#### ONE HUNDRED NINETEENTH CONGRESS

# Congress of the United States

# House of Representatives COMMITTEE ON ENERGY AND COMMERCE

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MEMORANDUM MARCH 7, 2025

**To:** Members of the Subcommittee on Environment

FROM: Committee Majority Staff

**RE:** Hearing entitled, "Maximizing Opportunities for Redeveloping Brownfields Sites:

Assessing the Potential for New American Innovation"

#### I. Introduction

On Tuesday, March 11, 2025, at 10:15 a.m., the Subcommittee on Environment will hold a hearing in 2123 Rayburn House Office Building entitled, "Maximizing Opportunities for Redeveloping Brownfields Sites: Assessing the Potential for New American Innovation."

#### II. WITNESSES

- Hon. James L. Connaughton, Chief Executive Officer, JLC Strategies, LLC
- **J. Christian Bollwage**, Mayor of Elizabeth, New Jersey, Chair, U.S. Conference of Mayors Brownfields Task Force
- Duane Miller, Executive Director, LENOWISCO Planning District Commission
- TBD

#### III. BACKGROUND

## A. Overview of the Environmental Protection Agency's Brownfields Program

According to the Environmental Protection Agency (EPA), a brownfield is "a property where expansion, redevelopment or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant." EPA estimates there are more than 450,000 brownfields in the United States.<sup>2</sup> These properties may be vacant, abandoned, or occupied; and include former industrial, residential, or commercial facilities that leave behind contaminants.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> ENVTL. PROT. AGENCY, Brownfields: About, https://www.epa.gov/brownfields/about (last updated Mar. 5, 2025).

 $<sup>^{2}</sup>$  Id

<sup>&</sup>lt;sup>3</sup> ENVTL. PROT. AGENCY, 101.1 What Is a Brownfield?, download available at https://www.epa.gov/brownfields/about.

EPA's Brownfields Program supports assessment, cleanup, and safe reuse of these properties in hopes that this reinvestment will increase local tax revenue, spur job growth, and take advantage of existing infrastructure.<sup>4</sup> To these ends, the Brownfields Program provides funding for assessment, cleanup, multipurpose use, capitalizing revolving loan funds, job training, and technical assistance.<sup>5</sup> Eligible recipients of program funding include local governments, states, state-created entities or development agencies, Tribes, and nonprofits.<sup>6</sup>

Recipients must often secure additional resources to complete brownfields revitalization projects, due to factors such as expensive cleanup costs, requisite infrastructure upgrades, and prohibitive redevelopment costs in distressed or small communities and at sites with limited reuse potential. As such, communities may seek to leverage Brownfields Program funding to attract other funding sources. According to EPA, through Fiscal Year (FY) 2024, an average of \$20.45 was leveraged per dollar of Brownfields funding awarded through its assessment, cleanup, multipurpose, and revolving loan fund cooperative agreements. 9

# **B.** Statutory History

# i. Small Business Liability Relief and Brownfields Revitalization Act

EPA first established a federal assistance cleanup program for brownfields properties in 1993, pursuant to its general cleanup authorities under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Congress subsequently passed the Small Business Liability Relief and Brownfields Revitalization Act of 2002, which codified these initial brownfields grant programs by adding a new subsection (k) to section 104 of CERCLA. It also added a section 128 to CERCLA, which established the "the State and Tribal Response Program"—a grant program for states and Tribes to create and support their own cleanup programs. Finally, this legislation imposed liability protections for certain categories of landowners.

#### ii. Brownfields Utilization, Investment and Local Development Act

In 2018, Congress reauthorized the Brownfields Program through the Brownfields Utilization, Investment, and Local Development Act of 2018, which was passed as part of the Consolidated Appropriations Act for Fiscal Year 2018. 14 This legislation reauthorized the

<sup>&</sup>lt;sup>4</sup> See ENVTL. PROT. AGENCY, supra note 1.

<sup>&</sup>lt;sup>5</sup> Comprehensive Environmental Response, Compensation, and Liability Act of 1980, § 104(k).

<sup>&</sup>lt;sup>6</sup> *Id.* § 104(k)(1).

<sup>&</sup>lt;sup>7</sup> ENVTL. PROT. AGENCY, SETTING THE STAGE FOR LEVERAGING RESOURCES FOR BROWNFIELDS REVITALIZATION iii (2016), https://www.epa.gov/sites/default/files/2016-04/documents/final\_leveraging\_guide\_document\_4-19-16.pdf. <sup>8</sup> *Id.* 

<sup>&</sup>lt;sup>9</sup> ENVTL. PROT. AGENCY, *Brownfields: Accomplishments*, https://www.epa.gov/brownfields/accomplishments (last visited Feb. 6, 2025).

<sup>&</sup>lt;sup>10</sup> Cong. Research Serv., R41039, Comprehensive Environmental Response, Compensation, and Liability Act: A Summary of Superfund Cleanup Authorities and Related Provisions of the Act 4 (2012).

<sup>&</sup>lt;sup>11</sup> Pub. L. No. 107-118; CONG. RESEARCH SERV., supra note 10, at 36.

<sup>&</sup>lt;sup>12</sup> CONG. RESEARCH SERV., *supra* note 10, at 36.

<sup>&</sup>lt;sup>13</sup> *Id.* at 37.

<sup>&</sup>lt;sup>14</sup> Consolidated Appropriations Act, 2018, Pub. L. No. 115-141, div. N.

Brownfields Program at \$200 million per year, as well as the State and Tribal Response Programs at \$50 million per year for FY 2019 through FY 2023. For the section 104(k) grants, it expanded eligible uses of funding, the scope of entities eligible for awards, and permissible funding amounts. It also provided liability relief for certain parties. To

## iii. Infrastructure Investment and Jobs Act

Enacted on November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA) also provided supplemental funding and additional direction for the Brownfields program. <sup>18</sup> Of the \$1.5 billion appropriated in the IIJA, \$1.2 billion was equally divided over FY 2022 through 2026 (\$240 million annually) for Brownfields programs under CERCLA section 104(k), and \$300 million (\$60 million annually) was allocated for State and Tribal Response Program grants under CERCLA section 128. <sup>19</sup> The IIJA also: (1) waived cost-share requirements for grants to capitalize revolving loan funds or clean up more than one site; (2) greatly expanded the funding limits for Brownfields grants under CERCLA section 104(k); 16 and (3) required a determination whether it was "necessary to promulgate regulations or issue guidance in order to prioritize and expedite the siting of clean energy projects on current and former mine land sites." <sup>20</sup>

# C. Brownfields Sites and Emerging Infrastructure

Policymakers and redevelopment project proponents have explored options to facilitate the use of brownfields properties and other former industrial sites for critical purposes, such as energy generation, <sup>21</sup> data centers, <sup>22</sup> and technology production. <sup>23</sup> Brownfields sites may possess certain advantages that make them ideal locations for new infrastructure and emerging industries, such as proximity to skilled labor and transportation corridors. <sup>24</sup> Further, some have considered brownfields sites as attractive data center locations due to the presence of existing power delivery infrastructure. <sup>25</sup>

#### IV. Previous Committee Activity

On September 27, 2023, the Committee's Subcommittee on Environment,

<sup>&</sup>lt;sup>15</sup> *Id*.

<sup>&</sup>lt;sup>16</sup> *Id*.

<sup>&</sup>lt;sup>17</sup> *Id*.

<sup>&</sup>lt;sup>18</sup> Pub. L. No. 117-58, div. J, tit VI.

<sup>19</sup> Id

<sup>&</sup>lt;sup>20</sup> *Id.*; div. D, tit. III, subtit. E, § 40342.

<sup>&</sup>lt;sup>21</sup> E.g., H.R. 6268, Nuclear for Brownfield Site Preparation Act, 118th Cong. (2023).

<sup>&</sup>lt;sup>22</sup> E.g. ENERGY DELTA LAB, *Data Center Ridge*, https://www.energydeltalab.org/data-center-ridge (last visited Mar. 5, 2025).

<sup>&</sup>lt;sup>23</sup> ENVTL. PROT. AGENCY, New Manufacturing on Old Brownfields 1-2 (2016), available at https://www.epa.gov/sites/default/files/2016-10/documents/manufacturing\_guide\_10-14-16\_fnl.pdf. <sup>24</sup> Id

<sup>&</sup>lt;sup>25</sup> CBRE, *Adequate Power Availability Remains Top Priority for Data Center Developers* (Sept. 9, 2024), https://www.cbre.com/insights/briefs/adequate-power-availability-remains-top-priority-for-data-center-developers.

Manufacturing, and Critical Materials held a hearing entitled, "Revitalizing America Through the Reauthorization of the Brownfields Program." The hearing included consideration of a discussion draft for reauthorization of the Brownfields Program. Among other provisions, this discussion draft included proposing to add additional entities to the list of those eligible for Brownfields Program awards; a local government concurrence provision for grants; a rural brownfields showcase program; and an internal audit and report to Congress on the program. Members and witnesses also discussed appropriate funding levels for the program, impacts of the IIJA funding infusion, and potential improvement to specific funding opportunities within this program.

## V. SENATE ACTIVITY

On February 25, 2025, the Senate Environment and Public Works Committee favorably reported S. 347, the Brownfields Reauthorization Act of 2025. The bill: (1) expands entities eligible for grants; (2) removes limits on the percentage of funds that can be used for administrative costs; (3) amends evaluation criteria for grant applications to include meaningful community involvement and diverse stakeholder engagement; (4) reduces the cost-share requirement; and (5) increases the maximum award limit per site. It reauthorizes the section 104(k) grants through 2030 but is silent on funding levels. For the State and Tribal Response Program, however, it escalates funding gradually from FYs 2025 through 2030. It awaits consideration by the full Senate

## VI. ISSUES

The hearing may include discussion of the following key questions:

- What concerns or issues should Congress address when reauthorizing this program?
- What improvements can be made to the EPA's Brownfields Program?
- How can funding recipients maximize the value of brownfields sites, and what challenges do they face in making the best use of these sites?
- What innovative uses exist for brownfields sites?

<sup>&</sup>lt;sup>26</sup> Revitalizing America Through the Reauthorization of the Brownfields Program: Hearing Before the Subcomm. on Envt., Mfg., and Critical Materials of the H. Comm. on Energy and Commerce, 118th (2023).

<sup>&</sup>lt;sup>27</sup> H.R.\_\_\_\_\_, To amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 with respect to brownfields revitalization funding, and for other purposes, 118th Cong., *available at* https://docs.house.gov/meetings/IF/IF18/20230927/116421/BILLS-118pih-RevitalizationThroughBrownfieldsAct.pdf.

 $<sup>^{28}</sup>Id$ 

<sup>&</sup>lt;sup>29</sup> Revitalizing America Through the Reauthorization of the Brownfields Program: Hearing Before the Subcomm. on Envt., Mfg., and Critical Materials of the H. Comm. on Energy and Commerce, 118th (2023), https://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventId=116421 (preliminary transcript).

<sup>&</sup>lt;sup>30</sup> February 5, 2025, Full Committee Business Meeting: S. Comm. on Env. and Pub. Works, available at https://www.epw.senate.gov/public/index.cfm/hearings?ID=0CAD371E-7971-40C7-A9A7-7DB7F52DABD5 (full transcript).

<sup>&</sup>lt;sup>31</sup> S. 347, Brownfields Reauthorization Act of 2025, 119th Cong. (2025).

<sup>32</sup> *Id*.

<sup>&</sup>lt;sup>33</sup> *Id*.

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• How can the EPA's Brownfields Program support efforts to develop and site infrastructure crucial to the modern economy?

# VII. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Christen Harsha, Jake Tyner, or Kaitlyn Peterson of the Committee staff at (202) 225-3641.