

111TH CONGRESS
1ST SESSION

H. R. 861

Making supplemental appropriations for job creation, school repair and modernization, and tax reduction for the fiscal year ending September 30, 2009, and for other stimulative purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2009

Mr. MINNICK introduced the following bill; which was referred to the Committee on Appropriations, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

Making supplemental appropriations for job creation, school repair and modernization, and tax reduction for the fiscal year ending September 30, 2009, and for other stimulative 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 “Strategic Targeted
5 American Recovery and Transition Act”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

DIVISION A—APPROPRIATION PROVISIONS

TITLE I—GENERAL PROVISIONS

TITLE II—LABOR AND EDUCATION

TITLE III—TRANSPORTATION

DIVISION B—TAX PROVISIONS

TITLE I—ADDITIONAL TAX RELIEF FOR FAMILIES WITH CHILDREN

TITLE II—TAX INCENTIVES FOR BUSINESS

TITLE III—GENERAL PROVISIONS

1 SEC. 3. PURPOSES AND PRINCIPLES.

2 (a) STATEMENT OF PURPOSES.—The purposes of
3 this Act include the following:

4 (1) To preserve and create jobs and promote
5 economic recovery.

6 (2) To assist those most impacted by the recess-
7 sion.

8 (3) To invest in transportation and other infra-
9 structure that will provide short-term and long-term
10 economic benefits.

11 (b) GENERAL PRINCIPLES CONCERNING USE OF
12 FUNDS.—The President and the heads of Federal depart-
13 ments and agencies shall manage and expend the funds
14 made available in this Act so as to achieve the purposes
15 specified in subsection (a), including commencing expendi-
16 tures and activities as quickly as possible consistent with
17 prudent management.

18 SEC. 4. REFERENCES.

19 Except as expressly provided otherwise, any reference
20 to “this Act” contained in any division of this Act shall

1 be treated as referring only to the provisions of that divi-
2 sion.

3 **SEC. 5. EMERGENCY DESIGNATION.**

4 Each amount in this Act is designated as an emer-
5 gency requirement and necessary to meet emergency needs
6 pursuant to section 204(a) of S. Con. Res. 21 (110th Con-
7 gress) and section 301(b)(2) of S. Con. Res. 70 (110th
8 Congress), the concurrent resolutions on the budget for
9 fiscal years 2008 and 2009.

10 **SEC. 6. PAY-AS-YOU-GO.**

11 (a) NARROWING THE PAY-AS-YOU-GO ESCAPE
12 HATCH.—Pay-as-you-go principles and requirements shall
13 apply to all mandatory spending in this Act, and shall not
14 be waived under an economic emergency provision of any
15 law or congressional rule.

16 (b) STATUTORY PAY-AS-YOU-GO.—

17 (1) PURPOSE.—Section 252(a) of the Balanced
18 Budget and Emergency Deficit Control Act of 1985
19 is amended by striking “2002” and inserting
20 “2017”.

21 (2) SEQUESTRATION.—Section 252(b)(1) of the
22 Balanced Budget and Emergency Deficit Control
23 Act of 1985 is amended by striking “2002” and in-
24 serting “2017”.

1 (3) EXPIRATION.—Section 275(b) of the Bal-
2 anced Budget and Emergency Deficit Control Act of
3 1985 is amended by striking “2006” and inserting
4 “2021”.

5 **DIVISION A—APPROPRIATION**
6 **PROVISIONS**

7 **SEC. 1001. STATEMENT OF APPROPRIATIONS.**

8 The following sums in this Act are appropriated, out
9 of any money in the Treasury not otherwise appropriated,
10 for the fiscal year ending September 30, 2009, and for
11 other purposes.

12 **TITLE I—GENERAL PROVISIONS**
13 **Subtitle A—Use of Funds**

14 **SEC. 1101. RELATIONSHIP TO OTHER APPROPRIATIONS.**

15 Each amount appropriated or made available in this
16 Act is in addition to amounts otherwise appropriated for
17 the fiscal year involved. Enactment of this Act shall have
18 no effect on the availability of amounts under the Con-
19 tinuing Appropriations Resolution, 2009 (division A of
20 Public Law 110–329).

21 **SEC. 1102. PREFERENCE FOR QUICK-START ACTIVITIES.**

22 In using funds made available in this Act for infra-
23 structure investment, recipients shall give preference to
24 activities that can be started and completed expeditiously,
25 including a goal of using at least 80 percent of the funds

1 for activities that can be initiated not later than 120 days
2 after the date of the enactment of this Act. Recipients
3 shall also use grant funds in a manner that maximizes
4 job creation and economic benefit. Federal funds under
5 this Act may be utilized for State projects that use Grant
6 Anticipation Revenue Vehicle (GARVEE) bonds.

7 **SEC. 1103. REQUIREMENT OF TIMELY AWARD OF GRANTS.**

8 (a) **FORMULA GRANTS.**—Formula grants using funds
9 made available in this Act shall be awarded not later than
10 30 days after the date of the enactment of this Act (or,
11 in the case of appropriations not available upon enact-
12 ment, not later than 30 days after the appropriation be-
13 comes available for obligation), unless expressly provided
14 otherwise in this Act.

15 (b) **COMPETITIVE GRANTS.**—Competitive grants
16 using funds made available in this Act shall be awarded
17 not later than 90 days after the date of the enactment
18 of this Act (or, in the case of appropriations not available
19 upon enactment, not later than 90 days after the appro-
20 priation becomes available for obligation), unless expressly
21 provided otherwise in this Act.

22 (c) **ADDITIONAL PERIOD FOR NEW PROGRAMS.**—The
23 time limits specified in subsections (a) and (b) may each
24 be extended by up to 30 days in the case of grants for
25 which funding was not provided in fiscal year 2008.

1 **SEC. 1104. USE IT OR LOSE IT REQUIREMENTS FOR GRANT-**
2 **EES.**

3 (a) DEADLINE FOR BINDING COMMITMENTS.—Each
4 recipient of a grant made using amounts made available
5 in this Act in any account listed in subsection (c) shall
6 enter into contracts or other binding commitments not
7 later than 1 year after the date of the enactment of this
8 Act (or not later than 9 months after the grant is award-
9 ed, if later) to make use of 100 percent of the funds
10 awarded. In the case of activities to be carried out directly
11 by a grant recipient (rather than by contracts, subgrants,
12 or other arrangements with third parties), a certification
13 by the recipient specifying the amounts, planned timing,
14 and purpose of such expenditures shall be deemed a bind-
15 ing commitment for purposes of this section.

16 (b) REDISTRIBUTION OF UNCOMMITTED FUNDS.—
17 The head of the Federal department or agency involved
18 shall recover or deobligate any grant funds not committed
19 in accordance with subsection (a), and redistribute such
20 funds to other recipients eligible under the grant program
21 and able to make use of such funds in a timely manner
22 (including binding commitments within 120 days after the
23 reallocation).

24 (c) APPROPRIATIONS TO WHICH THIS SECTION AP-
25 PLIES.—This section shall apply to grants made using

1 amounts appropriated in any of the following accounts
2 within this Act:

3 (1) “Department of Transportation—Federal
4 Transit Administration—Transit Capital Assist-
5 ance”.

6 (2) “Department of Transportation—Federal
7 Transit Administration—Fixed Guideway Infra-
8 structure Investment”.

9 (3) “Department of Transportation—Federal
10 Transit Administration—Capital Investment
11 Grants”.

12 **SEC. 1105. PERIOD OF AVAILABILITY.**

13 All funds appropriated in this Act shall remain avail-
14 able for obligation until September 30, 2010, unless ex-
15 pressly provided otherwise in this Act.

16 **SEC. 1106. SET-ASIDE FOR MANAGEMENT AND OVERSIGHT.**

17 Unless other provision is made in this Act (or in other
18 applicable law) for such expenses, up to 0.5 percent of
19 each amount appropriated in this Act may be used for the
20 expenses of management and oversight of the programs,
21 grants, and activities funded by such appropriation, and
22 may be transferred by the head of the Federal department
23 or agency involved to any other appropriate account within
24 the department or agency for that purpose. Funds set

1 aside under this section shall remain available for obliga-
2 tion until September 30, 2010.

3 **SEC. 1107. APPROPRIATIONS FOR INSPECTORS GENERAL.**

4 In addition to funds otherwise made available in this
5 Act, there are hereby appropriated the following sums to
6 the specified Offices of Inspector General, to remain avail-
7 able until September 30, 2010, for oversight and audit of
8 programs, grants, and projects funded under this Act:

9 (1) “Department of Education—Departmental
10 Management—Office of the Inspector General”,
11 \$14,000,000.

12 (2) “Department of Energy—Office of Inspec-
13 tor General”, \$15,000,000.

14 (3) “Department of Labor—Departmental
15 Management—Office of Inspector General”,
16 \$6,000,000.

17 (4) “Department of Transportation—Office of
18 Inspector General”, \$20,000,000.

19 **SEC. 1108. APPROPRIATION FOR GOVERNMENT ACCOUNT-**
20 **ABILITY OFFICE.**

21 There is hereby appropriated as an additional amount
22 for “Government Accountability Office—Salaries and Ex-
23 penses” \$25,000,000, for oversight activities relating to
24 this Act.

1 **SEC. 1109. PROHIBITED USES.**

2 None of the funds appropriated or otherwise made
3 available in this Act may be used for any casino or other
4 gambling establishment, aquarium, zoo, or swimming pool.

5 **SEC. 1110. USE OF AMERICAN IRON AND STEEL.**

6 (a) IN GENERAL.—None of the funds appropriated
7 or otherwise made available by this Act may be used for
8 a project for the construction, alteration, maintenance, or
9 repair of a public building or public work unless all of the
10 iron and steel used in the project is produced in the United
11 States.

12 (b) EXCEPTIONS.—Subsection (a) shall not apply in
13 any case in which the head of the Federal department or
14 agency involved finds that—

15 (1) applying subsection (a) would be incon-
16 sistent with the public interest;

17 (2) iron and steel are not produced in the
18 United States in sufficient and reasonably available
19 quantities and of a satisfactory quality; or

20 (3) inclusion of iron and steel produced in the
21 United States will increase the cost of the overall
22 project by more than 20 percent.

23 (c) WRITTEN JUSTIFICATION FOR WAIVER.—If the
24 head of a Federal department or agency determines that
25 it is necessary to waive the application of subsection (a)
26 based on a finding under subsection (b), the head of the

1 department or agency shall publish in the Federal Register
2 a detailed written justification as to why the provision is
3 being waived.

4 (d) DEFINITIONS.—In this section, the terms “public
5 building” and “public work” have the meanings given such
6 terms in section 1 of the Buy American Act (41 U.S.C.
7 10c) and include airports, bridges, canals, dams, dikes,
8 pipelines, railroads, multiline mass transit systems, roads,
9 tunnels, harbors, and piers.

10 **SEC. 1111. WAGE RATE REQUIREMENTS.**

11 Notwithstanding any other provision of law and in
12 a manner consistent with other provisions in this Act, all
13 laborers and mechanics employed by contractors and sub-
14 contractors on projects funded directly by or assisted in
15 whole or in part by and through the Federal Government
16 pursuant to this Act shall be paid wages at rates not less
17 than those prevailing on projects of a character similar
18 in the locality as determined by the Secretary of Labor
19 in accordance with subchapter IV of chapter 31 of title
20 40, United States Code. With respect to the labor stand-
21 ards specified in this section, the Secretary of Labor shall
22 have the authority and functions set forth in Reorganiza-
23 tion Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C.
24 App.) and section 3145 of title 40, United States Code.

1 **SEC. 1112. PERSISTENT POVERTY COUNTIES.**

2 (a) ALLOCATION REQUIREMENT.—Of the amount ap-
3 propriated in this Act for “Department of Agriculture—
4 Rural Development Programs—Rural Community Ad-
5 vancement Program”, at least 10 percent shall be allo-
6 cated for assistance in persistent poverty counties.

7 (b) DEFINITION.—For purposes of this section, the
8 term “persistent poverty counties” means any county that
9 has had 20 percent or more of its population living in pov-
10 erty over the past 30 years, as measured by the 1980,
11 1990, and 2000 decennial censuses.

12 **SEC. 1113. REQUIRED PARTICIPATION IN E-VERIFY PRO-**
13 **GRAM.**

14 None of the funds made available in this Act may
15 be used to enter into a contract with an entity that does
16 not participate in the E-verify program described in sec-
17 tion 401(b) of the Illegal Immigration Reform and Immi-
18 grant Responsibility Act of 1996 (8 U.S.C. 1324a note).

19 **Subtitle B—Accountability in**
20 **Recovery Act Spending**

21 **PART 1—TRANSPARENCY AND OVERSIGHT**
22 **REQUIREMENTS**

23 **SEC. 1201. TRANSPARENCY REQUIREMENTS.**

24 (a) REQUIREMENTS FOR FEDERAL AGENCIES.—
25 Each Federal agency shall publish on the website Recov-

1 ery.gov (as established under section 1226 of this sub-
2 title)—

3 (1) a plan for using funds made available in
4 this Act to the agency; and

5 (2) all announcements for grant competitions,
6 allocations of formula grants, and awards of com-
7 petitive grants using those funds.

8 (b) REQUIREMENTS FOR FEDERAL, STATE, AND
9 LOCAL GOVERNMENT AGENCIES.—

10 (1) INFRASTRUCTURE INVESTMENT FUND-
11 ING.—With respect to funds made available under
12 this Act for infrastructure investments to Federal,
13 State, or local government agencies, the following re-
14 quirements apply:

15 (A) Each such agency shall notify the pub-
16 lic of funds obligated to particular infrastruc-
17 ture investments by posting the notification on
18 the website Recovery.gov.

19 (B) The notification required by subpara-
20 graph (A) shall include the following:

21 (i) A description of the infrastructure
22 investment funded.

23 (ii) The purpose of the infrastructure
24 investment.

1 (iii) The total cost of the infrastruc-
2 ture investment.

3 (iv) The rationale of the agency for
4 funding the infrastructure investment with
5 funds made available under this Act.

6 (v) The name of the person to contact
7 at the agency if there are concerns with
8 the infrastructure investment and, with re-
9 spect to Federal agencies, an email address
10 for the Federal official in the agency whom
11 the public can contact.

12 (vi) In the case of State or local agen-
13 cies, a certification from the Governor,
14 mayor, or other chief executive, as appro-
15 priate, that the infrastructure investment
16 has received the full review and vetting re-
17 quired by law and that the chief executive
18 accepts responsibility that the infrastruc-
19 ture investment is an appropriate use of
20 taxpayer dollars. A State or local agency
21 may not receive infrastructure investment
22 funding from funds made available in this
23 Act unless this certification is made.

24 (2) OPERATIONAL FUNDING.—With respect to
25 funds made available under this Act in the form of

1 grants for operational purposes to State or local gov-
2 ernment agencies or other organizations, the agency
3 or organization shall publish on the website Recov-
4 ery.gov a description of the intended use of the
5 funds, including the number of jobs sustained or cre-
6 ated.

7 (c) AVAILABILITY ON INTERNET OF CONTRACTS AND
8 GRANTS.—Each contract awarded or grant issued using
9 funds made available in this Act shall be posted on the
10 Internet and linked to the website Recovery.gov. Propri-
11 etary data that is required to be kept confidential under
12 applicable Federal or State law or regulation shall be re-
13 dacted before posting.

14 **SEC. 1202. INSPECTOR GENERAL REVIEWS.**

15 (a) REVIEWS.—Any inspector general of a Federal
16 department or executive agency shall review, as appro-
17 priate, any concerns raised by the public about specific
18 investments using funds made available in this Act. Any
19 findings of an inspector general resulting from such a re-
20 view shall be relayed immediately to the head of each de-
21 partment and agency. In addition, the findings of such re-
22 views, along with any audits conducted by any inspector
23 general of funds made available in this Act, shall be posted
24 on the Internet and linked to the website Recovery.gov.

1 (b) EXAMINATION OF RECORDS.—The Inspector
2 General of the agency concerned may examine any records
3 related to obligations of funds made available in this Act.

4 **SEC. 1203. GOVERNMENT ACCOUNTABILITY OFFICE RE-**
5 **VIEWS AND REPORTS.**

6 (a) REVIEWS AND REPORTS.—The Comptroller Gen-
7 eral of the United States shall conduct bimonthly reviews
8 and prepare reports on such reviews on the use by selected
9 States and localities of funds made available in this Act.
10 Such reports, along with any audits conducted by the
11 Comptroller General of such funds, shall be posted on the
12 Internet and linked to the website Recovery.gov.

13 (b) EXAMINATION OF RECORDS.—The Comptroller
14 General may examine any records related to obligations
15 of funds made available in this Act.

16 **SEC. 1204. COUNCIL OF ECONOMIC ADVISERS REPORTS.**

17 The Chairman of the Council of Economic Advisers,
18 in consultation with the Director of the Office of Manage-
19 ment and Budget and the Secretary of the Treasury, shall
20 submit quarterly reports to Congress detailing the esti-
21 mated impact of programs under this Act on employment,
22 economic growth, and other key economic indicators.

23 **SEC. 1205. SPECIAL CONTRACTING PROVISIONS.**

24 The Federal Acquisition Regulation shall apply to
25 contracts awarded with funds made available in this Act.

1 To the maximum extent possible, such contracts shall be
2 awarded as fixed-price contracts through the use of com-
3 petitive procedures. Existing contracts so awarded may be
4 utilized in order to obligate such funds expeditiously. Any
5 contract awarded with such funds that is not fixed-price
6 and not awarded using competitive procedures shall be
7 posted in a special section of the website Recovery.gov.

8 **PART 2—ACCOUNTABILITY AND TRANSPARENCY**
9 **BOARD**

10 **SEC. 1221. ESTABLISHMENT OF THE ACCOUNTABILITY AND**
11 **TRANSPARENCY BOARD.**

12 There is established a board to be known as the “Re-
13 covery Act Accountability and Transparency Board”
14 (hereafter in this subtitle referred to as the “Board”) to
15 coordinate and conduct oversight of Federal spending
16 under this Act to prevent waste, fraud, and abuse.

17 **SEC. 1222. COMPOSITION OF BOARD.**

18 (a) MEMBERSHIP.—The Board shall be composed of
19 seven members as follows:

20 (1) The Chief Performance Officer of the Presi-
21 dent, who shall chair the Board.

22 (2) Six members designated by the President
23 from the inspectors general and deputy secretaries
24 of the Departments of Education, Energy, Transpor-

1 tation, and other Federal departments and agencies
2 to which funds are made available in this Act.

3 (b) TERMS.—Each member of the Board shall serve
4 for a term to be determined by the President.

5 **SEC. 1223. FUNCTIONS OF THE BOARD.**

6 (a) OVERSIGHT.—The Board shall coordinate and
7 conduct oversight of spending under this Act to prevent
8 waste, fraud, and abuse. In addition to responsibilities set
9 forth in this subtitle, the responsibilities of the Board shall
10 include the following:

11 (1) Ensuring that the reporting of information
12 regarding contract and grants under this Act meets
13 applicable standards and specifies the purpose of the
14 contract or grant and measures of performance.

15 (2) Verifying that competition requirements ap-
16 plicable to contracts and grants under this Act and
17 other applicable Federal law have been satisfied.

18 (3) Investigating spending under this Act to de-
19 termine whether wasteful spending, poor contract or
20 grant management, or other abuses are occurring.

21 (4) Reviewing whether there are sufficient
22 qualified acquisition and grant personnel overseeing
23 spending under this Act.

24 (5) Reviewing whether acquisition and grant
25 personnel receive adequate training and whether

1 there are appropriate mechanisms for interagency
2 collaboration.

3 (b) REPORTS.—

4 (1) FLASH AND OTHER REPORTS.—The Board
5 shall submit to Congress reports, to be known as
6 “flash reports”, on potential management and fund-
7 ing problems that require immediate attention. The
8 Board also shall submit to Congress such other re-
9 ports as the Board considers appropriate on the use
10 and benefits of funds made available in this Act.

11 (2) QUARTERLY.—The Board shall submit to
12 the President and Congress quarterly reports sum-
13 marizing its findings and the findings of agency in-
14 spectors general and may issue additional reports as
15 appropriate.

16 (3) ANNUALLY.—On an annual basis, the
17 Board shall prepare a consolidated report on the use
18 of funds under this Act. All reports shall be publicly
19 available and shall be posted on the Internet website
20 Recovery.gov, except that portions of reports may be
21 redacted if the portions would disclose information
22 that is protected from public disclosure under sec-
23 tion 552 of title 5, United States Code (popularly
24 known as the Freedom of Information Act).

1 (c) RECOMMENDATIONS TO AGENCIES.—The Board
2 shall make recommendations to Federal agencies on meas-
3 ures to prevent waste, fraud, and abuse. A Federal agency
4 shall, within 30 days after receipt of any such rec-
5 ommendation, submit to the Board, the President, and the
6 congressional committees of jurisdiction a report on
7 whether the agency agrees or disagrees with the rec-
8 ommendations and what steps, if any, the agency plans
9 to take to implement the recommendations.

10 **SEC. 1224. POWERS OF THE BOARD.**

11 (a) COORDINATION OF AUDITS AND INVESTIGATIONS
12 BY AGENCY INSPECTORS GENERAL.—The Board shall co-
13 ordinate the audits and investigations of spending under
14 this Act by agency inspectors general.

15 (b) CONDUCT OF REVIEWS BY BOARD.—The Board
16 may conduct reviews of spending under this Act and may
17 collaborate on such reviews with any inspector general.

18 (c) MEETINGS.—The Board may, for the purpose of
19 carrying out its duties under this Act, hold public meet-
20 ings, sit and act at times and places, and receive informa-
21 tion as the Board considers appropriate. The Board shall
22 meet at least once a month.

23 (d) OBTAINING OFFICIAL DATA.—The Board may
24 secure directly from any department or agency of the
25 United States information necessary to enable it to carry

1 out its duties under this Act. Upon request of the Chair-
2 man of the Board, the head of that department or agency
3 shall furnish that information to the Board.

4 (e) **CONTRACTS.**—The Board may enter into con-
5 tracts to enable the Board to discharge its duties under
6 this Act.

7 **SEC. 1225. STAFFING.**

8 (a) **EXECUTIVE DIRECTOR.**—The Chairman of the
9 Board may appoint and fix the compensation of an execu-
10 tive director and other personnel as may be required to
11 carry out the functions of the Board. The Director shall
12 be paid at the rate of basic pay for level IV of the Execu-
13 tive Schedule.

14 (b) **STAFF OF FEDERAL AGENCIES.**—Upon request
15 of the Board, the head of any Federal department or agen-
16 cy may detail any Federal official or employee, including
17 officials and employees of offices of inspector general, to
18 the Board without reimbursement from the Board, and
19 such detailed staff shall retain the rights, status, and
20 privileges of his or her regular employment without inter-
21 ruption.

22 (c) **OFFICE SPACE.**—Office space shall be provided
23 to the Board within the Executive Office of the President.

1 **SEC. 1226. RECOVERY.GOV.**

2 (a) REQUIREMENT TO ESTABLISH WEBSITE.—The
3 Board shall establish and maintain a website on the Inter-
4 net to be named Recovery.gov, to foster greater account-
5 ability and transparency in the use of funds made avail-
6 able in this Act.

7 (b) PURPOSE.—Recovery.gov shall be a portal or
8 gateway to key information related to this Act and provide
9 a window to other Government websites with related infor-
10 mation.

11 (c) MATTERS COVERED.—In establishing the website
12 Recovery.gov, the Board shall ensure the following:

13 (1) The website shall provide materials explain-
14 ing what this Act means for citizens. The materials
15 shall be easy to understand and regularly updated.

16 (2) The website shall provide accountability in-
17 formation, including a database of findings from au-
18 dits, inspectors general, and the Government Ac-
19 countability Office.

20 (3) The website shall provide data on relevant
21 economic, financial, grant, and contract information
22 in user-friendly visual presentations to enhance pub-
23 lic awareness of the use funds made available in this
24 Act.

25 (4) The website shall provide detailed data on
26 contracts awarded by the Government for purposes

1 of carrying out this Act, including information about
2 the competitiveness of the contracting process, noti-
3 fication of solicitations for contracts to be awarded,
4 and information about the process that was used for
5 the award of contracts.

6 (5) The website shall include printable reports
7 on funds made available in this Act obligated by
8 month to each State and congressional district.

9 (6) The website shall provide a means for the
10 public to give feedback on the performance of con-
11 tracts awarded for purposes of carrying out this Act.

12 (7) The website shall be enhanced and updated
13 as necessary to carry out the purposes of this sub-
14 title.

15 **SEC. 1227. PRESERVATION OF THE INDEPENDENCE OF IN-**
16 **SPECTORS GENERAL.**

17 Inspectors general shall retain independent authority
18 to determine whether to conduct an audit or investigation
19 of spending under this Act. If the Board requests that
20 an inspector general conduct or refrain from conducting
21 an audit or investigation and the inspector general rejects
22 the request in whole or in part, the inspector general shall,
23 within 30 days after receipt of the request, submit to the
24 Board, the agency head, and the congressional committees

1 of jurisdiction a report explaining why the inspector gen-
2 eral has rejected the request in whole or in part.

3 **SEC. 1228. COORDINATION WITH THE COMPTROLLER GEN-**
4 **ERAL AND STATE AUDITORS.**

5 The Board shall coordinate its oversight activities
6 with the Comptroller General of the United States and
7 State auditor generals.

8 **SEC. 1229. INDEPENDENT ADVISORY PANEL.**

9 (a) ESTABLISHMENT.—There is established a panel
10 to be known as the “Independent Advisory Panel” to ad-
11 vise the Board.

12 (b) MEMBERSHIP.—The Panel shall be composed of
13 five members appointed by the President from among indi-
14 viduals with expertise in economics, public finance, con-
15 tracting, accounting, or other relevant fields.

16 (c) FUNCTIONS.—The Panel shall make rec-
17 ommendations to the Board on actions the Board could
18 take to prevent waste, fraud, and abuse in Federal spend-
19 ing under this Act.

20 (d) TRAVEL EXPENSES.—Each member of the Panel
21 shall receive travel expenses, including per diem in lieu
22 of subsistence, in accordance with applicable provisions
23 under subchapter I of chapter 57 of title 5, United States
24 Code.

1 **SEC. 1230. FUNDING.**

2 There is hereby appropriated to the Board
3 \$14,000,000 to carry out this subtitle.

4 **SEC. 1231. BOARD TERMINATION.**

5 The Board shall terminate 12 months after 90 per-
6 cent of the funds made available under this Act have been
7 expended, as determined by the Director of the Office of
8 Management and Budget.

9 **PART 3—ADDITIONAL ACCOUNTABILITY AND**
10 **TRANSPARENCY PROVISIONS**

11 **SEC. 1241. LIMITATION ON THE LENGTH OF CERTAIN NON-**
12 **COMPETITIVE CONTRACTS.**

13 No contract entered into using funds made available
14 in this Act pursuant to the authority provided in section
15 303(c)(2) of the Federal Property and Administrative
16 Services Act of 1949 (41 U.S.C. 253(c)(2)) that is for an
17 amount greater than the simplified acquisition threshold
18 (as defined in section 4(11) of the Office of Federal Pro-
19 curement Policy Act (41 U.S.C. (4)(11))—

20 (1) may exceed the time necessary—

21 (A) to meet the unusual and compelling re-
22 quirements of the work to be performed under
23 the contract; and

24 (B) for the executive agency to enter into
25 another contract for the required goods or serv-

1 ices through the use of competitive procedures;
2 and

3 (2) may exceed one year unless the head of the
4 executive agency entering into such contract deter-
5 mines that exceptional circumstances apply.

6 **SEC. 1242. ACCESS OF GOVERNMENT ACCOUNTABILITY OF-**
7 **FICE AND OFFICES OF INSPECTOR GENERAL**
8 **TO CERTAIN EMPLOYEES.**

9 (a) ACCESS.—Each contract awarded using funds
10 made available in this Act shall provide that the Comp-
11 troller General and his representatives, and any represent-
12 atives of an appropriate inspector general appointed under
13 section 3 or 8G of the Inspector General Act of 1978 (5
14 U.S.C. App.), are authorized—

15 (1) to examine any records of the contractor or
16 any of its subcontractors, or any State or local agen-
17 cy administering such contract, that directly pertain
18 to, and involve transactions relating to, the contract
19 or subcontract; and

20 (2) to interview any current employee regarding
21 such transactions.

22 (b) RELATIONSHIP TO EXISTING AUTHORITY.—
23 Nothing in this section shall be interpreted to limit or re-
24 strict in any way any existing authority of the Comptroller
25 General or an Inspector General.

1 **SEC. 1243. PROTECTING STATE AND LOCAL GOVERNMENT**
2 **AND CONTRACTOR WHISTLEBLOWERS.**

3 (a) PROHIBITION OF REPRISALS.—An employee of
4 any non-Federal employer receiving funds made available
5 in this Act may not be discharged, demoted, or otherwise
6 discriminated against as a reprisal for disclosing to the
7 Board, an inspector general, the Comptroller General, a
8 member of Congress, or a Federal agency head, or their
9 representatives, information that the employee reasonably
10 believes is evidence of—

11 (1) gross mismanagement of an executive agen-
12 cy contract or grant;

13 (2) a gross waste of executive agency funds;

14 (3) a substantial and specific danger to public
15 health or safety; or

16 (4) a violation of law related to an executive
17 agency contract (including the competition for or ne-
18 gotiation of a contract) or grant awarded or issued
19 to carry out this Act.

20 (b) INVESTIGATION OF COMPLAINTS.—

21 (1) A person who believes that the person has
22 been subjected to a reprisal prohibited by subsection
23 (a) may submit a complaint to the inspector general
24 of the executive agency that awarded the contract or
25 issued the grant. Unless the inspector general deter-
26 mines that the complaint is frivolous, the inspector

1 general shall investigate the complaint and, upon
2 completion of such investigation, submit a report of
3 the findings of the investigation to the person, the
4 person's employer, the head of the Federal agency
5 that awarded the contract or issued the grant, and
6 the Board.

7 (2)(A) Except as provided under subparagraph
8 (B), the inspector general shall make a determina-
9 tion that a complaint is frivolous or submit a report
10 under paragraph (1) within 180 days after receiving
11 the complaint.

12 (B) If the inspector general is unable to com-
13 plete an investigation in time to submit a report
14 within the 180-day period specified in subparagraph
15 (A) and the person submitting the complaint agrees
16 to an extension of time, the inspector general shall
17 submit a report under paragraph (1) within such ad-
18 ditional period of time as shall be agreed upon be-
19 tween the inspector general and the person submit-
20 ting the complaint.

21 (c) REMEDY AND ENFORCEMENT AUTHORITY.—

22 (1) Not later than 30 days after receiving an
23 inspector general report pursuant to subsection (b),
24 the head of the agency concerned shall determine
25 whether there is sufficient basis to conclude that the

1 non-Federal employer has subjected the complainant
2 to a reprisal prohibited by subsection (a) and shall
3 either issue an order denying relief or shall take one
4 or more of the following actions:

5 (A) Order the employer to take affirmative
6 action to abate the reprisal.

7 (B) Order the employer to reinstate the
8 person to the position that the person held be-
9 fore the reprisal, together with the compensa-
10 tion (including back pay), employment benefits,
11 and other terms and conditions of employment
12 that would apply to the person in that position
13 if the reprisal had not been taken.

14 (C) Order the employer to pay the com-
15 plainant an amount equal to the aggregate
16 amount of all costs and expenses (including at-
17 torneys' fees and expert witnesses' fees) that
18 were reasonably incurred by the complainant
19 for, or in connection with, bringing the com-
20 plaint regarding the reprisal, as determined by
21 the head of the agency.

22 (2) If the head of an executive agency issues an
23 order denying relief under paragraph (1) or has not
24 issued an order within 210 days after the submission
25 of a complaint under subsection (b), or in the case

1 of an extension of time under paragraph (b)(2)(B),
2 not later than 30 days after the expiration of the ex-
3 tension of time, and there is no showing that such
4 delay is due to the bad faith of the complainant, the
5 complainant shall be deemed to have exhausted all
6 administrative remedies with respect to the com-
7 plaint, and the complainant may bring a de novo ac-
8 tion at law or equity against the employer to seek
9 compensatory damages and other relief available
10 under this section in the appropriate district court
11 of the United States, which shall have jurisdiction
12 over such an action without regard to the amount in
13 controversy. Such an action shall, at the request of
14 either party to the action, be tried by the court with
15 a jury.

16 (3) An inspector general determination and an
17 agency head order denying relief under paragraph
18 (2) shall be admissible in evidence in any de novo
19 action at law or equity brought pursuant to this sub-
20 section.

21 (4) Whenever a person fails to comply with an
22 order issued under paragraph (1), the head of the
23 agency shall file an action for enforcement of such
24 order in the United States district court for a dis-
25 trict in which the reprisal was found to have oc-

1 curred. In any action brought under this paragraph,
2 the court may grant appropriate relief, including in-
3 junctive relief and compensatory and exemplary
4 damages.

5 (5) Any person adversely affected or aggrieved
6 by an order issued under paragraph (1) may obtain
7 review of the order's conformance with this sub-
8 section, and any regulations issued to carry out this
9 section, in the United States court of appeals for a
10 circuit in which the reprisal is alleged in the order
11 to have occurred. No petition seeking such review
12 may be filed more than 60 days after issuance of the
13 order by the head of the agency. Review shall con-
14 form to chapter 7 of title 5.

15 (d) CONSTRUCTION.—Nothing in this section may be
16 construed to authorize the discharge of, demotion of, or
17 discrimination against an employee for a disclosure other
18 than a disclosure protected by subsection (a) or to modify
19 or derogate from a right or remedy otherwise available to
20 the employee.

21 (e) DEFINITIONS.—

22 (1) NON-FEDERAL EMPLOYER RECEIVING
23 FUNDS UNDER THIS ACT.—The term “non-Federal
24 employer receiving funds made available in this Act”
25 means—

1 (A) with respect to a Federal contract
2 awarded or Federal grant issued to carry out
3 this Act, the contractor or grantee, as the case
4 may be, if the contractor or grantee is an em-
5 ployer; or

6 (B) a State or local government, if the
7 State or local government has received funds
8 made available in this Act.

9 (2) EXECUTIVE AGENCY.—The term “executive
10 agency” has the meaning given that term in section
11 4 of the Office of Federal Procurement Policy Act
12 (41 U.S.C. 403).

13 (3) STATE OR LOCAL GOVERNMENT.—The term
14 “State or local government” means—

15 (A) the government of each of the several
16 States, the District of Columbia, the Common-
17 wealth of Puerto Rico, Guam, American Samoa,
18 the Virgin Islands, the Northern Mariana Is-
19 lands, or any other territory or possession of
20 the United States; or

21 (B) the government of any political sub-
22 division of a government listed in subparagraph
23 (A).

1 **TITLE II—LABOR AND**
2 **EDUCATION**

3 **Subtitle A—Labor**

4 DEPARTMENT OF LABOR

5 EMPLOYMENT AND TRAINING ADMINISTRATION

6 TRAINING AND EMPLOYMENT SERVICES

7 For an additional amount for “Training and Employ-
8 ment Services” for activities under the Workforce Invest-
9 ment Act of 1998 (“WIA”), \$4,000,000,000, which shall
10 be available for obligation on the date of enactment of this
11 Act, as follows:

12 (1) \$850,000,000 for grants to the States for
13 adult employment and training activities;

14 (2) \$850,000,000 for grants to the States for
15 youth activities, including summer jobs for youth:

16 *Provided*, That the work readiness performance indi-
17 cator described in section 136(b)(2)(A)(ii)(I) of the
18 WIA shall be the only measure of performance used
19 to assess the effectiveness of summer jobs for youth
20 provided with such funds: *Provided further*, That
21 with respect to the youth activities provided with
22 such funds, section 101(13)(A) of the WIA shall be
23 applied by substituting “age 24” for “age 21”: *Pro-*
24 *vided further*, That no portion of the additional
25 funds provided herein shall be reserved to carry out

1 section 127(b)(1)(A) of the WIA: *Provided further*,
2 That for purposes of section 127(b)(1)(C)(iv) of the
3 WIA, such funds shall be allotted as if the total
4 amount of funding available for youth activities in
5 the fiscal year does not exceed \$850,000,000;

6 (3) \$1,000,000,000 for grants to the States for
7 dislocated worker employment and training activi-
8 ties;

9 (4) \$500,000,000 for the dislocated workers as-
10 sistance national reserve to remain available for
11 Federal obligation through June 30, 2010: *Provided*,
12 That such funds shall be made available for grants
13 only to eligible entities that serve areas of high un-
14 employment or high poverty and only for the pur-
15 poses described in subsection 173(a)(1) of the WIA:
16 *Provided further*, That the Secretary of Labor shall
17 ensure that applicants for such funds demonstrate
18 how income support, child care, and other supportive
19 services necessary for an individual's participation in
20 job training will be provided;

21 (5) \$50,000,000 for YouthBuild activities,
22 which shall remain available for Federal obligation
23 through June 30, 2010; and

24 (6) \$750,000,000 for a program of competitive
25 grants for worker training and placement in high

1 growth and emerging industry sectors: *Provided*,
2 That \$500,000,000 shall be for research, labor ex-
3 change and job training projects that prepare work-
4 ers for careers in the energy efficiency and renew-
5 able energy industries specified in section
6 171(e)(1)(B)(ii) of the WIA (as amended by the
7 Green Jobs Act of 2007):

8 *Provided*, That the additional funds provided to States
9 under this heading are not subject to section 191(a) of
10 the WIA: *Provided further*, That notwithstanding section
11 1106 of this Act, there shall be no amount set aside from
12 the appropriations made in subsections (1) through (3)
13 under this heading and the amount set aside for sub-
14 sections (4) through (6) shall be up to 1 percent instead
15 of the percentage specified in such section.

16 COMMUNITY SERVICE EMPLOYMENT FOR OLDER
17 AMERICANS

18 For an additional amount for “Community Service
19 Employment for Older Americans” to carry out title V of
20 the Older Americans Act of 1965, \$120,000,000, which
21 shall be available for obligation on the date of enactment
22 of this Act: *Provided*, That funds shall be allotted within
23 30 days of such enactment to current grantees in propor-
24 tion to their allotment in program year 2008.

DEPARTMENTAL MANAGEMENT

OFFICE OF JOB CORPS

1 For an additional amount for “Office of Job Corps”,
2 \$300,000,000, for construction, rehabilitation and acqui-
3 sition of Job Corps Centers, which shall be available upon
4 the date of enactment of this Act and remain available
5 for obligation through June 30, 2010: *Provided*, That sec-
6 tion 1552(a) of title 31, United States Code shall not
7 apply to up to 30 percent of such funds, if such funds
8 are used for a multi-year lease agreement that will result
9 in construction activities that can commence within 120
10 days of enactment of this Act: *Provided further*, That not-
11 withstanding section 3324(a) of title 31, United States
12 Code, the funds referred to in the preceding proviso may
13 be used for advance, progress, and other payments: *Pro-*
14 *vided further*, That the Secretary of Labor may transfer
15 up to 15 percent of such funds to meet the operational
16 needs of such centers: *Provided further*, That priority
17 should be given to activities that can commence promptly
18 following enactment and to those projects that will create
19 the greatest impact on Job Corps facilities: *Provided fur-*
20 *ther*, That the Secretary shall provide to the Committees
21 on Appropriations of the House of Representatives and the
22 Senate a report on the actual obligations, expenditures,
23 and unobligated balances for each activity funded under

1 this heading not later than September 30, 2009 and quar-
2 terly thereafter as long as funding provided under this
3 heading is available for obligation or expenditure.

4 **Subtitle B—Education**

5 DEPARTMENT OF EDUCATION

6 SCHOOL MODERNIZATION, RENOVATION, AND REPAIR

7 For carrying out school modernization, renovation,
8 and repair, not to exceed \$14,000,000,000.

9 HIGHER EDUCATION MODERNIZATION, RENOVATION,

10 AND REPAIR

11 For carrying out higher education modernization,
12 renovation, and repair, \$6,000,000,000.

13 **Subtitle C—General Provisions**

14 **SEC. 2301. CEILING ON TOTAL COST.**

15 Any funds appropriated in this title shall be available
16 for obligation or expenditure only to the extent that such
17 obligation or expenditure will not cause the total amount
18 of obligations or expenditures under this title to exceed
19 \$14,000,000,000.

1 **TITLE III—TRANSPORTATION**
2 **Subtitle A—Highways and Transit**

3 DEPARTMENT OF TRANSPORTATION

4 FEDERAL HIGHWAY ADMINISTRATION

5 HIGHWAY INFRASTRUCTURE INVESTMENT

6 For projects and activities eligible under section 133
7 of title 23, United States Code, section 144 of such title
8 (without regard to subsection (g)), and sections 103, 119,
9 134, 148, and 149 of such title, \$50,000,000,000, of
10 which \$99,000,000 shall be for Indian reservation roads
11 under section 204 of such title; \$250,000,000 shall be for
12 park roads and parkways under section 204 of such title;
13 \$20,000,000 shall be for highway surface transportation
14 and technology training under section 140(b) of such title;
15 and \$20,000,000 shall be for disadvantaged business en-
16 terprises bonding assistance under section 332(e) of title
17 49, United States Code: *Provided*, That the amount set
18 aside from this appropriation pursuant to section 1106 of
19 this Act shall not be more than 0.2 percent of the funds
20 made available under this heading instead of the percent-
21 age specified in such section: *Provided further*, That, after
22 making the set-asides authorized by the previous provisos,
23 the funds made available under this heading shall be dis-
24 tributed among the States.

1 FEDERAL TRANSIT ADMINISTRATION
2 TRANSIT CAPITAL ASSISTANCE

3 For transit capital assistance grants,
4 \$6,000,000,000, of which \$5,400,000,000 shall be for
5 grants under section 5307 of title 49, United States Code
6 and shall be apportioned in accordance with section 5336
7 of such title (other than subsections (i)(1) and (j)) but
8 may not be combined or commingled with any other funds
9 apportioned under such section 5336, and of which
10 \$600,000,000 shall be for grants under section 5311 of
11 such title and shall be apportioned in accordance with such
12 section 5311 but may not be combined or commingled with
13 any other funds apportioned under that section: *Provided*,
14 That of the funds provided for section 5311 under this
15 heading, 3 percent shall be made available for section
16 5311(c)(1): *Provided further*, That applicable chapter 53
17 requirements shall apply except that the Federal share of
18 the costs for which a grant is made under this heading
19 shall be, at the option of the recipient, up to 100 percent:
20 *Provided further*, In lieu of the requirements of section
21 1103 of this Act, funds made available under this heading
22 shall be apportioned not later than 7 days after the date
23 of enactment of this Act: *Provided further*, That for pur-
24 poses of applying section 1104 of this Act to this appro-
25 priation, the deadline for grantees to enter into obligations

1 to make use of not less than 80 percent of the funds
2 awarded shall be 180 days after apportionment: *Provided*
3 *further*, That the provisions of section 1101(b) of Public
4 Law 109–59 shall apply to funds made available under
5 this heading: *Provided further*, That notwithstanding any
6 other provision of law, of the funds apportioned in accord-
7 ance with section 5336, up to three-quarters of 1 percent
8 shall be available for administrative expenses and program
9 management oversight and of the funds apportioned in ac-
10 cordance with section 5311, up to one-half of 1 percent
11 shall be available for administrative expenses and program
12 management oversight and both amounts shall remain
13 available for obligation until September 30, 2011: *Pro-*
14 *vided further*, That the preceding proviso shall apply in
15 lieu of the provisions in section 1106 of this Act.

16 FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT

17 For an amount for capital expenditures authorized
18 under section 5309(b)(2) of title 49, United States Code,
19 \$2,000,000,000: *Provided*, That the Secretary of Trans-
20 portation shall apportion funds under this heading pursu-
21 ant to the formula set forth in section 5337 of title 49,
22 United States Code: *Provided further*, That the funds ap-
23 propriated under this heading shall not be commingled
24 with funds available under the Formula and Bus Grants
25 account: *Provided further*, In lieu of the requirements of

1 section 1103 of this Act, funds made available under this
2 heading shall be apportioned not later than 7 days after
3 the date of enactment of this Act: *Provided further*, That
4 for purposes of applying section 1104 of this Act to this
5 appropriation, the deadline for grantees to enter into obli-
6 gations to make use of not less than 80 percent of the
7 funds awarded shall be 180 days after apportionment:
8 *Provided further*, That applicable chapter 53 requirements
9 shall apply except that the Federal share of the costs for
10 which a grant is made under this heading shall be, at the
11 option of the recipient, up to 100 percent: *Provided fur-*
12 *ther*, That the provisions of section 1101(b) of Public Law
13 109–59 shall apply to funds made available under this
14 heading: *Provided further*, That notwithstanding any other
15 provision of law, up to 1 percent of the funds under this
16 heading shall be available for administrative expenses and
17 program management oversight and shall remain available
18 for obligation until September 30, 2012: *Provided further*,
19 That the preceding proviso shall apply in lieu of the provi-
20 sions in section 1106 of this Act.

21 CAPITAL INVESTMENT GRANTS

22 For an additional amount for “Capital Investment
23 Grants”, as authorized under section 5338(c)(4) of title
24 49, United States Code, and allocated under section
25 5309(m)(2)(A) of such title, to enable the Secretary of

1 Transportation to make discretionary grants as authorized
2 by section 5309(d) and (e) of such title, \$1,000,000,000:
3 *Provided*, That such amount shall be allocated without re-
4 gard to the limitation under section 5309(m)(2)(A)(i):
5 *Provided further*, That in selecting projects to be funded,
6 priority shall be given to projects that are currently in con-
7 struction or are able to award contracts based on bids
8 within 120 days of enactment of this Act: *Provided further*,
9 That for purposes of applying section 1104 of this Act
10 to this appropriation, the deadline for grantees to enter
11 into contracts or other binding commitments to make use
12 of not less than 80 percent of the funds awarded shall
13 be 120 days after award: *Provided further*, That the provi-
14 sions of section 1101(b) of Public Law 109–59 shall apply
15 to funds made available under this heading: *Provided fur-*
16 *ther*, That applicable chapter 53 requirements shall apply,
17 except that notwithstanding any other provision of law,
18 up to 1 percent of the funds under this heading shall be
19 available for administrative expenses and program man-
20 agement oversight and shall remain available for obliga-
21 tion until September 30, 2012: *Provided further*, That the
22 preceding proviso shall apply in lieu of the provisions in
23 section 1106 of this Act.

1 **Subtitle B—General Provisions**

2 **SEC. 3201. CEILING ON TOTAL COST.**

3 Any funds appropriated in this title shall be available
4 for obligation or expenditure only to the extent that such
5 obligation or expenditure will not cause the total amount
6 of obligations or expenditures under this title to exceed
7 \$50,000,000,000.

8 **DIVISION B—TAX PROVISIONS**

9 **SEC. 1000. SHORT TITLE, ETC.**

10 (a) **SHORT TITLE.**—This division may be cited as the
11 “American Recovery and Reinvestment Tax Act of 2009”.

12 (b) **REFERENCE.**—Except as otherwise expressly pro-
13 vided, whenever in this division an amendment or repeal
14 is expressed in terms of an amendment to, or repeal of,
15 a section or other provision, the reference shall be consid-
16 ered to be made to a section or other provision of the In-
17 ternal Revenue Code of 1986.

18 (c) **TABLE OF CONTENTS.**—The table of contents for
19 this division is as follows:

Sec. 1000. Short title, etc.

TITLE I—ADDITIONAL TAX RELIEF FOR FAMILIES WITH
CHILDREN

Sec. 1001. Increase in earned income tax credit.

Sec. 1002. Increase of refundable portion of child credit.

TITLE II—TAX INCENTIVES FOR BUSINESS

Subtitle A—Temporary Investment Incentives

Sec. 2100. Special allowance for certain property acquired during 2009.

Sec. 2101. Extension of increase in limitation on expensing of certain depre-
ciable business assets.

Subtitle B—Incentives for New Jobs

Sec. 2201. Incentives to hire unemployed veterans and disconnected youth.

Subtitle C—Repeal of Withholding Tax on Government Contractors

Sec. 2301. Repeal of withholding tax on Government contractors.

TITLE III—GENERAL PROVISIONS

Sec. 3001. Ceiling on total cost.

1 **TITLE I—ADDITIONAL TAX RE-**
 2 **LIEF FOR FAMILIES WITH**
 3 **CHILDREN**

4 **SEC. 1001. INCREASE IN EARNED INCOME TAX CREDIT.**

5 (a) IN GENERAL.—Subsection (b) of section 32 is
 6 amended by adding at the end the following new para-
 7 graph:

8 “(3) SPECIAL RULES FOR 2009 AND 2010.—In
 9 the case of any taxable year beginning in 2009 or
 10 2010—

11 “(A) INCREASED CREDIT PERCENTAGE
 12 FOR 3 OR MORE QUALIFYING CHILDREN.—In
 13 the case of a taxpayer with 3 or more qualifying
 14 children, the credit percentage is 45 percent.

15 “(B) REDUCTION OF MARRIAGE PEN-
 16 ALTY.—

17 “(i) IN GENERAL.—The dollar amount
 18 in effect under paragraph (2)(B) shall be
 19 \$5,000.

20 “(ii) INFLATION ADJUSTMENT.—In
 21 the case of any taxable year beginning in

1 2010, the \$5,000 amount in clause (i)
2 shall be increased by an amount equal to—

3 “(I) such dollar amount, multi-
4 plied by

5 “(II) the cost of living adjust-
6 ment determined under section 1(f)(3)
7 for the calendar year in which the tax-
8 able year begins determined by sub-
9 stituting ‘calendar year 2008’ for ‘cal-
10 endar year 1992’ in subparagraph (B)
11 thereof.

12 “(iii) ROUNDING.—Subparagraph (A)
13 of subsection (j)(2) shall apply after taking
14 into account any increase under clause
15 (ii).”.

16 (b) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2008.

19 **SEC. 1002. INCREASE OF REFUNDABLE PORTION OF CHILD**
20 **CREDIT.**

21 (a) IN GENERAL.—Paragraph (4) of section 24(d) is
22 amended to read as follows:

23 “(4) SPECIAL RULE FOR 2009 AND 2010.—Not-
24 withstanding paragraph (3), in the case of any tax-
25 able year beginning in 2009 or 2010, the dollar

1 amount in effect for such taxable year under para-
2 graph (1)(B)(i) shall be zero.”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2008.

6 **TITLE II—TAX INCENTIVES FOR**
7 **BUSINESS**

8 **Subtitle A—Temporary Investment**
9 **Incentives**

10 **SEC. 2100. SPECIAL ALLOWANCE FOR CERTAIN PROPERTY**
11 **ACQUIRED DURING 2009.**

12 (a) IN GENERAL.—Subsection (k) of section 168 is
13 amended—

14 (1) by striking “January 1, 2009” each place
15 it appears in paragraphs (1), (2), and (3) and in-
16 serting “January 1, 2010”, and

17 (2) by striking “January 1, 2010” in paragraph
18 (2)(A)(iv) and inserting “January 1, 2011”.

19 (b) CONFORMING AMENDMENTS.—

20 (1) Section 168(k)(4)(D) is amended by redesi-
21 gnating clauses (i) and (ii) as clauses (iii) and (iv)
22 and by inserting before clause (iii) (as so redesign-
23 nated) the following new clauses:

1 “(i) ‘January 1, 2009’ shall be sub-
2 stituted for ‘January 1, 2010’ each place it
3 appears,

4 “(ii) ‘January 1, 2010’ shall be sub-
5 stituted for ‘January 1, 2011’ in para-
6 graph (2)(A)(iv),”.

7 (2) Section 168(l)(5) is amended by striking
8 “January 1, 2009” and inserting “January 1,
9 2010”.

10 (3) Section 1400L(b)(2)(D) is amended by
11 striking “January 1, 2010” and inserting “January
12 1, 2011”.

13 (4) Section 1400N(d)(3) is amended by striking
14 “January 1, 2009” and inserting “January 1,
15 2010”.

16 (5) The heading for subsection (k) of section
17 168 is amended by striking “JANUARY 1, 2009” and
18 inserting “JANUARY 1, 2010”.

19 (6) The heading for clause (ii) of section
20 168(k)(2)(B) is amended by striking “PRE-JANUARY
21 1, 2009” and inserting “PRE-JANUARY 1, 2010”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to property placed in service after
24 December 31, 2008, in taxable years ending after such
25 date.

1 **SEC. 2101. EXTENSION OF INCREASE IN LIMITATION ON EX-**
2 **PENSING OF CERTAIN DEPRECIABLE BUSI-**
3 **NESS ASSETS.**

4 (a) IN GENERAL.—Paragraph (7) of section 179(b)
5 is amended by inserting “or 2009” after “2008” in the
6 text and heading thereof.

7 (b) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2008.

10 **Subtitle B—Incentives for New**
11 **Jobs**

12 **SEC. 2201. INCENTIVES TO HIRE UNEMPLOYED VETERANS**
13 **AND DISCONNECTED YOUTH.**

14 (a) IN GENERAL.—Subsection (d) of section 51 is
15 amended by adding at the end the following new para-
16 graph:

17 “(14) CREDIT ALLOWED FOR UNEMPLOYED
18 VETERANS AND DISCONNECTED YOUTH HIRED IN
19 2009 OR 2010.—

20 “(A) IN GENERAL.—Any unemployed vet-
21 eran or disconnected youth who begins work for
22 the employer during 2009 or 2010 shall be
23 treated as a member of a targeted group for
24 purposes of this subpart.

25 “(B) DEFINITIONS.—For purposes of this
26 paragraph—

1 “(i) UNEMPLOYED VETERAN.—The
2 term ‘unemployed veteran’ means any vet-
3 eran (as defined in paragraph (3)(B), de-
4 termined without regard to clause (ii)
5 thereof) who is certified by the designated
6 local agency as—

7 “(I) having been discharged or
8 released from active duty in the
9 Armed Forces during 2008, 2009, or
10 2010, and

11 “(II) being in receipt of unem-
12 ployment compensation under State or
13 Federal law for not less than 4 weeks
14 during the 1-year period ending on
15 the hiring date.

16 “(ii) DISCONNECTED YOUTH.—The
17 term ‘disconnected youth’ means any indi-
18 vidual who is certified by the designated
19 local agency—

20 “(I) as having attained age 16
21 but not age 25 on the hiring date,

22 “(II) as not regularly attending
23 any secondary, technical, or post-sec-
24 ondary school during the 6-month pe-
25 riod preceding the hiring date,

1 “(III) as not regularly employed
2 during such 6-month period, and

3 “(IV) as not readily employable
4 by reason of lacking a sufficient num-
5 ber of basic skills.”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to individuals who begin work for
8 the employer after December 31, 2008.

9 **Subtitle C—Repeal of Withholding**
10 **Tax on Government Contractors**

11 **SEC. 2301. REPEAL OF WITHHOLDING TAX ON GOVERN-**
12 **MENT CONTRACTORS.**

13 Section 3402 is amended by striking subsection (t).

14 **TITLE III—GENERAL**
15 **PROVISIONS**

16 **SEC. 3001. CEILING ON TOTAL COST.**

17 The Secretary of the Treasury shall adjust the tax
18 benefits provided pursuant to this division so that the ag-
19 gregate amount of such benefits does not exceed
20 \$100,000,000,000.

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