

AMENDMENT

OFFERED BY MS. FRIEDMAN OF CALIFORNIA

Amend paragraphs (1) and (2) of section 2001(a) to read as follows:

1 (1) IN GENERAL.—Section 601(a) of title 23,
2 United States Code, is amended—

3 (A) in the matter preceding paragraph (1),
4 by inserting “and section 612” after “609”;

5 (B) by redesignating paragraphs (1)
6 through (22) as paragraphs (2), (4), (5), (7),
7 (8), (9), (10), (11), (12), (13), (14), (15), (16),
8 (18), (19), (20), (21), (22), (23), (24), (25),
9 and (26), respectively;

10 (C) by inserting before paragraph (2) (as
11 so redesignated) the following:

12 “(1) ATTAINABLE HOUSING PROJECT.—The
13 term ‘attainable housing project’ means a transit-
14 oriented development project—

15 “(A) that serves households with an in-
16 come that is not more than 120 percent of the
17 area median income; and

18 “(B) in which the majority of the housing
19 units in the project are affordable to households

1 with an income that is not more than 80 per-
2 cent of the area median income.”;

3 (D) by inserting before paragraph (4) (as
4 so redesignated) the following:

5 “(3) DRAYAGE TRUCK.—The term ‘drayage
6 truck’ means any in-use on-road vehicle that—

7 “(A) has a gross vehicle weight rating
8 greater than 26,000 pounds;

9 “(B) is used for transporting cargo; and

10 “(C) operates on, moves through, or oper-
11 ates in transit to or from, a seaport or an inter-
12 modal freight transfer facility to load, unload,
13 or transport cargo, including empty containers
14 or chassis.”;

15 (E) by inserting before paragraph (7) (as
16 so redesignated) the following:

17 “(6) INVESTMENT-CREDITWORTHINESS ASSESS-
18 MENT ALTERNATIVE.—The term ‘investment-credit-
19 worthiness assessment alternative’ means, with re-
20 spect to project obligations for a transit-oriented de-
21 velopment project, a sufficient demonstration of fis-
22 cal soundness and low risk of credit default that is
23 not an investment-grade rating, such as—

24 “(A) a joint liability agreement or equiva-
25 lent between the project lead and a State or

1 unit of local government with a sufficient credit
2 rating;

3 “(B) an alternative rating sufficient to ac-
4 count for the risk assumed by the Department
5 of Transportation for a project in which the
6 Federal credit instrument is \$150,000,000 or
7 less, as determined by the Secretary; or

8 “(C) a certification that a project is
9 deemed creditworthy by an approved originator-
10 servicer under section 612.”;

11 (F) in paragraph (13) (as so redesign-
12 nated), in subparagraph (D)(ii)—

13 (i) by striking “investment grade rat-
14 ing” and inserting “investment-grade rat-
15 ing”; and

16 (ii) by inserting “or an investment-
17 creditworthiness assessment alternative”
18 after “rating agency”;

19 (G) in paragraph (15) (as so redesign-
20 nated)—

21 (i) by striking subparagraph (E) and
22 inserting the following:

23 “(E) a transit-oriented development
24 project;”;

1 (ii) in subparagraph (G) by striking
2 “for which” and all that follows through
3 “for assistance”; and

4 (iii) by striking subparagraph (H) and
5 inserting the following:

6 “(H) purchasing or leasing of drayage
7 trucks.”;

8 (H) by inserting before paragraph (18) (as
9 so redesignated) the following:

10 “(17) QUALIFIED FINANCIAL INSTITUTION.—

11 The term ‘qualified financial institution’ means—

12 “(A) an insured depository institution as
13 defined in section 3(c)(2) of the Federal De-
14 posit Insurance Act (12 U.S.C. 1813(c)(2));

15 “(B) an insured credit union as defined in
16 section 101 of the Federal Credit Union Act
17 (12 U.S.C. 1752); and

18 “(C) any other financial institution that—

19 “(i) is regulated or supervised by—

20 “(I) the Board of Governors of
21 the Federal Reserve System;

22 “(II) the Securities and Ex-
23 change Commission;

24 “(III) the Federal Housing Fi-
25 nance Agency;

1 “(IV) the Farm Credit Adminis-
2 tration; or

3 “(V) any other Federal financial
4 regulatory agency;

5 “(ii) is regularly engaged in the busi-
6 ness of extending credit or making credit
7 determinations; and

8 “(iii) the Secretary determines has
9 demonstrated experience in the under-
10 writing or provision of credit.”; and

11 (I) by adding at the end the following:

12 “(27) TRANSIT-ORIENTED DEVELOPMENT
13 PROJECT.—The term ‘transit-oriented development
14 project’ means a project located within 1/2 mile walk-
15 ing distance of a fixed guideway transit facility, bus
16 rapid transit facility, passenger rail station, or
17 multimodal facility, including a transportation, pub-
18 lic utility, or capital project described in section
19 5302(4)(G)(vi) of title 49, and related infrastruc-
20 ture—

21 “(A) that consists entirely of, or includes,
22 residential, commercial, public infrastructure,
23 or mixed-used development or other related in-
24 frastructure, including public or community
25 space;

1 “(B) that incorporates private investment;
2 and

3 “(C) for which the project sponsor dem-
4 onstrates the ability to generate new revenue
5 for the relevant station, facility, or service by
6 increasing ridership, increasing tenant lease
7 payments, or carrying out other activities that
8 generate revenue exceeding costs.”.

9 (2) CONFORMING AMENDMENTS.—

10 (A) DETERMINATION OF ELIGIBILITY AND
11 PROJECT SELECTION.—Section 602 of title 23,
12 United States Code, is further amended—

13 (i) in subsection (a)(5)(B)(ii) by strik-
14 ing “in section 601(a)(12)(E)”; and

15 (ii) in subsection (e) by striking “sec-
16 tion 601(a)(2)(A)” and inserting “section
17 601(a)(4)(A)”.

18 (B) FUNDING.—Section 608(a)(4) of title
19 23, United States Code, is amended by striking
20 “section 601(a)(12)(E)” and inserting “section
21 601(a)(15)(E)”.

 Strike section 2001(b)(1)(A) and insert the fol-
 lowing:

22 (A) in paragraph (2)—

23 (i) in subparagraph (A)—

1 (I) in clause (iii)—

2 (aa) by striking “investment
3 grade rating” and inserting “in-
4 vestment-grade rating”; and

5 (bb) by inserting “or an in-
6 vestment-creditworthiness assess-
7 ment alternative” after “credit
8 instrument”; and

9 (II) in clause (iv), by inserting “,
10 or an investment-creditworthiness as-
11 sessment alternative” after “suffi-
12 cient”; and

13 (ii) in subparagraph (B)—

14 (I) by striking “investment grade
15 rating” and inserting “investment-
16 grade rating”; and

17 (II) by inserting “, or an invest-
18 ment-creditworthiness assessment al-
19 ternative” after “sufficient”;

20 (B) in paragraph (3)—

21 (i) by striking “A project” and insert-
22 ing the following:

23 “(A) IN GENERAL.—Except as provided in
24 subparagraph (B), a project”; and

1 (ii) by adding at the end the fol-
2 lowing:

3 “(B) TRANSIT-ORIENTED DEVELOPMENT
4 PROJECTS.—

5 “(i) COMPATIBILITY WITH PLAN-
6 NING.—In the case of a transit-oriented
7 development project, the project sponsor
8 shall be required—

9 “(I) to provide evidence of a
10 nexus with a project included in the
11 transportation improvement program
12 developed by the applicable metropoli-
13 tan planning organization under sec-
14 tion 134(j) and the statewide trans-
15 portation improvement program devel-
16 oped by the applicable State under
17 section 135(g); or

18 “(II) to demonstrate compat-
19 ibility with the long-range transpor-
20 tation plan developed by the applica-
21 ble metropolitan planning organiza-
22 tion under section 134(i).

23 “(ii) COORDINATION.—In the case of
24 a transit-oriented development project that
25 is located within a metropolitan planning

1 area, the project sponsor shall coordinate
2 with the applicable metropolitan planning
3 organization, including by providing timely
4 notification to the metropolitan planning
5 organization during the planning and enti-
6 tlement process, and by sharing informa-
7 tion on project details, transportation im-
8 pacts, and mitigation measures.”;

Page 277, line 25, strike “(B)” and insert “(C)”.

Add at the end of section 2001(b)(1) the following:

9 (D) by adding at the end the following:
10 “(12) REQUIREMENT FOR ATTAINABLE HOUS-
11 ING PROJECTS.—In the case of an attainable hous-
12 ing project, not less than 75 percent of the total fi-
13 nancial assistance provided for the project under the
14 TIFIA program shall be used for residential compo-
15 nents of the project.”;

Page 278, before line 22, insert the following:

16 (2) in subsection (b)(3), in the matter pre-
17 ceding subparagraph (A), by striking “The Sec-
18 retary” and inserting “Except in a case in which a
19 project intends to use an investment-creditworthi-
20 ness assessment alternative, the Secretary”;

Page 278, line 22, strike “(2)” and insert “(3)”.

Page 281, line 7, strike the period at the end and insert a semicolon.

Add at the end of section 2001(b) the following:

1 (4) in subsection (d)(1)—

2 (A) by striking “and to the maximum ex-
3 tent practicable”; and

4 (B) by striking “, to the maximum extent
5 practicable,”; and

6 (5) by adding at the end the following:

7 “(f) OTHER REQUIREMENTS.—Transit-oriented de-
8 velopment projects and attainable housing projects as-
9 sisted under the TIFIA program, shall be subject to the
10 standards of section 5333(a) of title 49, U.S. Code.”.

Amend section 2001(c) to read as follows:

11 (c) SECURED LOAN.—Section 603 of title 23, United
12 States Code, is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (3), by inserting “or an
15 investment-creditworthiness assessment alter-
16 native, as applicable” after “602(b)(3)(B)”;
17 and

18 (B) by adding at the end the following:

1 “(4) LOAN DISBURSEMENT.—Upon request
2 from the obligor, the Secretary may delay issuance
3 of the secured loan funds until a date, to be speci-
4 fied by the obligor, during the 2-year period begin-
5 ning on the date that the project is determined to
6 be in substantial completion, so long as the obligor
7 is compliant with the credit agreement on the date
8 of issuance.”; and

9 (2) in subsection (b)—

10 (A) in paragraph (2)—

11 (i) in subparagraph (A)—

12 (I) by striking “subparagraph
13 (B)” and inserting “subparagraphs
14 (B) and (C)”; and

15 (II) by striking “investment
16 grade rating” and inserting “invest-
17 ment-grade rating or an investment-
18 creditworthiness assessment alter-
19 native”; and

20 (ii) by adding at the end the fol-
21 lowing:

22 “(C) TRANSIT-ORIENTED DEVELOPMENT
23 PROJECTS.—The amount of a secured loan
24 under this section for a transit-oriented devel-
25 opment project that contains a significant gen-

1 eral housing or attainable housing component
2 (as determined by the Secretary) or involves a
3 partnership with a transit agency, State, local
4 government partner, or nonprofit financing en-
5 tity shall not exceed 75 percent of the reason-
6 ably anticipated eligible project costs.”;

7 (B) in paragraph (4)—

8 (i) in subparagraph (A), by striking
9 “subparagraphs (B) and (C)” and insert-
10 ing “subparagraphs (B), (C), and (D); and

11 (ii) by adding at the end the fol-
12 lowing:

13 “(D) ATTAINABLE HOUSING PROJECTS.—

14 The interest rate of a loan offered to an attain-
15 able housing project under the TIFIA program
16 shall be at $\frac{1}{2}$ of the Treasury Rate in effect on
17 the date of execution of the loan agreement.”;

18 and

19 (C) in paragraph (7)—

20 (i) by striking “The Secretary” and
21 inserting the following:

22 “(A) IN GENERAL.—The Secretary”; and

23 (ii) by adding at the end the fol-
24 lowing:

1 “(B) DISCLOSURE OF FEES.—The Sec-
2 retary shall develop and make publicly available
3 a straightforward, scalable, and reasonable fee
4 structure with respect to fees that may apply
5 under this section.

6 “(C) GUIDANCE ON PROJECT REQUIRE-
7 MENTS.—The Secretary shall develop and make
8 publicly available guidance on eligibility require-
9 ments for transit-oriented development projects,
10 including guidance relating to—

11 “(i) minimum debt service coverage
12 ratios by project type;

13 “(ii) maximum loan-to-cost and loan-
14 to-value thresholds; and

15 “(iii) distribution covenants.”.

 Insert after subsection (c) of section 2001 the fol-
 lowing new subsection (and redesignate subparagraphs
 (d) through (f) as subparagraphs (e) through (g)):

16 (d) LINES OF CREDIT.—Section 604(a)(4) of title 23,
17 United States Code, is amended by inserting “or securing
18 an investment-creditworthiness assessment alternative”
19 after “rating agencies”.

 On page 281, starting on line 24, amend paragraph
 (1) to read as follows:

1 (1) in paragraph (4)—

2 (A) by striking the paragraph designation
3 and heading and all that follows through “de-
4 scribed in section 601(a)(12)(G)” in subpara-
5 graph (B), in the matter preceding clause (i),
6 and inserting the following:

7 “(4) LIMITATION FOR AIRPORT-RELATED
8 PROJECTS.—The Secretary may use to carry out
9 projects described in section 601(a)(14)(G)”;

10 (B) in clause (i) by striking “under the
11 Surface Transportation Reauthorization Act of
12 2021”;

13 (C) in clause (ii)—

14 (i) by striking “fiscal years 2022
15 through 2026” and inserting “fiscal years
16 2027 through 2031”; and

17 (ii) by striking “(as of October 1,
18 2021)” and inserting “(as of October 1,
19 2026)”; and

20 (D) by redesignating clauses (i) and (ii) as
21 subparagraphs (A) and (B), respectively, and
22 adjusting the margins appropriately; and

At the end of section 2001 add the following:

23 (h) DELEGATED ORIGINATION AND UNDERWRITING
24 PROGRAM FOR TOD PROJECTS.—

1 “(d) REGULATIONS.—Not later than 180 days after
2 the date of enactment of this section, the Secretary shall
3 promulgate regulations to carry out this section, includ-
4 ing—

5 “(1) requirements for qualified originators-
6 servicers to assume responsibilities of the Secretary
7 under the TIFIA program with respect to origina-
8 tion, underwriting, and servicing, including require-
9 ments that a qualified originator-servicer shall—

10 “(A) originate, underwrite, and service a
11 loan under the TIFIA program for the life of
12 the loan;

13 “(B) be in good standing with, and not
14 have been assessed any fine related to lending
15 activity by the Department of Housing and
16 Urban Development during the previous 5
17 years; and

18 “(C) demonstrate expertise in providing fi-
19 nancing for a variety of project types that align
20 with projects described in subsection (a), such
21 as commercial and mixed use projects;

22 “(2) procedures for qualified originators-
23 servicers to assess creditworthiness;

24 “(3) oversight procedures; and

1 “(4) other provisions necessary for the imple-
2 mentation of this section.

3 “(e) INTERAGENCY AGREEMENT.—In carrying out
4 this section, the Secretary shall enter into an interagency
5 agreement with the Secretary of Housing and Urban De-
6 velopment—

7 “(1) to assist the Secretary in leveraging lend-
8 ers and lender approval processes used in the Multi-
9 family Accelerated Processing system established by
10 the Department of Housing and Urban Develop-
11 ment, including by helping to develop an expedited
12 path to approval as a qualified originator-servicer
13 under this section for lenders operating under that
14 section; and

15 “(2) to provide guidance and assistance to the
16 Secretary on ways, through the use of this section—

17 “(A) to reduce the overall processing time
18 and administrative burden required to deliver
19 credit assistance under the TIFIA program;
20 and

21 “(B) to preserve the ability of the Sec-
22 retary to maintain thorough oversight of origi-
23 nating, underwriting, and servicing loans pro-
24 vided under the TIFIA program.”.

1 (2) CLERICAL AMENDMENT.—The analysis for
2 chapter 6 of title 23, United States Code, is amend-
3 ed by adding at the end the following:

“612. Delegated origination and underwriting program for TOD projects.”.

Page 283, line 6, strike “612” and insert “613”.

Page 287, between lines 8 and 9, in the amendment
to the chapter analysis, strike “612” and insert “613”.

Page 948, line 2, strike “and”.

Page 948, line 22, strike the period at the end and
insert a semicolon.

In section 10506(a), insert after paragraph (3) the
following:

4 (4) in subsection (e)(1)—

5 (A) by striking “The interest rate” and in-
6 serting the following:

7 “(A) The interest rate”; and

8 (B) by inserting after subparagraph (A),
9 as added by subparagraph (A), the following:

10 “(B) Subparagraph (A) shall not apply to
11 eligible projects under this section that meet
12 the definition of an Attainable Housing Project,
13 for which the rate shall be at ½ of the Treas-

1 ury Rate in effect on the date of execution of
2 the loan agreement.”; and

3 (5) in subsection (f)(3), by adding at the end
4 the following:

5 “(E) For a transportation-oriented devel-
6 opment project, an alternative demonstration of
7 equivalent fiscal soundness and low risk of cred-
8 it default, such as—

9 “(i) a joint liability agreement or
10 equivalent between the project lead and a
11 division of a State or local organization
12 with a sufficient credit rating;

13 “(ii) an alternative rating sufficient to
14 account for the risk assumed by the De-
15 partment for a project in which the Fed-
16 eral credit instrument is \$150,000,000 or
17 less, subject to the Secretary’s discretion;
18 or

19 “(iii) a certification that the project is
20 deemed credit worthy by an approved origi-
21 nator-servicer acting on behalf of the Sec-
22 retary under the delegated lending pro-
23 gram developed under subsection (o).”.

Page 948, starting on line 24, strike “amended by” and all that follows through the colon and insert “amended—” and insert before the quote block the following:

1 (1) by redesignating paragraphs (5) through
2 (15) as paragraphs (6) through (16), respectively;

3 (2) by inserting after paragraph (4) the fol-
4 lowing:

5 “(5) **ATTAINABLE HOUSING PROJECT.**—The
6 term ‘attainable housing project’ means a transpor-
7 tation-oriented development project—

8 “(A) that serves households with an in-
9 come of not more than 120 percent of the area
10 median income; and

11 “(B) in which the majority of the housing
12 units in the project are affordable to households
13 with an income that is not more than 80 per-
14 cent of the area median income.”; and

15 (3) by adding at the end the following:

Page 949, line 1, strike “(16)” and insert “(17)”.

Page 951, line 6, strike “(E)” and insert “(F)”.

Page 951, line 8, strike paragraph (3) and insert:

16 (3) by adding at the end the following:

17 “(o) **HOUSING COORDINATION.**—The Secretary shall
18 coordinate with the Secretary of Housing and Urban De-

1 velopment in evaluating local policies promoting housing
2 development for purposes of determining whether to
3 prioritize an application for a project described under sub-
4 section (c)(10).

5 “(p) DELEGATED ORIGINATION AND UNDERWRITING
6 PROGRAM FOR TRANSPORTATION-ORIENTED DEVELOP-
7 MENT PROJECTS.—

8 “(1) IN GENERAL.—For the purposes of grant-
9 ing assistance under this section, the Secretary shall
10 establish a delegated origination and underwriting
11 program for transportation-oriented development
12 projects that is modeled from the Multifamily Accel-
13 erated Processing system established by the Depart-
14 ment of Housing and Urban Development, under
15 which an approved originator-servicer, acting on be-
16 half of and under the oversight of the Secretary, car-
17 ries out the origination, underwriting, and servicing
18 of loans and loan guarantees and lines of credit pro-
19 vided under this section, including assessments of
20 creditworthiness for applicants and projects.

21 “(2) REQUIREMENTS FOR ORIGINATOR-
22 SERVICERS.—To be approved as a originator-servicer
23 under the program established under paragraph (1),
24 the person must—

1 “(A) agree to originate, underwrite, and
2 service the loan for the life of the loan;

3 “(B) demonstrate good standing with the
4 Department of Housing and Urban Develop-
5 ment and have not been fined for any lending
6 related activity for the past five years; and

7 “(C) demonstrate evidence of expertise in
8 providing financing for a variety of project
9 types that align with transportation-oriented
10 development projects, such as commercial and
11 mixed use projects.

12 “(3) REGULATIONS.—The Secretary shall pro-
13 mulgate regulations to carry out this subsection, in-
14 cluding—

15 “(A) requirements for qualified originator-
16 servicers;

17 “(B) procedures for qualified originator-
18 servicers to assess creditworthiness, which shall
19 not include any requirement that a transpor-
20 tation-oriented development project demonstrate
21 an investment-grade rating;

22 “(C) oversight procedures; and

23 “(D) other provisions necessary for the im-
24 plementation of this section.

1 “(4) INTERAGENCY AGREEMENT.—In carrying
2 out this subsection, the Secretary shall enter into an
3 interagency agreement with the Secretary of Hous-
4 ing and Urban Development—

5 “(A) to assist the Secretary in leveraging
6 lenders and lender approval processes used in
7 carrying out the Multifamily Accelerated Proc-
8 essing system established by the Department of
9 Housing and Urban Development, including by
10 helping to develop an expedited path to ap-
11 proval as an originator-servicer under this sec-
12 tion for lenders operating under that section;
13 and

14 “(B) to provide guidance and assistance to
15 the Secretary on ways, through the use of this
16 subsection—

17 “(i) to reduce the overall processing
18 time and administrative burden required to
19 deliver assistance under this section; and

20 “(ii) to preserve the ability of the Sec-
21 retary to maintain thorough oversight of
22 originating, underwriting, and servicing ac-
23 tivities provided under this section.”.

