

103^D CONGRESS
1ST SESSION

H. R. 2191

To authorize the Secretary of Housing and Urban Development to carry out a demonstration program to make grants to community development corporations for reducing interest rates on loans for economic development activities in 5 federally designated enterprise zones.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1993

Mr. TRAFICANT (for himself, Mr. APPLGATE, Mr. FRANK of Massachusetts, Mr. McCLOSKEY, Mr. STRICKLAND, Mr. FILNER, and Mr. BLACKWELL) introduced the following bill; which was referred to the Committee on Banking, Finance and Urban Affairs

A BILL

To authorize the Secretary of Housing and Urban Development to carry out a demonstration program to make grants to community development corporations for reducing interest rates on loans for economic development activities in 5 federally designated enterprise zones.

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 “Economic Development
5 Loan Assistance Demonstration Program Act of 1993”.

1 **SEC. 2. ESTABLISHMENT AND SCOPE OF DEMONSTRATION**
2 **PROGRAM.**

3 (a) ESTABLISHMENT.—The Secretary of Housing
4 and Urban Development shall carry out a program to
5 demonstrate the effectiveness of encouraging economic de-
6 velopment in enterprise zones by making grants to com-
7 munity development corporations for reducing interest
8 rates on loans for economic development activities in the
9 enterprise zones.

10 (b) SELECTION OF ENTERPRISE ZONES.—

11 (1) NUMBER.—The Secretary shall carry out
12 the demonstration program under this Act with re-
13 spect to 5 enterprise zones, which the Secretary
14 shall select not later than the expiration of the 30-
15 day period beginning on the date the termination of
16 the period referred to in section 701(a)(4)(B) of the
17 Housing and Community Development Act of 1987.

18 (2) DIVERSITY.—Of the enterprise zones se-
19 lected under this subsection, not less than 2 shall be
20 located in rural areas (as described in section
21 701(a)(2)(B) of the Housing and Community Devel-
22 opment Act of 1987) and not less than 2 shall be
23 located in metropolitan statistical areas (as des-
24 ignated by the Director of the Office of Management
25 and Budget). In selecting the enterprise zones, the
26 Secretary shall provide for national geographic diver-

1 (2) take any actions necessary to inform busi-
2 nesses and nonprofit organizations of the availability
3 of such loans, including holding informational meet-
4 ings, making public announcements, and placing no-
5 tices in newspapers and other publications.

6 **SEC. 4. MONITORING.**

7 The Secretary shall monitor the use of grants made
8 under this Act and the costs of administering such grants.

9 **SEC. 5. REPORTS AND STUDY.**

10 (a) ANNUAL REPORT.—The Secretary shall submit
11 to the Congress, not later than 1 year after the date that
12 amounts to carry out this Act are first made available
13 under appropriations Acts and for each year thereafter in
14 which amounts are available to carry out the demonstra-
15 tion program, a report containing an evaluation of the
16 effectiveness of grants made under the demonstration
17 program.

18 (b) STUDY AND REPORT ON EXPANDED PROGRAM.—

19 (1) STUDY.—The Secretary shall conduct a
20 study regarding the effects and costs of carrying out
21 a long-term and expanded program of making grants
22 for the purposes under this Act. The study shall de-
23 termine the need for such grants and the amount of
24 funds necessary to carry out an effective program of
25 national scope.

1 (2) REPORT.—The Secretary shall submit to
2 the Congress, not later than September 31, 1996, a
3 report regarding the results of the study under para-
4 graph (1) and any recommendations for carrying out
5 a program as described in paragraph (1).

6 **SEC. 6. DEFINITIONS.**

7 For the purposes of this Act:

8 (1) ECONOMIC DEVELOPMENT ACTIVITIES.—
9 The term “economic development activities” means
10 the construction and rehabilitation of housing, down-
11 town and neighborhood commercial revitalization, in-
12 dustrial development and redevelopment, small and
13 minority business assistance, neighborhood market-
14 ing, training, and technical assistance, research and
15 planning for nonprofit development groups, and
16 other activities which create permanent private sec-
17 tor jobs.

18 (2) ENTERPRISE ZONE.—The term “enterprise
19 zone” means an area that is designated as an enter-
20 prise zone under section 701 of the Housing and
21 Community Development Act of 1987.

22 (3) SECRETARY.—The term “Secretary” means
23 the Secretary of Housing and Urban Development.

1 **SEC. 7. AUTHORIZATION OF APPROPRIATIONS.**

2 There is authorized to be appropriated to carry out
3 this Act in fiscal years 1994, 1995, and 1996 a total of
4 \$100,000,000.

5 **SEC. 8. REGULATIONS.**

6 The Secretary may issue any regulations necessary
7 to carry out this Act.

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