

1 S. ___

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

5

6 Mr. Cassidy introduced the following bill; which was read twice and referred to the Committee
7 on _____

8

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

11 SECTION 1. SHORT TITLE.

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

14 SEC. 2. MODIFICATION OF RULES FOR HIGH 15 MIGRATION RURAL COUNTIES UNDER NEW MARKETS 16 TAX CREDIT.

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

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

23 SEC. 3. SPECIAL RULES FOR COUNTIES IN WHICH THE 24 FEDERAL GOVERNMENT OWNS A LARGE PORTION OF 25 LAND..

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

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

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

31 “(A) IN GENERAL.—In the case of any population census tract located in a county in
32 which not less than 30 percent of the land is owned by the Federal Government on
33 December 31, 2025, paragraph (1)(A) shall be applied by substituting ‘15 percent’ for
34 ‘20 percent’.

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

1 “(C) TREATMENT FEDERAL LANDS HELD IN TRUST FOR TRIBES.—For purposes of this
2 paragraph, land owned by the Federal Government and held in trust for Native
3 Americans shall not be treated as land owned by the Federal Government.”.

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

6 (b) Energy Communities.—

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

10 “(v) a population census tract which—

11 “(I) is located in a county in which not less than 30 percent of the land is
12 owned by the Federal Government (determined under the rules of section
13 45D(e)(6)) on December 31, 2025, and

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

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

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

22 “(C) such population census tract—

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

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

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

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

33 (1) DEFINITIONS.—In this subsection:

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

36 (B) PARISH.—The term “Parish” means Grant Parish, Louisiana.

37 (C) PROPERTY.—The term “property” means the Federal property described in

1 paragraph (3) to be conveyed under paragraph (2).

2 (D) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.

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

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

12 (4) LEASEBACK.—

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

19 (B) ELECTRICITY.—

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

22 (I) the Grant Parish School Board; or

23 (II) a nonprofit [organization]—

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

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

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

32 (dd) that may be chartered by an Act of Congress.

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

35 (I) purchased at the greater of—

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

39 (bb) the highest rate of electrical charges and fees per kilowatt-hour

1 exhibited in that period in the Parish; and

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

5 (C) CONTINUED OPERATION.—

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

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

16 (5) USE OF REVENUES.—

17 (A) IN GENERAL.—The Grant Parish School Board, or the nonprofit organization
18 described in paragraph (4)(B)(i)(II), shall allocate all net revenues derived from any
19 lease, sublease, resale, or redevelopment of the property in accordance with the
20 following:

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

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

36 (I) shall be deposited into a qualified tuition program (as defined in section
37 529 of the Internal Revenue Code of 1986) or a Coverdell education savings
38 account (as defined in section 530 of such Code) established for the benefit
39 of such eligible students;

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

1 (III) shall not be counted as income for purposes of the supplemental
2 nutrition assistance program established under the Food and Nutrition Act of
3 2008 (7 U.S.C. 2011 et seq.), the Medicaid program under title XIX of the
4 Social Security Act (42 U.S.C. 1396 et seq.), or any other means-tested
5 program, to the extent attributable to the revenues deposited under this
6 clause.

7 (iii) 22.5 percent shall be allocated to a sinking fund dedicated to future
8 replacement of any renewable energy infrastructure constructed on the property
9 and operated by the Grant Parish School Board or the nonprofit organization
10 described in paragraph (4)(B)(i)(II), which may be used to capitalize a fund
11 whose purpose is the same as that described in clause (ii), and whose earnings in
12 excess of the annual change in the Consumer Price Index published by the Bureau
13 of Labor Statistics, subject to the condition that the Grant Parish School Board is
14 able to acquire electricity on better economical terms from the renewable energy
15 infrastructure constructed on the property pursuant to this [clause].

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

19 (B) REQUIREMENTS.—

20 (i) OWNERSHIP INTERESTS.—[Any for-profit or nonprofit organization,
21 including the nonprofit organization described in paragraph (4)(B)(i)(II), that
22 receives funds from the Grant Parish School Board under subparagraph (A)(i)
23 shall / Any for-profit or nonprofit organization that receives funds from the Grant
24 Parish School Board under subparagraph (A)(i), which may include the nonprofit
25 organization described in paragraph (4)(B)(i)(II), shall]—

26 (I) immediately submit the ownership of the entity to the Grant Parish
27 Police Jury (or a successor, as established by Louisiana Home Rule Charter)
28 for inclusion on the website of the Grant Parish Police Jury (or a successor)
29 as of the date the entity has received such ownership interest by certified
30 mail or certified email; and

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

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

37 (6) SURVEY.—

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

42 (B) FUNDING.—The Secretary shall commission and carry out the survey under

1 subparagraph (A) with existing amounts made available to the Secretary.

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

5 (8) PROPERTY TAX ASSESSMENT.—

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

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

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

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

15 (C) COLLECTION.—

16 (i) IN GENERAL.—The Grant Parish Sheriff shall collect all property taxes
17 attributable to the property, prorated as if the conveyance under paragraph (2)
18 occurred on January 1, 2025, regardless of the actual date of that conveyance.

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

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

26 (9) PILOT PROGRAM.—

27 (A) INITIAL PAYMENT TO GRANT PARISH SHERIFF'S OFFICE.—[On January 1, 2025],
28 the Administrator shall provide to the Grant Parish Sheriff's Office a payment of
29 \$8,000,000, which shall be held in trust until the date on which the Grant Parish Police
30 Jury (or a successor, as established by Louisiana Home Rule Charter) determines an
31 allocation for such funds, which shall be [approved] by a referendum conducted in the
32 Parish in which not less than 40 percent of eligible Parish voters participate and a
33 majority of those voters approve the allocation.

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

35 (i) IN GENERAL.—[Beginning on January 1, 2026, and each January 1
36 thereafter,] the Administrator shall provide to the [entity described in clause (ii)] a
37 payment of \$4,000,000, which shall be annually adjusted upward, but never
38 downward, based on changes in the Consumer Price Index of the Bureau of Labor
39 Statistics. [SLC Note: With respect to the additional upward adjustment above
40 \$4,000,000: I did a rough search for the number of inmates at FCC-Pollock as of

1 now, and it looks like it's about 2,600. Thus, if you multiply 2,600 x 298 x 12 x
2 .11 (11 percent) you would currently get 1,022,736. Unless there is a huge
3 increase in the population of FCC-Pollock, would this formula ever get above
4 4,000,000? Or is the intent that it doesn't? We can keep the formula to be
5 however you'd like; just practically I wanted to note that it may not ever result in
6 an additional upward adjustment. Additionally, are you wanting to tie the formula
7 to the yearly maximum SNAP benefit, as that goes up each year based on cost of
8 living adjustment? Or keep it at \$298? Please let me know if I misinterpreted
9 anything here.]

10 (ii) ENTITY DESCRIBED.—

11 [(I) IN GENERAL.—The entity described in clause (i) is an entity selected
12 by the Grant Parish Police Jury (or a successor, as established by Louisiana
13 Home Rule Charter), which shall be [approved] by a referendum conducted
14 in the Parish in which not less than 40 percent of eligible Parish voters
15 participate and a majority of those voters approve the selection. [SLC Note:
16 What if an entity isn't chosen by the Police Jury before a payment is made
17 under clause (i)? And do the same allocation requirements described in
18 subparagraph (A) also apply to these ongoing payments (i.e. they have to be
19 approved by the public)?]]

20 [(II) SUCCESSIVE ENTITIES.—Pursuant to the referendum procedures
21 described in subclause (I), the Grant Parish Police Jury (or a successor) may
22 select a different entity for purposes of receiving an ongoing payment
23 described in clause (i).

24 (iii) DEADLINE.—A payment described in clause (i) shall be provided to the
25 applicable entity not later than December 31 for the applicable year in which the
26 payment is made.

27 [(C) RETROACTIVE EFFECTIVE DATE.—This paragraph shall take effect as if enacted
28 on January 1, 2025.]

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

32 (11) SUBSEQUENT CONVEYANCE TO NONPROFIT ORGANIZATION.—If the property is
33 subsequently conveyed by the private investor to an organization described in section
34 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of
35 that Code, the Administrator shall enter into an arrangement with the Parish under which
36 the Administrator shall provide to the Parish, for any period during which the organization
37 owns the property, payments in lieu of taxes to mitigate the adverse fiscal impacts of the
38 subsequent conveyance on the Parish, in an amount determined by treating the property as if
39 the property had remained with a for-profit entity to be assessed for property taxes, as
40 described in paragraph (8).

41 (12) PROHIBITION ON FOREIGN OWNERSHIP.—

42 (A) DEFINITIONS.—In this paragraph, the terms “beneficial owner”, “foreign entity”,
43 and “foreign person” have the meanings given those terms in section 2 of the Secure

1 Federal LEASEs Act (40 U.S.C. 585 note; Public Law 116–276).

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

5 (b) Kisatchie National Forest Conveyance.—

6 (1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the
7 Secretary of Agriculture (referred to in this subsection as the “Secretary”) shall convey,
8 subject to valid existing rights, by quitclaim deed, to the Grant Parish School Board and the
9 Grant Parish Police Jury, all right, title, and interest of the United States in and to all land
10 administered by the Forest Service within the boundaries of Grant Parish, Louisiana, that is
11 part of Kisatchie National Forest, except that portion of Kisatchie National Forest that is
12 North of Airbase Road, South of Louisiana Highway 8, West of United States Highway
13 165, and East of United States Highway 167.

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

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

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

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

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

24 (4) FOREST MANAGEMENT AND PUBLIC ACCESS PLAN.—As a condition of the conveyance
25 under paragraph (1), the Grant Parish School Board and Grant Parish Police Jury shall adopt
26 and maintain a forest management and public access plan consistent with the uses described
27 in paragraph (2), subject to valid existing rights and reserved easements described in
28 paragraph (3).

29 SEC. 5. SMALL BUSINESS ADMINISTRATION DISASTER 30 LOAN FORGIVENESS.

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

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

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

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

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

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

1 “(17) LOAN FORGIVENESS.—

2 “(A) DEFINITION.—In this paragraph, the term ‘covered recipient’ means a recipient
3 of a loan made under this subsection whose principal residence or business address, at
4 the time the loan was made, was located in a low-income community, as defined in
5 section 45D(e) of the Internal Revenue Code of 1986, which is a population census
6 tract described in paragraph (6) thereof.

7 “(B) FORGIVENESS.—

8 “(i) IN GENERAL.—Effective on the date of enactment of the Norma Ruth
9 Criswell Carpenter & Clovis C. Criswell Grant Parish Restoration Act of 2026,
10 any remaining balance and any accrued interest on a loan made under this
11 subsection to a covered recipient shall be forgiven.

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

15 “(I) notify each covered recipient of the loan forgiveness under this
16 paragraph; and

17 “(II) coordinate with [[loan servicers - note: is this referring to lenders?] to
18 implement the discharge of the loan.] [note: loan forgiveness often involves
19 text such as the following: ‘the Administrator shall remit to the lender an
20 amount equal to the amount of forgiveness, plus any interest accrued through
21 the date of payment’. Do you want to include something to that effect?].”

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

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

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

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

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

34 (B) except as provided by the Secretary of the Treasury (or the Secretary’s delegate),
35 any increase in the adjusted basis of a partner’s interest in a partnership under section
36 705 of the Internal Revenue Code of 1986 with respect to any amount described in
37 subparagraph (A) shall equal the partner’s distributive share of deductions resulting
38 from costs giving rise to the forgiveness of indebtedness referred to in paragraph (1).