

1 S. ___

2

3 To amend the Internal Revenue Code of 1986 to expand the new markets tax credit, and for other
4 purposes.

5

6 The following bill; which was read twice and referred to the Committee on _____

7

8 Be it enacted by the Senate and House of Representatives of the United States of America in
9 Congress assembled,

10 SECTION 1. SHORT TITLE.

11 This Act may be cited as the “Norma Ruth Criswell Carpenter & Clovis C. Criswell Grant
12 Parish Restoration Act of 2026”.

13 SEC. 2. MODIFICATION OF RULES FOR HIGH 14 MIGRATION RURAL COUNTIES UNDER NEW MARKETS 15 TAX CREDIT.

16 (a) In General.—Section 45D(e)(5)(B) of the Internal Revenue Code of 1986 is amended by
17 inserting ,“determined without regard to individuals included in the institutionalized group
18 quarters population (as defined by the Bureau of the Census in such census)” before the period at
19 the end.

20 (b) Effective Date.—The amendment made by this section shall apply to investments made
21 after the date of the enactment of this Act.

22 SEC. 3. SPECIAL RULES FOR COUNTIES IN WHICH THE 23 FEDERAL GOVERNMENT OWNS A LARGE PORTION OF 24 LAND..

25 (a) Treatment as Low-income Communities Under the New Market Tax Credit.—

26 (1) IN GENERAL.—Section 45D(e) of the Internal Revenue Code of 1986 is amended by
27 adding at the end the following new paragraph:

28 “(6) LOW-INCOME COMMUNITIES WITH POPULATION DENSITIES SUPPRESSED BY
29 UNINHABITED FEDERAL LANDS.—

30 “(A) IN GENERAL.—In the case of any population census tract located in a county in
31 which not less than 30 percent of the land is owned by the Federal Government on
32 December 31, 2025, paragraph (1)(A) shall be applied by substituting ‘15 percent’ for
33 ‘20 percent’.

34 “(B) TREATMENT OF MILITARY INSTALLATIONS.—For purposes of this paragraph,
35 land used as a military installation shall not be treated as land owned by the Federal
36 Government.

37 “(C) TREATMENT FEDERAL LANDS HELD IN TRUST FOR TRIBES.—For purposes of this

1 paragraph, land owned by the Federal Government and held in trust for Native
2 Americans shall not be treated as land owned by the Federal Government.”.

3 (2) EFFECTIVE DATE.—The amendment made by this section shall apply to investments
4 made after December 31, 2025.

5 (b) Energy Communities.—

6 (1) IN GENERAL.—Section 45(b)(11)(B) of the Internal Revenue Code of 1986 is
7 amended by striking “or” at the end of clause (iii), by striking the period at the end of clause
8 (iv) and inserting “, or”, and by adding at the end the following new clause:

9 “(v) a population census tract which—

10 “(I) is located in a county in which not less than 30 percent of the land is
11 owned by the Federal Government (determined under the rules of section
12 45D(e)(6)) on December 31, 2025, and

13 “(II) is a low-income community (as defined in section 45D(e)(1),
14 determined by substituting ‘15 percent’ for ‘20 percent’ in subparagraph (A)
15 thereof).”.

16 (2) EFFECTIVE DATE.—The amendment made by this section shall apply to facilities
17 placed in service after the date of the enactment of this Act.

18 (c) Opportunity Zones.—Section 1400Z–1(c)(1) of the Internal Revenue Code of 1986 is
19 amended by striking “or” at the end of subparagraph (A), by striking the period at the end of
20 subparagraph (B) and inserting “, or”, and by adding at the end the following new subparagraph:

21 “(C) such population census tract—

22 “(i) is located in a county in which not less than 30 percent of the land is owned
23 by the Federal Government (determined under the rules of section 45D(e)(6)) on
24 December 31, 2025, and

25 “(ii) is a low-income community (as defined in section 45D(e)(1), determined
26 by substituting ‘15 percent’ for ‘20 percent’ in subparagraph (A) thereof).”.

27 **SEC. 4. CONVEYANCE OF FEDERAL CORRECTIONAL**
28 **COMPLEX-POLLOCK AND CERTAIN NATIONAL**
29 **FOREST SYSTEM LAND TO GRANT PARISH,**
30 **LOUISIANA.**

31 (a) Federal Correctional Complex-Pollock Conveyance.—

32 (1) DEFINITIONS.—In this subsection:

33 (A) ADMINISTRATOR.—The term “Administrator” means the Administrator of
34 General Services, acting through the Director of the Bureau of Prisons.

35 (B) ELIGIBLE DESIGNEE.—The term “eligible designee” means any entity described
36 in subclauses (II) through (IV) of paragraph (4)(B)(i).

37 (C) PARISH.—The term “Parish” means Grant Parish, Louisiana.

1 (D) PROPERTY.—The term “property” means the Federal property described in
2 paragraph (3) to be conveyed under paragraph (2).

3 (E) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.

4 (2) CONVEYANCE REQUIRED.—Not later than 180 days after the date of enactment of this
5 Act, and after completion of the survey required under this subsection, the Administrator
6 shall convey by quitclaim deed to a private investor all right, title, and interest of the United
7 States in and to the property for the consideration described in paragraph (7).

8 (3) PROPERTY DESCRIBED.—The property referred to in this subsection is the campus of
9 the Federal Correctional Complex–Pollock, including all real estate, structures, fixtures,
10 easements, and appurtenant rights thereto, comprising approximately 464.08 acres located
11 in sec. 26 of T. 6 N., R. 1 W., Grant Parish, Louisiana, and administered by the Bureau of
12 Prisons.

13 (4) LEASEBACK.—

14 (A) IN GENERAL.—As a condition of the conveyance under paragraph (2), the
15 conveyance shall require the private investor to enter into a 99-year triple-net
16 leaseback with the Administrator (referred to in this paragraph as the “leaseback”) that
17 provides for the operation, redevelopment, or reuse of non-security portions of the
18 property, with lease payments adjusted annually based on changes in the Consumer
19 Price Index of the Bureau of Labor Statistics.

20 (B) ELECTRICITY.—

21 (i) IN GENERAL.—The leaseback shall provide authority for the Administrator
22 to purchase electricity from—

23 (I) the Grant Parish School Board;

24 (II) a nonprofit organization—

25 (aa) described in section 501(c)(3) of the Internal Revenue Code of
26 1986 and exempt from taxation under 501(a) of that Code;

27 (bb) the Board of Directors of which exclusively share the same
28 elected members as the Grant Parish School Board;

29 (cc) that annually publishes audited financial statements on the same
30 date as the Grant Parish School Board covering the same period of time
31 as the annual audited financial statements of the Grant Parish School
32 Board; and

33 (dd) that may be chartered by an Act of Congress;

34 (III) a public power authority chartered under the laws of the State of
35 Louisiana and chosen by the Grant Parish School Board; or

36 (IV) the Grant Parish Police Jury (or a successor, as established by
37 Louisiana Home Rule Charter) if the Grant Parish School Board directs the
38 Grant Parish Police Jury (or a successor), with the consent of the Grant
39 Parish Police Jury (or a successor), to own and operate a power generation
40 facility for purposes of providing electricity for the property.

1 (ii) PURCHASE RATE.—The electricity purchased by the Administrator under
2 clause (i) shall be—

3 (I) purchased at the greater of—

4 (aa) the highest rate of electrical charges and fees per kilowatt-hour
5 exhibited in the 5-year period preceding the date of execution of the
6 leaseback charged to the Bureau of Prisons for the property; and

7 (bb) the highest rate of electrical charges and fees per kilowatt-hour
8 exhibited in that period in the Parish; and

9 (II) adjusted upwards for the highest rate of electrical power on the
10 Midcontinent Independent System Operator Market applicable to the State of
11 Louisiana on a quarterly basis.

12 (C) CONTINUED OPERATION.—

13 (i) IN GENERAL.—The Bureau of Prisons shall continue operation of the
14 property until the date on which the leaseback expires, subject to the condition
15 that the Bureau of Prisons may continue operation of the property if a new lease
16 on the property is agreed to after the expiration of the leaseback.

17 (ii) SOLE RESPONSIBILITY.—The Bureau of Prisons shall be solely responsible
18 for the operation of the property during the period of the leaseback, with the
19 human staffing levels never being less than they were on December 31, 2024, and
20 with the human-related gross payroll of the property never being less than the
21 amount exhibited during 2024, which shall be annually adjusted upwards for
22 changes in the Consumer Price Index of the Bureau of Labor Statistics.

23 (5) USE OF REVENUES.—

24 (A) IN GENERAL.—The Grant Parish School Board, or an eligible designee, shall
25 allocate all net revenues (other than necessary overhead expenses) derived from any
26 lease, sublease, resale, or redevelopment of the property in accordance with the
27 following:

28 (i) Subject to subparagraph (B)(ii), 50 percent shall be allocated to the Grant
29 Parish School Board to support the childhood education of children with special
30 needs, the childhood education of children through grade 6, services for children
31 with disabilities, a Head Start program authorized under the Head Start Act (42
32 U.S.C. 9831 et seq.), and for the expenses of a childcare program which shall not
33 discriminate against children with special needs or disabilities, subject to the
34 condition that the child is also enrolled in a school of the Grant Parish School
35 Board or is a child residing with residents domiciled in the Parish that is too
36 young to be enrolled as a student of the Grant Parish School Board.

37 (ii) 22.5 percent shall be allocated to an Academic Achievement Fund
38 administered by the Grant Parish School Board or the nonprofit organization
39 described in paragraph (4)(B)(i)(II) to provide payments to eligible students for
40 positive performance with respect to school discipline, attendance, academic
41 performance, and financial literacy, which payments shall be weighted to children
42 exhibiting the highest levels of poverty and—

1 (I) shall be deposited into a qualified tuition program (as defined in section
2 529 of the Internal Revenue Code of 1986) or a Coverdell education savings
3 account (as defined in section 530 of such Code) established for the benefit
4 of such eligible students;

5 (II) shall be excluded from gross income for purposes of the Internal
6 Revenue Code of 1986 to the extent attributable to the revenues deposited
7 under this clause; and

8 (III) shall not be counted as income for purposes of the supplemental
9 nutrition assistance program established under the Food and Nutrition Act of
10 2008 (7 U.S.C. 2011 et seq.), the Medicaid program under title XIX of the
11 Social Security Act (42 U.S.C. 1396 et seq.), or any other means-tested
12 program, to the extent attributable to the revenues deposited under this
13 clause.

14 (iii) 22.5 percent shall be allocated to a sinking fund dedicated to future
15 replacement of any renewable energy infrastructure constructed on the property
16 and operated by the Grant Parish School Board or an eligible designee, which
17 may be used to capitalize a fund whose purpose is the same as that described in
18 clause (ii), and whose earnings in excess of the annual change in the Consumer
19 Price Index published by the Bureau of Labor Statistics, subject to the condition
20 that the Grant Parish School Board is able to acquire electricity on better
21 economical terms from the renewable energy infrastructure constructed on the
22 property pursuant to this clause.

23 (iv) 5 percent shall be allocated to the Kisatchie-Delta Regional Planning and
24 Development District, Inc. to support technical assistance for Parish grant
25 applications and economic development activities.

26 (B) REQUIREMENTS.—

27 (i) OWNERSHIP INTERESTS.—Any for-profit or nonprofit organization that
28 receives funds from the Grant Parish School Board under subparagraph (A)(i),
29 which may include the nonprofit organization described in paragraph (4)(B)(i)(II),
30 shall—

31 (I) immediately submit the ownership of the entity to the Grant Parish
32 Police Jury (or a successor, as established by Louisiana Home Rule Charter)
33 for inclusion on the website of the Grant Parish Police Jury (or a successor)
34 as of the date the entity has received such ownership interest by certified
35 mail or certified email; and

36 (II) continue to annually submit to the Grant Parish Police Jury (or a
37 successor) the ownership interest of the entity until such time as the entity no
38 longer receives funds under subparagraph (A)(i).

39 (ii) CHILDCARE PROGRAM.—Of the amounts allocated pursuant to subparagraph
40 (A)(i), not less than 50 percent shall be allocated to the Grant Parish School Board
41 for expenses of the childcare program described in that subparagraph.

42 (6) SURVEY.—

1 (A) IN GENERAL.—As soon as practicable after the date of enactment of this Act, and
2 subject to approval by the Administrator, the Secretary shall commission a professional
3 survey establishing the exact acreage, boundaries, servitudes, and legal description of
4 the property for purposes of the conveyance under paragraph (2).

5 (B) FUNDING.—The Secretary shall commission and carry out the survey under
6 subparagraph (A) with existing amounts made available to the Secretary.

7 (7) CONSIDERATION.—As consideration for the conveyance of the property under
8 paragraph (2), the private investor shall remit to the Administrator a payment in an amount
9 that is not less than \$800,000,000.

10 (8) PROPERTY TAX ASSESSMENT.—

11 (A) ASSESSMENT.—The Grant Parish Assessor shall assess the property at 25
12 percent of the consideration described in paragraph (7), which shall be adjusted
13 annually upward, but never downward, using the greatest of the sales, construction,
14 and cost approaches.

15 (B) COVENANT.—The requirement under subparagraph (A)—

16 (i) shall constitute a permanent covenant running with the property; and

17 (ii) may only be waived by a referendum conducted in the Parish in which not
18 less than 40 percent of eligible Parish voters participate and a majority of those
19 voters approve the waiver.

20 (C) COLLECTION.—

21 (i) IN GENERAL.—The Grant Parish Sheriff shall collect all property taxes
22 attributable to the property, initially prorated from the date on which the property
23 is conveyed under paragraph (2) to year end.

24 (ii) ADMINISTRATOR.—The Administrator shall pay the invoices for property
25 taxes, the property tax payments in lieu of taxes, if applicable, the sales tax
26 payments in lieu of taxes, all utilities, and vendors appertaining to the property
27 not later than 30 days after the date on which the Administrator receives an
28 invoice for such taxes, utilities, or vendors.

29 (iii) ARREARS.—Any property tax invoices relating to the property that are in
30 arrears shall be paid on the date of enactment of this Act.

31 (9) PILOT PROGRAM.—

32 (A) INITIAL PAYMENT TO GRANT PARISH SHERIFF'S OFFICE.—On January 1, 2025, the
33 Administrator shall provide to the Grant Parish Sheriff's Office a payment of
34 \$8,000,000, which shall be held in trust until the date on which the Grant Parish Police
35 Jury (or a successor, as established by Louisiana Home Rule Charter) determines an
36 allocation for such funds, which shall be approved by a referendum conducted in the
37 Parish in which not less than 40 percent of eligible Parish voters participate and a
38 majority of those voters approve the allocation.

39 (B) ONGOING PAYMENTS TO GRANT PARISH POLICE JURY.—

40 (i) IN GENERAL.—Beginning on January 1, 2026, and each January 1 thereafter,

1 the Administrator shall provide to the entity described in clause (iii) a payment of
2 \$4,000,000, which shall be held in trust until the date on which the Grant Parish
3 Police Jury (or a successor, as established by Louisiana Home Rule Charter)
4 determines an allocation for such funds, which shall be approved by a referendum
5 conducted in the Parish in which not less than 40 percent of eligible Parish voters
6 participate and a majority of those voters approve the allocation.

7 (ii) ADJUSTMENTS.—

8 (I) IN GENERAL.—A payment described in clause (i) shall be annually
9 adjusted upward, but never downward, based on changes in the Consumer
10 Price Index of the Bureau of Labor Statistics.

11 (II) ADDITIONAL ADJUSTMENTS.—In addition to an adjustment under
12 subclause (I), a payment described in clause (i) shall be further adjusted
13 upward for the applicable year in which the payment is made by the amount
14 by which the product obtained by multiplying the following exceeds
15 4,000,000 (as adjusted under subclause (I)):

16 (aa) The average daily incarcerated population of Federal
17 Correctional Complex–Pollock for the preceding 1-year period.

18 (bb) The Annual Determination of Average Cost of Incarceration Fee
19 (COIF) most recently published by the Bureau of Prisons pursuant to
20 section 0.96c of title 28, Code of Federal Regulations (or a successor
21 regulation).

22 (cc) The number of days in the applicable year.

23 (dd) 3.19 percent.

24 (iii) ENTITY DESCRIBED.—

25 (I) IN GENERAL.—The entity described in clause (i) is an entity selected by
26 the Grant Parish Police Jury (or a successor, as established by Louisiana
27 Home Rule Charter), which shall be approved by a referendum conducted in
28 the Parish in which not less than 40 percent of eligible Parish voters
29 participate and a majority of those voters approve the selection.

30 (II) NO ENTITY CHOSEN.—If an entity is not selected by the Grant Parish
31 Police Jury (or a successor, as established by Louisiana Home Rule Charter)
32 under subclause (I) by the date on which a payment described in clause (i) is
33 made, the payment shall be held in trust until the date on which the Grant
34 Parish Police Jury (or a successor) selects such an entity.

35 (III) SUCCESSIVE ENTITIES.—Pursuant to the referendum procedures
36 described in subclause (I), the Grant Parish Police Jury (or a successor) may
37 select a different entity for purposes of receiving an ongoing payment
38 described in clause (i).

39 (iv) DEADLINE.—A payment described in clause (i) shall be provided to the
40 applicable entity not later than December 31 for the applicable year in which the
41 payment is made.

1 (10) ADDITIONAL TERMS.—As part of the conveyance under paragraph (2), the
2 Administrator may impose such additional terms and conditions as the Administrator
3 considers necessary to protect the interests of the United States.

4 (11) SUBSEQUENT CONVEYANCE TO NONPROFIT ORGANIZATION.—If the property is
5 subsequently conveyed by the private investor to an organization described in section
6 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of
7 that Code, the Administrator shall enter into an arrangement with the Parish under which
8 the Administrator shall provide to the Parish, for any period during which the organization
9 owns the property, payments in lieu of taxes to mitigate the adverse fiscal impacts of the
10 subsequent conveyance on the Parish, in an amount determined by treating the property as if
11 the property had remained with a for-profit entity to be assessed for property taxes, as
12 described in paragraph (8).

13 (12) PROHIBITION ON FOREIGN OWNERSHIP.—

14 (A) DEFINITIONS.—In this paragraph, the terms “beneficial owner”, “foreign entity”,
15 and “foreign person” have the meanings given those terms in section 2 of the Secure
16 Federal LEASEs Act (40 U.S.C. 585 note; Public Law 116–276).

17 (B) PROHIBITION.—The property may not be sold or leased to any foreign person,
18 foreign entity, or any entity of which a foreign person or foreign entity is a beneficial
19 owner.

20 (b) Kisatchie National Forest Conveyance.—

21 (1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the
22 Secretary of Agriculture (referred to in this subsection as the “Secretary”) shall convey,
23 subject to valid existing rights, by quitclaim deed, to the Grant Parish School Board and the
24 Grant Parish Police Jury, all right, title, and interest of the United States in and to all land
25 administered by the Forest Service within the boundaries of Grant Parish, Louisiana, that is
26 part of Kisatchie National Forest, except that portion of Kisatchie National Forest that is
27 North of Airbase Road, South of Louisiana Highway 8, West of United States Highway
28 165, and East of United States Highway 167.

29 (2) USE.—The Grant Parish School Board and Grant Parish Police Jury shall use the land
30 conveyed under paragraph (1) for public purposes, including forestry, conservation,
31 recreation, community development, economic development, or energy generation.

32 (3) EASEMENTS AND RESERVATIONS.—As a condition of the conveyance under paragraph
33 (1), the Secretary shall reserve—

34 (A) an easement for all existing Forest Service roads, trails, utilities, and rights-of-
35 way;

36 (B) an easement necessary for wildfire management and emergency access; and

37 (C) all rights necessary to honor existing grazing permits, timber contracts, and
38 special use authorizations in effect on the date of enactment of this Act.

39 (4) FOREST MANAGEMENT AND PUBLIC ACCESS PLAN.—As a condition of the conveyance
40 under paragraph (1), the Grant Parish School Board and Grant Parish Police Jury shall adopt
41 and maintain a forest management and public access plan consistent with the uses described

1 in paragraph (2), subject to valid existing rights and reserved easements described in
2 paragraph (3).

3 (5) CONTINUED USE.—

4 (A) IN GENERAL.—Except as provided in subparagraph (B), as a condition of the
5 conveyance under paragraph (1), the Grant Parish School Board and Grant Parish
6 Police Jury shall, during the 5-year period following the date of the conveyance under
7 that paragraph, continue to maintain the land conveyed under that paragraph as if the
8 land was still administered by the Forest Service as part of the Kisatchie National
9 Forest, including responsibility for any expenses pertaining thereto.

10 (B) EXCEPTION.—

11 (i) IN GENERAL.—Subparagraph (A) shall not apply to any parcel of land
12 conveyed under paragraph (1) that has been developed or logged without
13 replanting, consistent with Louisiana Department of Agriculture and Forestry
14 reforestation guidelines.

15 (ii) PUBLIC NOTICE.—The Grant Parish School Board and Grant Parish Police
16 Jury shall publish a notice, which shall be made publicly available, if a parcel of
17 land conveyed under paragraph (1) has been developed or logged in accordance
18 with clause (i).

19 SEC. 5. SMALL BUSINESS ADMINISTRATION DISASTER 20 LOAN FORGIVENESS.

21 (a) In General.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended—

22 (1) by redesignating the first subsection (b), relating to deferred participation in loans, as
23 subparagraph (B) and adjusting the margins accordingly; and

24 (2) in the second subsection (b), relating to disaster loans—

25 (A) by inserting after “(b)” the following: “Federal Disaster Loans.—”;

26 (B) by redesignating the second paragraph (16), relating to the statute of limitations,
27 as paragraph (18); and

28 (C) by inserting after paragraph (16) the following:

29 “(17) LOAN FORGIVENESS.—

30 “(A) DEFINITION.—In this paragraph, the term ‘covered recipient’ means a recipient
31 of a loan made under this subsection whose principal residence or business address, at
32 the time the loan was made or as of the date of enactment of the Norma Ruth Criswell
33 Carpenter & Clovis C. Criswell Grant Parish Restoration Act of 2026, was located in a
34 low-income community, as defined in section 45D(e) of the Internal Revenue Code of
35 1986, which is a population census tract described in paragraph (6) thereof.

36 “(B) FORGIVENESS.—

37 “(i) IN GENERAL.—Effective on the date of enactment of the Norma Ruth
38 Criswell Carpenter & Clovis C. Criswell Grant Parish Restoration Act of 2026,
39 any remaining balance and any accrued interest on a loan made under this

1 subsection to a covered recipient shall be forgiven.

2 “(ii) PROCESS.—Not later than 90 days after the date of enactment of the
3 Norma Ruth Criswell Carpenter & Clovis C. Criswell Grant Parish Restoration
4 Act of 2026, the Administrator of the Small Business Administration shall—

5 “(I) notify each covered recipient of the loan forgiveness under this
6 paragraph;

7 “(II) remit to the lender an amount equal to the amount of forgiveness,
8 plus any interest accrued through the date of payment; and

9 “(III) coordinate with loan servicers to implement the discharge of the
10 loan.”.

11 (b) Tax Treatment.—For purposes of the Internal Revenue Code of 1986, in the case of any
12 taxable year ending after the date of the enactment of this Act—

13 (1) no amount shall be included in the gross income of a covered recipient (within the
14 meaning of subparagraph (A) of section 7(b)(17) of the Small Business Act) by reason of
15 forgiveness of indebtedness described in subparagraph (B) of such section;

16 (2) no deduction shall be denied, no tax attribute shall be reduced, and no basis increase
17 shall be denied, by reason of the exclusion from gross income provided by paragraph (1);
18 and

19 (3) in the case of an eligible entity that is a partnership or S corporation—

20 (A) any amount excluded from income by reason of paragraph (1) shall be treated as
21 tax exempt income for purposes of sections 705 and 1366 of the Internal Revenue
22 Code of 1986; and

23 (B) except as provided by the Secretary of the Treasury (or the Secretary’s delegate),
24 any increase in the adjusted basis of a partner’s interest in a partnership under section
25 705 of the Internal Revenue Code of 1986 with respect to any amount described in
26 subparagraph (A) shall equal the partner’s distributive share of deductions resulting
27 from costs giving rise to the forgiveness of indebtedness referred to in paragraph (1).
28