

107TH CONGRESS
2^D SESSION

H. R. 4586

To amend the Small Business Act and the Small Business Investment Act of 1958 to authorize grants and other assistance to promote the redevelopment of certain remediated sites.

IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 2002

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act and the Small Business Investment Act of 1958 to authorize grants and other assistance to promote the redevelopment of certain remediated sites.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Brownfields Use
5 Invigoration Land Development Act”.

1 **SEC. 2. GRANT PROGRAM TO PROMOTE THE REDEVELOP-**
2 **MENT OF REMEDIATED SITES.**

3 The Small Business Act (15 U.S.C. 631 et seq.) is
4 amended—

5 (1) by redesignating section 36 as section 37;

6 and

7 (2) by inserting after section 35 the following
8 new section:

9 **“SEC. 36. GRANT PROGRAM TO PROMOTE THE REDEVELOP-**
10 **MENT OF REMEDIATED SITES.**

11 “(a) DEFINITIONS.—In this section, the following
12 definitions apply:

13 “(1) REMEDIATED SITE.—The term ‘remedi-
14 ated site’ means any real property with respect to
15 which requirements under Federal or State law for
16 remediation of hazardous substances, pollutants, and
17 contaminants have been completed.

18 “(2) LOW-INCOME GEOGRAPHIC AREA.—The
19 term “low-income geographic area” means—

20 “(A) any population census tract (or in the
21 case of an area that is not tracted for popu-
22 lation census tracts, the equivalent county divi-
23 sion, as defined by the Bureau of the Census of
24 the Department of Commerce for purposes of
25 defining poverty areas), if—

1 “(i) the poverty rate for that census
2 tract is not less than 20 percent;

3 “(ii) in the case of a tract—

4 “(I) that is located within a met-
5 ropolitan area, 50 percent or more of
6 the households in that census tract
7 have an income equal to less than 60
8 percent of the area median gross in-
9 come; or

10 “(II) that is not located within a
11 metropolitan area, the median house-
12 hold income for such tract does not
13 exceed 80 percent of the statewide
14 median household income; or

15 “(iii) as determined by the Adminis-
16 trator based on objective criteria, a sub-
17 stantial population of low-income individ-
18 uals reside, an inadequate access to invest-
19 ment capital exists, or other indications of
20 economic distress exist in that census
21 tract; or

22 “(B) any area located within—

23 “(i) a HUBZone (as defined in sec-
24 tion 3(p) of the Small Business Act and

1 the implementing regulations issued under
2 that section);

3 “(ii) an urban empowerment zone or
4 urban enterprise community (as designated
5 by the Secretary of Housing and Urban
6 Development); or

7 “(iii) a rural empowerment zone or
8 rural enterprise community (as designated
9 by the Secretary of Agriculture).

10 “(b) ESTABLISHMENT.—In accordance with this sec-
11 tion, the Administrator may make grants to eligible enti-
12 ties to enable such entities to participate in the redevelop-
13 ment of remediated sites.

14 “(c) ELIGIBILITY.—Each of the following entities is
15 eligible to receive assistance under this section:

16 “(1) A small business concern.

17 “(2) A locally based organization that rep-
18 represents small business concerns.

19 “(3) A local redevelopment agency that is char-
20 tered, established, or otherwise sanctioned by a
21 State or by a local government.

22 “(d) USE OF FUNDS.—Assistance made available
23 under this section may be used only—

24 “(1) for the development of plans for the reuse
25 of a remediated site; or

1 “(2) to perform marketing analyses with re-
2 spect to a remediated site.

3 “(e) APPLICATION.—An eligible entity seeking assist-
4 ance made available under this section shall submit to the
5 Administrator an application in such form as the Adminis-
6 trator may require.

7 “(f) SELECTION CRITERIA.—In selecting entities to
8 receive assistance under this section, the Administrator
9 shall consider each of the following:

10 “(1) The ability of the entity to develop plans
11 for the reuse of the remediated site and to perform
12 marketing analyses with respect to the remediated
13 site.

14 “(2) The extent to which the redevelopment of
15 the remediated site proposed to be redeveloped by
16 the entity would create jobs and other social and
17 economic benefits to the local community and busi-
18 ness opportunities for small business concerns.

19 “(3) The extent to which the entity’s use of as-
20 sistance will maximize the leveraging of private sec-
21 tor funds.

22 “(4) The extent to which the entity will use as-
23 sistance to redevelop a remediated site located in a
24 low-income geographic area.

1 “(g) GRANT AMOUNT.—Each grant award made
2 under this section shall be of sufficient size to carry out
3 the goals of this section, but shall not exceed \$200,000.

4 “(h) LOSS OF ELIGIBILITY AND REPAYMENT.—If the
5 Administrator determines that an entity receiving assist-
6 ance made available under this section violates any condi-
7 tion placed on the receipt of such assistance, the
8 Administrator—

9 “(1) may make no additional assistance avail-
10 able to such entity under this section; and

11 “(2) may require the entity to repay, in whole
12 or in part, the assistance made available to the enti-
13 ty under this section.

14 “(i) REPORT TO ADMINISTRATOR.—Not later than 2
15 years after receiving assistance made available under this
16 section, each eligible entity receiving such assistance shall
17 transmit to the Administrator a report describing how the
18 assistance was used.

19 “(j) AUTHORIZATION OF APPROPRIATIONS.—

20 “(1) IN GENERAL.—There is authorized to be
21 appropriated the sum of \$4,000,000 for each of fis-
22 cal years 2003 through 2005.

23 “(2) AVAILABILITY.—Funds appropriated
24 under paragraph (1) shall remain available until ex-
25 pended.”.

1 **SEC. 3. INCREASED PARTICIPATION LEVEL FOR LOANS TO**
2 **SMALL BUSINESSES LOCATED ON REMEDI-**
3 **ATED SITES.**

4 Clause (i) of section 7(a)(2)(A) of the Small Business
5 Act (15 U.S.C. 636(a)(2)(A)) shall be applied by sub-
6 stituting “90 percent” for “75 percent” and clause (ii)
7 of such section shall be applied by substituting “90 per-
8 cent” for “85 percent” in the case of any loan made—

9 (1) to a small business concern located or locat-
10 ing on a remediated site (as such term is defined in
11 section 36(a)(1) of the Small Business Act (as
12 amended by this Act)) with respect to which a grant
13 has been made under such section; and

14 (2) during the 5-year period beginning on the
15 date that such grant is made.

16 **SEC. 4. FUNDING FROM DEVELOPMENT COMPANIES TO RE-**
17 **DEVELOP REMEDIATED SITES.**

18 Section 501(d)(3) of the Small Business Investment
19 Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

20 (1) in subparagraph (G), by striking “or”;

21 (2) in subparagraph (H), by striking the period
22 and inserting “, or”; and

23 (3) by inserting after subparagraph (H) the fol-
24 lowing new subparagraph:

1 “(I) redevelopment of remediated sites (as
2 defined in section 36(a)(1) of the Small Busi-
3 ness Act).”.

4 **SEC. 5. EXEMPTION FROM OUTSTANDING LEVERAGE LIM-**
5 **ITS FOR SBIC INVESTMENTS IN REMEDIATED**
6 **SITES.**

7 Paragraphs (2)(C) and (4)(D) of section 303(b) of
8 the Small Business Investment Act of 1958 (15 U.S.C.
9 683(b)) are amended by—

10 (1) inserting “or on a remediated site (as de-
11 fined in section 36(a)(1) of the Small Business
12 Act)” after “located in a low-income geographic area
13 (as defined in section 351)”; and

14 (2) by striking “LOW-INCOME” in the headings
15 of such paragraphs and inserting “CERTAIN”.

○