

assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary if the Secretary—

(i) finds that the establishment of the new branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where the existing business entity conducts business operations; and

(ii) has no reason to believe that the new branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where the existing business entity conducts business operations.

**(e) Definitions**

For purposes of this section:

**(1) Government**

If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

**(2) Local government**

The term “local government” means—

(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State;

(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary; and

(C) the District of Columbia.

**(3) Secretary**

The term “Secretary” means the Secretary of Housing and Urban Development.

**(4) State**

The term “State” includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

(Pub. L. 100-242, title VII, § 701, Feb. 5, 1988, 101 Stat. 1957; Pub. L. 100-628, title X, § 1090(a), (b), Nov. 7, 1988, 102 Stat. 3283; Pub. L. 102-550, title VIII, § 834(a), Oct. 28, 1992, 106 Stat. 3855.)

**Editorial Notes**

REFERENCES IN TEXT

The date of the enactment of the Housing and Community Development Act of 1992, referred to in subsec. (a)(4)(B), is the date of enactment of Pub. L. 102-550, which was approved Oct. 28, 1992.

The Housing Act of 1949, referred to in subsec. (d)(2), is act July 15, 1949, ch. 338, 63 Stat. 413, as amended. Title V of the Housing Act of 1949 is classified generally to subchapter III (§1471 et seq.) of chapter 8A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.

AMENDMENTS

1992—Subsec. (a)(4)(B). Pub. L. 102-550, § 834(a)(1), substituted “the date of the enactment of the Housing and Community Development Act of 1992 occurs” for “the effective date of the regulations described in subparagraph (A) occurs”.

Subsec. (c)(3)(B). Pub. L. 102-550, § 834(a)(2), substituted “October 28, 1992” for “February 5, 1988”.

1988—Subsec. (a)(2)(B). Pub. L. 100-628, § 1090(b), substituted “under subparagraph (A)” for “under clause (i)” in introductory provisions.

Subsec. (a)(3)(A). Pub. L. 100-628, § 1090(a), amended first sentence generally. Prior to amendment, first sentence read as follows: “Except as provided in subparagraph (B), the Secretary shall designate the nominated areas with the highest average ranking with respect to the criteria set forth in subparagraphs (C), (D), and (E) of subsection (c)(3) of this section.”

**Statutory Notes and Related Subsidiaries**

REGULATIONS

Pub. L. 100-628, title X, § 1090(c), Nov. 7, 1988, 102 Stat. 3283, provided that not later than 30 days after Nov. 7, 1988, the Secretary of Housing and Urban Development was to revise the regulations issued by the Secretary to carry out title VII of Pub. L. 100-242 (42 U.S.C. 11501 et seq.) by issuing a final regulation that carried out the amendments made to this section by section 1090 of Pub. L. 100-628.

**§ 11502. Evaluation and reporting requirements**

Not later than the close of the 4th calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones pursuant to the amendments made by section 834 of the Housing and Community Development Act of 1992, and at the close of each 4th calendar year thereafter, the Secretary shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this chapter.

(Pub. L. 100-242, title VII, § 702, Feb. 5, 1988, 101 Stat. 1961; Pub. L. 102-550, title VIII, § 834(b), Oct. 28, 1992, 106 Stat. 3855.)

**Editorial Notes**

REFERENCES IN TEXT

Section 834 of the Housing and Community Development Act of 1992, referred to in text, is section 834 of Pub. L. 102-550, which amended this section and section 11501 of this title.

AMENDMENTS

1992—Pub. L. 102-550 inserted “pursuant to the amendments made by section 834 of the Housing and Community Development Act of 1992” after “zones”.

**Statutory Notes and Related Subsidiaries**

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of this section relating to quadriennial submittal of report to Congress, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 10th item on page 106 of House Document No. 103-7.

**§ 11503. Interaction with other Federal programs**

**(a) Coordination with relocation assistance**

The designation of an enterprise zone under section 11501 of this title shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

**(b) Enterprise zones treated as labor surplus areas**

Any area that is designated as an enterprise zone under section 11501 of this title shall be treated for all purposes under Federal law as a labor surplus area.

(Pub. L. 100-242, title VII, § 703, Feb. 5, 1988, 101 Stat. 1961.)

**Editorial Notes**

REFERENCES IN TEXT

The Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, referred to in subsec. (a), probably means the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Pub. L. 91-646, Jan. 2, 1971, 84 Stat. 1894, as amended, which is classified principally to chapter 61 (§ 4601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

**§ 11504. Waiver or modification of housing and community development rules in enterprise zones**

**(a) In general**

Upon the written request of the governments that designated and approved an area that has been designated as an enterprise zone under section 11501 of this title, the Secretary of Housing and Urban Development (or, with respect to any rule issued under title V of the Housing Act of 1949 [42 U.S.C. 1471 et seq.], the Secretary of Agriculture) may, in order to further the job creation, community development, or economic revitalization objectives of the zone, waive or modify all or part of any rule that the Secretary has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

**(b) Limitation**

No provision of this section may be construed to authorize the Secretary to waive or modify any rule adopted to carry out a statute or Executive order that prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

**(c) Submission of requests**

A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to the Secretary of Agriculture, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

**(d) Consideration of requests**

In considering a request, the Secretary shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area that

would be affected by the change. The Secretary shall approve the request whenever the Secretary finds, in the discretion of the Secretary, that the public interest that the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest that continuation of the rule unchanged would serve in furthering such underlying purposes. The Secretary shall not approve any request to waive or modify a rule if that waiver or modification would—

- (1) directly violate a statutory requirement; or
- (2) be likely to present a significant risk to the public health, including environmental health or safety.

**(e) Notice of disapproval**

If a request is disapproved, the Secretary shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

**(f) Period for determination**

The Secretary shall discharge the responsibilities of the Secretary under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

**(g) Applicable procedures**

A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of title 5. To facilitate reaching a decision on any requested waiver or modification, the Secretary may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The Secretary shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

**(h) Effect of subsequent amendment of rules**

In the event that the Secretary proposes to amend a rule for which a waiver or modification under this section is in effect, the Secretary shall not change the waiver or modification to impose additional requirements unless the Secretary determines, consistent with standards contained in subsection (d), that such action is necessary.

**(i) Expiration of waivers and modifications**

No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

**(j) Definitions**

For purposes of this section:

**(1) Rule**

The term "rule" means—

- (A) any rule as defined in section 551(4) of title 5; or
- (B) any rulemaking conducted on the record after opportunity for an agency hear-