

109TH CONGRESS  
1ST SESSION

# S. 104

To amend the Internal Revenue Code of 1986 to provide tax-exempt financing of highway projects and rail-truck transfer facilities.

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IN THE SENATE OF THE UNITED STATES

JANUARY 24, 2005

Mr. TALENT (for himself, Mr. WYDEN, Mr. COLEMAN, and Mr. CORZINE) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to provide tax-exempt financing of highway projects and rail-truck transfer facilities.

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. TAX-EXEMPT FINANCING OF HIGHWAY**  
4 **PROJECTS AND RAIL-TRUCK TRANSFER FA-**  
5 **CILITIES.**

6 (a) TREATMENT AS EXEMPT FACILITY BOND.—Sub-  
7 section (a) of section 142 of the Internal Revenue Code  
8 of 1986 (relating to exempt facility bond) is amended by  
9 striking “or” at the end of paragraph (13), by striking

1 the period at the end of paragraph (14), and by adding  
 2 at the end the following:

3 “(15) qualified highway facilities, or

4 “(16) qualified surface freight transfer facili-  
 5 ties.”.

6 (b) QUALIFIED HIGHWAY FACILITIES AND QUALI-  
 7 FIED SURFACE FREIGHT TRANSFER FACILITIES.—Sec-  
 8 tion 142 of the Internal Revenue Code of 1986 is amended  
 9 by adding at the end the following:

10 “(m) QUALIFIED HIGHWAY AND SURFACE FREIGHT  
 11 TRANSFER FACILITIES.—

12 “(1) QUALIFIED HIGHWAY FACILITIES.—For  
 13 purposes of subsection (a)(15), the term ‘qualified  
 14 highway facilities’ means—

15 “(A) any surface transportation project  
 16 which receives Federal assistance under title  
 17 23, United States Code (as in effect on the date  
 18 of the enactment of this subsection), or

19 “(B) any project for an international  
 20 bridge or tunnel for which an international enti-  
 21 ty authorized under Federal or State law is re-  
 22 sponsible and which receives Federal assistance  
 23 under such title 23.

24 “(2) QUALIFIED SURFACE FREIGHT TRANSFER  
 25 FACILITIES.—For purposes of subsection (a)(16),

1 the term ‘qualified surface freight transfer facilities’  
2 means facilities for the transfer of freight from  
3 truck to rail or rail to truck (including any tem-  
4 porary storage facilities directly related to such  
5 transfers) which receives Federal assistance under  
6 either title 23 or title 49, United States Code (as in  
7 effect on the date of the enactment of this sub-  
8 section).

9 “(3) AGGREGATE FACE AMOUNT OF TAX-EX-  
10 EMPT FINANCING FOR FACILITIES.—

11 “(A) IN GENERAL.—An issue shall not be  
12 treated as an issue described in subsection  
13 (a)(15) or (a)(16) if the aggregate face amount  
14 of bonds issued by any State pursuant thereto  
15 (when added to the aggregate face amount of  
16 bonds previously so issued) exceeds  
17 \$15,000,000,000.

18 “(B) ALLOCATION BY SECRETARY OF  
19 TRANSPORTATION.—The Secretary of Transpor-  
20 tation shall allocate the amount described in  
21 subparagraph (A) among eligible projects de-  
22 scribed in subsections (a)(15) and (a)(16) in  
23 such manner as the Secretary determines ap-  
24 propriate.”.

1           (c) EXEMPTION FROM GENERAL STATE VOLUME  
2 CAPS.—Paragraph (3) of section 146(g) of the Internal  
3 Revenue Code of 1986 (relating to exception for certain  
4 bonds) is amended by striking “or (14)” and all that fol-  
5 lows through the end of the paragraph and inserting  
6 “(14), (15), or (16) of section 142(a), and”.

7           (d) EFFECTIVE DATE.—The amendments made by  
8 this section shall apply to bonds issued after the date of  
9 the enactment of this Act.

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