

Bond Case Briefs

Municipal Finance Law Since 1971

The Education Opportunity in Opportunity Zones.

Can incentivized investment in distressed communities close the prosperity gap?

More than 8,700 newly created Opportunity Zones are now racing to attract a portion of the \$6 trillion in capital that may flow under a provision of the new tax law enacted in 2017. The law uses a package of tax incentives to jumpstart economic development in distressed communities by financing local startups, building small businesses, or developing properties—but there are also opportunities for education institutions and workforce-development programs.

A lack of investment in distressed communities

A growing body of research has revealed geographic prosperity gaps across the United States. Recent economic growth is concentrated in large, metropolitan areas with populations of over 1 million, which have experienced 72 percent of the nation's job growth since the financial crisis. Nearly half of the net increase in business establishments from 2007 to 2016 took place in just two cities: [Washington, D.C., and New York City](#).

Millions of Americans now live in [distressed communities](#) characterized by higher rates of poverty and lower levels of income, educational attainment, and workforce participation. Pockets of the country also struggle with higher rates of "[deaths of despair](#)" due to suicide, drugs, and alcohol—symptomatic of a larger sense of lost opportunity.

[Continue reading.](#)

Education Next

By John Bailey 07/02/2019