

116TH CONGRESS
1ST SESSION

S. 1550

To amend the Internal Revenue Code of 1986 to modify the work opportunity credit for certain youth employees, and to extend empowerment zones.

IN THE SENATE OF THE UNITED STATES

MAY 20, 2019

Mr. DURBIN (for himself and Ms. DUCKWORTH) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to modify the work opportunity credit for certain youth employees, and to extend empowerment 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 “Helping to Encourage
5 Real Opportunities (HERO) for At-Risk Youth Act of
6 2019”.

7 **SEC. 2. MODIFICATION AND EXTENSION OF WORK OPPOR-**
8 **TUNITY CREDIT FOR CERTAIN YOUTH EM-**
9 **PLOYEES.**

10 (a) EXPANSION OF CREDIT FOR SUMMER YOUTH.—

1 (1) CREDIT ALLOWED FOR YEAR-ROUND EM-
2 PLOYMENT.—Section 51(d)(7)(A) of the Internal
3 Revenue Code of 1986 is amended—

4 (A) by striking clauses (i) and (iii) and re-
5 designating clauses (ii) and (iv) as clauses (i)
6 and (ii), respectively;

7 (B) in clause (i) (as so redesignated), by
8 striking “(or if later, on May 1 of the calendar
9 year involved),”;

10 (C) by striking the period at the end of
11 clause (ii) (as so redesignated) and inserting “,
12 and”; and

13 (D) adding at the end the following new
14 clause:

15 “(iii) who will be employed for not
16 more than 20 hours per week during any
17 period between September 16 and April 30
18 in which such individual is regularly at-
19 tending any secondary school.”.

20 (2) INCREASE IN CREDIT AMOUNT.—Section
21 51(d)(7) of the Internal Revenue Code of 1986 is
22 amended by striking subparagraph (B) and by re-
23 designating subparagraph (C) as subparagraph (B).

24 (3) CONFORMING AMENDMENTS.—

1 (A) Subparagraph (F) of section 51(d)(1)
 2 of the Internal Revenue Code of 1986 is
 3 amended by striking “summer”.

4 (B) Paragraph (7) of section 51(d) of such
 5 Code is amended—

6 (i) by striking “summer” each place it
 7 appears in subparagraphs (A);

8 (ii) in subparagraph (B), as redesign-
 9 nated by paragraph (2), by striking “sub-
 10 paragraph (A)(iv)” and inserting “sub-
 11 paragraph (A)(ii)”; and

12 (iii) by striking “SUMMER” in the
 13 heading thereof.

14 (b) CREDIT FOR AT-RISK YOUTH.—

15 (1) IN GENERAL.—Paragraph (1) of section
 16 51(d) of the Internal Revenue Code of 1986 is
 17 amended by striking “or” at the end of subpara-
 18 graph (I), by striking the period at the end of sub-
 19 paragraph (J) and inserting “, or” , and by adding
 20 at the end the following new subparagraph:

21 “(K) an at-risk youth.”.

22 (2) AT-RISK YOUTH.—Paragraph (14) of sec-
 23 tion 51(d) of such Code is amended to read as fol-
 24 lows:

1 “(14) AT-RISK YOUTH.—The term ‘at-risk
2 youth’ means any individual who is certified by the
3 designated local agency—

4 “(A) as—

5 “(i) having attained age 16 but not
6 age 25 on the hiring date,

7 “(ii) as not regularly attending any
8 secondary, technical, or post-secondary
9 school during the 6-month period pre-
10 ceding the hiring date,

11 “(iii) as not regularly employed dur-
12 ing such 6-month period, and

13 “(iv) as not readily employable by rea-
14 son of lacking a sufficient number of basic
15 skills, or

16 “(B) as—

17 “(i) having attained age 16 but not
18 age 21 on the hiring date, and

19 “(ii) an eligible foster child (as de-
20 fined in section 152(f)(1)(C)) who was in
21 foster care during the 12-month period
22 ending on the hiring date.”.

23 (c) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to individuals who begin work for
25 the employer after the date of the enactment of this Act.

1 **SEC. 3. EXTENSION OF EMPOWERMENT ZONES.**

2 (a) IN GENERAL.—Section 1391(d)(1)(A)(i) of the
3 Internal Revenue Code of 1986 is amended by striking
4 “December 31, 2017” and inserting “December 31,
5 2020”.

6 (b) TREATMENT OF CERTAIN TERMINATION DATES
7 SPECIFIED IN NOMINATIONS.—In the case of a designa-
8 tion of an empowerment zone the nomination for which
9 included a termination date which is contemporaneous
10 with the date specified in subparagraph (A)(i) of section
11 1391(d)(1) of the Internal Revenue Code of 1986 (as in
12 effect before the enactment of this Act), subparagraph (B)
13 of such section shall not apply with respect to such des-
14 ignation if, after the date of the enactment of this section,
15 the entity which made such nomination amends the nomi-
16 nation to provide for a new termination date in such man-
17 ner as the Secretary of the Treasury (or the Secretary’s
18 designee) may provide.

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