

116TH CONGRESS
2D SESSION

S. 3757

To amend the Internal Revenue Code of 1986 to provide incentives for businesses and employers to help in the fight against COVID–19, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 19, 2020

Mr. JONES introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to provide incentives for businesses and employers to help in the fight against COVID–19, 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.**

4 This Act may be cited as the “Build Health Care
5 Equipment in America Act”.

1 **SEC. 2. BONUS DEPRECIATION FOR FACILITIES MANUFAC-**
2 **TURING ITEMS TO FIGHT COVID-19.**

3 (a) IN GENERAL.—Section 168 of the Internal Rev-
4 enue Code of 1986 is amended by adding at the end the
5 following new subsection:

6 “(n) SPECIAL ALLOWANCE FOR MEDICAL EQUIP-
7 MENT MANUFACTURERS.—

8 “(1) IN GENERAL.—In the case of any qualified
9 medical equipment manufacturing property—

10 “(A) the depreciation deduction provided
11 by section 167(a) for the taxable year in which
12 such property is placed in service shall include
13 an allowance equal to the applicable percentage
14 of the adjusted basis of such property, and

15 “(B) the adjusted basis of such property
16 shall be reduced by the amount of such deduc-
17 tion before computing the amount otherwise al-
18 lowable as a depreciation deduction under this
19 chapter for such taxable year and any subse-
20 quent taxable year.

21 “(2) APPLICABLE PERCENTAGE.—For purposes
22 of this subsection, the term ‘applicable percentage’
23 means—

24 “(A) in the case of property described in
25 paragraph (3)(A)—

1 “(i) if such property is placed in serv-
2 ice within a rural area, 67 percent, or

3 “(ii) if such property is placed in serv-
4 ice within an area not described in clause
5 (i), 50 percent, and

6 “(B) in the case of property described in
7 paragraph (3)(B)—

8 “(i) which is placed in service before
9 January 1, 2027, 100 percent,

10 “(ii) which is placed in service after
11 December 31, 2026, and before January 1,
12 2028, 80 percent,

13 “(iii) which is placed in service after
14 December 31, 2027, and before January 1,
15 2029, 60 percent,

16 “(iv) which is placed in service after
17 December 31, 2028, and before January 1,
18 2030, 40 percent, and

19 “(v) which is placed in service after
20 December 31, 2029, and before January 1,
21 2031, 20 percent.

22 “(3) QUALIFIED MEDICAL EQUIPMENT MANU-
23 FACTURING PROPERTY.—For purposes of this sub-
24 section, the term ‘qualified medical equipment man-
25 ufacturing property’ means—

1 “(A) any nonresidential real property
2 which is—

3 “(i) originally placed in service after
4 the date of enactment of this subsection
5 and before January 1, 2031, and

6 “(ii) used solely for the production or
7 manufacturing of COVID–19 medical
8 equipment, and

9 “(B) any qualified property (as defined in
10 subsection (k)(2), without respect to subpara-
11 graph (A)(iii) of such subsection) which is—

12 “(i) originally placed in service after
13 the date of enactment of this subsection
14 and before January 1, 2031, and

15 “(ii) used to rehabilitate, refurbish, or
16 reequip any facility which was originally
17 placed in service before the date of enact-
18 ment of this subsection to allow such facil-
19 ity to produce or manufacture COVID–19
20 medical equipment.

21 “(4) COVID–19 MEDICAL EQUIPMENT.—For
22 purposes of this subsection, the term ‘COVID–19
23 medical equipment’ means any product or equipment
24 used for the prevention or treatment of the virus

1 SARS-CoV-2 or coronavirus disease 2019 (COVID-
2 19).”.

3 (b) EFFECTIVE DATE.—The amendment made by
4 this section shall apply to property placed in service after
5 the date of enactment of this Act.

6 **SEC. 3. HEALTH CARE WORKFORCE CREDIT.**

7 (a) IN GENERAL.—Subpart D of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by adding at the end the following new
10 section:

11 **“SEC. 45U. HEALTH CARE WORKFORCE CREDIT.**

12 “(a) IN GENERAL.—For purposes of section 38, the
13 amount of the health care workforce credit determined
14 under this section for the taxable year shall be equal to
15 the sum of any applicable payroll taxes paid by an em-
16 ployer during the taxable year with respect to employment
17 of any qualified employee.

18 “(b) DEFINITIONS.—For purposes of this section:

19 “(1) APPLICABLE PAYROLL TAXES.—

20 “(A) IN GENERAL.—The term ‘applicable
21 payroll taxes’ means, with respect to any em-
22 ployer for any taxable year, the amount of the
23 taxes imposed by—

24 “(i) section 3111 on wages paid by an
25 employer with respect to employment of

1 qualified employee during the applicable
2 period, and

3 “(ii) section 3221(a) on compensation
4 paid by an employer with respect to serv-
5 ices rendered by a qualified employee dur-
6 ing the applicable period.

7 “(B) APPLICABLE PERIOD.—For purposes
8 of subparagraph (A), the term ‘applicable pe-
9 riod’ means the 3-year period beginning with
10 the day the qualified employee begins work for
11 the employer.

12 “(2) DECLINING FIELD; SKILLED HEALTHCARE
13 FIELD.—

14 “(A) IN GENERAL.—

15 “(i) DECLINING FIELD.—The term
16 ‘declining field’ means any occupation or
17 field of work which has been determined by
18 the Secretary, in consultation with the Bu-
19 reau of Labor Statistics of the Department
20 of Labor, to have experienced a decline in
21 the level of average employment in such oc-
22 cupation or field in the United States of
23 not less than 8 percent over the most re-
24 cent 3-year period for which such informa-
25 tion is available.

1 “(ii) SKILLED HEALTHCARE FIELD.—
2 The term ‘skilled healthcare field’ means
3 any occupation or field of work related to
4 the practice of medicine which has been
5 determined by the Secretary, in consulta-
6 tion with the Bureau of Labor Statistics of
7 the Department of Labor, to—

8 “(I) require—

9 “(aa) theoretical and prac-
10 tical application of a body of
11 highly specialized knowledge; and

12 “(bb)(AA) attainment of a
13 bachelor’s or higher degree in the
14 specific specialty (or its equiva-
15 lent); or

16 “(BB) experience in the spe-
17 cialty equivalent to the comple-
18 tion of such degree; and

19 “(II) have an insufficient number
20 of individuals who are citizens or resi-
21 dents of the United States and are
22 qualified, willing, and able to satisfy
23 the demand for labor in such occupa-
24 tion or field of work.

1 “(B) DETERMINATION AND PUBLICA-
2 TION.—The Secretary, in consultation with the
3 Bureau of Labor Statistics of the Department
4 of Labor, shall annually—

5 “(i) determine which occupations or
6 fields of work satisfy the requirements de-
7 scribed in subparagraph (A), and

8 “(ii) publish and make available on
9 the website of the Department of the
10 Treasury a complete list of such occupa-
11 tions and fields of work.

12 “(3) QUALIFIED EMPLOYEE.—

13 “(A) IN GENERAL.—The term ‘qualified
14 employee’ means an individual who—

15 “(i) is provided wages for employment
16 by the employer (as such terms are defined
17 in section 3121), provided that such em-
18 ployment—

19 “(I) is not in a declining field,
20 and

21 “(II) is in a skilled healthcare
22 field,

23 “(ii) is not a covered employee (as de-
24 fined in section 162(m)(3)), and

1 “(iii) was employed in a declining field
2 for any period during the 12-month period
3 preceding the applicable period under para-
4 graph (1)(B).

5 “(B) NONQUALIFYING REQUIRES.—The
6 term ‘qualifying employee’ shall not include any
7 individual who, prior to the beginning of the ap-
8 plicable period under paragraph (1)(B), had
9 been employed by the employer at any time.”.

10 (b) CREDIT PART OF GENERAL BUSINESS CREDIT.—
11 Section 38(b) of the Internal Revenue Code of 1986 is
12 amended by striking “plus” at the end of paragraph (32),
13 by striking the period at the end of paragraph (33) and
14 inserting “, plus”, and by adding at the end the following
15 new paragraph:

16 “(34) the health care workforce credit deter-
17 mined under section 45U(a).”.

18 (c) CLERICAL AMENDMENT.—The table of sections
19 for subpart D of part IV of subchapter A of chapter 1
20 of the Internal Revenue Code of 1986 is amended by add-
21 ing at the end the following new item:

 “Sec. 45U. Health Care Workforce Credit.”.

22 (d) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years beginning after
24 the date of the enactment of this Act.

1 **SEC. 4. ENHANCEMENTS TO CERTAIN EDUCATION TAX BEN-**
2 **EFITS FOR MEDICAL PROFESSIONALS IN**
3 **SHORT SUPPLY.**

4 (a) IN GENERAL.—

5 (1) PUBLICATION.—For each calendar year be-
6 ginning after the date of the enactment of this Act,
7 the Secretary of the Treasury, in consultation with
8 the Secretary of Labor, shall publish and make
9 available on the website of the Department of the
10 Treasury a list of any occupation or field of work
11 which qualifies as a medical short supply field for
12 such calendar year.

13 (2) MEDICAL SHORT SUPPLY FIELD.—The term
14 “medical short supply field” means an occupation or
15 field of work which the Secretary of the Treasury,
16 in consultation with the Secretary of Labor, has de-
17 termined—

18 (A) is related to the practice of medicine or
19 to the manufacturing of medical equipment;

20 (B) requires—

21 (i) theoretical and practical applica-
22 tion of a body of highly specialized knowl-
23 edge; and

24 (ii)(I) attainment of a bachelor’s or
25 higher degree in the specific specialty (or
26 its equivalent); or

1 (II) experience in the specialty equiva-
2 lent to the completion of such degree; and
3 (C) has an insufficient number of individ-
4 uals who are citizens or residents of the United
5 States and are qualified, willing, and able to
6 satisfy the demand for labor in such occupation
7 or field of work.

8 (b) ENHANCEMENTS TO CERTAIN EDUCATION TAX
9 BENEFITS.—

10 (1) IN GENERAL.—

11 (A) EDUCATIONAL ASSISTANCE PRO-
12 GRAMS.—Paragraph (2) of section 127(a) of
13 the Internal Revenue Code of 1986 is amended
14 by inserting “(or, in the case of an individual
15 employed in an occupation or field of work
16 which has been designated as a medical short
17 supply field for such calendar year pursuant to
18 section 4(a) of the Build Health Care Equip-
19 ment in America Act, the first \$15,000 of such
20 assistance so furnished)” before the period at
21 the end.

22 (B) INTEREST ON EDUCATION LOANS.—
23 Paragraph (1) of section 221(b) of the Internal
24 Revenue Code of 1986 is amended by inserting
25 “(or, in the case of a individual employed in an

1 occupation or field of work which has been des-
2 ignated, pursuant to section 4(a) of the Build
3 Health Care Equipment in America Act, as a
4 medical short supply field for the calendar year
5 in which such taxable year began, shall not ex-
6 ceed \$8,000)” before the period at the end.

7 (C) QUALIFIED TUITION AND RELATED
8 EXPENSES.—Paragraph (1) of section 222(b) of
9 the Internal Revenue Code of 1986 is amended
10 by inserting “(or, in the case of an individual
11 employed in an occupation or field of work
12 which has been designated, pursuant to section
13 4(a) of the Build Health Care Equipment in
14 America Act, as a medical short supply field for
15 the calendar year in which such taxable year
16 began, an amount equal to the applicable dollar
17 limit multiplied by 2)” before the period at the
18 end.

19 (2) EXCLUSION FOR CERTAIN EMPLOYER PAY-
20 MENTS OF STUDENT LOANS.—

21 (A) IN GENERAL.—Paragraph (1) of sec-
22 tion 127(c) of the Internal Revenue Code of
23 1986 is amended by striking “and” at the end
24 of subparagraph (A), by redesignating subpara-
25 graph (B) as subparagraph (C), and by insert-

1 ing after subparagraph (A) the following new
2 subparagraph:

3 “(B) in the case of an employee employed
4 in an occupation or field of work which has
5 been designated as a medical short supply field
6 for a calendar year pursuant to section 4(a) of
7 the Build Health Care Equipment in America
8 Act, the payment by an employer during such
9 calendar year, whether paid to the employee or
10 to a lender, of principal or interest on any
11 qualified education loan (as defined in section
12 221(d)(1)) incurred by the employee, and”.

13 (B) CONFORMING AMENDMENT; DENIAL
14 OF DOUBLE BENEFIT.—Paragraph (1) of sec-
15 tion 221(e) of the Internal Revenue Code of
16 1986 is amended by inserting before the period
17 the following: “, or for which an exclusion is al-
18 lowable under section 127 to the taxpayer’s em-
19 ployer by reason of the payment by such em-
20 ployer of any indebtedness on a qualified edu-
21 cation loan of the taxpayer”.

22 (3) EFFECTIVE DATE.—The amendments made
23 by this subsection shall apply to taxable years begin-
24 ning after the date of the enactment of this Act.

1 **SEC. 5. 21ST CENTURY TECHNOLOGY FUND FOR STATE AND**
 2 **LOCAL GOVERNMENTS LOOKING TO DRAW**
 3 **BUSINESSES TO THEIR RURAL REGIONS.**

4 Title VI of the Rural Electrification Act of 1936 (7
 5 U.S.C. 950bb et seq.) is amended by adding at the end
 6 the following:

7 **“SEC. 607. 21ST CENTURY TECHNOLOGY FUND FOR STATE**
 8 **AND LOCAL GOVERNMENTS LOOKING TO**
 9 **DRAW BUSINESSES TO THEIR RURAL RE-**
 10 **GIONS.**

11 “(a) DEFINITIONS.—In this section:

12 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
 13 tity’ means an entity eligible to receive assistance
 14 under the ReConnect Program.

15 “(2) ELIGIBLE SERVICE AREA.—The term ‘eli-
 16 gible service area’ means a service area in which a
 17 project may be carried out under the ReConnect
 18 Program.

19 “(3) FUND.—The term ‘Fund’ means the 21st
 20 Century Technology Fund for State and Local Gov-
 21 ernments Looking to Draw Businesses to Their
 22 Rural Regions established by subsection (b)(1).

23 “(4) RECONNECT PROGRAM.—The term ‘Re-
 24 Connect Program’ means the Rural eConnectivity
 25 Pilot Program established under section 779 of divi-

1 sion A of the Consolidated Appropriations Act, 2018
2 (Public Law 115–141; 132 Stat. 399).

3 “(b) ESTABLISHMENT OF FUND.—

4 “(1) IN GENERAL.—There is established in the
5 Treasury of the United States a fund, to be known
6 as the ‘21st Century Technology Fund for State and
7 Local Governments Looking to Draw Businesses to
8 Their Rural Regions’, consisting of—

9 “(A) such amounts as are appropriated to
10 the Fund under subsection (e); and

11 “(B) any interest and proceeds under
12 paragraph (3).

13 “(2) INVESTMENT OF AMOUNTS.—The Sec-
14 retary of the Treasury shall invest such amounts in
15 the Fund as are not, as determined by the Secretary
16 of Agriculture, required to meet current with-
17 draws.

18 “(3) CREDITS TO FUND.—The interest on, and
19 the proceeds from the sale or redemption of, any ob-
20 ligations held in the Fund shall be credited to, and
21 form a part of, the Fund.

22 “(c) RURAL TECHNOLOGY INFRASTRUCTURE ASSIST-
23 ANCE.—Using amounts in the Fund, the Secretary shall
24 provide assistance to eligible entities to carry out projects

1 in eligible service areas for the same purposes as projects
2 authorized under the ReConnect Program.

3 “(d) APPLICABILITY OF RECONNECT PROGRAM RE-
4 QUIREMENTS.—The requirements, limitations, and au-
5 thorities that apply to assistance provided, and projects
6 carried out, under the ReConnect Program shall apply to
7 assistance provided, and projects carried out, under this
8 section.

9 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
10 are authorized to be appropriated to the Fund such sums
11 as are necessary to carry out this section for each fiscal
12 year.”.

○