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## GOP Opportunity Zone

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This is a list of "Pro-Free-Market Ideas for Responding to Hurricane Katrina and High Gas Prices," circulated by the [House Republican Study Committee](#). Attributions included where available.

- Automatically suspend Davis-Bacon prevailing wage laws in disaster areas. (*Reps. Marilyn Musgrave, Colorado, Tom Feeney, Florida, Jeff Flake, Arizona*)
- Make the entire affected area a flat-tax free-enterprise zone. (*Rep. Paul Ryan, Wisconsin*)
- Make the entire region an economic competitiveness zone (comprehensive tax incentives and waiving of regulations). (*Rep. Todd Tiahrt, Kansas*)
- Immediate, first-year business expensing in lieu of depreciation for all assets, both personal property and structures (buildings) in the affected areas.
- Allow net operating loss carry-backs for affected residents and businesses going back as many years as is needed to actualize the NOL.
- For residents and businesses located or investing in the affected area, their 2005 and 2006 capital gains and dividends rate should be zero.
- Individuals in the affected area should have a Section 911 (overseas earned income) exclusion that is uncapped.
- Waive the death tax for any deaths in the affected area between August 20, 2005-December 31, 2005.
- Provide limited liability protection for construction contractors who voluntarily provide services or equipment before a government contract is finalized. (*Rep. Gary Miller, California, Rep. Tom Cole, Oklahoma*)
- Repeal or waive restrictive environmental regulations, such as NEPA, that hamper rebuilding. (*Heritage Foundation*)
- Waive penalties for early withdrawals from tax-advantaged savings (like IRAs and 401k accounts). (*Heritage Foundation*)
- Eliminate any regulatory barriers and other disincentives that block faith-based and other charitable organizations from engaging in the recovery and reconstruction process. (*Orthodox Union, Heritage Foundation*)
- Increase the amount of rehabilitation tax credits by 30 percent in census tracts where the greatest poverty exists, and for smaller projects where raising capital for reconstruction is the most difficult, and where there is the most critical need for housing and neighborhood reinvestment. (*Rep. Phil English, Pennsylvania*)

- Allow non-itemizers to deduct charitable contributions to disaster relief. (*Rep. Ron Paul, Texas*)
- Give school-choice vouchers for displaced children. (*Rep. Ted Poe, Texas*)
- Provide tax (and other such) incentives to lenders if they provide funding for school and other construction.
- Reduce, suspend, or eliminate tariffs on Canadian lumber, Mexican cement, and other materials used for new construction.
- Permit an additional advance refunding for all governmental bonds issued by or on the behalf of entities contained in the disaster area as declared by the president.
- Eliminate the volume cap for private-activity bonds in the disaster area and permit the use of private-activity bonds for all transportation-related infrastructure in the disaster area.
- Eliminate the income and home price limitation for mortgages funded by tax-exempt mortgage revenue bonds for a five-year period.
- Allow a non-profit corporation to issue tax-credit bonds--which provide a return in the form of a federal tax credit--and allocate the proceeds for school rehabilitation and reconstruction.
- Streamline the environmental hurdles to building new oil refineries. (*Rep. John Shadegg, Arizona*)
- Make it easier for small refineries to increase capacity. (*Kansas's Tiahrt*)
- Allow more offshore oil drilling. (*Texas's Poe*)
- Pay the royalties for new offshore oil drilling to the local governments nearest to shore. (*Rep. Dana Rohrabacher, California*)
- Allow drilling in the Arctic National Wildlife Refuge.
- Temporarily suspend the gas tax. (*Arizona's John Shadegg*)
- Permanently reduce the gas tax.
- Waive or repeal gas formulation (e.g. oxygenation) requirements under the Clean Air Act and related regulations. (*Heritage Foundation*)
- Encourage the production of renewable fuels (biodiesel, ethanol.)
- Encourage private-market projects to recover usable energy from oil shale.
- Strengthen the existing investment tax credit for Enhanced Oil Recovery (using modern technology improvements to extract oil from previously unavailable sources) in section 43 of the IRS Code.

*Source: House Republican Study Committee*