

or other repayment mechanisms to implement such programs),

(iii) rural development involving the production of electricity from renewable energy resources, or

(iv) any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and without regard to any placed in service date).

(B) Expenditures with respect to research facilities, and research grants, to support research in—

(i) development of cellulosic ethanol or other nonfossil fuels,

(ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels,

(iii) increasing the efficiency of existing technologies for producing nonfossil fuels,

(iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or

(v) technologies to reduce energy use in buildings.

(C) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.

(D) Demonstration projects designed to promote the commercialization of—

(i) green building technology,

(ii) conversion of agricultural waste for use in the production of fuel or otherwise,

(iii) advanced battery manufacturing technologies,

(iv) technologies to reduce peak use of electricity, or

(v) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.

(E) Public education campaigns to promote energy efficiency.

## (2) Special rules for private activity bonds

For purposes of this section, in the case of any private activity bond, the term “qualified conservation purposes” shall not include any expenditure which is not a capital expenditure.

## (g) Population

### (1) In general

The population of any State or local government shall be determined for purposes of this section as provided in section 146(j) for the calendar year which includes the date of the enactment of this section.

### (2) Special rule for counties

In determining the population of any county for purposes of this section, any population of such county which is taken into account in determining the population of any municipality which is a large local government shall not be taken into account in determining the population of such county.

## (h) Application to Indian tribal governments

An Indian tribal government shall be treated for purposes of this section in the same manner as a large local government, except that—

(1) an Indian tribal government shall be treated for purposes of subsection (e) as located within a State to the extent of so much of the population of such government as resides within such State, and

(2) any bond issued by an Indian tribal government shall be treated as a qualified energy conservation bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which section 103(a) applies.

(Added Pub. L. 110-343, div. B, title III, §301(a), Oct. 3, 2008, 122 Stat. 3841; amended Pub. L. 111-5, div. B, title I, §1112, Feb. 17, 2009, 123 Stat. 322.)

## REFERENCES IN TEXT

The date of the enactment of this section, referred to in subsec. (g)(1), is the date of enactment of Pub. L. 110-343, which was approved Oct. 3, 2008.

## AMENDMENTS

2009—Subsec. (d). Pub. L. 111-5, §1112(a), substituted “\$3,200,000,000” for “\$800,000,000”.

Subsec. (e)(4). Pub. L. 111-5, §1112(b)(2), added par. (4).

Subsec. (f)(1)(A)(ii). Pub. L. 111-5, §1112(b)(1), inserted “(including the use of loans, grants, or other repayment mechanisms to implement such programs)” after “green community programs”.

## EFFECTIVE DATE

Section applicable to obligations issued after Oct. 3, 2008, see section 301(c) of title III of div. B of Pub. L. 110-343, set out as an Effective Date of 2008 Amendment note under section 54A of this title.

## § 54E. Qualified zone academy bonds

### (a) Qualified zone academy bonds

For purposes of this subchapter, the term “qualified zone academy bond” means any bond issued as part of an issue if—

(1) 100 percent of the available project proceeds of such issue are to be used for a qualified purpose with respect to a qualified zone academy established by an eligible local education agency,

(2) the bond is issued by a State or local government within the jurisdiction of which such academy is located, and

(3) the issuer—

(A) designates such bond for purposes of this section,

(B) certifies that it has written assurances that the private business contribution requirement of subsection (b) will be met with respect to such academy, and

(C) certifies that it has the written approval of the eligible local education agency for such bond issuance.

### (b) Private business contribution requirement

For purposes of subsection (a), the private business contribution requirement of this subsection is met with respect to any issue if the eligible local education agency that established the qualified zone academy has written commitments from private entities to make qualified contributions having a present value (as of the date of issuance of the issue) of not less than 10 percent of the proceeds of the issue.

### (c) Limitation on amount of bonds designated

#### (1) National limitation

There is a national zone academy bond limitation for each calendar year. Such limitation

is \$400,000,000 for 2008, \$1,400,000,000 for 2009 and 2010, and \$400,000,000 for 2011, 2012, 2013, 2014, 2015, and 2016 and, except as provided in paragraph (4), zero thereafter.

**(2) Allocation of limitation**

The national zone academy bond limitation for a calendar year shall be allocated by the Secretary among the States on the basis of their respective populations of individuals below the poverty line (as defined by the Office of Management and Budget). The limitation amount allocated to a State under the preceding sentence shall be allocated by the State education agency to qualified zone academies within such State.

**(3) Designation subject to limitation amount**

The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) with respect to any qualified zone academy shall not exceed the limitation amount allocated to such academy under paragraph (2) for such calendar year.

**(4) Carryover of unused limitation**

**(A) In general**

If for any calendar year—

(i) the limitation amount for any State, exceeds

(ii) the amount of bonds issued during such year which are designated under subsection (a) with respect to qualified zone academies within such State,

the limitation amount for such State for the following calendar year shall be increased by the amount of such excess.

**(B) Limitation on carryover**

Any carryforward of a limitation amount may be carried only to the first 2 years following the unused limitation year. For purposes of the preceding sentence, a limitation amount shall be treated as used on a first-in first-out basis.

**(C) Coordination with section 1397E**

Any carryover determined under section 1397E(e)(4) (relating to carryover of unused limitation) with respect to any State to calendar year 2008 or 2009 shall be treated for purposes of this section as a carryover with respect to such State for such calendar year under subparagraph (A), and the limitation of subparagraph (B) shall apply to such carryover taking into account the calendar years to which such carryover relates.

**(d) Definitions**

For purposes of this section—

**(1) Qualified zone academy**

The term “qualified zone academy” means any public school (or academic program within a public school) which is established by and operated under the supervision of an eligible local education agency to provide education or training below the postsecondary level if—

(A) such public school or program (as the case may be) is designed in cooperation with business to enhance the academic curriculum, increase graduation and employment

rates, and better prepare students for the rigors of college and the increasingly complex workforce,

(B) students in such public school or program (as the case may be) will be subject to the same academic standards and assessments as other students educated by the eligible local education agency,

(C) the comprehensive education plan of such public school or program is approved by the eligible local education agency, and

(D)(i) such public school is located in an empowerment zone or enterprise community (including any such zone or community designated after the date of the enactment of this section), or

(ii) there is a reasonable expectation (as of the date of issuance of the bonds) that at least 35 percent of the students attending such school or participating in such program (as the case may be) will be eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

**(2) Eligible local education agency**

For purposes of this section, the term “eligible local education agency” means any local educational agency as defined in section 8101 of the Elementary and Secondary Education Act of 1965.

**(3) Qualified purpose**

The term “qualified purpose” means, with respect to any qualified zone academy—

(A) rehabilitating or repairing the public school facility in which the academy is established,

(B) providing equipment for use at such academy,

(C) developing course materials for education to be provided at such academy, and

(D) training teachers and other school personnel in such academy.

**(4) Qualified contributions**

The term “qualified contribution” means any contribution (of a type and quality acceptable to the eligible local education agency) of—

(A) equipment for use in the qualified zone academy (including state-of-the-art technology and vocational equipment),

(B) technical assistance in developing curriculum or in training teachers in order to promote appropriate market driven technology in the classroom,

(C) services of employees as volunteer mentors,

(D) internships, field trips, or other educational opportunities outside the academy for students, or

(E) any other property or service specified by the eligible local education agency.

(Added Pub. L. 110-343, div. C, title III, §313(a), Oct. 3, 2008, 122 Stat. 3869; amended Pub. L. 111-5, div. B, title I, §1522(a), Feb. 17, 2009, 123 Stat. 358; Pub. L. 111-312, title VII, §758(a), Dec. 17, 2010, 124 Stat. 3322; Pub. L. 112-240, title III, §310(a), Jan. 2, 2013, 126 Stat. 2330; Pub. L. 113-295, div. A, title I, §120(a), Dec. 19, 2014, 128 Stat. 4015; Pub. L. 114-95, title IX, §9215(uu)(1), Dec. 10, 2015, 129

Stat. 2183; Pub. L. 114–113, div. Q, title I, § 164(a), Dec. 18, 2015, 129 Stat. 3066.)

#### REFERENCES IN TEXT

The date of the enactment of this section, referred to in subsec. (d)(1)(D)(i), is the date of enactment of Pub. L. 110–343, which was approved Oct. 3, 2008.

The National School Lunch Act, referred to in subsec. (d)(1)(D)(ii), probably means the Richard B. Russell National School Lunch Act, act June 4, 1946, ch. 281, 60 Stat. 230, which is classified generally to chapter 13 (§1751 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of Title 42 and Tables.

Section 8101 of the Elementary and Secondary Education Act of 1965, referred to in subsec. (d)(2), is classified to section 7801 of Title 20, Education.

#### AMENDMENTS

2015—Subsec. (c)(1). Pub. L. 114–113 substituted “2014, 2015, and 2016” for “and 2014”.

Subsec. (d)(2). Pub. L. 114–95 substituted “section 8101 of the Elementary and Secondary Education Act of 1965” for “section 9101 of the Elementary and Secondary Education Act of 1965”.

2014—Subsec. (c)(1). Pub. L. 113–295 substituted “2013, and 2014” for “and 2013”.

2013—Subsec. (c)(1). Pub. L. 112–240 inserted “, 2012, and 2013” after “for 2011”.

2010—Subsec. (c)(1). Pub. L. 111–312 substituted “2008,” for “2008 and” and inserted “and \$400,000,000 for 2011” after “2010.”

2009—Subsec. (c)(1). Pub. L. 111–5 substituted “and \$1,400,000,000 for 2009 and 2010” for “and 2009”.

#### EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114–113, div. Q, title I, § 164(b), Dec. 18, 2015, 129 Stat. 3067, provided that: “The amendment made by this section [amending this section] shall apply to obligations issued after December 31, 2014.”

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

#### EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113–295, div. A, title I, § 120(b), Dec. 19, 2014, 128 Stat. 4015, provided that: “The amendment made by this section [amending this section] shall apply to obligations issued after December 31, 2013.”

#### EFFECTIVE DATE OF 2013 AMENDMENT

Pub. L. 112–240, title III, § 310(b), Jan. 2, 2013, 126 Stat. 2330, provided that: “The amendments made by this section [amending this section] shall apply to obligations issued after December 31, 2011.”

#### EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111–312, title VII, § 758(c), Dec. 17, 2010, 124 Stat. 3323, provided that: “The amendments made by this section [amending this section and section 6431 of this title] shall apply to obligations issued after December 31, 2010.”

#### EFFECTIVE DATE OF 2009 AMENDMENT

Pub. L. 111–5, div. B, title I, § 1522(b), Feb. 17, 2009, 123 Stat. 358, provided that: “The amendment made by this section [amending this section] shall apply to obligations issued after December 31, 2008.”

#### EFFECTIVE DATE

Section applicable to obligations issued after Oct. 3, 2008, see section 313(c) of title III of div. C of Pub. L. 110–343, set out as an Effective Date of 2008 Amendment note under section 54A of this title.

## § 54F. Qualified school construction bonds

### (a) Qualified school construction bond

For purposes of this subchapter, the term “qualified school construction bond” means any bond issued as part of an issue if—

(1) 100 percent of the available project proceeds of such issue are to be used for the construction, rehabilitation, or repair of a public school facility or for the acquisition of land on which such a facility is to be constructed with part of the proceeds of such issue,

(2) the bond is issued by a State or local government within the jurisdiction of which such school is located, and

(3) the issuer designates such bond for purposes of this section.

### (b) Limitation on amount of bonds designated

The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) by any issuer shall not exceed the limitation amount allocated under subsection (d) for such calendar year to such issuer.

### (c) National limitation on amount of bonds designated

There is a national qualified school construction bond limitation for each calendar year. Such limitation is—

(1) \$11,000,000,000 for 2009,

(2) \$11,000,000,000 for 2010, and

(3) except as provided in subsection (e), zero after 2010.

### (d) Allocation of limitation

#### (1) Allocation among States

Except as provided in paragraph (2)(C), the limitation applicable under subsection (c) for any calendar year shall be allocated by the Secretary among the States in proportion to the respective amounts each such State is eligible to receive under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the most recent fiscal year ending before such calendar year. The limitation amount allocated to a State under the preceding sentence shall be allocated by the State education agency (or such other agency as is authorized under State law to make such allocation) to issuers within such State.

#### (2) 40 percent of limitation allocated among largest school districts

##### (A) In general

40 percent of the limitation applicable under subsection (c) for any calendar year shall be allocated under subparagraph (B) by the Secretary among local educational agencies which are large local educational agencies for such year.

##### (B) Allocation formula

The amount to be allocated under subparagraph (A) for any calendar year shall be allocated among large local educational agencies in proportion to the respective amounts each such agency received under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the most recent fiscal year ending before such calendar year.