

2019 MONTANA LEGISLATURE

WHITE PAPER

Montana Department of Environmental Quality

Waste Management and Remediation Division: Contaminated Site Cleanup Bureau

HB 101: Establish Montana Brownfields Revitalization Act

Bill Number: HB 101

Bill Name: A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS RELATED TO BROWNFIELDS; CREATING THE "MONTANA BROWNFIELDS REVITALIZATION ACT" AND THE "MONTANA BROWNFIELDS REVOLVING LOAN FUND ACT"; PROVIDING DEFINITIONS; PROVIDING RULEMAKING AUTHORITY; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 17-7-502 AND 75-11-309, MCA; AND REPEALING SECTIONS 75-11-401, 75-11-402, 75-11-403, 75-11-407, 75-11-408, AND 75-11-409, MCA."

Bill Sponsor: Julie Dooling

Bill Summary

Department of Environmental Quality (DEQ) is proposing to consolidate and formalize both Montana DEQ's hazardous substance and petroleum Brownfields programs by moving the existing Brownfields statute to its own chapter. The new chapter (75-12-000) will be titled the Montana Brownfields Revitalization Act. This new chapter will contain findings and definitions that more completely describes both DEQ's hazardous substance and petroleum Brownfields program. In addition, this new chapter will allow for the placement of Brownfields specific legislation. One such Brownfields specific legislation provides DEQ the authority to apply for and administer a US EPA Brownfields Revolving Loan Fund (RLF) cleanup grant (a requirement of the EPA RLF grant).

Background

Summary of the Montana Brownfields Revitalization Act: When the 2015 legislature passed the Montana Petroleum Brownfields Revitalization Act, the primary focus of this statute was to codify Montana's Petroleum Brownfields eligibility guidelines. Due to its focus on Petroleum Brownfields sites, this act was amended to MCA 75-11, the Underground Storage Tanks Chapter. However, the breadth of DEQ's Brownfields program mirrors EPA's Brownfields program and include both hazardous substance and petroleum contaminated sites.

Issues/Impact

Summary of the DEQ Brownfields RLF Cleanup Grant:

- The DEQ Brownfields RLF Cleanup grant will provide funding (loans and sub-grants) to carry out cleanup activities at Brownfields sites across all of Montana.
- DEQ will focus its cleanup efforts on sites located in areas not already served by other Brownfields RLF loans (white area attached figure).
 - States such as Wyoming, Ohio, Oregon, New Jersey, and Minnesota have successfully partnered a state RLF with local RLF funds to collaboratively cleanup and redevelop blighted and underdeveloped properties.

- The DEQ Brownfields RLF Cleanup grant will also allow current Brownfields RLF Cleanup grantees to receive subgrants and loans for property they would like to purchase and cleanup.
 - Currently these grantees are unable to grant to themselves as they are the grant administrator.
- DEQ will apply for a \$1,000,000 grant in December of 2021 from the USEPA (Office of Land and Emergency Management/Office of Brownfields and Land Revitalization) and (if awarded) will receive this funding in October 1, 2022.
- DEQ has received support from the Montana Economic Developers Association (MEDA) and other regional and local economic development authorities (EDA), Counties, Cities, developers, and non-profits.
 - MEDA and DEQ will agree to an MOU stating DEQ will not use state RLF funds in areas already covered by new or existing local RLFs without the approval of the local grantee.
- The DEQ will either partner with another state agency familiar with RLF administration or contract out the administration, underwriting, and loan management of the RLF.
- **EPA has confirmed that if DEQ was awarded a state-wide Brownfields RLF, this would not preclude other entities (either local communities or EDAs) from applying for and receiving new or supplemental Brownfields RLF grants in the future.**
 - **EPA stated that the grants are competitive at the national level, not by region, or by state. Each grant application is scored on its merit, and other grants awarded in the state/region are not considered.**

Impacted Communities/Industries

- Communities currently not covered by a Brownfields RLF cleanup grant
- Current Brownfields RLF cleanup grant grantees and the communities they cover
- Developers
- MEDA
- Private Property Owners

Recommended Agency Action

Support.

Program Contacts

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