

111TH CONGRESS  
1ST SESSION

# S. 238

To provide \$50,000,000,000 in new transportation infrastructure funding through bonding to empower States and local governments to complete significant infrastructure projects across all modes of transportation, including roads, bridges, rail and transit systems, ports, and inland waterways, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

JANUARY 7, 2009

Mr. WYDEN (for himself, Mr. THUNE, Ms. KLOBUCHAR, and Ms. COLLINS) introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To provide \$50,000,000,000 in new transportation infrastructure funding through bonding to empower States and local governments to complete significant infrastructure projects across all modes of transportation, including roads, bridges, rail and transit systems, ports, and inland waterways, 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; ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Build America Bonds Act of 2009”.

1 (b) REFERENCES TO INTERNAL REVENUE CODE OF  
2 1986.—Except as otherwise expressly provided, whenever  
3 in this Act an amendment or repeal is expressed in terms  
4 of an amendment to, or repeal of, a section or other provi-  
5 sion, the reference shall be considered to be made to a  
6 section or other provision of the Internal Revenue Code  
7 of 1986.

8 **SEC. 2. FINDINGS AND PURPOSE.**

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

10 (1) Our Nation’s highways, transit systems,  
11 railroads, ports, and inland waterways drive our  
12 economy, enabling all industries to achieve growth  
13 and productivity that makes America strong and  
14 prosperous.

15 (2) The establishment, maintenance, and im-  
16 provement of the national transportation network is  
17 a national priority, for economic, environmental, en-  
18 ergy, security, and other reasons.

19 (3) The ability to move people and goods is crit-  
20 ical to maintaining State, metropolitan, rural, and  
21 local economies.

22 (4) The construction of infrastructure requires  
23 the skills of numerous occupations, including those  
24 in the contracting, engineering, planning and design,

1 materials supply, manufacturing, distribution, and  
2 safety industries.

3 (5) Investing in transportation infrastructure  
4 creates long-term capital assets for the Nation that  
5 will help the United States address its enormous in-  
6 frastructure needs and improve its economic produc-  
7 tivity.

8 (6) Investment in transportation infrastructure  
9 creates jobs and spurs economic activity to put peo-  
10 ple back to work and stimulate the economy.

11 (7) Every billion dollars in transportation in-  
12 vestment has the potential to create up to 47,500  
13 jobs.

14 (8) Every dollar invested in the Nation's trans-  
15 portation infrastructure yields at least \$5.70 in eco-  
16 nomic benefits because of reduced delays, improved  
17 safety, and reduced vehicle operating costs.

18 (9) Numerous experts have noted that the esti-  
19 mated cost to maintain and improve our Nation's  
20 highways, bridges, and other critical transportation  
21 infrastructure significantly exceeds what is currently  
22 being provided by all levels of government.

23 (b) PURPOSE.—The purpose of this Act is to provide  
24 financing for additional transportation infrastructure cap-  
25 ital investments.

1 **SEC. 3. CREDIT TO HOLDERS OF BUILD AMERICA BONDS.**

2 (a) IN GENERAL.—Subpart I of part IV of sub-  
3 chapter A of chapter 1 is amended by adding at the end  
4 the following new section:

5 **“SEC. 54F. BUILD AMERICA BONDS.**

6 “(a) BUILD AMERICA BOND.—For purposes of this  
7 subpart, the term ‘Build America bond’ means any bond  
8 issued as part of an issue if—

9 “(1) 100 percent of the available project pro-  
10 ceeds of such issue are to be used for expenditures  
11 incurred after the date of the enactment of this sec-  
12 tion for 1 or more qualified projects pursuant to an  
13 allocation of such proceeds to such project or  
14 projects by the Transportation Finance Corporation,

15 “(2) the bond is issued by the Transportation  
16 Finance Corporation and is in registered form (with-  
17 in the meaning of section 149(a)),

18 “(3) the issuer designates such bond for pur-  
19 poses of this section,

20 “(4) the Transportation Finance Corporation  
21 certifies that it meets the State contribution require-  
22 ment of subsection (h) with respect to such project,  
23 as in effect on the date of issuance,

24 “(5) the Transportation Finance Corporation  
25 certifies that the State in which an approved quali-

1       fied project is located meets the requirement de-  
2       scribed in subsection (i),

3               “(6) the face amount of such bond, when added  
4       to the face amount of all Build America bonds pre-  
5       viously designated under paragraph (3) and issued  
6       in the calendar year, does not exceed the Build  
7       America bond limitation for such year under sub-  
8       section (d),

9               “(7) the term of each bond which is part of  
10       such issue does not exceed 30 years,

11               “(8) the payment of principal with respect to  
12       such bond is the obligation of the Transportation Fi-  
13       nance Corporation, and

14               “(9) the issue meets the requirements of sub-  
15       section (e).

16       “(b) QUALIFIED PROJECT.—For purposes of this  
17       section, the term ‘qualified project’ means the capital im-  
18       provements to any transportation infrastructure project of  
19       any governmental unit or other person, including roads,  
20       bridges, rail and transit systems, ports, and inland water-  
21       ways, proposed by 1 or more States and approved by the  
22       Transportation Finance Corporation, but does not include  
23       costs of operations or maintenance with respect to such  
24       project.