

115TH CONGRESS
1ST SESSION

S. 983

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

APRIL 27, 2017

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”.

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

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

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

(A) by striking clauses (i) and (iii) and redesignating clauses (ii) and (iv) as clauses (i) and (ii), respectively;

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

(C) by adding at the end the following new clause:

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

(2) INCREASE IN CREDIT AMOUNT.—Section 51(d)(7) of the Internal Revenue Code of 1986 is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(3) CONFORMING AMENDMENTS.—

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

1 (B) Paragraph (7) of section 51(d) of such
 2 Code is amended—

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

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

9 (iii) by striking “SUMMER” in the
 10 heading thereof.

11 (b) CREDIT FOR AT-RISK YOUTH.—

12 (1) IN GENERAL.—Paragraph (1) of section
 13 51(d) of the Internal Revenue Code of 1986 is
 14 amended by striking “or” at the end of subpara-
 15 graph (I), by striking the period at the end of sub-
 16 paragraph (J) and inserting “, or” , and by adding
 17 at the end the following new subparagraph:

18 “(K) an at-risk youth.”.

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

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

25 “(A) as—

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

3 “(ii) as not regularly attending any
4 secondary, technical, or post-secondary
5 school during the 6-month period pre-
6 ceding the hiring date,

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

9 “(iv) as not readily employable by rea-
10 son of lacking a sufficient number of basic
11 skills, or

12 “(B) as—

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

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

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

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

23 (a) IN GENERAL.—Section 1391(d)(1)(A)(i) of the
24 Internal Revenue Code of 1986 is amended by striking

1 “December 31, 2016” and inserting “December 31,
2 2019”.

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

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