

104TH CONGRESS
1ST SESSION

H. R. 286

To prohibit States and localities from receiving certain Federal economic development assistance if the State or locality provides improper incentives for location of businesses or organizations within the State or locality.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 1995

Mr. JACOBS introduced the following bill; which was referred to the Committee on Banking and Financial Services and, in addition, to the Committee on Transportation and Infrastructure, 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

A BILL

To prohibit States and localities from receiving certain Federal economic development assistance if the State or locality provides improper incentives for location of businesses or organizations within the State or locality.

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. PROHIBITION OF ASSISTANCE.**

4 No State or political subdivision of a State may be
5 provided assistance under title I of the Housing and Com-
6 munity Development Act of 1974 or the Public Works and

1 Economic Development Act of 1965 if such State or politi-
2 cal subdivision (or any instrumentality thereof) offers, per-
3 mits, or grants any tax abatement, money payment, or
4 payment of property (real or chattel) to any commercial
5 or nonprofit organization or governmental entity in order
6 to induce the location, retention, or expansion of such or-
7 ganization or entity within the State or political subdivi-
8 sion.

9 **SEC. 2. EXCEPTION FOR ENTERPRISE ZONES.**

10 The prohibition under section 1 shall not apply to any
11 abatement or payment offered, permitted, or granted
12 under State law in connection with any tax enterprise zone
13 established under State law.

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