

109TH CONGRESS  
1ST SESSION

# H. R. 2683

To increase the expertise and capacity of community-based organizations involved in economic development activities and key community development programs.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 26, 2005

Mrs. JONES of Ohio (for herself, Mr. TIBERI, Mr. GRIJALVA, Mr. BLUMENAUER, Mr. MCINTYRE, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. OWENS, Mr. KILDEE, Ms. CARSON, Ms. SCHAKOWSKY, and Mr. BROWN of Ohio) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To increase the expertise and capacity of community-based organizations involved in economic development activities and key community development programs.

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 Development Expertise Enhancement Act of 2005”.

# **TITLE I—EXPERTISE ENHANCEMENT**

## **SEC. 101. FINDINGS AND PURPOSES.**

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) there are a multitude of community economic development programs that the Federal Government successfully administers that help many of the Nation’s most economically distressed areas revitalize their physical and economic structures and provide support to small and medium-sized businesses to help them grow and generate long-term jobs and economic opportunity;

(2) there are many nonprofit, nongovernmental, community-based economic development organizations, including faith-based organizations, that have successfully operated community economic development programs that create jobs, build homes, and revitalize local markets;

(3) existing Federal community economic development programs are intended to leverage private sector investment as part of an overall community development effort;

(4) existing Federal community economic development programs connect residents of distressed

1 neighborhoods to jobs and opportunities of the re-  
2 gional marketplace, thereby replacing economic dis-  
3 tress with opportunity;

4 (5) existing Federal community economic devel-  
5 opment programs provide financial assistance, in-  
6 cluding tax credits and loan guarantees, involve pri-  
7 vate investment institutions and universities, and  
8 provide technical expertise for small businesses;

9 (6) existing Federal community economic devel-  
10 opment programs build upon ongoing efforts to en-  
11 courage economic growth in distressed communities,  
12 helping to create new affordable housing opportuni-  
13 ties, allowing communities to address important pub-  
14 lic safety, access to capital, infrastructure, and envi-  
15 ronmental concerns, and providing social services in-  
16 cluding affordable health care, transportation, child  
17 care, and youth development;

18 (7) the continuing success of Federal commu-  
19 nity economic development programs will depend in  
20 great measure upon the ability of community-based  
21 organizations and private sector institutions to form  
22 partnerships that connect residents of distressed  
23 neighborhoods to jobs and other opportunities;

24 (8) the Federal Government administers various  
25 programs that employ the services and capabilities

1 of community-based organizations to deliver a wide  
2 range of services to residents of distressed commu-  
3 nities;

4 (9) Federal community economic development  
5 programs help achieve lasting improvement and en-  
6 hance domestic prosperity by the establishment of  
7 stable and diversified local economies, sustainable  
8 development, and improved local conditions;

9 (10) there is a need for greater cooperation be-  
10 tween the Federal Government, States, and other  
11 entities to ensure that, consistent with national com-  
12 munity economic development objectives, Federal  
13 programs are compatible with, and further the objec-  
14 tives of, State, regional, and local economic develop-  
15 ment plans and comprehensive economic develop-  
16 ment strategies;

17 (11) while economic development is an inher-  
18 ently local process, the Federal Government should  
19 work in closer partnership with community-based  
20 economic development organizations to ensure that  
21 existing resources are fully utilized and all Ameri-  
22 cans have an opportunity to participate in the eco-  
23 nomic growth of the United States; and

(12) extending technical assistance to community-based economic development organizations may be necessary or desirable to—

(A) alleviate economic distress;

(B) encourage and support public-private partnerships for the formation and improvement of economic development strategies that promote the growth of the national economy;

(C) stimulate modernization and technological advances in the generation and commercialization of goods and services; and

(D) enhance the effectiveness of United States companies in the global economy.

(b) PURPOSES.—The purposes of this title are—

(1) to provide a new source of Federal funding to enhance the capabilities of nonprofit, nongovernmental, community-based economic development organizations, or collaborations of such organizations, to leverage private sector investment in low income, renewal communities, enterprise communities, and empowerment zones as part of an overall community development strategy;

(2) to establish educational programs for nonprofit, nongovernmental, community-based organiza-

1        tions to expand their project development capabili-  
2        ties;

3            (3) to increase the use of tax incentives to le-  
4        verage private sector investment in community eco-  
5        nomic development projects;

6            (4) to promote and facilitate investments in  
7        community-based economic development projects  
8        from traditional and nontraditional capital sources;

9            (5) to encourage partnerships between commu-  
10       nity-based organizations that will expand and en-  
11       hance the expertise of emerging such nonprofit, non-  
12       governmental organizations in utilizing private sec-  
13       tor investment as part of their comprehensive com-  
14       munity development strategies; and

15           (6) to ensure that viable community economic  
16       development projects are successfully pursued  
17       throughout the United States in communities having  
18       a wide range of economic, geographic, and social  
19       characteristics.

1 **SEC. 102. GRANTS TO INCREASE CAPACITY AND EXPERTISE**  
2 **OF NONPROFIT, NONGOVERNMENTAL COM-**  
3 **MUNITY-BASED ORGANIZATIONS INVOLVED**  
4 **IN COMMUNITY ECONOMIC DEVELOPMENT**  
5 **ACTIVITIES.**

6 (a) GRANT AUTHORITY.—The Secretary of Housing  
7 and Urban Development may make grants under this sec-  
8 tion only to eligible community-based economic develop-  
9 ment organizations only for the purposes under subsection  
10 (c).

11 (b) ELIGIBLE COMMUNITY-BASED ECONOMIC DE-  
12 VELOPMENT ORGANIZATIONS.—For purposes of this sec-  
13 tion, the term “eligible community-based economic devel-  
14 opment organization” means a community-based economic  
15 development organization (as such term is defined under  
16 section 7), or a collaboration of such organizations (such  
17 as city or state community economic development associa-  
18 tions), that demonstrates management capacity by meet-  
19 ing, as determined by the Secretary, two or more of the  
20 following requirements:

21 (1) AFFORDABLE HOUSING.—Having completed  
22 construction of 10 or more dwelling units of afford-  
23 able housing.

24 (2) FACILITIES.—Having completed construc-  
25 tion of a commercial, industrial, retail, or commu-  
26 nity facility project.

1           (3) PARTNERING.—Partnering, or having a his-  
2           tory of partnering, with community-based economic  
3           development organizations to provide training, edu-  
4           cation, capacity, technical assistance, or other men-  
5           toring services.

6           (4) SUPPORT OF EMERGING ORGANIZATIONS.—  
7           Exhibiting willingness to form operational partner-  
8           ships and execute contractual agreements with  
9           emerging community-based economic development  
10          organizations.

11          (5) OWNERSHIP OF ASSETS.—Having owner-  
12          ship of tangible assets the value of which are equal  
13          to or exceed the value of the grant requested under  
14          this section.

15          (c) USE OF FUNDS.—

16               (1) PURPOSES.—Amounts from grants under  
17               this section may be used only for the following pur-  
18               poses:

19                       (A) SALARIES AND ADMINISTRATIVE EX-  
20                       PENSES.—For salaries or administrative ex-  
21                       penses of the grantee or an emerging commu-  
22                       nity-based economic development organization  
23                       that is undertaking a community economic de-  
24                       velopment project.



1 (B) TECHNICAL ASSISTANCE.—To provide  
2 technical assistance to an emerging community-  
3 based economic development organization that  
4 is undertaking a community economic develop-  
5 ment project.

6 (C) TRAINING AND RESEARCH.—Through  
7 subgrants pursuant to paragraph (2), for train-  
8 ing, research, and technical assistance relating  
9 to community economic development, including  
10 subgrants for program evaluation and economic  
11 impact analyses.

12 (2) EXPENDITURE.—Amounts from grants  
13 under this section may be used directly by the eligi-  
14 ble community-based economic development organi-  
15 zation receiving the grant or redistributed by such  
16 recipient to other nonprofit, nongovernmental enti-  
17 ties in grants, loans, loan guarantees, payments to  
18 reduce interest on loan guarantees, or other appro-  
19 priate assistance, except that a recipient may not  
20 provide any such assistance from grant amounts to  
21 a private, for-profit entity.

22 (d) SELECTION CRITERIA.—The Secretary shall issue  
23 rules, guidelines, and procedures to provide for the selec-  
24 tion of eligible community-based economic development or-  
25 ganizations for grants under this section, based upon a

1 determination of the relative effectiveness of such organi-  
2 zations in carrying out the purposes of this title. Such  
3 rules, guidelines, and procedures shall provide for consid-  
4 eration of the following factors:

5           (1) The number of such organizations eligible  
6           to receive assistance under existing programs other  
7           than this section.

8           (2) The extent to which grant amounts pro-  
9           vided under this section will enhance the capabilities  
10          of community-based economic development organiza-  
11          tions in underserved States and localities.

12          (3) The extent to which an eligible community-  
13          based economic development organization applying  
14          for a grant does not have access to other traditional  
15          local financial sources.

16          (4) The extent to which such an organization  
17          represents nonprofit, nongovernmental organizations  
18          that serve low-income communities and persons.

19          (5) The extent to which such an organization  
20          will implement a plan to become financially sustain-  
21          able.

22          (e) AMOUNT.—A grant under this section to a single  
23          grantee shall be in an amount that is not less than  
24          \$250,000 and does not exceed \$1,000,000.

1       (f) PROHIBITION OF MATCHING FUNDS REQUIRE-  
2 MENT.—The Secretary may not require a grantee under  
3 this section to provide amounts from sources other than  
4 this section to fund the specific activities to be carried out  
5 with grant amounts under this section.

6       (g) ELIGIBILITY FOR COMMUNITY REINVESTMENT  
7 ACT CREDITS.—In assessing and taking into account,  
8 under section 804(a) of the Community Reinvestment Act  
9 of 1977, the record of any regulated financial institution,  
10 the appropriate Federal financial supervisory agency (as  
11 defined in section 803(1) of such Act) may consider as  
12 a factor investments in community economic development  
13 projects of eligible community-based economic develop-  
14 ment organizations in determining whether the institution  
15 is meeting the credit needs of its community for purposes  
16 of such section 804(a).

17       (h) AUTHORIZATION OF APPROPRIATIONS.—

18               (1) IN GENERAL.—There are authorized to be  
19 appropriated for grants under this section  
20 \$75,000,000 for each of fiscal years 2006, 2007,  
21 and 2008.

22               (2) SET-ASIDE FOR TECHNICAL ASSISTANCE  
23 AND TRAINING.—Of the amount made available  
24 under this title for each fiscal year, \$10,000,000  
25 shall be available only for technical assistance and

1 training activities, to be conducted by national com-  
2 munity development organizations, state community  
3 development associations, or city community develop-  
4 ment associations, which have extensive nationwide  
5 partnerships and experience in working with commu-  
6 nity-based economic development organizations, as  
7 authorized by section 4 of the HUD Demonstration  
8 Act of 1993 (42 U.S.C. 9816 note), as in effect im-  
9 mediately before May 1, 2000. Of the amount re-  
10 served for use under this paragraph, not less than  
11 \$4,000,000 shall be used for the support of develop-  
12 ment organizations in rural areas.

13 **SEC. 103. ASSESSMENT OF COMMUNITY-BASED ECONOMIC**  
14 **DEVELOPMENT EXPERTISE.**

15 (a) CAPABILITY STUDY.—The Secretary shall con-  
16 duct a study to assess the capability needs of community-  
17 based economic development organizations, which shall—

18 (1) analyze, evaluate, and recommend processes  
19 to improve the administrative and operational capa-  
20 bilities of such organizations to acceptable levels of  
21 success in support of the role of the Federal Govern-  
22 ment in community economic development; and

23 (2) assess the extent to which federal agencies  
24 can incorporate such organizations into the formula-  
25 tion of the strategic plans of funding agencies and,

1 if the extent or quality of this type of involvement  
2 is satisfactory, can support the role of the Federal  
3 Government in community economic development.

4 The Secretary shall submit a report regarding the results  
5 of the study under this subsection not later than the expi-  
6 ration of the 6-month period beginning on the date of the  
7 enactment of this Act.

8 (b) ANNUAL REPORTS TO CONGRESS.—Not later  
9 than the first March 1 occurring after the end of each  
10 fiscal year for which amounts are made available for  
11 grants under section 3, the Secretary shall submit a report  
12 to the Congress, which shall include—

13 (1) an evaluation of the progress made during  
14 such fiscal year to enhance the administrative and  
15 operational capabilities of community-based eco-  
16 nomic development organizations in support of the  
17 role of the Federal Government in community eco-  
18 nomic development;

19 (2) an assessment of the extent to which Fed-  
20 eral agencies have, during such fiscal year, involved  
21 community-based economic development organiza-  
22 tions in responsibilities for carrying out community  
23 economic development programs administered by the  
24 agencies and delivering services under such pro-

1       grams that enhance the operational capabilities of  
2       the organizations; and

3           (3) a plan for making recommendations for ac-  
4       tions or measures to further involve community-  
5       based economic development organizations in the  
6       strategic operations of Federal agencies in support  
7       of community economic development.

8       (c) FINAL EVALUATION.—The Secretary shall select  
9       an independent entity that has experience with national  
10      community economic development activities, nonprofit  
11      community-based developers, and impact evaluation and  
12      analysis to conduct an evaluation of the impact of the  
13      grant program under section 3. The evaluation shall be  
14      conducted upon the termination of the program. Not later  
15      than 6 months after the conclusion of the last fiscal year  
16      for which amounts are made available for grants under  
17      section 3, the entity conducting the evaluation shall sub-  
18      mit to the Secretary and the Congress a final report re-  
19      garding the evaluation.

20   **SEC. 104. ADVISORY COUNCIL.**

21       (a) ESTABLISHMENT AND DUTIES.—The Secretary  
22      shall establish an advisory council to be known as the Sec-  
23      retary’s Advisory Council on Community Economic Devel-  
24      opment (in this section referred to as the “Advisory Coun-  
25      cil”). The Advisory Council shall make recommendations

1 to the Secretary on carrying out this title, including rec-  
2 ommendations on developing plans under section 4(b)(3)  
3 and reviewing and making recommendations on such plans  
4 that have been developed.

5 (b) MEMBERSHIP.—The Advisory Council shall con-  
6 sist of not less than 19 members, appointed by the Sec-  
7 retary, as follows:

8 (1) EX OFFICIO MEMBERS.—The following  
9 members, who shall serve as nonvoting members:

10 (A) The Secretary of Housing and Urban  
11 Development, or the designee of such Secretary.

12 (B) The Secretary of Health and Human  
13 Services, or the designee of such Secretary.

14 (C) The Assistant Secretary for Economic  
15 Development of the Department of Commerce,  
16 or the designee of the Assistant Secretary.

17 (D) The Administrator of the Community  
18 Development Financial Institutions Fund, or  
19 the designee of the Administrator.

20 (E) The Under Secretary of Agriculture  
21 for Rural Development, or the designee of the  
22 Under Secretary.

23 (2) OTHER MEMBERS.—No fewer than 14  
24 members, who are not officers or employees of the

1 Federal Government, who shall serve as voting mem-  
2 bers:

3 (A) No fewer than 2 individuals who con-  
4 duct research on community economic develop-  
5 ment activities.

6 (B) No fewer than 2 individuals who are  
7 experts in community economic development fi-  
8 nancing.

9 (C) No fewer than 3 individuals who are  
10 publicly elected officials.

11 (D) No fewer than 7 individuals who are  
12 representatives of community-based economic  
13 development organizations that carry out com-  
14 munity economic development activities.

15 (c) TRAVEL EXPENSES.—Members of the Advisory  
16 Council shall not receive any pay by reason of their service  
17 on the Advisory Council, but shall receive travel expenses,  
18 including per diem in lieu of subsistence, in accordance  
19 with sections 5702 and 5703 of title 5, United States  
20 Code.

21 **SEC. 105. COORDINATION WITH PRESIDENT'S ANNUAL**  
22 **BUDGET REQUEST.**

23 The President of the United States shall include, to-  
24 gether with each annual budget of the United States Gov-  
25 ernment required to be submitted under section 1105(a)



1 of title 31, United States Code, a report regarding Federal  
2 financial support for community economic development  
3 that includes—

4 (1) a detailed summary of the total level of  
5 funding committed to community-based economic de-  
6 velopment organizations throughout all Federal  
7 agencies;

8 (2) a statement of projected funding levels for  
9 the grant program under section 102 of this Act for  
10 the upcoming fiscal year and each fiscal year there-  
11 after until 2010, and projected funding levels for fi-  
12 nancial assistance for economic development activi-  
13 ties for each Federal agency that provides such as-  
14 sistance;

15 (3) an identification and analysis of the method  
16 (including grant agreements, procurement contracts,  
17 and cooperative agreements (as such terms are used  
18 in chapter 63 of title 31, United States Code) by  
19 which such financial assistance is provided for each  
20 such economic development activity; and

21 (4) Recommendations for specific activities and  
22 measures to enhance community-based economic de-  
23 velopment capacity building in states having less  
24 concentrated economic and infrastructure resources

1 and to strengthen nationwide community-based eco-  
2 nomic development.

3 **SEC. 106. DEFINITIONS.**

4 For purposes of this title, the following definitions  
5 shall apply:

6 (1) COMMUNITY-BASED ECONOMIC DEVELOP-  
7 MENT ORGANIZATION.—

8 (A) IN GENERAL.—For purposes of this  
9 section, the term “community-based economic  
10 development organization” means a nonprofit,  
11 nongovernmental organization that—

12 (i) has as its primary mission to  
13 serve, or provide investment capital for,  
14 low-income communities and low-income  
15 persons; and

16 (ii)(I) maintains accountability to resi-  
17 dents of low-income communities through  
18 their representation on any governing  
19 board of the organization or on any advi-  
20 sory board to the organization; or

21 (II) maintains accountability to low-  
22 income communities by having a board pri-  
23 marily consisting of leaders of community-  
24 based development organizations from its  
25 region or State on its governing board.

1 (B) NONDISCRIMINATION AGAINST FAITH-  
2 BASED ORGANIZATIONS.—Such term shall in-  
3 clude any faith-based organization that complies  
4 with the requirements under clauses (i) and (ii)  
5 of subparagraph (A).

6 (C) TREATMENT OF COMMUNITY DEVEL-  
7 OPMENT FINANCIAL INSTITUTIONS.—The re-  
8 quirements of subparagraph (A) shall be treat-  
9 ed as met by any community development fi-  
10 nancial institution (as such term is defined in  
11 section 103 of the Community Development  
12 Banking and Financial Institutions Act of 1994  
13 (12 U.S.C. 4702).

14 (2) COMMUNITY ECONOMIC DEVELOPMENT  
15 PROJECT.—The term “community economic develop-  
16 ment project” means a project that involves—

17 (A) investment in business enterprises, in-  
18 cluding investments in the form of loan origina-  
19 tion, equity investment, and monetary assist-  
20 ance to home buyers or to business owners for  
21 business development projects; or

22 (B) the construction or rehabilitation of fa-  
23 cilities, including commercial or industrial facili-  
24 ties, homes, apartment buildings, and commu-  
25 nity parks.

1           (3) LOW-INCOME COMMUNITIES AND PER-  
 2           SONS.—The terms “low-income communities” and  
 3           “low-income persons” shall have the meanings given  
 4           such terms in section 45D of the Internal Revenue  
 5           Code of 1986 (26 U.S.C. 45D).

6           (4) SECRETARY.—The term “Secretary” means  
 7           the Secretary of Housing and Urban Development.

8       **TITLE II—TAX INCENTIVES FOR**  
 9       **DEVELOPMENT PROJECTS IN**  
 10      **RENEWAL, EMPOWERMENT,**  
 11      **AND ENTERPRISE COMMU-**  
 12      **NITIES**

13   **SEC. 201. HOUSING INFRASTRUCTURE CREDIT.**

14       (a) IN GENERAL.—Subpart D of part IV of sub-  
 15      chapter A of chapter 1 of the Internal Revenue Code of  
 16      1986 (relating to business-related credits) is amended by  
 17      adding at the end the following new section:

18   **“SEC. 45J. HOUSING INFRASTRUCTURE.**

19       “(a) ALLOWANCE OF CREDIT.—For purposes of sec-  
 20      tion 38, the housing infrastructure credit determined  
 21      under this section for the taxable year is an amount equal  
 22      to 50 percent of the aggregate bases of qualified housing  
 23      infrastructure property placed in service by the taxpayer  
 24      during the taxable year.

1       “(b) QUALIFIED HOUSING INFRASTRUCTURE PROP-  
2     PERTY.—For purposes of this subpart—

3               “(1) IN GENERAL.—The term ‘qualified housing  
4     infrastructure property’ means any housing infra-  
5     structure property—

6               “(A) which is property to which section  
7     168 applies,

8               “(B) which is placed in service after the  
9     date of the enactment of this section, and

10              “(C)(i) the construction, reconstruction, or  
11     erection of which is completed by the taxpayer,  
12     or

13              “(ii) which is acquired by the taxpayer if  
14     the original use of such property commences  
15     with the taxpayer.

16              “(2) HOUSING INFRASTRUCTURE PROPERTY.—  
17     For purposes of this subsection, the term ‘housing  
18     infrastructure property’ means property—

19              “(A) which is located in an empowerment  
20     zone, enterprise community, or renewal commu-  
21     nity, and

22              “(B) substantially all of the use of which  
23     is to provide water, sewer, electricity, or natural  
24     gas services to residences located in such a zone  
25     or community.

1       Such term shall not include property which uses  
 2       such services after the point of residential metering.

3       “(c) CERTAIN RULES NOT TO APPLY.—

4               “(1) RECAPTURE NOT TO APPLY TO DISPOSI-  
 5       TIONS TO GOVERNMENT.—Section 50(a) shall not  
 6       apply to a disposition to a governmental unit.

7               “(2) USE BY GOVERNMENT PERMITTED.—Sec-  
 8       tion 50(b)(4) shall not apply.”.

9       (b) CREDIT TO BE PART OF GENERAL BUSINESS  
 10   CREDIT.—Subsection (a) of section 38 of such Code is  
 11   amended by striking “plus” at the end of paragraph (18),  
 12   by striking the period at the end of paragraph (19) and  
 13   inserting “, plus”, and by adding at the end the following  
 14   new paragraph:

15               “(20) the housing infrastructure credit deter-  
 16       mined under section 45J(a).”.

17       (c) CLERICAL AMENDMENT.—The table of sections  
 18   for subpart D of part IV of subchapter A of chapter 1  
 19   of such Code is amended by adding at the end the fol-  
 20   lowing new item:

“Sec. 45J. Housing infrastructure.”.

21       (d) EFFECTIVE DATE.—The amendments made by  
 22   this section shall apply to periods after the date of the  
 23   enactment of this Act under rules similar to the rules of  
 24   section 48(m) of the Internal Revenue Code of 1986 (as

1 in effect on the day before the the date of the enactment  
 2 of the Revenue Reconciliation Act of 1990).

3 **SEC. 202. INCREASE AND EXTENSION OF BENEFITS FOR**  
 4 **EMPLOYMENT AND CERTAIN INVESTMENTS.**

5 (a) CREDITS FOR EMPLOYMENT.—

6 (1) WORK OPPORTUNITY CREDIT.—

7 (A) CREDIT DOUBLED.—Subsection (b) of  
 8 section 51 of the Internal Revenue Code of  
 9 1986 is amended by adding at the end the fol-  
 10 lowing new paragraph:

11 “(4) TEMPORARY DOUBLING OF CREDIT.—In  
 12 the case of individuals beginning work for the em-  
 13 ployer after the date of the enactment of the Com-  
 14 munity Economic Development Expertise Enhance-  
 15 ment Act of 2005 and before January 1, 2010, this  
 16 section shall be applied by doubling each of the dol-  
 17 lar amounts in paragraph (3) and subsections  
 18 (d)(7)(B)(ii) and (h)(1). ”.

19 (B) EXTENSION.—Subparagraph (B) of  
 20 section 51(c)(4) of such Code is amended by  
 21 striking “December 31 2005” and inserting  
 22 “December 31, 2009”.

23 (2) WELFARE-TO-WORK CREDIT.—

24 (A) TEMPORARY DOUBLING OF CREDIT.—

25 Section 51A of such Code is amended by redes-

1           ignating subsection (f) as subsection (g) and by  
2           inserting after subsection (e) the following new  
3           subsection:

4           “(f) TEMPORARY DOUBLING OF CREDIT.—In the  
5 case of individuals beginning work for the employer after  
6 the date of the enactment of the Community Economic  
7 Development Expertise Enhancement Act of 2005 and be-  
8 fore January 1, 2010, this section shall be applied by dou-  
9 bling each of the dollar amounts in paragraphs (4) and  
10 (5)(C) of subsection (b). ”.

11                   (B) EXTENSION.—Subsection (f) of section  
12           51A of such Code is amended by striking “De-  
13 cember 31 2005” and inserting “December 31,  
14 2009”.

15           (3) TEMPORARY DOUBLING OF EMPOWERMENT  
16           ZONE EMPLOYMENT CREDIT.—Subsection (c) of sec-  
17 tion 1396 of such Code is amended by adding at the  
18 end the following new paragraph:

19           “(4) TEMPORARY DOUBLING OF CREDIT.—In  
20 the case of individuals beginning work for the em-  
21 ployer after the date of the enactment of the Com-  
22 munity Economic Development Expertise Enhance-  
23 ment Act of 2005 and before January 1, 2010, this  
24 section shall be applied by doubling the dollar  
25 amounts in paragraphs (2) and (3)(B).”.



1           (4) TEMPORARY DOUBLING OF RENEWAL COM-  
2           MUNITY EMPLOYMENT CREDIT.—Subsection (b) of  
3           section 1400H of such Code is amended by adding  
4           at the end the following new flush sentence:  
5           “In the case of individuals beginning work for the em-  
6           ployer after the date of the enactment of the Community  
7           Economic Development Expertise Enhancement Act of  
8           2005 and before January 1, 2010, paragraph (2) shall be  
9           applied by substituting ‘\$20,000’ for ‘\$10,000’. ”.

10           (5) INDIAN EMPLOYMENT CREDIT.—

11           (A) TEMPORARY INCREASE IN CREDIT.—

12           (i) IN GENERAL.—Paragraph (3) of  
13           section 45A(b) of such Code is amended by  
14           inserting before the period “(\$25,000 in  
15           the case of individuals beginning work for  
16           the employer after the date of the enact-  
17           ment of the Community Economic Devel-  
18           opment Expertise Enhancement Act of  
19           2005 and before January 1, 2010)”.

20           (ii) CONFORMING AMENDMENT.—

21           Paragraph (2) of section 45A(c) of such  
22           Code is amended by adding at the end the  
23           following new sentence: “In the case of in-  
24           dividuals beginning work for the employer  
25           after the date of the enactment of the

1           Community Economic Development Exper-  
 2           tise Enhancement Act of 2005 and before  
 3           January 1, 2010, the limitation under the  
 4           preceding sentence shall not be less than  
 5           the limitation in effect under subsection  
 6           (b)(3).”.

7           (B) EXTENSION.—Subsection (f) of section  
 8           45A of such Code is amended by striking “De-  
 9           cember 31 2005” and inserting “December 31,  
 10          2009”.

11          (b) DEDUCTIONS FOR EXPENSING THE COST OF  
 12          PROPERTY.—

13           (1) INCREASE IN SECTION 179 DEDUCTION.—

14           (A) DOLLAR LIMITATION.—Paragraph (1)  
 15           of section 179(b) of such Code is amended by  
 16           striking the parenthetical and inserting  
 17           “(\$125,000 in the case of taxable years begin-  
 18           ning after the date of the enactment of the  
 19           Community Economic Development Expertise  
 20           Enhancement Act of 2005 and before January  
 21           1, 2010)”.

22           (B) REDUCTION IN LIMITATION.—Para-  
 23           graph (2) of section 179(b) of such Code is  
 24           amended by striking the parenthetical and in-  
 25           serting “(\$500,000 in the case of taxable years

1 beginning after the date of the enactment of the  
2 Community Economic Development Expertise  
3 Enhancement Act of 2005 and before January  
4 1, 2010)’’.

5 (2) INCREASE IN DEDUCTION FOR COMMERCIAL  
6 REVITALIZATION.—

7 (A) DOLLAR LIMITATION PER BUILDING.—  
8 Paragraph (1) of section 1400I(c) of such Code  
9 is amended by inserting before the comma  
10 “(\$12,500,000 in the case of buildings placed in  
11 service after the date of the enactment of the  
12 Community Economic Development Expertise  
13 Enhancement Act of 2005 and before January  
14 1, 2010)’’.

15 (B) DOLLAR LIMITATION PER RENEWAL  
16 COMMUNITY.—Subparagraph (A) of section  
17 1400I(d)(2) of such Code is amended by strik-  
18 ing “\$12,000,000” and inserting “\$12,000,000  
19 (\$15,000,000 in the case of calendar years end-  
20 ing after the date of the enactment of the Com-  
21 munity Economic Development Expertise En-  
22 hancement Act of 2005 and before 2010)’’.

23 (3) EXTENSION OF SPECIAL DEDUCTION FOR  
24 ENVIRONMENTAL REMEDIATION.—Subsection (h) of  
25 section 198 of such Code is amended by striking

1 “December 31 2005” and inserting “December 31,  
2 2009”.

3 (4) EXTENSION OF SPECIAL DEDUCTION FOR  
4 PROPERTY USED ON INDIAN RESERVATIONS.—Para-  
5 graph (8) of section 168(j) of such Code is amended  
6 by striking “December 31 2005” and inserting “De-  
7 cember 31, 2009”.

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