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2000 Regular Session (0lr1580)

ENROLLED BILL

-- Economic and Environmental Affairs/Environmental Matters --

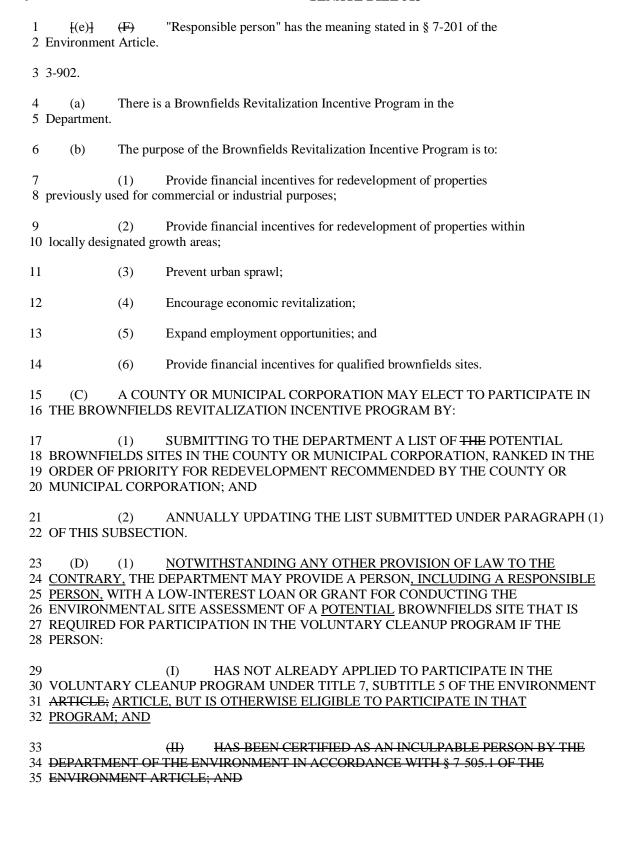
Introduced by Senators Frosh Conway and Sfikas

muodud	ced by Senators Frosh, Conway, and Shkas	
	Read and Examined by Proofreaders:	
		Proofreader.
Sealed	with the Great Seal and presented to the Governor, for his approval this	Proofreader.
d	day of at o'clock,M.	
		President.
	CHAPTER	
1 AN	N ACT concerning	
2 3	Environment - Brownfields Revitalization Incentive and Voluntary Cleanup Programs	
4 FOE 5 6 7 8 9 10 11 12 13 14 15 16 17	or certain financial incentives the site must be located in a jurisdiction that has elected to participate in the Brownfields Revitalization Incentive Program; authorizing the Department of Business and Economic Development to provide certain loans and grants to certain inculpable persons for the environmental site assessment of certain brownfields sites; requiring the repayment of certain grants under certain circumstances; providing that certain low-interest loans convert to market rate loans under certain circumstances; providing for the ownership of the information contained in certain environmental site assessments; providing for the application of certain provisions; authorizing the Department of Business and Economic Development to establish certain procedures and eligibility requirements for these loans and grants; requiring the Department of the Environment to establish a certain process for certifying inculpable persons for certain purposes; establishing certain application and	

1	notification requirements for the certification process; eliminating the
2	requirement that a jurisdiction that elects to participate in the Brownfields
3	Revitalization Incentive Program contribute certain moneys to a certain fund
4	requiring that certain moneys deposited by certain jurisdictions into the
5	Brownfields Revitalization Incentive Fund be used to provide incentives for
6	qualified brownfields sites in certain jurisdictions that enacted certain tax
7	credit ordinances by a certain date; altering the definition of "brownfields site"
8	to exclude properties for which there exists certain responsible persons; defining
9	a certain term; include properties for which there exists certain innocent
10	purchasers; altering the requirements for jurisdictions electing to provide
11	certain property tax credits for certain property; providing for a certain
12	contingency; and generally relating to the Brownfields Revitalization Incentive
13	and Voluntary Cleanup programs.
14	BY repealing and reenacting, with amendments,
15	Article 83A - Department of Business and Economic Development
16	
17	
18	(1998 Replacement Volume and 1999 Supplement)
10	DV - 11' (-
	BY adding to
20	
21	Section 7-505.1
22	Annotated Code of Maryland
23	(1996 Replacement Volume and 1999 Supplement)
	BY repealing and reenacting, with amendments,
25	Article - Tax - Property
26	· /
27	Annotated Code of Maryland
28	(1994 Replacement Volume and 1999 Supplement)
29	BY repealing and reenacting, with amendments,
30	Article 83A - Department of Business and Economic Development
31	Section 5-1401(f) and 5-1408
32	Annotated Code of Maryland
33	(1998 Replacement Volume and 1999 Supplement)
34	(As enacted by Chapter (S.B. 783/H.B. 972) of the Acts of the General
35	Assembly of 2000)

- 36 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 37 MARYLAND, That the Laws of Maryland read as follows:

1			Article	83A - De	epartment of Business and Economic Development
2	3-901.				
3	(a)	In this s	ubtitle th	e followi	ng words have the meanings indicated.
4	(b)	(1)	"Brown	fields site	e" means:
5 6	Article, that	is:	(i)	An eligi	ble property, as defined in § 7-501 of the Environment
7				1.	Owned or operated by an:
8 9	Environmen	t Article;	and <u>OR</u>	<u>A.</u>	AN inculpable person, as defined in § 7-501 of the
10 11		MENTS S	ET FOR	<u>B.</u> TH IN §	AN INNOCENT PURCHASER THAT MEETS THE 7-201(X)(2)(I) OF THE ENVIRONMENT ARTICLE; AND
14	CORPORA	rogram in	accordar	nce with	Located in a [taxing jurisdiction] COUNTY OR MUNICIPAL articipate in the Brownfields Revitalization [§ 9-229 of the Tax - Property Article] §
16 17		il, as defii	(ii) ned in § 4		y where there is a release, discharge, or threatened the Environment Article, that is:
			nvironme	1. nt in acco	Subject to a corrective action plan approved by the ordance with Title 4 of the Environment
23		rogram in	accordar	ice with	Located in a [taxing jurisdiction] COUNTY OR MUNICIPAL articipate in the Brownfields Revitalization [§ 9-229 of the Tax - Property Article] §
	operated by		HICH TI	IERE EX	e" does not include property {that is owned or XISTS a FINANCIALLY VIABLE <u>a</u> responsible person responsible for the discharge.
30	PERSON R A READIL	ESPONS Y IDENT	IBLE FO	R THE I	E RESPONSIBLE PERSON" AND "FINANCIALLY VIABLE DISCHARGE" MEAN A RESPONSIBLE PERSON WHO IS OR PRESENT OWNER OR OPERATOR WITH THE ERTAKE THE CLEANUP.
32 33	[(c)] 4-401 of the	(D) e Environ			ble for the discharge" has the meaning stated in §
	determined		epartment	t of Busin	nfields site" means a brownfields site that has been ness and Economic Development to be eligible of this subtitle.



1 MEETS THE ELIGIBILITY REQUIREMENTS ESTABLISHED (III)—(III) 2 BY THE DEPARTMENT. IF AN ENVIRONMENTAL ASSESSMENT IS FINANCED IN WHOLE 4 OR IN PART WITH A GRANT FROM THE DEPARTMENT, OR BY A LOAN THAT IS IN 5 PAYMENT DEFAULT, THE INFORMATION CONTAINED IN THE ENVIRONMENTAL 6 ASSESSMENT IS THE PROPERTY OF THE STATE. IF AN ENVIRONMENTAL ASSESSMENT IS FINANCED BY A LOAN 7 8 FROM THE DEPARTMENT, OR BY A GRANT THAT IS REPAID. THE INFORMATION 9 CONTAINED IN THE ENVIRONMENTAL ASSESSMENT IS THE PROPERTY OF THE 10 PERSON WHO CONTRACTED FOR THE ASSESSMENT. 11 ELIGIBILITY FOR FINANCIAL ASSISTANCE FOR ENVIRONMENTAL 12 ASSESSMENTS UNDER PARAGRAPH (1) OF THIS SUBSECTION DOES NOT CONSTITUTE 13 ELIGIBILITY FOR ANY OTHER FINANCIAL INCENTIVES UNDER THIS SUBTITLE OR 14 FOR THE TAX CREDITS PROVIDED UNDER § 9-229 OF THE TAX - PROPERTY ARTICLE. A RECIPIENT OF A GRANT UNDER PARAGRAPH (1) OF THIS 15 <u>(4)</u> 16 SUBSECTION MUST REPAY THE GRANT IF THE RECIPIENT, WITHIN 12 MONTHS AFTER 17 RECEIVING THE GRANT, DOES NOT APPLY TO AND RECEIVE APPROVAL FROM THE 18 DEPARTMENT OF THE ENVIRONMENT: TO PARTICIPATE IN THE VOLUNTARY CLEANUP PROGRAM (I) 20 UNDER TITLE 7. SUBTITLE 5 OF THE ENVIRONMENT ARTICLE: OR (II)FOR THE IMPLEMENTATION OF A CORRECTIVE ACTION PLAN 22 UNDER TITLE 4 OF THE ENVIRONMENT ARTICLE. 23 (5) A LOW-INTEREST LOAN PROVIDED UNDER PARAGRAPH (1) OF THIS 24 SUBSECTION SHALL CONVERT TO A MARKET RATE LOAN IF THE RECIPIENT OF THE 25 LOAN, WITHIN 12 MONTHS AFTER RECEIVING THE LOAN, DOES NOT APPLY TO AND 26 RECEIVE APPROVAL FROM THE DEPARTMENT OF THE ENVIRONMENT: TO PARTICIPATE IN THE VOLUNTARY CLEANUP PROGRAM 27 (I) 28 UNDER TITLE 7, SUBTITLE 5 OF THE ENVIRONMENT ARTICLE; OR FOR THE IMPLEMENTATION OF A CORRECTIVE ACTION PLAN (II)30 UNDER TITLE 4 OF THE ENVIRONMENT ARTICLE. 31 THE DEPARTMENT MAY ESTABLISH PROCEDURES AND (3)(6) 32 ELIGIBILITY REQUIREMENTS FOR THE APPROVAL OF REQUESTS FOR LOANS AND 33 GRANTS UNDER PARAGRAPH (1) OF THIS SUBSECTION. THE DEPARTMENT. IN CONSULTATION WITH THE DEPARTMENT OF THE 34 (E) 35 ENVIRONMENT, SHALL DETERMINE WHETHER THERE IS A FINANCIALLY VIABLE 36 RESPONSIBLE PERSON OR FINANCIALLY VIABLE PERSON RESPONSIBLE FOR THE 37 DISCHARGE ASSOCIATED WITH A BROWNFIELDS SITE.

1	<u>3-905.</u>	
2	This subtitle	e does not affect, and may not be construed as affecting[,]:
3	(1) corporation; OR	[the] THE planning and zoning authority of a county or municipal
5	<u>(2)</u>	ANY PROVISION OF THE ENVIRONMENT ARTICLE.
6		Article - Environment
7	7 505.1.	
10 11	PERSON QUAL LOAN IN ACC THE ENVIRON	E DEPARTMENT SHALL ESTABLISH A PROCESS TO CERTIFY WHETHER A IFIES AS AN INCULPABLE PERSON WHO MAY APPLY FOR A GRANT OR ORDANCE WITH ARTICLE 83A, § 3-902 OF THE CODE FOR CONDUCTING IMENTAL SITE ASSESSMENTS NECESSARY FOR PARTICIPATING IN THE CLEANUP PROGRAM UNDER THIS SUBTITLE.
		SEEK CERTIFICATION AS AN INCULPABLE PERSON, AN APPLICANT IT AN APPLICATION, ON A FORM PROVIDED BY THE DEPARTMENT, THAT
16 17	(1) INCULPABLE	
-	BE THE SUBJE	INFORMATION DEMONSTRATING THAT THE PROPERTY THAT WOULD SECT OF THE ENVIRONMENTAL SITE ASSESSMENT IS AN ELIGIBLE DEFINED IN § 7 501 OF THIS SUBTITLE; AND
21	(3)	ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT.
	WITHIN 60 DA	THE DEPARTMENT SHALL NOTIFY THE APPLICANT IN WRITING, AND APPLICANT OF THE APPLICATION, WHETHER THE APPLICANT RTIFIED AS AN INCULPABLE PERSON.
25 26	()	IF THE DEPARTMENT DENIES THE APPLICATION, THE DEPARTMENT DE TO THE APPLICANT THE REASONS FOR ITS DECISION IN WRITING.
	(-)	PT OF NOTICE OF THE DEPARTMENT'S DECISION TO DENY THE INITIAL
30 31	()	THE DEPARTMENT SHALL APPROVE OR DENY A RESUBMITTED WITHIN 30 DAYS AFTER RECEIPT.
32 33	<u>SECTION 2.</u> read as follows:	. AND BE IT FURTHER ENACTED, That the Laws of Maryland

36 *read as follows:*

1 Article - Tax - Property 2 9-229. 3 A taxing jurisdiction may elect to participate in the Brownfields (b) (1) (I) Revitalization Incentive Program under Article 83A, Title 3, Subtitle 9 of the Code THROUGH THE ENACTMENT OF LEGISLATION THAT GRANTS PROPERTY TAX CREDITS IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION. 7 IF A TAXING JURISDICTION ELECTS TO PARTICIPATE IN THE (II)PROGRAM IN ACCORDANCE WITH THIS SECTION, THE TAXING JURISDICTION SHALL NOTIFY THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT. 10 (2) [If a taxing jurisdiction elects to participate in the Brownfields Revitalization Incentive Program, the taxing jurisdiction shall: 12 (i) enact the necessary legislation to grant the property tax credits 13 established under this section; and 14 notify the Department of Business and Economic Development. (ii) If a taxing jurisdiction elects to participate in the Brownfields 15 (3)16 Revitalization Incentive Program IN ACCORDANCE WITH THIS SECTION, the property tax credits under this section shall also apply to the State property tax in that jurisdiction in the same percentage and for the same duration as provided for the property tax of the taxing jurisdiction. 20 (c) For each of the 5 taxable years immediately following the first revaluation 21 of the property after completion of a voluntary cleanup or corrective action plan of a 22 brownfields site, each participating PARTICIPATING taxing jurisdiction where a 23 qualified brownfields site is located shall: 24 grant a property tax credit against the property tax imposed on the 25 qualified brownfields site in an amount equal to 50% of the property tax attributable 26 to the increase in the assessment of the qualified brownfields site, including improvements added to the site within the 5-year period as provided under this subsection, over the assessment of the qualified brownfields site before the voluntary cleanupf; and 30 contribute to the Brownfields Revitalization Incentive Fund under 31 Article 83A, § 3-904 of the Code, 30% of the property tax attributable to the increase 32 in the assessment of the brownfields site, including improvements added to the site 33 within the 5-year period as provided under this subsection, over the assessment of 34 the qualified brownfields site before the voluntary cleanup. 35 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland

1			<u>Article</u>	83A - Department of Business and Economic Development	
2	<u>5-1401.</u>				
3	<u>(f)</u>	<u>(1)</u>	<u>"Brown</u>	fields site" means:	
4 5	Article, that	t is:	<u>(i)</u>	An eligible property, as defined in § 7-501 of the Environment	
6				1. Owned or operated by [an]:	
7 8	<u>Environmen</u>	ıt Article;	<u>OR</u>	A. AN inculpable person, as defined in § 7-501 of the	
9 10	REQUIRE	MENTS S.	ET FORT	B. AN INNOCENT PURCHASER THAT MEETS THE THE IN § 7-201(X)(2)(I) OF THE ENVIRONMENT ARTICLE; and	
13	11 <u>2. Located in a [taxing jurisdiction] COUNTY OR MUNICIPAL</u> 12 <u>CORPORATION that has elected to participate in the Brownfields Revitalization</u> 13 <u>Incentive Program in accordance with [§ 9-229 of the Tax - Property Article] §</u> 14 <u>5-1408(A) OF THIS SUBTITLE; or</u>				
15 16	release of o	oil, as defi	<u>(ii)</u> ned in §	Property where there is a release, discharge, or threatened 4-401 of the Environment Article, that is:	
	<u>Department</u>	at of the E	nvironme	1. Subject to a corrective action plan approved by the nt in accordance with Title 4 of the Environment Article;	
22		Program ir	ı accordo	2. <u>Located in a [taxing jurisdiction] COUNTY OR MUNICIPAL</u> cted to participate in the Brownfields Revitalization unce with [§ 9-229 of the Tax - Property Article] § (E.	
24 25	by a respon	(<u>2)</u> 1sible per		fields site" does not include property that is owned or operated person responsible for the discharge.	
26	<u>5-1408.</u>				
27 28				MUNICIPAL CORPORATION MAY ELECT TO PARTICIPATE IN ALIZATION INCENTIVE PROGRAM BY:	
31	THE ORD	ER OF PR	ES IN TI	TTING TO THE DEPARTMENT A LIST OF POTENTIAL HE COUNTY OR MUNICIPAL CORPORATION, RANKED IN FOR REDEVELOPMENT RECOMMENDED BY THE COUNTY TION; AND	
33 34	OF THIS S	(2) UBSECT		ALLY UPDATING THE LIST SUBMITTED UNDER PARAGRAPH (1)	

			SERVITE DIDE 313
1	(B) (1)	NOTWI	THSTANDING ANY OTHER PROVISION OF LAW TO THE
			ENT MAY PROVIDE A PERSON, INCLUDING A RESPONSIBLE
	·		EREST LOAN OR GRANT FOR CONDUCTING THE
			ESSMENT OF A POTENTIAL BROWNFIELDS SITE THAT IS
			TION IN THE VOLUNTARY CLEANUP PROGRAM IF THE
	PERSON:		
7		(I)	HAS NOT ALREADY APPLIED TO PARTICIPATE IN THE
8	VOLUNTARY CLEAR	N UP PRO	OGRAM UNDER TITLE 7, SUBTITLE 5 OF THE ENVIRONMENT
9	ARTICLE, BUT IS O	THERWI.	SE ELIGIBLE TO PARTICIPATE IN THAT PROGRAM; AND
10		<u>(II)</u>	MEETS THE ELIGIBILITY REQUIREMENTS ESTABLISHED BY
11	THE DEPARTMENT	<u>-</u>	
12	<u>(2)</u>	<u>(I)</u>	IF AN ENVIRONMENTAL ASSESSMENT IS FINANCED IN WHOLE
13	OR IN PART WITH A	4 GRANT	<u> TFROM THE DEPARTMENT, OR BY A LOAN THAT IS IN</u>
14	<u>PAYMENT DEFAUL</u>	T, THE	INFORMATION CONTAINED IN THE ENVIRONMENTAL
15	ASSESSMENT IS TH	<u>IE PROP</u>	ERTY OF THE STATE.
16			IF AN ENVIRONMENTAL ASSESSMENT IS FINANCED BY A LOAN
			OR BY A GRANT THAT IS REPAID, THE INFORMATION
			CONMENTAL ASSESSMENT IS THE PROPERTY OF THE
19	PERSON WHO CON	<u>ITRACTE</u>	ED FOR THE ASSESSMENT.
•	(2)	ELIGIB	WAREN FOR THE LOCAL AND THE STATE OF THE STA
20			ILITY FOR FINANCIAL ASSISTANCE FOR ENVIRONMENTAL
			AGRAPH (1) OF THIS SUBSECTION DOES NOT CONSTITUTE
			VER FINANCIAL INCENTIVES UNDER THIS SUBTITLE OR
23	FOR THE TAX CRE	DITS PR	OVIDED UNDER § 9-229 OF THE TAX - PROPERTY ARTICLE.
24	(4)	A DECI	DIENT OF A CDANT UNDER DADACDARU (1) OF THE
24	<u></u>		PIENT OF A GRANT UNDER PARAGRAPH (1) OF THIS
			THE GRANT IF THE RECIPIENT, WITHIN 12 MONTHS
	THE DEPARTMENT		RANT, DOES NOT APPLY TO AND RECEIVE APPROVAL FROM
21	THE DEFARTMENT	OF THE	E ENVIRONMENT.
28		(I)	TO PARTICIPATE IN THE VOLUNTARY CLEANUP PROGRAM
_	UNDER TITLE 7 SI		5 OF THE ENVIRONMENT ARTICLE; OR
2)	ONDER TITLE 7, 50	DITTLE	5 OF THE ENVIRONMENT ARTICLE, OR
30		(II)	FOR THE IMPLEMENTATION OF A CORRECTIVE ACTION PLAN
		1/	VVIRONMENT ARTICLE.
<i>J</i> 1	ONDER TITLE 4 OF	THE LI	WINONIMENT TRATECEL.
32	(5)	A LOW-	-INTEREST LOAN PROVIDED UNDER PARAGRAPH (1) OF THIS
			TERT TO A MARKET RATE LOAN IF THE RECIPIENT OF THE
			AFTER RECEIVING THE LOAN, DOES NOT APPLY TO AND
			THE DEPARTMENT OF THE ENVIRONMENT:
36		(I)	TO PARTICIPATE IN THE VOLUNTARY CLEANUP PROGRAM
			5 OF THE ENVIRONMENT ARTICLE; OR
-			

38 (II) FOR THE IMPLEMENTATION OF A CORRECTIVE ACTION PLAN
39 UNDER TITLE 4 OF THE ENVIRONMENT ARTICLE.

1	(6) THE DEPARTMENT MAY ESTABLISH PROCEDURES AND ELIGIBILITY
	REQUIREMENTS FOR THE APPROVAL OF REQUESTS FOR LOANS AND GRANTS UNDER
3	PARAGRAPH (1) OF THIS SUBSECTION.
6 7 8	[(a)] (C) (1) At the time a person applies to participate in the Voluntary Cleanup Program under Title 7, Subtitle 5 of the Environment Article or receives approval from the Department of the Environment for the implementation of a corrective action plan under Title 4 of the Environment Article, the person may submit a request to the Department to determine whether the person qualifies for financial assistance for the potential redevelopment of a Brownfields site.
12 13	(2) <u>Within 30 days after receipt of a request under paragraph (1) of this subsection, the Department shall notify an applicant whether, if approved to participate in the Voluntary Cleanup Program or a corrective action plan, and if approved by the Authority, the applicant qualifies for financial assistance for the redevelopment of a Brownfields site.</u>
17	(ii) In the Department's notice of an applicant's qualification for financial incentives under subparagraph (i) of this paragraph, the Department shall specify which of the criteria set forth in paragraph (4) of this subsection the applicant met.
19 20	(3) The Department shall determine the eligibility of a site as a qualified Brownfields site based on whether:
21 22	(i) The property is located in a densely populated urban center and is substantially underutilized; or
23 24	(ii) The property is an existing or former industrial or commercial site that poses a threat to public health or the environment.
25 26	(4) The Department may consider the following criteria when selecting a qualified Brownfields site:
27	(i) The feasibility of redevelopment;
28 29	(ii) The public benefit provided to the community and the State through the redevelopment of the property;
	(iii) The extent of releases or threatened releases at the site and the degree to which the cleanup and redevelopment of the site will protect public health or the environment;
33 34	(iv) The potential to attract or retain manufacturing or other economic base employers;
35 36	(v) The absence of identifiable and financially solvent responsible persons; or

1 2	<u>development.</u>	(vi) Any other factor relevant and appropriate to economic			
3	[(b)] (<u>D)</u> the Department shal	During the course of evaluating potential qualified Brownfields sites, consult with:			
5 6	<u>(1)</u> relevant local officia	The Department of the Environment, the Office of Planning, and ls;			
7 8	(2) community;	The neighboring community and any citizens groups located in the			
9	<u>(3)</u>	Representatives of State and local environmental organizations;			
10	<u>(4)</u>	Public health experts; and			
11	<u>(5)</u>	Any other person the Department considers appropriate.			
		The Department shall develop a program of financial incentives, st loans and grants, to assist persons who participate in the zation Incentive Program.			
15 16	[(d)] (F) the]:	This section does not affect, and may not be construed as affecting [,			
17 18	(1) corporation; OR	THE planning and zoning authority of a county or municipal			
19	<u>(2)</u>	ANY PROVISION OF THE ENVIRONMENT ARTICLE.			
22	SECTION 2. 4. AND BE IT FURTHER ENACTED, That any money received by the Brownfields Revitalization Fund from a taxing jurisdiction shall only be used for Brownfields sites in the taxing jurisdictions that have enacted a Brownfields property tax credit ordinance on or before June 1, 2000.				
24		D BE IT FURTHER ENACTED, That Section 3 of this Act shall			
25	take effect October 1	1, 2000, contingent on the taking effect of Chapter(S.B.			
		Acts of the General Assembly of 2000, and if Chapterdoes not			
		ction 3 of this Act shall be null and void without the necessity of			
		General Assembly. If Chapter (S.B. 783/H.B. 972) of the Acts			
		nbly of 2000 takes effect, Section 1 of this Act shall be null and void			
30	without the necessity	of further action by the General Assembly.			
31	SECTION 2. 3.	6. AND BE IT FURTHER ENACTED, That, subject to Section 5			

32 of this Act, this Act shall take effect October 1, 2000.