

116TH CONGRESS  
1ST SESSION

# S. 1535

To facilitate efficient investments and financing of infrastructure projects and new, long-term job creation through the establishment of an Infrastructure Financing Authority, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MAY 16, 2019

Mr. WARNER (for himself, Mr. BLUNT, Mr. COONS, Mr. GRAHAM, Ms. KLOBUCHAR, Mr. CORNYN, Mr. BLUMENTHAL, and Mr. BRAUN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To facilitate efficient investments and financing of infrastructure projects and new, long-term job creation through the establishment of an Infrastructure Financing Authority, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Reinventing Economic Partnerships And Infrastructure  
6 Redevelopment Act” or the “REPAIR Act”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Purpose.
- Sec. 3. Definitions.

#### TITLE I—INFRASTRUCTURE FINANCING AUTHORITY

- Sec. 101. Establishment and general authority of IFA.
- Sec. 102. Voting members of the Board of Directors.
- Sec. 103. Chief Executive Officer.
- Sec. 104. Powers and duties of the Board of Directors.
- Sec. 105. Senior management.
- Sec. 106. Office of Technical and Rural Assistance.
- Sec. 107. Special Inspector General for IFA.
- Sec. 108. Other personnel.
- Sec. 109. Compliance.

#### TITLE II—TERMS AND LIMITATIONS ON DIRECT LOANS AND LOAN GUARANTEES

- Sec. 201. Eligibility criteria for assistance from IFA and terms and limitations of loans.
- Sec. 202. Loan terms and repayment.
- Sec. 203. Project Delivery Task Force.
- Sec. 204. Compliance and enforcement.
- Sec. 205. Audits; reports to the President and Congress.
- Sec. 206. Effect on other laws.

#### TITLE III—FUNDING OF IFA

- Sec. 301. Fees.
- Sec. 302. Self-sufficiency of IFA.
- Sec. 303. Funding.
- Sec. 304. Contract authority.
- Sec. 305. Limitation on authority.

#### TITLE IV—TAX EXEMPTION REQUIREMENTS FOR STATE AND LOCAL BONDS

- Sec. 401. National limitation on amount of tax-exempt financing for facilities.

#### TITLE V—BUDGETARY EFFECTS

- Sec. 501. Budgetary effects.

### 3 **SEC. 2. PURPOSE.**

4 The purpose of this Act is to facilitate investment in,  
 5 and the long-term financing of, economically viable eligible  
 6 infrastructure projects of regional or national significance

1 that are in the public interest in a manner that com-  
2 plements existing Federal, State, local, and private fund-  
3 ing sources for these projects and introduces a merit-based  
4 system for financing those projects, in order to mobilize  
5 significant private sector investment, create long-term  
6 jobs, and ensure United States competitiveness through  
7 a self-sustaining institution that limits the need for ongo-  
8 ing Federal funding.

9 **SEC. 3. DEFINITIONS.**

10 In this Act:

11 (1) **BLIND TRUST.**—The term “blind trust”  
12 means a trust in which the beneficiary has no knowl-  
13 edge of the specific holdings and no rights over how  
14 those holdings are managed by the fiduciary of the  
15 trust prior to the dissolution of the trust.

16 (2) **BOARD OF DIRECTORS.**—The term “Board  
17 of Directors” means the Board of Directors of IFA.

18 (3) **CHAIRPERSON.**—The term “Chairperson”  
19 means the Chairperson of the Board of Directors of  
20 IFA.

21 (4) **CHIEF EXECUTIVE OFFICER.**—The term  
22 “Chief Executive Officer” means the chief executive  
23 officer of IFA, appointed under section 103.

1           (5) COST.—The term “cost” has the meaning  
2 given the term in section 502 of the Federal Credit  
3 Reform Act of 1990 (2 U.S.C. 661a).

4           (6) DIRECT LOAN.—The term “direct loan” has  
5 the meaning given the term in section 502 of the  
6 Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

7           (7) ELIGIBLE ENTITY.—The term “eligible enti-  
8 ty” means—

9                   (A) an individual;

10                   (B) a corporation;

11                   (C) a partnership, including a public-pri-  
12 vate partnership;

13                   (D) a joint venture;

14                   (E) a trust;

15                   (F) a State or any other governmental en-  
16 tity, including a political subdivision or any  
17 other instrumentality of a State; or

18                   (G) a revolving fund.

19           (8) ELIGIBLE INFRASTRUCTURE PROJECT.—

20                   (A) IN GENERAL.—The term “eligible in-  
21 frastructure project” means the construction,  
22 consolidation, alteration, or repair of the fol-  
23 lowing sectors:

24                           (i) Intercity passenger or freight rail  
25 lines, intercity passenger rail facilities or

1 equipment, and intercity freight rail facili-  
2 ties or equipment.

3 (ii) Intercity passenger bus facilities  
4 or equipment.

5 (iii) Public transportation facilities or  
6 equipment.

7 (iv) Highway facilities, including  
8 bridges and tunnels.

9 (v) Airports and air traffic control  
10 systems.

11 (vi) Port or marine terminal facilities,  
12 including approaches to marine terminal  
13 facilities or inland port facilities, and port  
14 or marine equipment, including fixed  
15 equipment to serve approaches to marine  
16 terminals or inland ports.

17 (vii) Transmission or distribution  
18 pipelines.

19 (viii) Inland waterways.

20 (ix) Intermodal facilities or equipment  
21 related to 2 or more of the sectors de-  
22 scribed in clauses (i) through (viii).

23 (x) Water treatment and solid waste  
24 disposal facilities.

1 (xi) Storm water management sys-  
2 tems.

3 (xii) Dams and levees.

4 (xiii) Facilities or equipment for en-  
5 ergy transmission, distribution or storage.

6 (B) AUTHORITY OF THE BOARD OF DIREC-  
7 TORS TO MODIFY SECTORS.—The Board of Di-  
8 rectors may make modifications, at the discre-  
9 tion of the Board, to any of the sectors de-  
10 scribed in subparagraph (A) by a vote of not  
11 fewer than 5 of the voting members of the  
12 Board of Directors.

13 (9) IFA.—The term “IFA” means the Infra-  
14 structure Financing Authority established under sec-  
15 tion 101.

16 (10) INVESTMENT-GRADE RATING.—The term  
17 “investment-grade rating” means a rating of BBB  
18 minus, Baa3, or higher assigned to an eligible infra-  
19 structure project by a ratings agency.

20 (11) LOAN GUARANTEE.—The term “loan guar-  
21 antee” has the meaning given the term in section  
22 502 of the Federal Credit Reform Act of 1990 (2  
23 U.S.C. 661a).

1           (12) OTRA.—The term “OTRA” means the  
2 Office of Technical and Rural Assistance created  
3 pursuant to section 106.

4           (13) PUBLIC-PRIVATE PARTNERSHIP.—The  
5 term “public-private partnership” means any eligible  
6 entity—

7           (A)(i) that is undertaking the development  
8 of all or part of an eligible infrastructure  
9 project that will have a measurable public ben-  
10 efit, pursuant to requirements established in 1  
11 or more contracts between the entity and a  
12 State or an instrumentality of a State; or

13           (ii) the activities of which, with respect to  
14 such an eligible infrastructure project, are sub-  
15 ject to regulation by a State or any instrumen-  
16 tality of a State;

17           (B) that owns, leases, or operates or will  
18 own, lease, or operate, the project in whole or  
19 in part; and

20           (C) the participants in which include not  
21 fewer than 1 nongovernmental entity with sig-  
22 nificant investment and some control over the  
23 project or entity sponsoring the project vehicle.

24           (14) RATING AGENCY.—The term “rating agen-  
25 cy” means a credit rating agency registered with the

1 Securities and Exchange Commission as a nationally  
2 recognized statistical rating organization (as defined  
3 in section 3(a) of the Securities Exchange Act of  
4 1934 (15 U.S.C. 78c(a))).

5 (15) REGIONAL INFRASTRUCTURE ACCEL-  
6 ERATOR.—The term “regional infrastructure accel-  
7 erator” means an organization created by public sec-  
8 tor agencies through a multijurisdictional or  
9 multistate agreement to provide technical assistance  
10 to local jurisdictions that will facilitate the imple-  
11 mentation of innovative financing and procurement  
12 models to public infrastructure projects.

13 (16) RURAL INFRASTRUCTURE PROJECT.—The  
14 term “rural infrastructure project”—

15 (A) has the same meaning given the term  
16 in section 601(15) of title 23, United States  
17 Code; and

18 (B) includes any eligible infrastructure  
19 project sector described in clauses (i) through  
20 (xvii) of paragraph (8)(A) located in any area  
21 other than a city with a population of more  
22 than 250,000 inhabitants within the city limits.

23 (17) SECRETARY.—The term “Secretary”  
24 means the Secretary of the Treasury or the designee  
25 of the Secretary of the Treasury.



1           (18) SENIOR MANAGEMENT.—The term “senior  
2 management” means the chief financial officer, chief  
3 risk officer, chief compliance officer, general counsel,  
4 chief lending officer, and chief operations officer of  
5 IFA, and such other officers as the Board of Direc-  
6 tors may, by majority vote, add to senior manage-  
7 ment.

8           (19) STATE.—The term “State” means—

9                   (A) each of the several States of the  
10 United States; and

11                   (B) the District of Columbia.

12           (20) TASK FORCE.—The term “Task Force”  
13 means the Project Delivery Task Force established  
14 under section 203.

15           **TITLE I—INFRASTRUCTURE**  
16           **FINANCING AUTHORITY**

17           **SEC. 101. ESTABLISHMENT AND GENERAL AUTHORITY OF**  
18           **IFA.**

19           (a) ESTABLISHMENT OF IFA.—The Infrastructure  
20 Financing Authority is established as a wholly owned Gov-  
21 ernment corporation.

22           (b) GENERAL AUTHORITY OF IFA.—IFA shall—

23                   (1) provide direct loans and loan guarantees to  
24 facilitate eligible infrastructure projects that are eco-

1       nominally viable, in the public interest, and of re-  
2       gional or national significance; and

3               (2) carry out any other activities and duties au-  
4       thorized under this Act.

5       (c) INCORPORATION.—

6               (1) IN GENERAL.—The Board of Directors first  
7       appointed shall be deemed the incorporator of IFA,  
8       and the incorporation shall be held to have been ef-  
9       fected from the date of the first meeting of the  
10      Board of Directors.

11              (2) CORPORATE OFFICE.—IFA shall—

12                      (A) maintain an office in Washington, DC;

13                      and

14                      (B) for purposes of venue in civil actions,

15                      be considered to be a resident of Washington,

16                      DC.

17       (d) RESPONSIBILITY OF THE SECRETARY.—The Sec-  
18      retary shall take such action as may be necessary to assist  
19      in implementing IFA and in carrying out the purpose of  
20      this Act.

21       (e) RULE OF CONSTRUCTION.—Chapter 91 of title  
22      31, United States Code, does not apply to IFA, unless oth-  
23      erwise specifically provided in this Act.

1 **SEC. 102. VOTING MEMBERS OF THE BOARD OF DIREC-**  
2 **TORS.**

3 (a) VOTING MEMBERSHIP OF THE BOARD OF DIREC-  
4 TORS.—

5 (1) IN GENERAL.—IFA shall have a Board of  
6 Directors consisting of 7 voting members appointed  
7 by the President, by and with the advice and consent  
8 of the Senate, not more than 4 of whom shall be  
9 from the same political party.

10 (2) CHAIRPERSON.—One of the voting members  
11 of the Board of Directors shall be designated by the  
12 President, by and with the advice and consent of the  
13 Senate, to serve as Chairperson of the Board of Di-  
14 rectors.

15 (3) CONGRESSIONAL RECOMMENDATIONS.—Not  
16 later than 30 days after the date of enactment of  
17 this Act, the majority leader of the Senate, the mi-  
18 nority leader of the Senate, the Speaker of the  
19 House of Representatives, and the minority leader of  
20 the House of Representatives shall each submit a  
21 recommendation to the President for appointment of  
22 a member of the Board of Directors, after consulta-  
23 tion with the appropriate committees of Congress.

24 (4) SPECIAL CONSIDERATION OF RURAL INTER-  
25 ESTS AND GEOGRAPHIC DIVERSITY.—In making an  
26 appointment under this subsection, the President

1 shall give consideration to the geographic areas of  
2 the United States in which the members of the  
3 Board of Directors live and work, particularly to en-  
4 sure that the infrastructure priorities and concerns  
5 of each region of the country, including rural areas  
6 and small communities, are represented on the  
7 Board of Directors.

8 (b) VOTING RIGHTS.—Each voting member of the  
9 Board of Directors shall have an equal vote in all decisions  
10 of the Board of Directors.

11 (c) QUALIFICATIONS OF VOTING MEMBERS.—Each  
12 voting member of the Board of Directors shall—

13 (1) be a citizen of the United States; and

14 (2) have significant demonstrated expertise in—

15 (A) the management and administration of  
16 a financial institution relevant to the operation  
17 of IFA; or

18 (B) the financing, development, or oper-  
19 ation of infrastructure projects, including in the  
20 evaluation and selection of eligible infrastruc-  
21 ture projects based on the purposes, goals, and  
22 objectives of this Act.

23 (d) TERMS.—

1           (1) IN GENERAL.—Except as otherwise pro-  
2           vided in this Act, each voting member of the Board  
3           of Directors shall be appointed for a term of 5 years.

4           (2) INITIAL STAGGERED TERMS.—Of the voting  
5           members first appointed to the Board of Directors—

6                   (A) the initial Chairperson and 3 of the  
7                   other voting members shall each be appointed  
8                   for a term of 5 years; and

9                   (B) the remaining 3 voting members shall  
10                  each be appointed for a term of 2 years.

11           (3) DATE OF INITIAL NOMINATIONS.—The ini-  
12           tial nominations for the appointment of all voting  
13           members of the Board of Directors shall be made  
14           not later than 60 days after the date of enactment  
15           of this Act.

16           (4) BEGINNING OF TERM.—The term of each of  
17           the initial voting members appointed under this sec-  
18           tion shall commence immediately upon the date of  
19           appointment, except that, for purposes of calculating  
20           the term limits specified in this subsection, the ini-  
21           tial terms shall each be construed as beginning on  
22           January 22 of the year following the date of the ini-  
23           tial appointment.

24           (5) VACANCIES.—

1 (A) IN GENERAL.—A vacancy in the posi-  
2 tion of a voting member of the Board of Direc-  
3 tors shall be filled by the President, by and  
4 with the advice and consent of the Senate.

5 (B) TERM.—A member appointed to fill a  
6 vacancy on the Board of Directors occurring be-  
7 fore the expiration of the term for which the  
8 predecessor was appointed shall be appointed  
9 only for the remainder of that term.

10 (e) MEETINGS.—

11 (1) OPEN TO THE PUBLIC; NOTICE.—Except as  
12 provided in paragraph (3), all meetings of the Board  
13 of Directors shall be—

14 (A) open to the public; and

15 (B) preceded by reasonable public notice.

16 (2) FREQUENCY.—The Board of Directors shall  
17 meet—

18 (A) not later than 60 days after the date  
19 on which all members of the Board of Directors  
20 are first appointed;

21 (B) at least quarterly after the date de-  
22 scribed in subparagraph (A); and

23 (C) at the call of the Chairperson or 3 vot-  
24 ing members of the Board of Directors.

25 (3) EXCEPTION FOR CLOSED MEETINGS.—

1           (A) IN GENERAL.—The voting members of  
2           the Board of Directors may, by majority vote,  
3           close a meeting to the public if, during the  
4           meeting to be closed, there is likely to be dis-  
5           closed proprietary or sensitive information re-  
6           garding an eligible infrastructure project under  
7           consideration for assistance under this Act.

8           (B) AVAILABILITY OF MINUTES.—The  
9           Board of Directors shall prepare minutes of any  
10          meeting that is closed to the public, which min-  
11          utes shall be made available as soon as prac-  
12          ticable, but not later than 1 year after the date  
13          of the closed meeting, with any necessary  
14          redactions to protect any proprietary or sen-  
15          sitive information.

16          (4) QUORUM.—For purposes of meetings of the  
17          Board of Directors, 5 voting members of the Board  
18          of Directors shall constitute a quorum.

19          (f) COMPENSATION OF MEMBERS.—Each voting  
20          member of the Board of Directors shall be compensated  
21          at a rate equal to the daily equivalent of the annual rate  
22          of basic pay prescribed for level III of the Executive  
23          Schedule under section 5314 of title 5, United States  
24          Code, for each day (including travel time) during which

1 the member is engaged in the performance of the duties  
2 of the Board of Directors.

3 (g) CONFLICTS OF INTEREST.—A voting member of  
4 the Board of Directors may not participate in any review  
5 or decision affecting an eligible infrastructure project  
6 under consideration for assistance under this Act, if the  
7 member has or is affiliated with an entity who has a finan-  
8 cial interest in that project.

9 **SEC. 103. CHIEF EXECUTIVE OFFICER.**

10 (a) IN GENERAL.—The Chief Executive Officer  
11 shall—

12 (1) be a nonvoting member of the Board of Di-  
13 rectors;

14 (2) be responsible for all activities of IFA; and

15 (3) support the Board of Directors in accord-  
16 ance with this Act and as the Board of Directors de-  
17 termines to be necessary.

18 (b) APPOINTMENT AND TENURE OF THE CHIEF EX-  
19 ECUTIVE OFFICER.—

20 (1) IN GENERAL.—The President shall appoint  
21 the Chief Executive Officer, by and with the advice  
22 and consent of the Senate.

23 (2) TERM.—The Chief Executive Officer shall  
24 be appointed for a term of 6 years.

25 (3) VACANCIES.—



1           (A) IN GENERAL.—Any vacancy in the of-  
2           fice of the Chief Executive Officer shall be filled  
3           by the President, by and with the advice and  
4           consent of the Senate.

5           (B) TERM.—The person appointed to fill a  
6           vacancy in the Chief Executive Officer position  
7           that occurs before the expiration of the term for  
8           which the predecessor was appointed shall be  
9           appointed only for the remainder of that term.

10          (c) QUALIFICATIONS.—The Chief Executive Offi-  
11          cer—

12               (1) shall have significant expertise in manage-  
13               ment and administration of a financial institution,  
14               or significant expertise in the financing and develop-  
15               ment of infrastructure projects; and

16               (2) may not—

17                       (A) hold any other public office;

18                       (B) have any financial interest in an eligi-  
19                       ble infrastructure project then being considered  
20                       by the Board of Directors, unless that interest  
21                       is placed in a blind trust; or

22                       (C) have any financial interest in an in-  
23                       vestment institution or its affiliates or any  
24                       other entity seeking or likely to seek financial  
25                       assistance for any eligible infrastructure project

1 from IFA, unless any such interest is placed in  
2 a blind trust for the tenure of the service of the  
3 Chief Executive Officer plus 2 additional years.

4 (d) RESPONSIBILITIES.—The Chief Executive Officer  
5 shall have such executive functions, powers, and duties as  
6 may be prescribed by this Act, the bylaws of IFA, or the  
7 Board of Directors, including—

8 (1) responsibility for the development and im-  
9 plementation of the strategy of IFA, including—

10 (A) the development and submission to the  
11 Board of Directors of the annual business plans  
12 and budget;

13 (B) the development and submission to the  
14 Board of Directors of a long-term strategic  
15 plan; and

16 (C) the development, revision, and submis-  
17 sion to the Board of Directors of internal poli-  
18 cies; and

19 (2) responsibility for the management and over-  
20 sight of the daily activities, decisions, operations,  
21 and personnel of IFA.

22 (e) COMPENSATION.—

23 (1) IN GENERAL.—Any compensation assess-  
24 ment or recommendation by the Chief Executive Of-  
25 ficer under this section shall be without regard to

1 the provisions of chapter 51 or subchapter III of  
2 chapter 53 of title 5, United States Code.

3 (2) CONSIDERATIONS.—The compensation as-  
4 sessment or recommendation required under this  
5 subsection shall take into account merit principles,  
6 where applicable, as well as the education, experi-  
7 ence, level of responsibility, geographic differences,  
8 and retention and recruitment needs in determining  
9 compensation of personnel.

10 **SEC. 104. POWERS AND DUTIES OF THE BOARD OF DIREC-**  
11 **TORS.**

12 The Board of Directors shall—

13 (1) as soon as practicable after the date on  
14 which all members are appointed, approve or dis-  
15 approve senior management appointed by the Chief  
16 Executive Officer;

17 (2) not later than 180 days after the date on  
18 which all members are appointed—

19 (A) develop and approve the bylaws of  
20 IFA, including bylaws for the regulation of the  
21 affairs and conduct of the business of IFA, con-  
22 sistent with the purpose, goals, objectives, and  
23 policies set forth in this Act;

24 (B) establish subcommittees, including an  
25 audit committee that is composed solely of

1 members of the Board of Directors, other than  
2 the Chief Executive Officer;

3 (C) develop and approve, in consultation  
4 with senior management, a conflict-of-interest  
5 policy for the Board of Directors and for senior  
6 management;

7 (D) approve or disapprove internal policies  
8 that the Chief Executive Officer shall submit to  
9 the Board of Directors, including—

10 (i) policies regarding the loan applica-  
11 tion and approval process, including appli-  
12 cation procedures and project approval  
13 processes; and

14 (ii) operational guidelines; and

15 (E) approve or disapprove a 1-year busi-  
16 ness plan and budget for IFA;

17 (3) ensure that IFA is at all times operated in  
18 a manner that is consistent with this Act, by—

19 (A) monitoring and assessing the effective-  
20 ness of IFA in achieving its strategic goals;

21 (B) reviewing and approving internal poli-  
22 cies, annual business plans, annual budgets,  
23 and long-term strategies submitted by the Chief  
24 Executive Officer;

1 (C) reviewing and approving annual re-  
2 ports submitted by the Chief Executive Officer;

3 (D) engaging 1 or more external auditors,  
4 as set forth in this Act; and

5 (E) reviewing and approving all changes to  
6 the organization of senior management;

7 (4) appoint and fix, by a vote of not less than  
8 5 of the 7 voting members of the Board of Direc-  
9 tors, and without regard to the provisions of chapter  
10 51 or subchapter III of chapter 53 of title 5, United  
11 States Code, the compensation and adjustments to  
12 compensation of all IFA personnel, provided that in  
13 appointing and fixing any compensation or adjust-  
14 ments to compensation under this paragraph, the  
15 Board shall—

16 (A) consult with, and seek to maintain  
17 comparability with, other comparable Federal  
18 personnel, as the Board of Directors may deter-  
19 mine to be appropriate;

20 (B) consult with the Office of Personnel  
21 Management; and

22 (C) carry out those duties consistent with  
23 merit principles, where applicable, as well as the  
24 education, experience, level of responsibility, ge-  
25 ographic differences, comparability to private

1 sector positions, and retention and recruitment  
2 needs in determining compensation of per-  
3 sonnel;

4 (5) serve as the primary liaison for IFA in  
5 interactions with Congress, the Secretary of Trans-  
6 portation and other executive branch officials, and  
7 State and local governments, and to represent the  
8 interests of IFA in those interactions and others;

9 (6) approve by a vote of not less than 5 of the  
10 7 voting members of the Board of Directors any  
11 changes to the bylaws or internal policies of IFA;

12 (7) have the authority and responsibility—

13 (A) to oversee entering into and carrying  
14 out such contracts, leases, cooperative agree-  
15 ments, or other transactions as are necessary to  
16 carry out this Act;

17 (B) to approve of the acquisition, lease,  
18 pledge, exchange, and disposal of real and per-  
19 sonal property by IFA and otherwise approve  
20 the exercise by IFA of all of the usual incidents  
21 of ownership of property, to the extent that the  
22 exercise of those powers is appropriate to and  
23 consistent with the purposes of IFA;

24 (C) to determine the character of, and the  
25 necessity for, the obligations and expenditures

1 of IFA, and the manner in which the obliga-  
2 tions and expenditures will be incurred, allowed,  
3 and paid, subject to this Act and other Federal  
4 law specifically applicable to wholly owned Fed-  
5 eral corporations;

6 (D) to execute, in accordance with applica-  
7 ble bylaws and regulations, appropriate instru-  
8 ments;

9 (E) to approve other forms of credit en-  
10 hancement that IFA may provide to eligible  
11 projects, as long as the forms of credit enhance-  
12 ments are consistent with the purposes of this  
13 Act and terms set forth in title II;

14 (F) to exercise all other lawful powers  
15 which are necessary or appropriate to carry out,  
16 and are consistent with, the purposes of IFA;

17 (G) to sue or be sued in the corporate ca-  
18 pacity of IFA in any court of competent juris-  
19 diction;

20 (H) to indemnify the members of the  
21 Board of Directors and officers of IFA for any  
22 liabilities arising out of the actions of the mem-  
23 bers and officers in that capacity, in accordance  
24 with, and subject to the limitations contained in  
25 this Act;

1 (I) to review all financial assistance pack-  
2 ages to all eligible infrastructure projects, as  
3 submitted by the Chief Executive Officer and to  
4 approve, postpone, or deny the same by major-  
5 ity vote;

6 (J) to review all restructuring proposals  
7 submitted by the Chief Executive Officer, in-  
8 cluding assignation, pledging, or disposal of the  
9 interest of IFA in a project, including payment  
10 or income from any interest owned or held by  
11 IFA, and to approve, postpone, or deny the  
12 same by majority vote;

13 (K) to enter into binding commitments, as  
14 specified in approved financial assistance pack-  
15 ages;

16 (L) to determine whether—

17 (i) to obtain a lien on the assets of an  
18 eligible entity that receives assistance  
19 under this Act; and

20 (ii) to subordinate a lien under clause  
21 (i) to any other lien securing project obli-  
22 gations; and

23 (M) to ensure a measurable public benefit  
24 in the selection of eligible infrastructure



1 projects and to provide for reasonable public  
2 input in the selection of such projects;

3 (8) delegate to the Chief Executive Officer  
4 those duties that the Board of Directors determines  
5 to be appropriate, to better carry out the powers and  
6 purposes of the Board of Directors under this sec-  
7 tion; and

8 (9) approve a maximum aggregate amount of  
9 principal exposure of IFA at any given time.

10 **SEC. 105. SENIOR MANAGEMENT.**

11 (a) IN GENERAL.—Senior management shall support  
12 the Chief Executive Officer in the discharge of the respon-  
13 sibilities of the Chief Executive Officer.

14 (b) APPOINTMENT OF SENIOR MANAGEMENT.—The  
15 Chief Executive Officer shall appoint such senior man-  
16 agers as are necessary to carry out the purposes of IFA,  
17 as approved by a majority vote of the voting members of  
18 the Board of Directors, including a chief compliance offi-  
19 cer, general counsel, chief operating officer, chief lending  
20 officer, and other positions as determined to be appro-  
21 priate by the Chief Executive Officer and the Board of  
22 Directors.

23 (c) TERM.—Each member of senior management  
24 shall serve at the pleasure of the Chief Executive Officer  
25 and the Board of Directors.

1 (d) REMOVAL OF SENIOR MANAGEMENT.—Any mem-  
2 ber of senior management may be removed—

3 (1) by a majority of the voting members of the  
4 Board of Directors at the request of the Chief Exec-  
5 utive Officer; or

6 (2) by a vote of not fewer than 5 voting mem-  
7 bers of the Board of Directors.

8 (e) SENIOR MANAGEMENT.—

9 (1) IN GENERAL.—Each member of senior  
10 management shall report directly to the Chief Exec-  
11 utive Officer, other than the chief risk officer, who  
12 shall report directly to the Board of Directors.

13 (2) CHIEF RISK OFFICER.—The chief risk offi-  
14 cer shall be responsible for all functions of IFA re-  
15 lating to—

16 (A) the creation of financial, credit, and  
17 operational risk management guidelines and  
18 policies;

19 (B) the establishment of guidelines to en-  
20 sure diversification of lending activities by re-  
21 gion, infrastructure project type, and project  
22 size;

23 (C) the creation of conforming standards  
24 for infrastructure finance agreements;

1 (D) the monitoring of the financial, credit,  
2 and operational exposure of IFA; and

3 (E) risk management and mitigation ac-  
4 tions, including by reporting those actions, or  
5 recommendations of actions to be taken, di-  
6 rectly to the Board of Directors.

7 (f) CONFLICTS OF INTEREST.—No individual ap-  
8 pointed to senior management may—

9 (1) hold any other public office;

10 (2) have any financial interest in an eligible in-  
11 frastructure project then being considered by the  
12 Board of Directors, unless that interest is placed in  
13 a blind trust; or

14 (3) have any financial interest in an investment  
15 institution or its affiliates, IFA or its affiliates, or  
16 other entity then seeking or likely to seek financial  
17 assistance for any eligible infrastructure project  
18 from IFA, unless any such interest is placed in a  
19 blind trust during the term of service of that indi-  
20 vidual in a senior management position, and for a  
21 period of 2 years thereafter.

22 **SEC. 106. OFFICE OF TECHNICAL AND RURAL ASSISTANCE.**

23 (a) IN GENERAL.—The Chief Executive Officer shall  
24 create and manage, within IFA, the “Office of Technical  
25 and Rural Assistance”.

1 (b) DUTIES.—The OTRA shall—

2 (1) in consultation with the Secretary of Trans-  
3 portation and the heads of other relevant Federal  
4 agencies, as determined by the Chief Executive Offi-  
5 cer, provide technical assistance to State and local  
6 governments and parties in public-private partner-  
7 ships in the development and financing of eligible in-  
8 frastructure projects, including rural infrastructure  
9 projects;

10 (2) assist the entities described in paragraph  
11 (1) with coordinating loan and loan guarantee pro-  
12 grams available through Federal agencies, including  
13 the Department of Transportation and other Federal  
14 agencies, as appropriate;

15 (3) work with the entities described in para-  
16 graph (1) to identify and develop a pipeline of  
17 projects suitable for financing through innovative  
18 project financing and performance based project de-  
19 livery, including those projects with the potential for  
20 financing through IFA; and

21 (4) establish a regional infrastructure accel-  
22 erator demonstration program to assist the entities  
23 described in paragraph (1) in developing improved  
24 infrastructure priorities and financing strategies, for  
25 the accelerated development of covered infrastruc-

1       ture projects, including those projects with the po-  
2       tential for financing through IFA.

3       (c) DESIGNATION OF REGIONAL INFRASTRUCTURE  
4 ACCELERATORS.—In carrying out the program estab-  
5 lished pursuant to subsection (b)(3), the OTRA is author-  
6 ized to designate regional infrastructure accelerators that  
7 will—

8           (1) serve a defined geographic area; and  
9           (2) act as a resource in such area to entities de-  
10       scribed in subsection (b)(1), in accordance with this  
11       subsection.

12       (d) APPLICATION PROCESS.—To be eligible for a des-  
13 ignation under subsection (c), regional infrastructure ac-  
14 celerators shall submit a proposal to the OTRA at such  
15 time, in such form, and containing such information as  
16 the OTRA determines is appropriate.

17       (e) CONSIDERATIONS.—In evaluating proposals sub-  
18 mitted pursuant to subsection (d), the OTRA shall con-  
19 sider—

20           (1) the need for geographic diversity among re-  
21       gional infrastructure accelerators; and

22           (2) promoting investment in covered infrastruc-  
23       ture projects, which shall include a plan—

1 (A) to evaluate and promote innovative fi-  
2 nancing methods for local projects, including  
3 the use of IFA;

4 (B) to build capacity of governments to  
5 evaluate and structure projects involving the in-  
6 vestment of private capital;

7 (C) to provide technical assistance and in-  
8 formation on best practices with respect to fi-  
9 nancing such projects;

10 (D) to increase transparency with respect  
11 to infrastructure project analysis and utilizing  
12 innovative financing for public infrastructure  
13 projects;

14 (E) to deploy predevelopment capital pro-  
15 grams designed to facilitate the creation of a  
16 pipeline of infrastructure projects available for  
17 investment;

18 (F) to bundle smaller-scale and rural  
19 projects into larger proposals that may be more  
20 attractive for investment; and

21 (G) to reduce transaction costs for public  
22 project sponsors.

23 (f) ANNUAL REPORT.—The OTRA shall submit an  
24 annual report to Congress that describes the findings and

1 effectiveness of the infrastructure accelerator demonstra-  
2 tion program.

3 **SEC. 107. SPECIAL INSPECTOR GENERAL FOR IFA.**

4 (a) IN GENERAL.—

5 (1) INITIAL PERIOD.—During the 5-year period  
6 beginning on the date of the enactment of this Act,  
7 the Inspector General of the Department of the  
8 Treasury shall serve as the Special Inspector Gen-  
9 eral for IFA in addition to the existing duties of the  
10 Inspector General of the Department of the Treas-  
11 ury.

12 (2) OFFICE OF THE SPECIAL INSPECTOR GEN-  
13 ERAL.—Beginning on the day that is 5 years after  
14 the date of the enactment of this Act, there is estab-  
15 lished the Office of the Special Inspector General for  
16 IFA.

17 (b) APPOINTMENT OF INSPECTOR GENERAL; RE-  
18 MOVAL.—

19 (1) HEAD OF OFFICE.—The head of the Office  
20 of the Special Inspector General for IFA shall be the  
21 Special Inspector General for IFA (referred to in  
22 this Act as the “Special Inspector General”), who  
23 shall be appointed by the President, by and with the  
24 advice and consent of the Senate.

1           (2) BASIS OF APPOINTMENT.—The appoint-  
2           ment of the Special Inspector General shall be made  
3           on the basis of integrity and demonstrated ability in  
4           accounting, auditing, financial analysis, law, man-  
5           agement analysis, public administration, or inves-  
6           tigations.

7           (3) TIMING OF NOMINATION.—The nomination  
8           of an individual as Special Inspector General shall  
9           be made as soon as practicable after the date of en-  
10          actment of this Act.

11          (4) REMOVAL.—The Special Inspector General  
12          shall be removable from office in accordance with  
13          the provisions of section 3(b) of the Inspector Gen-  
14          eral Act of 1978 (5 U.S.C. App.).

15          (5) RULE OF CONSTRUCTION.—For purposes of  
16          section 7324 of title 5, United States Code, the Spe-  
17          cial Inspector General shall not be considered an em-  
18          ployee who determines policies to be pursued by the  
19          United States in the nationwide administration of  
20          Federal law.

21          (6) RATE OF PAY.—The annual rate of basic  
22          pay of the Special Inspector General shall be the an-  
23          nual rate of basic pay for an Inspector General  
24          under section 3(e) of the Inspector General Act of  
25          1978 (5 U.S.C. App.).



1 (c) DUTIES.—The Special Inspector General shall—

2 (1) conduct, supervise, and coordinate audits  
3 and investigations of the business activities of IFA;

4 (2) establish, maintain, and oversee such sys-  
5 tems, procedures, and controls as the Special Inspec-  
6 tor General considers appropriate to discharge the  
7 duty under paragraph (1); and

8 (3) carry out any other duties and responsibil-  
9 ities of inspectors general under the Inspector Gen-  
10 eral Act of 1978 (5 U.S.C. App.).

11 (d) POWERS AND AUTHORITIES.—

12 (1) IN GENERAL.—In carrying out the duties  
13 specified in subsection (c), the Special Inspector  
14 General shall have the authorities provided in section  
15 6 of the Inspector General Act of 1978 (5 U.S.C.  
16 App.).

17 (2) ADDITIONAL AUTHORITY.—The Special In-  
18 spector General shall carry out the duties specified  
19 in subsection (c)(1) in accordance with section  
20 4(b)(1) of the Inspector General Act of 1978 (5  
21 U.S.C. App.).

22 (e) PERSONNEL, FACILITIES, AND OTHER RE-  
23 SOURCES.—

24 (1) ADDITIONAL OFFICERS.—

1           (A) IN GENERAL.—The Special Inspector  
2           General may select, appoint, and employ such  
3           officers and employees as may be necessary for  
4           carrying out the duties of the Special Inspector  
5           General, subject to the provisions of title 5,  
6           United States Code, governing appointments in  
7           the competitive service, and the provisions of  
8           chapter 51 and subchapter III of chapter 53 of  
9           such title, relating to classification and General  
10          Schedule pay rates.

11          (B) EMPLOYMENT AND COMPENSATION.—  
12          The Special Inspector General may exercise the  
13          authorities of subsections (b) through (i) of sec-  
14          tion 3161 of title 5, United States Code (with-  
15          out regard to subsection (a) of that section).

16          (2) RETENTION OF SERVICES.—The Special In-  
17          specter General may obtain services as authorized by  
18          section 3109 of title 5, United States Code, at daily  
19          rates not to exceed the equivalent rate prescribed for  
20          grade GS–15 of the General Schedule by section  
21          5332 of such title.

22          (3) ABILITY TO CONTRACT FOR AUDITS, STUD-  
23          IES, AND OTHER SERVICES.—The Special Inspector  
24          General may enter into contracts and other arrange-  
25          ments for audits, studies, analyses, and other serv-

1       ices with public agencies and with private persons,  
2       and make such payments as may be necessary to  
3       carry out the duties of the Special Inspector Gen-  
4       eral.

5           (4) REQUEST FOR INFORMATION.—

6           (A) IN GENERAL.—Upon request of the  
7       Special Inspector General for information or as-  
8       sistance from any department, agency, or other  
9       entity of the Federal Government, the head of  
10      that entity shall, insofar as is practicable and  
11      not in contravention of any existing law, furnish  
12      the information or assistance to the Special In-  
13      spector General or an authorized designee.

14          (B) REFUSAL TO COMPLY.—If information  
15      or assistance requested by the Special Inspector  
16      General is, in the judgment of the Special In-  
17      spector General, unreasonably refused or not  
18      provided, the Special Inspector General shall re-  
19      port the circumstances to the Secretary, with-  
20      out delay.

21       (f) REPORTS.—

22          (1) ANNUAL REPORT.—Not later than 1 year  
23      after the date on which the Special Inspector Gen-  
24      eral is confirmed, and every calendar year thereafter,  
25      the Special Inspector General shall submit to the

1 President and appropriate committees of Congress a  
2 report summarizing the activities of the Special In-  
3 spector General during the previous 1-year period  
4 ending on the date of that report.

5 (2) PUBLIC DISCLOSURES.—Nothing in this  
6 subsection authorizes the public disclosure of infor-  
7 mation that is—

8 (A) specifically prohibited from disclosure  
9 by any other provision of law;

10 (B) specifically required by Executive order  
11 to be protected from disclosure in the interest  
12 of national defense or national security or in  
13 the conduct of foreign affairs; or

14 (C) a part of an ongoing criminal inves-  
15 tigation.

16 **SEC. 108. OTHER PERSONNEL.**

17 (a) APPOINTMENT, REMOVAL, AND DEFINITION OF  
18 DUTIES.—Except as otherwise provided in the bylaws of  
19 IFA, the Chief Executive Officer, in consultation with the  
20 Board of Directors, shall appoint, remove, and define the  
21 duties of such qualified personnel as are necessary to carry  
22 out the powers, duties, and purpose of IFA, other than  
23 senior management, who shall be appointed in accordance  
24 with section 105.

1 (b) COORDINATION IN IDENTIFYING QUALIFICA-  
 2 TIONS AND EXPERTISE.—In appointing qualified per-  
 3 sonnel pursuant to subsection (a), the Chief Executive Of-  
 4 ficer shall coordinate with, and seek assistance from, the  
 5 Secretary of Transportation in identifying the appropriate  
 6 qualifications and expertise in infrastructure project fi-  
 7 nance.

8 **SEC. 109. COMPLIANCE.**

9 The provision of assistance by IFA pursuant to this  
 10 Act does not supersede any provision of State law or regu-  
 11 lation otherwise applicable to an eligible infrastructure  
 12 project.

13 **TITLE II—TERMS AND LIMITA-**  
 14 **TIONS ON DIRECT LOANS AND**  
 15 **LOAN GUARANTEES**

16 **SEC. 201. ELIGIBILITY CRITERIA FOR ASSISTANCE FROM**  
 17 **IFA AND TERMS AND LIMITATIONS OF LOANS.**

18 (a) PUBLIC BENEFIT; FINANCEABILITY.—A project  
 19 is not be eligible for financial assistance from IFA under  
 20 this Act if—

21 (1) the use or purpose of such project is private  
 22 or such project does not create a public benefit, as  
 23 determined by the Board of Directors; or

24 (2) the applicant is unable to demonstrate, to  
 25 the satisfaction of the Board of Directors, a suffi-

1       cient revenue stream to finance the loan that will be  
2       used to pay for such project.

3       (b) FINANCIAL CRITERIA.—If the project meets the  
4       requirements under subsection (a), an applicant for finan-  
5       cial assistance under this Act shall demonstrate, to the  
6       satisfaction of the Board of Directors, that—

7               (1) for public-private partnerships, the project  
8       has received contributed capital or commitments for  
9       contributed capital equal to not less than 10 percent  
10      of the total cost of the eligible infrastructure project  
11      for which assistance is being sought if such contrib-  
12      uted capital includes—

13                       (A) equity;

14                       (B) deeply subordinate loans or other cred-  
15      it and debt instruments, which shall be junior  
16      to any IFA assistance provided for the project;

17                       (C) appropriated funds or grants from gov-  
18      ernmental sources other than the Federal Gov-  
19      ernment; or

20                       (D) irrevocable private contributions of  
21      funds, grants, property (including rights-of-  
22      way), and other assets that directly reduce or  
23      offset project costs; and

24               (2) the eligible infrastructure project for which  
25      assistance is being sought—

1 (A) is not for the refinancing of an exist-  
2 ing infrastructure project; and

3 (B) meets—

4 (i) any pertinent requirements set  
5 forth in this Act;

6 (ii) any criteria established by the  
7 Board of Directors under subsection (c) or  
8 by the Chief Executive Officer in accord-  
9 ance with this Act; and

10 (iii) the definition of an eligible infra-  
11 structure project.

12 (c) CONSIDERATIONS.—The criteria established by  
13 the Board of Directors under this subsection shall provide  
14 adequate consideration of—

15 (1) the economic, financial, technical, environ-  
16 mental, and public benefits and costs of each eligible  
17 infrastructure project under consideration for finan-  
18 cial assistance under this Act, prioritizing eligible in-  
19 frastructure projects that—

20 (A) demonstrate a clear and measurable  
21 public benefit;

22 (B) offer value for money to taxpayers;

23 (C) contribute to regional or national eco-  
24 nomic growth;

25 (D) lead to long-term job creation; and

- 1 (E) mitigate environmental concerns;
- 2 (2) the means by which development of the eli-  
3 gible infrastructure project under consideration is  
4 being financed, including—
- 5 (A) the terms, conditions, and structure of  
6 the proposed financing;
- 7 (B) the creditworthiness and standing of  
8 the project sponsors, providers of equity, and  
9 cofinanciers;
- 10 (C) the financial assumptions and projec-  
11 tions on which the eligible infrastructure project  
12 is based; and
- 13 (D) whether there is sufficient State or  
14 municipal political support for the successful  
15 completion of the eligible infrastructure project;
- 16 (3) the likelihood that the provision of assist-  
17 ance by IFA will cause the development to proceed  
18 more promptly and with lower costs for financing  
19 than would be the case without IFA assistance;
- 20 (4) the extent to which the provision of assist-  
21 ance by IFA maximizes the level of private invest-  
22 ment in the eligible infrastructure project or sup-  
23 ports a public-private partnership, while providing a  
24 significant public benefit;



1           (5) the extent to which the provision of assist-  
2           ance by IFA can mobilize the participation of other  
3           financing partners in the eligible infrastructure  
4           project;

5           (6) the technical and operational viability of the  
6           eligible infrastructure project;

7           (7) the proportion of financial assistance from  
8           IFA;

9           (8) the geographical location of the project,  
10          prioritizing geographical diversity of projects funded  
11          by IFA;

12          (9) the size of the project and the impact of the  
13          project on the resources of IFA; and

14          (10) the infrastructure sector of the project,  
15          prioritizing projects from more than 1 sector funded  
16          by IFA.

17          (d) APPLICATION.—

18           (1) IN GENERAL.—Any eligible entity seeking  
19           assistance from IFA under this Act for an eligible  
20           infrastructure project shall submit an application to  
21           IFA at such time, in such manner, and containing  
22           such information as the Board of Directors or the  
23           Chief Executive Officer may require.

24           (2) REVIEW OF APPLICATIONS.—

1 (A) IN GENERAL.—IFA shall review appli-  
2 cations for assistance under this Act on an on-  
3 going basis.

4 (B) PREPARATION.—The Chief Executive  
5 Officer, in cooperation with the senior manage-  
6 ment, shall prepare eligible infrastructure  
7 projects for review and approval by the Board  
8 of Directors.

9 (3) DEDICATED REVENUE SOURCES.—The Fed-  
10 eral credit instrument shall be repayable, in whole or  
11 in part, from tolls, user fees, or other dedicated rev-  
12 enue sources derived from users or beneficiaries that  
13 also secure the eligible infrastructure project obliga-  
14 tions.

15 (e) ELIGIBLE INFRASTRUCTURE PROJECT COSTS.—

16 (1) IN GENERAL.—Except as provided in para-  
17 graph (2), to be eligible for assistance under this  
18 Act, an eligible infrastructure project shall have  
19 project costs that are reasonably anticipated to equal  
20 or exceed \$50,000,000.

21 (2) RURAL INFRASTRUCTURE PROJECTS.—To  
22 be eligible for assistance under this Act a rural in-  
23 frastructure project shall have project costs that are  
24 reasonably anticipated to equal or exceed  
25 \$10,000,000.

1 (f) LOAN ELIGIBILITY AND MAXIMUM AMOUNTS.—

2 (1) IN GENERAL.—The amount of a direct loan  
3 or loan guarantee under this Act shall not exceed  
4 the lesser of—

5 (A) 49 percent of the reasonably antici-  
6 pated eligible infrastructure project costs; and

7 (B) the amount of the senior project obli-  
8 gations, if the direct loan or loan guarantee  
9 does not receive an investment grade rating.

10 (2) MAXIMUM ANNUAL LOAN AND LOAN GUAR-  
11 ANTEE VOLUME.—The aggregate amount of direct  
12 loans and loan guarantees made by IFA shall not  
13 exceed—

14 (A) during the first 2 fiscal years of the  
15 operations of IFA, \$10,000,000,000 per year;

16 (B) during fiscal years 3 through 9 of the  
17 operations of IFA, \$20,000,000,000 per year;  
18 and

19 (C) during any fiscal year thereafter,  
20 \$50,000,000,000.

21 **SEC. 202. LOAN TERMS AND REPAYMENT.**

22 (a) IN GENERAL.—A direct loan or loan guarantee  
23 under this Act with respect to an eligible infrastructure  
24 project shall be on such terms, subject to such conditions,  
25 and contain such covenants, representations, warranties,

1 and requirements (including requirements for audits) as  
2 the Chief Executive Officer determines appropriate.

3 (b) TERMS.—A direct loan or loan guarantee under  
4 this Act—

5 (1) shall—

6 (A) be payable, in whole or in part, from  
7 tolls, user fees, or other dedicated revenue  
8 sources derived from users or beneficiaries; and

9 (B) include a rate covenant, coverage re-  
10 quirement, or similar security feature sup-  
11 porting the project obligations; and

12 (2) may be secured by a lien—

13 (A) on the assets of the obligor, including  
14 revenues described in paragraph (1); and

15 (B) which may be subordinated to any  
16 other lien securing project obligations.

17 (c) BASE INTEREST RATE.—The base interest rate  
18 on a direct loan under this Act shall be not less than the  
19 yield on Treasury obligations of a similar maturity to the  
20 maturity of the direct loan on the date of execution of  
21 the loan agreement.

22 (d) RISK ASSESSMENT.—Before entering into an  
23 agreement for assistance under this Act, the Chief Execu-  
24 tive Officer, in consultation with the Director of the Office  
25 of Management and Budget and each rating agency pro-

1 viding a preliminary rating opinion letter under this sec-  
2 tion, shall determine an appropriate Federal credit subsidy  
3 amount for each direct loan and loan guarantee, taking  
4 into account that preliminary rating opinion letter, as well  
5 as any comparable market rates available for such a loan  
6 or loan guarantee, should any exist.

7 (e) CREDIT FEE.—

8 (1) IN GENERAL.—With respect to each agree-  
9 ment for assistance under this Act, the Chief Execu-  
10 tive Officer shall charge a credit fee to the recipient  
11 of that assistance to pay for, over time, all or a por-  
12 tion of the Federal credit subsidy determined under  
13 subsection (d), with the remainder paid by the ac-  
14 count established for IFA.

15 (2) DIRECT LOANS.—In the case of a direct  
16 loan, the credit fee described in paragraph (1) shall  
17 be in addition to the base interest rate established  
18 under subsection (c).

19 (f) MATURITY DATE.—The final maturity date of a  
20 direct loan or loan guaranteed by IFA under this Act shall  
21 be not later than 35 years after the date of substantial  
22 completion of the eligible infrastructure project, as deter-  
23 mined by the Chief Executive Officer.

24 (g) PRELIMINARY RATING OPINION LETTER.—

1           (1) IN GENERAL.—The Chief Executive Officer  
2 shall require each applicant for assistance under this  
3 Act to provide a preliminary rating opinion letter  
4 from at least 1 rating agency, indicating that the  
5 senior obligations of the eligible infrastructure  
6 project, which may be the Federal credit instrument,  
7 have the potential to achieve an investment-grade  
8 rating.

9           (2) RURAL INFRASTRUCTURE PROJECTS.—With  
10 respect to a rural infrastructure project, a rating  
11 agency opinion letter described in paragraph (1)  
12 shall not be required, except that the loan or loan  
13 guarantee shall receive an internal rating score,  
14 using methods similar to the rating agencies gen-  
15 erated by IFA, measuring the proposed direct loan  
16 or loan guarantee against comparable direct loans or  
17 loan guarantees of similar credit quality in a similar  
18 sector.

19           (h) INVESTMENT-GRADE RATING REQUIREMENT.—

20           (1) LOANS AND LOAN GUARANTEES.—The exe-  
21 cution of a direct loan or loan guarantee under this  
22 Act shall be contingent on the senior obligations of  
23 the eligible infrastructure project receiving an invest-  
24 ment-grade rating.

1           (2) RATING OF IFA OVERALL PORTFOLIO.—The  
2           average rating of the overall portfolio of IFA shall  
3           be not less than investment grade after 5 years of  
4           operation.

5           (i) TERMS AND REPAYMENT OF DIRECT LOANS.—

6           (1) SCHEDULE.—The Chief Executive Officer  
7           shall establish a repayment schedule for each direct  
8           loan under this Act, based on the projected cash  
9           flow from eligible infrastructure project revenues  
10          and other repayment sources.

11          (2) COMMENCEMENT.—Scheduled loan repay-  
12          ments of principal or interest on a direct loan under  
13          this Act shall commence not later than 5 years after  
14          the date of substantial completion of the eligible in-  
15          frastructure project, as determined by the Chief Ex-  
16          ecutive Officer of IFA.

17          (3) DEFERRED PAYMENTS OF DIRECT  
18          LOANS.—

19                (A) AUTHORIZATION.—If, at any time  
20                after the date of substantial completion of an  
21                eligible infrastructure project assisted under  
22                this Act, the eligible infrastructure project is  
23                unable to generate sufficient revenues to pay  
24                the scheduled loan repayments of principal and  
25                interest on the direct loan under this Act, the

1 Chief Executive Officer may allow the obligor to  
2 add unpaid principal and interest to the out-  
3 standing balance of the direct loan, if the result  
4 would benefit the taxpayer.

5 (B) INTEREST.—Any payment deferred  
6 under subparagraph (A) shall—

7 (i) continue to accrue interest, in ac-  
8 cordance with the terms of the obligation,  
9 until fully repaid; and

10 (ii) be scheduled to be amortized over  
11 the remaining term of the loan.

12 (C) CRITERIA.—

13 (i) IN GENERAL.—Any payment defere-  
14 ral under subparagraph (A) shall be con-  
15 tingent on the eligible infrastructure  
16 project meeting criteria established by the  
17 Board of Directors.

18 (ii) REPAYMENT STANDARDS.—The  
19 criteria established under clause (i) shall  
20 include standards for reasonable assurance  
21 of repayment.

22 (4) PREPAYMENT OF DIRECT LOANS.—

23 (A) USE OF EXCESS REVENUES.—Any ex-  
24 cess revenues that remain after satisfying  
25 scheduled debt service requirements on the eli-



1           gible infrastructure project obligations and di-  
2           rect loan and all deposit requirements under the  
3           terms of any trust agreement, bond resolution,  
4           or similar agreement securing project obliga-  
5           tions under this Act may be applied annually to  
6           prepay the direct loan, without penalty.

7                   (B) USE OF PROCEEDS OF REFI-  
8           NANCING.—A direct loan under this Act may be  
9           prepaid at any time, without penalty, from the  
10          proceeds of refinancing from non-Federal fund-  
11          ing sources.

12          (j) LOAN GUARANTEES.—The terms of a loan guar-  
13          anteed by IFA under this Act shall be consistent with the  
14          terms set forth in this section for a direct loan, except  
15          that the rate on the guaranteed loan and any payment,  
16          prepayment, or refinancing features shall be negotiated  
17          between the obligor and the lender (as defined in section  
18          601(a) of title 23, United States Code) with the consent  
19          of the Chief Executive Officer.

20          (k) COMPLIANCE WITH FEDERAL CREDIT REFORM  
21          ACT OF 1990.—

22                   (1) IN GENERAL.—Except as provided in para-  
23          graph (2), direct loans and loan guarantees author-  
24          ized by this Act shall be subject to the provisions of

1 the Federal Credit Reform Act of 1990 (2 U.S.C.  
2 661 et seq.).

3 (2) EXCEPTION.—Section 504(b) of the Federal  
4 Credit Reform Act of 1990 (2 U.S.C. 661c(b)) shall  
5 not apply to a loan or loan guarantee under this  
6 Act.

7 (1) POLICY OF CONGRESS.—It is the policy of Con-  
8 gress that IFA shall only make a direct loan or loan guar-  
9 antee under this Act if IFA determines that IFA is rea-  
10 sonably expected to recover the full amount of the direct  
11 loan or loan guarantee.

12 **SEC. 203. PROJECT DELIVERY TASK FORCE.**

13 (a) ESTABLISHMENT.—There is established within  
14 IFA the Project Delivery Task Force, which shall be over-  
15 seen by the Chief Executive Officer.

16 (b) FUNCTIONS.—If an eligible infrastructure project  
17 receives financing from IFA, or the Chief Executive Offi-  
18 cer, after reviewing an application for such financing, de-  
19 termines that such a project will be approved, the Task  
20 Force, in close consultation with appropriate permitting  
21 agencies, shall—

22 (1) establish or update a permitting timetable  
23 for the proposed project, which ensures that the en-  
24 vironmental review process is completed as soon as  
25 practicable;

1           (2) coordinate concurrent permitting reviews by  
2 all necessary agencies; and

3           (3) coordinate with relevant State agencies and  
4 regional infrastructure development agencies to en-  
5 sure—

6                   (A) adequate participation; and

7                   (B) the timely provision of necessary docu-  
8 mentation to allow any State review to proceed  
9 without delay.

10       (c) CONCURRENT REVIEWS.—Each agency, to the  
11 greatest extent permitted by law, shall—

12           (1) carry out the obligations of the agency  
13 under other applicable law concurrently, and in con-  
14 junction with other reviews being conducted by other  
15 participating agencies, including environmental re-  
16 views required under the National Environmental  
17 Policy Act (42 U.S.C. 4321 et seq.), unless such  
18 concurrent reviews would impair the ability of the  
19 agency to carry out its statutory obligations; and

20           (2) formulate and implement administrative,  
21 policy, and procedural mechanisms to enable the  
22 agency to ensure the completion of the environ-  
23 mental review process in a timely, coordinated, and  
24 environmentally responsible manner.

1 **SEC. 204. COMPLIANCE AND ENFORCEMENT.**

2 (a) CREDIT AGREEMENT.—Notwithstanding any  
3 other provision of law, each eligible entity that receives  
4 assistance under this Act shall enter into a credit agree-  
5 ment that requires such entity to comply with all applica-  
6 ble policies and procedures of IFA, in addition to all other  
7 provisions of the loan agreement.

8 (b) APPLICABILITY OF FEDERAL LAWS.—Each eligi-  
9 ble entity that receives assistance under this Act shall pro-  
10 vide written assurance, in such form and manner and con-  
11 taining such terms as are to be prescribed by IFA, that  
12 the eligible infrastructure project will be performed in  
13 compliance with the requirements of all Federal laws that  
14 would otherwise apply to similar projects to which the  
15 United States is a party, or financed in whole or in part  
16 from Federal funds or in accordance with guarantees of  
17 a Federal agency or financed from funds obtained by  
18 pledge of any contract of a Federal agency to make a loan,  
19 grant, or annual contribution (except where a different  
20 meaning is expressly indicated).

21 (c) IFA AUTHORITY ON NONCOMPLIANCE.—In any  
22 case in which an eligible entity that receives assistance  
23 under this Act is materially out of compliance with the  
24 loan agreement, or any applicable policy or procedure of  
25 IFA, the Board of Directors may take action—

26 (1) to cancel unused loan amounts; or

1           (2) to accelerate the repayment terms of any  
2           outstanding obligation.

3 **SEC. 205. AUDITS; REPORTS TO THE PRESIDENT AND CON-**  
4 **GRESS.**

5           (a) ACCOUNTING.—The books of account of IFA  
6 shall be—

7           (1) maintained in accordance with generally ac-  
8           cepted accounting principles; and

9           (2) subject to an annual audit by independent  
10          public accountants of nationally recognized standing  
11          appointed by the Board of Directors.

12          (b) REPORTS.—

13           (1) BOARD OF DIRECTORS.—Not later than 90  
14          days after the last day of each fiscal year, the Board  
15          of Directors shall submit to the President and Con-  
16          gress a complete and detailed report with respect to  
17          the preceding fiscal year, setting forth—

18           (A) a summary of the operations of IFA  
19          for that fiscal year;

20           (B) a schedule of the obligations of IFA  
21          and capital securities outstanding at the end of  
22          that fiscal year, with a statement of the  
23          amounts issued and redeemed or paid during  
24          that fiscal year;

1 (C) the status of eligible infrastructure  
2 projects receiving funding or other assistance  
3 pursuant to this Act during that fiscal year, in-  
4 cluding—

5 (i) all nonperforming loans; and

6 (ii) disclosure of all entities with a de-  
7 velopment, ownership, or operational inter-  
8 est in those eligible infrastructure projects;

9 (D) a description of the successes and  
10 challenges encountered in lending to rural com-  
11 munities, including the role of the Office of  
12 Technical and Rural Assistance established  
13 under this Act; and

14 (E) an assessment of the risks of the port-  
15 folio of IFA, which shall be prepared by an  
16 independent source.

17 (2) GAO.—Not later than 5 years after the  
18 date of enactment of this Act, the Comptroller Gen-  
19 eral of the United States shall conduct an evaluation  
20 of, and submit to the Committee on Commerce,  
21 Science, and Transportation of the Senate and to  
22 the Committees on Transportation and Infrastruc-  
23 ture and Energy and Commerce of the House of  
24 Representatives a report on the activities of IFA for  
25 the fiscal years covered by the report that includes—

1           (A) an assessment of the impact and bene-  
2           fits of each funded eligible infrastructure  
3           project, including a review of how effectively  
4           each eligible infrastructure project accomplished  
5           the goals prioritized by the eligible infrastruc-  
6           ture project criteria of IFA; and

7           (B) an evaluation of the effectiveness of,  
8           and challenges facing, loan programs at the De-  
9           partment of Transportation and Department of  
10          Energy, and an analysis of the advisability of  
11          consolidating those programs within IFA.

12          (c) BOOKS AND RECORDS.—

13           (1) IN GENERAL.—IFA shall maintain adequate  
14           books and records to support the financial trans-  
15           actions of IFA, with a description of financial trans-  
16           actions and eligible infrastructure projects receiving  
17           funding, and the amount of funding for each project  
18           maintained on a publicly accessible database.

19           (2) AUDITS BY THE SECRETARY AND GAO.—  
20           The books and records of IFA shall at all times be  
21           open to inspection by the Secretary, the Special In-  
22           spector General, and the Comptroller General of the  
23           United States.

1 **SEC. 206. EFFECT ON OTHER LAWS.**

2 Nothing in this Act may be construed to affect or  
3 alter the responsibility of an eligible entity that receives  
4 assistance under this Act to comply with applicable Fed-  
5 eral and State laws (including regulations) relating to an  
6 eligible infrastructure project.

7 **TITLE III—FUNDING OF IFA**

8 **SEC. 301. FEES.**

9 The Chief Executive Officer shall establish fees with  
10 respect to loans and loan guarantees under this Act that—

11 (1) are sufficient to cover all the administrative  
12 costs to the Federal Government for the operations  
13 of IFA;

14 (2) may be in the form of an application or  
15 transaction fee, or interest rate adjustment; and

16 (3) may be based on the risk premium associ-  
17 ated with the loan or loan guarantee, taking into  
18 consideration—

19 (A) the price of Treasury obligations of a  
20 similar maturity;

21 (B) prevailing market conditions;

22 (C) the ability of the eligible infrastructure  
23 project to support the loan or loan guarantee;  
24 and

25 (D) the total amount of the loan or loan  
26 guarantee.



1 **SEC. 302. SELF-SUFFICIENCY OF IFA.**

2       The Chief Executive Officer shall, to the extent prac-  
3 ticable, take actions consistent with this Act to make IFA  
4 a self-sustaining entity, with administrative costs and Fed-  
5 eral credit subsidy costs fully funded by fees and risk pre-  
6 miums on loans and loan guarantees.

7 **SEC. 303. FUNDING.**

8       (a) AUTHORIZATION OF APPROPRIATIONS.—

9           (1) IN GENERAL.—There is authorized to be  
10 appropriated to IFA to make direct loans and loan  
11 guarantees under this Act \$10,000,000,000, which  
12 shall remain available until expended.

13           (2) ADMINISTRATIVE COSTS.—Of the amounts  
14 appropriated pursuant to paragraph (1), the IFA  
15 may expend, for administrative costs, not more  
16 than—

17           (A) \$25,000,000 for each of the fiscal  
18 years 2020 and 2021; and

19           (B) not more than \$50,000,000 for fiscal  
20 year 2022.

21       (b) INTEREST.—The amounts made available to IFA  
22 pursuant to subsection (a) shall be placed in interest-bear-  
23 ing accounts.

24       (c) RURAL INFRASTRUCTURE PROJECTS.—Of the  
25 amounts made available to IFA under this section, not less

1 than 5 percent shall be used to offset subsidy costs associ-  
 2 ated with rural infrastructure projects.

3 **SEC. 304. CONTRACT AUTHORITY.**

4 Notwithstanding any other provision of law, approval  
 5 by the Board of Directors of a Federal credit instrument  
 6 that uses funds made available under this Act shall impose  
 7 upon the United States a contractual obligation to fund  
 8 the Federal credit investment.

9 **SEC. 305. LIMITATION ON AUTHORITY.**

10 IFA shall not have the authority to issue debt in its  
 11 own name.

12 **TITLE IV—TAX EXEMPTION RE-**  
 13 **QUIREMENTS FOR STATE AND**  
 14 **LOCAL BONDS**

15 **SEC. 401. NATIONAL LIMITATION ON AMOUNT OF TAX-EX-**  
 16 **EMPT FINANCING FOR FACILITIES.**

17 Section 142(m)(2)(A) of the Internal Revenue Code  
 18 of 1986 is amended by striking “\$15,000,000,000” and  
 19 inserting “\$16,000,000,000”.

20 **TITLE V—BUDGETARY EFFECTS**

21 **SEC. 501. BUDGETARY EFFECTS.**

22 The budgetary effects of this Act, for the purpose of  
 23 complying with the Statutory Pay-As-You-Go Act of 2010,  
 24 shall be determined by reference to the latest statement  
 25 titled “Budgetary Effects of PAYGO Legislation” for this

1 Act, submitted for printing in the Congressional Record  
2 by the Chairman of the Senate Budget Committee, pro-  
3 vided that such statement has been submitted prior to the  
4 vote on passage.

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