

Amendment to Rescind Certain Unobligated Earmarks

Wyden Amendment #1

Short Title: Orphan Earmarks Act

Description of Amendment: The proposal rescinds any earmark of highway funds provided in an authorization Act for the Department of Transportation with more than 90% of the appropriated amount remaining available for obligation at the end of the 9th fiscal year after the year it was first made available and for which no expenditures have been made during the current or previous fiscal year. It also authorizes the Secretary to delay any such rescission for one year if an additional obligation of the earmark is likely to occur during the following 12-month period.

Finally, the proposal requires the Secretary to identify and report every highway project that is an earmark with an unobligated balance at the end of each fiscal year to the Director of the Office of Management and Budget (OMB), who shall report a listing and accounting for such earmarks to Congress and to the public via the OMB website.

Offset: None Required

Amendment Transferring Funds from the Leaking Underground Storage Trust Fund to the Highway Trust Fund

Wyden Amendment #2

Short Title: Amendment Transferring Funds from the Leaking Underground Storage Trust Fund to the Highway Trust Fund

Description of Amendment: The proposal transfers \$750 million from the Leaking Underground Storage Trust Fund to the Highway Trust Fund. This proposal is effective on the date of enactment.

Offset: None Required

**Amendment to Provide the Department of Treasury and the IRS Explicit Authority to Regulate Paid
Tax Return Preparers**

Wyden Amendment #3

Short Title: Amendment to Provide the Department of Treasury and the IRS Explicit Authority to Regulate Paid Tax Return Preparers.

Description of Amendment: The proposal gives the Department of Treasury and the IRS explicit authority to regulate paid tax return preparers by amending Title 31 of the U.S. Code. The amendments require that tax return preparers demonstrate competency to advise and assist persons in preparing their tax returns, claims for refund, or documents in connection with tax returns or claims for refund. The terms tax return preparer, tax return, and claim for refund are defined by reference to sections 7701(a)(36), 6696(e)(1), and 6696(e)(2), respectively, of the Internal Revenue Code.

This proposal is estimated to reduce spending by \$43 million and raise \$86 million in revenue. In total, the provision is estimated to reduce the deficit by \$129 million over 10 years.

Offset: None Required

Amendment Establishing Expedited Procedure for a Long-Term Transportation Funding Bill

Wyden Amendment #4

Short Title: Amendment Establishing Expedited Procedure for a Long-Term Transportation Funding Bill

Description of Amendment: In order to facilitate the Senate's consideration of a long-term surface transportation funding proposal by the end of the year, an expedited procedure is established.

No later than December 1, 2014, the Senate Finance Committee shall report a revenue measure that provides sufficient funding for at least baseline levels of highway and transit spending plus inflation through Fiscal Year 2020 and that does not increase the federal deficit.

If the Finance Committee reports a bill that the Chairman of the Finance Committee certifies meets these requirements, and, also no later than December 1, 2014, the Environment and Public Works Committee; the Commerce, Science, and Transportation Committee; and the Banking, Housing, and Urban Affairs Committee each report legislation reauthorizing the surface transportation [MAP-21] programs within their jurisdictions, the Finance Committee bill shall be considered under a procedure containing the following features:

- If the Senate has not otherwise proceeded to the consideration of the bill after two days of session of the Finance Committee reporting the bill, the Majority Leader may offer a non-debatable motion to proceed to an appropriate House revenue measure and offer the Finance Committee bill as an amendment to the House bill, with the Finance Committee bill considered original text for the purposes of further amendment.
- Consideration of the bill and all amendments is limited to an aggregate of 50 hours. No motion to recommit is in order, and debate on any motion is limited to an hour. Appeals of rulings of the Presiding Officer are non-debatable. Debate on any first-degree amendment is limited to two hours, and debate on any second-degree amendment and debatable motion is limited to one hour.
- Amendments must be germane and revenue-neutral.

Offset: None Required

**Amendment Expressing the Sense of the Senate of the Need to Pass a Long-Term Transportation
Funding Bill**

Wyden Amendment #5

Short Title: Amendment Expressing the Sense of the Senate of the Need to Pass a Long-Term Transportation Funding Bill

Description of Amendment: The legislation before the Committee would extend on a short-term basis funding for the Highway Trust Fund. The Committee's intention is also to proceed promptly to consider a long-term solution and expresses the following:

1. Findings—
 - i. The Highway Trust Fund is projected to become insolvent before the end of the fiscal year.
 - ii. The user-fee principle upon which the Highway Trust Fund was established is eroding. Since 2008, Congress has transferred \$54 billion from the general fund to the Highway Trust Fund.
 - iii. The gas tax and diesel tax, which are the primary funding mechanisms for the Highway Trust Fund have not been increased since 1993 and are not indexed for inflation.
 - iv. Due to a decline in miles driven, a decline in the purchasing power of highway excise taxes, and increased fuel efficiency, Highway Trust Fund revenues have not kept pace with the needs of U.S. infrastructure.
 - v. U.S. infrastructure is falling behind the rest of the world. In 2013, the U.S. was ranked 25th globally in overall infrastructure quality.
 - vi. Short term surface transportation extensions increase costs of transportation projects, limit the ability of state and local governments to plan infrastructure improvement, and ultimately have resulted in the degradation of U.S. infrastructure.

2. It is hereby the sense of the Senate that—
 - i. Any long-term transportation reauthorization bill should at a minimum fund infrastructure spending at least to current levels plus inflation through Fiscal Year 2020.
 - ii. By December 1, 2014, the Senate Finance Committee, Environment and Public Works Committee; the Commerce, Science, and Transportation Committee; and the Banking, Housing, and Urban Affairs Committee each

should report legislation reauthorizing the surface transportation [MAP-21] programs within their jurisdictions.

- iii. By the end of calendar year 2014, the Senate should enact a long-term surface reauthorization bill to ensure the sustainability of the Highway Trust Fund and improve U.S. infrastructure.

Offset: None Required

Amendment to Improve Compliance and Decrease Fraud in the AOTC

Wyden Amendment #6

Short Title: Amendment to Improve Compliance and Decrease Fraud in the AOTC

Description of Amendment: To require colleges and universities to report the amounts received (rather than either amounts received or billed) for tuition and other higher education expenses on Form 1098-T. To also require paid tax return preparers who prepare Federal income tax returns on which an American Opportunity Tax Credit is claimed to meet due diligence requirements similar to those applicable to returns claiming an earned income tax credit. In adapting the checklist, the IRS is to ensure that it imposes minimal additional burden on taxpayers and paid preparers. This proposal would improve compliance and decrease fraud in the AOTC.

Offset: None provided.

Amendment to Include Tax Cuts Contained in the EXPIRE Act of 2014

Wyden Amendment #7

Short Title: Amendment to Include Tax Cuts Contained in the EXPIRE Act of 2014

Description of Amendment: The proposal would enact Title I (PROVISIONS EXPIRING IN 2013) and Title II (PROVISIONS EXPIRING IN 2014) of the EXPIRE Act (S. 2260) as reported out of the Senate Finance Committee.

Offset: None provided.

Rockefeller Amendment #1 to the Preserving America's Transit and Highways Act -

Short Title: Multimodal Transportation Account

Description of Amendment:

Establishment of Multimodal Transportation Account –

- (1) CREATION OF ACCOUNT – There is established in the Highway Trust Fund a separate account to be known as the ‘Multimodal Transportation Account’ consisting of such amounts as may be transferred or credited to the Multimodal Transportation Account.
- (2) EXPENDITURES FROM ACCOUNT – Amounts in the Multimodal Transportation Account shall be available subject to appropriation for expenditures to provide financial assistance for capital investments, including the planning preparation, design and construction of—
 - A. Any multimodal transportation project, including—
 1. Any port development or improvement project;
 2. Any multimodal terminal facility project;
 3. Any land port of entry project;
 4. Any freight or passenger rail improvement, highway-rail grade separation or capacity expansion project, including qualified railroad track maintenance expenditures described in section 45G;
 5. Any intelligent transportation system project which reduces congestion or improves safety, including implementation of positive train control technology; or
 6. Any project that improves access to a goods moving port or terminal facility, including those located on inland waterways;
 - B. The investments receiving assistance under 2(a) shall improve the efficiency of the national multimodal transportation system, including for purposes of—
 1. improving the mobility of goods and commodities;
 2. incorporating new and innovative technologies that improve system performance, including intelligent transportation systems;
 3. reducing congestion;
 4. mitigating community and environmental impacts of freight movement;
 5. improving the condition of transportation infrastructure, including bringing it into a state of good repair;
 6. improving safety, including reducing transportation accidents, injuries, and fatalities; or
 7. enhancing national or regional economic development, growth, and competitiveness.

Offset: N/A

Rockefeller Amendment #2 to the Chairman's Mark of the "Preserving America's Transit and Highways Act of 2014."

Short Title: This amendment is the text of the CARE Act, S.468

Description of Amendment:

This amendment keeps our commitment to our nation's retired coal miners and provides security in their retirement by transferring funds from the Abandoned Mine Land Fund to the United Mine Workers of America (UMWA) 1974 Pension Plan, and by making retired miners who lose health care benefits as a result of the bankruptcy or insolvency of their employer eligible for health care benefits under the UMWA 1992 Benefit Plan.

Offset: TBD

Rockefeller Amendment #3 to the Chairman's Mark of the "Preserving America's Transit and Highways Act of 2014."

Short Title: Amendment to Reduce the Private Sector Contribution Requirement for QZABs

Description of Amendment:

QZABs are tax credit bonds used to finance school renovations. They currently require a 10% match from the private sector, which is an obstacle for some projects, particularly for small and rural school districts. This amendment would lower the requirement to a 5% match to maintain the public-private partnership aspect, but make the requirement more manageable for school districts to meet.

Offset: Extend EITC preparer due diligence requirements to child tax credit

Schumer Amendment #1 to the Preserving American's Transit and Highways Act of 2014

Short Title: 2014 Transit Benefit Extension

Cosponsors: Carper, Menendez, Warner, Cardin

Description of Amendment:

This amendment would reinstate parity under the Section 132(f) income exclusion for employer-provided mass transit and parking benefits. Effective for 2014, the exclusion cap for employer-provided vanpool and transit pass benefits would be increased to \$250, the same as current law for employer-provided parking benefits.

Offset to be provided.

[NOTE – Amendment sponsors reserve the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

CANTWELL AMENDMENT #1

Cantwell #1 to the Preserving America's Transit and Highways ("PATH") Act

Cosponsors: Bennet

Short Title: Enhance Infrastructure Development

Description of Amendment: Amendment would modify the extension of the beginning-of-construction date for Sec. 45 Production Tax Credit or Investment Credit in lieu of the production credit to include solar projects.

Solar facilities are major infrastructure projects that employ thousands of contractors, installers, project managers, manufactures, and engineers across the United States, from North Carolina to Texas to Washington. Investing in our nation's infrastructure is essential to remaining globally competitive.

Under current law, solar facilities placed in service before January 1, 2006 qualify for the credit. This amendment would simply adjust IRC 45 (d) (4) (A) by inserting "*or the construction of which begins after December 31, 2013, and before January 1, 2016,*" after "2006".

Amount offset: TBD

Nelson Isakson Amendment #1 to Preserving American's Transit and Highways Act (PATH):

Short Title: To allow for the continuation of a normal retirement age of 30 years in service for currently existing defined benefit pension plans.

Description of Amendment:

This amendment would grandfather private sector defined benefit pension plans with a normal retirement age of at least 30 years of service as complying with normal retirement age rules. This would not apply to any employees hired on or after January 1, 2017 in those plans.

Offset: N/A, we believe this amendment will raise revenue

Menendez/Enzi Amendment #1 to the Preserving America's Transit and Highways Act of 2014

Short Title: Real Estate and Infrastructure Investment and Jobs Amendment

Cosponsors: Schumer, Isakson, Carper, Roberts, Brown, Bennet, Nelson, Warner

Description of Amendment: Amendment would reform FIRPTA tax rules to encourage more equity investment in U.S. infrastructure and real estate. The bipartisan amendment would implement efficient and meaningful reform of FIRPTA tax rules to encourage more equity investment in U.S. infrastructure and real estate. These reforms would attract investment to create jobs and economic opportunities in every region in the country. That's why reform of FIRPTA laws has attracted bipartisan support in both chambers of Congress and the administration. S. 1181 currently has 40 cosponsors, including 21 out of 24 Members of the Senate Finance Committee.

By increasing investment in commercial real estate, reform will jumpstart construction and real estate modernization projects and generate a need to build up surrounding infrastructure, including new sidewalks, roads and light rail projects. It will create a virtuous cycle creating American jobs not just for investments in the real estate sector but also business operations and surrounding infrastructure.

Specifically the amendment would:

- ***Exempt from the application of FIRPTA gains of foreign pension funds from the disposition of U.S. real property interests.*** For this purpose, a foreign pension fund would generally mean a trust, corporation or other organization or arrangement that is created or organized outside the United States; generally exempt from income tax in the jurisdiction in which it is created or organized; and substantially all of the activity of which is to administer or provide pension or retirement benefits.
- ***Increase the amount of stock minority shareholders can hold without triggering FIRPTA tax according to S. 1181.*** Currently, foreign shareholders can own up to 5 percent of publicly-traded companies without triggering FIRPTA. There are numerous investors around the world who own just under 5 percent of these companies' stock, but despite their willingness to invest in US companies, won't dare to go over for fear of being ensnared by FIRPTA. The amendment would increase from 5 percent to 10 percent the exemption level threshold and apply the new threshold to investors in certain widely held qualified collective investment vehicles.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Menendez Amendment #2 to the Preserving America's Transit and Highways Act of 2014

Short Title: Sustainable Water Infrastructure Act

Description of Amendment: Amendment would lift the volume cap on private activity bonds for water and wastewater projects for a period of time such as would be fully offset. Similar to current exemptions for airport, port, and solid waste projects, removing these projects would make the PAB program far more effective for providing the critically needed financing of water and wastewater projects across the nation.

Specifically, the amendment would provide that the volume cap for private activity bonds shall not apply to bonds for facilities for the furnishing of water and for sewage facilities bonds for a period of time such as would be fully offset. Amendment would also permit Indian tribes to issue tax-exempt private activity bonds for facilities for the furnishing of water and for sewage facilities for same period of time.

Offset to be provided upon consideration.

NOTE – Amendment sponsor reserves the right to modify the amendment for technical or other purposes

Carper Amendment #1 to The Preserving America's Transit and Highways Act of 2014.

Short Title: To amend the Internal Revenue Code to restore the purchasing power of 1993 highway motor fuel tax rates, and thereafter allow for the annual adjustment of such rates based on inflation.

Description of Amendment: Under current law, three of the excise taxes imposed on highway motor fuels that primarily fund the Highway Trust Fund have remained unchanged since 1993. This proposal would restore the purchasing power of the revenue produced by these taxes in 1993 through three annual 4 cent increases, and then provide for an automatic annual adjustment of these tax rates based on the Consumer Price Index inflation calculation. All revenue would be dedicated to the Highway Trust Fund in the usual manner.

The proposal would amend Section 4081(a)(2)(A)(i), 4081(a)(2)(A)(iii), 4041(a)(3), and 4041(m)(1)(B) to require the Secretary of the Treasury, in consultation with the Secretary of Transportation, to impose an adjustment on the rate of tax on highway motor fuels in January of each year based on the Consumer Price Index inflation rate of the previous 12 months.

The proposal would be effective upon enactment with the first adjustment in January of the following calendar year.

Offset: This proposal would lead to increased revenue collection from highway user fees and does not need an offset.

Suggested Legislative Text

SEC. __. TAX ON MOTOR FUELS.

(a) **GASOLINE OTHER THAN AVIATION GASOLINE.**—Section 4081(a)(2)(A)(i) of the Internal Revenue Code of 1986 is amended to read as follows:

“(i) in the case of gasoline other than aviation gasoline—

“(I) for tax imposed before 2015, 18.3 cents per gallon,

“(II) for tax imposed during 2015, 22.3 cents per gallon,

“(III) for tax imposed during 2016, 26.3 cents per gallon, and

“(IV) for tax imposed after 2016 and before 2026, 30.3 cents per gallon.”.

(b) DIESEL FUEL OR KEROSENE.—Section 4081(a)(2)(A)(iii) of the Internal Revenue Code of 1986 is amended to read as follows:

“(iii) in the case of diesel fuel or kerosene—

“(I) for tax imposed before 2015, 24.3 cents per gallon,

“(II) for tax imposed during 2015, 28.3 cents per gallon,

“(III) for tax imposed during 2016, 32.3 cents per gallon, and

“(IV) for tax imposed after 2016 and before 2026, 36.3 cents per gallon.”.

(c) INCREASE FOR INFLATION.—

(1) Paragraph (2) of section 4081(a) of such Code is amended by adding at the end the following:

“(E) ADJUSTMENT FOR INFLATION.—In the case of any calendar year beginning after 2017, the rates of tax contained in clauses (i)(IV) and (iii)(IV) of subparagraph (A) shall each be increased by an amount equal to—

“(i) such rate, multiplied by

“(ii) the cost of living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting ‘calendar year 2016’ for ‘calendar year 1992’ in subparagraph (B) thereof.

Any increase under the preceding sentence shall be rounded to the nearest 0.1 cents.”.

(2) Paragraph (3) of section 4041(a) of such Code is amended by striking the final sentence and inserting the following:

“The rate of the tax imposed by this paragraph per energy equivalent of a gallon of gasoline shall be equivalent to the rate of tax specified in section 4081 (a)(2)(A) on gasoline which is in effect at the time of such sale or use.”

(3) Paragraph (1) of section 4041(m) of such Code is amended by adding at the end the following:

“(C) ADJUSTMENT FOR INFLATION.—In the case of any calendar year beginning after 2015, the rates of tax contained in subparagraph (B) shall each be increased by an amount equal to—

“(i) such rate, multiplied by

“(ii) the cost of living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting ‘calendar year 2014’ for ‘calendar year 1992’ in subparagraph (B) thereof.

Any increase under the preceding sentence shall be rounded to the nearest 0.1 cents.”.

(d) DIESEL-WATER FUEL EMULSION.—Section 4081(a)(2)(D) of the Internal Revenue Code of 1986 is amended by striking “19.7 cents” for “24.3 cents” and inserting “a rate equal to 81 percent of the rate in effect under subparagraph (A) (without regard to this subparagraph)”.

(e) TERMINATION.—Section 4081(d)(1) of the Internal Revenue Code of 1986 is amended by striking “September 30, 2016” and inserting “December 31, 2025”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels or liquids removed, entered, or sold after December 31, 2014.

SEC. __. FLOOR STOCKS TAX.

(a) IMPOSITION OF TAX.—In the case of any taxable liquid which is held on the floor stocks tax date by any person, there is hereby imposed a floor stocks tax equal to the excess of the tax which would be imposed on such liquid under section 4041 or 4081 of the Internal Revenue Code of 1986 had the taxable event occurred on the floor stocks tax date over the tax paid under any such section on such liquid.

(b) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(1) LIABILITY FOR TAX.—A person holding a liquid on the floor stocks tax date to which the tax imposed by subsection (a) applies shall be liable for such tax.

(2) METHOD OF PAYMENT.—The tax imposed by subsection (a) shall be paid in such manner as the Secretary shall prescribe.

(3) TIME OF PAYMENT.—The tax imposed by subsection (a) shall be paid on or before the date which is 6 months after the floor stocks tax date.

(c) DEFINITIONS.—For purposes of this section—

(1) HELD BY A PERSON.—A liquid shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(2) TAXABLE LIQUID.—The term “taxable liquid” means diesel fuel and kerosene (other than aviation-grade kerosene).

(3) FLOOR STOCKS DATE.—The term “floor stocks tax date” means any January 1 of any calendar year beginning after the date of the enactment of this Act on which a rate of tax under section 4041 or 4081 of such Code increases pursuant to an amendment made by section 2.

(4) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(d) EXCEPTION FOR EXEMPT USES.—The tax imposed by subsection (a) shall not apply to taxable liquid held by any person exclusively for any use to the extent a credit or refund of the tax imposed by a section of such Code is allowable for such use.

(e) EXCEPTION FOR FUEL HELD IN VEHICLE TANK.—No tax shall be imposed by subsection (a) on taxable liquid held in the tank of a motor vehicle or motorboat.

(f) EXCEPTION FOR CERTAIN AMOUNTS OF FUEL.—

(1) IN GENERAL.—No tax shall be imposed by subsection (A) on any liquid held on the floor stocks tax date by any person if the aggregate amount of liquid held by such person on such date does not exceed 2,000 gallons. The preceding sentence shall apply only if such person submits to the Secretary (at the time and in the manner required by the Secretary) such information as the Secretary shall require for purposes of this paragraph.

(2) EXEMPT FUEL.—For purposes of paragraph (1), there shall not be taken into account fuel held by any person which is exempt from the tax imposed by subsection (a) by reason of subsection (d) or (e).

(3) CONTROLLED GROUPS.—For purposes of this section—

(A) CORPORATIONS.—

(i) IN GENERAL.—All persons treated as a controlled group shall be treated as 1 person.

(ii) CONTROLLED GROUP.—The term “controlled group” has the meaning given to such term by subsection (a) of section 1563 of such Code; except that for such purposes the phrase “more than 50 percent” shall be substituted for the phrase “at least 80 percent” each place it appears in such subsection.

(B) NONINCORPORATED PERSONS UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary, principles similar to the principles of clause (i) shall apply to a group of persons under common control where one or more of such persons is not a corporation.

(g) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by chapter 31 or 32 of such Code shall, insofar as applicable and not inconsistent with the provisions of this section, apply with respect to the floor stock taxes imposed by subsection (a) to the same extent as if such taxes were imposed by such chapter.

Brown Amendment #1 to the PATH Act of 2014

Short Title: The Fair Playing Field Act

Description of Amendment: Under current law, employers are required to take certain actions on behalf of their employees including withholding income taxes, paying the employer's share of Social Security and Medicare taxes, paying for unemployment insurance, and providing a safe and nondiscriminatory workplace. Employers are not required to undertake these obligations for independent contractors. When workers are misclassified, businesses that play by the rules lose business to competitors that do not play by the rules; and workers lose valuable rights and protections.

The Internal Revenue Service uses a common law test to determine whether a worker is an employee or independent contractor. Unfortunately, a loophole exists which allows a business to avoid applying the test and to escape liability for misclassifying as independent contractors individuals who would be employees under the common law test. Furthermore, there is a statutory prohibition on the IRS providing general guidance (including through regulation) on employee classification.

Federal and state revenue is lost when businesses misclassify their workers as independent contractors. A study estimated that, between 1996 and 2004, \$34.7 billion of federal tax revenues went uncollected due to the misclassification of workers and the tax loopholes that allow it. Recent reports issued by the GAO and Treasury Inspector General have cited misclassification as posing significant concerns for workers, their employers, and government revenue.

This amendment extends the life of the Highway Trust Fund by addressing the issue of workers misclassification. The amendment is a modified version of S. 1706. The amendment includes the language of S. 1706 with a modification to permanently preserve status quo treatment for professional services:

- Ends the moratorium on IRS guidance addressing worker classification;
- Allows for the prospective reclassification of workers;
- Disallows reduced penalties for failure to deduct and withhold FICA without a reasonable basis for treating an individual as an independent contractor;
- Preserves the 530 safe harbor for all employers until the taxpayer has a reclassification date; and
- Permanently preserves the 530 safe harbor for professional services. For purposes of this paragraph, professional services means services performed in the fields of health, law, engineering, architecture, accounting, actuarial science, consulting, or financial services and insurance.

Offset: This language (S. 1706 with the professional services modification) raises \$5.698 billion over the ten-year window.

Brown/Cardin Amendment #2 to the PATH Act of 2014

Short Title: The Fair Playing Field Act

Description of Amendment: Under current law, employers are required to take certain actions on behalf of their employees including withholding income taxes, paying the employer's share of Social Security and Medicare taxes, paying for unemployment insurance, and providing a safe and nondiscriminatory workplace. Employers are not required to undertake these obligations for independent contractors. When workers are misclassified, businesses that play by the rules lose business to competitors that do not play by the rules; and workers lose valuable rights and protections.

The Internal Revenue Service uses a common law test to determine whether a worker is an employee or independent contractor. Unfortunately, a loophole exists which allows a business to avoid applying the test and to escape liability for misclassifying as independent contractors individuals who would be employees under the common law test. Furthermore, there is a statutory prohibition on the IRS providing general guidance (including through regulation) on employee classification.

Federal and state revenue is lost when businesses misclassify their workers as independent contractors. A study estimated that, between 1996 and 2004, \$34.7 billion of federal tax revenues went uncollected due to the misclassification of workers and the tax loopholes that allow it. Recent reports issued by the GAO and Treasury Inspector General have cited misclassification as posing significant concerns for workers, their employers, and government revenue.

This amendment extends the life of the Highway Trust Fund by addressing the issue of workers misclassification. The amendment is intended to fund the Highway Trust Fund over the same time horizon contemplated by the Chairman in his modified mark. The amendment strikes:

- The modification to the heavy vehicle use tax;
- The clarification of 6-year statute of limitations in case of overstatement of basis;
- Revocation or denial of passport in case of certain unpaid taxes; and
- Any and all additional revenue provisions not included in the Chairman's mark but included in the modified mark.

The amendment is a modified version of S. 1706. The amendment includes the language of S. 1706 with a modification to permanently preserve status quo treatment for professional services:

- Ends the moratorium on IRS guidance addressing worker classification.
- Allows for the prospective reclassification of workers;
- Disallows reduced penalties for failure to deduct and withhold FICA without a reasonable basis for treating an individual as an independent contractor;
- Preserves the 530 safe harbor for all employers until the taxpayer has a reclassification date; and

- Permanently preserves the 530 safe harbor for professional services. For purposes of this paragraph, professional services means services performed in the fields of health, law, engineering, architecture, accounting, actuarial science, consulting, or financial services and insurance.

Offset: This language (S. 1706 with the professional services modification) raises \$5.698 billion over the ten-year window.

Brown Amendment #3 to the PATH Act of 2014

Short Title: Extending and Expanding the Health Coverage Tax Credit (HCTC)

Description of Amendment: The HCTC is available to laid-off employees receiving TAA benefits, and retirees who receive pension payments through the Pension Benefit Guaranty Corporation. It currently makes health insurance coverage more affordable by providing a 72.5 percent tax credit to eligible workers. This amendment would expand the tax credit to 80 percent. The amendment would permanently extend the HCTC so that it no longer requires constant reauthorization.

Offset: TBD

Brown Amendment #4 to the PATH Act of 2014

Short Title: The Working Families Tax Relief Act

Description of Amendment: The Child Tax Credit (CTC), and the Earned Income Tax Credit (EITC) are refundable tax credits that encourage work, help families make ends meet, and lead to healthier and better educated children. This amendment would strengthen and expand the credits in the following ways:

- **Earned Income Tax Credit.** The amendment makes the '09 enhancements to EITC permanent. The amendment would double the credit and phase-out rate. Increasing the phase-out income level would allow a full time worker receiving the minimum to be eligible for the maximum EITC. Under current law only individuals over the age of 25 who have not yet attained the age of 65 are eligible for the childless worker credit. The amendment would change the age to 21 and retain the requirement that the individual is not a dependent for which a personal exemption is allowed.
- **Strengthening the Child Tax Credit.** The amendment makes the '09 enhancements to the CTC permanent and indexes the value of the per-child credit to inflation.
- **Simplifying the Earned Income Tax Credit.** The amendment simplifies the EITC by modifying the abandoned spouse rule, clarifying the qualifying child rules, and repealing the disqualified investment test.

Offset: TBD

Brown Amendment #5 to the PATH Act of 2014

Short Title: The Supplemental Security Income (SSI) Restoration Act

Description of Amendment: Congress created the SSI program in 1972 as a replacement for a variety of grant programs intended to assist senior citizens, the disabled, and the blind. For about 60 percent of recipients, SSI provides their only source of income. But the maximum SSI benefit is a little more than \$700 a month. And while the amount of allowable income and resources has risen over the years, the last increase was 25 years ago in 1989. Further, a provision enacted in 1999 disallows SSI beneficiaries from receiving financial, food, and housing support from friends and family, or risk losing their benefits. As a result, the limitations of the SSI program have failed to encourage recipients to work or save money, and have left many below the poverty line.

The amendment would:

- Update and index to inflation the amount of “earned income” a person can make to \$357 per month (earned income is money received through work);
- Update and index to inflation the amount of “general income” a person can make to \$110 per month (general income is money received through means other than work);
- Update and index to inflation the amount of “resources” a person or an eligible couple can have to \$10,000 and \$15,000, respectively (resources is cash or anything considered a liquid asset);
- Repeal the provision—and its subsequent penalty—disallowing financial, food, and housing support from friends and family; and
- Help the Social Security Administration (SSA) administer SSI in order to streamline the claims process and eliminate mistakes.

Offset: TBD

Brown Amendment #6 to the PATH Act of 2014

Short Title: The Strengthening Social Security Act

Description of Amendment: Social Security represents about 40 percent of all income for Americans elderly, its importance only increases for those vulnerable groups and those on the lower rungs of the economic ladder.

Among elderly Social Security beneficiaries, 53 percent of married couples and 74 percent of unmarried persons receive 50 percent or more of their income from Social Security. Among elderly Social Security beneficiaries, 23 percent of married couples and about 46 percent of unmarried persons rely on Social Security for 90 percent or more of their income. For the bottom two quintiles, Social Security benefits represents 84 percent of retirement income, and for the middle quintile, Social Security benefits represents approximately 65 percent of retirement income. In fact, more than 75 percent of low-income households rely on Social Security benefits for all of their retirement.

Social Security is an efficient tool to deliver benefits. The program spends less than 1 percent of its revenue on administration; the remaining revenue funds benefits. The macroeconomic impact is significant. In 2012, Social Security benefit payments supported over 9 million jobs and \$1.4 trillion in economic output. These benefits produced \$222 billion in federal, state, and local tax revenue.

This amendment consists of three proposals to expand the Social Security program:

- Extend the life of the Social Security Trust Fund to 2049 by phasing out the current taxable cap of \$113,700 so that payroll taxes apply to every dollar of wages.
- Adjust the benefits formula in order to Increase Social Security benefits for all beneficiaries by 15 percent, or about \$65 per month. The increase is targeted to help those in the low and middle of the income distribution.
- Increase the annual cost of living adjustment (COLA) by approximately 0.2 percent above what it would be otherwise and base future COLAs on the Consumer Price Index for the Elderly (CPI-E).

Additional modifications TBD

Offset: TBD

Bennet Amendment #1 to an original bill entitled [“The Preserving America’s Transit and Highways Act.”](#)

Cosponsors: Burr and Hatch

Short Title: Liquefied Natural Gas Excise Tax Equalization

Description of Amendment: This amendment, based on S. 1103 (Bennet/Burr), would structure the federal excise tax on liquefied natural gas (LNG) to be based on an energy content basis, rather than a volumetric one (as is currently the case). LNG is a transportation fuel source used for large trucks and some marine and rail vessels. Currently, the excise tax rate for both LNG and Diesel Fuel is set at 24.3 cents per gallon. However, LNG produces less energy per gallon than diesel fuel. It takes about 1.7 gallons of LNG to equal the energy in 1 gallon of diesel fuel, resulting in LNG being taxed at 170% of the rate of diesel fuel on an energy equivalent basis. The current tax system can result in thousands of dollars of additional cost for companies choosing to utilize LNG. For example, if a diesel truck travels 100,000 miles at 5 miles per gallon, it consumes 20,000 gallons of diesel fuel. An identical LNG truck, however, would require 34,000 gallons of LNG to travel the same distance. The current tax system would result in the LNG truck paying an additional \$3,402 in taxes because of the 14,000 gallons more of fuel.

Offset: TBD

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Bennet Amendment #2 to an original bill entitled “[The Preserving America’s Transit and Highways Act.](#)”

Short Title: Establish an American Infrastructure Fund

Description of Amendment: This amendment establishes a \$50 billion American Infrastructure Fund (AIF). The fund would finance transportation, energy, communications, water, and education infrastructure projects across the country. The fund would provide guarantees, low-cost loans or equity investments to state or local governments, nonprofit infrastructure providers, private parties, and public-private partnerships to finance qualified infrastructure projects.

At least thirty-five percent of the financing that the AIF provides must go to infrastructure projects supported through public-private partnerships. The legislation defines a public-private partnership as an infrastructure project for which at least ten percent of the financing comes from private debt or equity.

A 9 member board of trustees will manage the American Infrastructure Fund. All 9 members must have substantial experience with bond guarantees, municipal credit, risk management and infrastructure finance. Within 150 days of the issuance of the infrastructure bonds, the President will nominate nine members of the board.

Eight of these nominees must come from a bipartisan pool of candidates selected by Congressional leadership. The President selects the ninth member. The Speaker, House Minority leader, Senate Majority Leader and Senate Majority leader each must submit a list of at least five candidates within 90 days of the issuance of the bonds, and the President must select two nominees from each list. The Senate must confirm all of the nominees. The members of the board will elect a Board Chair.

At least once every two years, the AIF Board must produce a report that tracks the percentage of materials, goods and products used in AIF-funded projects that were created, sourced or manufactured in the United States.

Offset: TBD

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Bennet Amendment #3 to an original bill entitled [“The Preserving America’s Transit and Highways Act.”](#)

Short Title: An amendment to clarify the tax treatment of mutual ditch and irrigation companies.

Description of Amendment: Mutual ditch and irrigation companies are non-profit entities that provide water for agricultural purposes. Under the current law, mutual ditch and irrigation companies are tax-exempt so long as at least 85% of their income is derived from their members. The amendment would permit these companies to receive a greater percentage of non-member income provided that the proceeds are used for the operations, maintenance and capital improvements of the irrigation and ditch systems. The freestanding bill is S. 1441.

Second, the amendment clarifies that mutual ditch and irrigation companies can continue their one-share, one-vote structure without jeopardizing their tax exempt status. In September 2013, the Joint Committee on Taxation scored the amendment (as a freestanding bill) at \$36 million.

Offset: TBD

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Casey Amendment # 1 to the Preserving America's Transit and Highways Act of 2014 Act

Short Title: Revising the Inland Waterways Trust Fund Financing Rate

Description: The Amendment would revise the Inland Waterways Trust Fund financing rate to 29 cents per gallon.

The Inland Waterways Trust Fund was created in 1978 as part of an authorization to replace Locks and Dam 26 on the Upper Mississippi River. The trust was funded through an initial levy of 4 cents per gallon on fuel used by commercial vessels operating on the inland waterways of the United States. The 1986 Water Resources Development Act increased that levy to 20 cents per gallon which is still in effect today.

This amendment would go into effect 60 days after the enactment of this legislation.

Offset: Not needed

Warner Amendment #1 to the Chairman's Mark of the Preserving America's Transit and Highways (PATH) Act

Short Title: Amendment to Establish an Infrastructure Financing Authority.

Description of Amendment: The amendment, based on S. 1716 (Warner/Blunt), would direct the establishment of a \$10 billion independent and self-sustaining infrastructure financing authority with the ability to provide direct loans and loan guarantees for eligible projects in the sectors of transportation, water and wastewater treatment and disposal facilities, and energy transmission, distribution and storage.

The Financing Authority would be a government-owned entity, with the ability to provide low-interest, government-backed loans with maturity terms up to 35 years. The Financing Authority would finance no more than 49 percent of the total costs of the project.

It would be led by a chief executive officer and a Board of Directors, consisting of seven voting members. No more than four voting members of the board could be from the same political party. The Board and CEO would be appointed to staggered five-year terms by the President. All candidates would be confirmed with the advice and consent of the Senate. The Majority and Minority Leaders of the Senate, as well as the Speaker and Minority Leader of the House of Representatives would each recommend candidates.

The Infrastructure Financing Authority will include an Office of Technical and Rural Assistance to provide technical assistance to State and local governments, regional infrastructure exchanges and parties in public-private partnerships in the development and financing of eligible infrastructure projects, including rural infrastructure projects. The Office will assist these entities with coordinating loan and loan guarantee programs available through Federal agencies, and will work with the entities to identify and develop a pipeline of projects suitable for financing through innovative project financing and performance based project delivery, including those projects with the potential for financing through the Financing Authority. Five percent of funding for the Infrastructure Financing Authority would be dedicated to providing financing for rural projects.

Offset: This amendment will be modified at the appropriate time to provide an offset.

[NOTE – Amendment sponsor reserves the right to modify the amendment for technical, revenue-neutrality, or other purposes.]

Hatch, Roberts, Cornyn, Thune, Isakson Amendment #1 to “The Preserving America’s Transit and Highways Act”

Description of Amendment: Replace all of the offsets with alternative offsets.

Offsets **Expanded oil and gas exploration in Alaska and the Outer Continental Shelf (OCS)**. Based on past Congressional Budget Office estimates, an expansion of oil and gas exploration and development could result in up to \$3.2 billion in revenue to the federal government within a 10-year budget window.

Rescission of funds provided for the Advanced Technology Vehicle Manufacturing Loan Program. The “Energy Independence and Security Act of 2007” established this program to support the development of advanced technology vehicles. The FY 2009 Continuing Resolution, enacted on September 30, 2008, appropriated \$7.5 billion to support a maximum of \$25 billion in loans. In April of 2014, the Government Accountability Office cited the program in a report titled “2014 Annual Report: Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits” and suggested Congress rescind the remaining \$4.2 billion in credit subsidy appropriations. Based on conversations with CBO, rescinding the program may result in a \$500 million reduction in outlays.

Repeal of Plug-in Vehicle Credit.

Section 30D of the Internal Revenue Code provides a tax credit in an amount not to exceed \$7500 for plug-in electric motor vehicles. The credit phases out for a manufacturer’s vehicles when at least 200,000 vehicles claiming the credit have been sold. There is no sunset date to claim the credit. Repeal of this provision is estimated by JCT to raise \$1.4 billion over 10 years.

Internal Revenue Service Private Debt Collection Contracts.

The proposal would require the Secretary of the Treasury to enter into qualified tax collection contracts for the collection of inactive tax receivables. The provision is estimated to raise \$2.4 billion over 10 years.

Transfer of Funds from the Leaking Underground Storage Tank Trust Fund.

Funded primarily by a 0.1 cent-per-gallon tax on motor fuels, the Leaking Underground Storage Tank (LUST) Trust Fund was established in 1986 to support states and the EPA in efforts to remediate leaks from underground storage tanks. Due to the fact that LUST receipts have consistently been greater than outlays, the fund is projected to accumulate

larger balances year by year. The proposal is to transfer \$1 billion from the LUST Fund to the Highway Trust Fund.

Transfer of Non-Construction Functions from the Highway Trust Fund to the General Fund.

Currently Federal Highway Administration administrative expenses and research are paid for out of the Highway Trust Fund, the proposal would move the burden of these expenses to the General Fund. Currently administrative expenses of the Federal Transit Administration are paid for out of the General Fund. The proposal is designed to reduce the burden on the Highway Trust Fund by \$840 million.

Abandoned Mine Land Payments

Repeal a provision in the 2012 Transportation bill (P.L. 112-141) that capped Abandoned Mine Land payments under the Surface Mining Control and Reclamation Act of 1977 at \$15 million per year.

Specifically, the amendment would amend Section 411(h) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1240a(h)) by striking paragraph (5), which was added by section 100125 of P.L. 112-141.

Temporary LNG Parity Fix

Structure the federal excise tax on liquefied natural gas (LNG) to be based on an energy content basis, rather than a volumetric one (as is currently the case) for the last quarter of 2014.

Hatch Amendment #2 to “The Preserving America’s Transit and Highways Act”

Description of Amendment: Require outsourcing of food and beverage services on Amtrak and transfer savings into the Highway Trust Fund.

Offsets: According to a report prepared by the Amtrak Office of Inspector General in October of 2013, titled “Food and Beverage Service: Potential Opportunities to Reduce Losses” from FY 2006 through FY2012, Amtrak’s food and beverage service incurred direct operating losses of more than \$609 million.

The same report estimates that “outsourcing these services could reduce labor costs by \$51.4 million to \$60.5 million annually.

The Amtrak OIG could be tasked to verify resulting savings annually before a transfer to the Highway Trust Fund is made.

Hatch Amendment #3 to “The Preserving America’s Transit and Highways Act”

Description of Amendment: Rescind Orphan Earmarks, as specified by S. 2370 filed by Senator Coburn

Offsets: The “Orphan Earmarks Act,” S. 2370, as filed by Senator Coburn, would rescind Department of Transportation earmarks that are 10 years old or older as to which 90 percent of the dollar amount of the earmark of funds remains available for obligation.

Information from the bill sponsor suggests that more than \$125 million in “orphaned earmarks” would be recaptured by this legislation.

Hatch, Isakson Amendment #4 to “The Preserving America’s Transit and Highways Act”

Description of Amendment: Temporarily Repeal Davis-Bacon requirements for highway projects until a long-term transportation bill is enacted into law.

Offsets: The Davis-Bacon Act requires that all federally funded projects worth more than \$2,000 must pay workers a “prevailing wage,” which, according to a study released by the Republican staff of the Joint Economic Committee, has resulted in wages being 22 percent higher, on average, than prevailing market rates.

As Congress has considered several relatively short-term transportation reauthorizations since the expiration of SAFETEA-LU, States have had less certainty with regard to stable, long-term infrastructure funding. Until a 6 year reauthorization is enacted, repeal of Davis-Bacon requirements would give States more flexibility to efficiently allocate scarce and unpredictable resources.

Hatch Amendment #5 to “The Preserving America’s Transit and Highways Act”

Description of Amendment: Strike and Replace Tax Increases Contained in the Chairman’s Mark of an equal amount to the offsets provided below.

Offsets: **Repeal of Plug-in Vehicle Credit.**

Section 30D of the Internal Revenue Code provides a tax credit in an amount not to exceed \$7500 for plug-in electric motor vehicles. The credit phases out for a manufacturer’s vehicles when at least 200,000 vehicles claiming the credit have been sold. There is no sunset date to claim the credit. Repeal of this provision is estimated by JCT to raise \$1.4 billion over 10 years.

Internal Revenue Service Private Debt Collection Contracts.

The proposal would require the Secretary of the Treasury to enter into qualified tax collection contracts for the collection of inactive tax receivables. The provision is estimated to raise \$2.4 billion over 10 years.

Transfer of Funds from the Leaking Underground Storage Tank Trust Fund.

Funded primarily by a 0.1 cent-per-gallon tax on motor fuels, the Leaking Underground Storage Tank (LUST) Trust Fund was established in 1986 to support states and the EPA in efforts to remediate leaks from underground storage tanks. Due to the fact that LUST receipts have consistently been greater than outlays, the fund is projected to accumulate larger balances year by year. The proposal is to transfer \$1 billion from the LUST Fund to the Highway Trust Fund.

Roberts Amendment #1 to The Preserving American's Transit and Highways Act of 2014

Short Title: Establishing a Special Investigator to Make a Full and Thorough Examination of the Internal Revenue Service Exemption Application Process for 501(c)(4) Organizations.

Description of Amendment: The amendment would establish a special investigator to make a full and thorough investigation of the Internal Revenue Service exemption application process for 501(c)(4) organizations, to make findings upon the investigation, and to make recommendations to the Senate Finance Committee based on the investigation and findings.

Offset: To be determined

Enzi Amendment #1 to the Preserving America's Transit and Highways Act of 2014 (for himself and Mr. Carper)

Short title: To allow for the annual adjustment of highway motor fuels tax rates per inflation

Description of Amendment: Under current law, three of the excise taxes that primarily fund the Highway Trust Fund are imposed on highway motor fuels and have remained unchanged since 1993. This amendment would create an automatic annual adjustment of the highway motor fuel tax rates based on the Consumer Price Index inflation calculation.

The proposal amends Section 4081(a)(2)(A)(i), 4081(a)(2)(A)(iii), 4041(a)(3), and 4041(m)(1)(B) to require the Secretary of the Treasury, in consultation with the Secretary of Transportation, to adjust the rate of tax in January of each year based on the CPI inflation rate of the previous 12 months.

The amendment would be effective upon enactment with the first adjustment in January of the following calendar year.

Offset: No offset is necessary.

Enzi Amendment #2 to the Preserving America's Transit and Highways Act of 2014

Short Title: To repeal a limitation on annual payments under the Surface Mining Control and Reclamation Act of 1977

Description of Amendment: The amendment would repeal a provision in MAP-21 (P.L. 112-141) that capped Abandoned Mine Land payments under the Surface Mining Control and Reclamation Act of 1977 at \$15 million per year.

Specifically, the amendment would amend Section 411(h) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1240a(h)) by striking paragraph (5), which was added by section 100125 of P.L. 112-141.

Offset: The amendment would remove an estimated \$650 million from the Highway Trust Fund over 10 years and would replace that money by requiring filers to have Social Security Numbers in order to qualify for the Additional Child Tax Credit, which the Joint Committee on Taxation estimates will save approximately \$20 billion over 10 years.

Enzi Amendment #3 to the Preserving America's Transit and Highways Act of 2014

Short Title: To repeal a limitation on annual payments under the Surface Mining Control and Reclamation Act of 1977.

Description of Amendment: The amendment would repeal a provision in the 2012 Transportation bill (P.L. 112-141) that capped Abandoned Mine Land payments under the Surface Mining Control and Reclamation Act of 1977 at \$15 million per year.

Specifically, the amendment would amend Section 411(h) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1240a(h)) by striking paragraph (5), which was added by section 100125 of P.L. 112-141.

Offset: The amendment would remove an estimated \$650 million from the Highway Trust Fund over 10 years and would replace that money by opening the Arctic National Wildlife Refuge to drilling, which the Congressional Budget Office estimates will increase gross federal receipts by \$5 billion over 10 years.

Enzi Amendment #4 to the Preserving America's Transit and Highways Act of 2014

Short title: To strike the mortgage information return provision from the bill.

Description of Amendment: The amendment would strike the provision that would require information returns on mortgage interest to contain additional information including: the outstanding balance of the mortgage; the address of the encumbered property; property taxes, if any, paid from escrow; and the loan origination date.

Offset: To be identified later.

Enzi Amendment #5 to the Preserving America's Transit and Highways Act of 2014

Short Title: To restore States' sovereign rights to enforce State and local sales and use tax laws.

Description of Amendment: The amendment would allow States, if they choose to do so, to have out-of-state retailers collect the sales tax that is due on all sales – online sales, catalog sales and in-store sales. It would provide two options by which states could begin collecting sales taxes from online and catalog purchases. It also exempts businesses with less than \$1 million in online or out-of-state remote sales from collection requirements. The amendment text is the same as S. 743, the Marketplace Fairness Act, as passed by the Senate in 2013.

Offset: CBO estimates that S. 743 would have no impact on the federal budget. The bill would not affect direct spending or revenues.

Thune Amendment #1 to Preserving America's Transit and Highways Act of 2014

Cosponsors: Hatch, Roberts

Short Title: Spending Reform and American Energy Production Substitute

This amendment is a complete substitute to the Chairman's mark and would pay for extending the Highway Trust Fund entirely through spending cuts and oil and gas revenues from ANWR and the Outer Continental Shelf. This amendment would also repeal the Advanced Technology Vehicle Manufacturing program and adds a provision disallowing individuals from claiming unemployment insurance (UI) or Trade Adjustment Assistance (TAA) and SS disability payments simultaneously, which is estimated to reduce outlays by \$5.4B. This provision closes a loophole whereby individuals collect from 2 programs designed to be mutually exclusive, with UI and TAA designed to assist able-bodied individuals looking for work and SSDI designed to assist those who have become disabled.

If accepted, this amendment would pay for extending the solvency of the Highway Trust Fund with the following provisions:

- Reform to UI/SS Disability Insurance: Cuts \$5.4B
- Eliminate Advanced Technology Vehicle Manufacturing: Cuts \$500M (Hatch Proposal)
- Increased Oil and Gas Drilling in ANWR/OCS: Raises \$3.2B (Hatch Proposal)

TOTAL: \$9.1B

Thune Amendment #2 to Preserving America's Transit and Highways Act of 2014

Cosponsors: Hatch

Short Title: Replace HVUT and Stretch IRA Provision with Spending Reforms

This amendment, which puts forward an alternative offset fully within the Finance Committee jurisdiction, would strike the chairman's Heavy Vehicle Use Tax and the Stretch IRA revenue raiser and would replace them with a provision that disallows individuals to claim unemployment insurance (UI) or Trade Adjustment Assistance (TAA) and SS disability payments simultaneously, which is estimated to reduce outlays by \$5.4B. This provision closes a loophole whereby individuals collect from 2 programs designed to be mutually exclusive, with UI and TAA designed to assist able-bodied individuals looking for work and SSDI designed to assist those who have become disabled.

If adopted, this amendment would result in a package of the following provisions:

- Information Reporting by Banks on Mortgage Interest: Raises \$2.2B (Wyden Proposal)
- 6-year statute of limitation for overstatement of basis: Raises \$1.3B (Wyden Proposal)
- Passport Denial or Revocation for Delinquent Taxes: Raises \$388M (Wyden Proposal)
- Reform to UI/SS Disability Insurance: Saves \$5.4B

TOTAL: \$9.3B (42% Revenue to 58% Spending Reductions)

This amendment is balanced between spending reform and revenues and only includes provisions within the jurisdiction of the Finance Committee.

Portman Amendment #1 to Preserving America's Transit and Highways Act of 2014.

Short Title: Amendment to Replace Offsets with Expanded Non-Security, Non-Medicare Mandatory Sequester.

Description of Amendment: Strike Title II of bill and instead expand non-security, non-Medicare mandatory sequester by \$1 billion annually from FY 2015 through 2024 (\$10 billion total), raising the average annual sequester reduction from 6.25 percent to 7.53 percent for affected programs.

Offset: See above. This amendments strikes \$9 billion in savings and replaces it with \$10 billion in savings.

Note: Amendment sponsors reserve the right to modify this amendment for technical, deficit -neutrality, or other purposes

Portman Amendment #2 to Preserving America's Transit and Highways Act of 2014

Short Title: Amendment to Replace Stretch IRA Provision and Move Research and Education Programs into the Discretionary Appropriations Process.

Description of Amendment: Strike the "Stretch IRA" provision (Title II Section 5), and instead prohibit the Highway Trust Fund from financing the research and education programs currently found in Division E of MAP-21.

Such transportation spending would remain eligible for discretionary funding within the annual appropriations process.

Offset: See above. This amendment strikes \$3.7 billion in savings and replaces it with \$4 billion in savings.

Note: Amendment sponsors reserve the right to modify this amendment for technical, deficit -neutrality, or other purposes

Portman Amendment #3 to the Preserving America's Transit and Highways Act of 2014.

Short Title: Amendment to free States to spend gas taxes on their transportation priorities.

Description of Amendment: Allow States to elect not to participate in the federal highway and mass transit account programs and keep the revenues generated by gasoline and diesel purchases within their borders.

Allow participating States to manage and spend such revenue to finance their own transportation priorities, subject only to their pledge to abide by the following federal safety and maintenance standards:

- Provide notice 90 days before the beginning of the upcoming fiscal year that the State will elect not to participate in the federal programs.
- Agree to maintain the Interstate Highway System in accordance with the current Interstate System program.
- Submit a plan to the Secretary of the Department of Transportation describing the purposes, projects, and uses to which amounts received under the programs will be put and which programmatic requirements to the State elects to continue.
- Agree to obligate or expend amounts received under the federal programs exclusively for projects currently eligible for funding under the programs.
- Agree to submit an annual, publicly available report to the Secretary on use of the funds.
- Fulfill existing commitments for projects funded under the mass transit account programs.

Offset: None.

Note: Amendment sponsors reserve the right to modify this amendment for technical, deficit -neutrality, or other purposes

Toomey Amendment #1 to the Preserving America's Transit and Highways Act of 2014

Short Title: To reserve federal transportation funds for national infrastructure priorities.

Description: No funds distributed from the Highway Trust Fund established in Title 26, Sec. 9503 of the United States Code may be spent for the purpose of operating the Federal Transportation Alternatives Program.

Toomey Amendment #2 to the Preserving America's Transit and Highways Act of 2014

Short Title: To ease federal burdens on state and local governments recovering from catastrophic events.

Description: The amendment would exempt infrastructure repair projects that meet specific criteria from certain federal permitting requirements.

If a road, highway, or bridge is destroyed during a declared emergency, its reconstruction will be exempt from federal environmental permitting, so long as it is reconstructed within the footprint of the original structure.

Toomey Amendment #3 to the Preserving America's Transit and Highways Act of 2014

Short Title: To rescind funds for high speed rail projects and use that money to fund national infrastructure projects.

Description: This amendment rescinds any money designated for high speed rail projects and transfers that amount to the Highway Trust Fund.