

## Schultz, Josie M - DNR

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**From:** Chancellor, Sandra D - DNR  
**Sent:** Wednesday, May 13, 2020 3:11 PM  
**To:** Chris Dockry  
**Cc:** Schultz, Josie M - DNR  
**Subject:** RE: DERF claim DC-693

Hello Chris,

Thanks for getting in touch with us regarding your Dry Cleaner Environmental Response Fund (DERF) claim status for the Smoke-Out Cleaners Green Bay site. Your claim was submitted on 05/01/2019 and we have estimated the payment date will be February 2025. This estimate was calculated in February 2020 before the Covid-19 virus reached Pandemic status and the Safer-At-Home Order was issued in Wisconsin.

This program is funded by license fees paid by every operator of a dry cleaning facility (2.8% of the gross receipts from the previous 3 months for dry cleaning) and solvent product fees (\$5/gallon of perc and \$0.75/gallon of other products). These fees are collected by WI Dept. of Revenue (DOR). The collection of these fees has not been suspended by DOR due to the pandemic, but they are allowing extensions on a case by case basis. This means there may be a delay in collection of fees, but dry cleaners will still have to pay them. Unfortunately, we won't know the long term effect of the pandemic on dry cleaners and if it will result in businesses closing, thus affecting the revenue for the DERF program. We anticipate re-evaluating the revenue decline over the next several months to reflect additional decline due to the pandemic.

The Dry Cleaner Environmental Response Program (DERP) was created in 1997 Wisconsin Act 27 to provide financial assistance awards for reimbursement of certain eligible costs of investigation and remedial action of contamination from dry cleaning solvents at current and certain former dry-cleaning facilities. Eligible claimants to the program had to have submitted a Potential Claim Notification by the deadline of August 30, 2008. The program and fees have a statutory sunset of June 30, 2032 (35 years after creation). The DNR does not have authority to make or recommend statutory changes. DNR will have no statutory authority to make payments when the funding source is exhausted, regardless of eligibility or whether a claim was received prior to the sunset date. There have been attempts to repair the fund over the years. In 2008, the license fee increased from 1.8% to 2.8% of gross receipts. In 2009, a loan of \$6.2 million from the Environmental Fund was obtained. Unfortunately, no other legislative changes have taken place. Compounding the problem is the general decline in demand for dry cleaners resulting in a decline in dry cleaner revenue that funds the program. Prior to the pandemic, we projected an annual 9% to 12% decline in DERF revenue through the sunset date.

At this time it is impossible for us to guarantee that your previously submitted claim DC-693 will be paid, but our current projection for a payment date is available on our website at [dnr.wi.gov/Aid/DERF](https://dnr.wi.gov/Aid/DERF) under the "Fund stats" tab and the "Reimbursement Requests Pending.pdf" document. As I said before we will be re-evaluating the continued revenue decline and will update the estimated payment date for claims waiting to be paid. We are communicating the status of DERF to the public via the website listed above. There you are able to see reimbursement requests pending, DERF projected revenue decline and more. This website is updated at least quarterly.

It is important to work with your DNR project manager if you are unable to proceed with the required investigation, cleanup and/or mitigation due to funding concerns. DNR has a stepped process where we engage environmental enforcement specialists to assist with this very situation. Communication with your DNR project manager is critical to keep your site on track. Josie Schultz's contact information is as follows:

**Josie M. Schultz**

Hydrogeologist – Northeast Region Remediation and Redevelopment Team  
Wisconsin Department of Natural Resources

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Phone: 920-662-5424  
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Please let me know if you have any questions. Thank you!

**We are committed to service excellence.**

Visit our survey at <http://dnr.wi.gov/customersurvey> to evaluate how I did.

**Sandy Chancellor**

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Email: [sandra.chancellor@wisconsin.gov](mailto:sandra.chancellor@wisconsin.gov)

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**From:** Chris Dockry <[Chris@teamsselfstorage.com](mailto:Chris@teamsselfstorage.com)>

**Sent:** Wednesday, May 13, 2020 9:52 AM

**To:** Chancellor, Sandra D - DNR <[Sandra.Chancellor@wisconsin.gov](mailto:Sandra.Chancellor@wisconsin.gov)>

**Subject:** DERF claim DC-693

Good morning Sandy, Chris Dockry here from Smoke-Out Cleaners in Green Bay. I left you a phone message earlier this morning but I thought I should follow with an email as well. I have a concern as I have heard that the DERF reimbursement program is having financial problems and worst of all that I may not get money back for my claim. Can you update me on what is happening, thank you. You can also call me at 920-680-1374.