

116TH CONGRESS
1ST SESSION

S. 683

To establish a voluntary program in the National Highway Traffic Safety Administration to encourage consumers to purchase or lease new automobiles made in the United States, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 6, 2019

Mr. BROWN (for himself and Ms. CORTEZ MASTO) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To establish a voluntary program in the National Highway Traffic Safety Administration to encourage consumers to purchase or lease new automobiles made in the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “American Cars, Amer-
5 ican Jobs Act of 2019”.

6 **SEC. 2. AMERICAN CARS, AMERICAN JOBS PROGRAM.**

7 (a) DEFINITIONS.—In this section:

1 (1) AUTOMOBILE.—The term “automobile” has
2 the meaning given the term in section 32901(a) of
3 title 49, United States Code.

4 (2) AUTOMOBILE MADE IN THE UNITED
5 STATES.—The term “automobile made in the United
6 States” means an automobile that meets the require-
7 ments described in paragraph (1) or (2) of sub-
8 section (c).

9 (3) DEALER.—The term “dealer” means a per-
10 son licensed by a State who engages in the sale of
11 new automobiles to ultimate purchasers.

12 (4) PROGRAM.—The term “Program” means
13 the American Cars, American Jobs Program estab-
14 lished by subsection (b).

15 (5) QUALIFYING LEASE.—The term “qualifying
16 lease” means a lease of an automobile for a period
17 of not less than 5 years.

18 (6) SECRETARY.—The term “Secretary” means
19 the Secretary of Transportation, acting through the
20 Administrator of the National Highway Traffic Safe-
21 ty Administration.

22 (7) ULTIMATE PURCHASER.—The term “ulti-
23 mate purchaser” means, with respect to any new
24 automobile, the first person who in good faith pur-

1 chases the automobile for purposes other than re-
2 sale.

3 (8) VEHICLE IDENTIFICATION NUMBER.—The
4 term “vehicle identification number” means the 17-
5 character number used by the automobile industry
6 to identify individual automobiles.

7 (9) VOUCHER.—The term “voucher” means an
8 electronic transfer of funds to a dealer based on an
9 eligible transaction under this section.

10 (b) ESTABLISHMENT.—There is established in the
11 National Highway Traffic Safety Administration a vol-
12 untary program, to be known as the “American Cars,
13 American Jobs Program”, through which the Secretary,
14 in accordance with this section and the regulations pro-
15 mulgated under subsection (e), shall—

16 (1) authorize the issuance of an electronic
17 voucher, subject to the limitations described in sub-
18 section (d), to offset the purchase price or lease
19 price for a qualifying purchase or qualifying lease,
20 respectively, of a new automobile made in the United
21 States;

22 (2) register dealers for participation in the Pro-
23 gram and require that all registered dealers accept
24 vouchers as provided in this section as partial pay-
25 ment or down payment for the purchase or quali-

1 fying lease of any new automobile made in the
 2 United States offered for sale or lease by that deal-
 3 er;

4 (3) in consultation with the Secretary of the
 5 Treasury, make electronic payments to dealers for
 6 eligible transactions by the dealers described in
 7 paragraph (2), in accordance with the regulations
 8 promulgated under subsection (e); and

9 (4) in consultation with the Secretary of the
 10 Treasury and the Inspector General of the Depart-
 11 ment of Transportation, establish and provide for
 12 the enforcement of measures to prevent and penalize
 13 fraud under the Program.

14 (c) QUALIFICATIONS FOR AND VALUE OF VOUCH-
 15 ERS.—

16 (1) VOUCHER FOR PASSENGER VEHICLES.—Ex-
 17 cept as provided in paragraph (2), a voucher issued
 18 under the Program shall have a value of \$3,500 that
 19 may be applied to offset the purchase price or lease
 20 price for a purchase or qualifying lease, respectively,
 21 of a new automobile made in the United States, if
 22 the automobile—

23 (A) for the most recent model year, is de-
 24 termined by the Secretary to contain content of
 25 which not less than 45 percentage (by value) is

of United States/Canadian origin (as those terms are defined in section 32304(a) of title 49, United States Code); and

(B) is assembled in the United States.

(2) VOUCHER FOR PLUG-IN ELECTRIC DRIVE VEHICLES.—A voucher issued under the Program shall have a value of \$4,500 that may be applied to offset the purchase price or lease price for a purchase or qualifying lease, respectively, of a new automobile made in the United States, if the automobile—

(A) for the most recent model year, is determined by the Secretary to contain content of which not less than 45 percentage (by value) is of United States/Canadian origin (as those terms are defined in section 32304(a) of title 49, United States Code);

(B) is assembled in the United States; and

(C) is a new qualified plug-in electric drive motor vehicle (as defined in section 30D(d) of the Internal Revenue Code of 1986).

(d) PROGRAM LIMITATIONS.—

(1) GENERAL PERIOD OF ELIGIBILITY.—A voucher issued under the Program shall be used only in connection with the purchase or qualifying lease

1 of a new automobile made in the United States that
2 occurs during the period—

3 (A) beginning on the date that is 75 days
4 after the date of enactment of this Act; and

5 (B) ending on the date that is 2 years
6 after the date described in subparagraph (A).

7 (2) NUMBER OF VOUCHERS PER PERSON AND
8 PER TRADE-IN VEHICLE.—Not more than 1 voucher
9 may be issued under the Program for a single per-
10 son.

11 (3) NO COMBINATION OF VOUCHERS.—Only 1
12 voucher issued under the Program may be applied
13 toward the purchase or qualifying lease of a single
14 new automobile made in the United States.

15 (4) COMBINATION WITH OTHER INCENTIVES
16 PERMITTED.—The availability or use of a Federal,
17 State, or local incentive or a State-issued voucher
18 for the purchase or lease of a new automobile made
19 in the United States shall not limit the value or
20 issuance of a voucher under the Program to any per-
21 son otherwise eligible to receive such a voucher.

22 (5) NO ADDITIONAL FEES.—A dealer partici-
23 pating in the Program may not charge a person pur-
24 chasing or leasing a new automobile made in the

1 United States any additional fees associated with the
2 use of a voucher under the Program.

3 (6) NUMBER AND AMOUNT.—The total number
4 and value of vouchers issued under the Program
5 may not exceed the amounts appropriated for that
6 purpose.

7 (e) REGULATIONS.—

8 (1) IN GENERAL.—Notwithstanding section 553
9 of title 5, United States Code, not later than 60
10 days after the date of enactment of this Act, the
11 Secretary shall promulgate final regulations to im-
12 plement the Program.

13 (2) REQUIREMENTS.—The regulations under
14 paragraph (1) shall—

15 (A) provide for a means of registering
16 dealers for participation in the Program;

17 (B) establish procedures for the reimburse-
18 ment of dealers participating in the Program to
19 be made through electronic transfer of funds
20 for the amount of the vouchers as soon as prac-
21 ticable, but not longer than 10 days, after the
22 date of submission of information supporting
23 the eligible transaction, as the Secretary deter-
24 mines to be appropriate;

(C) require each applicable dealer to use a voucher under the Program in addition to any other rebate or discount advertised by the dealer or offered by the manufacturer for an applicable new automobile made in the United States; and

(D) prohibit each applicable dealer from using a voucher under the Program to offset any other rebate or discount described in subparagraph (C).

(f) ANTI-FRAUD PROVISIONS.—

(1) VIOLATION.—It shall be unlawful for any person to violate this section or any regulations promulgated pursuant to subsection (e) (other than by making a clerical error).

(2) PENALTIES.—

(A) IN GENERAL.—Any person who commits a violation described in paragraph (1) shall be liable to the Federal Government for a civil penalty of not more than \$15,000 for each violation.

(B) AUTHORITY OF THE SECRETARY.—

The Secretary may—

(i) assess and compromise penalties under subparagraph (A); and

1 (ii) require from any person the
2 records and inspections necessary to en-
3 force the Program.

4 (C) DETERMINATION.—In determining the
5 amount of a civil penalty under this paragraph,
6 the severity of the applicable violation and the
7 intent and history of the person committing the
8 violation shall be taken into account.

9 (g) INFORMATION TO CONSUMERS AND DEALERS.—

10 (1) IN GENERAL.—Not later than 60 days after
11 the date of enactment of this Act, and promptly
12 after receiving any update of any relevant informa-
13 tion, the Secretary shall make available on an inter-
14 net website and through other means determined by
15 the Secretary information about the Program, in-
16 cluding—

17 (A) how to participate in the Program, in-
18 cluding how to determine participating dealers;
19 and

20 (B) a comprehensive list, by make and
21 model, of new automobiles made in the United
22 States meeting the requirements of the Pro-
23 gram.

24 (2) PUBLIC AWARENESS CAMPAIGN.—Once the
25 information described in paragraph (1) is available,

1 the Secretary shall conduct a public awareness cam-
2 paign to inform consumers about the Program and
3 where to obtain additional information.

4 (h) RECORDKEEPING AND REPORT.—

5 (1) DATABASE.—The Secretary shall maintain
6 a database of the vehicle identification numbers of
7 all new automobiles made in the United States pur-
8 chased or leased under the Program.

9 (2) REPORT ON EFFICACY OF THE PROGRAM.—
10 Not later than 60 days after the end of the period
11 described in subsection (d)(1), the Secretary shall
12 submit to the Committee on Commerce, Science, and
13 Transportation of the Senate and the Committee on
14 Energy and Commerce of the House of Representa-
15 tives a report describing the efficacy of the Program,
16 including—

17 (A) a description of Program results, in-
18 cluding—

19 (i) the total number and amount of
20 vouchers issued for purchase or qualifying
21 lease of new automobiles made in the
22 United States by—

23 (I) manufacturer (including ag-
24 gregate information concerning the
25 make, model, and model year); and

- 1 (II) category of automobile; and
2 (ii) the location of sale or qualifying
3 lease; and
4 (B) an estimate of the overall economic
5 and employment effects of the Program.

6 (i) EXCLUSION OF VOUCHERS FROM INCOME.—

7 (1) FOR PURPOSES OF ALL FEDERAL AND
8 STATE PROGRAMS.—A voucher issued under this sec-
9 tion or any payment made for such a voucher under
10 subsection (b)(3) shall not be regarded as income
11 and shall not be regarded as a resource for the
12 month of receipt of the voucher and the following 12
13 months, for purposes of determining the eligibility of
14 the recipient of the voucher (or a spouse or other
15 family or household members of the recipients) for
16 benefits or assistance, or the amount or extent of
17 benefits or assistance, under any Federal or State
18 program.

19 (2) FOR PURPOSES OF TAXATION.—A voucher
20 issued under this section or any payment made for
21 such a voucher under subsection (b)(3) shall be
22 deemed not to be income of the purchaser of an
23 automobile for purposes of the Internal Revenue
24 Code of 1986.

25 (j) AUTHORIZATION OF APPROPRIATIONS.—

1 (1) IN GENERAL.—There is authorized to be
 2 appropriated to the Secretary \$3,000,000,000 to
 3 carry out the Program, to remain available until ex-
 4 pended.

5 (2) ADMINISTRATION.—Of the amounts appro-
 6 priated under paragraph (1), not more than
 7 \$1,000,000 may be made available for the adminis-
 8 tration of the Program.

9 **SEC. 3. DISALLOWANCE OF DEDUCTION FOR GLOBAL LOW-**
 10 **TAXED INCOME FOR CERTAIN AUTOMOBILE**
 11 **COMPANIES.**

12 (a) IN GENERAL.—Section 250 of the Internal Rev-
 13 enue Code of 1986 is amended—

14 (1) by redesignating subsection (c) as sub-
 15 section (d); and

16 (2) by inserting after subsection (b) the fol-
 17 lowing:

18 “(c) SPECIAL RULE FOR CERTAIN MOTOR VEHICLE
 19 MANUFACTURERS.—

20 “(1) IN GENERAL.—The amount determined
 21 under subsection (a)(1)(B) shall be zero for any tax-
 22 able year of a domestic corporation described in
 23 paragraph (2) if the number of full-time employees
 24 of such corporation performing substantially all of
 25 their services inside the United States during such

1 taxable year is less than the number of such employ-
2 ees on December 20, 2017.

3 “(2) DOMESTIC CORPORATION DESCRIBED.—A
4 domestic corporation is described in this paragraph
5 with respect to any taxable year if such domestic
6 corporation—

7 “(A) is a manufacturer (within the mean-
8 ing of section 30B) of motor vehicles (as de-
9 fined in section 30B(h)(1)), and

10 “(B) is a United States shareholder of a
11 controlled foreign corporation which increases
12 the number of full-time employees of such con-
13 trolled foreign corporation during period com-
14 prising of the taxable year of such domestic cor-
15 poration.”.

16 (b) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 the date of enactment of this Act.

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