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## TESTIMONY OF MICHAEL BAILEY REGARDING A.B. 485 BEFORE THE COMMITTEE ON NATURAL RESOURCES, AGRICULTURE & MINING, NEVADA ASSEMBLY, APRIL 7, 2003

My name is Mike Bailey, I am a lawyer with the law firm of Parsons Behle & Latimer and I assist Landwell with certain environmental matters. I appreciate the opportunity to speak today in favor of A.B. 485.

In January 2002, Congress passed the Brownfields Revitalization and Environmental Restoration Act. The Act presented potential opportunities for private developers and municipalities regarding so called "Brownfield" properties in several respects. In addition to potential grants, the Federal Act provided an opportunity for developers who purchased contaminated properties (after appropriate due diligence) to qualify for liability protections.

In the past two years a number of states have proposed or passed legislation, often modeled after the Federal Act, which provides the same opportunities for environmental protection at the state wide level. Those states include Virginia, California and Michigan. These are states which have looked to this type of Act to assist in motivating infildevelopment and reutilization of properties which currently lie dormant or fallow. It is important at this juncture to explain what the Act does and does not do.

## What the bill does:

- limits liability to the State of Nevada for new purchasers
- encourages prospective purchasers to purchase and reuse properties that would otherwise remain fallow
  - o increases tax base
  - o promotes sustainable in-fill development
  - o encourages parties to purchase contaminated land and clean up land in order to achieve development goals.

## What the bill does not do:

- it does not limit any tort liability of any party
- it does not limit any civil liability of any responsible party
- it does not reduce the liability of the seller (the seller remains obligated to the State)
- it does not reduce the buyer's liability in all cases. (if the buyer does not "exercise
  appropriate care with respect to hazardous substances found at the facility by taking
  reasonable steps to stop any continuing release, prevent any threatened future release,
  and prevent or limit human, environmental, or natural resource exposure to any

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previously released hazardous substances," the buyer does not meet the definition of "prospective purchaser" and does not qualify for the limitation of liability provisions)