

113TH CONGRESS
2D SESSION

H. R. 4550

To extend the emergency unemployment compensation program, and to stimulate the economy and create opportunities for new job creation.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2014

Mr. FITZPATRICK introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure, Education and the Workforce, Small Business, Energy and Commerce, Financial Services, and Natural Resources, 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 extend the emergency unemployment compensation program, and to stimulate the economy and create opportunities for new job creation.

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 “Emergency Unemployment Compensation Extension Act
6 of 2014”.

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

Sec. 1. Short title; table of contents.

TITLE I—PROVISIONS RELATING TO UNEMPLOYMENT
 COMPENSATION

- Sec. 101. Extension of emergency unemployment compensation program.
 Sec. 102. Temporary extension of extended benefit provisions.
 Sec. 103. Extension of funding for reemployment services and reemployment
 and eligibility assessment activities.
 Sec. 104. Additional extended unemployment benefits under the Railroad Un-
 employment Insurance Act.
 Sec. 105. Flexibility for unemployment program agreements.
 Sec. 106. Ending unemployment payments to jobless millionaires and billion-
 aires.
 Sec. 107. GAO study on the use of work suitability requirements in unemploy-
 ment insurance programs.
 Sec. 108. Funding stabilization.
 Sec. 109. Prepayment of certain PBGC premiums.
 Sec. 110. Extension of customs user fees.
 Sec. 111. Emergency services, government, and certain nonprofit volunteers.

TITLE II—PROVISIONS RELATING TO JOB CREATION

- Sec. 201. Treatment of employment assistance voucher programs.
 Sec. 202. Disadvantaged business enterprises.
 Sec. 203. America Star Program.
 Sec. 204. Fostering innovation.
 Sec. 205. Partnership To Build America.
 Sec. 206. Keystone XL pipeline.

3 **TITLE I—PROVISIONS RELATING**
 4 **TO UNEMPLOYMENT COM-**
 5 **PENSATION**

6 **SEC. 101. EXTENSION OF EMERGENCY UNEMPLOYMENT**
 7 **COMPENSATION PROGRAM.**

8 (a) EXTENSION.—Section 4007(a)(2) of the Supple-
 9 mental Appropriations Act, 2008 (Public Law 110–252;
 10 26 U.S.C. 3304 note) is amended by striking “January
 11 1, 2014” and inserting “June 1, 2014”.

1 (b) FUNDING.—Section 4004(e)(1) of the Supple-
2 mental Appropriations Act, 2008 (Public Law 110–252;
3 26 U.S.C. 3304 note) is amended—

4 (1) in subparagraph (I), by striking “and” at
5 the end;

6 (2) in subparagraph (J), by inserting “and” at
7 the end; and

8 (3) by inserting after subparagraph (J) the fol-
9 lowing:

10 “(K) the amendment made by section
11 101(a) of the Emergency Unemployment Com-
12 pensation Extension Act of 2014;”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall take effect as if included in the enact-
15 ment of the American Taxpayer Relief Act of 2012 (Public
16 Law 112–240).

17 **SEC. 102. TEMPORARY EXTENSION OF EXTENDED BENEFIT**
18 **PROVISIONS.**

19 (a) IN GENERAL.—Section 2005 of the Assistance for
20 Unemployed Workers and Struggling Families Act, as
21 contained in Public Law 111–5 (26 U.S.C. 3304 note),
22 is amended—

23 (1) by striking “December 31, 2013” each
24 place it appears and inserting “May 31, 2014”; and

1 (2) in subsection (c), by striking “June 30,
2 2014” and inserting “November 30, 2014”.

3 (b) **EXTENSION OF MATCHING FOR STATES WITH**
4 **NO WAITING WEEK.**—Section 5 of the Unemployment
5 Compensation Extension Act of 2008 (Public Law 110–
6 449; 26 U.S.C. 3304 note) is amended by striking “June
7 30, 2014” and inserting “November 30, 2014”.

8 (c) **EXTENSION OF MODIFICATION OF INDICATORS**
9 **UNDER THE EXTENDED BENEFIT PROGRAM.**—Section
10 203 of the Federal-State Extended Unemployment Com-
11 pensation Act of 1970 (26 U.S.C. 3304 note) is amend-
12 ed—

13 (1) in subsection (d), by striking “December
14 31, 2013” and inserting “May 31, 2014”; and

15 (2) in subsection (f)(2), by striking “December
16 31, 2013” and inserting “May 31, 2014”.

17 (d) **EFFECTIVE DATE.**—The amendments made by
18 this section shall take effect as if included in the enact-
19 ment of the American Taxpayer Relief Act of 2012 (Public
20 Law 112–240).

21 **SEC. 103. EXTENSION OF FUNDING FOR REEMPLOYMENT**
22 **SERVICES AND REEMPLOYMENT AND ELIGI-**
23 **BILITY ASSESSMENT ACTIVITIES.**

24 (a) **EXTENSION.**—

1 (1) IN GENERAL.—Section 4004(c)(2)(A) of the
2 Supplemental Appropriations Act, 2008 (Public Law
3 110–252; 26 U.S.C. 3304 note) is amended by strik-
4 ing “through fiscal year 2014” and inserting
5 “through the first five months of fiscal year 2015”.

6 (2) EFFECTIVE DATE.—The amendment made
7 by this subsection shall take effect as if included in
8 the enactment of the American Taxpayer Relief Act
9 of 2012 (Public Law 112–240).

10 (b) TIMING FOR SERVICES AND ACTIVITIES.—

11 (1) IN GENERAL.—Section 4001(i)(1)(A) of the
12 Supplemental Appropriations Act, 2008 (Public Law
13 110–252; 26 U.S.C. 3304 note) is amended by add-
14 ing at the end the following new sentence:

15 “At a minimum, such reemployment services
16 and reemployment and eligibility assessment ac-
17 tivities shall be provided to an individual within
18 a time period (determined appropriate by the
19 Secretary) after the date the individual begins
20 to receive amounts under section 4002(b) (first
21 tier benefits) and, if applicable, again within a
22 time period (determined appropriate by the Sec-
23 retary) after the date the individual begins to
24 receive amounts under section 4002(d) (third
25 tier benefits).”.

1 (2) EFFECTIVE DATE.—The amendment made
2 by this subsection shall apply on and after the date
3 of the enactment of this Act.

4 (c) PURPOSES OF SERVICES AND ACTIVITIES.—The
5 purposes of the reemployment services and reemployment
6 and eligibility assessment activities under section 4001(i)
7 of the Supplemental Appropriations Act, 2008 (Public
8 Law 110–252; 26 U.S.C. 3304 note) are—

9 (1) to better link the unemployed with the over-
10 all workforce system by bringing individuals receiv-
11 ing unemployment insurance benefits in for person-
12 alized assessments and referrals to reemployment
13 services; and

14 (2) to provide individuals receiving unemploy-
15 ment insurance benefits with early access to specific
16 strategies that can help get them back into the
17 workforce faster, including through—

18 (A) the development of a reemployment
19 plan;

20 (B) the provision of access to relevant
21 labor market information;

22 (C) the provision of access to information
23 about industry-recognized credentials that are
24 regionally relevant or nationally portable;

1 (D) the provision of referrals to reemploy-
2 ment services and training; and

3 (E) an assessment of the individual's on-
4 going eligibility for unemployment insurance
5 benefits.

6 **SEC. 104. ADDITIONAL EXTENDED UNEMPLOYMENT BENE-**
7 **FITS UNDER THE RAILROAD UNEMPLOY-**
8 **MENT INSURANCE ACT.**

9 (a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Rail-
10 road Unemployment Insurance Act (45 U.S.C.
11 352(c)(2)(D)(iii)) is amended—

12 (1) by striking “June 30, 2013” and inserting
13 “November 30, 2013”; and

14 (2) by striking “December 31, 2013” and in-
15 sserting “May 31, 2014”.

16 (b) CLARIFICATION ON AUTHORITY TO USE
17 FUNDS.—Funds appropriated under either the first or
18 second sentence of clause (iv) of section 2(c)(2)(D) of the
19 Railroad Unemployment Insurance Act shall be available
20 to cover the cost of additional extended unemployment
21 benefits provided under such section 2(c)(2)(D) by reason
22 of the amendments made by subsection (a) as well as to
23 cover the cost of such benefits provided under such section
24 2(c)(2)(D), as in effect on the day before the date of en-
25 actment of this Act.

1 (c) FUNDING FOR ADMINISTRATION.—Out of any
2 funds in the Treasury not otherwise appropriated, there
3 are appropriated to the Railroad Retirement Board
4 \$105,000 for administrative expenses associated with the
5 payment of additional extended unemployment benefits
6 provided under section 2(c)(2)(D) of the Railroad Unem-
7 ployment Insurance Act by reason of the amendments
8 made by subsection (a), to remain available until ex-
9 pended.

10 **SEC. 105. FLEXIBILITY FOR UNEMPLOYMENT PROGRAM**

11 **AGREEMENTS.**

12 (a) FLEXIBILITY.—

13 (1) IN GENERAL.—Subsection (g) of section
14 4001 of the Supplemental Appropriations Act, 2008
15 (Public Law 110–252; 26 U.S.C. 3304 note) shall
16 not apply with respect to a State that has enacted
17 a law before December 1, 2013, that, upon taking
18 effect, would violate such subsection.

19 (2) EFFECTIVE DATE.—Paragraph (1) is effec-
20 tive with respect to weeks of unemployment begin-
21 ning on or after December 29, 2013.

22 (b) PERMITTING A SUBSEQUENT AGREEMENT.—
23 Nothing in title IV of the Supplemental Appropriations
24 Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note)
25 shall preclude a State whose agreement under such title

1 was terminated from entering into a subsequent agree-
2 ment under such title on or after the date of the enact-
3 ment of this Act if the State, taking into account the ap-
4 plication of subsection (a), would otherwise meet the re-
5 quirements for an agreement under such title.

6 **SEC. 106. ENDING UNEMPLOYMENT PAYMENTS TO JOBLESS**
7 **MILLIONAIRES AND BILLIONAIRES.**

8 (a) PROHIBITION.—Notwithstanding any other provi-
9 sion of law, no Federal funds may be used for payments
10 of unemployment compensation under the emergency un-
11 employment compensation program under title IV of the
12 Supplemental Appropriations Act, 2008 (Public Law 110–
13 252; 26 U.S.C. 3304 note) to an individual whose adjusted
14 gross income in the preceding year was equal to or greater
15 than \$1,000,000.

16 (b) COMPLIANCE.—Unemployment Insurance appli-
17 cations shall include a form or procedure for an individual
18 applicant to certify the individual’s adjusted gross income
19 was not equal to or greater than \$1,000,000 in the pre-
20 ceding year.

21 (c) AUDITS.—The certifications required by sub-
22 section (b) shall be auditable by the U.S. Department of
23 Labor or the U.S. Government Accountability Office.

24 (d) STATUS OF APPLICANTS.—It is the duty of the
25 States to verify the residency, employment, legal, and in-

1 come status of applicants for Unemployment Insurance
2 and no Federal funds may be expended for purposes of
3 determining whether or not the prohibition under sub-
4 section (a) applies with respect to an individual.

5 (e) EFFECTIVE DATE.—The prohibition under sub-
6 section (a) shall apply to weeks of unemployment begin-
7 ning on or after the date of the enactment of this Act.

8 **SEC. 107. GAO STUDY ON THE USE OF WORK SUITABILITY**
9 **REQUIREMENTS IN UNEMPLOYMENT INSUR-**
10 **ANCE PROGRAMS.**

11 (a) STUDY.—The Comptroller General of the United
12 States shall conduct a study on the use of work suitability
13 requirements to strengthen requirements to ensure that
14 unemployment insurance benefits are being provided to in-
15 dividuals who are actively looking for work and who truly
16 want to return to the labor force. Such study shall include
17 an analysis of—

18 (1) how work suitability requirements work
19 under both State and Federal unemployment insur-
20 ance programs; and

21 (2) how to incorporate and improve such re-
22 quirements under Federal unemployment insurance
23 programs; and

24 (3) other items determined appropriate by the
25 Comptroller General.

1 (b) BRIEFING.—Not later than 90 days after the date
 2 of the enactment of this Act, the Comptroller General of
 3 the United States shall brief Congress on the ongoing
 4 study required under subsection (a). Such briefing shall
 5 include preliminary recommendations for such legislation
 6 and administrative action as the Comptroller General de-
 7 termines appropriate.

8 **SEC. 108. FUNDING STABILIZATION.**

9 (a) FUNDING STABILIZATION UNDER THE INTERNAL
 10 REVENUE CODE.—The table in subclause (II) of section
 11 430(h)(2)(C)(iv) of the Internal Revenue Code of 1986 is
 12 amended to read as follows:

“If the calendar year is:	The applicable minimum percentage is:	The applicable maximum percentage is:
2012, 2013, 2014, 2015, 2016, or 2017.	90%	110%
2018	85%	115%
2019	80%	120%
2020	75%	125%
After 2020	70%	130%’.

13 (b) FUNDING STABILIZATION UNDER ERISA.—

14 (1) IN GENERAL.—The table in subclause (II)
 15 of section 303(h)(2)(C)(iv) of the Employee Retire-
 16 ment Income Security Act of 1974 is amended to
 17 read as follows:

“If the calendar year is:	The applicable minimum percentage is:	The applicable maximum percentage is:
2012, 2013, 2014, 2015, 2016, or 2017.	90%	110%
2018	85%	115%
2019	80%	120%
2020	75%	125%

“If the calendar year is:	The applicable minimum percentage is:	The applicable maximum percentage is:
After 2020	70%	130%’.

1 (2) CONFORMING AMENDMENT.—

2 (A) IN GENERAL.—Clause (ii) of section
3 101(f)(2)(D) of such Act is amended by strik-
4 ing “2015” and inserting “2020”.

5 (B) STATEMENTS.—The Secretary of
6 Labor shall modify the statements required
7 under subclauses (I) and (II) of section
8 101(f)(2)(D)(i) of such Act to conform to the
9 amendments made by this section.

10 (c) STABILIZATION NOT TO APPLY FOR PURPOSES
11 OF CERTAIN ACCELERATED BENEFIT DISTRIBUTION
12 RULES.—

13 (1) INTERNAL REVENUE CODE OF 1986.—The
14 second sentence of paragraph (2) of section 436(d)
15 of the Internal Revenue Code of 1986 is amended by
16 striking “of such plan” and inserting “of such plan
17 (determined by not taking into account any adjust-
18 ment of segment rates under section
19 430(h)(2)(C)(iv))”.

20 (2) EMPLOYEE RETIREMENT INCOME SECURITY
21 ACT OF 1974.—The second sentence of subparagraph
22 (B) of section 206(g)(3) of the Employee Retirement
23 Income Security Act of 1974 (29 U.S.C.

1 1056(g)(3)(B)) is amended by striking “of such
2 plan” and inserting “of such plan (determined by
3 not taking into account any adjustment of segment
4 rates under section 303(h)(2)(C)(iv))”.

5 (3) EFFECTIVE DATE.—

6 (A) IN GENERAL.—Except as provided in
7 subparagraph (B), the amendments made by
8 this subsection shall apply to plan years begin-
9 ning after December 31, 2014.

10 (B) COLLECTIVELY BARGAINED PLANS.—

11 In the case of a plan maintained pursuant to 1
12 or more collective bargaining agreements, the
13 amendments made by this subsection shall
14 apply to plan years beginning after December
15 31, 2015.

16 (4) PROVISIONS RELATING TO PLAN AMEND-
17 MENTS.—

18 (A) IN GENERAL.—If this paragraph ap-
19 plies to any amendment to any plan or annuity
20 contract, such plan or contract shall be treated
21 as being operated in accordance with the terms
22 of the plan during the period described in sub-
23 paragraph (B)(ii).

24 (B) AMENDMENTS TO WHICH PARAGRAPH
25 APPLIES.—

1 (i) IN GENERAL.—This paragraph
2 shall apply to any amendment to any plan
3 or annuity contract which is made—

4 (I) pursuant to the amendments
5 made by this subsection, or pursuant
6 to any regulation issued by the Sec-
7 retary of the Treasury or the Sec-
8 retary of Labor under any provision
9 as so amended, and

10 (II) on or before the last day of
11 the first plan year beginning on or
12 after January 1, 2016, or such later
13 date as the Secretary of the Treasury
14 may prescribe.

15 (ii) CONDITIONS.—This subsection
16 shall not apply to any amendment unless,
17 during the period—

18 (I) beginning on the date that
19 the amendments made by this sub-
20 section or the regulation described in
21 clause (i)(I) takes effect (or in the
22 case of a plan or contract amendment
23 not required by such amendments or
24 such regulation, the effective date
25 specified by the plan), and

1 (II) ending on the date described
2 in clause (i)(II) (or, if earlier, the
3 date the plan or contract amendment
4 is adopted),

5 the plan or contract is operated as if such
6 plan or contract amendment were in effect,
7 and such plan or contract amendment ap-
8 plies retroactively for such period.

9 (C) ANTI-CUTBACK RELIEF.—A plan shall
10 not be treated as failing to meet the require-
11 ments of section 204(g) of the Employee Re-
12 tirement Income Security Act of 1974 and sec-
13 tion 411(d)(6) of the Internal Revenue Code of
14 1986 solely by reason of a plan amendment to
15 which this paragraph applies.

16 (d) MODIFICATION OF FUNDING TARGET DETER-
17 MINATION PERIODS.—

18 (1) INTERNAL REVENUE CODE OF 1986.—
19 Clause (i) of section 430(h)(2)(B) of the Internal
20 Revenue Code of 1986 is amended by striking “the
21 first day of the plan year” and inserting “the valu-
22 ation date for the plan year”.

23 (2) EMPLOYEE RETIREMENT INCOME SECURITY
24 ACT OF 1974.—Clause (i) of section 303(h)(2)(B) of
25 the Employee Retirement Income Security Act of

1 1974 (29 U.S.C. 1083(h)(2)(B)(i)) is amended by
2 striking “the first day of the plan year” and insert-
3 ing “the valuation date for the plan year”.

4 (e) EFFECTIVE DATE.—

5 (1) IN GENERAL.—The amendments made by
6 subsections (a), (b), and (d) shall apply with respect
7 to plan years beginning after December 31, 2012.

8 (2) ELECTIONS.—A plan sponsor may elect not
9 to have the amendments made by subsections (a),
10 (b), and (d) apply to any plan year beginning before
11 January 1, 2014, either (as specified in the elec-
12 tion)—

13 (A) for all purposes for which such amend-
14 ments apply, or

15 (B) solely for purposes of determining the
16 adjusted funding target attainment percentage
17 under sections 436 of the Internal Revenue
18 Code of 1986 and 206(g) of the Employee Re-
19 tirement Income Security Act of 1974 for such
20 plan year.

21 A plan shall not be treated as failing to meet the re-
22 quirements of section 204(g) of such Act and section
23 411(d)(6) of such Code solely by reason of an elec-
24 tion under this paragraph.

1 **SEC. 109. PREPAYMENT OF CERTAIN PBGC PREMIUMS.**

2 (a) IN GENERAL.—Section 4007 of the Employee Re-
3 tirement Income Security Act of 1974 (29 U.S.C. 1307)
4 is amended by adding at the end the following new sub-
5 section:

6 “(f) ELECTION TO PREPAY FLAT DOLLAR PRE-
7 MIUMS.—

8 “(1) IN GENERAL.—The designated payor may
9 elect to prepay during any plan year the premiums
10 due under clause (i) or (v), whichever is applicable,
11 of section 4006(a)(3)(A) for the number of consecu-
12 tive subsequent plan years (not greater than 5) spec-
13 ified in the election.

14 “(2) AMOUNT OF PREPAYMENT.—

15 “(A) IN GENERAL.—The amount of the
16 prepayment for any subsequent plan year under
17 paragraph (1) shall be equal to the amount of
18 the premium determined under clause (i) or (v),
19 whichever is applicable, of section
20 4006(a)(3)(A) for the plan year in which the
21 prepayment is made.

22 “(B) ADDITIONAL PARTICIPANTS.—If
23 there is an increase in the number of partici-
24 pants in the plan during any plan year with re-
25 spect to which a prepayment has been made,
26 the designated payor shall pay a premium for

1 such additional participants at the premium
2 rate in effect under clause (i) or (v), whichever
3 is applicable, of section 4006(a)(3)(A) for such
4 plan year. No credit or other refund shall be
5 granted in the case of a plan that has a de-
6 crease in number of participants during a plan
7 year with respect to which a prepayment has
8 been made.

9 “(C) COORDINATION WITH PREMIUM FOR
10 UNFUNDED VESTED BENEFITS.—The amount
11 of the premium determined under section
12 4006(a)(3)(A)(i) for the purpose of determining
13 the prepayment amount for any plan year shall
14 be determined without regard to the increase in
15 such premium under section 4006(a)(3)(E).
16 Such increase shall be paid in the same amount
17 and at the same time as it would otherwise be
18 paid without regard to this subsection.

19 “(3) ELECTION.—The election under this sub-
20 section shall be made at such time and in such man-
21 ner as the corporation may prescribe.”.

22 (b) CONFORMING AMENDMENT.—The second sen-
23 tence of subsection (a) of section 4007 of the Employee
24 Retirement Income Security Act of 1974 (29 U.S.C. 1307)

1 is amended by striking “Premiums” and inserting “Ex-
2 cept as provided in subsection (f), premiums”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to plan years beginning after the
5 date of the enactment of this Act.

6 **SEC. 110. EXTENSION OF CUSTOMS USER FEES.**

7 Section 13031(j)(3) of the Consolidated Omnibus
8 Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3))
9 is amended—

10 (1) in subparagraph (A), by striking “Sep-
11 tember 30, 2023” and inserting “September 30,
12 2024”; and

13 (2) in subparagraph (B)(i), by striking “Sep-
14 tember 30, 2023” and inserting “September 30,
15 2024”.

16 **SEC. 111. EMERGENCY SERVICES, GOVERNMENT, AND CER-**
17 **TAIN NONPROFIT VOLUNTEERS.**

18 (a) IN GENERAL.—Section 4980H(c) of the Internal
19 Revenue Code of 1986 is amended by redesignating para-
20 graphs (5), (6), and (7) as paragraphs (6), (7), and (8),
21 respectively, and by inserting after paragraph (4) the fol-
22 lowing new paragraph:

23 “(5) SPECIAL RULES FOR CERTAIN EMERGENCY
24 SERVICES, GOVERNMENT, AND NONPROFIT VOLUN-
25 TEERS.—

1 “(A) EMERGENCY SERVICES VOLUN-
2 TEERS.—Qualified services rendered as a bona
3 fide volunteer to an eligible employer shall not
4 be taken into account under this section as
5 service provided by an employee. For purposes
6 of the preceding sentence, the terms ‘qualified
7 services’, ‘bona fide volunteer’, and ‘eligible em-
8 ployer’ shall have the respective meanings given
9 such terms under section 457(e).

10 “(B) CERTAIN OTHER GOVERNMENT AND
11 NONPROFIT VOLUNTEERS.—

12 “(i) IN GENERAL.—Services rendered
13 as a bona fide volunteer to a specified em-
14 ployer shall not be taken into account
15 under this section as service provided by
16 an employee.

17 “(ii) BONA FIDE VOLUNTEER.—For
18 purposes of this subparagraph, the term
19 ‘bona fide volunteer’ means an employee of
20 a specified employer whose only compensa-
21 tion from such employer is in the form
22 of—

23 “(I) reimbursement for (or rea-
24 sonable allowance for) reasonable ex-

1 penses incurred in the performance of
2 services by volunteers, or

3 “(II) reasonable benefits (includ-
4 ing length of service awards), and
5 nominal fees, customarily paid by
6 similar entities in connection with the
7 performance of services by volunteers.

8 “(iii) SPECIFIED EMPLOYER.—For
9 purposes of this subparagraph, the term
10 ‘specified employer’ means—

11 “(I) any government entity, and

12 “(II) any organization described
13 in section 501(c) and exempt from tax
14 under section 501(a).

15 “(iv) COORDINATION WITH SUBPARA-
16 GRAPH (A).—This subparagraph shall not
17 fail to apply with respect to services merely
18 because such services are qualified services
19 (as defined in section 457(e)(11)(C)).”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to months beginning after Decem-
22 ber 31, 2013.

1 **TITLE II—PROVISIONS**
2 **RELATING TO JOB CREATION**

3 **SEC. 201. TREATMENT OF EMPLOYMENT ASSISTANCE**
4 **VOUCHER PROGRAMS.**

5 (a) USE OF UNEMPLOYMENT FUND FOR EMPLOY-
6 MENT ASSISTANCE VOUCHER PROGRAM.—

7 (1) STATE LAW.—Section 3304(a)(4) of the In-
8 ternal Revenue Code of 1986 is amended by striking
9 “and” at the end of subparagraph (F), by inserting
10 “and” at the end of subparagraph (G), and by add-
11 ing at the end the following new subparagraph:

12 “(H) during the 120-day period beginning
13 on the date of the enactment of the Emergency
14 Unemployment Compensation Extension Act of
15 2014, amounts may be withdrawn for the pay-
16 ment of allowances under an employment as-
17 sistance voucher program (as defined in section
18 3306(v));”.

19 (2) PERMISSIBLE EXPENDITURES.—Section
20 3306(f) of such Code is amended—

21 (A) by striking “and” at the end of para-
22 graph (5),

23 (B) by redesignating the paragraph relat-
24 ing to the self-employment assistance program
25 as paragraph (6) and striking the period at the

1 end of such paragraph and inserting “; and”,
2 and

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

5 “(7) during the 120-day period beginning on
6 the date of the enactment of the Emergency Unem-
7 ployment Compensation Extension Act of 2014,
8 amounts may be withdrawn for the payment of al-
9 lowances under an employment assistance voucher
10 program (as defined in subsection (v)).”.

11 (b) EMPLOYMENT ASSISTANCE VOUCHER PROGRAM
12 DEFINED.—Section 3306 of such Code is amended by
13 adding at the end the following new subsection:

14 “(v) EMPLOYMENT ASSISTANCE VOUCHER PRO-
15 GRAM.—For the purposes of this chapter—

16 “(1) IN GENERAL.—The term ‘employment as-
17 sistance voucher program’ means a program under
18 which—

19 “(A) an eligible individual is issued an em-
20 ployment assistance voucher,

21 “(B) upon employment with an employer
22 described in paragraph (5)—

23 “(i) the eligible individual transfers
24 the employment assistance voucher to the
25 employer,

1 “(ii) the individual ceases to receive
2 unemployment compensation and is paid
3 wages by the employer, and

4 “(iii) the employer receives payments
5 upon presenting the voucher to the State,
6 and

7 “(C) the program meets such other re-
8 quirements as the Secretary of Labor deter-
9 mines to be appropriate.

10 “(2) RULES RELATING TO UNEMPLOYED INDI-
11 VIDUALS.—For purposes of paragraph (1)—

12 “(A) COMPENSATION.—Compensation pur-
13 suant to paragraph (1)(B)(ii) shall—

14 “(i) not be less than 200 percent of
15 the unemployment compensation otherwise
16 payable to the individual on the date of the
17 individual’s employment under the employ-
18 ment assistance voucher program,

19 “(ii) not be less than the minimum
20 wage (as specified in section 6 of the Fair
21 Labor Standards Act of 1938), and

22 “(iii) be payable for a period not to
23 exceed the maximum number of remaining
24 weeks of unemployment compensation (in-
25 cluding supplemental and emergency) to

1 which the employee would be entitled (but
2 for participating in the employment assist-
3 ance voucher program), determined as of
4 the date of employment.

5 “(B) TERMINATION OF EMPLOYMENT.—If,
6 before the end of the period referred to in sub-
7 paragraph (A)(iii), an individual’s employment
8 with an employer under the employment assist-
9 ance voucher program is terminated for reasons
10 other than cause, the individual is entitled to
11 the remaining period of entitlement referred to
12 in subparagraph (A)(iii) less the number of
13 weeks of such employment.

14 “(C) CERTAIN REQUIREMENTS NOT TO
15 APPLY.—State requirements relating to avail-
16 ability for work, active search for work, and re-
17 fusal to accept work are not applicable to indi-
18 viduals participating in the employment assist-
19 ance voucher program.

20 “(3) EMPLOYMENT ASSISTANCE VOUCHER.—
21 The term ‘employment assistance voucher’ means a
22 voucher—

23 “(A) obtained by an eligible individual pur-
24 suant to the State law, and

1 “(B) payable to the employer of the eligible
2 individual—

3 “(i) at a rate determined under State
4 law but not to exceed 90 percent of the
5 amount of unemployment compensation to
6 which the eligible individual is entitled, and

7 “(ii) on the same schedule as unem-
8 ployment compensation would be payable
9 to the individual but for employment under
10 the employment assistance voucher pro-
11 gram.

12 “(4) ELIGIBLE INDIVIDUAL.—The term ‘eligible
13 individual’ means an individual who—

14 “(A) is eligible to receive regular unem-
15 ployment compensation under the State law, ex-
16 tended unemployment, or emergency unemploy-
17 ment or would be eligible to receive such com-
18 pensation except for the requirements described
19 in paragraph (1)(B),

20 “(B) is identified pursuant to a State
21 worker profiling system as an individual likely
22 to exhaust regular unemployment compensation,

23 “(C) immediately prior to employment by
24 the eligible employer, was unemployed for not
25 less than 6 months, and

1 “(D) is employed by an eligible employer.

2 “(5) ELIGIBLE EMPLOYER.—The term ‘eligible
3 employer’ means an employer who agrees to the
4 terms and conditions of employment under the un-
5 employment assistance voucher program and who is
6 approved by the State agency.

7 “(6) TREATMENT OF PARTICIPATING INDIVID-
8 UALS UNDER FEDERAL AND STATE LAW.—Individ-
9 uals participating in an unemployment assistance
10 voucher program shall be treated as unemployed for
11 the purposes of Federal and State laws applicable to
12 unemployment compensation, except that wages paid
13 to the employee under such program shall be subject
14 to Federal and State taxation to the same extent
15 and in the same manner as wages generally.

16 “(7) COST LIMITER.—A State program shall
17 not be treated as an employment assistance voucher
18 program for purposes of this chapter unless the pro-
19 gram does not result in any cost to the Unemploy-
20 ment Trust Fund (established by section 904(a) of
21 the Social Security Act) in excess of the cost that
22 would be incurred by such State and charged to
23 such Fund, or to any Federal funds in the system
24 if the State had not participated in such program.

1 “(8) PREVENTION OF EMPLOYMENT TERMI-
2 NATION TO PARTICIPATE IN PROGRAM.—A State
3 program shall not be treated as an employment as-
4 sistance voucher program for purposes of this chap-
5 ter unless the State has in effect measures to pre-
6 vent employers from terminating employment for
7 purposes of participating in the employment assist-
8 ance voucher program.

9 “(9) PREVENTION IN TERMINATING EMPLOY-
10 EES DURING PROGRAM.—A State program shall not
11 be treated as an employment assistance voucher pro-
12 gram for purposes of this chapter unless the State
13 has in effect measures to recoup payments made to
14 an employer under the program if the employer has
15 terminated from employment more employees during
16 the 120-day period referred to in section
17 3304(a)(4)(H) than the employer has hired under
18 the program.”.

19 (c) CONFORMING AMENDMENT.—Section 303(a)(5)
20 of the Social Security Act (42 U.S.C. 503(a)(5)) is amend-
21 ed by striking “; and” and inserting “: *Provided further*,
22 That amounts may be withdrawn for the payment of al-
23 lowances under an employment assistance voucher pro-
24 gram (as defined in section 3306(v) of the Internal Rev-
25 enue Code of 1986); and”.

1 (d) STATE REPORTS.—Any State operating an em-
2 ployment assistance voucher program approved by the
3 Secretary of Labor pursuant to section 3304(a)(4)(H) of
4 the Internal Revenue Code of 1986 (as added by this sec-
5 tion) shall report annually to the Secretary on the number
6 of individuals who participate in the program, the oper-
7 ating costs of the program, compliance with program re-
8 quirements, and any other relevant aspects of program op-
9 erations requested by the Secretary.

10 (e) REPORT TO CONGRESS.—Not later than 1 year
11 after the date of the enactment of this Act, the Secretary
12 of Labor shall submit a report to the Congress with re-
13 spect to the operation of the employment assistance vouch-
14 er program. Such report shall be based on the reports re-
15 ceived from the States pursuant to subsection (d) and in-
16 clude such other information as the Secretary of Labor
17 determines is appropriate.

18 (f) EFFECTIVE DATE.—The provisions of this section
19 and the amendments made by this section shall take effect
20 on the date of the enactment of this Act.

21 **SEC. 202. DISADVANTAGED BUSINESS ENTERPRISES.**

22 Section 1101(b) of MAP-21 (23 U.S.C. 101 note) is
23 amended—

24 (1) in paragraph (2) by adding at the end the
25 following:

1 “(C) VETERAN-OWNED SMALL BUSINESS
2 CONCERN.—The term ‘veteran-owned small
3 business concern’ has the meaning given the
4 term ‘small business concern owned and con-
5 trolled by veterans’ in section 3(q) of the Small
6 Business Act (15 U.S.C. 632(q)).”;

7 (2) in paragraph (3) by inserting “and veteran-
8 owned small business concerns” before the period at
9 the end; and

10 (3) in paragraph (4)(B)—

11 (A) in clause (ii) by striking “and” at the
12 end;

13 (B) in clause (iii) by striking the period at
14 the end and inserting “; and”; and

15 (C) by adding at the end the following:

16 “(iv) veterans.”.

17 **SEC. 203. AMERICA STAR PROGRAM.**

18 (a) IN GENERAL.—The Secretary shall establish a
19 voluntary program, to be known as the “America Star
20 Program”, under which manufacturers may have products
21 certified as meeting the standards of labels that indicate
22 to consumers the extent to which the products are manu-
23 factured in the United States.

24 (b) ESTABLISHMENT OF LABELS.—

1 (1) IN GENERAL.—The Secretary shall by rule
2 establish such America Star labels as the Secretary
3 considers appropriate, including the content of the
4 labels and the standards that a product shall meet
5 in order to bear a particular America Star label. The
6 labels shall be consistent with public perceptions of
7 the meaning of descriptions of the extent to which
8 a product is manufactured in the United States.

9 (2) GOALS.—The America Star labels shall be
10 designed to achieve the following goals:

11 (A) Providing clarity for consumers about
12 the extent to which products are manufactured
13 in the United States.

14 (B) Encouraging manufacturers to manu-
15 facture more products in the United States.

16 (C) Highlighting the importance of domes-
17 tic manufacturing for the economy of the
18 United States.

19 (c) CERTIFICATION OF PRODUCTS.—

20 (1) APPLICATION PROCEDURES.—A manufac-
21 turer that wishes to have a product certified as
22 meeting the standards of an America Star label may
23 apply to the Secretary for certification in accordance
24 with such procedures as the Secretary shall by rule
25 establish.

1 (2) ACTION BY SECRETARY.—After receiving an
2 application for certification under paragraph (1), the
3 Secretary shall, not later than a reasonable time to
4 be specified by the Secretary by rule—

5 (A) determine whether the product meets
6 the standards of the label;

7 (B) if the product meets such standards,
8 certify the product; and

9 (C) notify the manufacturer of the deter-
10 mination and whether the product has been cer-
11 tified.

12 (d) MONITORING; WITHDRAWAL OF CERTIFI-
13 CATION.—

14 (1) MONITORING.—The Secretary shall conduct
15 such monitoring and compliance review as the Sec-
16 retary considers necessary to—

17 (A) detect violations of subsection (h); and

18 (B) ensure that products certified as meet-
19 ing the standards of America Star labels con-
20 tinue to meet such standards.

21 (2) WITHDRAWAL OF CERTIFICATION.—

22 (A) ON INITIATIVE OF SECRETARY.—If the
23 Secretary determines that a product certified as
24 meeting the standards of an America Star label

1 no longer meets such standards, the Secretary
2 shall—

3 (i) notify the manufacturer of the de-
4 termination and any corrective action that
5 would enable the product to meet such
6 standards; and

7 (ii) if the manufacturer does not take
8 such action within a reasonable time after
9 receiving notification under clause (i), to
10 be specified by the Secretary by rule, the
11 Secretary shall withdraw the certification
12 of the product and notify the manufacturer
13 of the withdrawal.

14 (B) AT REQUEST OF MANUFACTURER.—At
15 the request of the manufacturer of a product,
16 the Secretary shall withdraw the certification of
17 the product and notify the manufacturer of the
18 withdrawal.

19 (e) REGULATIONS.—

20 (1) IN GENERAL.—The Secretary may promul-
21 gate such regulations as are necessary to implement
22 this section.

23 (2) DEADLINE.—Not later than 2 years after
24 the date of the enactment of this Act, the Secretary
25 shall promulgate such regulations as are necessary

1 to begin certifying products under the America Star
2 Program.

3 (f) ADMINISTRATION BY CONTRACT.—The Secretary
4 may enter into a contract with a person under which such
5 person carries out certification determinations under sub-
6 section (c), monitoring activities and withdrawal deter-
7 minations under subsection (d), collection of fees under
8 subsection (k)(1) and the remission of such fees to the
9 Secretary (but not the establishment of the amounts of
10 such fees), and related administrative activities. For pur-
11 poses of subsections (h) and (j), such a determination, ac-
12 tivity, or collection by such person shall be considered to
13 be an action of the Secretary.

14 (g) CONSULTATION.—

15 (1) WITH FEDERAL TRADE COMMISSION.—In
16 establishing the America Star labels and operating
17 the America Star Program, the Secretary shall con-
18 sult with the Federal Trade Commission to ensure
19 consistency with the requirements enforced by the
20 Commission with respect to representations of the
21 extent to which products are manufactured in the
22 United States.

23 (2) WITH PRIVATE-SECTOR COMPANIES.—In es-
24 tablishing the America Star labels and operating the
25 America Star Program, the Secretary should consult

1 with private-sector companies that have developed
2 labeling programs to verify or certify to consumers
3 the extent to which products are manufactured in
4 the United States.

5 (h) PROHIBITED CONDUCT.—Unless there is in effect
6 a certification by the Secretary that a product meets the
7 standards of an America Star label, a person may not
8 place such label on such product, use such label in any
9 marketing materials for such product, or in any other way
10 represent that such product meets or is certified as meet-
11 ing the standards of such label.

12 (i) ENFORCEMENT.—

13 (1) CIVIL PENALTY.—Any person who know-
14 ingly violates subsection (h) shall be subject to a
15 civil penalty of not more than \$10,000.

16 (2) INELIGIBILITY.—

17 (A) IN GENERAL.—Except as provided in
18 subparagraph (C), if the Secretary determines
19 that a manufacturer—

20 (i) has made a false statement to the
21 Secretary in connection with the America
22 Star Program;

23 (ii) knowing, or having reason to
24 know, that a product does not meet the
25 standards of an America Star label, has

1 placed such label on such product, has
2 used such label in any marketing materials
3 for such product, or in any other way has
4 represented that such product meets or is
5 certified as meeting the standards of such
6 label; or

7 (iii) has otherwise violated the pur-
8 poses of the America Star Program;

9 the Secretary may not, for a period of 5 years
10 after the conduct described in clause (i), (ii), or
11 (iii), certify the product to which such conduct
12 relates as meeting the standards of an America
13 Star label.

14 (B) EFFECT ON EXISTING CERTIFI-
15 CATION.—In the case of a product with respect
16 to which, at the time of the determination of
17 the Secretary under subparagraph (A), there is
18 in effect a certification by the Secretary that
19 the product meets the standards of an America
20 Star label—

21 (i) if the product continues to meet
22 such standards, the Secretary may either
23 withdraw the certification or allow the cer-
24 tification to continue in effect, as the Sec-
25 retary considers appropriate; and

1 (ii) if the product no longer meets
2 such standards, the Secretary shall with-
3 draw the certification.

4 (C) WAIVER.—Notwithstanding subpara-
5 graph (A), the Secretary may waive or reduce
6 the period referred to in such subparagraph if
7 the Secretary determines that the waiver or re-
8 duction is in the best interests of the America
9 Star Program.

10 (3) FALSE STATEMENTS.—A false statement in
11 connection with the America Star Program to a per-
12 son with whom the Secretary contracts under sub-
13 section (f) shall be considered a false statement to
14 the Secretary for purposes of paragraph (2)(A)(i)
15 and section 1001 of title 18, United States Code.

16 (j) ADMINISTRATIVE APPEAL.—

17 (1) EXPEDITED APPEALS PROCEDURE.—The
18 Secretary shall establish an expedited administrative
19 appeals procedure under which persons may appeal
20 an action of the Secretary under this section that—

21 (A) adversely affects such person; or

22 (B) is inconsistent with the America Star
23 Program.

24 (2) APPEAL OF FINAL DECISION.—A final deci-
25 sion of the Secretary under paragraph (1) may be

1 appealed to the United States district court for the
2 district in which the person is located.

3 (k) OFFSETTING COLLECTIONS.—

4 (1) IN GENERAL.—The Secretary may collect
5 reasonable fees from—

6 (A) manufacturers that apply for certifi-
7 cation of products as meeting the standards of
8 America Star labels; and

9 (B) manufacturers of products for which
10 such certifications are in effect.

11 (2) ACCOUNT.—The fees collected under para-
12 graph (1) shall be credited to the account that in-
13 curs the cost of the certification services provided
14 under this section.

15 (3) USE.—The fees collected under paragraph
16 (1) shall be available to the Secretary, without fur-
17 ther appropriation or fiscal-year limitation, to pay
18 the expenses of the Secretary incurred in providing
19 certification services under this section.

20 (l) DEFINITIONS.—In this section:

21 (1) AMERICA STAR LABEL.—The term “Amer-
22 ica Star label” means a label described in subsection
23 (a) and established by the Secretary under sub-
24 section (b)(1).

1 (2) AMERICA STAR PROGRAM.—The term
2 “America Star Program” means the voluntary label-
3 ing program established under this section.

4 (3) SECRETARY.—The term “Secretary” means
5 the Secretary of Commerce.

6 **SEC. 204. FOSTERING INNOVATION.**

7 Not later than 180 days after the date of the enact-
8 ment of this Act, the Securities and Exchange Commission
9 shall revise the definition of “accelerated filer”, as such
10 term is defined in Rule 12b–2 of the Commission (17
11 C.F.R. 240.12b–2), to include issuers that have annual
12 revenues of greater than \$100,000,000 during the most
13 recently completed fiscal year for which audited financial
14 statements are available and have an aggregated world-
15 wide market value of the voting and non-voting common
16 equity held by its non-affiliates of \$250,000,000 or more,
17 but less than \$700,000,000, as of the last business day
18 of the issuer’s most recently completed second fiscal quar-
19 ter.

20 **SEC. 205. PARTNERSHIP TO BUILD AMERICA.**

21 (a) AMERICAN INFRASTRUCTURE FUND.—

22 (1) AMERICAN INFRASTRUCTURE FUND.—

23 (A) IN GENERAL.—There is established a
24 wholly owned Government corporation to be

1 called the American Infrastructure Fund
2 (“AIF”)—

3 (i) which shall be headed by the
4 Board of Trustees established under para-
5 graph (2);

6 (ii) which may have separate sub-ac-
7 counts or subsidiaries for funds used to
8 make loans, bond guarantees, and equity
9 investments under this subsection and
10 funds used to make bond guarantees under
11 this subsection;

12 (iii) which shall be available to the
13 AIF to pay for the costs of carrying out
14 this subsection, including the compensation
15 of the Board and other employees of the
16 AIF; and

17 (iv) the funds of which may be in-
18 vested by the Board in such manner as the
19 Board determines appropriate.

20 (B) DEPOSITS TO AIF.—All funds received
21 from bond issuances, loan payments, bond
22 guarantee fees, and any other funds received in
23 carrying out this subsection shall be held by
24 AIF.

1 (C) LIMITATIONS.—The charter of the
2 AIF shall limit its activities to those activities
3 described as the mission of the Board under
4 paragraph (2)(B).

5 (D) OVERSIGHT.—The AIF shall register
6 with the Securities and Exchange Commission
7 and the Secretary shall report to Congress an-
8 nually as to whether the AIF is fulfilling the
9 mission of the Board under paragraph (2)(B).

10 (E) TREATMENT OF AIF.—Title 31,
11 United States Code, is amended in each of sec-
12 tions 9107(c)(3) and 9108(d)(2)—

13 (i) by inserting “the American Infra-
14 structure Fund,” after “the Regional
15 Banks for Cooperatives,”; and

16 (ii) by striking “those banks” and in-
17 serting “those entities”.

18 (2) BOARD OF TRUSTEES.—

19 (A) IN GENERAL.—There is established a
20 Board of Trustees of the AIF (the “Board”),
21 which shall be composed of 11 members, of
22 which at least 4 must be risk management ex-
23 perts, as certified by the Board, having sub-
24 stantial experience in bond guarantees or mu-
25 nicipal credit.

1 (B) MISSION.—The Mission of the Board
2 is—

3 (i) to operate the AIF and its subsidi-
4 aries to be a low cost provider of bond
5 guarantees, loans, and equity investments
6 to State and local governments and non-
7 profit infrastructure providers for both
8 urban and rural non-profit infrastructure
9 projects that provide a positive economic
10 impact and to meet such other standards
11 as the Board may develop;

12 (ii) to operate the AIF in a self-sus-
13 taining manner so as to allow the AIF to
14 repay its infrastructure bonds when due;

15 (iii) to not have a profit motive, but
16 seek at all times to pursue its mission of
17 providing low cost bond guarantees and
18 loans while covering its costs, reserves as
19 may be needed, and applying prudent un-
20 derwriting standards;

21 (iv) to only consider projects put forth
22 by State and local governments and not to
23 seek projects directly;

1 (v) to at all times make clear that no
2 taxpayer money supports the AIF or ever
3 will; and

4 (vi) to engage in no other activities
5 other than those permitted under this sub-
6 section.

7 (C) MEMBERSHIP.—

8 (i) PRESIDENTIALLY APPOINTED
9 MEMBERS.—Except as provided under
10 clause (iii), 4 members of the Board shall
11 be appointed by the President, by and with
12 the advice and consent of the Senate, and
13 serve for a term of 7 years.

14 (ii) ADDITIONAL MEMBERS.—Except
15 as provided under clause (iii), 7 members
16 of the Board shall be appointed by the cur-
17 rent members of the Board appointed pur-
18 suant to this clause or clause (iii)(II), and
19 serve for a term of 7 years.

20 (iii) INITIAL MEMBERS.—The Board
21 shall initially consist of the following mem-
22 bers, who shall be appointed not later than
23 the end of the 60-day period beginning on
24 the date that bonds are issued under para-
25 graph (5):

1 (I) Four members, appointed by
2 the President, by and with the advice
3 and consent of the Senate.

4 (II) Seven additional members,
5 appointed one each by the seven enti-
6 ties purchasing the largest amount of
7 bonds (by aggregate face amount of
8 bonds purchased) under paragraph
9 (5).

10 (iv) STAGGERED TERMS.—The mem-
11 bers of the Board shall serve staggered
12 terms, with 2 each of the initial members
13 of the Board serving for terms of 4, 5, 6,
14 7, and 8 years, respectively, and the initial
15 Chair selected under clause (v) serving for
16 9 years. The decision of which Board
17 members, other than the Chair, serve for
18 which initial terms shall be made by the
19 members of the Board drawing lots.

20 (v) CHAIR.—The members of the
21 Board shall choose 1 member to serve as
22 the Chair of the Board for a term of 7
23 years, except that the initial Chair shall
24 serve for a term of 7 years, as described
25 under clause (iv).

1 (vi) VACANCIES.—Any member of the
2 Board appointed to fill a vacancy occurring
3 before the expiration of the term to which
4 that member’s predecessor was appointed
5 shall be appointed only for the remainder
6 of the term.

7 (vii) CONTINUATION OF SERVICE.—
8 Each member of the Board may continue
9 to serve after the expiration of the term of
10 office to which that member was appointed
11 until a successor has been appointed.

12 (viii) CONFLICTS OF INTEREST.—No
13 member of the Board may have a financial
14 interest in, or be employed by, a Qualified
15 Infrastructure Project (“QIP”) related to
16 assistance provided under this subsection
17 or any entity that has purchased bonds
18 under paragraph (5). Owning municipal
19 credit of any State or local government or
20 owning the securities of a diversified com-
21 pany that engages in infrastructure activi-
22 ties, provided those activities constitute
23 less than 20 percent of the company’s reve-
24 nues, or investing in broadly held invest-
25 ment funds shall not be deemed to create

1 a conflict of interest. The Board may issue
2 regulations to define terms used under this
3 clause.

4 (D) COMPENSATION.—The members of the
5 Board shall be compensated at an amount to be
6 set by the Board, but under no circumstances
7 may such compensation be higher than the rate
8 prescribed for level IV of the Executive Sched-
9 ule under section 5315 of title 5, United States
10 Code.

11 (E) STAFF.—The Board shall employ and
12 set compensation for such staff as the Board
13 determines as is necessary to carry out the ac-
14 tivities and mission of the AIF, and such staff
15 may be paid without regard to the provisions of
16 chapter 51 and subchapter III of chapter 53,
17 United States Code, relating to classification
18 and General Schedule pay rates.

19 (F) PROCEDURES.—The Board shall es-
20 tablish such procedures as are necessary to
21 carry out this subsection.

22 (G) CORPORATE GOVERNANCE STAND-
23 ARDS.—

24 (i) BOARD COMMITTEES GEN-
25 ERALLY.—The Board shall maintain all of

1 the committees required to be maintained
2 by the board of directors of an issuer listed
3 on the New York Stock Exchange as of the
4 date of the enactment of this subsection.

5 (ii) RISK MANAGEMENT COM-
6 MITTEE.—The Board shall maintain a risk
7 management committee, which shall—

8 (I) consist of 4 members of the
9 Board, with the initial 4 members
10 consisting of 2 members appointed
11 under paragraph (3)(C)(i) and 2
12 members appointed under subpara-
13 graph (C)(iii)(II);

14 (II) employ additional staff who
15 are certified by the Board as having
16 significant and relevant experience in
17 insurance underwriting and credit risk
18 management; and

19 (III) establish the risk manage-
20 ment policies used by the Board.

21 (iii) STANDARDS.—The Board shall,
22 to the extent practicable, follow all stand-
23 ards with respect to corporate governance
24 that are required to be followed by the
25 board of directors of an issuer listed on the

1 New York Stock Exchange as of the date
2 of the enactment of this subsection.

3 (3) INFRASTRUCTURE INVESTMENT.—

4 (A) IN GENERAL.—The AIF shall provide
5 bond guarantees to debt issued by State and
6 local governments and non-profit infrastructure
7 providers, make loans to States, local govern-
8 ments, and non-profit infrastructure providers,
9 and make equity investments in projects spon-
10 sored by State and local governments and non-
11 profit infrastructure provider to help Qualified
12 Infrastructure Projects (“QIPs”). The AIF
13 may not make any loans or provide bond guar-
14 anties to for-profit entities.

15 (B) QUALIFIED INFRASTRUCTURE
16 PROJECTS.—A project qualifies as a QIP under
17 this subsection if—

18 (i) the project involves the construc-
19 tion, maintenance, improvement, or repair
20 of a transportation, energy, water, commu-
21 nications, or educational facility; and

22 (ii) the recipient of bond guarantees,
23 loans, equity investments, or any other fi-
24 nancing technique authorized under this
25 Act provides written assurances prescribed

1 by the AIF that the project will be per-
2 formed in compliance with the require-
3 ments of all Federal laws that would other-
4 wise apply to similar projects to which the
5 United States is a party.

6 (C) APPLICATION FOR ASSISTANCE.—

7 (i) IN GENERAL.—A State or local
8 government that wishes to receive a loan or
9 bond guarantee under this subsection shall
10 submit an application to the Board in such
11 form and manner and containing such in-
12 formation as the Board may require.

13 (ii) REQUIREMENT FOR NON-PROFIT
14 INFRASTRUCTURE PROVIDERS TO APPLY
15 THROUGH STATE OR LOCAL GOVERN-
16 MENTS.—A non-profit infrastructure pro-
17 vider may only receive a bond guarantee,
18 loan, or equity investment under this sub-
19 section if the State or local government for
20 the jurisdiction in which the non-profit in-
21 frastructure provider is located submits an
22 application pursuant to clause (i) on behalf
23 of such non-profit infrastructure provider.

24 (D) LIMITATIONS ON SINGLE STATE
25 AWARDS.—

1 (i) ANNUAL LIMITATION.—The Board
2 shall set an annual limit, as a percentage
3 of total assistance provided under this sub-
4 section during a year, on the amount of as-
5 sistance a single State (including local gov-
6 ernments and other non-profit infrastruc-
7 ture providers within such State) may re-
8 ceive in assistance provided under this sub-
9 section.

10 (ii) CUMULATIVE LIMITATION.—The
11 Board shall set a limit, as a percentage of
12 total assistance provided under this sub-
13 section outstanding at any one time, on the
14 amount of assistance a single State (in-
15 cluding local governments and other non-
16 profit infrastructure providers within such
17 State) may receive in assistance provided
18 under this subsection.

19 (E) LOAN SPECIFICATIONS.—Loans made
20 under this subsection shall have such maturity
21 and carry such interest rate as the Board deter-
22 mines appropriate.

23 (F) BOND GUARANTEE.—The Board shall
24 charge such fees for Bond guarantees made

1 under this subsection as the Board determines
2 appropriate.

3 (G) EQUITY INVESTMENTS.—With respect
4 to a QIP, the amount of an equity investment
5 made by the AIF in such QIP may not exceed
6 20 percent of the total cost of the QIP.

7 (H) PUBLIC-PRIVATE PARTNERSHIP RE-
8 QUIREMENTS.—At least 25 percent of the as-
9 sistance provided under this subsection shall be
10 provided to QIPs for which at least 20 percent
11 of the financing for such QIPs comes from pri-
12 vate debt or equity.

13 (I) PROHIBITION ON PRINCIPAL FORGIVE-
14 NESS.—With respect to a loan made under this
15 subsection, the Board may not forgive any
16 amount of principal on such loan.

17 (4) AMERICAN INFRASTRUCTURE BONDS.—

18 (A) IN GENERAL.—The Secretary shall,
19 not later than the end of the 90-day period fol-
20 lowing the date of the enactment of this sub-
21 section and acting through the AIF, issue
22 bonds, to be called “American Infrastructure
23 Bonds”, the proceeds from which shall be de-
24 posited into the AIF.

1 (B) FORMS AND DENOMINATIONS; INTER-
2 EST.—American Infrastructure Bonds shall—

3 (i) be in such forms and denomina-
4 tions as determined by the Secretary, and
5 shall have a 50-year maturity; and

6 (ii) bear interest of 1 percent.

7 (C) NO FULL FAITH AND CREDIT.—Inter-
8 est and principal payments paid to holders of
9 American Infrastructure Bonds shall be paid
10 from the AIF, to the extent funds are available,
11 and shall not be backed by the full faith and
12 credit of the United States.

13 (D) AMOUNT OF BONDS.—The aggregate
14 face amount of the bonds issued under this
15 paragraph shall be \$50,000,000,000.

16 (E) SALE OF AMERICAN INFRASTRUCTURE
17 BONDS.—

18 (i) COMPETITIVE BIDDING PROC-
19 ESS.—The Secretary shall sell the
20 \$50,000,000,000 of American Infrastruc-
21 ture Bonds—

22 (I) through a competitive bidding
23 process that encourages aggressive
24 bidding;

1 (II) in a manner so as to ensure
2 that there are at least 7 different un-
3 affiliated purchasers; and

4 (III) with prospective purchasers
5 bidding on how low of a multiplier
6 they will accept (for purposes of sub-
7 section (b)(1) of section 966 of the
8 Internal Revenue Code of 1986) when
9 purchasing the American Infrastruc-
10 ture Bonds, for purposes of applying
11 the foreign earnings exclusion de-
12 scribed under that section.

13 (ii) LIMITATION.—The multiplier de-
14 scribed under clause (i)(III) may not be
15 greater than 6.

16 (F) REIMBURSEMENT OF COSTS.—The
17 Board shall repay the Secretary, from funds in
18 the AIF, for the costs to the Secretary in car-
19 rying out this paragraph.

20 (5) ADDITIONAL BONDS.—

21 (A) IN GENERAL.—The Board may issue
22 such other bonds as the Board determines ap-
23 propriate, the proceeds from which shall be de-
24 posited into the AIF.

1 (B) NO FULL FAITH AND CREDIT.—Inter-
2 est and principal payments paid to holders of
3 bonds issued pursuant to subparagraph (A)
4 shall be paid from the AIF, to the extent funds
5 are available, and shall not be backed by the
6 full faith and credit of the United States.

7 (6) DEFINITIONS.—For purposes of this sub-
8 section—

9 (A) BOND GUARANTEE.—The term “bond
10 guarantee” has the meaning given the term
11 “loan guarantee” under section 502 of the Fed-
12 eral Credit Reform Act of 1990 (2 U.S.C.
13 661a).

14 (B) COST.—With respect to a loan or a
15 bond guarantee, the term “cost” has the mean-
16 ing given such term under section 502 of the
17 Federal Credit Reform Act of 1990 (2 U.S.C.
18 661a).

19 (C) NON-PROFIT INFRASTRUCTURE PRO-
20 VIDER.—The term “non-profit infrastructure
21 provider” means a non-profit entity that seeks
22 to finance a QIP.

23 (D) LOAN.—The term “loan” has the
24 meaning given the term “direct loan” under

1 section 502 of the Federal Credit Reform Act
2 of 1990 (2 U.S.C. 661a).

3 (E) SECRETARY.—The term “Secretary”
4 means the Secretary of the Treasury.

5 (F) STATE.—The term “State” means
6 each of the several States, the District of Co-
7 lumbia, any territory or possession of the
8 United States, and each federally recognized In-
9 dian tribe.

10 (b) FOREIGN EARNINGS EXCLUSION FOR PURCHASE
11 OF INFRASTRUCTURE BONDS.—

12 (1) IN GENERAL.—Subpart F of part III of
13 subchapter N of chapter 1 of the Internal Revenue
14 Code of 1986 is amended by adding at the end the
15 following new section:

16 **“SEC. 966. FOREIGN EARNINGS EXCLUSION FOR PURCHASE**
17 **OF INFRASTRUCTURE BONDS.**

18 “(a) EXCLUSION.—In the case of a corporation which
19 is a United States shareholder and for which the election
20 under this section is in effect for the taxable year, gross
21 income does not include an amount equal to the qualified
22 cash dividend amount.

23 “(b) QUALIFIED CASH DIVIDEND AMOUNT.—For
24 purposes of this section, the term ‘qualified cash dividend
25 amount’ means an amount of the cash dividends which

1 are received during a taxable year by such shareholder
2 from controlled foreign corporations equal to—

3 “(1) the multiplier determined under section
4 205(a)(4)(E) of the Emergency Unemployment
5 Compensation Extension Act of 2014 for such share-
6 holder, multiplied by

7 “(2) the face amount of qualified infrastructure
8 bonds acquired at its original issue (directly or
9 through an underwriter) by such shareholder.

10 “(c) LIMITATIONS.—

11 “(1) IN GENERAL.—The amount of dividends
12 taken into account under subsection (a) for a tax-
13 able year shall not exceed the lesser of—

14 “(A) the cash dividends received by the
15 taxpayer for such taxable year, or

16 “(B) the amount shown on the applicable
17 financial statement as earnings permanently re-
18 invested outside the United States.

19 “(2) DIVIDENDS MUST BE EXTRAORDINARY.—
20 The amount of dividends taken into account under
21 subsection (a) shall not exceed the excess (if any)
22 of—

23 “(A) the cash dividends received during
24 the taxable year by such shareholder from con-
25 trolled foreign corporations, over

1 “(B) the annual average for the base pe-
2 riod years of the cash dividends received during
3 each base period year by such shareholder from
4 controlled foreign corporations.

5 “(3) REDUCTION OF BENEFIT IF INCREASE IN
6 RELATED PARTY INDEBTEDNESS.—The amount of
7 dividends which would (but for this paragraph) be
8 taken into account under subsection (a) shall be re-
9 duced by the excess (if any) of—

10 “(A) the amount of indebtedness of the
11 controlled foreign corporation to any related
12 person (as defined in section 954(d)(3)) as of
13 the close of the taxable year for which the elec-
14 tion under this section is in effect, over

15 “(B) the amount of indebtedness of the
16 controlled foreign corporation to any related
17 person (as so defined) as of the close of the pre-
18 ceding taxable year.

19 All controlled foreign corporations with respect to
20 which the taxpayer is a United States shareholder
21 shall be treated as 1 controlled foreign corporation
22 for purposes of this subsection. The Secretary may
23 prescribe such regulations as may be necessary or
24 appropriate to prevent the avoidance of the purposes
25 of this subsection, including regulations which pro-

1 vide that cash dividends shall not be taken into ac-
2 count under subsection (a) to the extent such divi-
3 dends are attributable to the direct or indirect trans-
4 fer (including through the use of intervening entities
5 or capital contributions) of cash or other property
6 from a related person (as so defined) to a controlled
7 foreign corporation.

8 “(d) DEFINITIONS AND SPECIAL RULES.—For pur-
9 poses of this section—

10 “(1) QUALIFIED INFRASTRUCTURE BONDS.—

11 The term ‘qualified infrastructure bond’ means a
12 bond issued under section 205(a)(4) of the Emer-
13 gency Unemployment Compensation Extension Act
14 of 2014.

15 “(2) APPLICABLE FINANCIAL STATEMENT.—

16 The term ‘applicable financial statement’ means,
17 with respect to a taxable year—

18 “(A) with respect to a United States
19 shareholder which is required to file a financial
20 statement with the Securities and Exchange
21 Commission (or which is included in such a
22 statement so filed by another person), the most
23 recent audited annual financial statement (in-
24 cluding the notes which form an integral part

1 of such statement) of such shareholder (or
2 which includes such shareholder)—

3 “(i) which was so filed for such tax-
4 able year, and

5 “(ii) which is certified as being pre-
6 pared in accordance with generally accept-
7 ed accounting principles, and

8 “(B) with respect to any other United
9 States shareholder, the most recent audited fi-
10 nancial statement (including the notes which
11 form an integral part of such statement) of
12 such shareholder (or which includes such share-
13 holder)—

14 “(i) which is certified as being pre-
15 pared in accordance with generally accept-
16 ed accounting principles, and

17 “(ii) which is used for the purposes of
18 a statement or report—

19 “(I) to creditors,

20 “(II) to shareholders, or

21 “(III) for any other substantial
22 nontax purpose.

23 “(3) BASE PERIOD YEARS.—

24 “(A) IN GENERAL.—The base period years
25 are the 3 taxable years—

1 “(i) which are among the 5 most re-
2 cent preceding taxable years ending before
3 the taxable year, and

4 “(ii) which are determined by dis-
5 regarding—

6 “(I) 1 taxable year for which the
7 amount described in subsection
8 (c)(2)(B) is the largest, and

9 “(II) 1 taxable year for which
10 such amount is the smallest.

11 “(B) SHORTER PERIOD.—If the taxpayer
12 has fewer than 5 taxable years ending before
13 the taxable year, then in lieu of applying sub-
14 paragraph (A), the base period years shall in-
15 clude all the taxable years of the taxpayer end-
16 ing before such taxable year.

17 “(C) MERGERS, ACQUISITIONS, ETC.—

18 “(i) IN GENERAL.—Rules similar to
19 the rules of subparagraphs (A) and (B) of
20 section 41(f)(3) shall apply for purposes of
21 this paragraph.

22 “(ii) SPIN-OFFS, ETC.—If there is a
23 distribution to which section 355 (or so
24 much of section 356 as relates to section
25 355) applies during the 5-year period re-

1 ferred to in subparagraph (A)(i) and the
2 controlled corporation (within the meaning
3 of section 355) is a United States share-
4 holder—

5 “(I) the controlled corporation
6 shall be treated as being in existence
7 during the period that the distributing
8 corporation (within the meaning of
9 section 355) is in existence, and

10 “(II) for purposes of applying
11 subsection (c)(2) to the controlled cor-
12 poration and the distributing corpora-
13 tion, amounts described in subsection
14 (c)(2)(B) which are received or includ-
15 ible by the distributing corporation or
16 controlled corporation (as the case
17 may be) before the distribution re-
18 ferred to in subclause (I) from a con-
19 trolled foreign corporation shall be al-
20 located between such corporations in
21 proportion to their respective interests
22 as United States shareholders of such
23 controlled foreign corporation imme-
24 diately after such distribution.

1 Subclause (II) shall not apply if neither
2 the controlled corporation nor the distrib-
3 uting corporation is a United States share-
4 holder of such controlled foreign corpora-
5 tion immediately after such distribution.

6 “(4) DIVIDEND.—The term ‘dividend’ shall not
7 include amounts includible in gross income as a divi-
8 dend under section 78, 367, or 1248. In the case of
9 a liquidation under section 332 to which section
10 367(b) applies, the preceding sentence shall not
11 apply to the extent the United States shareholder
12 actually receives cash as part of the liquidation.

13 “(5) COORDINATION WITH DIVIDEND RECEIVED
14 DEDUCTION.—No deduction shall be allowed under
15 section 243 or 245 for any dividend which is ex-
16 cluded from income by subsection (a).

17 “(6) CONTROLLED GROUPS.—All United States
18 shareholders which are members of an affiliated
19 group filing a consolidated return under section
20 1501 shall be treated as one United States share-
21 holder.

22 “(7) REPORTING.—The Secretary shall require
23 by regulation or other guidance the reporting of
24 such information as the Secretary may require to
25 carry out this section.

1 “(e) DENIAL OF FOREIGN TAX CREDIT; DENIAL OF
2 CERTAIN EXPENSES.—

3 “(1) FOREIGN TAX CREDIT.—

4 “(A) IN GENERAL.—No credit shall be al-
5 lowed under section 901 for any taxes paid or
6 accrued (or treated as paid or accrued) with re-
7 spect to the excluded portion of any dividend.

8 “(B) DENIAL OF DEDUCTION OF RELATED
9 TAX.—No deduction shall be allowed under this
10 chapter for any tax for which credit is not al-
11 lowable by reason of the preceding sentence.

12 “(2) EXPENSES.—No deduction shall be al-
13 lowed for expenses directly allocable to the exclud-
14 able portion described in paragraph (1).

15 “(3) EXCLUDABLE PORTION.—For purposes of
16 paragraph (1), unless the taxpayer otherwise speci-
17 fies, the excludable portion of any dividend or other
18 amount is the amount which bears the same ratio to
19 the amount of such dividend or other amount as the
20 amount excluded from income under subsection (a)
21 for the taxable year bears to the amount described
22 in subsection (c)(2)(A) for such year.

23 “(4) COORDINATION WITH SECTION 78.—Sec-
24 tion 78 shall not apply to any tax which is not allow-

1 able as a credit under section 901 by reason of this
2 subsection.

3 “(f) ELECTION TO HAVE SECTION APPLY.—A tax-
4 payer may elect to have this section apply for any taxable
5 year.”.

6 (2) CLERICAL AMENDMENT.—The table of sec-
7 tions for subpart F of part III of subchapter N of
8 chapter 1 of such Code is amended by adding at the
9 end the following new item:

“Sec. 966. Foreign earnings exclusion for purchase of infrastructure bonds.”.

10 (3) EFFECTIVE DATE.—The amendments made
11 by this section shall apply to dividends received for
12 taxable years ending after the date of the enactment
13 of this Act.

14 **SEC. 206. KEYSTONE XL PIPELINE.**

15 Notwithstanding Executive Order No. 13337 (3
16 U.S.C. 301 note), Executive Order No. 11423 (3 U.S.C.
17 301 note), section 301 of title 3, United States Code, and
18 any other Executive order or provision of law, no Presi-
19 dential permit shall be required to authorize the construc-
20 tion, connection, operation, and maintenance of border
21 crossing facilities for the pipeline described in the applica-
22 tion filed on May 4, 2012, by TransCanada Keystone
23 Pipeline, L.P., to the Department of State for the Key-

- 1 stone XL pipeline, for the importation of crude oil to be
- 2 located at the United States-Canada Border.

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