

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. CON. RES. 205

Expressing the sense of the Congress regarding the use of census block group data, and data from low or no population census tracts or blocks, in the designation of empowerment zones and enterprise communities.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 1994

Ms. ROYBAL-ALLARD submitted the following concurrent resolution; which was referred to the Committee on Ways and Means

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## CONCURRENT RESOLUTION

Expressing the sense of the Congress regarding the use of census block group data, and data from low or no population census tracts or blocks, in the designation of empowerment zones and enterprise communities.

Whereas subchapter C of chapter 1 of title XIII of the Omnibus Budget Reconciliation Act of 1993 amended the Internal Revenue Code of 1986 to include provisions for the establishment of empowerment zones and enterprise communities to provide incentives for job creation and the expansion of manufacturing and industrial facilities;

Whereas any area nominated for designation as an empowerment zone or enterprise community is required by statute to meet prescribed eligibility criteria, which include a requirement that minimum poverty rates within

the area be categorized according to the census tracts contained within the area;

Whereas the interim rule published by the Secretary of Housing and Urban Affairs on January 18, 1994 (59 Fed. Reg. 2703) concerning empowerment zones and enterprise communities requires the use of census tract data;

Whereas census tract data are not the most accurate indicators of poverty rates in a geographic area because such data often mask differences within a census tract;

Whereas census data are more accurate at the level of census block groups because the Bureau of the Census develops its data at the block group level and then aggregates the block group data to produce summary statistics at the census tract level;

Whereas the use of census block group data would permit a focus on geographic areas that are eligible for designation as empowerment zones or enterprise communities, and would avoid creating eligibility for substantial geographic areas that should not receive such designation;

Whereas the use of census block group data would allow eligibility for empowerment zone or enterprise community designation for areas, throughout the Nation, that would otherwise be eliminated from consideration for such designation due to the averaging effect of summarizing census block group data across the block groups that comprise a census tract;

Whereas areas containing industrial centers of job growth adjacent to residential concentrations of job seekers could be eligible for designation as empowerment zones or enterprise communities if census tracts or blocks that have no population, or (if more than 75 percent of the tract

or block is zoned for commercial or industrial use) have populations of less than 2,000, are treated as counting towards all poverty rate eligibility requirements relating to such designation;

Whereas such treatment of no or low population census tracts or blocks would further the statutory goals of creating job opportunities and promoting economic development; and

Whereas using census block group data, and treating census tracts or blocks that have no population, or (if more than 75 percent of the tract or block is zoned for commercial or industrial use) have populations of less than 2,000, as counting towards all poverty rate eligibility requirements, would best implement the intent of the Congress to designate empowerment zones and enterprise communities to assist areas with specific characteristics: Now, therefore, be it

1        *Resolved by the House of Representatives (the Senate*  
 2 *concurring)*, That it is the sense of the Congress that the  
 3 Secretary of Housing and Urban Development should—

4            (1) allow census block group data to be used in  
 5        the same manner as census tract data in determin-  
 6        ing whether areas are eligible for designation as  
 7        empowerment zones and enterprise communities au-  
 8        thorized by subchapter U of chapter 1 of the Inter-  
 9        nal Revenue Code of 1986; and

10           (2) treat census tracts or blocks that have no  
 11        population, or (if more than 75 percent of the tract  
 12        or block is zoned for commercial or industrial use)

1        have populations of less than 2,000, as counting to-  
2        wards all poverty rate requirements for designation  
3        of such empowerment zones and enterprise commu-  
4        nities.

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