

116TH CONGRESS
2D SESSION

H. R. 7262

To amend the Internal Revenue Code of 1986 to allow qualified opportunity funds to invest in community development financial institutions.

IN THE HOUSE OF REPRESENTATIVES

JUNE 18, 2020

Mr. MEEKS (for himself, Mr. QUIGLEY, Mr. CLEAVER, Mr. GREEN of Texas, Mr. CÁRDENAS, Ms. ESHOO, Mr. GALLEGO, and Mr. CRIST) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow qualified opportunity funds to invest in community development financial institutions.

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 Develop-
5 ment in Opportunity Zones Act of 2020”.

1 **SEC. 2. QUALIFIED OPPORTUNITY FUND INVESTMENTS IN**
2 **COMMUNITY DEVELOPMENT FINANCIAL IN-**
3 **STITUTIONS.**

4 (a) IN GENERAL.—Section 1400Z–2(d)(3) of the In-
5 ternal Revenue Code of 1986 is amended by adding at the
6 end the following new subparagraph:

7 “(C) SPECIAL RULE FOR COMMUNITY DE-
8 VELOPMENT FINANCIAL INSTITUTIONS.—The
9 term ‘qualified opportunity zone business’ shall
10 include any community development financial
11 institution (as defined in section 103 of the
12 Community Development Banking and Finan-
13 cial Institutions Act of 1994 (12 U.S.C. 4702))
14 if, during substantially all the qualified oppor-
15 tunity fund’s holding period for its investment
16 in such community development financial insti-
17 tution, the average of the aggregate amount of
18 investment, and principal amount of loans, pro-
19 vided by such community development financial
20 institution to qualified opportunity zone busi-
21 nesses (other than community development fi-
22 nancial institutions) or residents of qualified
23 opportunity zones is not less than such invest-
24 ment.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall take effect on the date of the enactment
3 of this Act.

○