

106TH CONGRESS  
1ST SESSION

# H. R. 718

To amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds by certain organizations providing rescue and emergency medical services.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 1999

Mr. ETHERIDGE (for himself, Mr. MCINTYRE, Mr. NUSSLE, Mr. SHOWS, Mr. BOUCHER, Ms. KILPATRICK, Mrs. CLAYTON, Mr. STUPAK, Mr. BISHOP, Mr. EHLERS, Mr. LOBIONDO, Mr. ORTIZ, Mr. PAUL, Mr. EVANS, Mr. STRICKLAND, Mr. TAYLOR of North Carolina, Mr. DEFazio, Mr. DELAHUNT, Mr. CLYBURN, Mrs. EMERSON, Mr. STENHOLM, Ms. HOOLEY of Oregon, Mr. CRAMER, Mr. BALDACCI, Mr. SPRATT, Mr. RAHALL, Mr. OLVER, Mr. GILCHREST, Mr. POMEROY, Mr. MCHUGH, Mr. FROST, Mr. OBERSTAR, Mr. HILL of Montana, Mr. DEAL of Georgia, Mr. BEREUTER, Mr. SANDLIN, Mr. BURR of North Carolina, Mr. KIND, Mr. HOLDEN, Mr. WATKINS, Mr. GEKAS, Mr. NORWOOD, Mr. QUINN, Mr. GIBBONS, Mr. COSTELLO, Mr. HINCHEY, and Mr. NEY) introduced the following bill; which was referred to the Committee on Way and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to permit the issuance of tax-exempt bonds by certain organizations providing rescue and emergency medical services.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Emergency Medical  
3 Services Enhancement Act of 1999”.

4 **SEC. 2. ISSUANCE OF TAX-EXEMPT BONDS BY ORGANIZA-**  
5 **TIONS PROVIDING RESCUE AND EMERGENCY**  
6 **MEDICAL SERVICES.**

7 (a) **GENERAL RULE.**—Subsection (e) of section 150  
8 of the Internal Revenue Code of 1986 is amended to read  
9 as follows:

10 “(e) **BONDS OF CERTAIN VOLUNTEER FIRE DEPART-**  
11 **MENTS OR EMERGENCY SERVICE ORGANIZATIONS.**—For  
12 purposes of this part and section 103—

13 “(1) **IN GENERAL.**—A bond of a volunteer fire  
14 or other emergency services organization shall be  
15 treated as a bond of a political subdivision of a State  
16 if—

17 “(A) such organization is a qualified volun-  
18 teer fire or other emergency services organiza-  
19 tion with respect to an area within the jurisdic-  
20 tion of such political subdivision, and

21 “(B) such bond is issued as part of an  
22 issue 95 percent or more of the net proceeds of  
23 which are to be used for the acquisition, con-  
24 struction, reconstruction, or improvement of—

25 “(i) a firehouse or other building used  
26 or to be used by such organization in pro-

1           viding qualified services (including land  
2           which is functionally related and subordi-  
3           nate thereto), or

4                   “(ii) a firetruck, ambulance, or other  
5           vehicle used or to be used by such organi-  
6           zation in providing qualified services.

7           “(2) QUALIFIED VOLUNTEER FIRE OR OTHER  
8           EMERGENCY SERVICES ORGANIZATION.—For pur-  
9           poses of this subsection, the term ‘qualified volun-  
10          teer fire or other emergency services organization’  
11          means, with respect to a political subdivision of a  
12          State, any organization—

13                   “(A) which is organized and operated to  
14          provide qualified services for persons in an area  
15          (within the jurisdiction of such political subdivi-  
16          sion) which is not provided with any other  
17          qualified services of the type provided by such  
18          organization, and

19                   “(B) which is required (by written agree-  
20          ment) by the political subdivision to furnish  
21          qualified services in such area.

22          For purposes of subparagraph (A), other qualified  
23          services provided in an area shall be disregarded in  
24          determining whether an organization is a qualified  
25          volunteer fire or other emergency services organiza-

1       tion if such other qualified services are provided by  
2       a qualified volunteer fire or other emergency services  
3       organization (determined with the application of this  
4       sentence) and such organization and the provider of  
5       such other services have been continuously providing  
6       qualified services to such area since January 1,  
7       1999.

8               “(3) TREATMENT AS PRIVATE ACTIVITY BONDS  
9       ONLY FOR CERTAIN PURPOSES.—Bonds which are  
10      part of an issue which meets the requirements of  
11      paragraph (1) shall not be treated as private activity  
12      bonds except for purposes of sections 147(f) and  
13      149(d).

14              “(4) QUALIFIED SERVICES.—For purposes of  
15      this subsection, the term ‘qualified services’ means  
16      any firefighting, rescue, or emergency medical serv-  
17      ices.”

18      (b) EFFECTIVE DATE.—The amendment made by  
19      subsection (a) shall apply to obligations issued after the  
20      date of the enactment of this Act.

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