

United States Senate

October 18, 2019

Hon. David J. Kautter
Assistant Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

RE: Request for Information (RFI) on Data Collection and Tracking for Qualified Opportunity Zones, 84 FR 18648 (May 1, 2019)

Dear Assistant Secretary Kautter:

The Opportunity Zones tax incentive has already been a catalyst for high-impact projects in areas of the country that have an average poverty rate nearly double the national average, with transformational projects breaking ground in rural and urban neighborhoods alike. I am grateful for the Administration's work throughout the implementation of the Opportunity Zones incentive, and look forward to continue working with the Department of the Treasury (Treasury) as you finalize the regulatory framework. The clarifications provided under the new regulations are an important step towards improving the attraction and facilitation of investments in communities that need it most.

However, as these projects get underway, the lack of robust data regarding investments and Opportunity Zone communities remains a roadblock for the successful execution and assessment of the incentive, and serves as a disadvantage to policymakers, investors, and Opportunity Zone communities. In order to ensure the incentive is facilitating economic investment in the manner in which the legislation intended, it is critical that these investments and their impacts can be measured and analyzed. Framework for data collection was not only included in the original *Investing in Opportunity Act*, but has been outlined again in legislation (S.1344) I introduced with my colleagues Senators Tim Scott (R-SC), Maggie Hassan (D-NH), and Todd Young (R-IN) earlier this year. I urge you to address these concerns in order to ensure that Opportunity Zones continue to serve as a tool to drive high-impact investment into underserved communities.

Centralized and public information regarding opportunity funds and Opportunity Zones will not only serve to better understand the frequency with which investors are taking advantage of the incentive, but also the impact Opportunity Zone designation has on the community. To ensure the effectiveness of the policy in achieving its goals, and ensure that the investment opportunity remains an appealing option for investors, I am requesting that Treasury collect and make public the following information:

1. The number of qualified opportunity funds (QOFs);
2. The number of assets held in qualified opportunity funds;
3. The composition of qualified opportunity fund investments by asset class;

4. The percentage of qualified opportunity zones that have received qualified opportunity fund investments;
5. The impacts and outcomes of zone indicators, including job creation, poverty reduction, new business starts, and other metrics.

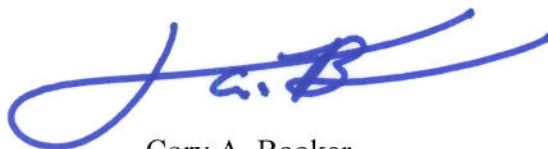
Additionally, the legislation calls for the collection of investment-level data, in order to fully understand the impacts and types of projects being facilitated by the Opportunity Zone incentive. Treasury should collect the following information from qualified opportunity funds on an annual basis:

1. The total amount of investment and date of investment;
2. Type of investment: whether it is an existing business, new business or real property, and location of business or property;
3. Type of activity being supported by investment (single-family or multifamily residential property, commercial property, or what qualifying economic sector);
4. The approximate number of full-time employees at the time the investment was made;
5. Square footage and number of residential units, in the case of real property investments.

The collection of the information listed above will provide a comprehensive assessment of the incentive, which will allow us to determine and ensure that the investments are being effectively allocated to low-income communities. Robust data will bring us closer to carrying out the full intent of the Opportunity Zone legislation.

Again, thank you for your work to facilitate the implementation of Opportunity Zones. Reporting requirements will serve to complement the important work being done by the private sector by investing in communities across the country, and will ensure that the legislation is being implemented as it was intended. I look forward to continuing to work with you to ensure the success of this powerful tool. Thank you for your consideration.

Sincerely,



Cory A. Booker
United States Senator