

# Union Calendar No. 265

107<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 2941

[Report No. 107-448]

To facilitate the provision of assistance by the Department of Housing and Urban Development for the cleanup and economic redevelopment of brownfields.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 21, 2001

Mr. GARY G. MILLER of California (for himself, Mrs. MALONEY of New York, Mr. OXLEY, and Mrs. ROUKEMA) introduced the following bill; which was referred to the Committee on Financial Services

MAY 8, 2002

Additional sponsors: Mr. GILLMOR, Mrs. KELLY, Ms. HART, Mr. LEACH, Mr. CANTOR, Mr. QUINN, Mr. BARR of Georgia, Mr. MCHUGH, Mr. TOOMEY, Mr. MALONEY of Connecticut, Mr. SOUDER, and Mrs. MINK of Hawaii

MAY 8, 2002

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on September 21, 2001]

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## A BILL

To facilitate the provision of assistance by the Department of Housing and Urban Development for the cleanup and economic redevelopment of brownfields.

1        *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4        *This Act may be cited as the “Brownfields Redevelop-*  
5 *ment Enhancement Act”.*

6 **SEC. 2. FINDINGS AND PURPOSES.**

7        *(a) FINDINGS.—The Congress finds that—*

8            *(1) returning the Nation’s brownfield sites to*  
9 *productive economic use could generate more than*  
10 *550,000 additional jobs and up to \$2,400,000,000 in*  
11 *new tax revenues for cities and towns;*

12            *(2) redevelopment of brownfield sites and reuse of*  
13 *infrastructure at such sites will protect natural re-*  
14 *sources and open spaces;*

15            *(3) lack of funding for redevelopment is a pri-*  
16 *mary obstacle impeding the reuse of brownfield sites;*

17            *(4) the Department of Housing and Urban De-*  
18 *velopment is the agency of the Federal Government*  
19 *that is principally responsible for supporting commu-*  
20 *nity development and encouraging productive land*  
21 *use in urban areas of the United States;*

22            *(5) grants under the Brownfields Economic De-*  
23 *velopment Initiative of the Department of Housing*  
24 *and Urban Development provide local governments*  
25 *with a flexible source of funding to pursue brownfields*

1        *redevelopment through land acquisition, site prepara-*  
2        *tion, economic development, and other activities;*

3            *(6) to be eligible for such grant funds, a commu-*  
4        *nity must be willing to pledge community develop-*  
5        *ment block grant funds as partial collateral for a loan*  
6        *guarantee under section 108 of the Housing and Com-*  
7        *munity Development Act of 1974, and this require-*  
8        *ment is a barrier to many local communities that are*  
9        *unable or unwilling to pledge such block grant funds*  
10       *as collateral; and*

11           *(7) by de-linking grants for brownfields develop-*  
12       *ment from section 108 community development loan*  
13       *guarantees and the related pledge of community devel-*  
14       *opment block grant funds, more communities will*  
15       *have access to funding for redevelopment of brownfield*  
16       *sites.*

17        *(b) PURPOSES.—The purpose of this Act is to provide*  
18       *cities and towns with more flexibility for brownfields devel-*  
19       *opment, increased accessibility to brownfields redevel-*  
20       *opment funds, and greater capacity to coordinate and collabo-*  
21       *rate with other government agencies—*

22           *(1) by providing additional incentives to invest*  
23       *in the cleanup and development of brownfield sites;*  
24       *and*

1           (2) by de-linking grants for brownfields develop-  
2           ment from community development loan guarantees  
3           and the related pledge of community development  
4           block grant funds.

5 **SEC. 3. BROWNFIELDS DEVELOPMENT INITIATIVE.**

6           Title I of the Housing and Community Development  
7 Act of 1974 (42 U.S.C. 5301 et seq.) is amended by adding  
8 at the end the following new section:

9 **“SEC. 123. BROWNFIELDS DEVELOPMENT INITIATIVE.**

10           “(a) *IN GENERAL.*—The Secretary may make grants  
11 under this section, on a competitive basis as specified in  
12 section 102 of the Department of Housing and Urban Devel-  
13 opment Reform Act of 1989 (42 U.S.C. 3545), only to eligi-  
14 ble public entities (as such term is defined in section 108(o)  
15 of this title) and Indian tribes for carrying out projects and  
16 activities to assist the environmental cleanup and develop-  
17 ment of brownfield sites.

18           “(b) *USE OF GRANT AMOUNTS.*—Amounts from grants  
19 under this section shall—

20                   “(1) be used, as provided in subsection (a) of this  
21 section, only for activities specified in section 108(a);  
22 and

23                   “(2) be subject to the same requirements that,  
24 under section 101(c) and paragraphs (2) and (3) of  
25 section 104(b), apply to grants under section 106.

1       “(c) *AVAILABILITY OF ASSISTANCE.*—*The Secretary*  
2 *shall not require, for eligibility for a grant under this sec-*  
3 *tion, that such grant amounts be used only in connection*  
4 *or conjunction with projects and activities assisted with a*  
5 *loan guaranteed under section 108.*

6       “(d) *APPLICATIONS.*—*Applications for assistance*  
7 *under this section shall be in the form and in accordance*  
8 *with procedures as shall be established by the Secretary.*

9       “(e) *SELECTION CRITERIA AND LEVERAGING.*—*The*  
10 *Secretary shall establish criteria for awarding grants under*  
11 *this section, which may include the extent to which the ap-*  
12 *plicant has obtained other Federal, State, local, or private*  
13 *funds for the projects and activities to be assisted with grant*  
14 *amounts and such other criteria as the Secretary considers*  
15 *appropriate. Such criteria shall include consideration of the*  
16 *appropriateness of the extent of financial leveraging in-*  
17 *volved in the projects and activities to be funded with the*  
18 *grant amounts.*

19       “(f) *AUTHORIZATION OF APPROPRIATIONS.*—*There are*  
20 *authorized to be appropriated for grants under this section*  
21 *such sums as may be necessary for each of fiscal years 2003,*  
22 *2004, 2005, 2006, and 2007.”.*

1 **SEC. 4. CLARIFICATION OF BROWNFIELDS REDEVELOP-**  
2 **MENT AS ELIGIBLE CDBG ACTIVITY.**

3 (a) *TECHNICAL CORRECTION.*—*The penultimate pro-*  
4 *viso of the first undesignated paragraph of the item relating*  
5 *to “Community Development Block Grants Fund” in title*  
6 *II of the Departments of Veterans Affairs and Housing and*  
7 *Urban Development, and Independent Agencies Appropria-*  
8 *tions Act, 1997 (Public Law 104–204; 110 Stat. 2887) shall*  
9 *be treated as having amended section 105(a) of the Housing*  
10 *and Community Development Act of 1974 (42 U.S.C.*  
11 *5305(a)) to read as such section was in effect on September*  
12 *30, 1995.*

13 (b) *BROWNFIELDS REDEVELOPMENT ACTIVITIES.*—  
14 *Section 105(a) of the Housing and Community Develop-*  
15 *ment Act of 1974 (42 U.S.C. 5305(a)), as in effect pursuant*  
16 *to subsection (a) of this section, is amended—*

17 (1) *in paragraph (24), by striking “and” at the*  
18 *end;*

19 (2) *in paragraph (25), by striking the period at*  
20 *the end and inserting “; and”; and*

21 (3) *by adding at the end the following new para-*  
22 *graph:*

23 “(26) *environmental cleanup and economic de-*  
24 *velopment activities related to brownfield projects in*  
25 *conjunction with the appropriate environmental regu-*  
26 *latory agencies.”.*

1 **SEC. 5. PILOT PROGRAM FOR NATIONAL REDEVELOPMENT**  
2 **OF BROWNFIELDS.**

3 *Section 108(q) of the Housing and Community Devel-*  
4 *opment Act of 1974 (42 U.S.C. 5308(q)) is amended by add-*  
5 *ing at the end the following new paragraph:*

6 *“(5) PILOT PROGRAM FOR NATIONAL REDEVEL-*  
7 *OPMENT OF BROWNFIELDS.—*

8 *“(A) IN GENERAL.—Using any amounts*  
9 *made available under this subsection, the Sec-*  
10 *retary may establish a pilot program under*  
11 *which grants under this subsection are used to*  
12 *develop, maintain, and administer (including*  
13 *the payment of an entity or entities selected pur-*  
14 *suant to subparagraph (B)) a common loan pool*  
15 *of development loans for brownfield redevelop-*  
16 *ment projects made on behalf of eligible public*  
17 *entities with the proceeds of obligations guaran-*  
18 *teed under this section, including related security*  
19 *and a common loans loss reserve account, for the*  
20 *benefit of participants in the pilot program.*

21 *“(B) SELECTION OF PROGRAM MANAGERS*  
22 *AND CONTRACTORS.—The Secretary may select*  
23 *an entity or entities on a competitive or non-*  
24 *competitive basis to carry out any of the func-*  
25 *tions involved in the pilot program.*

1           “(C) *TERMS FOR PARTICIPATION.*—*Partici-*  
2           *pation by eligible public entities in the pilot pro-*  
3           *gram shall be under such terms and conditions*  
4           *as the Secretary may require.*

5           “(D) *AUTHORIZATION OF APPROPRIA-*  
6           *TIONS.*—*There are authorized to be appropriated*  
7           *such sums as may be necessary—*

8                     “(i) *for grants under this subsection to*  
9                     *be used only in conjunction with the pilot*  
10                    *program under this paragraph; and*

11                    “(ii) *for costs of carrying out the pilot*  
12                    *program under this paragraph and ensur-*  
13                    *ing that the program is carried out in an*  
14                    *effective, efficient, and viable manner.”.*

15 **SEC. 6. TECHNICAL AMENDMENT TO ALLOW USE OF CDBG**  
16                     **FUNDS TO ADMINISTER RENEWAL COMMU-**  
17                     **NITIES.**

18           *Section 105(a)(13) of the Housing and Community*  
19           *Development Act of 1974 (42 U.S.C. 5305(a)(13)) is amend-*  
20           *ed by inserting “and renewal communities” after “enter-*  
21           *prise zones”.*

22 **SEC. 7. APPLICABILITY.**

23           *The amendments made by this Act shall apply only*  
24           *with respect to amounts made available for fiscal year 2003*

1 *and fiscal years thereafter for use under the provisions of*  
2 *law amended by this Act.*

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