

117TH CONGRESS
1ST SESSION

H. R. 2158

To provide emergency relief assistance under a modified Community Development Block Grant program for communities facing economic damage from civil and social crises, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 2021

Ms. OMAR (for herself, Ms. NORTON, Mrs. HAYES, Mr. JONES, Mr. BOWMAN, Ms. JACOBS of California, Ms. MCCOLLUM, Mr. GARCÍA of Illinois, Ms. SCHAKOWSKY, Mr. MFUME, Ms. LEE of California, Mrs. WATSON COLEMAN, Mr. PANETTA, Ms. PRESSLEY, Ms. TLAIB, Mr. HASTINGS, Mr. JOHNSON of Georgia, Mr. CARSON, Ms. JAYAPAL, and Mr. RUPPERSBERGER) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To provide emergency relief assistance under a modified Community Development Block Grant program for communities facing economic damage from civil and social crises, 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 “Holistic Economic Aid
5 for Low-Income Neighborhood Growth Act of 2021” or
6 the “HEALING Act of 2021”.

1 **SEC. 2. SENSE OF CONGRESS.**

2 It is the sense of the Congress that—

3 (1) funds made available under the Community
4 Development Block Grant Program (“CDBG”)
5 should be used principally for low- and moderate-in-
6 come neighborhoods and can be used for community
7 revitalization in areas affected by social and civil un-
8 rest during 2020;

9 (2) CDBG funding must target historically
10 disinvested communities of color that have suffered
11 from long-standing systemic issues of racial injustice
12 and economic inequality;

13 (3) minority-serving institutions should be
14 prioritized in receiving and administering economic
15 development grants for their communities;

16 (4) economic activities carried out using CDBG
17 funds should be refocused on the implementation of
18 direct anti-poverty programming with evidence of ef-
19 fectiveness, such as food security initiatives and
20 basic income pilots, acquisition and rehabilitation of
21 affordable housing, improvement to public facilities,
22 including health centers, provision of public services,
23 restoration of natural areas and other conservation
24 efforts, and construction of clean energy infrastruc-
25 ture;

1 (5) minority-owned businesses should be
2 prioritized in receiving business development grants
3 to renovate their properties and create financial op-
4 portunities for their communities; and

5 (6) CDBG business activities should be re-
6 focused on assisting private, for-profit businesses
7 that pursue job creation and retention efforts
8 through the employment of low- and moderate-in-
9 come persons, adopt environmentally sustainable
10 practices to offer affordable goods and services to
11 low- and moderate-income neighborhoods, and pro-
12 vide economic and technical assistance to other busi-
13 nesses based in low- and moderate-income areas.

14 **SEC. 3. FUNDING.**

15 (a) AUTHORIZATION OF APPROPRIATIONS.—There is
16 authorized to be appropriated to the Secretary of Housing
17 and Urban Development \$11,000,000,000 for fiscal year
18 2022 for providing assistance under this Act.

19 (b) NON-BUSINESS COMMUNITY DEVELOPMENT
20 FUNDING.—Of any amounts made available pursuant to
21 subsection (a), 77 percent shall be available for assistance
22 under section 4 for community revitalization and economic
23 development activities.

24 (c) CIVIL UNREST BUSINESS DEVELOPMENT FUND-
25 ING.—Of any amounts made available pursuant to sub-

1 section (a), 23 percent shall be available for assistance
2 under section 5 for business recovery and renovation ac-
3 tivities.

4 (d) ADMINISTRATIVE FUNDING.—Of any amounts
5 available pursuant to subsection (a), the Secretary of
6 Housing and Urban Development may use not more than
7 1 percent for costs of administering the program under
8 this Act.

9 (e) TERMINATION OF FUNDS.—Upon the expiration
10 of the 2-year period beginning upon the date of the enact-
11 ment of this Act, any programming and rulemaking asso-
12 ciated with the program shall expire.

13 **SEC. 4. NON-BUSINESS GRANTS FOR COMMUNITY REVITAL-**
14 **IZATION AND ECONOMIC DEVELOPMENT.**

15 (a) GRANT AUTHORITY.—The Secretary shall use
16 amounts made available to carry out this section to make
17 grants to States, units of general local government, Indian
18 Tribes, insular areas, and eligible institutions serving or
19 owned by minorities for use to carry out eligible non-busi-
20 ness activities under subsection (e) in low- and moderate-
21 income areas.

22 (b) RESERVATION OF FUNDING.—Of any amounts
23 made available to carry out this section, the Secretary
24 shall reserve for grants under this section—

1 (1) 76 percent for allocation in accordance with
2 subsection (c)(1);

3 (2) 18 percent for allocation for minority-owned
4 and minority-serving entities in accordance with sub-
5 section (c)(2); and

6 (3) 6 percent for allocation for Indian Tribes
7 and insular areas in accordance with subsection
8 (c)(3).

9 (c) ALLOCATIONS.—

10 (1) ENTITLEMENT COMMUNITIES AND NON-
11 ENTITLEMENT AREAS.—Of the amount allocated
12 under subsection (b)(1)—

13 (A) 70 percent shall be allocated for enti-
14 tlement communities in accordance with the
15 formula under section 106(b) of the Housing
16 and Community Development Act of 1974 (42
17 U.S.C. 5306(b)); and

18 (B) 30 percent shall be allocated to States,
19 for use in nonentitlement areas, in accordance
20 with the formula under section 106(d)(1) of the
21 Housing and Community Development Act of
22 1974 (42 U.S.C. 5306(d)(1)).

23 (2) COMPETITIVE AWARDS TO MINORITY-
24 OWNED ENTITIES.—

1 (A) IN GENERAL.—The Secretary of Hous-
2 ing and Urban Development shall allocate the
3 amount allocated under subsection (b)(3) di-
4 rectly and on a competitive basis for grants to
5 eligible minority-owned entities and minority-
6 serving entities.

7 (B) COMPETITION.—Allocation for non-
8 business grants under this paragraph shall be
9 made pursuant to a competition for such
10 grants, as the Secretary shall provide, that—

11 (i) takes into account the need for
12 grant assistance for the area in which, and
13 for the activities for which the grant
14 amounts will be used; and

15 (ii) provides grant amount only to ap-
16 plicants who will carry out activities as-
17 sisted with such grant amounts only in
18 low- and moderate-income areas.

19 (C) CDBG SPECIAL PURPOSE GRANTS.—
20 Of the amount allocated under subsection
21 (b)(2), not less than 33 percent shall be allo-
22 cated for grants under this section for minority-
23 serving entities.

24 (D) VOUCHER PROGRAM.—The Secretary
25 shall take such actions as may be necessary to

1 ensure that grants under this paragraph are ac-
2 cessible to newer and smaller minority-owned
3 entities and ensure that technical assistance is
4 prioritized and provided to organizations with
5 little or no grant-writing capacity.

6 (3) COMPETITIVE AWARDS TO INDIAN TRIBES
7 AND INSULAR AREAS.—

8 (A) IN GENERAL.—The Secretary of Hous-
9 ing and Urban Development shall allocate for
10 grants to Indian Tribes and insular areas on a
11 competitive basis the amount allocated under
12 subsection (b)(4).

13 (B) REQUIREMENTS.—In making alloca-
14 tions under this paragraph, the Secretary shall,
15 to the greatest extent practicable, ensure that
16 each Indian Tribe and each insular area that
17 satisfies low- to moderate-income requirements
18 and unmet need criteria, as determined by the
19 Secretary, receives such an allocation.

20 (d) COORDINATION.—The Secretary shall monitor
21 the reporting requirements and disclosures of allocated ex-
22 penditures as set forth in section 6(e), to coordinate with
23 grantees and subgrantees to ensure there are no overpay-
24 ments or duplication of benefits.

25 (e) ELIGIBLE NON-BUSINESS ACTIVITIES.—

1 (1) PRIMARY OBJECTIVES.—Amounts from a
2 grant under this section may be used by a grantee
3 or subgrantee only for activities specified under
4 paragraph (2) that—

5 (A) principally benefit households having
6 incomes that do not exceed 50 percent of the
7 median income of the area in which such house-
8 holds reside;

9 (B) aid in the prevention or elimination of
10 slums or blight primarily for severely economi-
11 cally distressed communities (as such term is
12 defined in section 610 of the National and
13 Community Service Act of 199 (42 U.S.C.
14 12645d)), and historically disinvested commu-
15 nities, including high-poverty areas (as such
16 term is defined in section 681.260 of title 20,
17 Code of Federal Regulations) and persistent
18 poverty counties (as such term is defined in the
19 Department of Agriculture notice entitled “Im-
20 plementation of Certain Provisions of Consoli-
21 dated Appropriations Act, 2020 Specific to Per-
22 sistent Poverty Counties” [Docket No. RBS-
23 20-BUSINESS-0033], published in the Fed-
24 eral Register on August 21, 2020 (85 Fed. Reg.
25 51676));

1 (C) reduce the isolation and inequality of
2 income groups within communities and geo-
3 graphical areas and the promotion of an in-
4 crease in the diversity and vitality of neighbor-
5 hoods through the spatial deconcentration of
6 housing opportunities for persons of lower in-
7 come and the revitalization of deteriorating or
8 deteriorated neighborhoods;

9 (D) conserve and expand the housing stock
10 in order to provide a decent home and a suit-
11 able living environment for all persons, but
12 principally those of low and moderate income,
13 and expand the number of community land
14 trust, cooperative, municipal, and public hous-
15 ing units as a ratio of total housing stock;

16 (E) expand and enhance the quantity and
17 quality of community services, principally for
18 persons of low and moderate income, that are
19 evidenced-based and essential for sound commu-
20 nity development and for the development of
21 viable urban communities;

22 (F) improve the rational utilization of land
23 and other natural resources and the better ar-
24 rangement of residential, commercial, indus-
25 trial, recreational, and other needed activity

1 centers, including parks, green spaces, and
2 walking trails;

3 (G) conserve scarce energy resources, im-
4 prove energy efficiency, or provide alternative
5 and renewable energy sources, especially for en-
6 vironmental justice communities that have
7 harmful environmental quality issues;

8 (H) restore and preserve properties of spe-
9 cial value for historic, architectural, or esthetic
10 reasons;

11 (I) alleviate the physical and economic dis-
12 tress through the stimulation of private invest-
13 ment and community revitalization in areas
14 with population outmigration or a stagnating or
15 declining tax base;

16 (J) meet an urgent need by addressing
17 economic conditions that pose a serious and im-
18 mediate threat to the health and safety of resi-
19 dents; or

20 (K) prevent, prepare for, or respond to
21 coronavirus, based on public health needs, risk
22 of transmission of coronavirus, number of
23 coronavirus cases compared to the national av-
24 erage, and economic and housing market dis-
25 ruptions, and other factors.

1 (2) ACTIVITIES.—Activities specified under this
2 subsection are as follows:

3 (A) CDBG ACTIVITIES.—Except as pro-
4 vided in paragraph (3)(C) of this subsection,
5 any activity that is eligible for assistance under
6 section 105(a) of the Housing and Community
7 Development Act of 1974 (42 U.S.C. 5305(a)).

8 (B) CDBG SPECIAL PURPOSE GRANTS AC-
9 TIVITIES.—Any activity that is eligible for as-
10 sistance under section 107 of such Act (42
11 U.S.C. 5307).

12 (C) CASH RELIEF FOR AFFECTED HOUSE-
13 HOLDS.—Direct income payments by States or
14 units of general local government to households
15 having incomes that do not exceed 200 percent
16 of the Federal poverty level, provided that such
17 payments otherwise comply with subsection (a)
18 of this section.

19 (D) HISTORICAL ARCHIVING.—Activities to
20 conserve art, construct monuments, and pre-
21 serve memorials of contemporary civil rights
22 struggles, such as the George Floyd Memorial
23 in Minneapolis, Minnesota.

24 (E) TECHNICAL ASSISTANCE.—Technical
25 assistance and outreach activities by grantees to

1 expand and diversify subgrantees funded with
2 amounts provided under this section.

3 (F) INNOVATIVE ACTIVITIES BY MINORITY-
4 OWNED ACTIVITIES.—Any activity that—

5 (i) is proposed by a grantee and ap-
6 proved by the Secretary; and

7 (ii) complies with subsection (a) of
8 this section.

9 (3) PROHIBITIONS.—Amounts from a grant
10 under this section may not be used to provide assist-
11 ance for—

12 (A) any law enforcement agency or to sup-
13 port or assist any law enforcement activities;

14 (B) any discriminatory conduct or pro-
15 gramming, as prohibited by section 109(a) of
16 the Housing and Community Development Act
17 of 1974 (42 U.S.C. 5309(a));

18 (C) any business support activity described
19 in section 105(a)(17) of such Act (42 U.S.C.
20 5305(a)(17)) or any other activity for business
21 development or business support; or

22 (D) any ineligible activity described in sec-
23 tion 570.207 of the Secretary's regulations (24
24 C.F.R. 570.207), but not including income pay-

1 ments authorized by paragraph (2)(C) of this
2 subsection.

3 **SEC. 5. CIVIL UNREST BUSINESS RECOVERY GRANTS FOR**
4 **FINANCIAL RECOVERY AND BUSINESS DE-**
5 **VELOPMENT.**

6 (a) GRANT AUTHORITY.—The Secretary, in consulta-
7 tion with the Secretary of the Treasury and the Adminis-
8 trator of the Small Business Administration, shall carry
9 out a Civil Unrest Business Recovery Program under this
10 section to make grants to States, units of general local
11 government, Indian Tribes and insular areas to provide
12 assistance to eligible for-profit entities through local civil
13 unrest business recovery funds established for the delivery
14 of business recovery grants that primarily serve to com-
15 pensate damages from social and civil unrest during 2020
16 and also support business-led economic development.

17 (b) RESERVATION OF FUNDING.—Of any amounts
18 made available to carry out this section, the Secretary
19 shall reserve—

20 (1) 80 percent for allocation in accordance with
21 subsection (c)(1);

22 (2) 12 percent for allocation for States in ac-
23 cordance with subsection (b)(2); and

1 (3) 8 percent for allocation for Indian Tribes
2 and insular areas in accordance with subsection
3 (c)(3).

4 (c) ALLOCATIONS.—

5 (1) FORMULA FOR STATES AND UNITS OF GEN-
6 ERAL LOCAL GOVERNMENT.—Of amount allocated
7 under subsection (b)(1)—

8 (A) 70 percent shall be allocated for enti-
9 tlement communities in accordance with the
10 formula under section 106(b) of the Housing
11 and Community Development Act of 1974 (42
12 U.S.C. 5306(b)); and

13 (B) 30 percent shall be allocated for
14 States, for use in nonentitlement areas, in ac-
15 cordance with the formula under section
16 106(d)(1) of the Housing and Community De-
17 velopment Act of 1974 (42 U.S.C. 5306(d)(1)).

18 (2) RURAL BONUS FORMULA FOR STATES.—
19 The Secretary shall allocate the amount allocated
20 under subsection (b)(2) to States, for use in non-
21 entitlement areas having low-income or minority
22 populations, in accordance with the formula under
23 section 106(d)(1) of the Housing and Community
24 Development Act of 1974 (42 U.S.C. 5306(d)(1)).

1 (3) COMPETITIVE AWARDS TO INDIAN TRIBES
2 AND INSULAR AREAS.—

3 (A) IN GENERAL.—The Secretary of Hous-
4 ing and Urban Development shall allocate to
5 Indian Tribes and insular areas on a competi-
6 tive basis the amount allocated under sub-
7 section (b)(3).

8 (B) REQUIREMENTS.—In making alloca-
9 tions under subsection (b)(3), the Secretary of
10 Housing and Urban Development shall, to the
11 greatest extent practicable, ensure that each In-
12 dian Tribe and each insular area that satisfies
13 low- to moderate-income requirements and
14 unmet need criteria, as determined by the Sec-
15 retary, receives such an allocation.

16 (d) STATE ALLOCATIONS FOR NONENTITLEMENT
17 AREAS.—

18 (1) EQUITABLE ALLOCATION.—To the greatest
19 extent practicable, a State shall allocate amounts al-
20 located under subsection (c)(1)(B) for use in non-
21 entitlement areas of the State on an equitable basis.

22 (2) DISTRIBUTION OF AMOUNTS.—

23 (A) DISCRETION.—Not later than 14 days
24 after the date on which a State receives

1 amounts for use in an nonentitlement area pur-
2 suant to subsection (c)(1)(B), the State shall—

3 (i) distribute the amounts, or a por-
4 tion thereof, to units of general local gov-
5 ernment or entities designated thereby,
6 that have established or will establish civil
7 unrest business recovery funds, for use
8 under subsection (e)(1); and

9 (ii) elect to reserve the amounts, or a
10 portion thereof, for use by the State under
11 subsection (e) for the benefit of eligible en-
12 tities located in the nonentitlement area.

13 (B) SENSE OF CONGRESS.—It is the sense
14 of Congress that, in distributing the amounts
15 pursuant to subparagraph (A) for nonentitle-
16 ment areas in which a civil unrest business re-
17 covery fund has been established, a State
18 should, as quickly as practicable, distribute
19 amounts for use by such fund.

20 (e) USE OF ALLOCATED AMOUNTS.—A State, unit
21 of general local government, entity designated by a unit
22 of general local government, Indian Tribe, or insular area
23 that receives an allocation under subsection (c), whether
24 directly or indirectly, may use amounts from the allocation
25 only—

1 (1) to provide funding to a civil unrest business
2 recovery fund established in accordance with sub-
3 section (f);

4 (2) to provide funding to support organizations
5 that provide technical assistance to eligible entities;

6 (3) to cover administrative costs incurred by the
7 State, unit of general local government, Indian
8 Tribe, or insular area (or entity designated by the
9 State, unit, tribe, or area), in establishing and ad-
10 ministering a civil unrest business recovery fund, ex-
11 cept that not more than 2 percent of the allocation
12 under subsection (c) for the State, unit, tribe, or
13 area may be used for the purpose under this para-
14 graph; or

15 (4) to carry out technical assistance and out-
16 reach activities to expand and diversify subgrantees
17 funded with amounts provided under this section.

18 (f) CIVIL UNREST BUSINESS RECOVERY FUND.—
19 For purposes of this section, a civil unrest business recov-
20 ery fund shall be a fund—

21 (1) that is established by a State, a unit of gen-
22 eral local government, an Indian Tribe, an insular
23 area, or an entity designated by a State, unit of gen-
24 eral local government, Indian Tribe, or an insular
25 area;

1 (2) the proceeds of which are used only to make
2 business recovery grants under subsection (g) to eli-
3 gible entities operating within the area served by the
4 fund in accordance with the needs of eligible entities
5 and capacity of the program; and

6 (3) provides resources and services relating to
7 such business recovery grants for eligible entities in
8 the 10 most commonly spoken languages in the area
9 in which the fund operates.

10 (g) BUSINESS RECOVERY GRANTS.—

11 (1) IN GENERAL.—Amounts from business re-
12 covery grant under this section may be used only—

13 (A) for business economic development ac-
14 tivities that are eligible for assistance under
15 section 105(a)(17) of the Housing and Commu-
16 nity Development Act of 1974 (42 U.S.C.
17 5305(a)(17)) or to repair, rehabilitate, or re-
18 place property, real or personal, of the eligible
19 entity receiving the grant that was damaged,
20 destroyed, or stolen during the covered period
21 as a result of social and civil unrest during
22 2020; or

23 (B) only if the need for assistance for ac-
24 tivities described in subparagraph (A) in the
25 area served by the civil unrest business recovery

1 fund has been met, for activities described in
2 paragraph (4).

3 The Secretary may issue guidance to ensure that the
4 need for assistance for activities described in sub-
5 paragraph (A) is met before amounts may be used
6 as provided in paragraph (4).

7 (2) LOW-INCOME AREAS AND HUBZONES.—Not-
8 withstanding any other provision in this Act, the
9 Secretary, in consultation with the Administrator of
10 the Small Business Administration, shall treat as
11 qualifying for purposes of paragraph (1) as areas of
12 affected social and civil unrest during 2020 and
13 shall give priority in allocations under subsection (b)
14 to—

15 (A) low-income communities;

16 (B) HUBZones; and

17 (C) any other area designated by the Small
18 Business Administration for a disaster loan re-
19 lating to social and civil unrest during 2020.

20 (3) GRANT AMOUNT.—The amount of a busi-
21 ness recovery grant may not exceed the lesser of
22 \$1,000,000 or 100 percent of the amount required
23 to repair, rehabilitate, or replace property, real or
24 personal, including related labor cost offsets and re-
25 lated debt obligations incurred as a result of social

1 or civil unrest during 2020, of the eligible entity
2 that—

3 (A) was damaged, destroyed, or stolen dur-
4 ing the covered period as a result of the social
5 and civil unrest during 2020; and

6 (B) is not fully compensated for by—

7 (i) insurance;

8 (ii) private donation or loan;

9 (iii) a loan or grant from a State,
10 general local government, Indian Tribe, or
11 an insular area;

12 (iv) a disaster loan from the Small
13 Business Administration; or

14 (v) any other means.

15 (4) SECONDARY BUSINESS DEVELOPMENT
16 USES.—Only to the extent provided in paragraph
17 (1)(B), a business recovery grant may be used by a
18 grantee or subgrantee, at the discretion of the grant-
19 ee or subgrantee, for business development and eco-
20 nomic support activities allowed under section
21 105(a)(17) of the Housing and Community Develop-
22 ment Act of 1974 (42 U.S.C. 5305(a)(17)), if such
23 assistance is appropriate to carry out an economic
24 development project (that shall minimize, to the ex-

1 tent practicable, displacement of existing businesses
2 and jobs in neighborhoods) that—

3 (A) creates or retains jobs for low- and
4 moderate-income persons;

5 (B) prevents or eliminates slums and
6 blight;

7 (C) meet urgent needs;

8 (D) creates or retains businesses owned by
9 community residents;

10 (E) assists businesses that provide goods
11 or services needed by, and affordable to, low-
12 and moderate-income residents; or

13 (F) provides technical assistance to pro-
14 mote any of the activities under subparagraphs
15 (A) through (E).

16 (5) TREATMENT OF DUPLICATION OF BENE-
17 FITS.—The Secretary shall require that in any case
18 in which amounts from a business recovery grant
19 will be used for real property renovation, the eligible
20 entity involved shall provide documentation to dem-
21 onstrate unmet need and damages as a result of so-
22 cial and civil unrest during 2020 to the satisfaction
23 of the Secretary, using data available from the Fed-
24 eral Government or other publicly available sources,
25 including State property damage claims and esti-

1 mates, private insurance policy claims and estimates,
 2 and other cost estimates from local agencies in resi-
 3 dential and commercial areas.

4 **SEC. 6. DEADLINES AND REPORTING.**

5 (a) COMPETITIVE APPLICATION DEADLINE.—Not
 6 later than 60 days after the date of the enactment of this
 7 Act, the Secretary shall establish and make publicly avail-
 8 able an application form for the competitive grant process
 9 under section 4(c)(2).

10 (b) HUD OBLIGATION DEADLINE.—Not later than
 11 180 days after the date of the enactment of this Act, the
 12 Secretary shall begin disbursing amounts made available
 13 to carry out this Act to States, units of general local gov-
 14 ernments, Indian Tribes, and insular areas in accordance
 15 with the allocation formulas under sections 4(c) and 5(c).

16 (c) LOCAL BUSINESS FUNDS OBLIGATION DEAD-
 17 LINES.—

18 (1) STATES.—Of the amounts that a State
 19 elects under section 5(d)(2)(A)(ii) to reserve for use
 20 by the State under this paragraph—

21 (A) any amounts that the State provides to
 22 a civil unrest business recovery fund under sec-
 23 tion 5(e)(1) shall be obligated by the civil un-
 24 rest business recovery fund for expenditure not
 25 later than 75 days after the date on which the

1 State received the amounts from the Secretary;
2 and

3 (B) any amounts that the State chooses to
4 provide to a support organization under section
5 5(e)(2), or to use to pay for administrative
6 costs under section 5(e)(3), shall be obligated
7 by the State for expenditure not later than 75
8 days after the date on which the State received
9 the amounts from the Secretary.

10 (2) ENTITLEMENT COMMUNITIES.—Of the
11 amounts that an entitlement community receives
12 from the Secretary under section 5(c)(1)(A)—

13 (A) any amounts that the entitlement com-
14 munity provides to a civil unrest business recov-
15 ery fund under section 5(e)(1) shall be obli-
16 gated by the civil unrest business recovery fund
17 for expenditure not later than 75 days after the
18 date on which the entitlement community re-
19 ceived the amounts; and

20 (B) any amounts that the entitlement com-
21 munity chooses to provide to a support organi-
22 zation under section 5(e)(2), or to use to pay
23 for administrative costs under section 5(e)(3),
24 shall be obligated by the entitlement community
25 for expenditure not later than 75 days after the

1 date on which the entitlement community re-
2 ceived the amounts.

3 (3) NONENTITLEMENT COMMUNITIES.—Of the
4 amounts that a unit of general local government, or
5 an entity designated thereby, located in a nonentitle-
6 ment area receives from a State under section
7 5(d)(2)(A)(i)—

8 (A) any amounts that the unit of general
9 local government entity provides to a civil un-
10 rest business recovery fund under section
11 5(e)(1) shall be obligated by the civil unrest
12 business recovery fund for expenditure not later
13 than 60 days after the date on which the unit
14 of general local government or entity received
15 the amounts; and

16 (B) any amounts that the unit of general
17 local government or entity community chooses
18 to provide to a support organization under sec-
19 tion 5(e)(2), or to use to pay for administrative
20 costs under section 5(e)(3), shall be obligated
21 by the unit of general local government or enti-
22 ty for expenditure not later than 60 days after
23 the date on which the unit of general local gov-
24 ernment or entity received the amounts.

1 (4) RECOVERY OF UNOBLIGATED FUNDS.—If a
2 State, entitlement community, other unit of general
3 local government, entity designated by a unit of gen-
4 eral local government, or civil unrest business recov-
5 ery fund fails to obligate amounts by the applicable
6 deadline under paragraph (1), (2), or (3), the Sec-
7 retary shall recover the portion of such amounts that
8 remain unobligated as of such deadline.

9 (5) COLLABORATION.—It is the sense of the
10 Congress that—

11 (A) an entitlement community that re-
12 ceives amount allocated under section 5(c)(1)
13 should collaborate with the applicable local enti-
14 ty responsible for economic development and
15 small business development in establishing and
16 administering a civil unrest business recovery
17 fund; and

18 (B) States, units of general local govern-
19 ment (including units of general local govern-
20 ment located within and outside of nonentitle-
21 ment areas), Indian Tribes, and insular areas
22 that receive amounts under section 5(c)(2) and
23 are located in the same region should collabo-
24 rate in establishing and administering civil un-
25 rest business recovery funds.

1 (d) INFORMATION GATHERING.—When providing as-
2 sistance to an eligible entity with amounts received from
3 an allocation made under section 4 or 5, the entity pro-
4 viding the assistance shall—

5 (1) inquire—

6 (A) in the case of an eligible entity that is
7 a business entity or a nonprofit organization,
8 whether the entity is a minority-owned entity or
9 a women-owned entity; and

10 (B) in the case of an eligible entity who is
11 an individual, whether the individual is a minor-
12 ity or a woman;

13 (2) collect, in the case of an eligible entity that
14 is a business entity or a nonprofit organization, de-
15 mographic information, including race and ethnicity,
16 gender, disability status, housing status, family com-
17 position, and income level, regarding the households
18 being served by economic development activities and
19 other activities funded with amounts made available
20 pursuant to this Act; and

21 (3) maintain a record of the responses to each
22 inquiry conducted under paragraph (1), which the
23 entity shall promptly submit to the applicable State,
24 unit of general local government, Indian Tribe, or
25 insular area.

1 (e) REPORTING.—

2 (1) IN GENERAL.—Not later than 30 days after
3 the date on which a State, unit of general local gov-
4 ernment, Indian Tribe, or insular area initially re-
5 ceives an allocation made under section 4 or 5, and
6 not later than 14 days after the date on which that
7 State, unit of general local government, Indian
8 Tribe, or insular area completes the full expenditure
9 of amounts from such allocation, such State, unit of
10 general local government, Indian Tribe, or insular
11 area shall submit to the Secretary a report that in-
12 cludes information setting forth—

13 (A) the number of recipients of assistance
14 made available from the allocation,
15 disaggregated by race and ethnicity, gender,
16 and income and assets;

17 (B) the total amount, and type, of assist-
18 ance made available from the allocation;

19 (C) to the extent applicable, with respect
20 to each recipient described in subparagraph
21 (A), information regarding the industry of the
22 recipient, the amount of assistance received by
23 the recipient, the annual sales of the recipient,
24 and the number of employees of the recipient;

1 (D) to the extent available from the infor-
2 mation collected under subsection (d), demo-
3 graphic information of the households receiving
4 direct anti-poverty programming, such as cash
5 assistance, disaggregated by race and ethnicity,
6 gender, disability status, housing status, family
7 composition, and income level as a percentage
8 of the Federal poverty level;

9 (E) the zip code of each recipient described
10 in subparagraph (A); and

11 (F) any other information that the Sec-
12 retary, in the sole discretion of the Secretary,
13 determines to be necessary to carry out this
14 Act.

15 (2) PUBLIC AVAILABILITY.—As soon as is prac-
16 ticable after receiving each report submitted under
17 paragraph (1), the Secretary shall make the infor-
18 mation contained in the report, including all of the
19 information described in subparagraph (A) through
20 (F) of such paragraph, publicly available.

21 (f) FINAL REPORT.—Not later than September 30,
22 2023, the Secretary shall submit to the Congress a report
23 analyzing and assessing the program carried out under
24 this Act, which shall identify any advantages and dis-
25 advantages of the program, include comments and assess-

1 ments from localities and communities assisted, and in-
2 clude any recommendations for legislative changes to im-
3 prove more equitable outcomes under the program, such
4 as additional technical assistance, planning requirements,
5 and administrative support.

6 (g) EVALUATION.—Of amounts available under sec-
7 tion 3(d), the Secretary may use such amounts as may
8 be necessary to evaluate the effectiveness of activities
9 funded through grants under section 4, using a method-
10 ology that—

11 (1) includes a random assignment whenever
12 feasible, or other research methods that allow for the
13 strongest possible casual inferences when random as-
14 signment is not feasible; and

15 (2) generates evidence on impact of specific
16 projects, or groups with identical (or nearly iden-
17 tical) service components and protocols.

18 (h) RULES AND GUIDANCE.—The Secretary, in con-
19 sultation with the Secretary of the Treasury and the Ad-
20 ministrator of the Small Business Administration, shall
21 issue any rules and guidance that are necessary to carry
22 out this Act, including by establishing appropriate compli-
23 ance and reporting requirements, in addition to the report-
24 ing requirements under subsection (e).

1 **SEC. 7. DEFINITIONS.**

2 In this section:

3 (1) COVERED PERIOD.—The term “covered pe-
4 riod” means the period beginning on May 1, 2020,
5 and ending at the end of December 31, 2020.

6 (2) ELIGIBLE ENTITY.—The term “eligible enti-
7 ty” means—

8 (A) a privately held business entity that—

9 (i) employs not more than 50 full-time
10 or full-time equivalent employees;

11 (ii)(I) is physically based and located
12 in, or provides services to, a low-income
13 community or a HUBZone; or

14 (II) has incurred damage to real or
15 personal property of the business entity
16 during a covered period as a result of so-
17 cial and civil unrest; and

18 (iii) has average annual receipts (as
19 determined in accordance with section
20 121.104 of title 13, Code of Federal Regu-
21 lations, or any successor regulation) of not
22 more than \$2,000,000;

23 (B) an individual who operates under a
24 sole proprietorship, an individual who operates
25 as an independent contractor, or any eligible
26 self-employed individual, if such an individual

1 has incurred damage to real or personal prop-
2 erty of their business concern during a covered
3 period as a result of social and civil unrest;

4 (C) a community- or worker-owned cooper-
5 ative that—

6 (i) meets the requirements of an eligi-
7 ble cooperative under section 105 of the
8 National Consumer Cooperative Bank Act
9 (12 U.S.C. 3015);

10 (ii) employs not more than 250 full-
11 time or full-time equivalent employees; and

12 (iii) is based in, or provides services
13 to, a low-income community;

14 (D) an eligible nonprofit organization
15 that—

16 (i) employs not more than 250 full-
17 time or full-time equivalent employees;

18 (ii) has \$10,000,000 or less in assets;

19 and

20 (iii) is based in, or provides services
21 to, a low-income community; or

22 (E) any non-profit entity that is a minor-
23 ity-owned or minority-serving entity.

24 (3) ELIGIBLE SELF-EMPLOYED INDIVIDUAL.—

25 The term “eligible self-employed individual” has the

1 meaning given such term in section 7002(b) of the
2 Families First Coronavirus Response Act (Public
3 Law 116–127).

4 (4) ENTITLEMENT COMMUNITY.—The term
5 “entitlement community” means a metropolitan city
6 or urban county, as such terms are defined in sec-
7 tion 102 of the Housing and Community Develop-
8 ment Act of 1974 (42 U.S.C. 5302).

9 (5) ENVIRONMENTAL JUSTICE COMMUNITY.—
10 The term “environmental justice community” means
11 a community with significant representation of com-
12 munities of color, low-income communities, or Tribal
13 and indigenous communities, that experiences, or is
14 at risk of experiencing, higher or more adverse
15 human health or environmental effects, identified
16 through the Environmental Justice Screen of the
17 Environmental Protection Agency or an equivalent
18 mapping and screening tool.

19 (6) FEDERAL POVERTY LEVEL.—The term
20 “Federal poverty level” has the meaning given the
21 term “poverty line” in section 673 of the Omnibus
22 Budget Reconciliation Act of 1981 (42 U.S.C.
23 9902).

24 (7) FULL-TIME EQUIVALENT EMPLOYEES.—

1 (A) IN GENERAL.—The term “full-time
2 equivalent employees” means a number of em-
3 ployees equal to the number determined by di-
4 viding—

5 (i) the total number of hours of serv-
6 ice for which wages were paid by the em-
7 ployer to employees during the taxable
8 year; by

9 (ii) 2080.

10 (B) ROUNDING.—The number determined
11 under subparagraph (A) shall be rounded to the
12 next lowest whole number if not otherwise a
13 whole number.

14 (C) EXCESS HOURS NOT COUNTED.—If an
15 employee works in excess of 2,080 hours of
16 service during any taxable year, such excess
17 shall not be taken into account under subpara-
18 graph (A).

19 (D) HOURS OF SERVICE.—The Secretary
20 of Housing and Urban Development, in con-
21 sultation with the Secretary of Labor, shall pre-
22 scribe such regulations, rules, and guidance as
23 may be necessary to determine the hours of
24 service of an employee for purposes of this
25 paragraph, including rules for the application of

1 this paragraph to employees who are not com-
2 pensated on an hourly basis.

3 (8) HIGH-POVERTY AREA.—The term “high-
4 poverty area” means any census tract having a pov-
5 erty rate of 20 percent or higher, as measured by re-
6 cent 5-year data series available from the American
7 Community Survey, as of the date of the enactment
8 of this Act.

9 (9) HUBZONE.—The term “HUBZone” has
10 the meaning given the term “historically underuti-
11 lized business zone” in section 31 of the Small Busi-
12 ness Act (15 U.S.C. 657a).

13 (10) INDIAN TRIBE.—The term “Indian Tribe”
14 has the meaning given such term in section 102 of
15 the Housing and Community Development Act of
16 1974 (42 U.S.C. 5302).

17 (11) INSULAR AREA.—The term “insular area”
18 has the meaning given such term in section 5204 of
19 the Omnibus Insular Areas Act of 1992 (42 U.S.C.
20 5204).

21 (12) LOW-INCOME COMMUNITY.—The term
22 “low-income community” has the meaning given
23 such term in section 45D(e) of the Internal Revenue
24 Code of 1986 (26 U.S.C. 45D(e)).

1 (13) MINORITY.—The term “minority” has the
2 meaning given such term in section 1204(c)(3) of
3 the Financial Institutions Reform, Recovery, and
4 Enforcement Act of 1989 (12 U.S.C. 1811 note).

5 (14) MINORITY-OWNED ENTITY.—The term
6 “minority-owned entity” means an entity—

7 (A) more than 50 percent of the ownership
8 or control of which is held by not less than 1
9 minority; and

10 (B) more than 50 percent of the net profit
11 or loss of which accrues to not less than 1 mi-
12 nority.

13 (15) MINORITY-SERVING ENTITY.—The term
14 “minority-serving entity” means an institution of
15 higher education whose minority student enrollment
16 is at least 50 percent. Such term includes Asian
17 American and Native American Pacific Islander-
18 serving institutions, as such term is defined in sec-
19 tion 371(c) of the Higher Education Act of 1965
20 (20 U.S.C. 1067q(c)).

21 (16) NONENTITLEMENT AREA; STATE; UNIT OF
22 GENERAL LOCAL GOVERNMENT.—The terms “non-
23 entitlement area”, “State”, and “unit of general
24 local government” have the meanings given such

1 terms in section 102 of the Housing and Community
2 Development Act of 1974 (42 U.S.C. 5302).

3 (17) NONPROFIT ORGANIZATION.—The term
4 “nonprofit organization” means an organization
5 that—

6 (A) is exempt from taxation pursuant to
7 section 501(c)(3) of the Internal Revenue Code
8 of 1986 (26 U.S.C. 501(c)(3)); and

9 (B) is—

10 (i) a community development organi-
11 zation or a community development cor-
12 poration;

13 (ii) a community development finan-
14 cial institution;

15 (iii) a community housing organiza-
16 tion;

17 (iv) a church or religious organization;

18 (v) a public charitable organization; or

19 (vi) a private foundation.

20 (18) PERSISTENT POVERTY COUNTY.—The
21 term “persistent poverty county” means any county
22 that has had 20 percent or more of its population
23 living in poverty over the past 30 years, as measured
24 by the most recent decennial censuses and the most
25 recent Small Area Income and Poverty Estimates of

1 the Bureau of the Census, as of the date of the en-
2 actment of this Act.

3 (19) SECRETARY.—The term “Secretary”
4 means the Secretary of Housing and Urban Develop-
5 ment.

6 (20) WOMEN-OWNED ENTITY.—The term
7 “women-owned entity” means an entity—

8 (A) more than 50 percent of the ownership
9 or control of which is held by not less than 1
10 woman; and

11 (B) more than 50 percent of the net profit
12 or loss of which accrues to not less than 1
13 woman.

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