

A-Engrossed
House Bill 3030

Ordered by the House April 19
Including House Amendments dated April 19

Sponsored by Representative FREDERICK; Representatives BOONE, GARRETT, GREENLICK, WITT

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires Department of Environmental Quality to establish grant and loan program for certain removal and remedial actions. Establishes Industrial Sites Cleanup Fund. Continuously appropriates moneys in fund to department. Specifies uses of moneys. Appropriates moneys from General Fund to department for grant and loan program.]

Directs Oregon Business Development Department, in consultation with Department of Environmental Quality, to provide financial assistance to public and private owners of brownfields and other properties contaminated with hazardous substances to assess need for environmental action.

Appropriates moneys from General Fund to Oregon Business Development Department to provide financial assistance.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the cleanup of hazardous substances; creating new provisions; amending ORS 285A.188;
3 appropriating money; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) As used in this section:**

6 (a) **"Brownfield" has the meaning given that term in ORS 285A.185 and includes any**
7 **portion of the environment contaminated by hazardous substances in this state.**

8 (b) **"Environment" and "hazardous substance" have the meanings given those terms in**
9 **ORS 465.200.**

10 (c) **"Environmental action" has the meaning given that term in ORS 285A.188.**

11 (2) **The Oregon Business Development Department, in consultation with the Department**
12 **of Environmental Quality, shall provide financial assistance under ORS 285A.188 to public and**
13 **private owners of brownfields and other properties contaminated with hazardous substances**
14 **to assess those properties as to the need for environmental action.**

15 **SECTION 2. ORS 285A.188 is amended to read:**

16 285A.188. (1) As used in this section:

17 (a) **"Environmental action" means activities undertaken to:**

18 (A) Determine if a release has occurred or may occur, if the release or potential release poses
19 a significant threat to human health or the environment or if additional remedial actions may be
20 required at the site;

21 (B) Conduct a remedial investigation and a feasibility study;

22 (C) Plan for remedial action or removal action; [*or*]

23 (D) Conduct a remedial action or removal action at a site[.]; **or**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **(E) Demolish structures containing hazardous substances.**

2 (b) "Facility," "hazardous substance," "release," "remedial action" and "removal" have the
3 meanings given those terms in ORS 465.200.

4 (c) "Substantial public benefit" includes, but is not limited to:

5 (A) The generation of funding or other resources facilitating substantial remedial action at a
6 facility in accordance with this section;

7 (B) A commitment to perform substantial remedial action at a facility in accordance with this
8 section;

9 (C) Productive reuse of a vacant or abandoned industrial or commercial facility; or

10 (D) Development of a facility by a municipality or a nonprofit organization to address an im-
11 portant public purpose.

12 (2) There is created within the State Treasury a revolving fund known as the Brownfields Re-
13 development Fund, separate and distinct from the General Fund. Interest earned by the fund shall
14 be credited to the fund. Moneys in the Brownfields Redevelopment Fund are continuously appropri-
15 ated to the Oregon Business Development Department and shall be used:

16 (a) To fund loans and grants for environmental actions on properties that are brownfields, as
17 defined in ORS 285A.185.

18 **(b) To provide financial assistance for environmental actions under section 1 of this 2013**
19 **Act.**

20 (3)(a) Subject to paragraph (b) of this subsection, when making a loan or grant for an environ-
21 mental action, the Oregon Business Development Department shall give priority to persons who, at
22 the time of applying for the loan or grant, are not liable under ORS 465.255 for a release of a haz-
23 arduous substance at the property at which the environmental action is to be conducted. No more
24 than 60 percent of the total amount of the Brownfields Redevelopment Fund in any biennium shall
25 be awarded to persons who are liable with respect to the subject property under ORS 465.255. A
26 person is not eligible to receive a loan or grant from moneys in the Brownfields Redevelopment
27 Fund if the person has knowingly violated applicable laws or regulations or has knowingly violated
28 or failed to comply with an order of the Department of Environmental Quality, if such action or
29 inaction has resulted in one or more of the following:

30 (A) Contribution to or exacerbation of existing contamination at the facility;

31 (B) Release of a hazardous substance at the facility; or

32 (C) Interference with necessary investigation or remedial actions at the facility.

33 (b) Notwithstanding paragraph (a) of this subsection:

34 (A) When making a grant to a municipality, the Oregon Business Development Department shall
35 give priority to municipalities that provide matching funds from a loan under this section, from an-
36 other source or from both.

37 (B) When making a grant to an entity that is not a municipality, the department shall require
38 that:

39 (i) The recipient is not liable for the subject property under ORS 465.255;

40 (ii) The environmental action provides a substantial public benefit; and

41 (iii) The recipient provides matching funds from a loan under this section, from another source
42 or from both.

43 (c) The department may establish by rule circumstances in which the department may waive or
44 subsidize the interest on a short-term loan.

45 (4) When making a loan or grant for an environmental action, the department shall consider:

1 (a) The extent to which actual or perceived contamination prevents the property from being
2 fully utilized;

3 (b) The need for providing public assistance, after considering the difficulty of obtaining fi-
4 nancing from other sources or of obtaining financing at reasonable rates and terms;

5 (c) The degree to which redevelopment of the property provides opportunity for achieving pro-
6 tection of human health or the environment by reducing or eliminating the contamination of the
7 property and for contributing to the economic health and diversity of the area;

8 (d) The probability of the success of the intended use or the degree to which redevelopment of
9 the property provides a public purpose following remediation of the property;

10 (e) Compliance with the land use plan of the local government with jurisdiction over the prop-
11 erty; and

12 (f) Endorsement from the local government with jurisdiction over the property.

13 (5) Before making a loan or grant decision pursuant to this section, the Oregon Business De-
14 velopment Department shall consult with the Department of Environmental Quality.

15 (6) The Oregon Business Development Department may use a portion of the Brownfields Rede-
16 velopment Fund to:

17 (a) Pay for administrative costs of environmental actions;

18 (b) Pay for administrative costs associated with administering the program and fund; and

19 (c) Satisfy contracts entered into as required to ensure that environmental reviews are con-
20 ducted in a manner consistent with existing environmental cleanup laws and rules.

21 (7) The department shall adopt rules necessary to carry out the requirements of this section.
22 The department shall develop procedures to ensure that activities for which loans or grants are
23 made are consistent with existing environmental cleanup laws and rules.

24 **SECTION 3. In addition to and not in lieu of any other appropriation, there is appropri-**
25 **ated to the Oregon Business Development Department, for the biennium beginning July 1,**
26 **2013, out of the General Fund, the amount of \$10 million to be credited to the Brownfields**
27 **Redevelopment Fund for the purposes set forth in ORS 285A.188 and section 1 of this 2013**
28 **Act.**

29 **SECTION 4. This 2013 Act being necessary for the immediate preservation of the public**
30 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
31 **on its passage.**

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