

Opening Statement
Chairman Michael G. Oxley
Committee on Financial Services

Subcommittee on Housing and Community Opportunity
H.R. 2941, the Brownfields Redevelopment Enhancement Act
March 6, 2002

It seems that brownfields keep following me around.

As some of you may know, in a prior congressional life I spent a lot of time trying to reform the Superfund program for the cleanup of toxic waste sites. Superfund has a broad liability system. People interested in redeveloping a contaminated site fear that without legal protections, they could be sued to pay for part or all of an expensive cleanup even if they had nothing to do with the original pollution.

What we saw emerge was the "brownfields" phenomenon. Developers would shy away from even slightly contaminated sites like old factories and gas stations and build instead on pristine "greenfields in the country." Cities lost jobs and their tax base. Rural communities complained about urban creep.

This hit industrial states like Ohio especially hard. There are thousands of abandoned brownfields in Ohio that have the potential to contribute to the economy. I recall holding a field hearing at a brownfields site in Columbus several years ago. A true test of how persuasive you are with your congressional colleagues is if you can convince them to traipse over a frozen waste site in Ohio in 20-degree weather on Valentine's Day...which I somehow managed to do. A few Members still haven't forgiven me.

The threat of brownfields blight became so great, that people were moved to action. States like Ohio and Pennsylvania pioneered voluntary cleanup programs providing more legal certainty and flexible cleanup standards. Thanks to the good work of my colleague Paul Gillmor, we now have a federal law clarifying liability at brownfields sites.

Today, we turn our attention to the Department of Housing and Urban Development. HUD's brownfields and community development programs are going to become more important as more brownfields projects get underway. These programs need to be user-friendly, especially for communities that are new to this specialized area.

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I am pleased to be a cosponsor of H.R. 2941, introduced by the Vice Chairman of this Subcommittee, Gary Miller. This legislation will authorize HUD's brownfields programs for the first time. It will make more communities eligible for grants, make it clear that brownfields redevelopment is a community development block grant eligible activity, and permit HUD to set up a pilot revolving loan program to maximize the impact of federal dollars.

Ultimately, the vast majority of the funding for brownfields projects must come from the private sector. This committee is working to assure the banks and insurance companies under our jurisdiction that brownfields projects are good business investments. We want to remove the stigma, and turn these into normal real estate deals that have a manageable environment component.

I welcome HUD Assistant Secretary Roy Bernardi who, as the former mayor of Syracuse, is well-versed in community development issues.

The Northeast-Midwest Institute, co-chaired by my friend Jack Quinn, has been a source of innovative thinking about brownfields and helpful in developing H.R. 2941. Charlie Bartsch has always been able to see the big picture.

And, of course, I am especially honored to greet the Mayor of Mansfield, Ohio, Lydia Reid. Mayor Reid and I have worked on a variety of development projects over the years. Mansfield has a vigorous revitalization program that has won national awards. Mayor Reid has a great story to tell.

Brownfields redevelopment should unite Republicans and Democrats, city mayors and farmers. Our committee has a role to play by highlighting and fine-tuning HUD's vital programs. Having toiled in the vineyards on this, I am very happy to see brownfields legislation finally bearing fruit in Congress.

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