

113TH CONGRESS
2D SESSION

H. R. 3939

To amend the Internal Revenue Code of 1986 to jumpstart the sluggish economy, finance critical infrastructure investments, fight income inequality and create jobs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2014

Mr. NEAL introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Internal Revenue Code of 1986 to jumpstart the sluggish economy, finance critical infrastructure investments, fight income inequality and create jobs, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Invest in United States Act of 2014”.

- 1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

See. 1. Short title; table of contents.

TITLE I—AMERICAN INFRASTRUCTURE FINANCING AUTHORITY

See. 101. Findings and purpose.

Sec. 102. Definitions.

Subtitle A—American Infrastructure Financing Authority

Sec. 111. Establishment and general authority of AIFA.

Sec. 112. Voting members of the Board of Directors.

Sec. 113. Chief Executive Officer of AIFA.

Sec. 114. Powers and duties of the Board of Directors.

Sec. 115. Senior management.

Sec. 116. Special Inspector General for AIFA.

Sec. 117. Other personnel.

Sec. 118. Compliance.

Subtitle B—Terms and Limitations on Direct Loans and Loan Guarantees

See. 121. Eligibility criteria for assistance from AIFA and terms and limitations of loans.

Sec. 122. Loan terms and repayment.

Sec. 123. Compliance and enforcement.

Sec. 124. Audits; reports to the President and Congress.

Subtitle C—Funding of AIFA

Sec. 131. Fees.

Sec. 132. Self-sufficiency of AIFA.

Sec. 133. Funding.

Sec. 134. Contract authority.

TITLE II—TAX CREDIT EXTENSIONS

Sec. 201. Permanent extension of new markets tax credit.

Sec. 202. Build America Bonds made permanent.

Sec. 203. Permanent extension of research credit; increase in alternative simplified research credit.

Sec. 204. Exempt-facility bonds for sewage and water supply facilities.

Sec. 205. Repeal of alternative minimum tax on private activity bonds.

TITLE III—SKILLS TRAINING

Sec. 301. Job training tax credit.

Sec. 302. Qualified Job Training Partnerships credit.

TITLE IV—TRADE PROVISIONS

Sec. 401. Findings; sense of Congress on applicability of trade authorities procedures to a bill implementing a trade and investment agreement with the European Union.

Sec. 402. Extension of trade adjustment assistance program.

TITLE V—MINIMUM WAGE INCREASE AND BUSINESS TAX RELIEF

Sec. 501. Minimum wage increases.

Sec. 502. Work Opportunity Credit made permanent.

Sec. 503. Increased expensing limitations and treatment of certain real property as section 179 property made permanent.

Sec. 504. Permanent extension of treatment of qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property as 15-year property for purposes of depreciation deduction.

1 **TITLE I—AMERICAN INFRA- 2 STRUCTURE FINANCING AU- 3 THORITY**

4 **SEC. 101. FINDINGS AND PURPOSE.**

5 (a) FINDINGS.—Congress finds that—

6 (1) infrastructure has always been a vital ele-
7 ment of the economic strength of the United States
8 and a key indicator of the international leadership of
9 the United States;

10 (2) the Erie Canal, the Hoover Dam, the rail-
11 roads, and the interstate highway system are all tes-
12 taments to American ingenuity and have helped pro-
13 pel and maintain the United States as the world's
14 largest economy;

15 (3) according to the World Economic Forum's
16 Global Competitiveness Report, the United States
17 fell to second place in 2009, and dropped to fourth
18 place overall in 2010, however, in the "Quality of
19 overall infrastructure" category of the same report,
20 the United States ranked twenty-third in the world;

1 (4) according to the World Bank's 2010 Logis-
2 tic Performance Index, the capacity of countries to
3 efficiently move goods and connect manufacturers
4 and consumers with international markets is improv-
5 ing around the world, and the United States now
6 ranks seventh in the world in logistics-related infra-
7 structure behind countries from both Europe and
8 Asia;

9 (5) according to a January 2009 report from
10 the University of Massachusetts/Alliance for Amer-
11 ican Manufacturing entitled "Employment, Produc-
12 tivity and Growth," infrastructure investment is a
13 "highly effective engine of job creation" such that
14 \$1,000,000,000 in new investment in infrastructure
15 results in 18,000 total jobs;

16 (6) according to the American Society of Civil
17 Engineers, the current condition of the infrastruc-
18 ture in the United States earns a grade point aver-
19 age of D, and an estimated \$2,200,000,000,000 in-
20 vestment is needed over the next 5 years to bring
21 American infrastructure up to adequate condition;

22 (7) according to the National Surface Trans-
23 portation Policy and Revenue Study Commission,
24 \$225,000,000,000 is needed annually from all
25 sources for the next 50 years to upgrade the United

1 States surface transportation system to a state of
2 good repair and create a more advanced system;

3 (8) the current infrastructure financing mechanisms
4 of the United States, both on the Federal and
5 State level, will fail to meet current and foreseeable
6 demands and will create large funding gaps;

7 (9) traditional municipal bonds issued by State
8 and local governments are proven to work and have
9 been a part of the tax code for over 100 years, and
10 additional infrastructure financing options can be
11 created at the Federal level to complement the cur-
12 rent system to best meet infrastructure needs;

13 (10) new, additional financing mechanisms
14 should be targeted and quickly implemented to—

15 (A) serve large in-State or cross jurisdiction
16 infrastructure projects, projects of regional
17 or national significance, or projects that cross
18 sector silos;

19 (B) sufficiently catalyze private sector in-
20 vestment; or

21 (C) ensure the optimal return on public re-
22 sources;

23 (11) although grant programs of the United
24 States Government must continue to play a central
25 role in financing the transportation, environment,

1 and energy infrastructure needs of the United
2 States, current and foreseeable demands on existing
3 Federal, State, and local funding for infrastructure
4 expansion clearly exceed the resources to support
5 these programs by margins wide enough to prompt
6 serious concerns about the United States ability to
7 sustain long-term economic development, produc-
8 tivity, and international competitiveness;

9 (12) the capital markets, including pension
10 funds, private equity funds, mutual funds, sovereign
11 wealth funds, and other investors, have a growing
12 interest in infrastructure investment and represent
13 hundreds of billions of dollars of potential invest-
14 ment; and

15 (13) the establishment of a United States Gov-
16 ernment-owned, independent, professionally managed
17 institution that could provide credit support to qual-
18 ified infrastructure projects of regional and national
19 significance, making transparent merit-based invest-
20 ment decisions based on the commercial viability of
21 infrastructure projects, would catalyze the participa-
22 tion of significant private investment capital.

23 (b) PURPOSE.—The purpose of this title is to facili-
24 tate investment in, and long-term financing of, economi-
25 cally viable infrastructure projects of regional or national

1 significance in a manner that both complements existing
2 Federal, State, local, and private funding sources for these
3 projects and introduces a merit-based system for financing
4 such projects, in order to mobilize significant private sec-
5 tor investment, create jobs, and ensure United States com-
6 petitiveness through a self-sustaining institution that lim-
7 its the need for ongoing Federal funding.

8 **SEC. 102. DEFINITIONS.**

9 For purposes of this title, the following definitions
10 shall apply:

11 (1) AIFA.—The term “AIFA” means the
12 American Infrastructure Financing Authority estab-
13 lished under this title.

14 (2) BLIND TRUST.—The term “blind trust”
15 means a trust in which the beneficiary has no knowl-
16 edge of the specific holdings and no rights over how
17 those holdings are managed by the fiduciary of the
18 trust prior to the dissolution of the trust.

19 (3) BOARD OF DIRECTORS.—The term “Board
20 of Directors” means Board of Directors of AIFA.

21 (4) CHAIRPERSON.—The term “Chairperson”
22 means the Chairperson of the Board of Directors of
23 AIFA.

1 (5) CHIEF EXECUTIVE OFFICER.—The term
2 “Chief Executive Officer” means the Chief Executive
3 Officer of AIFA, appointed under section 113.

4 (6) COST.—The term “cost” has the same
5 meaning as in section 502 of the Federal Credit Re-
6 form Act of 1990 (2 U.S.C. 661a).

7 (7) DIRECT LOAN.—The term “direct loan” has
8 the same meaning as in section 502 of the Federal
9 Credit Reform Act of 1990 (2 U.S.C. 661a).

10 (8) ELIGIBLE ENTITY.—The term “eligible enti-
11 ty” means an individual, corporation, partnership
12 (including a public-private partnership), joint ven-
13 ture, trust, State, or other governmental entity, in-
14 cluding a political subdivision or any other instru-
15 mentality of a State, or a revolving fund.

16 (9) INFRASTRUCTURE PROJECT.—

17 (A) IN GENERAL.—The term “eligible in-
18 frastructure project” means any transportation,
19 water, or energy infrastructure project, or an
20 aggregation of such infrastructure projects, as
21 provided in this title.

22 (B) TRANSPORTATION INFRASTRUCTURE
23 PROJECT.—The term “transportation infra-
24 structure project” means the construction, al-

teration, or repair, including the facilitation of intermodal transit, of the following subsectors:

- (i) Highway or road.
 - (ii) Bridge.
 - (iii) Mass transit.
 - (iv) Inland waterways.
 - (v) Commercial ports.
 - (vi) Airports.
 - (vii) Air traffic control systems.
 - (viii) Passenger rail, including
d rail.
 - (ix) Freight rail systems.

(C) WATER INFRASTRUCTURE PROJECT.—

The term “water infrastructure project” means the construction, consolidation, alteration, or repair of the following subsectors:

- (i) Water waste treatment facility.
 - (ii) Storm water management system.
 - (iii) Dam.
 - (iv) Solid waste disposal facility.
 - (v) Levee.
 - (vi) Open space management system.

(D) ENERGY INFRASTRUCTURE

PROJECT.—The term “energy infrastructure

1 “project” means the construction, alteration, or
2 repair of the following subsectors:

(i) Pollution reduced energy genera-
tion.

5 (ii) Transmission and distribution.

(iii) Storage.

(iv) Energy efficiency enhancements for buildings, including public and commercial buildings.

1 (12) PUBLIC-PRIVATE PARTNERSHIP.—The
2 term “public-private partnership” means any eligible
3 entity—

4 (A)(i) which is undertaking the develop-
5 ment of all or part of an infrastructure project
6 that will have a public benefit, pursuant to re-
7 quirements established in one or more contracts
8 between the entity and a State or an instru-
9 mentality of a State; or

10 (ii) the activities of which, with respect to
11 such an infrastructure project, are subject to
12 regulation by a State or any instrumentality of
13 a State;

14 (B) which owns, leases, or operates or will
15 own, lease, or operate, the project in whole or
16 in part; and

17 (C) the participants in which include not
18 fewer than 1 nongovernmental entity with sig-
19 nificant investment and some control over the
20 project or project vehicle.

21 (13) RURAL INFRASTRUCTURE PROJECT.—The
22 term “rural infrastructure project” means an infra-
23 structure project in a rural area, as that term is de-
24 fined in section 343(a)(13)(A) of the Consolidated

1 Farm and Rural Development Act (7 U.S.C.
2 1991(a)(13)(A)).

3 (14) SECRETARY.—Unless the context other-
4 wise requires, the term “Secretary” means the Sec-
5 retary of the Treasury or the designee thereof.

6 (15) SENIOR MANAGEMENT.—The term “senior
7 management” means the Chief Financial Officer,
8 Chief Risk Officer, Chief Compliance Officer, Gen-
9 eral Counsel, Chief Lending Officer, and Chief Oper-
10 ations Officer of AIFA established under section
11 115, and such other officers as the Board of Direc-
12 tors may, by majority vote, add to senior manage-
13 ment.

14 (16) STATE.—The term “State” includes the
15 District of Columbia, Puerto Rico, Guam, American
16 Samoa, the Virgin Islands, the Commonwealth of
17 Northern Mariana Islands, and any other territory
18 of the United States.

19 **Subtitle A—American
20 Infrastructure Financing Authority**

21 **SEC. 111. ESTABLISHMENT AND GENERAL AUTHORITY OF
22 AIFA.**

23 (a) ESTABLISHMENT OF AIFA.—The American In-
24 frastructure Financing Authority is established as a whol-
25 ly owned Government corporation.

1 (b) GENERAL AUTHORITY OF AIFA.—AIFA shall
2 provide direct loans and loan guarantees to facilitate infra-
3 structure projects that are both economically viable and
4 of regional or national significance, and shall have such
5 other authority as is provided under this title.

6 (c) INCORPORATION.—

7 (1) IN GENERAL.—The Board of Directors first
8 appointed shall be deemed the incorporator of AIFA,
9 and the incorporation shall be held to have been ef-
10 fected from the date of the first meeting of the
11 Board of Directors.

12 (2) CORPORATE OFFICE.—AIFA shall—

13 (A) maintain an office in Washington, DC;
14 and

15 (B) for purposes of venue in civil actions,
16 be considered to be a resident of Washington,
17 DC.

18 (d) RESPONSIBILITY OF THE SECRETARY.—The Sec-
19 retary shall take such actions as may be necessary to as-
20 sist in implementing AIFA, and in carrying out the pur-
21 pose of this title.

22 (e) RULE OF CONSTRUCTION.—Chapter 91 of title
23 31, United States Code, does not apply to AIFA, unless
24 otherwise specifically provided in this title.

1 SEC. 112. VOTING MEMBERS OF THE BOARD OF DIREC-

2 **TORS.**

3 (a) VOTING MEMBERSHIP OF THE BOARD OF DIREC-

4 TORS.—

5 (1) IN GENERAL.—AIFA shall have a Board of
6 Directors consisting of 7 voting members appointed
7 by the President, by and with the advice and consent
8 of the Senate, not more than 4 of whom shall be
9 from the same political party.

10 (2) CHAIRPERSON.—One of the voting members
11 of the Board of Directors shall be designated by the
12 President to serve as Chairperson thereof.

13 (3) CONGRESSIONAL RECOMMENDATIONS.—Not
14 later than 30 days after the date of enactment of
15 this Act, the majority leader of the Senate, the mi-
16 nority leader of the Senate, the Speaker of the
17 House of Representatives, and the minority leader of
18 the House of Representatives shall each submit a
19 recommendation to the President for appointment of
20 a member of the Board of Directors, after consulta-
21 tion with the appropriate committees of Congress.

22 (b) VOTING RIGHTS.—Each voting member of the
23 Board of Directors shall have an equal vote in all decisions
24 of the Board of Directors.

25 (c) QUALIFICATIONS OF VOTING MEMBERS.—Each
26 voting member of the Board of Directors shall—

1 (1) be a citizen of the United States; and
2 (2) have significant demonstrated expertise in—
3 (A) the management and administration of
4 a financial institution relevant to the operation
5 of AIFA; or
6 (B) the financing, development, or oper-
7 ation of infrastructure projects.

8 (d) TERMS.—

9 (1) IN GENERAL.—Except as otherwise pro-
10 vided in this title, each voting member of the Board
11 of Directors shall be appointed for a term of 4 years.

12 (2) INITIAL STAGGERED TERMS.—Of the voting
13 members first appointed to the Board of Directors—

14 (A) the initial Chairperson and 3 of the
15 other voting members shall each be appointed
16 for a term of 4 years; and

17 (B) the remaining 3 voting members shall
18 each be appointed for a term of 2 years.

19 (3) DATE OF INITIAL NOMINATIONS.—The ini-
20 tial nominations for the appointment of all voting
21 members of the Board of Directors shall be made
22 not later than 60 days after the date of enactment
23 of this Act.

24 (4) BEGINNING OF TERM.—The term of each of
25 the initial voting members appointed under this sec-

1 tion shall commence immediately upon the date of
2 appointment, except that, for purposes of calculating
3 the term limits specified in this subsection, the ini-
4 tial terms shall each be construed as beginning on
5 January 22 of the year following the date of the ini-
6 tial appointment.

7 (5) VACANCIES.—A vacancy in the position of
8 a voting member of the Board of Directors shall be
9 filled by the President, and a member appointed to
10 fill a vacancy on the Board of Directors occurring
11 before the expiration of the term for which the pred-
12 ecessor was appointed shall be appointed only for
13 the remainder of that term.

14 (e) MEETINGS.—

15 (1) OPEN TO THE PUBLIC; NOTICE.—Except as
16 provided in paragraph (3), all meetings of the Board
17 of Directors shall be—

18 (A) open to the public; and
19 (B) preceded by reasonable public notice.

20 (2) FREQUENCY.—The Board of Directors shall
21 meet not later than 60 days after the date on which
22 all members of the Board of Directors are first ap-
23 pointed, at least quarterly thereafter, and otherwise
24 at the call of either the Chairperson or 5 voting
25 members of the Board of Directors.

1 (3) EXCEPTION FOR CLOSED MEETINGS.—The
2 voting members of the Board of Directors may, by
3 majority vote, close a meeting to the public if, dur-
4 ing the meeting to be closed, there is likely to be dis-
5 closed proprietary or sensitive information regarding
6 an infrastructure project under consideration for as-
7 sistance under this title. The Board of Directors
8 shall prepare minutes of any meeting that is closed
9 to the public, and shall make such minutes available
10 as soon as practicable, not later than 1 year after
11 the date of the closed meeting, with any necessary
12 redactions to protect any proprietary or sensitive in-
13 formation.

14 (4) QUORUM.—For purposes of meetings of the
15 Board of Directors, 5 voting members of the Board
16 of Directors shall constitute a quorum.

17 (f) COMPENSATION OF MEMBERS.—Each voting
18 member of the Board of Directors shall be compensated
19 at a rate equal to the daily equivalent of the annual rate
20 of basic pay prescribed for level III of the Executive
21 Schedule under section 5314 of title 5, United States
22 Code, for each day (including travel time) during which
23 the member is engaged in the performance of the duties
24 of the Board of Directors.

1 (g) CONFLICTS OF INTEREST.—A voting member of
2 the Board of Directors may not participate in any review
3 or decision affecting an infrastructure project under con-
4 sideration for assistance under this title, if the member
5 has or is affiliated with an entity who has a financial inter-
6 est in such project.

7 **SEC. 113. CHIEF EXECUTIVE OFFICER OF AIFA.**

8 (a) IN GENERAL.—The Chief Executive Officer of
9 AIFA shall be a nonvoting member of the Board of Direc-
10 tors, who shall be responsible for all activities of AIFA,
11 and shall support the Board of Directors as set forth in
12 this title and as the Board of Directors deems necessary
13 or appropriate.

14 (b) APPOINTMENT AND TENURE OF THE CHIEF EX-
15 ECUTIVE OFFICER.—

16 (1) IN GENERAL.—The President shall appoint
17 the Chief Executive Officer, by and with the advice
18 and consent of the Senate.

19 (2) TERM.—The Chief Executive Officer shall
20 be appointed for a term of 6 years.

21 (3) VACANCIES.—Any vacancy in the office of
22 the Chief Executive Officer shall be filled by the
23 President, and the person appointed to fill a vacancy
24 in that position occurring before the expiration of
25 the term for which the predecessor was appointed

1 shall be appointed only for the remainder of that
2 term.

3 (c) QUALIFICATIONS.—The Chief Executive Offi-
4 cer—

5 (1) shall have significant expertise in manage-
6 ment and administration of a financial institution,
7 or significant expertise in the financing and develop-
8 ment of infrastructure projects; and

9 (2) may not—

10 (A) hold any other public office;
11 (B) have any financial interest in an infra-
12 structure project then being considered by the
13 Board of Directors, unless that interest is
14 placed in a blind trust; or

15 (C) have any financial interest in an in-
16 vestment institution or its affiliates or any
17 other entity seeking or likely to seek financial
18 assistance for any infrastructure project from
19 AIFA, unless any such interest is placed in a
20 blind trust for the tenure of the service of the
21 Chief Executive Officer plus 2 additional years.

22 (d) RESPONSIBILITIES.—The Chief Executive Officer
23 shall have such executive functions, powers, and duties as
24 may be prescribed by this title, the bylaws of AIFA, or
25 the Board of Directors, including—

- 1 (1) responsibility for the development and im-
2 plementation of the strategy of AIFA, including—
3 (A) the development and submission to the
4 Board of Directors of the annual business plans
5 and budget;
6 (B) the development and submission to the
7 Board of Directors of a long-term strategic
8 plan; and
9 (C) the development, revision, and submis-
10 sion to the Board of Directors of internal poli-
11 cies; and
12 (2) responsibility for the management and over-
13 sight of the daily activities, decisions, operations,
14 and personnel of AIFA, including—
15 (A) the appointment of senior manage-
16 ment, subject to approval by the voting mem-
17 bers of the Board of Directors, and the hiring
18 and termination of all other AIFA personnel;
19 (B) requesting the detail, on a reimburs-
20 able basis, of personnel from any Federal agen-
21 cy having specific expertise not available from
22 within AIFA, following which request the head
23 of the Federal agency may detail, on a reim-
24 bursable basis, any personnel of such agency

1 reasonably requested by the Chief Executive Of-
2 ficer;

3 (C) assessing and recommending in the
4 first instance, for ultimate approval or dis-
5 approval by the Board of Directors, compensa-
6 tion and adjustments to compensation of senior
7 management and other personnel of AIFA as
8 may be necessary for carrying out the functions
9 of AIFA;

10 (D) ensuring, in conjunction with the gen-
11 eral counsel of AIFA, that all activities of
12 AIFA are carried out in compliance with appli-
13 cable law;

14 (E) overseeing the involvement of AIFA in
15 all projects, including—

16 (i) developing eligible projects for
17 AIFA financial assistance;

18 (ii) determining the terms and condi-
19 tions of all financial assistance packages;

20 (iii) monitoring all infrastructure
21 projects assisted by AIFA, including re-
22 sponsibility for ensuring that the proceeds
23 of any loan made, guaranteed, or partici-
24 pated in are used only for the purposes for
25 which the loan or guarantee was made;

(e) COMPENSATION.—

21 SEC. 114. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

23 The Board of Directors shall—

1 approve senior management appointed by the Chief
2 Executive Officer;

3 (2) not later than 180 days after the date on
4 which all members are appointed—

5 (A) develop and approve the bylaws of
6 AIFA, including bylaws for the regulation of
7 the affairs and conduct of the business of
8 AIFA, consistent with the purpose, goals, objec-
9 tives, and policies set forth in this title;

10 (B) establish subcommittees, including an
11 audit committee that is composed solely of
12 members of the Board of Directors who are
13 independent of the senior management of
14 AIFA;

15 (C) develop and approve, in consultation
16 with senior management, a conflict-of-interest
17 policy for the Board of Directors and for senior
18 management;

19 (D) approve or disapprove internal policies
20 that the Chief Executive Officer shall submit to
21 the Board of Directors, including—

22 (i) policies regarding the loan applica-
23 tion and approval process, including—

24 (I) disclosure and application
25 procedures to be followed by entities

1 in the course of nominating infra-
2 structure projects for assistance under
3 this title;

4 (II) guidelines for the selection
5 and approval of projects;

6 (III) specific criteria for deter-
7 mining eligibility for project selection,
8 consistent with subtitle B; and

9 (IV) standardized terms and con-
10 ditions, fee schedules, or legal require-
11 ments of a contract or program, so as
12 to carry out this title; and

13 (ii) operational guidelines; and

14 (E) approve or disapprove a 1-year busi-
15 ness plan and budget for AIFA;

16 (3) ensure that AIFA is at all times operated
17 in a manner that is consistent with this title, by—

18 (A) monitoring and assessing the effective-
19 ness of AIFA in achieving its strategic goals;

20 (B) periodically reviewing internal policies;

21 (C) reviewing and approving annual busi-
22 ness plans, annual budgets, and long-term
23 strategies submitted by the Chief Executive Of-
24 ficer;

(D) reviewing and approving annual reports submitted by the Chief Executive Officer;

(E) engaging one or more external auditors, as set forth in this title; and

(F) reviewing and approving all changes to the organization of senior management;

(4) appoint and fix, by a vote of not fewer than
voting members of the Board of Directors, and
without regard to the provisions of chapter 51 or
chapter III of chapter 53 of title 5, United States
Code, the compensation and adjustments to com-
pensation of all AIFA personnel, provided that in
appointing and fixing any compensation or adjust-
ments to compensation under this paragraph, the
Board shall—

(A) consult with, and seek to maintain comparability with, other comparable Federal personnel, as the Secretary may deem appropriate;

(B) consult with the Office of Personnel Management; and

(C) carry out such duties consistent with merit principles, where applicable, as well as the education, experience, level of responsibility, geographic differences, and retention and recruit-

1 ment needs in determining compensation of per-
2 sonnel;

3 (5) establish such other criteria, requirements,
4 or procedures as the Board of Directors may con-
5 sider to be appropriate in carrying out this title;

6 (6) serve as the primary liaison for AIFA in
7 interactions with Congress, the Executive Branch,
8 and State and local governments, and to represent
9 the interests of AIFA in such interactions and oth-
10 ers;

11 (7) approve by a vote of not fewer than 5 voting
12 members of the Board of Directors any changes to
13 the bylaws or internal policies of AIFA;

14 (8) have the authority and responsibility—

15 (A) to oversee entering into and carry out
16 such contracts, leases, cooperative agreements,
17 or other transactions as are necessary to carry
18 out this title with—

19 (i) any Federal department or agency;
20 (ii) any State, territory, or possession
21 (or any political subdivision thereof, includ-
22 ing State infrastructure banks) of the
23 United States; and

(iii) any individual, public-private partnership, firm, association, or corporation;

(F) to exercise all other lawful powers that are necessary or appropriate to carry out, and are consistent with, the purposes of AIFA;

(G) to sue or be sued in the corporate capacity of AIFA in any court of competent jurisdiction;

(H) to indemnify the members of the Board of Directors and officers of AIFA for any liabilities arising out of the actions of the members and officers in such capacity, in accordance with, and subject to the limitations contained in this title;

(I) to review all financial assistance packages to all eligible infrastructure projects, as submitted by the Chief Executive Officer and to approve, postpone, or deny the same by majority vote;

(J) to review all restructuring proposals submitted by the Chief Executive Officer, including assignation, pledging, or disposal of the interest of AIFA in a project, including payment or income from any interest owned or held by AIFA, and to approve, postpone, or deny the same by majority vote; and

1 (K) to enter into binding commitments, as
2 specified in approved financial assistance pack-
3 ages;

11 SEC. 115. SENIOR MANAGEMENT.

12 (a) IN GENERAL.—Senior management shall support
13 the Chief Executive Officer in the discharge of the respon-
14 sibilities of the Chief Executive Officer.

15 (b) APPOINTMENT OF SENIOR MANAGEMENT.—The
16 Chief Executive Officer shall appoint such senior man-
17 agers as are necessary to carry out the purpose of AIFA,
18 as approved by a majority vote of the voting members of
19 the Board of Directors.

20 (c) TERM.—Each member of senior management
21 shall serve at the pleasure of the Chief Executive Officer
22 and the Board of Directors.

23 (d) REMOVAL OF SENIOR MANAGEMENT.—Any mem-
24 ber of senior management may be removed, either by a
25 majority of the voting members of the Board of Directors

1 upon request by the Chief Executive Officer, or otherwise
2 by vote of not fewer than 5 voting members of the Board
3 of Directors.

4 (e) SENIOR MANAGEMENT.—

5 (1) IN GENERAL.—Each member of senior
6 management shall report directly to the Chief Exec-
7 utive Officer, other than the Chief Risk Officer, who
8 shall report directly to the Board of Directors.

9 (2) DUTIES AND RESPONSIBILITIES.—

10 (A) CHIEF FINANCIAL OFFICER.—The
11 Chief Financial Officer shall be responsible for
12 all financial functions of AIFA, provided that,
13 at the discretion of the Board of Directors, spe-
14 cific functions of the Chief Financial Officer
15 may be delegated externally.

16 (B) CHIEF RISK OFFICER.—The Chief
17 Risk Officer shall be responsible for all func-
18 tions of AIFA relating to—

19 (i) the creation of financial, credit,
20 and operational risk management guide-
21 lines and policies;

22 (ii) the establishment of guidelines to
23 ensure diversification of lending activities
24 by region, infrastructure project type, and
25 project size;

(iii) the creation of conforming stand-

ards for infrastructure finance agreements;

(iv) the monitoring of the financial,

credit, and operational exposure of AIFA;

and

(v) risk management and mitigation

actions, including by reporting such ac-

tions, or recommendations of such actions

to be taken, directly to the Board of Direc-

tors.

(C) CHIEF COMPLIANCE OFFICER.—The

ef Compliance Officer shall be responsible

all functions of AIFA relating to internal

ts, accounting safeguards, and the enforce-

t of such safeguards and other applicable

uirements.

(D) GENERAL COUNSEL.—The General

nsel shall be responsible for all functions of

A relating to legal matters and, in consulta-

with the Chief Executive Officer, shall be

onsible for ensuring that AIFA complies

all applicable law.

(E) CHIEF OPERATIONS OFFICER.—The

ef Operations Officer shall be responsible for

1 those relating to the continuing operations and
2 performance of all infrastructure projects in
3 which AIFA retains an interest and for all
4 AIFA functions related to human resources.

5 (F) CHIEF LENDING OFFICER.—The Chief
6 Lending Officer shall be responsible for—

7 (i) all functions of AIFA relating to
8 the development of project pipeline, financial
9 structuring of projects, credit analysis
10 of infrastructure projects, selection of in-
11 frastructure projects to be reviewed by the
12 Board of Directors, preparation of infra-
13 structure projects to be presented to the
14 Board of Directors, and set aside for rural
15 infrastructure projects; and

16 (ii) the creation and management of—
17 (I) a Center for Excellence to
18 provide technical assistance to public
19 sector borrowers in the development
20 and financing of infrastructure
21 projects; and

22 (II) an Office of Rural Assistance
23 to provide technical assistance in the
24 development and financing of rural in-
25 frastructure projects.

1 (f) CHANGES TO SENIOR MANAGEMENT.—The Board
2 of Directors, in consultation with the Chief Executive Offi-
3 cer, may alter the structure of the senior management of
4 AIFA at any time to better accomplish the goals, objec-
5 tives, and purposes of AIFA, provided that the functions
6 of the Chief Financial Officer set forth in subsection (e)
7 remain separate from the functions of the Chief Risk Offi-
8 cer set forth in subsection (e).

9 (g) CONFLICTS OF INTEREST.—No individual ap-
10 pointed to senior management may—
11 (1) hold any other public office;
12 (2) have any financial interest in an infrastruc-
13 ture project then being considered by the Board of
14 Directors, unless that interest is placed in a blind
15 trust; or
16 (3) have any financial interest in an investment
17 institution or its affiliates, AIFA or its affiliates, or
18 other entity then seeking or likely to seek financial
19 assistance for any infrastructure project from AIFA,
20 unless any such interest is placed in a blind trust
21 during the term of service of that individual in a
22 senior management position, and for a period of 2
23 years thereafter.

1 **SEC. 116. SPECIAL INSPECTOR GENERAL FOR AIFA.**

2 (a) IN GENERAL.—During the first 5 operating years
3 of AIFA, the Office of the Inspector General of the De-
4 partment of the Treasury shall have responsibility for
5 AIFA.

6 (b) OFFICE OF THE SPECIAL INSPECTOR GEN-
7 ERAL.—Effective 5 years after the date of enactment of
8 the commencement of the operations of AIFA, there is es-
9 tablished the Office of the Special Inspector General for
10 AIFA.

11 (c) APPOINTMENT OF INSPECTOR GENERAL; RE-
12 MOVAL.—

13 (1) HEAD OF OFFICE.—The head of the Office
14 of the Special Inspector General for AIFA shall be
15 the Special Inspector General for AIFA (in this title
16 referred to as the “Special Inspector General”), who
17 shall be appointed by the President, by and with the
18 advice and consent of the Senate.

19 (2) BASIS OF APPOINTMENT.—The appoint-
20 ment of the Special Inspector General shall be made
21 on the basis of integrity and demonstrated ability in
22 accounting, auditing, financial analysis, law, man-
23 agement analysis, public administration, or inves-
24 tigations.

25 (3) TIMING OF NOMINATION.—The nomination
26 of an individual as Special Inspector General shall

1 be made as soon as is practicable after the effective
2 date under subsection (b).

3 (4) REMOVAL.—The Special Inspector General
4 shall be removable from office in accordance with
5 the provisions of section 3(b) of the Inspector Gen-
6 eral Act of 1978 (5 U.S.C. App.).

7 (5) RULE OF CONSTRUCTION.—For purposes of
8 section 7324 of title 5, United States Code, the Spe-
9 cial Inspector General shall not be considered an em-
10 ployee who determines policies to be pursued by the
11 United States in the nationwide administration of
12 Federal law.

13 (6) RATE OF PAY.—The annual rate of basic
14 pay of the Special Inspector General shall be the an-
15 nual rate of basic pay for an Inspector General
16 under section 3(e) of the Inspector General Act of
17 1978 (5 U.S.C. App.).

18 (d) DUTIES.—

19 (1) IN GENERAL.—It shall be the duty of the
20 Special Inspector General to conduct, supervise, and
21 coordinate audits and investigations of the business
22 activities of AIFA.

23 (2) OTHER SYSTEMS, PROCEDURES, AND CON-
24 TROLS.—The Special Inspector General shall estab-
25 lish, maintain, and oversee such systems, procedures,

1 and controls as the Special Inspector General con-
2 siders appropriate to discharge the duty under para-
3 graph (1).

4 (3) ADDITIONAL DUTIES.—In addition to the
5 duties specified in paragraphs (1) and (2), the In-
6 spector General shall also have the duties and re-
7 sponsibilities of inspectors general under the Inspec-
8 tor General Act of 1978.

9 (e) POWERS AND AUTHORITIES.—

10 (1) IN GENERAL.—In carrying out the duties
11 specified in subsection (c), the Special Inspector
12 General shall have the authorities provided in section
13 6 of the Inspector General Act of 1978.

14 (2) ADDITIONAL AUTHORITY.—The Special In-
15 spector General shall carry out the duties specified
16 in subsection (c)(1) in accordance with section
17 4(b)(1) of the Inspector General Act of 1978.

18 (f) PERSONNEL, FACILITIES, AND OTHER RE-
19 SOURCES.—

20 (1) ADDITIONAL OFFICERS.—

21 (A) The Special Inspector General may se-
22 lect, appoint, and employ such officers and em-
23 ployees as may be necessary for carrying out
24 the duties of the Special Inspector General,
25 subject to the provisions of title 5, United

1 States Code, governing appointments in the
2 competitive service, and the provisions of chap-
3 ter 51 and subchapter III of chapter 53 of such
4 title, relating to classification and General
5 Schedule pay rates.

6 (B) The Special Inspector General may ex-
7 ercise the authorities of subsections (b) through
8 (i) of section 3161 of title 5, United States
9 Code (without regard to subsection (a) of that
10 section).

11 (2) RETENTION OF SERVICES.—The Special In-
12 spector General may obtain services as authorized by
13 section 3109 of title 5, United States Code, at daily
14 rates not to exceed the equivalent rate prescribed for
15 grade GS-15 of the General Schedule by section
16 5332 of such title.

17 (3) ABILITY TO CONTRACT FOR AUDITS, STUD-
18 IES, AND OTHER SERVICES.—The Special Inspector
19 General may enter into contracts and other arrange-
20 ments for audits, studies, analyses, and other serv-
21 ices with public agencies and with private persons,
22 and make such payments as may be necessary to
23 carry out the duties of the Special Inspector Gen-
24 eral.

25 (4) REQUEST FOR INFORMATION.—

9 (B) REFUSAL TO COMPLY.—Whenever in-
10 formation or assistance requested by the Spe-
11 cial Inspector General is, in the judgment of the
12 Special Inspector General, unreasonably refused
13 or not provided, the Special Inspector General
14 shall report the circumstances to the Secretary
15 of the Treasury, without delay.

16 (g) REPORTS.—

1 (2) PUBLIC DISCLOSURES.—Nothing in this
2 subsection shall be construed to authorize the public
3 disclosure of information that is—

4 (A) specifically prohibited from disclosure
5 by any other provision of law;

6 (B) specifically required by Executive order
7 to be protected from disclosure in the interest
8 of national defense or national security or in
9 the conduct of foreign affairs; or

10 (C) a part of an ongoing criminal invest-
11 tigation.

12 **SEC. 117. OTHER PERSONNEL.**

13 Except as otherwise provided in the bylaws of AIFA,
14 the Chief Executive Officer, in consultation with the
15 Board of Directors, shall appoint, remove, and define the
16 duties of such qualified personnel as are necessary to carry
17 out the powers, duties, and purpose of AIFA, other than
18 senior management, who shall be appointed in accordance
19 with section 124.

20 **SEC. 118. COMPLIANCE.**

21 The provision of assistance by the Board of Directors
22 pursuant to this title shall not be construed as superseding
23 any provision of State law or regulation otherwise applica-
24 ble to an infrastructure project.

1 **Subtitle B—Terms and Limitations**
2 **on Direct Loans and Loan Guar-**
3 **antees**

4 **SEC. 121. ELIGIBILITY CRITERIA FOR ASSISTANCE FROM**
5 **AIFA AND TERMS AND LIMITATIONS OF**
6 **LOANS.**

7 (a) IN GENERAL.—Any project whose use or purpose
8 is private and for which no public benefit is created shall
9 not be eligible for financial assistance from AIFA under
10 this title. Financial assistance under this title shall only
11 be made available if the applicant for such assistance has
12 demonstrated to the satisfaction of the Board of Directors
13 that the infrastructure project for which such assistance
14 is being sought—

15 (1) is not for the refinancing of an existing in-
16 frastructure project; and

17 (2) meets—

18 (A) any pertinent requirements set forth in
19 this title;

20 (B) any criteria established by the Board
21 of Directors or Chief Executive Officer in ac-
22 cordance with this title; and

23 (C) the definition of a transportation infra-
24 structure project, water infrastructure project,
25 or energy infrastructure project.

1 (b) CONSIDERATIONS.—The criteria established by
2 the Board of Directors pursuant to this title shall provide
3 adequate consideration of—

4 (1) the economic, financial, technical, environmental, and public benefits and costs of each infrastructure project under consideration for financial assistance under this title, prioritizing infrastructure projects that—

- 9 (A) contribute to regional or national economic growth;
- 11 (B) offer value for money to taxpayers;
- 12 (C) demonstrate a clear public benefit;
- 13 (D) lead to job creation; and
- 14 (E) mitigate environmental concerns;

15 (2) the means by which development of the infrastructure project under consideration is being financed, including—

- 18 (A) the terms, conditions, and structure of the proposed financing;
- 20 (B) the credit worthiness and standing of the project sponsors, providers of equity, and cofinanciers;
- 23 (C) the financial assumptions and projections on which the infrastructure project is based; and

(D) whether there is sufficient State or municipal political support for the successful completion of the infrastructure project;

(3) the likelihood that the provision of assistance by AIFA will cause such development to proceed more promptly and with lower costs for financing than would be the case without such assistance;

(4) the extent to which the provision of assistance by AIFA maximizes the level of private investment in the infrastructure project or supports a public-private partnership, while providing a significant public benefit;

(5) the extent to which the provision of assistance by AIFA can mobilize the participation of other financing partners in the infrastructure project;

(6) the technical and operational viability of the infrastructure project;

(7) the proportion of financial assistance from AIFA;

(8) the geographic location of the project in an effort to have geographic diversity of projects funded by AIFA;

(9) the size of the project and its impact on the resources of AIFA; and

(10) the infrastructure sector of the project, in an effort to have projects from more than one sector funded by AIFA.

4 (c) APPLICATION.—

22 (d) ELIGIBLE INFRASTRUCTURE PROJECT COSTS.—

1 costs that are reasonably anticipated to equal or ex-
2 ceed \$100,000,000.

3 (2) RURAL INFRASTRUCTURE PROJECTS.—To
4 be eligible for assistance under this title, a rural in-
5 frastructure project shall have project costs that are
6 reasonably anticipated to equal or exceed
7 \$25,000,000.

8 (e) LOAN ELIGIBILITY AND MAXIMUM AMOUNTS.—

9 (1) IN GENERAL.—The amount of a direct loan
10 or loan guarantee under this title shall not exceed
11 the lesser of 50 percent of the reasonably anticipated
12 eligible infrastructure project costs or, if the direct
13 loan or loan guarantee does not receive an invest-
14 ment grade rating, the amount of the senior project
15 obligations.

16 (2) MAXIMUM ANNUAL LOAN AND LOAN GUAR-
17 ANTEE VOLUME.—The aggregate amount of direct
18 loans and loan guarantees made by AIFA in any
19 single fiscal year may not exceed—

20 (A) during the first 2 fiscal years of the
21 operations of AIFA, \$10,000,000,000;

22 (B) during fiscal years 3 through 9 of the
23 operations of AIFA, \$20,000,000,000; or

24 (C) during any fiscal year thereafter,
25 \$50,000,000,000.

1 (f) STATE AND LOCAL PERMITS REQUIRED.—The
2 provision of assistance by the Board of Directors pursuant
3 to this title shall not be deemed to relieve any recipient
4 of such assistance, or the related infrastructure project,
5 of any obligation to obtain required State and local per-
6 mits and approvals.

7 **SEC. 122. LOAN TERMS AND REPAYMENT.**

8 (a) IN GENERAL.—A direct loan or loan guarantee
9 under this title with respect to an eligible infrastructure
10 project shall be on such terms, subject to such conditions,
11 and contain such covenants, representations, warranties,
12 and requirements (including requirements for audits) as
13 the Chief Executive Officer determines appropriate.

14 (b) TERMS.—A direct loan or loan guarantee under
15 this title—

16 (1) shall—

17 (A) be payable, in whole or in part, from
18 tolls, user fees, or other dedicated revenue
19 sources that also secure the senior project obli-
20 gations (such as availability payments and dedi-
21 cated State or local revenues); and

22 (B) include a rate covenant, coverage re-
23 quirement, or similar security feature sup-
24 porting the project obligations; and

1 (2) may have a lien on revenues described in
2 paragraph (1), subject to any lien securing project
3 obligations.

4 (c) BASE INTEREST RATE.—The base interest rate
5 on a direct loan under this title shall be not less than the
6 yield on United States Treasury obligations of a similar
7 maturity to the maturity of the direct loan on the date
8 of execution of the loan agreement.

9 (d) RISK ASSESSMENT.—Before entering into an
10 agreement for assistance under this title, the Chief Execu-
11 tive Officer, in consultation with the Director of the Office
12 of Management and Budget and each rating agency pro-
13 viding a preliminary rating opinion letter under this sec-
14 tion, shall determine an appropriate Federal credit subsidy
15 amount for each direct loan and loan guarantee, taking
16 into account such letter, as well as any comparable market
17 rates available for such a loan or loan guarantee, should
18 any exist.

19 (e) CREDIT FEE.—With respect to each agreement
20 for assistance under this title, the Chief Executive Officer
21 shall charge a credit fee to the recipient of such assistance
22 to pay for, over time, all or a portion of the Federal credit
23 subsidy determined under subsection (d), with the remain-
24 der paid by the account established for AIFA. In the case

1 of a direct loan, such credit fee shall be in addition to
2 the base interest rate established under subsection (c).

3 (f) MATURITY DATE.—The final maturity date of a
4 direct loan or loan guaranteed by AIFA under this title
5 shall be not later than 35 years after the date of substan-
6 tial completion of the infrastructure project, as determined
7 by the Chief Executive Officer.

8 (g) PRELIMINARY RATING OPINION LETTER.—

9 (1) IN GENERAL.—The Chief Executive Officer
10 shall require each applicant for assistance under this
11 title to provide a preliminary rating opinion letter
12 from at least 1 ratings agency, indicating that the
13 senior obligations of the infrastructure project,
14 which may be the Federal credit instrument, have
15 the potential to achieve an investment-grade rating.

16 (2) RURAL INFRASTRUCTURE PROJECTS.—With
17 respect to a rural infrastructure project, a rating
18 agency opinion letter described in paragraph (1)
19 shall not be required, except that the loan or loan
20 guarantee shall receive an internal rating score,
21 using methods similar to the ratings agencies gen-
22 erated by AIFA, measuring the proposed direct loan
23 or loan guarantee against comparable direct loans or
24 loan guarantees of similar credit quality in a similar
25 sector.

1 (h) INVESTMENT-GRADE RATING REQUIREMENT.—

2 (1) LOANS AND LOAN GUARANTEES.—The exe-
3 cution of a direct loan or loan guarantee under this
4 title shall be contingent on the senior obligations of
5 the infrastructure project receiving an investment-
6 grade rating.

7 (2) RATING OF AIFA OVERALL PORTFOLIO.—
8 The average rating of the overall portfolio of AIFA
9 shall be not less than investment grade after 5 years
10 of operation.

11 (i) TERMS AND REPAYMENT OF DIRECT LOANS.—

12 (1) SCHEDULE.—The Chief Executive Officer
13 shall establish a repayment schedule for each direct
14 loan under this title, based on the projected cash
15 flow from infrastructure project revenues and other
16 repayment sources.

17 (2) COMMENCEMENT.—Scheduled loan repay-
18 ments of principal or interest on a direct loan under
19 this title shall commence not later than 5 years after
20 the date of substantial completion of the infrastruc-
21 ture project, as determined by the Chief Executive
22 Officer of AIFA.

23 (3) DEFERRED PAYMENTS OF DIRECT
24 LOANS.—

(B) INTEREST.—Any payment deferred under subparagraph (A) shall—

19 (C) CRITERIA.—

5 (4) PREPAYMENT OF DIRECT LOANS.—

(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the infrastructure project obligations and direct loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations under this title may be applied annually to prepay the direct loan, without penalty.

1 into the capital markets, a direct loan for the
2 infrastructure project, if the Chief Executive
3 Officer determines that the sale or reoffering
4 can be made on favorable terms for the tax-
5 payer.

6 (B) CONSENT OF OBLIGOR.—In making a
7 sale or reoffering under subparagraph (A), the
8 Chief Executive Officer may not change the
9 original terms and conditions of the direct loan,
10 without the written consent of the obligor.

11 (j) LOAN GUARANTEES.—

12 (1) TERMS.—The terms of a loan guaranteed
13 by AIFA under this title shall be consistent with the
14 terms set forth in this section for a direct loan, ex-
15 cept that the rate on the guaranteed loan and any
16 payment, pre-payment, or refinancing features shall
17 be negotiated between the obligor and the lender,
18 with the consent of the Chief Executive Officer.

19 (2) GUARANTEED LENDER.—A guaranteed
20 lender shall be limited to those lenders meeting the
21 definition of that term in section 601(a) of title 23,
22 United States Code.

23 (k) COMPLIANCE WITH FCRA.—

24 (1) IN GENERAL.—Except as provided in para-
25 graph (2), direct loans and loan guarantees author-

1 ized by this title shall be subject to the provisions of
2 the Federal Credit Reform Act of 1990 (2 U.S.C.
3 661 et seq.).

8 SEC. 123. COMPLIANCE AND ENFORCEMENT.

9 (a) CREDIT AGREEMENT.—Notwithstanding any
10 other provision of law, each eligible entity that receives
11 assistance under this title from AIFA shall enter into a
12 credit agreement that requires such entity to comply with
13 all applicable policies and procedures of AIFA, in addition
14 to all other provisions of the loan agreement.

(b) AIFA AUTHORITY ON NONCOMPLIANCE.—In any case in which a recipient of assistance under this title is materially out of compliance with the loan agreement, or any applicable policy or procedure of AIFA, the Board of Directors may take action to cancel unutilized loan amounts, or to accelerate the repayment terms of any outstanding obligation.

22 SEC. 124. AUDITS; REPORTS TO THE PRESIDENT AND CON-
23 GRESS.

24 (a) ACCOUNTING.—The books of account of AIFA
25 shall be maintained in accordance with generally accepted

1 accounting principles, and shall be subject to an annual
2 audit by independent public accountants of nationally rec-
3 ognized standing appointed by the Board of Directors.

4 (b) REPORTS.—

5 (1) BOARD OF DIRECTORS.—Not later than 90
6 days after the last day of each fiscal year, the Board
7 of Directors shall submit to the President and Con-
8 gress a complete and detailed report with respect to
9 the preceding fiscal year, setting forth—

10 (A) a summary of the operations of AIFA,
11 for such fiscal year;

12 (B) a schedule of the obligations of AIFA
13 and capital securities outstanding at the end of
14 such fiscal year, with a statement of the
15 amounts issued and redeemed or paid during
16 such fiscal year;

17 (C) the status of infrastructure projects re-
18 ceiving funding or other assistance pursuant to
19 this title during such fiscal year, including all
20 nonperforming loans, and including disclosure
21 of all entities with a development, ownership, or
22 operational interest in such infrastructure
23 projects;

24 (D) a description of the successes and
25 challenges encountered in lending to rural com-

1 munities, including the role of the Center for
2 Excellence and the Office of Rural Assistance
3 established under this title; and

4 (E) an assessment of the risks of the port-
5 folio of AIFA, prepared by an independent
6 source.

7 (2) GAO.—Not later than 5 years after the
8 date of enactment of this title, the Comptroller Gen-
9 eral of the United States shall conduct an evaluation
10 of, and shall submit to Congress a report on, activi-
11 ties of AIFA for the fiscal years covered by the re-
12 port that includes an assessment of the impact and
13 benefits of each funded infrastructure project, in-
14 cluding a review of how effectively each such infra-
15 structure project accomplished the goals prioritized
16 by the infrastructure project criteria of AIFA.

17 (c) BOOKS AND RECORDS.—

18 (1) IN GENERAL.—AIFA shall maintain ade-
19 quate books and records to support the financial
20 transactions of AIFA, with a description of financial
21 transactions and infrastructure projects receiving
22 funding, and the amount of funding for each such
23 project maintained on a publically accessible data-
24 base.

(2) AUDITS BY THE SECRETARY AND GAO.—

2 The books and records of AIFA shall at all times be
3 open to inspection by the Secretary of the Treasury,
4 the Special Inspector General, and the Comptroller
5 General of the United States.

Subtitle C—Funding of AIFA

7 SEC. 131. FEES.

8 (a) IN GENERAL.—The Chief Executive Officer shall
9 establish fees with respect to loans and loan guarantees
10 under this title that—

11 (1) are sufficient to cover all the administrative
12 costs to the Federal Government for the operations
13 of AIFA;

(A) the price of United States Treasury obligations of a similar maturity;

(B) prevailing market conditions;

(C) the ability of the infrastructure project to support the loan or loan guarantee; and

24 (D) the total amount of the loan or loan
25 guarantee.

1 (b) TREASURY RECEIPTS.—AIFA shall annually de-
2 posit amounts of fees collected under this section that are
3 not used for the expenses of AIFA as miscellaneous re-
4 ceipts with the Treasury.

5 **SEC. 132. SELF-SUFFICIENCY OF AIFA.**

6 The Chief Executive Officer shall, to the extent pos-
7 sible, take actions consistent with this title to make AIFA
8 a self-sustaining entity, with administrative costs and Fed-
9 eral credit subsidy costs fully funded by fees and risk pre-
10 miums on loans and loan guarantees.

11 **SEC. 133. FUNDING.**

12 There is authorized to be appropriated to AIFA to
13 carry out this title, to make direct loans and loan guaran-
14 tees under this title, not more than \$10,000,000,000, to
15 remain available until expended, of which amount, not
16 more than \$25,000,000 for each of fiscal years 2014
17 through 2015, and not more than \$50,000,000 for fiscal
18 year 2016 may be used for administrative costs of AIFA.
19 Such amount shall earn interest. Not more than 5 percent
20 of such amount shall be used to offset subsidy costs associ-
21 ated with rural infrastructure projects.

22 **SEC. 134. CONTRACT AUTHORITY.**

23 Notwithstanding any other provision of law, approval
24 by the Board of Directors of a Federal credit instrument
25 that uses funds made available under this title shall im-

1 pose upon the United States a contractual obligation to
2 fund the Federal credit investment.

3 **TITLE II—TAX CREDIT**
4 **EXTENSIONS**

5 **SEC. 201. PERMANENT EXTENSION OF NEW MARKETS TAX**
6 **CREDIT.**

7 (a) EXTENSION.—

8 (1) IN GENERAL.—Subparagraph (G) of section
9 45D(f)(1) of the Internal Revenue Code of 1986 is
10 amended by striking “, 2011, 2012, and 2013” and
11 inserting “and each calendar year thereafter”.

12 (2) CONFORMING AMENDMENT.—Section
13 45D(f)(3) of such Code is amended by striking the
14 last sentence.

15 (b) INFLATION ADJUSTMENT.—Subsection (f) of sec-
16 tion 45D of the Internal Revenue Code of 1986 is amend-
17 ed by adding at the end the following new paragraph:

18 “(4) INFLATION ADJUSTMENT.—

19 “(A) IN GENERAL.—In the case of any cal-
20 endar year beginning after 2013, the dollar
21 amount in paragraph (1)(G) shall be increased
22 by an amount equal to—

23 “(i) such dollar amount, multiplied by
24 “(ii) the cost-of-living adjustment de-
25 termined under section 1(f)(3) for the cal-

1 endar year, determined by substituting
2 ‘calendar year 2000’ for ‘calendar year
3 1992’ in subparagraph (B) thereof.

4 “(B) ROUNDING RULE.—Any increase
5 under subparagraph (A) which is not a multiple
6 of \$1,000,000 shall be rounded to the nearest
7 multiple of \$1,000,000.”.

8 (c) ALTERNATIVE MINIMUM TAX RELIEF.—Subpara-
9 graph (B) of section 38(c)(4) of the Internal Revenue
10 Code of 1986 is amended—

11 (1) by redesignating clauses (v) through (ix) as
12 clauses (vi) through (x), respectively, and

13 (2) by inserting after clause (iv) the following
14 new clause:

15 “(v) the credit determined under sec-
16 tion 45D, but only with respect to credits
17 determined with respect to qualified equity
18 investments (as defined in section 45D(b))
19 initially made before January 1, 2014,”.

20 (d) EFFECTIVE DATES.—

21 (1) IN GENERAL.—Except as provided in para-
22 graph (2), the amendments made by this section
23 shall take effect on the date of the enactment of this
24 Act.

7 SEC. 202. BUILD AMERICA BONDS MADE PERMANENT.

8 (a) SHORT TITLE.—This section may be cited as the
9 “Build America Bonds Act of 2014”.

(b) BUILD AMERICA BONDS MADE PERMANENT.—
(1) IN GENERAL.—Subparagraph (B) of section 54AA(d)(1) of the Internal Revenue Code of 1986 is amended by inserting “or on or after the date of the enactment of the Build America Bonds Act of 2014,” after “January 1, 2011.”.

19 "(b) AMOUNT OF CREDIT.—

20 “(1) IN GENERAL.—The amount of the credit
21 determined under this subsection with respect to any
22 interest payment date for a build America bond is
23 the applicable percentage of the amount of interest
24 payable by the issuer with respect to such date.

1 “(2) APPLICABLE PERCENTAGE.—For purposes
 2 of paragraph (1), the applicable percentage shall be
 3 determined under the following table:

“In the case of a bond issued during calendar year:	The applicable percentage is:
2009 or 2010	35
2013	32
2014	31
2015	30
2016	29
2017 and thereafter	28.”.

4 (3) EXTENSION OF PAYMENTS TO ISSUERS.—

5 (A) IN GENERAL.—Section 6431 of such
 6 Code is amended—

7 (i) by inserting “or on or after the
 8 date of the enactment of the Build Amer-
 9 ica Bonds Act of 2014,” after “January 1,
 10 2011,” in subsection (a), and

11 (ii) by striking “before January 1,
 12 2011” in subsection (f)(1)(B) and insert-
 13 ing “during a particular period”.

14 (B) CONFORMING AMENDMENTS.—Sub-
 15 section (g) of section 54AA of such Code is
 16 amended—

17 (i) by inserting “or during a period
 18 beginning on or after the date of the enact-
 19 ment of the Build America Bonds Act of
 20 2014,” after “January 1, 2011,”, and

1 (ii) by striking “QUALIFIED BONDS
2 ISSUED BEFORE 2011” in the heading and
3 inserting “CERTAIN QUALIFIED BONDS”.

9 “(1) IN GENERAL.—The Secretary”,

10 (B) by striking “35 percent” and inserting
11 “the applicable percentage”, and

12 (C) by adding at the end the following new
13 paragraph:

“(2) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term ‘applicable percentage’ means the percentage determined in accordance with the following table:

"In the case of a qualified bond issued during calendar year:	The applicable percentage is:
2009 or 2010	35
2013	32
2014	31
2015	30
2016	29
2017 and thereafter	28.".

1 “(3) TREATMENT OF CURRENT REFUNDING
2 BONDS.—

3 “(A) IN GENERAL.—For purposes of this
4 subsection, the term ‘qualified bond’ includes
5 any bond (or series of bonds) issued to refund
6 a qualified bond if—

7 “(i) the average maturity date of the
8 issue of which the refunding bond is a part
9 is not later than the average maturity date
10 of the bonds to be refunded by such issue,

11 “(ii) the amount of the refunding
12 bond does not exceed the outstanding
13 amount of the refunded bond, and

14 “(iii) the refunded bond is redeemed
15 not later than 90 days after the date of the
16 issuance of the refunding bond.

17 “(B) APPLICABLE PERCENTAGE.—In the
18 case of a refunding bond referred to in subparagraph
19 (A), the applicable percentage with respect to such bond under section 6431(b) shall
20 be the lowest percentage specified in paragraph
21 (2) of such section.

23 “(C) DETERMINATION OF AVERAGE MATURITY.—For purposes of subparagraph (A)(i),

1 average maturity shall be determined in accord-
2 ance with section 147(b)(2)(A).”.

3 (6) CLARIFICATION RELATED TO LEVEES AND
4 FLOOD CONTROL PROJECTS.—Subparagraph (A) of
5 section 54AA(g)(2) of such Code is amended by in-
6 serting “(including capital expenditures for levees
7 and other flood control projects)” after “capital ex-
8 penditures”.

9 (7) GROSS-UP OF PAYMENT TO ISSUERS IN
10 CASE OF SEQUESTRATION.—In the case of any pay-
11 ment under section 6431(b) of the Internal Revenue
12 Code of 1986 made after the date of the enactment
13 of this Act to which sequestration applies, the
14 amount of such payment shall be increased to an
15 amount equal to—

16 (A) such payment (determined before such
17 sequestration), multiplied by

18 (B) the quotient obtained by dividing one
19 by the amount by which one exceeds the per-
20 centage reduction in such payment pursuant to
21 such sequestration.

22 For purposes of this subsection, the term “seque-
23 stration” means any reduction in direct spending or-
24 dered in accordance with a sequestration report pre-
25 pared by the Director of the Office of Management

1 and Budget pursuant to the Balanced Budget and
2 Emergency Deficit Control Act of 1985 or the Stat-
3 utory Pay-As-You-Go Act of 2010.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to obligations issued on or after
6 the date of the enactment of this Act.

7 **SEC. 203. PERMANENT EXTENSION OF RESEARCH CREDIT;**
8 **INCREASE IN ALTERNATIVE SIMPLIFIED RE-**
9 **SEARCH CREDIT.**

10 (a) PERMANENT EXTENSION.—

11 (1) IN GENERAL.—Section 41 of the Internal
12 Revenue Code of 1986 is amended by striking sub-
13 section (h).

14 (2) CONFORMING AMENDMENTS.—Such Code is
15 amended—

16 (A) in section 41(c) by striking paragraph
17 (4) and redesignating paragraphs (5) and (6)
18 as paragraphs (4) and (5), respectively;

19 (B) in section 41(e)(4), as so redesignated,
20 by striking the second sentence of subparagraph
21 (C); and

22 (C) in paragraph (1) of section 45C(b) by
23 striking subparagraph (D).

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply to amounts paid or in-
3 curred after December 31, 2013.

4 (b) INCREASE IN ALTERNATIVE SIMPLIFIED RE-
5 SEARCH CREDIT.—

6 (1) IN GENERAL.—Subparagraph (A) of section
7 41(c)(4) of such Code, as redesignated by subsection
8 (a), is amended by striking “14 percent (12 percent
9 in the case of taxable years ending before January
10 1, 2009)” and inserting “17 percent”.

11 (2) EFFECTIVE DATE.—The amendments made
12 by this subsection shall apply to taxable years begin-
13 ning after the date of the enactment of this Act.

14 **SEC. 204. EXEMPT-FACILITY BONDS FOR SEWAGE AND**
15 **WATER SUPPLY FACILITIES.**

16 (a) BONDS FOR WATER AND SEWAGE FACILITIES
17 EXEMPT FROM VOLUME CAP ON PRIVATE ACTIVITY
18 BONDS.—

19 (1) IN GENERAL.—Paragraph (3) of section
20 146(g) of the Internal Revenue Code of 1986 is
21 amended by inserting “(4), (5),” after “(2),”.

22 (2) CONFORMING AMENDMENT.—Paragraphs
23 (2) and (3)(B) of section 146(k) are both amended
24 by striking “(4), (5), (6), or” and inserting “(6)”.

1 (b) TAX-EXEMPT ISSUANCE BY INDIAN TRIBAL GOV-
2 ERNMENTS.—

3 (1) IN GENERAL.—Subsection (c) of section
4 7871 of the Internal Revenue Code of 1986 is
5 amended by adding at the end the following new
6 paragraph:

7 “(4) EXCEPTION FOR BONDS FOR WATER AND
8 SEWAGE FACILITIES.—Paragraph (2) shall not apply
9 to an exempt facility bond 95 percent or more of the
10 net proceeds (as defined in section 150(a)(3)) of
11 which are to be used to provide facilities described
12 in paragraph (4) or (5) of section 142(a).”.

13 (2) CONFORMING AMENDMENT.—Paragraph (2)
14 of section 7871(c) is amended by striking “para-
15 graph (3)” and inserting “paragraphs (3) and (4)”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to obligations issued on or after
18 the date of the enactment of this Act.

19 **SEC. 205. REPEAL OF ALTERNATIVE MINIMUM TAX ON PRI-**
20 **VATE ACTIVITY BONDS.**

21 (a) IN GENERAL.—Subsection (a) of section 57 of the
22 Internal Revenue Code of 1986 is amended by striking
23 paragraph (5).

24 (b) CONFORMING AMENDMENTS.—

1 (1) Subparagraph (B) of section 1(g)(7) of such
2 Code is amended by adding “and” at the end of
3 clause (i), by striking “, and” at the end of clause
4 (ii) and inserting a period, and by striking clause
5 (iii).

6 (2) Subclause (II) of section 53(d)(1)(B)(ii) of
7 such Code is amended by striking “, (5)”.

8 (3) Subparagraph (C) of section 56(b)(1) of
9 such Code is amended by striking clause (iii) and re-
10 designating clauses (iv) and (v) as clauses (iii) and
11 (iv), respectively.

12 (4) Paragraph (3) of section 148(b) of such
13 Code is amended to read as follows:

14 “(3) EXCEPTION FOR TAX-EXEMPT BONDS.—
15 The term ‘investment property’ does not include any
16 tax-exempt bond.”.

17 (5) Subparagraph (B)(i) of section 149(g)(3) of
18 such Code is amended to read as follows:

19 “(i) IN GENERAL.—Such term shall
20 not include any bond issued as part of an
21 issue 95 percent of the net proceeds of
22 which are invested in bonds the interest on
23 which is not includible in gross income
24 under section 103.”.

1 (6) Paragraph (5) of section 1400L(d) of such
2 Code is amended by striking subparagraph (E).

3 (7) Paragraph (5) of section 1400N(a) of such
4 Code is amended by striking subparagraph (G).

5 (c) **EFFECTIVE DATE.**—The amendments made by
6 this section shall apply to taxable years beginning after
7 the date of the enactment of this Act.

8 **TITLE III—SKILLS TRAINING**

9 **SEC. 301. JOB TRAINING TAX CREDIT.**

10 (a) **IN GENERAL.**—Subpart D of part IV of sub-
11 chapter A of chapter 1 of the Internal Revenue Code of
12 1986 is amended by adding at the end the following new
13 section:

14 **“SEC. 45S. JOB TRAINING CREDIT.**

15 “(a) **IN GENERAL.**—For the purposes of section 38,
16 the job training credit determined under this section for
17 the taxable year is an amount equal to 100 percent of the
18 qualified training expenses paid by the qualifying taxpayer
19 during the taxable year.

20 “(b) **LIMITATION.**—The credit allowed under sub-
21 section (a) with respect to any eligible trainee of the quali-
22 fying taxpayer shall not exceed the excess (if any) of
23 \$4,000 over the aggregate credit allowed to such taxpayer
24 under this section with respect to such eligible trainee for
25 all prior taxable years.

1 “(c) DEFINITIONS.—For purposes of this section—

2 “(1) QUALIFIED TRAINING EXPENSES.—

3 “(A) IN GENERAL.—The term ‘qualified
4 training expenses’ means, with respect to any
5 eligible trainee of the qualifying taxpayer, ex-
6 penses paid or incurred by such taxpayer for
7 qualified tuition costs of such eligible trainee.

8 “(B) QUALIFIED TUITION COSTS.—The
9 term ‘qualified tuition costs’ means costs for
10 books and enrollment in a training program at
11 a qualified educational organization, the out-
12 come of which, if completed, will provide the eli-
13 gible trainee a certificate or credential recog-
14 nized by a State accrediting body, Federal Ap-
15 prenticeship Agency, or any other national ac-
16 crediting body recognized by the Department of
17 Education as an independent, third-party ac-
18 crediting body. Such training program—

19 “(i) may include a single course, mul-
20 tiple courses, or a combination of work
21 training and study, and

22 “(ii) must be reasonably necessary for
23 employment in a position based in the
24 United States for which the qualifying tax-
25 payer is currently hiring.

1 “(C) QUALIFIED EDUCATIONAL ORGANI-
2 ZATION.—The term ‘qualified educational organi-
3 zation’ means any educational organization de-
4 scribed in section 101 of the Higher Education
5 Act of 1965.

6 “(2) QUALIFYING TAXPAYER.—The term ‘quali-
7 fying taxpayer’ means any taxpayer who provides,
8 with respect to any eligible trainee, such documenta-
9 tion as required by the Secretary regarding qualified
10 training expenses and proof of unemployment status
11 as described in paragraph (3)(A).

12 “(3) ELIGIBLE TRAINEE.—The term ‘eligible
13 trainee’ means any individual who—

14 “(A) has been unemployed for at least 90
15 days immediately preceding the date of enroll-
16 ment in a training program described in para-
17 graph (1)(B), and

18 “(B) had not been employed by the quali-
19 fying taxpayer at any time prior to such enroll-
20 ment date.

21 “(d) SPECIAL RULES.—

22 “(1) DENIAL OF DOUBLE BENEFIT.—No deduc-
23 tion shall be allowed under this chapter for the por-
24 tion of the expenses otherwise allowable as a deduc-

1 tion that are taken into account in determining the
2 credit under this section for the taxable year.

3 “(2) AGGREGATION.—For purposes of this sec-
4 tion, all persons treated as a single employer under
5 subsection (a) or (b) or section 52, or subsection (m)
6 or (o) of section 414, shall be treated as one person.

7 “(3) TREATMENT OF EXPENSES AS EDU-
8 CATIONAL ASSISTANCE PROGRAM.—Qualified train-
9 ing expenses shall be treated as an educational as-
10 sistance program for purposes of section 127.

11 “(e) ELECTION TO HAVE CREDIT NOT APPLY.—A
12 taxpayer may elect (at such time and in such manner as
13 the Secretary may by regulations prescribe) to have this
14 section not apply for any taxable year.

15 “(f) TERMINATION.—This section shall not apply to
16 expenses paid after December 31, 2016.”.

17 (b) CREDIT TO BE PART OF GENERAL BUSINESS
18 CREDIT.—Subsection (b) of section 38 of the Internal
19 Revenue Code of 1986 is amended by striking “plus” at
20 the end of paragraph (35), by striking the period at the
21 end of paragraph (36) and inserting “, plus”, and by add-
22 ing at the end the following new paragraph:

23 “(37) the job training credit determined under
24 section 45S(a).”.

1 (c) CREDIT ALLOWED AGAINST ALTERNATIVE MIN-
2 IMUM TAX.—Section 38(c)(4)(B) of the Internal Revenue
3 Code of 1986, as amended by section 206, is amended by
4 redesignating clauses (viii), (ix), and (x) as clauses (ix),
5 (x), and (xi), respectively, and by inserting after clause
6 (vii) the following new clause:

7 “(viii) the credit determined under
8 section 45S.”.

9 (d) TECHNICAL AMENDMENT.—Section 6501(m) of
10 the Internal Revenue Code of 1986 is amended by insert-
11 ing “45S(e),” after “45H(g),”.

12 (e) CLERICAL AMENDMENT.—The table of sections
13 for subpart D of part IV of subchapter A of chapter 1
14 of the Internal Revenue Code of 1986 is amended by add-
15 ing at the end the following new item:

“See. 45S. Job training credit.”.

16 (f) EFFECTIVE DATES.—

17 (1) IN GENERAL.—The amendments made by
18 this section shall apply to expenses paid or incurred
19 after the date of the enactment of this Act, in tax-
20 able years ending after such date.

21 (2) MINIMUM TAX.—The amendments made by
22 subsection (c) shall apply to credits determined
23 under section 45S of the Internal Revenue Code of
24 1986 in taxable years ending after the date of the

1 enactment of this Act, and to carrybacks of such
2 credits.

3 **SEC. 302. QUALIFIED JOB TRAINING PARTNERSHIPS CRED-
4 IT.**

5 (a) IN GENERAL.—Subpart E of part IV of sub-
6 chapter A of chapter 1 of the Internal Revenue Code of
7 1986 is amended by inserting after section 48D the fol-
8 lowing new section:

9 **“SEC. 48E. QUALIFIED JOB TRAINING PARTNERSHIPS
10 CREDIT.**

11 “(a) IN GENERAL.—For purposes of section 46, the
12 Qualified Job Training Partnership credit for any taxable
13 year is an amount equal to the percentage determined by
14 the Secretary (not to exceed 100 percent) of the qualified
15 investment for such taxable year with respect to any
16 Qualified Job Training Partnership.

17 “(b) QUALIFIED INVESTMENT.—

18 “(1) IN GENERAL.—For purposes of subsection
19 (a), the qualified investment for any taxable year is
20 the aggregate amount of the costs paid or incurred
21 in such taxable year by one or more eligible private
22 business employers for expenses necessary for and
23 directly related to the conduct of a Qualified Job
24 Training Partnership in the form of contributions of
25 cash, cash equivalent, equipment, or any combina-

1 tion of the three where 100 percent of the invest-
2 ment is used for the planning, implementation, or
3 operation of a Qualified Job Training Partnership
4 and the training financed through the investment
5 must result in a type of certificate or credential rec-
6 ognized by a State accrediting body, Federal Ap-
7 prenticeship Agency, or any other national accred-
8 itating body recognized by the Department of Edu-
9 cation as an independent, third-party accrediting
10 body.

11 “(2) LIMITATION.—The amount which is treat-
12 ed as qualified investment for all taxable years with
13 respect to any Qualified Job Training Partnership
14 shall not exceed the amount certified by the Sec-
15 retary as eligible for the credit under this section.

16 “(3) EXCLUSIONS.—The qualified investment
17 for any taxable year with respect to any Qualified
18 Job Training Partnership shall not take into account
19 any cost for student tuition or for any other expense
20 as determined by the Secretary as appropriate to
21 carry out the purposes of this section.

22 “(4) CERTAIN PROGRESS EXPENDITURE RULES
23 MADE APPLICABLE.—In the case of costs described
24 in paragraph (1) that are paid for property of a
25 character subject to an allowance for depreciation,

1 rules similar to the rules of subsections (c)(4) and
2 (d) of section 46 (as in effect on the day before the
3 date of the enactment of the Revenue Reconciliation
4 Act of 1990) shall apply for purposes of this section.

5 **“(c) QUALIFIED JOB TRAINING PARTNERSHIP.—**

6 **“(1) IN GENERAL.—**The term ‘Qualified Job

7 Training Partnership’ means a formal or informal
8 partnership between at least 1 eligible private busi-
9 ness employer and—

10 “(A) 1 qualified educational institution, or
11 “(B) 1 labor organization (as defined in
12 section 2(5) of the National Labor Relations
13 Act),

14 where the stated goal of the partnership is to train
15 students in job-ready skills.

16 **“(2) ELIGIBLE PRIVATE BUSINESS EM-**
17 **PLOYER.—**The term ‘eligible private business em-
18 ployer’ means—

19 “(A) a business entity at least 50 percent
20 of the gross income of which is derived from
21 qualified production activities (within the mean-
22 ing of section 199(c)), or

23 “(B) any type of domestic business entity
24 the average number of full-time employees of

1 which for the taxable year is not more than
2 500.

3 “(3) QUALIFIED EDUCATIONAL INSTITUTION.—
4 The term ‘qualified educational institution’ means
5 any institution of higher education described in sec-
6 tion 101 of the Higher Education Act of 1965 which
7 provides a 2-year program that culminates in an as-
8 sociate degree.

9 “(d) QUALIFIED JOB TRAINING PARTNERSHIP PRO-
10 GRAM.—

11 “(1) ESTABLISHMENT.—

12 “(A) IN GENERAL.—Not later than 60
13 days after the date of the enactment of this sec-
14 tion, the Secretary, in consultation with the
15 Secretary of Labor, shall establish a Qualified
16 Job Training Partnership program to consider
17 and award certifications for qualified invest-
18 ments eligible for credits under this section to
19 Qualified Job Training Partnerships.

20 “(B) LIMITATION.—The total amount of
21 credits that may be allocated under the pro-
22 gram shall not exceed \$1,000,000,000.

23 “(2) CERTIFICATION.—

24 “(A) APPLICATION PERIOD.—Each appli-
25 cant for certification under this paragraph shall

1 submit an application containing such informa-
2 tion as the Secretary may require during the
3 period beginning on the date the Secretary es-
4 tablishes the program under paragraph (1).

5 “(B) TIME FOR REVIEW OF APPLICA-
6 TIONS.—The Secretary shall take action to ap-
7 prove or deny any application under subparagraph
8 (A) within 30 days of the submission of
9 such application.

10 “(C) MULTI-YEAR APPLICATIONS.—An ap-
11 plication for certification under subparagraph
12 (A) may include a request for an allocation of
13 credits for more than 1 year.

14 “(3) SELECTION CRITERIA.—In determining
15 the Qualified Job Training Partnerships with re-
16 spect to which qualified investments may be certified
17 under this section, the Secretary—

18 “(A) shall give priority to those applica-
19 tions which demonstrate—

20 “(i) the greatest probability that those
21 who complete the program will secure em-
22 ployment;

23 “(ii) the greatest potential for pro-
24 viding workers who complete the program

1 with skills that can provide long-term job
2 and income security;

3 “(iii) the strongest market demand
4 for the type of training offered;

5 “(iv) the greatest probability that the
6 program would create a net increase in job
7 training opportunities;

8 “(v) a strong need in the community
9 for skills training;

10 “(vi) the ability to allow nontraditional learners to complete the training;
11 and

12 “(vii) the ability and capacity to implement the program in a reasonable period of time; and

13 “(B) shall take into additional consideration which applications show—

14 “(i) the ability to leverage additional
15 sources of capital; and

16 “(ii) the greatest ability to offer training programs that result in a certificate or
17 credential (within the meaning of subsection (b)(1)) that is stackable or portable
18 or both.

19 “(4) REVIEW AND ADDITIONAL ALLOCATION.—

1 “(A) REVIEW.—Not later than 1 year after
2 the date of enactment of this section, the Sec-
3 retary shall review the credits allocated under
4 this section as of such date.

5 “(B) ADDITIONAL ALLOCATION.—If the
6 Secretary determines at the time of the review
7 that credits under this section are available for
8 allocation pursuant to the requirements set
9 forth in paragraph (2), the Secretary is author-
10 ized to allocate such available credits through
11 the conduct of an additional program or pro-
12 grams for applications for certification.

13 “(5) DISCLOSURE OF ALLOCATIONS.—The Sec-
14 retary shall, upon making a certification under this
15 subsection, publicly disclose the identity of the appli-
16 cant and the amount of the credit with respect to
17 such applicant.

18 “(e) SPECIAL RULES.—

19 “(1) BASIS ADJUSTMENT.—For purposes of
20 this subtitle, if a credit is allowed under this section
21 for an expenditure related to property of a character
22 subject to an allowance for depreciation, the basis of
23 such property shall be reduced by the amount of
24 such credit.

25 “(2) DENIAL OF DOUBLE BENEFIT.—

1 “(A) BONUS DEPRECIATION.—A credit
2 shall not be allowed under this section for any
3 investment for which bonus depreciation is al-
4 lowed under section 168(k), 1400L(b)(1), or
5 1400N(d)(1).

6 “(B) DEDUCTIONS.—No deduction under
7 this subtitle shall be allowed for the portion of
8 the expenses otherwise allowable as a deduction
9 taken into account in determining the credit
10 under this section for the taxable year which is
11 equal to the amount of the credit determined
12 for such taxable year under subsection (a) at-
13 tributable to such portion. This subparagraph
14 shall not apply to expenses related to property
15 of a character subject to an allowance for de-
16 preciation the basis of which is reduced under
17 paragraph (1).”.

18 (b) INCLUSION AS PART OF INVESTMENT CREDIT.—
19 Section 46 of the Internal Revenue Code of 1986 is
20 amended—

21 (1) by adding a comma at the end of paragraph
22 (4),
23 (2) by striking “and” at the end of paragraph
24 (5),

(3) by striking the period at the end of paragraph (6) and inserting “, and”, and

3 (4) by adding at the end the following new
4 paragraph:

5 “(7) the Qualified Job Training Partnerships
6 credit.”.

13 “(vii) the basis of any property to
14 which paragraph (1) of section 48E(e) ap-
15 plies which is part of a Qualified Job
16 Training Partnership under such section
17 48E.”.

18 (d) CLERICAL AMENDMENT.—The table of sections
19 for subpart E of part IV of subchapter A of chapter 1
20 of the Internal Revenue Code of 1986 is amended by in-
21 serting after the item relating to section 48D the following
22 new item:

“Sec. 48E. Qualified Job Training Partnership credit.”.

23 (e) GRANTS FOR QUALIFIED INVESTMENTS IN
24 QUALIFIED JOB TRAINING PARTNERSHIPS IN LIEU OF
25 TAX CREDITS.—

1 (1) IN GENERAL.—Upon application, the Sec-
2 retary of the Treasury shall, subject to the require-
3 ments of this subsection, provide a grant to each
4 person who makes a qualified investment in a Quali-
5 fied Job Training Partnership in an amount not to
6 exceed 100 percent of such investment.

7 (2) APPLICATION.—

8 (A) IN GENERAL.—At the stated election
9 of the applicant, an application for certification
10 under section 48E(d)(2) of the Internal Rev-
11 enue Code of 1986 for a credit under such sec-
12 tion for any taxable year shall be considered to
13 be an application for a grant under paragraph
14 (1) for such taxable year.

15 (B) SUBMISSION DATE.—An application
16 for a grant under paragraph (1) for any taxable
17 year shall be submitted—

18 (i) not earlier than the day after the
19 last day of such taxable year, and
20 (ii) not later than the due date (in-
21 cluding extensions) for filing the return of
22 tax for such taxable year.

23 (C) INFORMATION TO BE SUBMITTED.—An
24 application for a grant under paragraph (1)
25 shall include such information and be in such

1 form as the Secretary of the Treasury may re-
2 quire to state the amount of the credit allow-
3 able (but for the receipt of a grant under this
4 subsection) under section 48E for the taxable
5 year for the qualified investment with respect to
6 which such application is made.

7 (3) TIME FOR PAYMENT OF GRANT.—

8 (A) IN GENERAL.—The Secretary of the
9 Treasury shall make payment of the amount of
10 any grant under paragraph (1) during the 30-
11 day period beginning on the later of—

- 12 (i) the date of the application for such
13 grant, or
14 (ii) the date the qualified investment
15 for which the grant is being made is made.

16 (B) REGULATIONS.—In the case of invest-
17 ments of an ongoing nature, the Secretary of
18 the Treasury shall issue regulations to deter-
19 mine the date on which a qualified investment
20 shall be deemed to have been made for purposes
21 of this paragraph.

22 (4) QUALIFIED INVESTMENT.—For purposes of
23 this subsection, the term “qualified investment”
24 means a qualified investment that is certified under
25 section 48E(d) of the Internal Revenue Code of

1 1986 for purposes of the credit under such section
2 48E.

3 (5) APPLICATION OF CERTAIN RULES.—

4 (A) IN GENERAL.—In making grants
5 under this subsection, the Secretary of the
6 Treasury shall apply rules similar to the rules
7 of section 50 of the Internal Revenue Code of
8 1986. In applying such rules, any increase in
9 tax under chapter 1 of such Code by reason of
10 an investment ceasing to be a qualified invest-
11 ment shall be imposed on the person to whom
12 the grant was made.

13 (B) SPECIAL RULES.—

14 (i) RECAPTURE OF EXCESSIVE GRANT
15 AMOUNTS.—If the amount of a grant made
16 under this subsection exceeds the amount
17 allowable as a grant under this subsection,
18 such excess shall be recaptured under sub-
19 paragraph (A) as if the investment to
20 which such excess portion of the grant re-
21 lates had ceased to be a qualified invest-
22 ment immediately after such grant was
23 made.

24 (ii) GRANT INFORMATION NOT TREAT-
25 ED AS RETURN INFORMATION.—In no

1 event shall the amount of a grant made
2 under paragraph (1), the identity of the
3 person to whom such grant was made, or
4 a description of the investment with re-
5 spect to which such grant was made be
6 treated as return information for purposes
7 of section 6103 of the Internal Revenue
8 Code of 1986.

9 (6) SECRETARY.—Any reference in this sub-
10 section to the Secretary of the Treasury shall be
11 treated as including the Secretary's delegate.

12 (7) OTHER TERMS.—Any term used in this sub-
13 section which is also used in section 48E of the In-
14 ternal Revenue Code of 1986 shall have the same
15 meaning for purposes of this subsection as when
16 used in such section.

17 (8) DENIAL OF DOUBLE BENEFIT.—No credit
18 shall be allowed under section 46(7) of the Internal
19 Revenue Code of 1986 by reason of section 48E of
20 such Code for any investment for which a grant is
21 awarded under this subsection.

22 (9) APPROPRIATIONS.—There is hereby appro-
23 priated to the Secretary of the Treasury such sums
24 as may be necessary to carry out this subsection.

1 (f) EFFECTIVE DATE.—The amendments made by
2 subsections (a) through (d) of this section shall apply to
3 amounts paid or incurred after the date of the enactment
4 of this Act, in taxable years beginning after such date.

5 **TITLE IV—TRADE PROVISIONS**

6 **SEC. 401. FINDINGS; SENSE OF CONGRESS ON APPLICA-**

7 **BILITY OF TRADE AUTHORITIES PROCES-** 8 **DURES TO A BILL IMPLEMENTING A TRADE** 9 **AND INVESTMENT AGREEMENT WITH THE** 10 **EUROPEAN UNION.**

11 (a) FINDINGS.—Congress finds the following:

12 (1) The United States and the European Union
13 (EU) maintain a very strong and beneficial commer-
14 cial relationship.

15 (2) The United States-EU relationship supports
16 a combined 13 million jobs, and nearly \$4 trillion in
17 investment.

18 (3) The economies of the United States and the
19 EU each generate more than \$16 trillion, which rep-
20 resents 45 percent of global gross domestic product,
21 and over one-third of global trade and investment
22 flows.

23 (4) The United States-EU single commercial
24 relationship is the world's largest and the EU re-
25 mains the largest market for United States exports

1 and the largest source of imports into the United
2 States.

3 (5) Congress welcomes the work of the High
4 Level Working Group report and the decision of
5 President Obama to launch negotiations for a poten-
6 tial bilateral trade agreement.

7 (6) The Transatlantic Trade and Investment
8 Partnership (TTIP) represents a key strategic op-
9 portunity for the United States and the EU.

10 (7) The groundbreaking TTIP will deepen ties
11 between the United States and the EU, increase ex-
12 ports, grow both economies, and support hundreds
13 of thousands of jobs on both sides of the Atlantic
14 Ocean.

15 (b) SENSE OF CONGRESS.—It is the sense of Con-
16 gress that—

17 (1) the applicability of section 151 of the Trade
18 Act of 1974 (19 U.S.C. 2191; relating to trade au-
19 thorities procedures) to a bill implementing a trade
20 and investment agreement with the European Union
21 (EU) resulting from negotiations with the EU, as
22 notified to the United States Congress on March 20,
23 2013, should be determined without regard to any
24 prenegotiation notification and consultation require-
25 ments that would otherwise be applicable; and

1 (2) the Administration should press for a quick
2 conclusion of this comprehensive and ambitious
3 agreement.

4 **SEC. 402. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE
5 PROGRAM.**

6 (a) EXTENSION OF TERMINATION PROVISIONS.—
7 Section 285 of the Trade Act of 1974 (19 U.S.C. 2271
8 note) is amended by striking “2013” each place it appears
9 and inserting “2020”.

10 (b) TRAINING FUNDS.—Section 236(a)(2)(A) of the
11 Trade Act of 1974 (19 U.S.C. 2296(a)(2)(A)) is amend-
12 ed—

13 (1) in clause (i), by striking “and 2013” and
14 inserting “through 2020”; and

15 (2) in clause (ii), by striking “2013” each place
16 it appears and inserting “2020”.

17 (c) REEMPLOYMENT TRADE ADJUSTMENT ASSIST-
18 ANCE.—Section 246(b)(1) of the Trade Act of 1974 (19
19 U.S.C. 2318(b)(1)) is amended by striking “2013” and
20 inserting “2020”.

21 (d) AUTHORIZATIONS OF APPROPRIATIONS.—

22 (1) TRADE ADJUSTMENT ASSISTANCE FOR
23 WORKERS.—Section 245(a) of the Trade Act of
24 1974 (19 U.S.C. 2317(a)) is amended by striking
25 “2013” and inserting “2020”.

1 (2) TRADE ADJUSTMENT ASSISTANCE FOR
2 FIRMS.—Section 255(a) of the Trade Act of 1974
3 (19 U.S.C. 2345(a)) is amended—

4 (A) by striking “and 2013” and inserting
5 “through 2020”; and

6 (B) by striking “October 1, 2013, and end-
7 ing on December 31, 2013” and inserting “Oc-
8 tober 1, 2020, and ending on December 31,
9 2020”.

10 (3) TRADE ADJUSTMENT ASSISTANCE FOR
11 FARMERS.—Section 298(a) of the Trade Act of 1974
12 (19 U.S.C. 2401g(a)) is amended—

13 (A) by striking “and 2013” and inserting
14 “through 2020”; and

15 (B) by striking “October 1, 2013, and end-
16 ing on December 31, 2013” and inserting “Oc-
17 tober 1, 2020, and ending on December 31,
18 2020”.

19 (e) AMENDMENTS TO TRADE ADJUSTMENT ASSIST-
20 ANCE EXTENSION ACT OF 2011.—

21 (1) APPLICATION OF PRIOR LAW.—Section
22 233(a) of the Trade Adjustment Assistance Exten-
23 sion Act of 2011 (title II of Public Law 112–40;
24 125 Stat. 416; 19 U.S.C. 2271 note prec.) is amend-
25 ed—

1 (A) in the matter preceding paragraph (1),
2 by striking “2014” and inserting “2021”; and

3 (B) by striking paragraphs (3) through (7)
4 and inserting the following:

5 “(3) section 245(a) of that Act shall be applied
6 and administered by substituting ‘2021’ for ‘2007’;

7 “(4) section 246(b)(1) of that Act shall be ap-
8 plied and administered by substituting ‘December
9 31, 2021’ for ‘the date that is 5 years’ and all that
10 follows through ‘State’;

11 “(5) section 256(b) of that Act shall be applied
12 and administered by substituting ‘the 1-year period
13 beginning on January 1, 2021’ for ‘each of fiscal
14 years 2003 through 2007, and \$4,000,000 for the 3-
15 month period beginning on October 1, 2007’;

16 “(6) section 298(a) of that Act shall be applied
17 and administered by substituting ‘the 1-year period
18 beginning on January 1, 2021’ for ‘each of the fiscal
19 years’ and all that follows through ‘October 1,
20 2007’; and

21 “(7) section 285 of that Act shall be applied
22 and administered—

23 “(A) in subsection (a), by substituting
24 ‘2021’ for ‘2007’ each place it appears; and

1 “(B) by applying and administering sub-
2 section (b) as if it read as follows:

3 “‘(b) OTHER ASSISTANCE.—

4 “‘(1) ASSISTANCE FOR FIRMS.—

5 “‘(A) IN GENERAL.—Except as provided
6 in subparagraph (B), assistance may not be
7 provided under chapter 3 after December 31,
8 2021.

9 “‘(B) EXCEPTION.—Notwithstanding sub-
10 paragraph (A), any assistance approved under
11 chapter 3 on or before December 31, 2021, may
12 be provided—

13 “‘(i) to the extent funds are available
14 pursuant to such chapter for such purpose;
15 and

16 “‘(ii) to the extent the recipient of the
17 assistance is otherwise eligible to receive
18 such assistance.

19 “‘(2) FARMERS.—

20 “‘(A) IN GENERAL.—Except as provided
21 in subparagraph (B), assistance may not be
22 provided under chapter 6 after December 31,
23 2021.

24 “‘(B) EXCEPTION.—Notwithstanding sub-
25 paragraph (A), any assistance approved under

1 chapter 6 on or before December 31, 2021, may
2 be provided—

3 “(i) to the extent funds are available
4 pursuant to such chapter for such purpose;
5 and

6 “(ii) to the extent the recipient of the
7 assistance is otherwise eligible to receive
8 such assistance.”.

9 (2) CONTINUATION OF BENEFITS.—Section
10 233(b) of the Trade Adjustment Assistance Exten-
11 sion Act of 2011 is amended by striking “2014”
12 each place it appears and inserting “2021”.

13 **TITLE V—MINIMUM WAGE IN-
14 CREASE AND BUSINESS TAX
15 RELIEF**

16 **SEC. 501. MINIMUM WAGE INCREASES.**

17 (a) MINIMUM WAGE.—

18 (1) IN GENERAL.—Section 6(a)(1) of the Fair
19 Labor Standards Act of 1938 (29 U.S.C. 206(a)(1))
20 is amended to read as follows:

21 “(1) except as otherwise provided in this sec-
22 tion, not less than—

23 “(A) \$8.20 an hour, beginning on the first
24 day of the first month that begins 1 year after

1 the date of enactment of the Invest in United
2 States Act of 2014;

3 “(B) \$9.15 an hour, beginning 1 year after
4 that first day;

5 “(C) \$10.10 an hour, beginning 2 years
6 after that first day; and

7 “(D) beginning on the date that is 3 years
8 after that first day, and annually thereafter, the
9 amount determined by the Secretary pursuant
10 to subsection (h);”.

11 (2) DETERMINATION BASED ON INCREASE IN
12 THE CONSUMER PRICE INDEX.—Section 6 of the
13 Fair Labor Standards Act of 1938 (29 U.S.C. 206)
14 is amended by adding at the end the following:

15 “(h)(1) Each year, by not later than the date that
16 is 90 days before a new minimum wage determined under
17 subsection (a)(1)(D) is to take effect, the Secretary shall
18 determine the minimum wage to be in effect pursuant to
19 this subsection for the subsequent 1-year period. The wage
20 determined pursuant to this subsection for a year shall
21 be—

22 “(A) not less than the amount in effect under
23 subsection (a)(1) on the date of such determination;

24 “(B) increased from such amount by the annual
25 percentage increase in the Consumer Price Index for

1 Urban Wage Earners and Clerical Workers (United
2 States city average, all items, not seasonally ad-
3 justed), or its successor publication, as determined
4 by the Bureau of Labor Statistics; and

5 “(C) rounded to the nearest multiple of \$0.05.

6 “(2) In calculating the annual percentage increase in
7 the Consumer Price Index for purposes of paragraph
8 (1)(B), the Secretary shall compare such Consumer Price
9 Index for the most recent month, quarter, or year avail-
10 able (as selected by the Secretary prior to the first year
11 for which a minimum wage is in effect pursuant to this
12 subsection) with the Consumer Price Index for the same
13 month in the preceding year, the same quarter in the pre-
14 ceding year, or the preceding year, respectively.”.

15 (b) BASE MINIMUM WAGE FOR TIPPED EMPLOY-
16 EES.—Section 3(m)(1) of the Fair Labor Standards Act
17 of 1938 (29 U.S.C. 203(m)(1)) is amended to read as fol-
18 lows:

19 “(1) the cash wage paid such employee, which
20 for purposes of such determination shall be not less
21 than—

22 “(A) for the 1-year period beginning on
23 the first day of the third month that begins
24 after the date of enactment of the Fair Min-

3 “(B) for each succeeding 1-year period
4 until the hourly wage under this paragraph
5 equals 50 percent of the wage in effect under
6 section 6(a)(1) for such period, an hourly wage
7 equal to the amount determined under this
8 paragraph for the preceding year, increased by
9 the lesser of—

11 “(ii) the amount necessary for the
12 wage in effect under this paragraph to
13 equal 50 percent of the wage in effect
14 under section 6(a)(1) for such period,
15 rounded to the nearest multiple of \$0.05;
16 and

17 “(C) for each succeeding 1-year period
18 after the year in which the hourly wage under
19 this paragraph first equals 50 percent of the
20 wage in effect under section 6(a)(1) for the
21 same period, the amount necessary to ensure
22 that the wage in effect under this paragraph re-
23 mains equal to 50 percent of the wage in effect
24 under section 6(a)(1), rounded to the nearest
25 multiple of \$0.05; and”.

1 (c) PUBLICATION OF NOTICE.—Section 6 of the Fair
2 Labor Standards Act of 1938 (as amended by subsection
3 (a)) (29 U.S.C. 206) is further amended by adding at the
4 end the following:

5 “(i) Not later than 60 days prior to the effective date
6 of any increase in the minimum wage determined under
7 subsection (h) or required for tipped employees in accord-
8 ance with subparagraph (B) or (C) of section 3(m)(1), as
9 amended by the Fair Minimum Wage and Business Tax
10 Relief Act of 2013, the Secretary shall publish in the Fed-
11 eral Register and on the website of the Department of
12 Labor a notice announcing the adjusted required wage.”.

13 (d) EFFECTIVE DATE.—The amendments made by
14 subsections (a) and (b) shall take effect on the first day
15 of the first month that begins 1 year after the date of
16 enactment of this Act.

17 **SEC. 502. WORK OPPORTUNITY CREDIT MADE PERMANENT.**

18 (a) IN GENERAL.—Section 51(c) of the Internal Rev-
19 enue Code of 1986 is amended by striking paragraph (4).

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) shall apply to individuals who begin work
22 for the employer after December 31, 2013.

1 SEC. 503. INCREASED EXPENSING LIMITATIONS AND
2 TREATMENT OF CERTAIN REAL PROPERTY
3 AS SECTION 179 PROPERTY MADE PERMA-
4 NENT.

5 (a) IN GENERAL.—Subsection (b) of section 179 of
6 the Internal Revenue Code of 1986 is amended—

7 (1) by striking “shall not exceed—” and all
8 that follows in paragraph (1) and inserting “shall
9 not exceed \$500,000.”, and

10 (2) by striking “exceeds—” and all that follows
11 in paragraph (2) and inserting “exceeds
12 \$2,000,000.”.

13 (b) COMPUTER SOFTWARE.—Clause (ii) of section
14 179(d)(1)(A) of such Code is amended by striking “and
15 which is placed in service in a taxable year beginning after
16 2002 and before 2014.”.

17 (c) SPECIAL RULES FOR TREATMENT OF QUALIFIED
18 REAL PROPERTY.—Subsection (f) of section 179 of such
19 Code is amended—

20 (1) by striking “beginning in 2010, 2011, 2012,
21 or 2013” in paragraph (1), and

22 (2) by striking paragraph (4).

23 (d) ELECTION.—Paragraph (2) of section 179(c) of
24 such Code is amended to read as follows:

25 “(2) REVOCATION OF ELECTION.—Any election
26 made under this section, and any specification con-

1 tained in any such election, may be revoked by the
2 taxpayer with respect to any property, and such rev-
3 ocation, once made, shall be irrevocable.”.

4 (e) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years beginning after
6 December 31, 2013.

7 **SEC. 504. PERMANENT EXTENSION OF TREATMENT OF**
8 **QUALIFIED LEASEHOLD IMPROVEMENT**
9 **PROPERTY, QUALIFIED RESTAURANT PROP-**
10 **ERTY, AND QUALIFIED RETAIL IMPROVE-**
11 **MENT PROPERTY AS 15-YEAR PROPERTY FOR**
12 **PURPOSES OF DEPRECIATION DEDUCTION.**

13 (a) **QUALIFIED LEASEHOLD IMPROVEMENT PROP-**
14 **ERTY.**—Clause (iv) of section 168(e)(3)(E) of the Internal
15 Revenue Code of 1986 is amended by striking “placed in
16 service before January 1, 2014”.

17 (b) **QUALIFIED RESTAURANT PROPERTY.**—Clause
18 (v) of section 168(e)(3)(E) of the Internal Revenue Code
19 of 1986 is amended by striking “placed in service before
20 January 1, 2014”.

21 (c) **QUALIFIED RETAIL IMPROVEMENT PROPERTY.**—
22 Clause (ix) of section 168(e)(3)(E) of the Internal Rev-
23 enue Code of 1986 is amended by striking “, and before
24 January 1, 2014”.

1 (d) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to property placed in service after
3 December 31, 2013.

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