Unofficial Copy M3 2004 Regular Session 4lr0183 CF 4lr0195

Dry The Dresident (Dry Decreet Administration) and Constant Action

By: The President (By Request - Administration) and Senators Astle, Brinkley, Brochin, Currie, Della, Dyson, Greenip, Hafer, Harris, Hollinger, Hooper, Jacobs, Jimeno, Kittleman, Klausmeier, Lawlah, Middleton, Munson, Schrader, Stoltzfus, and Stone

Introduced and read first time: January 23, 2004

Assigned to: Education, Health, and Environmental Affairs

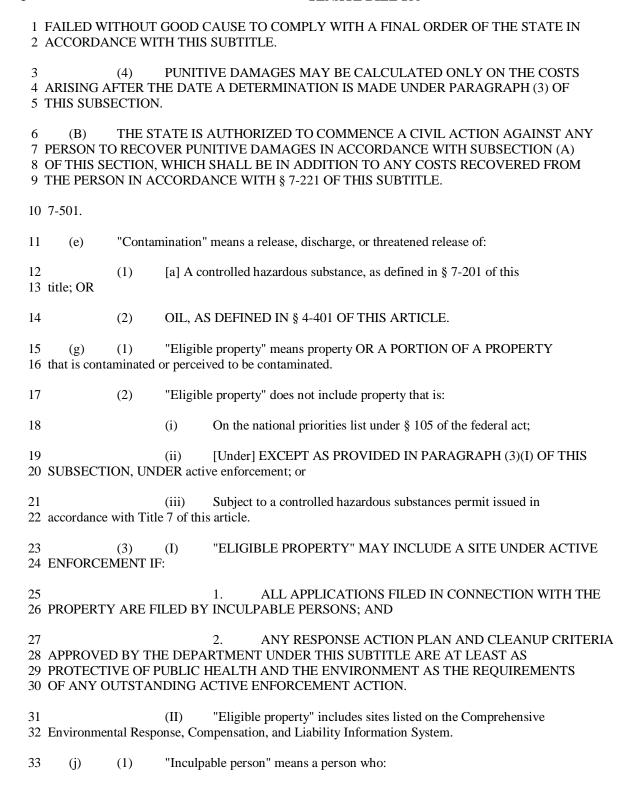
A BILL ENTITLED

1 AN ACT concerning

2 Brownfields Redevelopment Reform Act

- 3 FOR the purpose of providing that certain applicants and certain properties may be
- 4 eligible to participate in the Voluntary Cleanup Program in the Maryland
- 5 Department of the Environment (MDE) under certain conditions; requiring
- 6 MDE to review certain standards in a certain time period; establishing certain
- application fees under certain circumstances; altering certain application fees;
- 8 authorizing MDE to develop certain regulations; altering certain procedures for
- 9 applications to the Voluntary Cleanup Program; altering certain procedures for
- applications to the voluntary Cleanup Program, aftering certain procedures in
- 10 public participation in MDE's process of approving response action plans;
- establishing certain liability protection for certain participants receiving a no
- 12 further requirements notice; requiring certain persons to submit certain
- information to a one-call system in Maryland; requiring certain persons to be
- responsible for the cost of cleaning up a property under certain conditions;
- authorizing the State to bring a civil action for punitive damage against certain
- 16 persons who fail to comply with certain orders under certain circumstances;
- 17 requiring MDE to approve a response action plan for a portion of a property
- under certain conditions; requiring MDE to convene a certain work group;
- 19 authorizing certain agents or employees to enter certain private land in
- 20 Baltimore City under certain conditions; providing that certain persons and
- 21 contaminated properties are eligible for money from the Brownfields
- 22 Redevelopment Incentive Program in the Department of Business and Economic
- 23 Development; altering certain requirements for certain local governments to
- 24 participate in the program; altering the process for the distribution and use of
- 25 certain contributions; defining certain terms; and generally relating to the
- Voluntary Cleanup Program and the Brownfields Redevelopment Incentive
- 27 Program.
- 28 BY adding to
- 29 Article Environment
- 30 Section 7-266.1 and 7-506.1
- 31 Annotated Code of Maryland

- 1 (1996 Replacement Volume and 2003 Supplement) 2 BY repealing and reenacting, with amendments, 3 Article - Environment 4 Section 7-501(e), (g), and (j), 7-505, 7-506, 7-509, 7-510(a), 7-511(a), 7-512(a), 5 7-514, and 7-515 Annotated Code of Maryland 6 7 (1996 Replacement Volume and 2003 Supplement) 8 BY repealing and reenacting, with amendments, Article - Real Property 9 10 Section 12-111(f) Annotated Code of Maryland 11 (2003 Replacement Volume and 2003 Supplement) 12 13 BY repealing and reenacting, with amendments,
- Article 83A Business and Economic Development 14
- Section 5-1401(j) and 5-1408(a) 15
- 16 Annotated Code of Maryland
- 17 (2003 Replacement Volume)
- 18 BY repealing and reenacting, with amendments,
- Article Tax Property 19
- Section 9-229(g) 20
- Annotated Code of Maryland 21
- (2001 Replacement Volume and 2003 Supplement) 22
- SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 23
- 24 MARYLAND, That the Laws of Maryland read as follows:
- 25 **Article - Environment**
- 26 7-266.1.
- 27 IN ADDITION TO ANY OTHER REMEDIES AVAILABLE AT LAW OR IN (1)
- 28 EQUITY, ANY RESPONSIBLE PERSON WHO FAILS WITHOUT GOOD CAUSE TO COMPLY
- 29 WITH A FINAL ORDER OF THE STATE IN ACCORDANCE WITH THIS SUBTITLE MAY BE
- 30 LIABLE TO THE STATE FOR PUNITIVE DAMAGES.
- 31 PUNITIVE DAMAGES MAY BE ASSESSED IN AN AMOUNT NOT TO
- 32 EXCEED THREE TIMES THE AMOUNT OF ANY COSTS INCURRED BY THE STATE AS A
- 33 RESULT OF SUCH FAILURE.
- A RESPONSIBLE PERSON SHALL BE ENTITLED TO A CONTESTED 34
- 35 CASE HEARING FOR A DETERMINATION WHETHER THE RESPONSIBLE PERSON HAS

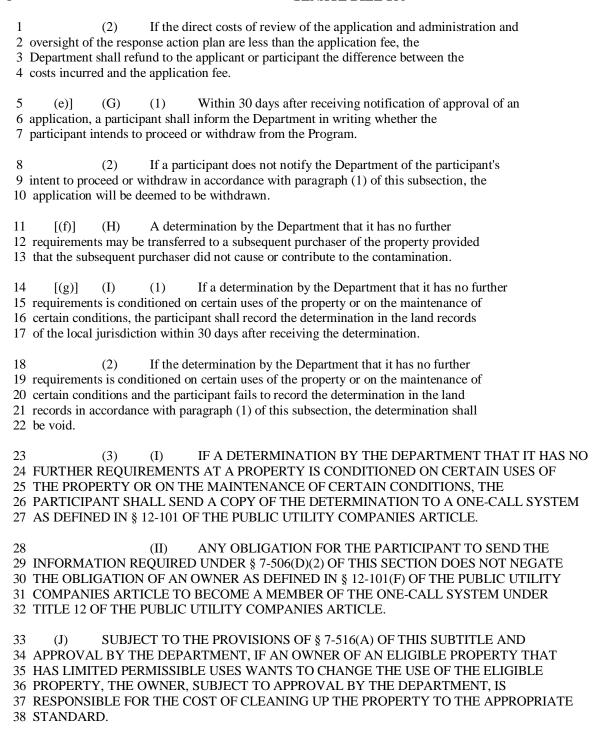


	property at the tin		Has no prior or current ownership interest in an eligible ion to participate in the Voluntary Cleanup Program;
4 5	property at the tin	(ii) ne of applicat	Has not caused or contributed to contamination at the eligible ion to participate in the Voluntary Cleanup Program.
6	(2)	"Inculpa	ble person" includes:
9 10	interest does not h	ave a prior o ownership of	[a] A successor in interest in an eligible property acquired from d in paragraph (1) of this subsection, if the successor in wnership interest in the eligible property and, other the eligible property, is not otherwise a responsible AND
	PERSON WHO I THIS TITLE.	(II) IS NOT CON	NOTWITHSTANDING PARAGRAPH (1)(I) OF THIS SUBSECTION, A ISIDERED A RESPONSIBLE PERSON UNDER § 7-201(X)(2) OF
15	7-505.		
		'-506(b)(1)(i)	epartment approves an applicant's status as an inculpable 1] 7-506(E)(1)(I) of this subtitle, the participant's status ues upon acquiring an interest in the eligible property.
		E DEPARTM	APPLICANT MEETS THE REQUIREMENTS OF § 7-506(A) OF THIS ENT SHALL APPROVE OR DISAPPROVE AN APPLICANT'S LE PERSON WITHIN 5 BUSINESS DAYS OF RECEIVING:
	EXPEDITED DE PERSON; AND	(I) ETERMINAT	A WRITTEN REQUEST FROM THE APPLICANT FOR AN TION OF THE APPLICANT'S STATUS AS AN INCULPABLE
25		(II)	A FEE OF \$2,000.
26 27			ed in subsection (c) of this section, an inculpable person is nation at the eligible property.
28	(c) An i	nculpable per	rson shall be liable for:
29 30	(1) eligible property;		ntamination that the person causes or contributes to at the
31	(2)	Exacerb	ation of existing contamination at the eligible property.
32	7-506.		
33	(a) To p	participate in	the Program, an applicant shall:
34 35	(1) includes:	Submit a	an application, on a form provided by the Department, that

	(i) Information demonstrating to the satisfaction of the Department that the contamination did not result from the applicant knowingly or willfully violating any law or regulation concerning controlled hazardous substances;
4 5	(ii) Information demonstrating the person's status as a responsible person or an inculpable person;
6 7	(iii) Information demonstrating that the property is an eligible property as defined in § 7-501 of this subtitle;
	(iv) A detailed report with all available relevant information on environmental conditions including contamination at the eligible property known to the applicant at the time of the application;
11	(v) 1. An environmental site assessment that includes:
14 15 16	A. [established]ESTABLISHED Phase I [and Phase II] site assessment standards and follows principles established by the American Society for Testing and Materials and that demonstrates to the satisfaction of the Department that the assessment has [adequately investigated all potential sources and areas of contamination] BEEN CONDUCTED IN ACCORDANCE WITH THOSE STANDARDS AND PRINCIPLES; AND
20	B. A PHASE II SITE ASSESSMENT IF THE DEPARTMENT CONCLUDES AFTER REVIEW OF THE PHASE I SITE ASSESSMENT THAT THERE ARE RECOGNIZED ENVIRONMENTAL CONDITIONS AS DEFINED BY THE AMERICAN SOCIETY FOR TESTING AND MATERIALS; AND
	2. FOR AN APPLICATION FOR A PORTION OF A PROPERTY IN ACCORDANCE WITH § 7-501(G)(1) OF THIS SUBTITLE, AN ENVIRONMENTAL SITE ASSESSMENT THAT HAS BEEN CONDUCTED FOR THE ENTIRE PROPERTY; and
	(vi) A description, in summary form, of a proposed voluntary cleanup project that includes the proposed cleanup criteria under § 7-508 of this subtitle and the proposed future use of the property, if appropriate; and
28	(2) Pay to the Department:
31 32	(I) [an] AN INITIAL application fee of \$6,000[, unless the Department determines that a lesser fee would be sufficient to cover the costs described in subsection (d) of this section] WHICH THE DEPARTMENT MAY REDUCE ON A DEMONSTRATION OF FINANCIAL HARDSHIP IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION; AND
34 35	(II) AN APPLICATION FEE OF \$2,000 FOR EACH APPLICATION SUBMITTED SUBSEQUENT TO THE INITIAL APPLICATION FOR THE SAME PROPERTY.
	(B) THE DEPARTMENT SHALL ADOPT REGULATIONS TO ESTABLISH CRITERIA FOR DETERMINING AN APPLICANT'S STATUS FOR A DEMONSTRATION OF FINANCIAL HARDSHIP.

	(C) (1) THE APPLICANT MAY DELAY SUBMITTING THE PHASE II SITE ASSESSMENT UNTIL AFTER THE APPLICATION AND APPLICABLE FEES ARE SUBMITTED.
6	(2) IF AN APPLICANT DELAYS FILING A PHASE II SITE ASSESSMENT, ALL RELATED DEADLINES FOR PUBLIC NOTICE AND ACTION BY THE DEPARTMENT SHALL BE EXTENDED AND CONFORM WITH THE DATE THE PHASE II SITE ASSESSMENT IS SUBMITTED AND THE APPLICATION IS COMPLETE.
	(D) (1) ON SUBMISSION OF THE APPLICATION, THE DEPARTMENT SHALL PUBLISH A NOTICE OF THE APPLICATION ON ITS WEBSITE AND THE APPLICANT SHALL POST NOTICE AT THE PROPERTY THAT IS THE SUBJECT OF THE APPLICATION.
11 12	(2) THE NOTICES REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE:
13 14	(I) THE NAME AND ADDRESS OF THE APPLICANT AND THE PROPERTY; AND
	(II) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE OFFICE WITHIN THE DEPARTMENT FROM WHICH INFORMATION ABOUT THE APPLICATION MAY BE OBTAINED.
18 19	[(b)] (E) (1) (i) The Department shall notify the applicant in writing, within [60] 45 days after receipt of the application, whether:
20 21	1. The application, including the applicant's status as a responsible person or an inculpable person, is approved;
22	2. The application is denied or incomplete; or
	3. The Department has no further requirements related to the investigation of controlled hazardous substances at the eligible property as provided in paragraph (3) of this subsection.
	(ii) If the Department denies the application or determines that the application is incomplete, the Department shall provide to the applicant the reasons for its decision in writing.
	(2) (i) An applicant may resubmit an application within 60 days after receipt of notice of the Department's decision to deny the initial application or determination that the application is incomplete.
32 33	(ii) The Department shall approve or deny a resubmitted or revised application within 30 days after receipt.
	(3) If the Department notifies the applicant that the Department has no further requirements at the eligible property in accordance with paragraph (1)(i)3 of this subsection, the Department shall include a statement that this notice does not:

3			Subject to the provisions of § 7-505 of this subtitle, prevent the against any person to prevent or abate an imminent to the public health or the environment at the eligible
5 6	obtained through frau	(ii) id or a ma	Remain in effect if the notice of no further requirements is terial misrepresentation;
9			Affect the authority of the Department to take any action oncerning previously undiscovered contamination at an her requirements notice has been issued by the
	cleanup for future ac substances.	(iv) tivities at	Affect the authority of the Department to require additional the site that result in contamination by hazardous
	\ /		O FURTHER REQUIREMENTS NOTICE SHALL PROVIDE THE TIONS AS PROVIDED IN § 7-513(B)(3) AND (4) OF THIS
19 20 21	TO BE PROTECTE CONDITIONS PLA	CT TO A D FROM CED ON D ANY S	ARTICIPANT AND ANY SUCCESSORS IN INTEREST IN A NO FURTHER REQUIREMENTS NOTICE SHALL CONTINUE LIABILITY IN THE EVENT OF ANY VIOLATION OF THE THE USE OF THE PROPERTY, PROVIDED THAT THE UCCESSORS IN INTEREST DID NOT CAUSE OR CONTRIBUTE
23	[(c)] (F)	(1)	The Department shall deny an application if:
24		(i)	The applicant is not an eligible applicant;
25		(ii)	The property is not an eligible property; or
26 27	hazardous substance	(iii) s after Oc	The property was initially contaminated by a release of tober 1, 1997 unless:
28			1. The property is acquired by an inculpable person; or
29			2. The contamination was caused by an act of God.
32	Liability Information	nprehensi System	purposes of paragraph (1) (iii) of this subsection, any property we Environmental Response, Compensation, and in accordance with the federal act as of October 1, 1997 ally contaminated on or before October 1, 1997.
36		onse actio or particij	rect costs of review of the application and administration and on plan exceed the application fee, the Department shall pant to pay to the Department the additional costs

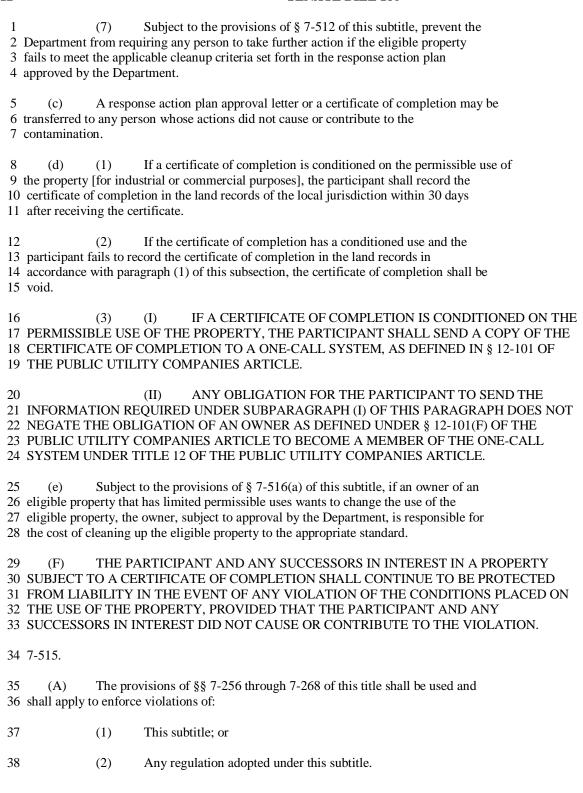


- 1 7-506.1.
- 2 (A) IF A DETERMINATION BY THE DEPARTMENT THAT IT HAS NO FURTHER
- 3 REQUIREMENTS IS CONDITIONED ON CERTAIN USES OF THE PROPERTY OR ON THE
- 4 MAINTENANCE OF CERTAIN CONDITIONS, THE PARTICIPANT SHALL PAY TO THE
- 5 DEPARTMENT A FEE OF \$2,000.
- 6 (B) IF A CERTIFICATE OF COMPLETION IS CONDITIONED ON THE
- 7 PERMISSIBLE USE OF THE PROPERTY, THE PARTICIPANT SHALL PAY TO THE
- 8 DEPARTMENT A FEE OF \$2,000.
- 9 (C) ON A REQUEST BY A PARTICIPANT TO ALTER A RECORD OF
- 10 DETERMINATION IN THE LAND RECORDS FOR AN ELIGIBLE PROPERTY WITH
- 11 CONDITIONS IN ACCORDANCE WITH § 7-506(I) OR § 7-514(D) OF THIS SUBTITLE, THE
- 12 PARTICIPANT SHALL PAY TO THE DEPARTMENT A FEE OF \$2,000.
- 13 7-509.
- 14 (a) Upon submission of a proposed response action plan, the participant:
- 15 (1) Shall publish a notice of a proposed response action plan once a week
- 16 for 2 consecutive weeks in a daily or weekly newspaper of general circulation in the
- 17 geographical area in which the eligible property is located that shall include:
- 18 (i) A summary of the proposed response action plan;
- 19 (ii) The name and address of the participant and eligible property;
- 20 (iii) The name, address, and telephone number of the office within
- 21 the Department from which information about the proposed response action plan may
- 22 be obtained;
- 23 (iv) An address to which persons may submit written comments
- 24 about the proposed response action [plan or request a public informational meeting;
- 25 and] PLAN;
- 26 (v) A deadline for the close of the public comment period by which
- 27 written comments [or requests for a public informational meeting] must be received
- 28 by the Department; and
- 29 (VI) THE DATE AND LOCATION OF THE PUBLIC INFORMATION
- 30 MEETING; AND
- 31 (2) Shall post at the eligible property a notice of intent to conduct a
- 32 response action plan at that property.
- 33 (b) The Department shall receive written comments from the public for 30
- 34 days after publication and posting required under this section.
- 35 (c) The Department shall hold a public informational meeting on the proposed
- 36 response action plan at the participant's expense within [30] 45 days after [the

10

2		CATION	written request for a meeting from the applicant or the public] OF THE NOTICE IN ACCORDANCE WITH SUBSECTION (A)(1) OF
4	7-510.		
			The Department shall approve a response action plan FOR AN ΓY if the Department determines that the response action plan and the environment.
10 11	UNLESS TI REMAINDI	HE DEPA ER OF TI	THE DEPARTMENT SHALL APPROVE A RESPONSE ACTION PLAN FOR E PROPERTY IN ACCORDANCE WITH § 7-501(G)(1) OF THIS SUBTITLE, ARTMENT DETERMINES THAT CONTAMINATION ON THE HE PROPERTY REPRESENTS AN IMMINENT AND SUBSTANTIAL TO PUBLIC HEALTH OR THE ENVIRONMENT.
13	7-511.		
16	response act	ion plan, has recei	[120] 75 days after the Department has received a proposed the Department, after considering any comments the ved under § 7-509 of this subtitle, shall notify the participant in
18		(1)	The response action plan has been approved; or
	modification Department		The response action plan has been rejected and shall state the response action plan that are necessary to receive the al.
22	7-512.		
25	action plan,	aw from to or after re	as provided in subsections (b) and (c) of this section, a participant he Program at the time of a pending application or response eceiving a certificate of completion, and may not be obligated to on or a response action plan if the participant:
27 28	Department	(1)	Provides 10 days written notice of the anticipated withdrawal to the
29 30	Department	(2) to ensure	Stabilizes and secures the eligible property to the satisfaction of the protection of the public health and the environment; and
31		(3)	Forfeits any [expended] application [and oversight] fees.
32	7-514.		
33	(a)	A respon	nse action plan approval letter does not:
34 35		(1) from taki	Subject to the provisions of § 7-505 of this subtitle, prevent the ing action against any person to prevent or abate an imminent

1 and substantial endangerment to the public health or the environment at the eligible 2 property; Remain in effect if the response action plan approval letter is 4 obtained through fraud or a material misrepresentation; 5 Affect the authority of the Department to take any action against any 6 person concerning new contamination or the exacerbation of existing contamination 7 at an eligible property after a response action plan approval letter has been issued by 8 the Department; 9 (4) Affect the authority of the Department to take any action against a 10 responsible person concerning previously undiscovered contamination at an eligible 11 property after a response action plan approval letter has been issued by the 12 Department; 13 (5) Prevent the Department from taking action against any person who 14 is responsible for long-term monitoring and maintenance as provided in the response 15 action plan; or 16 Prevent the Department from taking action against any person who 17 does not comply with conditions on the permissible use of the eligible property 18 contained in the response action plan approval letter. 19 A certificate of completion does not: (b) 20 Subject to the provisions of § 7-505 of this subtitle, prevent the 21 Department from taking action against any person to prevent or abate an imminent 22 and substantial endangerment to the public health or the environment at the eligible 23 property; 24 (2) Remain in effect if the certificate of completion is obtained through 25 fraud or a material misrepresentation; 26 Affect the authority of the Department to take any action against any 27 person concerning new contamination or exacerbation of existing contamination at an 28 eligible property after a certificate of completion has been issued by the Department; 29 Affect the authority of the Department to take any action against a (4) 30 responsible person concerning previously undiscovered contamination at an eligible 31 property after a certificate of completion has been issued by the Department; 32 Prevent the Department from taking action against any person who 33 is responsible for long-term monitoring and maintenance for failure to comply with 34 the response action plan; 35 Prevent the Department from taking action against any person who 36 does not comply with conditions on the permissible use of the eligible property 37 contained in the certificate of completion; or



1 2	(B) ANY ACTION TAKEN BY THE DEPARTMENT UNDER THIS SUBTITLE AT A SITE UNDER ACTIVE ENFORCEMENT MAY NOT:
	(1) NEGATE THE TERMS AND CONDITIONS OF ANY OUTSTANDING ACTIVE ENFORCEMENT ORDER, DECREE, JUDGMENT, PERMIT, OR OTHER DOCUMENT THAT ADDRESSES ENVIRONMENTAL CONTAMINATION AT THE SITE; OR
	(2) RELIEVE ANY PERSON WHO IS THE SUBJECT OF AN ACTIVE ENFORCEMENT ACTION FROM LIABILITY FOR PENALTIES UNDER THE ENFORCEMENT ACTION.
9	Article - Real Property
10	12-111.
13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	(f) In Anne Arundel County OR BALTIMORE CITY, an agent or employee, or one or more assistants of the county, after real and bona fide effort to notify the occupant or the owner, if the land is unoccupied or if the occupant is not the owner, may enter on any private land to make test borings and soil tests and obtain information related to such tests for the purpose of determining the possibility of public use of the property. If an agent, employee, or assistant is refused permission to enter or remain on any private land for the purposes set out in this subsection, Anne Arundel County OR BALTIMORE CITY may apply to a law court of the county where the property or any part of it is located for an order directing that its agent, employee, or assistant be permitted to enter and remain on the land to the extent necessary to carry out the purposes authorized by this subsection. The court may require that [Anne Arundel County] THE APPLYING JURISDICTION post a bond in an amount sufficient to reimburse any person for damages reasonably estimated to be caused by test borings, soil tests, and related activities. If any person enters on any private land under the authority of this section or of any court order passed pursuant to it and damages or destroys any land or personal property on it, the owner of the property has a cause of action for damages against [Anne Arundel County] THE JURISDICTION THAT DID NOT AUTHORIZE THE ENTRANCE. Any person who knows of an order issued under this subsection and who obstructs any agent, employee or any assistant acting under the authority of the order may be punished for contempt of court.
31	Article 83A - Business and Economic Development
32	5-1401.
33	(j) (1) "Brownfields site" means:
34 35	(i) An eligible property, as defined in § 7-501 of the Environment Article, that is:
36	1. Owned or operated by[:
37 38	A. An] AN inculpable person, as defined in § 7-501 of the Environment Article[; or

1 2	B. An innocent purchaser that meets the requirements set forth in $\S 7-201(x)(2)(i)$ of the Environment Article]; and
	2. Located in a county or municipal corporation that has elected to participate in the Brownfields Revitalization Incentive Program in accordance with § 5-1408(a) of this subtitle; or
6 7	(ii) Property where there is a release, discharge, or threatened release of oil, as defined in § 4-401 of the Environment Article, that is:
	1. Subject to [a corrective action plan approved by the Department of the Environment in accordance with] THE PROVISIONS OF Title 4 of the Environment Article; and
	2. Located in a county or municipal corporation that has elected to participate in the Brownfields Revitalization Incentive Program in accordance with § 5-1408(a) of this subtitle.
14 15	(2) "Brownfields site" does not include property that is owned or operated by a responsible person or a person responsible for the discharge.
16	5-1408.
17 18	(a) A county or municipal corporation may elect to participate in the Brownfields Revitalization Incentive Program by:
	(1) (I) Submitting to the Department a list of potential Brownfields sites in the county or municipal corporation, ranked in the order of priority for redevelopment recommended by the county or municipal corporation; and
22 23	[(2)] (II) Annually updating the list submitted under [paragraph (1)] ITEM (I) of this [subsection] ITEM; OR
	(2) (I) ENACTING LEGISLATION GRANTING PROPERTY TAX CREDITS IN ACCORDANCE WITH THE REQUIREMENTS OF § 9-229 OF THE TAX - PROPERTY ARTICLE; AND
27	(II) NOTIFYING THE DEPARTMENT OF THE LEGISLATION.
28	Article - Tax - Property
29	9-229.
32 33 34	(g) A [proportional share of a] taxing jurisdiction's contribution for each qualified Brownfields site to the Maryland Economic Development Assistance Fund under subsection (c)(2) of this section shall be [designated for financial incentives to be provided for qualified Brownfields sites in the jurisdiction making that contribution] USED ONLY FOR BROWNFIELDS SITES IN THE TAXING JURISDICTIONS THAT HAVE ENACTED A BROWNFIELDS PROPERTY TAX CREDIT ORDINANCE.

- 1 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of the
- 2 Environment shall convene a work group from representatives of the Department of
- 3 Planning, the Department of Business and Economic Development, various sectors of
- 4 local government, real estate professionals, the business community, the banking
- 5 industry, the environmental community, and members of the public and undertake a
- 6 review of the Universal Environmental Covenants Act proposed by the National
- 7 Conference of Commissioners on Uniform State Laws. The work group shall make
- 8 recommendations to the Department of the Environment, and, in accordance with §
- 9 2-1246 of the State Government Article, the Senate Education, Health, and
- 10 Environmental Affairs Committee and the House Environmental Matters Committee
- 11 on or before December 31, 2004.
- 12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 13 October 1, 2004.