



MEMORANDUM

February 12, 2022

To: Subcommittee on Environment and Climate Change Members and Staff

Fr: Committee on Energy and Commerce Staff

Re: Hearing on “Back from the Brink: Restoring Brownfield Sites to Economic Engines.”

On Tuesday, February 15, 2022, at 11:30 a.m. (EST) via Cisco WebEx online video conferencing, the Subcommittee on Environment and Climate Change will hold a hearing entitled, “Back from the Brink: Restoring Brownfield Sites to Economic Engines.”

I. BACKGROUND

The Environmental Protection Agency (EPA) originally established the Brownfields Program in 1995 in conjunction with the agency’s work to implement the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund).¹ Congress established the program in statute in 2002.² EPA and Congress created the program to assist communities with the cleanup of brownfield sites, defined as “real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.”³ The program primarily focuses on abandoned or underutilized properties that are not addressed under other federal remediation authorities.⁴

II. ECONOMIC DEVELOPMENT

Cleanup of brownfield sites encourages economic redevelopment while reducing exposure to contaminated sites for local communities. EPA estimates that there are more than

¹ Environmental Protection Agency, *Overview of EPA’s Brownfields Program* (July 26, 2021) (www.epa.gov/brownfields/overview-epas-brownfields-program).

² Small Business Liability Relief and Brownfields Revitalization Act, Pub. L. No. 107-118.

³ *Id.*

⁴ Congressional Research Service, *Comprehensive Environmental Response, Compensation, and Liability Act: A Summary of Superfund Cleanup Authorities and Related Provisions of the Act* (June 14, 2012) (R41039).

450,000 brownfields properties in the United States.⁵ According to EPA figures from October 2021, more than 34,000 properties have been assessed and nearly 144,000 acres have been revitalized throughout the program's lifetime.⁶

Brownfields cleanups can also be economic drivers. These cleanups increase nearby property values⁷, increase efficiency, and decrease pollution.⁸ Every dollar spent in the Brownfields Program leverages \$20.13, on average.⁹ Analyzing data near 48 of those brownfields, another study found an estimated \$29 to \$97 million in additional tax revenue for local governments in a single year after cleanup – two to seven times more than the \$12.4 million EPA contributed to those cleanups.¹⁰ As of October 1, 2021, the program has leveraged over \$34.6 billion and the creation of 180,000 jobs.¹¹

III. BIPARTISAN INFRASTRUCTURE LAW (BIL) – INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA)

President Biden signed H.R. 3684, the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), into law on November 15, 2021.¹² BIL included a historic investment in EPA's Brownfields Program of \$1.5 billion. It provided \$300 million per year for fiscal years (FY) 2022 through 2026 for brownfields activities, such as planning, assessment, and cleanups. Specifically, \$1.2 billion is for project grants, and \$300 million goes to State and Tribal response programs.

⁵ See note 1.

⁶ Environmental Protection Agency (EPA), *Brownfields Program Accomplishments and Benefits* (Oct. 14, 2021) (www.epa.gov/brownfields/brownfields-program-accomplishments-and-benefits).

⁷ Kevin Haninger, Lala Ma, and Christopher Timmins, *The Value of Brownfield Remediation*, *Journal of the Association of Environmental and Resource Economists* (Jan. 26, 2017).

⁸ See note 4.

⁹ Environmental Protection Agency, *Brownfields Program Environmental and Economic Benefits* (June 8, 2021) (www.epa.gov/brownfields/brownfields-program-environmental-and-economic-benefits).

¹⁰ Karen A. Sullivan, *Brownfields Remediation: Impact on Local Residential Property Tax Revenue*, *Journal of Environmental Assessment Policy and Management* (2017).

¹¹ See note 4.

¹² Pub. L. No. 117-58 (2021).

The tentative distribution of the \$1.2 billion of BIL funding for project grants is further detailed below:

- \$150 million in multipurpose grants;
- \$600 million in assessment grants;
- \$160 million in cleanup grants;
- \$150 million in Revolving Loan Fund grants;
- \$30 million in job training grants; and
- \$110 million in technical assistance, including Targeted Brownfields Assessments.¹³

Congress provided Brownfields Program funding in BIL that is significantly higher than current appropriation levels, which were authorized by the BUILD Act of 2018. That legislation, which was incorporated into the FAA Reauthorization Act of 2018, authorized \$200 million per year for FY 2019 through 2023 for the Brownfields Program.¹⁴ BIL funding for the Brownfields Program represents a 50 percent increase over current funding levels.

The funding made available in BIL also differs from the Brownfields authorization in that it does not require cost share for grant qualification. Additionally, it increased individual grant amount caps from \$500,000 to \$5 million for remediation, from \$1 million to \$10 million for multipurpose grants, from \$1 million to \$10 million for revolving loan funds under CERCLA, and from \$1 million to \$10 million for characterization and assessment activities on a community-wide or site by site basis.

IV. WITNESSES

The following witnesses have been invited to testify:

The Honorable J. Christian Bollwage

Mayor

The City of Elizabeth, NJ

On behalf of U.S. Conference of Mayors and the National League of Cities

The Honorable Michael Largent

Commissioner

Whitman County Board of Commissioners

Whitman County, WA

On Behalf of National Association of Counties

¹³ Environmental Protection Agency, *Bipartisan Infrastructure Law: A Historic Investment in Brownfields* (www.epa.gov/system/files/documents/2021-12/bil-brownfields-fy22-draft-plan.pdf) (accessed February 10, 2022).

¹⁴ Pub. L. No. 115-24 (2018).

Lee Ilan

Chief of Planning
Mayor's Office of Environmental Remediation
The City of New York, NY
On behalf of National Brownfields Coalition

Jason Seyler

Brownfields Coordinator
Montana Department of Environmental Quality
On behalf of Association of State and Territorial Solid Waste Management Officials
(ASTSWMO)

Patrick B. Ford

Business Development Director
Frontier Group of Companies