

# THE BOND BUYER LEGISLATIVE STATUS REPORT

LEGISLATION	CURRENT LAW	PROPOSED LAW	CURRENT STATUS
<b>S. 3018: The Bipartisan Tax Fairness and Simplification Act of 2010</b>	State and local governments primarily issue tax-exempt bonds to finance various projects and needs, but tax-credit bonds can be issued for certain projects under programs that have been authorized at specific levels.	The tax reform bill, introduced Feb. 23 by Sens. Ron Wyden, D-Ore., and Judd Gregg, R-N.H., would eliminate tax-exempt bonds and instead allow governments to sell tax-credit bonds that offer investors a tax credit equal to 25% of interest costs. It would prohibit any advance refunding of municipal debt.	The bill has been referred to the Senate Finance Committee.
<b>HR 1880: National Insurance Consumer Protection Act</b>	State regulators currently oversee and regulate insurance companies.	The bill, introduced by Reps. Melissa Bean, D-Ill., and Edward Royce, R-Calif., on April 2, would create an optional federal system of regulation and supervision for insurers, including muni market guarantors and reinsurers. It also would establish a national insurance office with the Treasury headed by a commissioner nominated to a five-year term by the president and subject to Senate confirmation. It would also create a coordinating national council for financial regulators to collectively monitor the health and competitiveness of the financial services industry.	The bill has been referred to three House committees: Financial Services, Judiciary, and Energy and Commerce.
<b>HR 717: Research and Development Tax Credit Act of 2009</b>	The tax law currently does not permit "exempt facility" private-activity bonds to be used for federal research agreements.	The bill, introduced Jan. 27 by Rep. Eddie Bernice Johnson, D-Tex., would permit the issuance of exempt facility bonds for research park facilities used. It would also require the Treasury secretary to modify private-activity bond rules so that they apply to the funding of federal research facilities. Rep. James McGovern, D-Mass., is co-sponsoring the measure.	The bill has been referred to the House Ways and Means Committee.
<b>HR 880: Bond financing for certain aircraft</b>	Tax-exempt bonds currently cannot be used to finance fixed-wing emergency medical aircraft.	The bill, introduced Feb. 4 by Rep. Doc Hastings, R-Wash., and co-sponsored by Rep. Cathy McMorris Rodgers, R-Wash., would amend the tax code to permit tax-exempt bond financing for fixed-wing emergency medical aircraft, which are used to provide acute-care medical services.	The bill has been referred to the House Ways and Means Committee.
<b>S. 323: Rural Revitalization Act of 2009</b>	The tax code only permits the use of "exempt facility" private-activity bonds to finance the "local furnishing" of electrical energy or gas, defined to include two contiguous counties as well as a city and a contiguous county. Also, qualified zone academy bonds can only be used for school renovation and repairs, equipment, course materials and training.	The bill, introduced by Sen. Conrad Kent, D-ND, would allow the issuance, through Dec. 31, 2010, of tax-exempt facility bonds to finance qualified electric transmission facilities, defined as any facility owned by a government or governmental entity to provide electric service to the public directly or indirectly or any government authorized under state law to finance and own electric transmission facilities. The measure would also allow QZABs issued since Dec. 31, 2008, through 2010 to be used to finance school construction and land acquisition.	The bill has been referred to the Senate Finance Committee.

Note: This chart includes legislation introduced in the 111th Congress, which convened in January and extends through the end of 2010. Any bill introduced in the two-year period remains active until the session ends.

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