

119TH CONGRESS  
2D SESSION

# S. 3941

To amend the Internal Revenue Code of 1986 to restore treatment of State and local bonds which are guaranteed by a Federal home loan bank as not federally guaranteed for purposes of determining their tax-exempt status.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 26, 2026

Ms. CORTEZ MASTO (for herself, Mr. YOUNG, and Mr. JUSTICE) 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 restore treatment of State and local bonds which are guaranteed by a Federal home loan bank as not federally guaranteed for purposes of determining their tax-exempt status.

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 “Municipal Investment  
5 and Neighborhood Transformation Act” or the “MINT  
6 Act”.

1 **SEC. 2. FEDERAL HOME LOAN BANK LETTERS OF CREDIT**  
2 **ON TAX-EXEMPT BONDS.**

3 (a) IN GENERAL.—Clause (iv) of section  
4 149(b)(3)(A) of the Internal Revenue Code of 1986 is  
5 amended by striking “made in connection with the original  
6 issuance of a bond during the period beginning on the date  
7 of the enactment of this clause and ending on December  
8 31, 2010”.

9 (b) SAFETY AND SOUNDNESS REQUIREMENTS.—  
10 Subparagraph (E) of section 149(b)(3) of the Internal  
11 Revenue Code of 1986 is amended by striking “which are  
12 at least” and all that follows through the period and in-  
13 serting “as are established by the Director of the Federal  
14 Housing Finance Agency from time to time.”.

15 (c) EFFECTIVE DATE.—The amendments made by  
16 this section shall apply to guarantees made after the date  
17 of enactment of this Act.

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