

SENATE NO. 1751

AN ACT ENSURING ENVIRONMENTAL CLEANUP AND PROMOTING THE REDEVELOPMENT OF BROWNFIELDS ECONOMIC DEVELOPMENT

*Be it enacted by the Senate and House of Representatives in General Court assembled,
And by the authority of the same, as follows:*

1 SECTION 1. 7007-0210 For the purpose of the brownfields redevelopment fund established
2 pursuant to section 29A of chapter 23G of the general laws; provided, that not less than
3 \$2,000,000 of the amount appropriated herein shall be expended for grants to eligible
4 applicants.....\$30,000,000

5 Brownfields Redevelopment Fund.....100%

6 SECTION 2. The comptroller is hereby authorized and directed to transfer \$30,000,000 from
7 the General Fund to the Brownfields Redevelopment Fund established pursuant to section 29A
8 of chapter 23G of the General Laws.

9 SECTION 3. Section 6 of chapter 62 of the General Laws, as appearing, is hereby amended by
10 striking out subsection j(1) and inserting:-

11 (j)(1) A taxpayer who commences and diligently pursues an environmental response action and
12 who achieves and maintains a permanent solution or remedy operation status in compliance
13 with chapter 21E and the regulations promulgated thereunder which includes an activity and use
14 limitation shall, at the time such permanent solution or remedy operation status is achieved, be
15 allowed a base credit of 25 per cent of the net response and removal costs incurred on or after

16 August 1, 1998 for any property it owns or leases for business purposes and which is located
17 within an economically distressed area as defined in section 2 of chapter 21E. Such costs shall
18 be not less than 15 per cent of the assessed value of the property prior to remediation and the
19 site shall be reported to the department of environmental protection. A credit of 50 per cent of
20 such costs shall be allowed for any such taxpayer who achieves and maintains a permanent
21 solution or remedy operation status in compliance with chapter 21E and the Massachusetts
22 Contingency Plan at 310 CMR 40.00, as amended, which does not include an activity and use
23 limitation. Only a taxpayer that is an eligible person, as defined by section 2 of chapter 21E, and
24 not subject to any enforcement action brought pursuant to chapter 21E shall be allowed a credit.

25 Any credit allowed under this subsection may be taken only after a response action outcome
26 statement or remedy operation status submittal has been filed with the department of
27 environmental protection as set forth in the Massachusetts Contingency Plan at 310 CMR 40.00,
28 as amended.

29 SECTION 4. Section 6 of chapter 62, as appearing, is hereby further amended by inserting after
30 subsection j(4) the following new subsections:-

31 (5) All or any portion of tax credits issued in accordance with the provisions of subsection (j) of
32 this section may be transferred, sold or assigned to taxpayers who are eligible under the
33 provisions of paragraph (j)(1).

34 (6) A taxpayer desiring to make a transfer, sale or assignment pursuant to subsection (j)(5) shall
35 submit to the commissioner a statement which describes the amount of Massachusetts
36 environmental response action tax credit for which such transfer, sale or assignment of

37 Massachusetts environmental response action tax credit is eligible. The taxpayer shall provide to
38 the commissioner appropriate information so that the environmental response action tax credit
39 can be properly allocated.

40 SECTION 5. Section 38Q of chapter 63 of the General Laws, as appearing, is hereby amended
41 by striking out paragraph (a) and inserting the following new paragraph:--

42 (a) A domestic or foreign corporation or limited liability corporation which commences and
43 diligently pursues an environmental response action and which achieves and maintains a
44 permanent solution or remedy operation status in compliance with chapter 21E and the
45 regulations promulgated thereunder which includes an activity and use limitation shall, at the
46 time such permanent solution or remedy operation status is achieved, be allowed a base credit of
47 25 per cent of the net response and removal costs incurred on or after August 1, 1998 for any
48 property it owns or leases for business purposes and which is located within an economically
49 distressed area as defined in section 2 of chapter 21E; provided, however that these costs shall
50 be no less than 15 per cent of the assessed value of the property prior to remediation provided
51 further that the site was reported to the department of environmental protection; and provided
52 further, that a credit of 50 per cent of such costs shall be allowed for any such corporation which
53 achieves and maintains a permanent solution or remedy operation status in compliance with
54 chapter 21E and the Massachusetts Contingency Plan provided in 310 CMR 40.00, as amended,
55 which does not include an activity and use limitation. Only a domestic or foreign corporation, or
56 limited liability corporation that is an eligible person, as defined by section 2 of chapter 21E,
57 and not subject to any enforcement action brought pursuant to chapter 21E shall be allowed a
58 credit.

59 Any credit allowed under this subsection may be taken only after a response action outcome
60 statement or remedy operation status submittal has been filed with the department of
61 environmental protection as set forth in said Massachusetts Contingency Plan.

62 SECTION 6. Section 38Q of chapter 63, as appearing, is hereby further amended by inserting at
63 the end the following new paragraph:--

64 (g) All or any portion of tax credits issued in accordance with the provisions of this section may
65 be transferred, sold or assigned to parties who are eligible under the provisions of paragraph (a)
66 of this section. A corporation desiring to make a transfer, sale or assignment shall provide to
67 the commissioner appropriate information so that the environmental response action tax credit
68 can be properly allocated.