

107TH CONGRESS
2D SESSION

H. R. 2941

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2002

Received; read twice and referred to the Committee on Banking, Housing, and
Urban Affairs

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Brownfields Redevelop-
3 ment Enhancement Act”.

4 **SEC. 2. FINDINGS AND PURPOSES.**

5 (a) FINDINGS.—The Congress finds that—

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

10 (2) redevelopment of brownfield sites and reuse
11 of infrastructure at such sites will protect natural
12 resources and open spaces;

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

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

20 (5) grants under the Brownfields Economic De-
21 velopment Initiative of the Department of Housing
22 and Urban Development provide local governments
23 with a flexible source of funding to pursue
24 brownfields redevelopment through land acquisition,
25 site preparation, economic development, and other
26 activities;

1 (6) to be eligible for such grant funds, a com-
2 munity must be willing to pledge community devel-
3 opment block grant funds as partial collateral for a
4 loan guarantee under section 108 of the Housing
5 and Community Development Act of 1974, and this
6 requirement is a barrier to many local communities
7 that are unable or unwilling to pledge such block
8 grant funds as collateral; and

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

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

20 (1) by providing additional incentives to invest
21 in the cleanup and development of brownfield sites;
22 and

23 (2) by de-linking grants for brownfields develop-
24 ment from community development loan guarantees

1 and the related pledge of community development
2 block grant funds.

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

4 Title I of the Housing and Community Development
5 Act of 1974 (42 U.S.C. 5301 et seq.) is amended by add-
6 ing at the end the following new section:

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

8 “(a) IN GENERAL.—The Secretary may make grants
9 under this section, on a competitive basis as specified in
10 section 102 of the Department of Housing and Urban De-
11 velopment Reform Act of 1989 (42 U.S.C. 3545), only to
12 eligible public entities (as such term is defined in section
13 108(o) of this title) and Indian tribes for carrying out
14 projects and activities to assist the environmental cleanup
15 and development of brownfield sites, which shall include
16 mine-scarred lands.

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

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

22 “(2) be subject to the same requirements that,
23 under section 101(c) and paragraphs (2) and (3) of
24 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
5 a 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
11 under this section, which may include the extent to which
12 the applicant has obtained other Federal, State, local, or
13 private funds for the projects and activities to be assisted
14 with grant amounts and such other criteria as the Sec-
15 retary considers appropriate. Such criteria shall include
16 consideration of the appropriateness of the extent of finan-
17 cial leveraging involved in the projects and activities to
18 be funded with the grant amounts.

19 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated for grants under this
21 section such sums as may be necessary for each of fiscal
22 years 2003, 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 relat-
5 ing to “Community Development Block Grants Fund” in
6 title II of the Departments of Veterans Affairs and Hous-
7 ing and Urban Development, and Independent Agencies
8 Appropriations Act, 1997 (Public Law 104–204; 110 Stat.
9 2887) shall be treated as having amended section 105(a)
10 of the Housing and Community Development Act of 1974
11 (42 U.S.C. 5305(a)) to read as such section was in effect
12 on September 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 pursu-
16 ant 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
22 paragraph:

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

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

3 Section 108(q) of the Housing and Community De-
4 velopment Act of 1974 (42 U.S.C. 5308(q)) is amended
5 by adding 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
14 pursuant to subparagraph (B)) a common loan
15 pool of development loans for brownfield rede-
16 velopment projects made on behalf of eligible
17 public entities with the proceeds of obligations
18 guaranteed under this section, including related
19 security and a common loans loss reserve ac-
20 count, for the benefit of participants in the pilot
21 program.

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

1 “(C) TERMS FOR PARTICIPATION.—Par-
 2 ticipation by eligible public entities in the pilot
 3 program shall be under such terms and condi-
 4 tions as the Secretary may require.

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

8 “(i) for grants under this subsection
 9 to be used only in conjunction with the
 10 pilot 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
 20 amended by inserting “and renewal communities” after
 21 “enterprise 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

1 2003 and fiscal years thereafter for use under the provi-
2 sions of law amended by this Act.

Passed the House of Representatives June 4, 2002.

Attest: JEFF TRANDAHL,
Clerk.