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By: **Senators Frosh, Conway, and Sfikas**  
Introduced and read first time: February 4, 2000  
Assigned to: Economic and Environmental Affairs

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Environment - Brownfields Revitalization Incentive and Voluntary Cleanup**  
3                                   **Programs**

4 FOR the purpose of altering the requirement that for a brownfields site to be eligible  
5 for certain financial incentives the site must be located in a jurisdiction that has  
6 elected to participate in the Brownfields Revitalization Incentive Program;  
7 authorizing the Department of Business and Economic Development to provide  
8 certain loans and grants to certain inculpable persons for the environmental site  
9 assessment of certain brownfields sites; requiring the repayment of certain  
10 grants under certain circumstances; authorizing the Department of Business  
11 and Economic Development to establish certain procedures and eligibility  
12 requirements for these loans and grants; requiring the Department of the  
13 Environment to establish a certain process for certifying inculpable persons for  
14 certain purposes; establishing certain application and notification requirements  
15 for the certification process; eliminating the requirement that a jurisdiction that  
16 elects to participate in the Brownfields Revitalization Incentive Program  
17 contribute certain moneys to a certain fund; altering the definition of  
18 "brownfields site" to exclude properties for which there exists certain  
19 responsible persons; defining a certain term; and generally relating to the  
20 Brownfields Revitalization Incentive and Voluntary Cleanup programs.

21 BY repealing and reenacting, with amendments,  
22 Article 83A - Department of Business and Economic Development  
23 Section 3-901 and 3-902  
24 Annotated Code of Maryland  
25 (1998 Replacement Volume and 1999 Supplement)

26 BY adding to  
27 Article - Environment  
28 Section 7-505.1  
29 Annotated Code of Maryland  
30 (1996 Replacement Volume and 1999 Supplement)

31 BY repealing and reenacting, with amendments,

1 Article - Tax - Property  
2 Section 9-229(c)  
3 Annotated Code of Maryland  
4 (1994 Replacement Volume and 1999 Supplement)

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

7 **Article 83A - Department of Business and Economic Development**

8 3-901.

9 (a) In this subtitle the following words have the meanings indicated.

10 (b) (1) "Brownfields site" means:

11 (i) An eligible property, as defined in § 7-501 of the Environment  
12 Article, that is:

13 1. Owned or operated by an inculpable person, as defined in  
14 § 7-501 of the Environment Article; and

15 2. Located in a [taxing jurisdiction] COUNTY OR MUNICIPAL  
16 CORPORATION that has elected to participate in the Brownfields Revitalization  
17 Incentive Program in accordance with [§ 9-229 of the Tax - Property Article] §  
18 3-902(C) OF THIS SUBTITLE; or

19 (ii) Property where there is a release, discharge, or threatened  
20 release of oil, as defined in § 4-401 of the Environment Article, that is:

21 1. Subject to a corrective action plan approved by the  
22 Department of the Environment in accordance with Title 4 of the Environment  
23 Article; and

24 2. Located in a [taxing jurisdiction] COUNTY OR MUNICIPAL  
25 CORPORATION that has elected to participate in the Brownfields Revitalization  
26 Incentive Program in accordance with [§ 9-229 of the Tax - Property Article] §  
27 3-902(C) OF THIS SUBTITLE.

28 (2) "Brownfields site" does not include property [that is owned or  
29 operated by] FOR WHICH THERE EXISTS a FINANCIALLY VIABLE responsible person  
30 or a FINANCIALLY VIABLE person responsible for the discharge.

31 (C) "FINANCIALLY VIABLE RESPONSIBLE PERSON" AND "FINANCIALLY VIABLE  
32 PERSON RESPONSIBLE FOR THE DISCHARGE" MEAN A RESPONSIBLE PERSON WHO IS  
33 A READILY IDENTIFIABLE PAST OR PRESENT OWNER OR OPERATOR WITH THE  
34 FINANCIAL RESOURCES TO UNDERTAKE THE CLEANUP.

35 [(c)] (D) "Person responsible for the discharge" has the meaning stated in §  
36 4-401 of the Environment Article.

1 [(d)] (E) "Qualified brownfields site" means a brownfields site that has been  
2 determined by the Department of Business and Economic Development to be eligible  
3 for financial incentives under § 3-903 of this subtitle.

4 [(e)] (F) "Responsible person" has the meaning stated in § 7-201 of the  
5 Environment Article.

6 3-902.

7 (a) There is a Brownfields Revitalization Incentive Program in the  
8 Department.

9 (b) The purpose of the Brownfields Revitalization Incentive Program is to:

10 (1) Provide financial incentives for redevelopment of properties  
11 previously used for commercial or industrial purposes;

12 (2) Provide financial incentives for redevelopment of properties within  
13 locally designated growth areas;

14 (3) Prevent urban sprawl;

15 (4) Encourage economic revitalization;

16 (5) Expand employment opportunities; and

17 (6) Provide financial incentives for qualified brownfields sites.

18 (C) A COUNTY OR MUNICIPAL CORPORATION MAY ELECT TO PARTICIPATE IN  
19 THE BROWNFIELDS REVITALIZATION INCENTIVE PROGRAM BY:

20 (1) SUBMITTING TO THE DEPARTMENT A LIST OF THE POTENTIAL  
21 BROWNFIELDS SITES IN THE COUNTY OR MUNICIPAL CORPORATION, RANKED IN THE  
22 ORDER OF PRIORITY FOR REDEVELOPMENT RECOMMENDED BY THE COUNTY OR  
23 MUNICIPAL CORPORATION; AND

24 (2) ANNUALLY UPDATING THE LIST SUBMITTED UNDER PARAGRAPH (1)  
25 OF THIS SUBSECTION.

26 (D) (1) THE DEPARTMENT MAY PROVIDE A PERSON WITH A LOW-INTEREST  
27 LOAN OR GRANT FOR CONDUCTING THE ENVIRONMENTAL SITE ASSESSMENT OF A  
28 BROWNFIELDS SITE THAT IS REQUIRED FOR PARTICIPATION IN THE VOLUNTARY  
29 CLEANUP PROGRAM IF THE PERSON:

30 (I) HAS NOT ALREADY APPLIED TO PARTICIPATE IN THE  
31 VOLUNTARY CLEANUP PROGRAM UNDER TITLE 7, SUBTITLE 5 OF THE ENVIRONMENT  
32 ARTICLE;

33 (II) HAS BEEN CERTIFIED AS AN INculpABLE PERSON BY THE  
34 DEPARTMENT OF THE ENVIRONMENT IN ACCORDANCE WITH § 7-505.1 OF THE  
35 ENVIRONMENT ARTICLE; AND

1 (III) MEETS THE ELIGIBILITY REQUIREMENTS ESTABLISHED BY  
2 THE DEPARTMENT.

3 (2) A RECIPIENT OF A GRANT UNDER PARAGRAPH (1) OF THIS  
4 SUBSECTION MUST REPAY THE GRANT IF THE RECIPIENT, WITHIN 12 MONTHS AFTER  
5 RECEIVING THE GRANT, DOES NOT APPLY TO AND RECEIVE APPROVAL FROM THE  
6 DEPARTMENT OF THE ENVIRONMENT:

7 (I) TO PARTICIPATE IN THE VOLUNTARY CLEANUP PROGRAM  
8 UNDER TITLE 7, SUBTITLE 5 OF THE ENVIRONMENT ARTICLE; OR

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

11 (3) THE DEPARTMENT MAY ESTABLISH PROCEDURES AND ELIGIBILITY  
12 REQUIREMENTS FOR THE APPROVAL OF REQUESTS FOR LOANS AND GRANTS UNDER  
13 PARAGRAPH (1) OF THIS SUBSECTION.

14 (E) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF THE  
15 ENVIRONMENT, SHALL DETERMINE WHETHER THERE IS A FINANCIALLY VIABLE  
16 RESPONSIBLE PERSON OR FINANCIALLY VIABLE PERSON RESPONSIBLE FOR THE  
17 DISCHARGE ASSOCIATED WITH A BROWNFIELDS SITE.

18 **Article - Environment**

19 7-505.1.

20 (A) THE DEPARTMENT SHALL ESTABLISH A PROCESS TO CERTIFY WHETHER A  
21 PERSON QUALIFIES AS AN INCULPABLE PERSON WHO MAY APPLY FOR A GRANT OR  
22 LOAN IN ACCORDANCE WITH ARTICLE 83A, § 3-902 OF THE CODE FOR CONDUCTING  
23 THE ENVIRONMENTAL SITE ASSESSMENTS NECESSARY FOR PARTICIPATING IN THE  
24 VOLUNTARY CLEANUP PROGRAM UNDER THIS SUBTITLE.

25 (B) TO SEEK CERTIFICATION AS AN INCULPABLE PERSON, AN APPLICANT  
26 SHALL SUBMIT AN APPLICATION, ON A FORM PROVIDED BY THE DEPARTMENT, THAT  
27 INCLUDES:

28 (1) INFORMATION DEMONSTRATING THE PERSON'S STATUS AS AN  
29 INCULPABLE PERSON;

30 (2) INFORMATION DEMONSTRATING THAT THE PROPERTY THAT WOULD  
31 BE THE SUBJECT OF THE ENVIRONMENTAL SITE ASSESSMENT IS AN ELIGIBLE  
32 PROPERTY AS DEFINED IN § 7-501 OF THIS SUBTITLE; AND

33 (3) ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT.

34 (C) (1) THE DEPARTMENT SHALL NOTIFY THE APPLICANT IN WRITING,  
35 WITHIN 60 DAYS AFTER RECEIPT OF THE APPLICATION, WHETHER THE APPLICANT  
36 HAS BEEN CERTIFIED AS AN INCULPABLE PERSON.

1 (2) IF THE DEPARTMENT DENIES THE APPLICATION, THE DEPARTMENT  
2 SHALL PROVIDE TO THE APPLICANT THE REASONS FOR ITS DECISION IN WRITING.

3 (3) AN APPLICANT MAY RESUBMIT AN APPLICATION WITHIN 60 DAYS  
4 AFTER RECEIPT OF NOTICE OF THE DEPARTMENT'S DECISION TO DENY THE INITIAL  
5 APPLICATION.

6 (4) THE DEPARTMENT SHALL APPROVE OR DENY A RESUBMITTED  
7 APPLICATION WITHIN 30 DAYS AFTER RECEIPT.

8 **Article - Tax - Property**

9 9-229.

10 (c) For each of the 5 taxable years immediately following the first revaluation  
11 of the property after completion of a voluntary cleanup or corrective action plan of a  
12 brownfields site, each taxing jurisdiction where a qualified brownfields site is located  
13 shall[:

14 (1)] grant a property tax credit against the property tax imposed on the  
15 qualified brownfields site in an amount equal to 50% of the property tax attributable  
16 to the increase in the assessment of the qualified brownfields site, including  
17 improvements added to the site within the 5-year period as provided under this  
18 subsection, over the assessment of the qualified brownfields site before the voluntary  
19 cleanup[; and

20 (2) contribute to the Brownfields Revitalization Incentive Fund under  
21 Article 83A, § 3-904 of the Code, 30% of the property tax attributable to the increase  
22 in the assessment of the brownfields site, including improvements added to the site  
23 within the 5-year period as provided under this subsection, over the assessment of  
24 the qualified brownfields site before the voluntary cleanup].

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 October 1, 2000.