



CALIFORNIA CLEANERS ASSOCIATION

of Dry Cleaners & Launderers

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January 22, 2007

Clerk of the Board
Air Resources Board
1001 I Street, 23rd Floor
Sacramento, CA 95814

Dear Sirs:

The proposed revisions to the current Air Toxics Control Measure (ATCM) relating to the operation of dry cleaners who utilize perchloroethylene (perc) are scheduled for hearing on Thursday, January 25, 2007 by the California Air Resources Board.

The California Cleaners Association (CCA) is the statewide, not-for-profit trade association representing the laundering and dry cleaning industry in California. The great majority of the industry is comprised of minority-owned, family operated, small business enterprises. On behalf of cleaners throughout the state of California, we are writing to express our concerns relative to the proposed revisions to the ATCM.

The California Cleaners Association recognizes and appreciates the work that was performed by CARB staff during the examination of the current ATCM. We were disappointed by the decision of the board to discard the proposed changes to the ATCM at the May 25, 2006 hearing and, instead, pursue a statewide phase out of perc. We present our concerns below.

Full Examination of Available Science Needed

Our industry was saddened to hear at the May 25, 2006 hearing from OEHHA Air Toxicology and Epidemiology Manager Melanie Marty that OEHHA still had not reviewed the Lynge study related to occupational exposure of perc in Nordic countries. To date, we are not aware of any such examination being done by OEHHA.

In Oregon, the Air Toxics Science Advisory Committee of Oregon's Department of Environmental Quality reviewed the results of the Nordic study as well as considered actions and reports from regulators worldwide in deciding to raise the exposure benchmark for perc and to declare their uncertainty about perc as a carcinogen.

We feel that any decision made regarding continued use of perc in California should be made after examining and considering all of the available scientific research at hand.

One Size Regulation Does Not Fit All

A large concern about the proposed phase-out of perc in California is that it operates on the assumption that “one size fits all.” California is an incredibly diverse state, both in the composition of our population as well as in our state’s topography, ecology and climate. Because of this diversity, the needs and challenges faced by local air regulators in the Los Angeles basin are different than those faced by their counterparts in the Bay area, Mojave desert, San Joaquin, Sacramento, Amador, etc. And, local air districts have the opportunity to enact regulations which are more stringent than those of the state when they believe situations and conditions warrant doing so.

In 2002, the South Coast Air Quality Management District passed Rule 1421 that would phase-out perc in their jurisdiction by the year 2020. It is noteworthy that in the four years since that decision, none of California’s other 34 air districts have enacted similar rules. Clearly, the need for a phase-out is not shared by those air quality officials outside of the SCAQMD area.

Cleaners Request and Deserve Clear Direction

For better or for worse, information on alternatives provided by CARB and other regulatory agencies is used by cleaners to make informed decisions. Unfortunately, the conflicting data that has been generated by regulators could have a detrimental impact on cleaners in California who may have purchased new alternatives just to be told that there may be a problem with their use in the years ahead.

The California Cleaners Association is concerned that CARB avoid another MTBE like crisis in California whereby an alternative is promoted and required only to later discover that it is more detrimental than the substance it replaced. Over the years, our industry has seen its share of so-called potential alternatives that emerge and are championed only to be later pulled from the marketplace. Many older cleaners remember when 1,1,1 Trichloroethane, and Freon 113 were promoted then banned on the basis of their potential to deplete stratospheric ozone, despite the fact that they were promoted as “safer” alternatives by regulatory agencies in California for many years.

For example, one of the alternative solvents most widely used in California is hydrocarbon solvent. In the area governed by the South

Coast Air Quality Management District, more cleaners are choosing to switch to hydrocarbon than any of the alternative solvents. Yet, our various government environmental regulators cannot seem to agree if this solvent's use has a significant impact as a VOC and if it adds to the greenhouse effect. USEPA says they believe it doesn't yet, CARB contends it does.

As an industry, we are excited about some of the newer alternatives, but which alternative will withstand the test of time is still unknown. Is it any wonder that cleaners are nervous about switching? And what will a dry cleaner do if he chooses the wrong alternative?

FTC Care Label Issues

Currently, the Federal Trade Commission (FTC) Care Label Rule does not recognize alternative cleaning methods. Cleaners who fail to follow care label instructions when cleaning garments have been held liable for damage that occurs during the cleaning process. Who pays for a damaged article that is processed with an alternative solvent? Although, the FTC does not require cleaners to follow the care instruction on the label, it certainly suggests that they do. This issue of liability is serious and it is quite clear that the liability will be borne by the cleaner.

Financial Assistance Needed

Dry cleaning is a very economically sensitive business, both for cleaners and their customers. Our industry is one of service but is also very dependent on the state of the overall economy. Dry cleaning is seen by many consumers as a luxury and downturns in the economy directly translate to reduced business for our cleaners. The increased cost for cleaners who switch from perc to other solvents is outlined in the board report. Those cleaners who switch will either need to increase their prices to recoup their investment or try to find ways to absorb the cost. The sad truth remains that California's consumers choose cleaners because of two reasons; proximity and price. And, we fear that without economic assistance, this rule will help put cleaners out of business.

If the members of the California Air Resources Board are still committed to phasing our perc then it is critical that the cleaners of California receive some form of financial assistance. We were encouraged to hear some of the members of the California Air Resources Board share this viewpoint as evidenced during the May 25, 2006 hearing. However, the current lack of fiscal support by the state

and federal government for cleaners to utilize alternative technologies is of great concern.

To assist in the introduction and marketplace acceptance of alternative technologies, CCA sponsored Assembly Bill 845 which would grant tax credits to those cleaners who wanted to switch to non-perc cleaning solvents. On the federal level, S1939, HR 1303 (introduced in 1999) and HR978 (introduced in 2001) have all been introduced to provide tax credits for users of alternative technology. Unfortunately, all of these bills died which causes our industry to wonder what level of support is truly out there for cleaners to switch to alternative solvents?

In conclusion, the California Cleaners Association opposes the revisions to the ATCM in their current form. We feel that a phase-out of perc is not warranted and is something that, if desired, can be done on a local level by the remaining 34 California air districts that currently allow its use. We request that the revisions to the ATCM be tabled until OEHHA and other agencies conduct a full review of all the science available concerning perc and the alternative solvents. Finally, we believe that the revisions should be tabled until the California legislature can enact some forms of financial assistance to assist cleaners in the costs associated with transitioning to alternative cleaning technologies.

We appreciate the opportunity to provide input into the revision of the ATCM and are available to provide any additional information.

Sincerely,

A handwritten signature in cursive script that reads "Sandra Giarde".

Sandra Giarde
Executive Director