

115TH CONGRESS
1ST SESSION

S. 142

To expand certain empowerment zone provisions to communities receiving a Worker Adjustment and Retraining Notification Act notice, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 12, 2017

Mr. CASEY (for himself and Ms. KLOBUCHAR) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To expand certain empowerment zone provisions to communities receiving a Worker Adjustment and Retraining Notification Act notice, and for other purposes.

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 “Community Economic
5 Assistance Act of 2017”.

1 **SEC. 2. EXTENSION OF EMPOWERMENT ZONE PROVISIONS**
 2 **TO CERTAIN COMMUNITIES.**

3 (a) IN GENERAL.—Chapter 1 of the Internal Rev-
 4 enue Code of 1986 is amended by inserting after sub-
 5 chapter U the following new subchapter:

6 **“Subchapter U-1—Community Economic**
 7 **Assistance Zones**

“Sec. 1397G. Designation of community economic assistance zones.

“Sec. 1397H. Incentives for community economic assistance zones.

8 **“SEC. 1397G. DESIGNATION OF COMMUNITY ECONOMIC AS-**
 9 **SISTANCE ZONES.**

10 “(a) IN GENERAL.—For purposes of this title, the
 11 term ‘community economic assistance zone’ means any
 12 area—

13 “(1) which is nominated by the governor or
 14 governors of the State or States in which it is lo-
 15 cated for designation as a community economic as-
 16 sistance zone (hereafter in this section referred to as
 17 a ‘nominated area’, and

18 “(2) which the Secretary designates as a com-
 19 munity economic assistance zone, after consultation
 20 with—

21 “(A) the Secretary of Labor, and

22 “(B) in the case of an area on an Indian
 23 reservation, the Secretary of the Interior.

1 “(b) DESIGNATION BASED ON LOSS OF EMPLOY-
2 MENT, ETC.—

3 “(1) IN GENERAL.—Except as otherwise pro-
4 vided in this section, a nominated area designated as
5 a community economic assistance zone under this
6 subsection shall be—

7 “(A) a nominated area—

8 “(i) where—

9 “(I) a facility is located with re-
10 spect to which a notice was issued
11 after December 31, 2014, under sec-
12 tion 3 of the Worker Adjustment and
13 Retraining Notification Act (29
14 U.S.C. 2102) with respect to 250 or
15 more employees, or

16 “(II) where 100 or more employ-
17 ees with respect to which such a no-
18 tice was issued reside,

19 “(ii) where the number of employ-
20 ees—

21 “(I) with respect to which the no-
22 tice was issued (in the case of an area
23 described in clause (i)(I)), or

1 “(II) the number of employees
2 who are described in clause (i)(II) (in
3 any other case),
4 is equal to or greater than 0.5 percent of
5 the employed population of the metropoli-
6 tan statistical area (as determined by the
7 Secretary), and

8 “(iii) where a loss of employment sat-
9 isfying the requirements applicable to such
10 notice under clauses (i) and (ii) actually
11 occurs,

12 “(B) a nominated area which the Sec-
13 retary, in consultation with the Secretaries of
14 Labor and Commerce, determines has been or
15 will be seriously impacted by changes in trade
16 through loss of employment (directly or indi-
17 rectly), taking into account the number of indi-
18 viduals certified as eligible to apply for trade
19 adjustment assistance under chapter 2 of title
20 II of the Trade Act of 1974 or who are receiv-
21 ing benefits under such chapter, or

22 “(C) a nominated area which satisfies not
23 less than two of the conditions described in
24 paragraph (2).

1 “(2) CONDITIONS DESCRIBED.—The conditions
2 described in this subparagraph are the following:

3 “(A) The area is designated by the gov-
4 ernor of the State as an energy-transitioning
5 community.

6 “(B) The area, at the time of nomina-
7 tion—

8 “(i) has a composite index value, as
9 determined by the Appalachian Regional
10 Commission, among the lowest 10 percent
11 of counties in the State,

12 “(ii) is a low-income community (as
13 defined in section 45D(e)), or

14 “(iii) has an unemployment rate
15 which is 8 percent or greater, or which is
16 6.5 percent or greater and is equal to or
17 greater than 125 percent of the average
18 unemployment rate of the State.

19 “(C) Tax revenues collected in the area de-
20 creased, not due to any changes in tax law or
21 policy, by at least—

22 “(i) 7 percent as compared to the pre-
23 ceding year, or

24 “(ii) an average of 10 percent over
25 the preceding 3 years.

1 “(D) The number of business establish-
 2 ments in the area decreased significantly during
 3 the preceding year or on average during the
 4 preceding 3 years, as determined by the Sec-
 5 retary.

6 “(E) The area is among the 10 percent of
 7 counties nationally which have experienced the
 8 largest increases in unemployment and the larg-
 9 est decreases in manufacturing over the pre-
 10 ceding 3 years, as determined by the Secretary.

11 “(3) ENERGY-TRANSITIONING COMMUNITIES.—
 12 For purposes of paragraph (2)(A)—

13 “(A) IN GENERAL.—The term ‘energy-
 14 transitioning communities’ means those nomi-
 15 nated areas where the Secretary of Labor, in
 16 consultation with the Secretary of Energy, de-
 17 termines there is a high concentration of jobs in
 18 industries or at facilities directly affected by an
 19 energy source transition.

20 “(B) ENERGY SOURCE TRANSITION.—For
 21 purposes of subparagraph (A), the term ‘energy
 22 source transition’ means—

23 “(i) a situation in which the occur-
 24 rence of a shift from the use of a type of
 25 fossil fuel to use of other sources of energy

1 is followed by the closing of a facility, or
2 layoff of employees at a facility, that
3 mines, extracts, produces, processes, or
4 utilizes fossil fuels to generate electricity,
5 and

6 “(ii) another situation as determined
7 by the Secretary of Labor, in consultation
8 with the Secretary of Energy, which is in-
9 dicative of new demands or burdens on af-
10 fected employees or employees in affected
11 industries due to a significant change in
12 the source of energy used by the facility or
13 industry involved.

14 “(4) ELIGIBILITY CRITERIA.—A nominated
15 area shall be eligible for designation under this sub-
16 section only if it meets the requirements of section
17 1392(a)(1) and subparagraphs (A), (B), and (C) of
18 section 1392(a)(3).

19 “(c) PERIOD FOR WHICH DESIGNATION IS IN EF-
20 FECT.—Any designation of an area as a community eco-
21 nomic assistance zone shall remain in effect during the
22 period beginning on January 1, 2017, and ending on the
23 date that is 5 years after the latest designation of such
24 area as a community economic assistance zone.

1 “(C) without respect to subsection
2 (d)(1)(B) thereof.

3 “(2) QUALIFIED ZONE EMPLOYER.—For pur-
4 poses of paragraph (1), with respect to a taxable
5 year, the term ‘qualified employer’ means any em-
6 ployer other than an excepted taxpayer described in
7 subsection (g).

8 “(b) INCREASE IN EXPENSING UNDER SECTION
9 179.—

10 “(1) IN GENERAL.—Section 1397A shall be ap-
11 plied—

12 “(A) by treating any reference to an em-
13 powerment zone as a reference to a community
14 economic assistance zone,

15 “(B) by treating any reference to an enter-
16 prise zone business as a reference to a commu-
17 nity economic assistance zone business,

18 “(C) by treating any reference to qualified
19 zone property as a reference to qualified com-
20 munity economic assistance zone property, and

21 “(D) by substituting ‘20 percent of such
22 limitation’ for ‘\$35,000’ in subsection (a)(1)(A)
23 thereof.

24 “(2) COMMUNITY ECONOMIC ASSISTANCE ZONE
25 BUSINESS.—For purposes of this subsection, the

1 term ‘community economic assistance zone business’
 2 means—

3 “(A) any business entity, and

4 “(B) any proprietorship,

5 other than an excepted taxpayer described in sub-
 6 section (g), which would be a qualified business enti-
 7 ty (as defined in section 1397C(b)) or a qualified
 8 proprietorship (as defined in section 1397C(c)) if
 9 section 1397C were applied by substituting ‘commu-
 10 nity economic assistance zone’ for ‘empowerment
 11 zone’ each place it appears.

12 “(c) NONRECOGNITION OF GAIN ON ROLLOVER OF
 13 COMMUNITY ECONOMIC ASSISTANCE ZONE INVEST-
 14 MENTS.—

15 “(1) IN GENERAL.—In the case of any sale of
 16 a qualified community economic assistance zone
 17 asset held by the taxpayer for more than 1 year and
 18 with respect to which such taxpayer elects the appli-
 19 cation of this subsection, gain from such sale shall
 20 be recognized only to the extent that the amount re-
 21 alized on such sale exceeds—

22 “(A) the cost of any qualified community
 23 economic assistance zone asset (with respect to
 24 the same zone as the asset sold) purchased by

1 the taxpayer during the 60-day period begin-
2 ning on the date of such sale, reduced by

3 “(B) any portion of such cost previously
4 taken into account under this subsection.

5 “(2) DEFINITIONS AND SPECIAL RULES.—For
6 purposes of this subsection—

7 “(A) QUALIFIED COMMUNITY ECONOMIC
8 ASSISTANCE ZONE ASSET.—The term ‘qualified
9 community economic assistance zone asset’
10 means any property which would be a qualified
11 community asset (as defined in section
12 1400F(b)) if in section 1400F(b)—

13 “(i) ‘after December 31, 2016’ were
14 substituted for ‘after December 31, 2001,
15 and before January 1, 2010’ each place it
16 appears,

17 “(ii) ‘after December 31, 2016’ were
18 substituted for ‘before January 1, 2010’ in
19 paragraph (4)(B)(i) thereof,

20 “(iii) references to community eco-
21 nomic assistance zone businesses (as de-
22 fined in subsection (b)(2) of this section)
23 were substituted for references to renewal
24 community businesses, and

1 “(iv) references to community eco-
2 nomic assistance zones were substituted
3 for references to renewal communities.

4 “(B) OTHER RULES.—The rules of para-
5 graphs (2), (3), (4), and (5) of section
6 1397B(b) shall apply—

7 “(i) by treating any reference to an
8 enterprise zone business as a reference to
9 a community economic assistance zone
10 business (as defined in subsection (b)(2)),

11 “(ii) by treating any reference to a
12 qualified empowerment zone asset as a ref-
13 erence to a qualified community economic
14 assistance zone asset, and

15 “(iii) by treating any reference to sub-
16 section (a) of section 1397B as a reference
17 to paragraph (1) of this subsection.

18 “(3) EXCEPTED TAXPAYERS.—Paragraph (1)
19 shall not apply in the case of an excepted taxpayer
20 described in subsection (g).

21 “(d) 3-YEAR CARRYBACK OF NET OPERATING
22 LOSSES.—

23 “(1) IN GENERAL.—If a portion of any net op-
24 erating loss of a taxpayer for any taxable year is a
25 qualified community economic assistance zone loss,

1 section 172(b)(1) shall be applied with respect to
2 such portion—

3 “(A) by substituting ‘3 taxable years’ for
4 ‘2 taxable years’ in subparagraph (A)(i), and

5 “(B) by not taking such portion into ac-
6 count in determining any eligible loss of the
7 taxpayer under subparagraph (E) thereof for
8 the taxable year.

9 “(2) QUALIFIED COMMUNITY ECONOMIC AS-
10 SISTANCE ZONE LOSS.—For purposes of paragraph
11 (1), the term ‘qualified community economic assist-
12 ance zone loss’ means the portion of the net oper-
13 ating loss (as defined in section 172(c)) for the tax-
14 able year which is attributable to deductions arising
15 from—

16 “(A) losses in a community economic as-
17 sistance zone,

18 “(B) expenses paid or incurred within a
19 community economic assistance zone, and

20 “(C) expenses paid or incurred with re-
21 spect to property placed in service in a commu-
22 nity economic assistance zone,

23 during either the taxable year in which the designa-
24 tion of such zone goes into effect under section

1 1397G or the immediately succeeding taxable year,
2 whichever is elected by the taxpayer.

3 “(3) EXCEPTED TAXPAYERS.—Paragraph (1)
4 shall not apply in the case of an excepted taxpayer
5 described in subsection (g).

6 “(e) CREDIT TO HOLDERS OF COMMUNITY ECO-
7 NOMIC SUPPORT BONDS.—

8 “(1) IN GENERAL.—With respect to a taxpayer
9 holding a community economic support bond, such
10 bond shall be treated in the same manner as a Gulf
11 tax credit bond under section 1400N(l), applied—

12 “(A) by substituting ‘community economic
13 support bond’ for ‘Gulf tax credit bond’ each
14 place it appears in paragraphs (1), (2), (3), and
15 (7) thereof, and

16 “(B) without regard to paragraphs (4) and
17 (5) thereof.

18 “(2) COMMUNITY ECONOMIC SUPPORT BOND.—
19 For purposes of this subsection—

20 “(A) IN GENERAL.—The term ‘community
21 economic support bond’ means any bond issued
22 as part of an issue if—

23 “(i) the bond is issued by a State in
24 which a community economic assistance

1 area (as defined in section 45D(f)(3)(B))
2 is located,

3 “(ii) 95 percent or more of the pro-
4 ceeds of such issue are to be used in ac-
5 cordance with the priorities outlined in the
6 community economic development plan ap-
7 proved under section 6 of the Community
8 Economic Assistance Act of 2017 to imple-
9 ment the strategies and objectives under
10 such plan described in section 6(3) of such
11 Act,

12 “(iii) the Governor of such State des-
13 ignates such bond for purposes of this sub-
14 section,

15 “(iv) the bond is a general obligation
16 of such State and is in registered form
17 (within the meaning of section 149(a)),

18 “(v) the maturity of such bond does
19 not exceed 15 years, and

20 “(vi) the bond is issued after the des-
21 ignation of such zone goes into effect
22 under section 1397G, and before such des-
23 ignation ends under section 1397G(c).

24 “(B) AGGREGATE LIMIT ON BOND DES-
25 IGNATIONS.—The maximum aggregate face

1 amount of bonds which may be designated
2 under this subsection by the Governor of a
3 State shall not exceed \$100,000,000 per com-
4 munity economic assistance area located in the
5 State.

6 “(C) SPECIAL RULES RELATING TO ARBI-
7 TRAGE.—A bond which is part of an issue shall
8 not be treated as a community economic sup-
9 port bond unless, with respect to the issue of
10 which the bond is a part, the issuer satisfies the
11 arbitrage requirements of section 148 with re-
12 spect to proceeds of the issue and any loans
13 made with such proceeds.

14 “(3) EXCEPTED TAXPAYERS.—Paragraph (1)
15 shall not apply in the case of an excepted taxpayer
16 described in subsection (g).

17 “(f) QUALIFIED COMMUNITY ECONOMIC ASSISTANCE
18 ZONE PROPERTY.—For purposes of this section, the term
19 ‘qualified community economic assistance zone property’
20 means any property which would be qualified zone prop-
21 erty for purposes of section 1397D if such section were
22 applied by substituting ‘community economic assistance
23 zone’ for ‘empowerment zone’ each place it appears.

1 “(g) TAXPAYERS EXCEPTED.—With respect to any
2 community economic assistance zone, an excepted tax-
3 payer described in this subsection is—

4 “(1) an entity that operates a facility in such
5 zone with respect to which a notice under section 3
6 of the Worker Adjustment and Retraining Notifica-
7 tion Act (29 U.S.C. 2102) was issued, if such notice
8 caused the region to be designated as such a zone,
9 and

10 “(2) any entity that would be treated as a sin-
11 gle employer with such an entity under the rules of
12 subsection (a) or (b) of section 52 or subsection (m)
13 or (o) of section 414.”.

14 (b) CLERICAL AMENDMENT.—The table of sub-
15 chapters for chapter 1 of the Internal Revenue Code of
16 1986 is amended by inserting after the item relating to
17 subchapter U the following new item:

 “SUBCHAPTER U-1—COMMUNITY ECONOMIC ASSISTANCE ZONES”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2016.

1 **SEC. 3. 15-YEAR DEPRECIATION FOR CERTAIN REBUILT**
2 **AND RETROFITTED COMMUNITY ECONOMIC**
3 **ASSISTANCE ZONE PROPERTY.**

4 (a) IN GENERAL.—Subparagraph (E) of section
5 168(e)(3) of the Internal Revenue Code of 1986 is amend-
6 ed—

7 (1) by striking “and” at the end of clause (viii),

8 (2) by striking the period at the end of clause
9 (ix) and inserting “, and”, and

10 (3) by adding at the end the following new
11 clause:

12 “(x) any qualified rebuilt or retro-
13 fitted community economic assistance zone
14 property.”.

15 (b) QUALIFIED REBUILT OR RETROFITTED COMMU-
16 NITY ECONOMIC ASSISTANCE ZONE PROPERTY.—Sub-
17 section (e) of section 168 of the Internal Revenue Code
18 of 1986 is amended by adding at the end the following
19 new paragraph:

20 “(9) QUALIFIED REBUILT OR RETROFITTED
21 COMMUNITY ECONOMIC ASSISTANCE ZONE PROP-
22 ERTY.—

23 “(A) IN GENERAL.—The term ‘qualified
24 rebuilt or retrofitted community economic as-
25 sistance zone property’ means property placed
26 in service in a community economic assistance

1 zone by a qualified taxpayer during the period
 2 the designation of such zone is in effect under
 3 section 1397G which relates to the rebuilding or
 4 retrofitting of—

5 “(i) any qualified community eco-
 6 nomic assistance zone property (as defined
 7 in section 1397H(f)), and

8 “(ii) any residential real property lo-
 9 cated in a community economic assistance
 10 zone which is acquired by the taxpayer by
 11 purchase (as defined in section 179(d)(2))
 12 during such period,

13 if such property was unoccupied and had been
 14 deemed condemned, neglected, or derelict as of
 15 the time of acquisition by the taxpayer.

16 “(B) QUALIFIED TAXPAYER.—For pur-
 17 poses of this paragraph, the term ‘qualified tax-
 18 payer’ means a taxpayer other than an excepted
 19 taxpayer (within the meaning of section
 20 1397H(g)).”.

21 **SEC. 4. INCREASE IN START-UP EXPENDITURES FOR COM-**
 22 **MUNITY ECONOMIC ASSISTANCE ZONE BUSI-**
 23 **NESSES.**

24 Paragraph (3) of section 195(b) of the Internal Rev-
 25 enue Code of 1986 is amended to read as follows:

1 “(3) SPECIAL RULE FOR COMMUNITY ECO-
2 NOMIC ASSISTANCE ZONE BUSINESSES.—In the case
3 of any start-up expenditures made within a commu-
4 nity economic assistance zone during the period the
5 designation of such zone is in effect under section
6 1397G—

7 “(A) such expenditures shall be treated
8 separately from other start-up expenditures of
9 the taxpayer for the taxable year, and

10 “(B) in determining the deduction under
11 paragraph (1) with respect to such expenditures
12 within such zone, paragraph (1)(A)(ii) shall be
13 applied—

14 “(i) by substituting ‘\$30,000’ for
15 ‘\$5,000’, and

16 “(ii) by substituting ‘\$120,000’ for
17 ‘\$50,000’.”.

18 **SEC. 5. INCREASE IN NEW MARKETS TAX CREDIT DESIGNA-**
19 **TION FOR COMMUNITY ECONOMIC ASSIST-**
20 **ANCE ZONES.**

21 Subsection (f) of section 45D of the Internal Revenue
22 Code of 1986 is amended—

23 (1) by striking “The limitation” in paragraph
24 (2) and inserting “Except as provided in paragraph
25 (3), the limitation”,

1 (2) by redesignating paragraph (3) as para-
2 graph (4),

3 (3) by inserting after paragraph (2) the fol-
4 lowing new paragraph:

5 “(3) ALLOCATION OF LIMITATION FOR CAL-
6 ENDAR YEARS AFTER 2016.—

7 “(A) IN GENERAL.—In the case of any cal-
8 endar year described in paragraph (1)(G) be-
9 ginning after December 31, 2016, the limitation
10 under paragraph (1) shall be increased by
11 \$500,000,000, and such increase shall be allo-
12 cated as provided in paragraph (2) among
13 qualified community development entities lo-
14 cated in community economic assistance areas.

15 “(B) COMMUNITY ECONOMIC ASSISTANCE
16 AREA.—For purposes of subparagraph (A), the
17 term ‘community economic assistance area’
18 means an area which—

19 “(i) is a community economic assist-
20 ance zone, and

21 “(ii) has a community economic devel-
22 opment plan approved under section 6 of
23 the Community Economic Assistance Act
24 of 2017.

1 “(C) USE OF INCREASE.—Any amount of
2 such increase which is so allocated to such an
3 entity shall be used only in accordance with the
4 priorities outlined in such community economic
5 development plan to implement the strategies
6 and objectives under such plan described in sec-
7 tion 6(3) of Community Economic Assistance
8 Act of 2017.”,

9 (4) by striking “paragraph (2)” in paragraph
10 (4), as so redesignated, and inserting “paragraph
11 (2) or (3)”, and

12 (5) by striking the second sentence of para-
13 graph (4), as so redesignated, and inserting the fol-
14 lowing: “Any carryover under the preceding sentence
15 of an amount allocated under paragraph (3) shall be
16 allocated first among qualified community develop-
17 ment entities located in community economic assist-
18 ance areas, and may then be allocated among any
19 qualified community development entities selected by
20 the Secretary under paragraph (2). No amount may
21 be carried under the preceding sentences to any cal-
22 endar year after 2024.”.

1 **SEC. 6. APPROVAL OF COMMUNITY ECONOMIC DEVELOP-**
2 **MENT PLANS.**

3 A community economic development plan for a region
4 shall be considered approved under this section if each of
5 the following criteria are satisfied:

6 (1) The plan is submitted to the Secretary of
7 the Treasury in such form, and containing such in-
8 formation, as the Secretary may require.

9 (2) The plan contains a certification that the
10 plan was developed and approved through a process
11 that included participation from the following:

12 (A) State, Indian tribal, and local govern-
13 ments and agencies or instrumentalities of
14 State, Indian tribal, and local governments.

15 (B) State planning boards, workforce in-
16 vestment boards, chambers of commerce, and
17 economic development organizations, if relevant.

18 (C) Local businesses.

19 (D) Labor and health organizations.

20 (E) Public school systems and institutions
21 of higher education (as defined in section 101
22 of the Higher Education Act of 1965 (20
23 U.S.C. 1001)).

24 (F) Religious and other community-based
25 groups in the region, including those that pro-

1 vide assistance to the workers of the region and
2 the families of the workers.

3 (G) Other public community institutions,
4 such as library and park systems.

5 (H) Members of the public, including un-
6 employed or soon to be unemployed workers.

7 (3) The Secretary determines that the plan—

8 (A) ascertains the severity of an antici-
9 pated or existing economic dislocation of the re-
10 gion, including consideration of measures of un-
11 employment rates and employment opportuni-
12 ties;

13 (B) assesses the capacity of the region to
14 respond to such economic dislocation and the
15 needs of the region, as the region undertakes
16 economic advancement or adjustment, including
17 with respect to—

18 (i) the diversity of industries in the
19 region;

20 (ii) the skills of the labor force in the
21 region;

22 (iii) the condition of the labor market
23 of the region;

24 (iv) the availability of financial re-
25 sources in the region;

1 (v) the quality and availability of edu-
2 cational facilities, including 2-year institu-
3 tions of higher education and vocational in-
4 stitutions, that serve the region; and

5 (vi) the infrastructure of the region;

6 (C) includes a plan to use a local workforce
7 and, when necessary, to train a local workforce;

8 (D) addresses the need of the region to at-
9 tract investment, create jobs, increase wages,
10 improve educational opportunities, and expand
11 the availability of broadband Internet access;

12 (E) leverages the region's economic
13 strengths and outlines targeted investments to
14 develop competitive advantages to execute the
15 objectives outlined, including a plan to utilize a
16 local workforce and recently dislocated workers
17 and, when necessary, train a local workforce;

18 (F) is the result of collaboration across a
19 wide range of stakeholders;

20 (G) outlines a strategy which connects the
21 region to drivers of regional economic growth;

22 (H) proposes a strategy for focusing on in-
23 creased access to high quality, affordable, stable
24 housing and improved public safety; and

1 (I) discusses the anticipated benefits exe-
2 cution of the plan will deliver for community in-
3 tegration, safety, employment outcomes, and
4 home weatherization and energy efficiency, and
5 the expected contribution of the project to the
6 inclusion of individuals with disabilities.

7 **SEC. 7. GRANTS TO CARRY OUT ASSESSMENTS REQUIRED**
8 **FOR DEVELOPMENT OF COMMUNITY ECO-**
9 **NOMIC DEVELOPMENT PLANS.**

10 (a) IN GENERAL.—The Secretary of the Treasury
11 may award a grant to an eligible entity involved in the
12 development of a community economic development plan
13 described in section 6 to carry out such assessments and
14 other activities as may be required for the plan to meet
15 the requirements of section 6(3).

16 (b) ELIGIBLE ENTITIES.—For purposes of this sec-
17 tion, an eligible entity is a local or Indian tribal govern-
18 ment or an agency or instrumentality of such a govern-
19 ment.

20 (c) GRANT AMOUNT.—The Secretary may not award
21 a grant under this section in excess of \$1,000,000.

22 (d) MATCHING REQUIREMENT.—

23 (1) IN GENERAL.—An eligible entity receiving a
24 grant under this section shall provide non-Federal

1 matching funds equal to not less than 20 percent of
2 the amount of the grant.

3 (2) IN-KIND SUPPORT.—Matching funds may
4 include in-kind support.

5 **SEC. 8. FEDERAL ECONOMIC SUPPORT TEAM.**

6 (a) DEPLOYMENT REQUIRED.—The Secretary of
7 Commerce shall deploy a targeted investment generating
8 economic recovery team to a region to provide support and
9 assistance to such region if—

10 (1) the Governor of the State requests such de-
11 ployment; and

12 (2) the Secretary of Commerce determines that
13 the region is experiencing an actual or threatened
14 abrupt rise of unemployment or economic hardship
15 due to the closing or curtailment of a major source
16 of employment, significant industry transition, or
17 other mitigating economic factors, including inter-
18 national trade.

19 (b) SUPPORT AND ASSISTANCE.—

20 (1) DEVELOPMENT OF ECONOMIC RECOVERY
21 AND EMPLOYMENT PLAN.—In providing support and
22 assistance to a region under subsection (a), a tar-
23 geted investment generating economic recovery team
24 shall work in coordination with a State or regional
25 economic development and workforce agency and the

1 Rapid Response team of the Department of Labor to
2 assist in the development of an economic recovery
3 and employment plan for the region, including by
4 identifying grants, sources of State and Federal
5 funding, and unemployment insurance resources (in-
6 cluding short-time compensation) which may be ben-
7 efiticially utilized in the region.

8 (2) CASES OF FACILITIES SHUTDOWN.—In ad-
9 dition to the support and assistance provided under
10 paragraph (1), in a case in which the actual or
11 threatened abrupt rise of unemployment or economic
12 hardship in the region involves the shutdown of a fa-
13 cility of a business unit, the team shall work in co-
14 ordination with the Administrator of the Small Busi-
15 ness Administration to assess the feasibility and ad-
16 visability of an employee purchase of such business
17 unit.

18 (3) COORDINATION.—In addition to the support
19 and assistance provided by a team under paragraph
20 (1) to a region, the team, in coordination with the
21 Secretary of Labor, shall—

22 (A) coordinate the activities of all Federal
23 agencies relating to the provision of assistance
24 to the region in response to the actual or
25 threatened abrupt rise of unemployment or eco-

1 nomic hardship referred to in subsection (a)(2);
2 and

3 (B) act as a liaison between the region and
4 all Federal agencies providing assistance in re-
5 sponse to such actual or threatened abrupt rise
6 of unemployment or economic hardship, includ-
7 ing, as the case may be, the following:

8 (i) The Department of Agriculture.

9 (ii) The Department of Commerce.

10 (iii) The Department of Defense.

11 (iv) The Department of Education.

12 (v) The Department of Energy.

13 (vi) The Department of Health and
14 Human Services.

15 (vii) The Department of Housing and
16 Urban Development.

17 (viii) The Department of Labor.

18 (ix) The Department of Transpor-
19 tation.

20 (x) The Department of the Treasury.

21 (xi) The National Economic Council.

22 (xii) The Small Business Administra-
23 tion.

- 1 (xiii) The Department of Veterans Af-
- 2 fairs.

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