

**AMENDMENT TO H.R. 4**  
**OFFERED BY MR. ZELDIN OF NEW YORK**

Page 267, after line 10, insert the following:

1 **SEC. \_\_\_\_.** **TAX-EXEMPT FINANCING OF QUALIFIED GOVERN-**  
2 **MENT BUILDINGS.**

3 (a) **IN GENERAL.**—Section 142(a) of the Internal  
4 Revenue Code of 1986 is amended by striking “or” at the  
5 end of paragraph (14), by striking the period at the end  
6 of paragraph (15) and inserting “, or”, and by adding at  
7 the end the following new paragraph:

8 “(16) qualified government buildings.”.

9 (b) **QUALIFIED GOVERNMENT BUILDINGS.**—Section  
10 142 of such Code is amended by adding at the end the  
11 following new subsection:

12 “(n) **QUALIFIED GOVERNMENTAL BUILDINGS.**—

13 “(1) **IN GENERAL.**—For purposes of subsection  
14 (a)(16), the term ‘qualified governmental buildings’  
15 means any building or facility that consists of one  
16 or more of the following:

17 “(A) An elementary school or a secondary  
18 school (within the meanings given such terms  
19 by section 14101 of the Elementary and Sec-  
20 ondary Education Act of 1965 (20 U.S.C.

1 8801), as in effect on the date of the enactment  
2 of this subsection).

3 “(B) Facilities of a State college or univer-  
4 sity used for educational purposes.

5 “(C) A library maintained for, and open  
6 to, the general public.

7 “(D) A Court of law.

8 “(E) A hospital, health care facilities, lab-  
9 oratory facilities or research facilities.

10 “(F) Public safety facilities (including po-  
11 lice, fire, enhanced 911, emergency or disaster  
12 management, and ambulance or emergency  
13 medical service facilities and jails and correc-  
14 tional facilities).

15 “(G) Offices for employees of a govern-  
16 mental unit.

17 Such term shall include any equipment, functionally  
18 related and subordinate facility, or land (and any  
19 real property rights appurtenant thereto) with re-  
20 spect to any such building or facility.

21 “(2) SPECIFICALLY EXCLUDED FACILITIES.—

22 Such term shall not include—

23 “(A) a building or facility the primary pur-  
24 pose of which is one of the following: retail food

1 and beverage services, or the provision of recre-  
2 ation or entertainment, or

3 “(B) any building or facility that includes  
4 any of the following: any private or commercial  
5 golf course, country club, massage parlor, ten-  
6 nis club, skating facility (including roller skat-  
7 ing, skateboard, and ice skating), racquet  
8 sports facility (including any handball or  
9 racquetball court), hot tub facility, suntan facil-  
10 ity, racetrack, convention center, or sports sta-  
11 dium or arena.

12 “(3) NATIONAL LIMITATION ON AMOUNT OF  
13 TAX-EXEMPT FINANCING FOR QUALIFIED GOVERN-  
14 MENTAL BUILDING.—

15 “(A) NATIONAL LIMITATION.—The aggre-  
16 gate amount allocated by the Secretary under  
17 subparagraph (C) shall not exceed  
18 \$5,000,000,000.

19 “(B) ENFORCEMENT OF NATIONAL LIM-  
20 TATION.—An issue shall not be treated as an  
21 issue described in subsection (a)(16) if the ag-  
22 gregate face amount of bonds issued pursuant  
23 to such issue for any qualified governmental  
24 building (when added to the aggregate face  
25 amount of bonds previously so issued for such

1 facility) exceeds the amount allocated to such  
2 qualified governmental building under subpara-  
3 graph (C).

4 “(C) ALLOCATION BY THE SECRETARY.—  
5 The Secretary shall allocate a portion of the  
6 amount described in subparagraph (A) to a  
7 qualified governmental building if the Secretary  
8 determines that—

9 “(i) the application for financing of  
10 such qualified governmental building meets  
11 the requirements set forth in subparagraph  
12 (D), and

13 “(ii) the amount of the allocation re-  
14 quested, if allocated by the Secretary,  
15 would not cause the national limitation set  
16 forth in subparagraph (A) to be exceeded.

17 “(D) APPLICATIONS FOR FINANCING.—An  
18 application for financing a qualified govern-  
19 mental building meets the requirements of this  
20 subparagraph if such application includes—

21 “(i) the amount of the allocation re-  
22 quested,

23 “(ii) the name of the governmental  
24 unit that will own the project, together  
25 with complete contact information,

1           “(iii) a description of the project as a  
2 whole and the proposed organizational and  
3 legal structure of the project,

4           “(iv) a timeline showing the estimated  
5 start and completion dates for each major  
6 phase or milestone of project development  
7 and an indication of the current status of  
8 milestones on this timeline, including all  
9 necessary permits and environmental ap-  
10 provals,

11           “(v) a statement of anticipated  
12 sources and uses of funds for the project,  
13 and

14           “(vi) the following declaration signed  
15 by an individual who has personal knowl-  
16 edge of the relevant facts and cir-  
17 cumstances: ‘Under penalties of perjury, I  
18 declare that I have examined this docu-  
19 ment and, to the best of my knowledge and  
20 belief, the document contains all the rel-  
21 evant facts relating to the document, and  
22 such facts are true, correct, and complete.’.

23           “(E) USE OF ALLOCATION IN A TIMELY  
24 MANNER.—If, following an allocation by the  
25 Secretary under subparagraph (C), bonds are

1 not issued in the amount of such allocation  
2 after the date that is 2 years after the date of  
3 such allocation, then the unused portion of the  
4 allocation shall be withdrawn, unless the Sec-  
5 retary, upon a showing of good cause by the ap-  
6 plicant, grants an extension of such date.

7 “(4) EXCEPTION FOR CURRENT REFUNDING  
8 BONDS.—Paragraph (4) shall not apply to any bond  
9 (or series of bonds) issued to refund a bond issued  
10 under subsection (a)(16) if—

11 “(A) the average maturity date of the issue  
12 of which the refunding bond is a part is not  
13 later than the average maturity date of the  
14 bonds to be refunded by such issue,

15 “(B) the amount of the refunding bond  
16 does not exceed the outstanding amount of the  
17 refunded bond, and

18 “(C) the refunded bond is redeemed not  
19 later than 90 days after the date of the  
20 issuance of the refunding bond.

21 For purposes of subparagraph (A), average maturity  
22 shall be determined in accordance with section  
23 147(b)(2)(A).

1           “(5) OFFICE SPACE.—Subsection (b)(2) shall  
2           not apply with respect to any qualified governmental  
3           building.

4           “(6) NO DEPRECIATION OR INVESTMENT CRED-  
5           IT.—No depreciation, amortization, or business cred-  
6           it under section 38 shall be allowed with respect to  
7           any facility described in subsection (a)(16) which  
8           has been financed by the net proceeds of the issue  
9           for so long as such bonds are outstanding.”.

10          (c) GOVERNMENTALLY OWNED REQUIREMENT.—  
11          Section 142(b)(1)(A) of such Code is amended by striking  
12          “or (12)” and inserting “(12), or (16)”.

13          (d) EXEMPTION FROM VOLUME CAP ON PRIVATE  
14          ACTIVITY BONDS.—Section 146(g)(3) of such Code is  
15          amended by striking “or (15)” and inserting “(15), or  
16          (16)”.

17          (e) EFFECTIVE DATE.—The amendments made by  
18          this section shall apply to bonds issued after the date of  
19          the enactment of this Act.

