

119TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to establish the qualifying
workforce training project credit.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To amend the Internal Revenue Code of 1986 to establish
the qualifying workforce training project credit.

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 “Skilled Workforce
5 Act”.

6 **SEC. 2. ESTABLISHMENT OF QUALIFYING WORKFORCE**
7 **TRAINING PROJECT CREDIT.**

8 (a) IN GENERAL.—Subpart E of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by inserting after section 48E the fol-
2 lowing new section:

3 **“SEC. 48F. QUALIFYING WORKFORCE TRAINING PROJECT**
4 **CREDIT.**

5 “(a) ESTABLISHMENT OF CREDIT.—

6 “(1) IN GENERAL.—For purposes of section 46,
7 the qualifying workforce training project credit for
8 any taxable year is an amount equal to 30 percent
9 of the qualified investment for such taxable year
10 with respect to any qualifying workforce training
11 project of an eligible taxpayer.

12 “(2) ELIGIBLE TAXPAYER.—For purposes of
13 this section, the term ‘eligible taxpayer’ means any
14 taxpayer which is not a foreign entity of concern (as
15 defined in section 9901(8) of the William M. (Mac)
16 Thornberry National Defense Authorization Act for
17 Fiscal Year 2021 (15 U.S.C. 4651(8))).

18 “(b) QUALIFIED INVESTMENT.—

19 “(1) IN GENERAL.—For purposes of subsection
20 (a), the qualified investment for any taxable year is
21 the basis of eligible property placed in service by the
22 eligible taxpayer during such taxable year which is
23 part of a qualifying workforce training project.

24 “(2) CERTAIN QUALIFIED PROGRESS EXPENDI-
25 TURE RULES MADE APPLICABLE.—Rules similar to

1 the rules of subsections (c)(4) and (d) of section 46
2 (as in effect on the day before the enactment of the
3 Revenue Reconciliation Act of 1990) shall apply for
4 purposes of this section.

5 “(3) LIMITATION.—The amount which is treat-
6 ed as the qualified investment for all taxable years
7 with respect to any qualifying workforce training
8 project shall not exceed the amount designated by
9 the Secretary as eligible for the credit under this
10 section.

11 “(c) DEFINITIONS.—In this section—

12 “(1) QUALIFYING WORKFORCE TRAINING
13 PROJECT.—The term ‘qualifying workforce training
14 project’ means a project, any portion of the qualified
15 investment of which is certified by the Secretary (in
16 consultation with the Secretary of Commerce) under
17 subsection (d) as eligible for a credit under this sec-
18 tion, which equips, expands, or enhances an eligible
19 institution to address workforce shortages and skills
20 gaps with respect to in-demand jobs and industries
21 (as identified by the Secretary), including—

22 “(A) advanced, high-tech, semiconductor,
23 and industrial manufacturing,

24 “(B) advanced energy (such as hydrogen,
25 nuclear, and solar),

1 “(C) construction, and

2 “(D) transportation, including aviation,
3 aerospace, airports, and advanced air mobility.

4 “(2) ELIGIBLE PROPERTY.—The term ‘eligible
5 property’ means any property—

6 “(A) which is necessary for construction,
7 renovation, or infrastructure upgrades with re-
8 spect to the campus and facilities of an eligible
9 institution which will, in the judgment of the
10 Secretary, expand high-quality, in-demand,
11 skills-based training, programming, and work-
12 force opportunities,

13 “(B) which is—

14 “(i) tangible personal property,

15 “(ii) other tangible property (includ-
16 ing a building and its structural compo-
17 nents), but only if such property is used as
18 an integral part of the eligible institution,
19 or

20 “(iii) intangible property **[(as defined**
21 **in section 367(d)(4))]**, including digital or
22 virtual learning platforms and associated
23 equipment, but only if such property is
24 used as an integral part of any property

1 described in clause (i) and the eligible in-
2 stitution, and

3 “(C) with respect to which depreciation (or
4 amortization in lieu of depreciation) is allow-
5 able.

6 “(3) ELIGIBLE INSTITUTION.—

7 “(A) IN GENERAL.—The term ‘eligible in-
8 stitution’ means an entity that is (and was, as
9 of the day before the date of enactment of this
10 Act)—

11 “(i) a public secondary school or a
12 local educational agency,

13 “(ii) an area career and technical edu-
14 cation school (as defined in section 3 of the
15 Carl D. Perkins Career and Technical
16 Education Act of 2006 (20 U.S.C.
17 2302))—

18 “(I) that is a public school, and

19 “(II) at which the most fre-
20 quently awarded degree is not a bach-
21 elor’s degree,

22 “(iii) a postsecondary vocational insti-
23 tution (as defined in section 102(c) of the
24 Higher Education Act of 1965 (20 U.S.C.
25 1002(c)))—

1 “(I) that is a public institution,
2 and

3 “(II) at which the most fre-
4 quently awarded degree is not a bach-
5 elor’s degree,

6 “(iv) a community college,

7 “(v) a State-operated workforce devel-
8 opment program, or

9 “(vi) a consortium of entities de-
10 scribed in clauses (i) through (v).

11 “(B) COMMUNITY COLLEGE.—The term
12 ‘community college’ means—

13 “(i) a public institution of higher edu-
14 cation (as defined in section 101(a) of the
15 Higher Education Act of 1965 (20 U.S.C.
16 1001(a))), at which—

17 “(I) the highest degree awarded
18 is an associate degree, or

19 “(II) an associate degree is the
20 most frequently awarded degree, or

21 “(ii) a Tribal College or University
22 (as defined in section 316(b) of the Higher
23 Education Act of 1965 (20 U.S.C.
24 1059c(b)))—

1 “(I) that is a 2-year Tribal Col-
2 lege or University,

3 “(II) at which the highest degree
4 awarded is an associate degree, or

5 “(III) at which an associate de-
6 gree is the most frequently awarded
7 degree.

8 “(4) PUBLIC SECONDARY SCHOOL.—The term
9 ‘public secondary school’ means a public secondary
10 school, as defined in section 8101 of the Elementary
11 and Secondary Education Act of 1965 (20 U.S.C.
12 7801), that includes any of grades 9 through 12.

13 “(d) QUALIFYING WORKFORCE TRAINING PROJECT
14 PROGRAM.—

15 “(1) ESTABLISHMENT.—

16 “(A) IN GENERAL.—Not later than 180
17 days after the date of enactment of this section,
18 the Secretary, in consultation with the Sec-
19 retary of Commerce, shall establish a qualifying
20 workforce training project program to consider
21 and award certifications for qualified invest-
22 ments eligible for credits under this section to
23 qualifying workforce training project sponsors.

24 “(B) LIMITATION.—The total amount of
25 credits that may be allocated under the pro-

1 gram shall not exceed \$500,000,000, of which
2 not greater than \$400,000,000 may be allo-
3 cated to qualified investments with respect to
4 any qualifying workforce training project which
5 does not involve an eligible institution which is
6 one or more of the following:

7 “(i) A public secondary school that is
8 eligible to receive assistance under part A
9 of title I of the Elementary and Secondary
10 Education Act of 1965 (20 U.S.C. 6311 et
11 seq.).

12 “(ii) A rural public secondary school.

13 “(iii) A public secondary school fund-
14 ed by the Bureau of Indian Education.

15 “(iv) A local educational agency that
16 will support a qualifying workforce training
17 project involving a school described in
18 clause (i) or (ii).

19 “(2) CERTIFICATION.—

20 “(A) APPLICATION PERIOD.—Each appli-
21 cant for certification under this paragraph shall
22 submit an application containing such informa-
23 tion as the Secretary may require during the 4-
24 year period beginning on the date the Secretary
25 establishes the program under paragraph (1).

1 “(B) TIME TO MEET CRITERIA FOR CER-
2 TIFICATION.—Each applicant for certification
3 shall have 1 year from the date of acceptance
4 by the Secretary of the application during
5 which to provide to the Secretary evidence that
6 the requirements of the certification have been
7 met.

8 “(C) PERIOD OF ISSUANCE.—An applicant
9 which receives a certification shall have 3 years
10 from the date of issuance of the certification in
11 order to place the project in service and if such
12 project is not placed in service by that time pe-
13 riod, then the certification shall no longer be
14 valid.

15 “(3) SELECTION CRITERIA.—In determining
16 which qualifying workforce training projects to cer-
17 tify under this section, the Secretary shall take into
18 consideration which projects—

19 “(A) satisfy current or expected State or
20 regional workforce development requirements,

21 “(B) build in-demand training program
22 pipelines which maximize the skill level of, and
23 expand opportunities for high-quality employ-
24 ment for, the State or regional workforce,

1 “(C) demonstrate financial sustainability
2 of the project in the geographic region in which
3 it is located, and

4 “(D) provide accommodations to individ-
5 uals enrolled at the eligible institution to receive
6 supportive services or propose to directly pro-
7 vide such services to individuals enrolled at the
8 eligible institution.

9 “(4) REVIEW AND REDISTRIBUTION; DISCLO-
10 SURE OF ALLOCATIONS.—Rules similar to rules
11 under paragraphs (4) and (5) of section 48C(d)
12 shall apply for purposes of this section.

13 “(e) DENIAL OF DOUBLE BENEFIT.—In the case of
14 any qualified investment for which a credit is allowed
15 under this section—

16 “(1) no deduction shall be allowed under section
17 170 with respect to such investment, and

18 “(2) no credit shall be allowed under any other
19 provision of this chapter with respect to such invest-
20 ment.”.

21 (b) ELECTIVE PAYMENT AND TRANSFER OF CRED-
22 IT.—

23 (1) ELECTIVE PAYMENT.—Section 6417(b) of
24 the Internal Revenue Code of 1986 is amended by
25 adding at the end the following:

1 “(13) The qualifying workforce training project
2 credit under section 48F.”.

(2) TRANSFER.—Section 6418(f)(1)(A) of the Internal Revenue Code of 1986, as amended by section 70521 of Public Law 119–21, is amended by adding at the end the following:

7 “(xiii) The qualifying workforce train-
8 ing project credit under section 48F.”.

9 (c) CONFORMING AMENDMENTS.—

10 (1) Section 46 of the Internal Revenue Code of
11 1986 is amended—

12 (A) in paragraph (6), by striking “and” at
13 the end,

(B) in paragraph (7), by striking the period at the end and inserting “, and”, and

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

17 “(8) the qualifying workforce training project
18 credit.”.

19 (2) Section 49(a)(1)(C) of such Code is amend-
20 ed—

21 (A) in clause (vii), by striking “and” at the
22 end,

23 (B) in clause (viii), by striking the period
24 at the end and inserting “, and”, and

25 (C) by adding at the end the following:

1 “(ix) the basis of any eligible property
2 which is part of a qualifying workforce
3 training project credit under section
4 48F.”.

5 (3) Section 50(a)(2)(E) of such Code is amend-
6 ed by striking “or 48E(e)” and inserting “48E(e),
7 or 48F(b)(2)”.

8 (4) The table of sections for subpart E of part
9 IV of subchapter A of chapter 1 of such Code is
10 amended by inserting after the item relating to sec-
11 tion 48E the following new item:

“Sec. 48F. Qualifying workforce training project credit.”.

12 (d) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated, out of moneys in the
14 Treasury not otherwise appropriated, such sums as may
15 be necessary for the Department of the Treasury and the
16 Department of Commerce to administer section 48F of the
17 Internal Revenue Code of 1986 (as added by this Act).

18 (e) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to property placed in service during
20 any taxable year beginning after the date of enactment
21 of this Act.