

115TH CONGRESS
2D SESSION

H. R. 6276

To amend the Internal Revenue Code of 1986 to modify the treatment of use of public infrastructure property for the private business use test for private activity bonds, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 2018

Mr. BISHOP of Michigan 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 modify the treatment of use of public infrastructure property for the private business use test for private activity bonds, 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 “Strengthening Pen-
5 sions through Investment in Infrastructure Act”.

1 **SEC. 2. TREATMENT OF USE OF PUBLIC INFRASTRUCTURE**
2 **PROPERTY FOR PRIVATE BUSINESS USE TEST**
3 **FOR PRIVATE ACTIVITY BONDS.**

4 (a) USE BY PUBLIC PENSION FUNDS TREATED AS
5 GOVERNMENT USE.—Section 141(b) of the Internal Rev-
6 enue Code of 1986 is amended by adding at the end the
7 following new paragraph:

8 “(10) USE BY PUBLIC PENSION FUNDS NOT
9 TREATED AS PRIVATE BUSINESS USE.—

10 “(A) IN GENERAL.—For purposes of this
11 part, use by a public pension fund of public in-
12 frastructure property shall not be treated as
13 private business use.

14 “(B) DEFINITIONS.—For purposes of this
15 paragraph—

16 “(i) PUBLIC PENSION FUND.—The
17 term ‘public pension fund’ means a pen-
18 sion fund established or maintained for
19 employees or former employees of a State,
20 political subdivision of a State, or an agen-
21 cy or instrumentality thereof.

22 “(ii) PUBLIC INFRASTRUCTURE PROP-
23 erty.—The term ‘public infrastructure
24 property’ means property with the fol-
25 lowing characteristics:

1 “(I) Consists of roads, bridges,
2 tunnels, docks, wharves, ports, har-
3 bors, airports, rail stations, mass
4 transit or commuting centers, water
5 infrastructure (including sewage,
6 waste water, storm water, and solid
7 waste treatment), heating, cooling, or
8 electric utility production, municipal
9 buildings, or other real or tangible
10 property that is used for an essential
11 government function (within the
12 meaning of section 115).

13 “(II) Provides services to the
14 general public or is available for gen-
15 eral public use.

16 “(III) If rates are charged for
17 use of or services provided by such
18 property, such rates are subject to
19 State or local governmental regulatory
20 or contractual control, limitation, or
21 approval.”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply with respect to use after the date
24 of enactment of this Act.

1 **SEC. 3. PUBLIC INFRASTRUCTURE PROPERTY NOT TREAT-**
2 **ED AS INVESTMENT PROPERTY FOR ARBI-**
3 **TRAGE BONDS.**

4 (a) IN GENERAL.—Section 148(b) of the Internal
5 Revenue Code of 1986 is amended by adding at the end
6 the following new paragraph:

7 “(5) PUBLIC INFRASTRUCTURE PROPERTY NOT
8 TREATED AS INVESTMENT-TYPE PROPERTY.—The
9 term ‘investment-type property’ shall not include
10 public infrastructure property (as defined in section
11 141(b)(10)).”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply with respect to transactions after
14 the date of the enactment of this Act.

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