

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 782 Session of 2023

INTRODUCED BY MILLER, COSTA, FONTANA, COLLETT, SCHWANK, DILLON,
KANE AND J. WARD, JUNE 23, 2023

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, JUNE 23, 2023

AN ACT

1 Amending the act of May 19, 1995 (P.L.43, No.4), entitled "An
2 act providing grants for conducting assessments of industrial
3 sites; establishing a fund; providing for funding; and
4 imposing duties upon the Department of Community and Economic
5 Development," further providing for grants and loans;
6 providing for industrial sites cleanup financial assistance;
7 making an interfund transfer; providing for transitional
8 provisions; and making a repeal.

9 The General Assembly of the Commonwealth of Pennsylvania

10 hereby enacts as follows:

11 Section 1. Section 2 of the act of May 19, 1995 (P.L.43,
12 No.4), known as the Industrial Sites Environmental Assessment
13 Act, is amended to read:

14 Section 2. Grants and loans.

15 (a) Grants for conducting environmental assessments of
16 industrial sites.--The department shall make grants to [all of
17 the following:

18 (1) Municipalities,] municipalities, municipal or other
19 local authorities, nonprofit economic development agencies
20 and similar agencies to conduct environmental assessments, and
21 remediation and demolition of industrial sites located in

1 municipalities which have been designated by the department
2 as distressed communities under the act of July 2, 1984
3 (P.L.520, No.105), known as the Business Infrastructure
4 Development Act.

5 [(2) Cities of the first class, second class, second
6 class A and third class and any borough with a population
7 large enough for the borough to qualify to be chartered as a
8 city under provisions of the act of June 23, 1931 (P.L.932,
9 No.317), known as The Third Class City Code, to conduct
10 environmental assessment and remediation of industrial sites
11 on which industrial activity was conducted prior to the
12 effective date of this act.]

13 (a.1) Performance-based loans for remediation.--

14 (1) The department may make performance-based loans to
15 applicants for projects related to remediation and demolition
16 of any of the following:

17 (i) Brownfield sites.

18 (ii) Nonhazardous waste or debris. This subparagraph
19 includes waste tire recycling.

20 (2) A loan awarded under this subsection may be forgiven
21 to the extent that performance measures and other
22 requirements are accomplished by the loan recipient in
23 accordance with the loan agreement between the recipient and
24 the department.

25 (3) For the loans, the department in cooperation with
26 the Department of Environmental Protection shall establish
27 all of the following:

28 (i) Eligibility. Loans shall be restricted to
29 persons [who] that did not cause or contribute to the
30 contamination on property used for industrial activity

1 [on or before the effective date of this act] and [who]
2 that propose to undertake a voluntary cleanup of the
3 property.

4 (ii) Performance measures. This subparagraph
5 includes all of the following:

6 (A) Method to dispose of the waste or debris.

7 (B) Number of jobs related to the disposal.

8 (C) Resulting economic benefit to the
9 Commonwealth.

10 (D) Method of demolition.

11 (iii) Related requirements.

12 (4) Loans under this subsection shall be included in the
13 annual financing strategy of the department.

14 (b) Source.--

15 (1) Grants under subsection (a) shall be made from the
16 Industrial Sites Environmental Assessment and Cleanup Fund.

17 (2) Loans under subsection (a.1) shall be made from the
18 Industrial Sites Environmental Assessment and Cleanup Fund.

19 Money collected from repayment of loans under subsection
20 (a.1) shall be deposited in the Industrial Sites

21 Environmental Assessment and Cleanup Fund.

22 (c) Limitation on amount of grant or loan.--There shall be
23 no limit on the dollar amount of a grant or loan under this
24 section.

25 Section 2. The act is amended by adding a section to read:

26 Section 3.1. Industrial sites cleanup financial assistance.

27 (a) Requirements.--

28 (1) In addition to the grants and loans authorized under
29 section 2, the Industrial Sites Environmental Assessment and
30 Cleanup Fund shall provide financial assistance to persons

1 that did not cause or contribute to the contamination on
2 property used for industrial activity and that propose to
3 undertake a voluntary cleanup of the property. Cleanup may
4 include demolition of structures on the property.

5 (2) The financial assistance shall be in an amount of up
6 to 75% of the costs incurred for completing an environmental
7 study and implementing a cleanup plan by an eligible
8 applicant.

9 (3) Financial assistance may be in the form of grants as
10 provided in this section or low-interest loans, to be lent at
11 a rate not to exceed 2%.

12 (4) There shall be no limit on the dollar amount of a
13 grant or loan made under this section.

14 (b) Grants.--Grants may be made to political subdivisions or
15 their instrumentalities or local economic development agencies
16 for the purposes of this section if the grantee owns the site on
17 which the cleanup is being conducted and the grantee is
18 overseeing the cleanup.

19 (c) Loans.--Loans meeting the requirements of subsection (a)
20 may be made to the following categories of applicants:

21 (1) Local economic development agencies.

22 (2) Political subdivisions or their instrumentalities.

23 (3) Other persons determined to be eligible by the
24 department.

25 (d) Priority for financial assistance.--The department shall
26 take all of the following factors into consideration when
27 determining which applicants shall receive financial assistance
28 under this section:

29 (1) The benefit of the remedy to public health, safety
30 and the environment.

1 (2) The permanence of the remedy.

2 (3) The cost effectiveness of the remedy in comparison
3 with other alternatives.

4 (4) The financial condition of the applicant.

5 (5) The financial or economic distress of the area in
6 which the cleanup is being conducted.

7 (6) The potential for economic development.

8 (e) Interagency consultation.--The department shall consult
9 with the Department of Environmental Protection when determining
10 priorities for funding under this section.

11 (f) Terms and conditions.--

12 (1) The department shall have the power to set terms and
13 conditions applicable to loans and grants it deems
14 appropriate. The department may consider such factors as it
15 deems relevant, including:

16 (i) Current market interest rates.

17 (ii) The necessity to maintain the money in the fund
18 in a financially sound manner.

19 (2) Loans may be made based upon the ability to repay
20 from future revenue to be derived from the cleanup, by a
21 mortgage or other collateral or on any other fiscal matters
22 which the department deems appropriate.

23 (g) Repayment.--Money received by the department as
24 repayment of outstanding loans shall be deposited into the fund.
25 Any interest earned by money in the fund shall remain in the
26 fund.

27 (h) Annual report.--The department shall on October 1 of
28 each year report to the General Assembly on the grants, loans,
29 expenditures and commitments made from the fund. The annual
30 report shall include an evaluation of the effectiveness of the

1 fund in recycling industrial and commercial sites. The
2 evaluation shall include any recommendation for additional
3 changes if necessary to improve the effectiveness of the fund in
4 recycling such sites.

5 (i) Definitions.--Except for "department," the words and
6 phrases used in this section shall have the meanings given to
7 them under section 103 of the act of May 19, 1995 (P.L.4, No.2),
8 known as the Land Recycling and Environmental Remediation
9 Standards Act.

10 Section 3. Within 30 days of the effective date of this
11 section, the State Treasurer shall transfer the sum of
12 \$20,000,000 from the General Fund to the Industrial Sites
13 Environmental Assessment and Cleanup Fund.

14 Section 4. Any money remaining in the Industrial Sites
15 Cleanup Fund on the effective date of this section shall be
16 transferred to the Industrial Sites Environmental Assessment and
17 Cleanup Fund.

18 Section 5. Any loan or obligation required by law to be paid
19 to the Industrial Sites Cleanup Fund shall, on or after the
20 effective date of this section, be paid to the Industrial Sites
21 Environmental Assessment and Cleanup Fund.

22 Section 6. A reference in any act to the Industrial Sites
23 Environmental Assessment Fund shall be deemed to be a reference
24 to the Industrial Sites Environmental Assessment and Cleanup
25 Fund.

26 Section 7. Repeals are as follows:

27 (1) The General Assembly finds that the repeal under
28 paragraph (2) is necessary to effectuate this act.

29 (2) Section 702 of the act of May 19, 1995 (P.L.4,
30 No.2), known as the Land Recycling and Environmental

1 Remediation Standards Act, is repealed.

2 Section 8. This act shall take effect in 60 days.