AN ACT CONCERNING BROWNFIELD REMEDIATION LIABILITY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (f) of section 22a-133m of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2010):

(f) There is established an Urban Site Remediation Fund. The fund may contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fund for the fiscal year next succeeding. The fund shall be used (1) by the Commissioner of Environmental Protection (A) for costs incurred in the assessment and remedial activities conducted at real property acquired pursuant to subsection (e) of this section, or (B) to reimburse the costs to obtain directors' and liability insurance and for certain administrative expenses of (i) a municipal economic development agency or entity created or operating under chapter 130 or 132, or (ii) a nonprofit economic development corporation formed to promote the common good, general welfare and economic development of a municipality that is funded, either directly or through in-kind services, in part by a municipality, or a nonstock corporation or limited liability company controlled or established by a municipality, municipal economic
development agency or entity created or operating under chapter 130
or 132; and (2) by the Commissioner of Economic and Community
Development to pay any local property taxes on real property acquired
pursuant to subsection (e) of this section and the costs of administering
the program. The Commissioner of Economic and Community
Development may allocate money from the fund to a regional
economic development entity organized for the purpose of
remediating contaminated real property.

Sec. 2. (Effective July 1, 2010) (a) The speaker of the House of
Representatives and the president pro tempore of the Senate shall
appoint a brownfield remediation and development working group
for the purpose of examining the remediation and development of
brownfields in this state, including, but not limited to, the remediation
scheme for such properties, permitting issues and liability issues,
including those set forth by sections 22a-14 to 22a-20, inclusive, of the
general statutes.

(b) The working group appointed jointly by the speaker and
president pro tempore shall include, but need not be limited to: (1)
Representatives with expertise in brownfield redevelopment in
environmental law, engineering, finance, development or insurance;
(2) a licensed environmental professional; (3) a representative from the
Department of Economic and Community Development; (4) a
representative from the Department of Environmental Protection; (5) a
representative from the Connecticut Development Authority; and (6) a
representative of the Office of Policy and Management.

(c) On or before January 15, 2011, the working group shall report, in
accordance with the provisions of section 11-4a of the general statutes,
on its findings and provide recommendations on facilitating
brownfield remediation and development to the chairpersons and
ranking members of the joint standing committee of the General
Assembly having cognizance of matters relating to commerce.

Sec. 3. Section 12-81r of the general statutes is repealed and the
(a) Any municipality may (1) enter into an agreement with the owner of any real property to abate the property tax due as of the date of the agreement for a period not to exceed seven years if the property has been subject to a spill, as defined in section 22a-452c, and the owner agrees to conduct any environmental site assessment, demolition and remediation of the spill necessary to redevelop the property. Any such tax abatement shall only be for the period of remediation and redevelopment and shall be contingent upon the continuation and completion of the remediation and redevelopment process with respect to the purposes specified in the agreement. The abatement shall cease upon the sale or transfer of the property for any other purpose unless the municipality consents to its continuation. The municipality may also establish a recapture provision in the event of sale provided such recapture shall not exceed the original amount of taxes abated and may not go back further than the date of the agreement; [or] (2) forgive all or a portion of the principal balance and interest due on delinquent property taxes for the benefit of any prospective purchaser who has obtained an environmental investigation or remediation plan approved by the Commissioner of Environmental Protection or a licensed environmental professional under section 22a-133w, 22a-133x, or 22a-133y and completes such remediation plan for an establishment, as defined in section 22a-134, deemed by the municipality to be abandoned or a brownfield, as defined in subdivision (1) of subsection (a) of section 32-9kk; or (3) enter into an agreement with the owner of any real property to fix the assessment of the property as of the last assessment date prior to commencement of remediation activities for a period not to exceed seven years, provided the property has been the subject of a remediation approved by the Commissioner of Environmental Protection or verified by a licensed environmental professional pursuant to section 22a-133w, 22a-133x, 22a-133y or 22a-134.

(b) Any abatement or forgiveness of taxes or fixed assessment or
any combination thereof under subsection (a) of this section shall be
approved by vote of the board of finance, if applicable, and the
legislative body of the municipality, or by vote of the board of finance,
if applicable, and the board of selectmen in a municipality where the
legislative body is a town meeting and contingent upon any other
conditions deemed appropriate by such body.

(c) A municipality shall notify the Commissioner of Environmental
Protection, the Commissioner of Economic and Community
Development and the Secretary of the Office of Policy and
Management not later than thirty days after granting any abatement or
forgiveness of taxes or any fixed assessment under subsection (a) of
this section. Such notice shall provide the owner or purchaser's name,
as the case may be, and the address of the property.

Sec. 4. Subsection (c) of section 22a-134b of the 2010 supplement to
the general statutes is repealed and the following is substituted in lieu
thereof (Effective July 1, 2010):

(c) This section shall apply to any action brought for the
reimbursement or recovery of costs associated with investigation and
remediation, [as defined in subsection (n) of section 22a-452] which
includes assessment, investigation, containment, mitigation, removal,
remediation and monitoring, and all direct and indirect damages,
except any action that becomes final and is no longer subject to appeal
on or before October 1, 2009.

Sec. 5. Subsection (b) of section 22a-133u of the general statutes is
repealed and the following is substituted in lieu thereof (Effective July
1, 2010):

(b) The Commissioner of Economic and Community Development
may use any funds deposited into the Special Contaminated Property
Remediation and Insurance Fund pursuant to section 3 of public act
96-250 for (1) loans to municipalities, individuals or firms for Phase II
environmental site assessments, Phase III investigations of real
property or for any costs of demolition, including related lead and
asbestos removal or abatement costs or costs related to the remediation
of environmental pollution, undertaken to prepare contaminated real
property for development subsequent to any Phase III investigation,
[and] (2) expenses related to administration of this subsection
provided such expenses may not exceed one hundred twenty-five
thousand dollars per year, (3) funding the remedial action and
redevelopment municipal grant program established pursuant to
subsection (e) of section 32-9kk, and (4) funding the targeted
brownfield development loan program developed pursuant to
subtraction (f) of section 32-9kk.

This act shall take effect as follows and shall amend the following
sections:

<table>
<thead>
<tr>
<th>Section</th>
<th>Effect Date</th>
<th>Reference</th>
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<tbody>
<tr>
<td>Sec. 1</td>
<td>October 1, 2010</td>
<td>22a-133m(f)</td>
</tr>
<tr>
<td>Sec. 2</td>
<td>July 1, 2010</td>
<td>New section</td>
</tr>
<tr>
<td>Sec. 3</td>
<td>July 1, 2010, and applicable to assessment years commencing on and after October 1, 2010</td>
<td>12-81r</td>
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<tr>
<td>Sec. 4</td>
<td>July 1, 2010</td>
<td>22a-134b(c)</td>
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<td>Sec. 5</td>
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<td>22a-133u(b)</td>
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CE Joint Favorable Subst.

PD Joint Favorable