

2007 Brownfield Legislative Agenda -- Reauthorization of the Federal Brownfields Program



***What Impacts on
Brownfield Project
Partnership Efforts?***

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Brownfield Program Reauthorization

Program Changes – Key Categories

- Funding that better meets brownfield needs
- Making grants work better
- Enhancing institutional control and liability relief processes

Brownfield Program Reauthorization

Who's working for these changes?

20 diverse “Brownfield Reauthorization Coalition” members including...

- Environmental Bankers Association
- US Conference of Mayors
- National Brownfield Association
- Local Initiatives Support Corporation (LISC)
- International Council of Shopping Centers
- Real Estate Roundtable
- National Association of Home Builders
- Cherokee Investment Partners

Potential Program Changes

1) Funding that better meets brownfield needs...

- Permit larger cleanup grant amounts
 - *Up to \$1 million*
- Authorize multi-purpose grants, for an expanded range of activities
 - *For assessment, cleanup, demolition, removal, etc.*
- Increase total program funding
 - *\$350 million in FY2007, increasing to \$600 million by FY2012*

Potential Program Changes

2) Making brownfield grants work better...

- Eliminate petroleum grant set-aside
- Eliminate RP, risk barriers to petroleum brownfields
 - *Applicants need not show site is “low risk” with “no viable responsible party” tied to it*
- Allow grants for sites acquired pre-enactment
 - *AAI need not be demonstrated as long as applicant did not cause or contribute to contamination*

Potential Program Changes

2) Making brownfield grants work better...

- Establish a state brownfield insurance program start-up matching grant program
 - \$200,000 grants for planning, \$2 million for operating assistance
- Reduce redundant EPA RLF approvals
 - *When review conducted by state VCP recognized by MOA with EPA*
- Allow reasonable administrative costs

Potential Program Changes

3) Enhance IC and liability relief processes...

- Promote state institutional control programs
 - *Required plan re: monitoring/enforcing ICs*
- Allow CERCLA exemption for acquisition by innocent states/localities
 - *For governments that did not cause/contribute to contamination, and exercise due care*

Potential Program Changes

3) Enhance IC and liability relief processes...

- Eliminate redundancy at PCB cleanups
 - *Bar TOSCA enforcement for PCB sites remediated thru state VCPs*
- Give RCRA relief to innocent parties
 - *For sites thru state VCP, prospective purchaser, enforcement bar provisions like CERCLA bar*
- Put Aviall fix in place for voluntary cleanups
 - *Allow parties to obtain contribution from RPs even if cleanup is not prompted by CERCLA litigation or order*

Brownfield-related proposals in the new 110th Congress...



*What should you
watch for? What
might impact you?*





Brownfield Appropriations – proposed FY2008

EPA Brownfields

- Basic grants -- **\$89.3 million (+ 0.7%)**
- State VCP support -- **\$49.5 million (+ 0.4%)**

EPA state clean water RLF

- Capitalization grants -- **\$687.5 million (- 22.5%)**

EDA

- Regional development account -- **\$130 million (-40.1%)**
 - proposed to replace public works/economic adj. programs



Brownfield Appropriations – proposed FY2008

HUD – Brownfield Economic Development Initiative

- BEDI grants – zero (- 100%)
 - \$10 million available in FY07

HUD -- CDBG

- Formula grants -- **\$2.968 billion (- 20%)**
- Total (including set-asides) -- **\$3.037 billion (- 27.3%)**

HUD – Section 108 loan guarantees

- Appropriations to support guarantees – zero (- 100%)
 - \$4 million supported \$175 million in guarantees, FY 2007

What re-introductions are anticipated?

Cleanup tax credits –

- Authorize \$1 billion in remediation tax credits
- Credit up to 50% of demolition, cleanup costs

Expensing incentive –

- eliminate re-capture, make permanent

Historic rehab credit expansions --

- increase historic rehab credit, change “non-historic” (10%) from “pre-1936” to “no less than 50 years” old

Energy tax credits

- extend 2005 provisions to 2008 or later

HUD BEDI grant program --

- de-couple from Section 108 guarantees



Thank
you!

If you have questions...
If you need additional information....

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