepared in accordance with G.S. 143-215.104M.~~ description of any land-use  
30 restrictions and State and local land-use controls and notifications that will be used. Both the  
31 Notice of Intent and the summary of the Notice of Intent shall state the time period and means  
32 for submitting written comment and for requesting a public meeting on the proposed  
33 dry-cleaning solvent remediation agreement. The summary of the Notice of Intent shall include  
34 a statement as to the public availability of the full Notice of Intent. After approval of the Notice  
35 of Intent and summary of the Notice of Intent by the Commission, the Commission or the  
36 Commission's private contractor shall provide a copy of the Notice of Intent to all local  
37 governments having jurisdiction over the contamination site. The Commission or Commission's  
38 private contractor shall publish the summary of the Notice of Intent in a newspaper of general  
39 circulation serving the area in which the contamination is located and shall mail a copy of the  
40 summary to each owner of property located within the contamination site and to each owner of  
41 property that is contiguous to the contamination site. ~~shall file a copy of the summary of the~~  
42 ~~Notice of Intent with the Codifier of Rules, who shall publish the summary of the Notice of~~  
43 ~~Intent in the North Carolina Register.~~ The Commission or the Commission's private contractor  
44 shall also conspicuously post a copy of the summary of the Notice of Intent at the  
45 contamination site.

46 (b) Publication of the approved summary of the Notice of Intent ~~in the North Carolina~~  
47 ~~Register and publication~~ in a newspaper of general circulation shall begin a public comment  
48 period of at least ~~60~~ 30 days from the ~~later~~ date of publication. During the public comment  
49 period, members of the public, residents of the community in which the contamination site is  
50 located, and local governments having jurisdiction over the contamination site may submit

1 comment on the proposed dry-cleaning solvent remediation agreement, including methods and  
2 degree of remediation, future land uses, and impact on local employment.

3 (c) Any person who desires a public meeting on a proposed dry-cleaning solvent  
4 remediation agreement shall submit a written request for a public meeting to the Commission  
5 within ~~30-21~~ days after the public comment period begins. The Commission shall consider all  
6 requests for a public meeting and shall hold a public meeting if the Commission determines  
7 that there is significant public interest in the proposed remediation agreement. If the  
8 Commission decides to hold a public meeting, the Commission shall, at least ~~30-15~~ days prior  
9 to the public meeting, mail written notice of the public meeting to all persons who requested  
10 the public meeting and to any other person who had previously requested notice. The  
11 Commission shall also publish, at least ~~30-15~~ days prior to the date of the public meeting, a  
12 notice of the public meeting at least one time in a newspaper having general circulation in the  
13 county where the contamination site is located. In any county in which there is more than one  
14 newspaper having general circulation, the Commission shall publish a copy of the notice in as  
15 many newspapers having general circulation in the county as the Commission in its discretion  
16 determines to be necessary to assure that the notice is generally available throughout the  
17 county. The Commission shall prescribe the form and content of the notice to be published. The  
18 Commission shall prescribe the procedures to be followed in the public meeting. The  
19 Commission shall take detailed minutes of the meeting. The minutes shall include any written  
20 ~~dry-cleaning solvent remediation agreement comments received during the public meeting.~~ The  
21 Commission shall take into account the comment received during the comment period and at  
22 the public meeting if the Commission holds a public meeting. The Commission shall  
23 incorporate into the remediation agreement provisions that reflect comment received during the  
24 comment period and at the public meeting to the extent practical. The Commission shall give  
25 particular consideration to written comment that is supported by valid scientific and technical  
26 information and analysis."

27 **SECTION 4.** G.S. 143-215.104N(b) reads as rewritten:

28 "(b) Limitations. – Notwithstanding subsection (a) of this section, the Commission shall  
29 not make any disbursement from the Fund:

30 ...

31 (9) ~~For any costs incurred in connection with dry cleaning solvent~~  
32 ~~contamination from a facility or abandoned site owned by the State or a~~  
33 ~~department or agency of the State."~~

34 **SECTION 5.** Section 8 of S.L. 1997-392 reads as rewritten:

35 "Section 8. Section 7 of this act is repealed effective 1 January 2000. Any reimbursement  
36 authorized pursuant to Section 7 prior to 1 January 2000 shall be paid in accordance with the  
37 provisions of that section. Sections 1 and 4.1 of this act are repealed effective 1 January 2022.  
38 Section 4 of this act is repealed effective 1 January 2020.~~Section 4 of this act is repealed~~  
39 ~~effective 1 January 2010. Sections 1 and 4.1 of this act are repealed effective 1 January 2012.~~  
40 However:

- 41 (1) G.S. 143-215.104K is not repealed to the extent that it applies to liability  
42 arising from dry-cleaning solvent contamination described in a Dry-Cleaning  
43 Solvent Assessment Agreement or Dry-Cleaning Solvent Remediation  
44 Agreement entered into by the Environmental Management Commission  
45 pursuant to G.S. 143-215.104H and G.S. 143-215.104I.
- 46 (2) Any Dry-Cleaning Solvent Assessment Agreement or Dry-Cleaning Solvent  
47 Remediation Agreement in force as of 1 January 2012 shall continue to be  
48 governed by the provisions of Part 6 of Article 21A of Chapter 143 of the  
49 General Statutes as though those provisions had not been repealed.
- 50 (3) G.S. 143-215.104D(b)(2) is not repealed; rules adopted by the  
51 Environmental Management Commission pursuant to

1 G.S. 143-215.104D(b)(2) shall continue in effect; and those rules may be  
2 enforced pursuant to G.S. 143-215.104P, 143-215.104Q, and 143-215.104R,  
3 which shall remain in effect for that purpose."

4 **SECTION 6.** Section 23 of S.L. 2000-12 reads as rewritten:

5 "Section 23. Section 1.1 of this act becomes effective April 1, 2003, and expires June 30,  
6 ~~2010-2020~~. Section 1.2 of this act becomes effective October 1, 2001, and expires January 1,  
7 ~~2010-2020~~. Sections 3 and 4 of this act are effective on and after April 1, 1998. Section 5.1 of  
8 this act becomes effective July 1, 2001. Section 5.2 of this act becomes effective July 1, 2002.  
9 Section 5.3 of this act becomes effective July 1, 2003. All other sections of this act are effective  
10 when this act becomes law."

11 **SECTION 7.** This act becomes effective July 1, 2009.