

115TH CONGRESS
2D SESSION

S. 3324

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

AUGUST 1, 2018

Mr. BROWN 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 2018”.

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 subsection (c).

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

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

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

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

21 (7) ULTIMATE PURCHASER.—The term “ulti-
22 mate purchaser” means, with respect to any new
23 automobile, the first person who in good faith pur-
24 chases the automobile for purposes other than re-
25 sale.

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

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

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

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

20 (2) register dealers for participation in the Pro-
21 gram and require that all registered dealers accept
22 vouchers as provided in this section as partial pay-
23 ment or down payment for the purchase or quali-
24 fying lease of any new automobile made in the

1 United States offered for sale or lease by that deal-
2 er;

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

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

13 (c) QUALIFICATIONS FOR AND VALUE OF VOUCH-
14 ERS.—A voucher issued under the Program shall have a
15 value of \$3,500 that may be applied to offset the purchase
16 price or lease price for a purchase or qualifying lease, re-
17 spectively, of a new automobile made in the United States,
18 if the automobile—

19 (1) for the most recent model year, is deter-
20 mined by the Secretary to contain content of which
21 not less than 45 percentage (by value) is of United
22 States/Canadian origin (as those terms are defined
23 in section 32304(a) of title 49, United States Code);
24 and

25 (2) is assembled in the United States.

1 (d) PROGRAM LIMITATIONS.—

2 (1) GENERAL PERIOD OF ELIGIBILITY.—A
3 voucher issued under the Program shall be used only
4 in connection with the purchase or qualifying lease
5 of a new automobile made in the United States that
6 occurs during the period—

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

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

11 (2) NUMBER OF VOUCHERS PER PERSON AND
12 PER TRADE-IN VEHICLE.—Not more than 1 voucher
13 may be issued under the Program for a single per-
14 son.

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

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

1 (5) NO ADDITIONAL FEES.—A dealer partici-
2 pating in the Program may not charge a person pur-
3 chasing or leasing a new automobile made in the
4 United States any additional fees associated with the
5 use of a voucher under the Program.

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

10 (e) REGULATIONS.—

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

16 (2) REQUIREMENTS.—The regulations under
17 paragraph (1) shall—

18 (A) provide for a means of registering
19 dealers for participation in the Program;

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

1 the eligible transaction, as the Secretary deter-
2 mines to be appropriate;

3 (C) require each applicable dealer to use a
4 voucher under the Program in addition to any
5 other rebate or discount advertised by the deal-
6 er or offered by the manufacturer for an appli-
7 cable new automobile made in the United
8 States; and

9 (D) prohibit each applicable dealer from
10 using a voucher under the Program to offset
11 any other rebate or discount described in sub-
12 paragraph (C).

13 (f) ANTI-FRAUD PROVISIONS.—

14 (1) VIOLATION.—It shall be unlawful for any
15 person to violate this section or any regulations pro-
16 mulgated pursuant to subsection (e) (other than by
17 making a clerical error).

18 (2) PENALTIES.—

19 (A) IN GENERAL.—Any person who com-
20 mits a violation described in paragraph (1) shall
21 be liable to the Federal Government for a civil
22 penalty of not more than \$15,000 for each vio-
23 lation.

24 (B) AUTHORITY OF THE SECRETARY.—

25 The Secretary may—

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

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

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

11 (g) INFORMATION TO CONSUMERS AND DEALERS.—

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

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

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

1 (2) PUBLIC AWARENESS CAMPAIGN.—Once the
2 information described in paragraph (1) is available,
3 the Secretary shall conduct a public awareness cam-
4 paign to inform consumers about the Program and
5 where to obtain additional information.

6 (h) RECORDKEEPING AND REPORT.—

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

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

19 (A) a description of Program results, in-
20 cluding—

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

1 (I) manufacturer (including ag-
2 gregate information concerning the
3 make, model, and model year); and

4 (II) category of automobile; and
5 (ii) the location of sale or qualifying
6 lease; and

7 (B) an estimate of the overall economic
8 and employment effects of the Program.

9 (i) EXCLUSION OF VOUCHERS FROM INCOME.—

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

22 (2) FOR PURPOSES OF TAXATION.—A voucher
23 issued under this section or any payment made for
24 such a voucher under subsection (b)(3) shall be
25 deemed not to be income of the purchaser of an

1 automobile for purposes of the Internal Revenue
2 Code of 1986.

3 (j) AUTHORIZATION OF APPROPRIATIONS.—

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

8 (2) ADMINISTRATION.—Of the amounts appro-
9 priated under paragraph (1), not more than
10 \$1,000,000 may be made available for the adminis-
11 tration of the Program.

12 **SEC. 3. DISALLOWANCE OF DEDUCTION FOR GLOBAL LOW-**
13 **TAXED INCOME FOR CERTAIN AUTOMOBILE**
14 **COMPANIES.**

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

17 (1) by redesignating subsection (c) as sub-
18 section (d); and

19 (2) by inserting after subsection (b) the fol-
20 lowing:

21 “(c) SPECIAL RULE FOR CERTAIN MOTOR VEHICLE
22 MANUFACTURERS.—

23 “(1) IN GENERAL.—The amount determined
24 under subsection (a)(1)(B) shall be zero for any tax-
25 able year of a domestic corporation described in

1 paragraph (2) if the number of full-time employees
2 of such corporation performing substantially all of
3 their services inside the United States during such
4 taxable year is less than the number of such employ-
5 ees on December 20, 2017.

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

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

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

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

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