

108TH CONGRESS
1ST SESSION

H. R. 3042

To amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds for certain air and water pollution control facilities and to provide that the volume cap for private activity bonds shall not apply to bonds for such air and water pollution control facilities, facilities for the furnishing of water, and sewage facilities.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 9, 2003

Mr. BRADY of Texas (for himself, Mr. SANDLIN, Mr. GREEN of Texas, Mr. HINOJOSA, Mr. SESSIONS, Mr. CARTER, and Ms. GRANGER) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds for certain air and water pollution control facilities and to provide that the volume cap for private activity bonds shall not apply to bonds for such air and water pollution control facilities, facilities for the furnishing of water, and sewage facilities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Clean Air and Water
3 Investment and Infrastructure Security Act of 2003”.

4 **SEC. 2. TAX-EXEMPT BONDS FOR AIR AND WATER POLLU-
5 TION CONTROL FACILITIES.**

6 (a) IN GENERAL.—Subsection (a) of section 142 of
7 the Internal Revenue Code of 1986 (defining exempt facil-
8 ity bond) is amended by striking “or” at the end of para-
9 graph (12), by striking the period at the end of paragraph
10 (13) and inserting “, or”, and by adding at the end the
11 following new paragraph:

12 “(14) air or water pollution control facilities
13 (within the meaning of section 103 as in effect be-
14 fore the enactment of the Tax Reform Act of
15 1986).”

16 (b) BONDS FOR AIR AND WATER POLLUTION CON-
17 TROL FACILITIES AND FOR WATER AND SEWAGE FACILI-
18 TIES EXEMPT FROM VOLUME CAP ON PRIVATE ACTIVITY
19 BONDS.—Paragraph (3) of section 146(g) of such Code
20 is amended to read as follows:

21 “(3) any exempt facility bond issued as part of
22 an issue described in paragraph (1), (2), (4), (5),
23 (12), (13), or (14) of section 142(a) (relating to air-
24 ports, docks and wharves, facilities for the fur-
25 nishing of water, sewage facilities, environmental en-
26 hancements of hydroelectric generating facilities,

1 qualified public educational facilities, and air and
2 water pollution control facilities), and”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to obligations issued after the date
5 of the enactment of this Act.

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