II

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H. R. 3630

IN THE SENATE OF THE UNITED STATES

DECEMBER 13, 2011
Ordered read the first time

DECEMBER 14, 2011
Received; read the second time and placed on the calendar

AN ACT

To provide incentives for the creation of jobs, and for other purposes.

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

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Middle Class Tax Relief and Job Creation Act of 2011".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—JOB CREATION INCENTIVES

Subtitle A—North American Energy Access

SEC. 1001. SHORT TITLE.

This subtitle may be cited as the ''North American Energy Security Act''.

SEC. 1002. PERMIT FOR KEYSTONE XL PIPELINE.

(a) IN GENERAL.—Except as provided in subsection (b), not later than 60 days after the date of enactment of this Act, the President, acting through the Secretary of State, shall grant a permit under Executive Order 13337 (3 U.S.C. 301 note; relating to issuance of permits with respect to certain energy-related facilities and land transportation crossings on the international boundaries of the United States) for the Keystone XL pipeline project application filed on September 19, 2008 (including amendments).

(b) EXCEPTION.—

(1) IN GENERAL.—The President shall not be required to grant the permit under subsection (a) if the President determines that the Keystone XL pipeline would not serve the national interest.

(2) REPORT.—If the President determines that the Keystone XL pipeline is not in the national interest under paragraph (1), the President shall, not later than 15 days after the date of the determination, submit to the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives, the majority leader of the Senate, the minority leader of the Senate, the Speaker of the House of Representatives, and the minority leader of the House of Representatives a

report that provides a justification for determination, including consideration of economic, employment, energy security, foreign policy, trade, and environmental factors.

(3) EFFECT OF NO FINDING OR ACTION.—If a determination is not made under paragraph (1) and no action is taken by the President under subsection (a) not later than 60 days after the date of enactment of this Act, the permit for the Keystone XL pipeline described in subsection (a) that meets the requirements of subsections (c) and (d) shall be in effect by operation of law.

(c) REQUIREMENTS.—The permit granted under subsection (a) shall require the following:

(1) The permittee shall comply with all applicable Federal and State laws (including regulations) and all applicable industrial codes regarding the construction, connection, operation, and maintenance of the United States facilities.

(2) The permittee shall obtain all requisite permits from Canadian authorities and relevant Federal, State, and local governmental agencies.

(3) The permittee shall take all appropriate measures to prevent or mitigate any adverse environmental impact or disruption of historic properties

in connection with the construction, operation, and maintenance of the United States facilities.

(4) For the purpose of the permit issued under subsection (a) (regardless of any modifications under subsection (d))—

(A) the final environmental impact statement issued by the Secretary of State on August 26, 2011, satisfies all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and section 106 of the National Historic Preservation Act (16 U.S.C. 470f);

(B) any modification required by the Secretary of State to the Plan described in paragraph (5)(A) shall not require supplementation of the final environmental impact statement described in that paragraph; and

(C) no further Federal environmental review shall be required.

(5) The construction, operation, and maintenance of the facilities shall be in all material respects similar to that described in the application described in subsection (a) and in accordance with—

(A) the construction, mitigation, and reclamation measures agreed to by the permittee in the Construction Mitigation and Reclamation Plan found in appendix B of the final environmental impact statement issued by the Secretary of State on August 26, 2011, subject to the modification described in subsection (d);

(B) the special conditions agreed to between the permittee and the Administrator of the Pipeline Hazardous Materials Safety Administration of the Department of Transportation found in appendix U of the final environmental impact statement described in subparagraph (A);

(C) if the modified route submitted by the Governor of Nebraska under subsection (d)(3)(B) crosses the Sand Hills region, the measures agreed to by the permittee for the Sand Hills region found in appendix H of the final environmental impact statement described in subparagraph (A); and

(D) the stipulations identified in appendix S of the final environmental impact statement described in subparagraph (A).

(6) Other requirements that are standard industry practice or commonly included in Federal

permits that are similar to a permit issued under subsection (a).

(d) MODIFICATION.—The permit issued under subsection (a) shall require—

(1) the reconsideration of routing of the Keystone XL pipeline within the State of Nebraska;

(2) a review period during which routing within the State of Nebraska may be reconsidered and the route of the Keystone XL pipeline through the State altered with any accompanying modification to the Plan described in subsection (c)(5)(A); and

(3) the President—

(A) to coordinate review with the State of Nebraska and provide any necessary data and reasonable technical assistance material to the review process required under this subsection; and

(B) to approve the route within the State of Nebraska that has been submitted to the Secretary of State by the Governor of Nebraska.

(e) EFFECT OF NO APPROVAL.—If the President does not approve the route within the State of Nebraska submitted by the Governor of Nebraska under subsection (d)(3)(B) not later than 10 days after the date of submission, the route submitted by the Governor of Nebraska under subsection (d)(3)(B) shall be considered approved, pursuant to the terms of the permit described in subsection (a) that meets the requirements of subsection (c) and this subsection, by operation of law.

Subtitle B—EPA Regulatory Relief

SEC. 1101. SHORT TITLE.

This subtitle may be cited as the "EPA Regulatory Relief Act of 2011".

SEC. 1102. LEGISLATIVE STAY.

(a) ESTABLISHMENT OF STANDARDS.—In place of the rules specified in subsection (b), and notwithstanding the date by which such rules would otherwise be required to be promulgated, the Administrator of the Environmental Protection Agency (in this subtitle referred to as the "Administrator") shall—

(1) propose regulations for industrial, commercial, and institutional boilers and process heaters, and commercial and industrial solid waste incinerator units, subject to any of the rules specified in subsection (b)—

(A) establishing maximum achievable control technology standards, performance standards, and other requirements under sections

112 and 129, as applicable, of the Clean Air Act (42 U.S.C. 7412, 7429); and

(B) identifying non-hazardous secondary materials that, when used as fuels or ingredients in combustion units of such boilers, process heaters, or incinerator units are solid waste under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.; commonly referred to as the ''Resource Conservation and Recovery Act'') for purposes of determining the extent to which such combustion units are required to meet the emissions standards under section 112 of the Clean Air Act (42 U.S.C. 7412) or the emission standards under section 129 of such Act (42 U.S.C. 7429); and

(2) finalize the regulations on the date that is 15 months after the date of the enactment of this Act.

(b) STAY OF EARLIER RULES.—The following rules are of no force or effect, shall be treated as though such rules had never taken effect, and shall be replaced as described in subsection (a):

(1) ''National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process

Heaters'', published at 76 Fed. Reg. 15608 (March 21, 2011).

(2) ''National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers'', published at 76 Fed. Reg. 15554 (March 21, 2011).

(3) ''Standards of Performance for New Stationary Sources and Emission Guidelines for Existing Sources: Commercial and Industrial Solid Waste Incineration Units'', published at 76 Fed. Reg. 15704 (March 21, 2011).

(4) ''Identification of Non-Hazardous Secondary Materials That Are Solid Waste'', published at 76 Fed. Reg. 15456 (March 21, 2011).

(c) INAPPLICABILITY OF CERTAIN PROVISIONS.—With respect to any standard required by subsection (a) to be promulgated in regulations under section 112 of the Clean Air Act (42 U.S.C. 7412), the provisions of subsections (g)(2) and (j) of such section 112 shall not apply prior to the effective date of the standard specified in such regulations.

SEC. 1103. COMPLIANCE DATES.

(a) ESTABLISHMENT OF COMPLIANCE DATES.—For each regulation promulgated pursuant to section 1012, the Administrator—

(1) shall establish a date for compliance with standards and requirements under such regulation that is, notwithstanding any other provision of law, not earlier than 5 years after the effective date of the regulation; and

(2) in proposing a date for such compliance, shall take into consideration—

(A) the costs of achieving emissions reductions;

(B) any non-air quality health and environmental impact and energy requirements of the standards and requirements;

(C) the feasibility of implementing the standards and requirements, including the time needed to—

(i) obtain necessary permit approvals; and

(ii) procure, install, and test control equipment;

(D) the availability of equipment, suppliers, and labor, given the requirements of the regulation and other proposed or finalized regulations of the Environmental Protection Agency; and

(E) potential net employment impacts.

(b) NEW SOURCES.—The date on which the Administrator proposes a regulation pursuant to section 1012(a)(1) establishing an emission standard under section 112 or 129 of the Clean Air Act (42 U.S.C. 7412, 7429) shall be treated as the date on which the Administrator first proposes such a regulation for purposes of applying the definition of a new source under section 112(a)(4) of such Act (42 U.S.C. 7412(a)(4)) or the definition of a new solid waste incineration unit under section 129(g)(2) of such Act (42 U.S.C. 7429(g)(2)).

(c) RULE OF CONSTRUCTION.—Nothing in this subtitle shall be construed to restrict or otherwise affect the provisions of paragraphs (3)(B) and (4) of section 112(i) of the Clean Air Act (42 U.S.C. 7412(i)).

SEC. 1104. ENERGY RECOVERY AND CONSERVATION.

Notwithstanding any other provision of law, and to ensure the recovery and conservation of energy consistent with the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.; commonly referred to as the ''Resource Conservation and Recovery Act''), in promulgating rules under section 1012(a) addressing the subject matter of the rules specified in paragraphs (3) and (4) of section 1012(b), the Administrator—

(1) shall adopt the definitions of the terms ''commercial and industrial solid waste incineration

unit'', ''commercial and industrial waste'', and ''contained gaseous material'' in the rule entitled ''Standards of Performance for New Stationary Sources and Emission Guidelines for Existing Sources: Commercial and Industrial Solid Waste Incineration Units'', published at 65 Fed. Reg. 75338 (December 1, 2000); and

(2) shall identify non-hazardous secondary material to be solid waste only if—

(A) the material meets such definition of commercial and industrial waste; or

(B) if the material is a gas, it meets such definition of contained gaseous material.

SEC. 1105. OTHER PROVISIONS.

(a) ESTABLISHMENT OF STANDARDS ACHIEVABLE IN PRACTICE.—In promulgating rules under section 1012(a), the Administrator shall ensure that emissions standards for existing and new sources established under section 112 or 129 of the Clean Air Act (42 U.S.C. 7412, 7429), as applicable, can be met under actual operating conditions consistently and concurrently with emission standards for all other air pollutants regulated by the rule for the source category, taking into account variability in actual source performance, source design, fuels, inputs, controls, ability to measure the pollutant emissions, and operating conditions.

(b) REGULATORY ALTERNATIVES.—For each regulation promulgated pursuant to section 1012(a), from among the range of regulatory alternatives authorized under the Clean Air Act (42 U.S.C. 7401 et seq.) including work practice standards under section 112(h) of such Act (42 U.S.C. 7412(h)), the Administrator shall impose the least burdensome, consistent with the purposes of such Act and Executive Order No. 13563 published at 76 Fed. Reg. 3821 (January 21, 2011).

Subtitle C—Extension of 100 Percent Expensing

SEC. 1201. EXTENSION OF ALLOWANCE FOR BONUS DEPRECIATION FOR CERTAIN BUSINESS ASSETS.

(a) EXTENSION OF 100 PERCENT BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (5) of section 168(k) of the Internal Revenue Code of 1986 is amended—

(A) by striking "January 1, 2012" each place it appears and inserting "January 1, 2013", and

(B) by striking "January 1, 2013" and inserting "January 1, 2014".

(2) CONFORMING AMENDMENTS.—

(A) The heading for paragraph (5) of section 168(k) of such Code is amended by striking "PRE-2012 PERIODS" and inserting "PRE-2013 PERIODS".

(B) Clause (ii) of section 460(c)(6)(B) of such Code is amended to read as follows:

"(ii) is placed in service—

"(I) after December 31, 2009, and before January 1, 2011 (January 1, 2012, in the case of property described in section 168(k)(2)(B)), or

"(II) after December 31, 2011, and before January 1, 2013 (January 1, 2014, in the case of property described in section 168(k)(2)(B)).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after December 31, 2011.

(b) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

(1) IN GENERAL.—Paragraph (4) of section 168(k) of such Code is amended to read as follows:

"(4) ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

"(A) IN GENERAL.—If a corporation elects to have this paragraph apply for any taxable year—

"(i) paragraph (1) shall not apply to any eligible qualified property placed in service by the taxpayer in such taxable year,

"(ii) the applicable depreciation method used under this section with respect to such property shall be the straight line method, and

"(iii) the limitation imposed by section 53(c) for such taxable year shall be increased by the bonus depreciation amount which is determined for such taxable year under subparagraph (B).

"(B) BONUS DEPRECIATION AMOUNT.—For purposes of this paragraph—

"(i) IN GENERAL.—The bonus depreciation amount for any taxable year is an amount equal to 20 percent of the excess (if any) of—

"(I) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) applied to all such property, over

"(II) the aggregate amount of depreciation which would be allowed under this section for eligible qualified property placed in service by the taxpayer during such taxable year if paragraph (1) did not apply to any such property.

The aggregate amounts determined under subclauses (I) and (II) shall be determined without regard to any election made under subsection (b)(2)(D), (b)(3)(D), or (g)(7) and without regard to subparagraph (A)(ii).

"(ii) LIMITATION.—The bonus depreciation amount for any taxable year shall not exceed the lesser of—

"(I) the minimum tax credit under section 53(b) for such taxable year determined by taking into account only the adjusted minimum tax for taxable years ending before January 1, 2012 (determined by treating credits as allowed on a first-in, first-out basis), or

"(II) 50 percent of the minimum tax credit under section 53(b) for the first taxable year ending after December 31, 2011.

"(iii) AGGREGATION RULE.—All corporations which are treated as a single employer under section 52(a) shall be treated—

"(I) as 1 taxpayer for purposes of this paragraph, and

"(II) as having elected the application of this paragraph if any such corporation so elects.

"(C) ELIGIBLE QUALIFIED PROPERTY.—For purposes of this paragraph, the term 'eligible qualified property' means qualified property under paragraph (2), except that in applying paragraph (2) for purposes of this paragraph—

"(i) 'March 31, 2008' shall be substituted for 'December 31, 2007' each place it appears in subparagraph (A) and clauses (i) and (ii) of subparagraph (E) thereof,

"(ii) 'April 1, 2008' shall be substituted for 'January 1, 2008' in subparagraph (A)(iii)(I) thereof, and

"(iii) only adjusted basis attributable to manufacture, construction, or production—

"(I) after March 31, 2008, and before January 1, 2010, and

"(II) after December 31, 2010, and before January 1, 2013, shall be taken into account under subparagraph (B)(ii) thereof.

"(D) CREDIT REFUNDABLE.—For purposes of section 6401(b), the aggregate increase in the credits allowable under part IV of subchapter A for any taxable year resulting from the application of this paragraph shall be treated as allowed under subpart C of such part (and not any other subpart).

"(E) OTHER RULES.—

"(i) ELECTION.—Any election under this paragraph may be revoked only with the consent of the Secretary.

"(ii) PARTNERSHIPS WITH ELECTING PARTNERS.—In the case of a corporation making an election under subparagraph (A) and which is a partner in a partnership, for purposes of determining such corporation's distributive share of partnership items under section 702—

"(I) paragraph (1) shall not apply to any eligible qualified property, and

"(II) the applicable depreciation method used under this section with respect to such property shall be the straight line method.

"(iii) CERTAIN PARTNERSHIPS.—In the case of a partnership in which more than 50 percent of the capital and profits interests are owned (directly or indirectly) at all times during the taxable year by one corporation (or by corporations treated as 1 taxpayer under subparagraph (B)(iii)), each partner shall be treated as having an amount equal to such partner's allocable share of the eligible property for such taxable year (as determined under regulations prescribed by the Secretary).

"(iv) SPECIAL RULE FOR PASSENGER AIRCRAFT.—In the case of any passenger aircraft, the written binding contract limitation under paragraph (2)(A)(iii)(I) shall not apply for purposes of subparagraphs (B)(i)(I) and (C).".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending after December 31, 2011.

(3) TRANSITIONAL RULE.—In the case of a taxable year beginning before January 1, 2012, and ending after December 31, 2011, the bonus depreciation amount determined under paragraph (4) of section 168(k) of Internal Revenue Code of 1986 for such year shall be the sum of—

(A) such amount determined under such paragraph as in effect on the date before the date of enactment of this Act taking into account only property placed in service before January 1, 2012, and

(B) such amount determined under such paragraph as amended by this Act taking into account only property placed in service after December 31, 2011.

TITLE II—EXTENSION OF CERTAIN EXPIRING PROVISIONS AND RELATED MEASURES

Subtitle A—Extension of Payroll Tax Reduction

SEC. 2001. EXTENSION OF TEMPORARY EMPLOYEE PAYROLL TAX REDUCTION THROUGH END OF 2012.

Subsection (c) of section 601 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 is amended by striking ‘‘calendar year 2011’’ and inserting ‘‘calendar years 2011 and 2012’’.

Subtitle B—Unemployment Compensation

SEC. 2101. SHORT TITLE.

This subtitle may be cited as the ‘‘Extended Benefits, Reemployment, and Program Integrity Improvement Act’’.

PART 1—REFORMS OF UNEMPLOYMENT COMPENSATION TO PROMOTE WORK AND JOB CREATION

SEC. 2121. CONSISTENT JOB SEARCH REQUIREMENTS.

(a) IN GENERAL.—Section 303(a) of the Social Security Act is amended by adding at the end the following:

"(11)(A) A requirement that, as a condition of eligibility for regular compensation for any week, a claimant must be able to work, available to work, and actively seeking work.

"(B) For purposes of this paragraph, the term 'actively seeking work' means, with respect to an individual, that such individual is actively engaged in a systematic and sustained effort to obtain work, as determined based on evidence (whether in electronic format or otherwise) satisfactory to the State agency charged with the administration of the State law.

"(C) The specific requirements that must be met in order to satisfy this paragraph shall be established by the State agency, and shall include at least the following:

"(i) Registration for employment services within 10 days after making initial application for regular compensation.

"(ii) Posting a resume, record, or other application for employment on such database as the State agency may require.

"(iii) Applying for work in such manner as the State agency may require.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to weeks beginning after the end of the first session of the State legislature which begins after the date of enactment of this Act.

SEC. 2122. PARTICIPATION IN REEMPLOYMENT SERVICES MADE A CONDITION OF BENEFIT RECEIPT.

(a) SOCIAL SECURITY ACT.—Paragraph (10) of section 303(a) of the Social Security Act is amended to read as follows:

"(10)(A) A requirement that, as a condition of eligibility for regular compensation for any week and in addition to State work search requirements—

"(i) a claimant shall meet the minimum educational requirements set forth in subparagraph (B); and

"(ii) any claimant who has been referred to reemployment services shall participate in such services.

"(B) For purposes of this paragraph, an individual shall not be considered to have met the minimum educational requirements of this subparagraph unless such individual—

"(i) has earned a high school diploma;

"(ii) has earned the General Educational Development (GED) credential or other State-recognized equivalent (including by meeting recognized alternative standards for individuals with disabilities); or

"(iii) is enrolled and making satisfactory progress in classes leading to satisfaction of clause (i) or (ii).

"(C) The requirements of subparagraph (B) may be waived for an individual to the extent that the State agency charged with the administration of the State law deems such requirements to be unduly burdensome.".

(b) INTERNAL REVENUE CODE OF 1986.—Paragraph (8) of section 3304(a) of the Internal Revenue Code of 1986 is amended to read as follows:

"(8) compensation shall not be denied to an individual for any week in which the individual is enrolled and making satisfactory progress in education or training which has been previously approved by the State agency;".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks beginning after the end of the first session of the State legislature which begins after the date of enactment of this Act.

SEC. 2123. STATE FLEXIBILITY TO PROMOTE THE REEMPLOYMENT OF UNEMPLOYED WORKERS.

Title III of the Social Security Act (42 U.S.C. 501 and following) is amended by adding at the end the following:

"DEMONSTRATION PROJECTS

"SEC. 305. (a) The Secretary of Labor may enter into agreements, with up to 10 States per year that submit an application described in subsection (b), for the purpose of allowing such States to conduct demonstration projects to test and evaluate measures designed—

"(1) to expedite the reemployment of individuals who have established a benefit year and are otherwise eligible to claim unemployment compensation under the State law of such State; or

"(2) to improve the effectiveness of a State in carrying out its State law with respect to reemployment.

"(b) The Governor of any State desiring to conduct a demonstration project under this section shall submit an application to the Secretary of Labor. Any such application shall include—

"(1) a general description of the proposed demonstration project, including the authority (under the laws of the State) for the measures to be tested, as well as the period of time during which such demonstration project would be conducted;

"(2) if a waiver under subsection (c) is requested, a statement describing the specific aspects of the project to which the waiver would apply and the reasons why such waiver is needed;

"(3) a description of the goals and the expected programmatic outcomes of the demonstration project, including how the project would contribute to the objective described in subsection (a)(1), subsection (a)(2), or both;

"(4) assurances (accompanied by supporting analysis) that the demonstration project would operate for a period of at least 1 calendar year and not result in any increased net costs to the State's account in the Unemployment Trust Fund;

"(5) a description of the manner in which the State—

"(A) will conduct an impact evaluation, using a methodology appropriate to determine the effects of the demonstration project; and

"(B) will determine the extent to which the goals and outcomes described in paragraph (3) were achieved; and

"(6) assurances that the State will provide any reports relating to the demonstration project, after its approval, as the Secretary of Labor may require.

"(c) The Secretary of Labor may waive any of the requirements of section 3304(a)(4) of the Internal Revenue Code of 1986 or of paragraph (1) or (5) of section 303(a), to the extent and for the period the Secretary of Labor considers necessary to enable the State to carry out a demonstration project under this section.

"(d) A demonstration project under this section—

"(1) may be commenced any time after the date of enactment of this section;

"(2) may not be approved for a period of time greater than 3 years, subject to extension upon request of the Governor of the State involved for such additional period as the Secretary of Labor may agree to, except that in no event may a demonstration project under this section be conducted after the end of the 5-year period beginning on the date of enactment of this section; and

"(3) may not be extended without sufficient data to show that the project—

"(A) did not increase the net cost to the State's account in the Unemployment Trust Fund during the initial demonstration period; and

"(B) may be reasonably projected not to increase the net cost to the State's account in the Unemployment Trust Fund during the extended period requested.

"(e) The Secretary of Labor shall, in the case of any State for which an application is submitted under subsection (b)—

"(1) notify the State as to whether such application has been approved or denied within 30 days after receipt of a complete application; and

"(2) provide public notice of the decision within 10 days after providing notification to the State in accordance with paragraph (1).

Public notice under paragraph (2) may be provided through the Internet or other appropriate means. Any application under this section that has not been denied within the 30-day period described in paragraph (1) shall be deemed approved, and public notice of any approval under this sentence shall be provided within 10 days thereafter.

"(f) The Secretary of Labor may terminate a demonstration project under this section if the Secretary determines that the State has violated the substantive terms or conditions of the project.

"(g) Funding certified under section 302(a) may be used for an approved demonstration project.".

SEC. 2124. ASSISTANCE AND GUIDANCE IN IMPLEMENTING SELF-EMPLOYMENT ASSISTANCE PROGRAMS.

(a) IN GENERAL.—For purposes of assisting States in establishing, improving, and administering self-employment assistance programs, the Secretary shall—

(1) develop model language that may be used by States in enacting such programs, as well as periodically review and revise such model language;

(2) provide technical assistance and guidance in establishing, improving, and administering such programs; and

(3) establish reporting requirements for States in regard to such programs, including reporting on—

(A) the number of businesses and jobs created, both directly and indirectly, by self-employment assistance programs; and

(B) the estimated Federal and State tax revenues collected from such businesses and their employees.

(b) MODEL LANGUAGE AND GUIDANCE.—The model language, guidance, and reporting requirements developed by the Secretary pursuant to subsection (a) shall—

(1) allow sufficient flexibility for States and participating individuals; and

(2) ensure accountability and program integrity.

(c) CONSULTATION.—In developing the model language, guidance, and reporting requirements pursuant to subsection (a), the Secretary shall consult with employers, labor organizations, State agencies, and other relevant program experts.

(d) ENTREPRENEURIAL TRAINING PROGRAMS.—The Secretary shall coordinate with the Administrator of the Small Business Administration to ensure that adequate funding is reserved and made available for the provision of entrepreneurial training to individuals participating in self-employment assistance programs.

SEC. 2125. IMPROVING PROGRAM INTEGRITY BY BETTER RECOVERY OF OVERPAYMENTS.

(a) USE OF UNEMPLOYMENT COMPENSATION TO REPAY OVERPAYMENTS.—Section 3304(a)(4)(D) of the Internal Revenue Code of 1986 and section 303(g)(1) of the Social Security Act are amended by striking ‘‘may’’ and inserting ‘‘shall’’.

(b) USE OF UNEMPLOYMENT COMPENSATION TO REPAY FEDERAL ADDITIONAL COMPENSATION OVERPAYMENTS.—Section 303(g)(3) of the Social Security Act is amended by inserting ‘‘Federal additional compensation,’’ after ‘‘trade adjustment allowances,’’.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks beginning after the end of the first session of the State legislature which begins after the date of enactment of this Act.

SEC. 2126. DATA STANDARDIZATION FOR IMPROVED DATA MATCHING.

(a) IN GENERAL.—Title IX of the Social Security Act is amended by adding at the end the following:

‘‘DATA STANDARDIZATION FOR IMPROVED DATA MATCHING

‘‘Standard Data Elements

‘‘SEC. 911. (a)(1) The Secretary of Labor, in consultation with an interagency work group which shall be established by the Office of Management and Budget, and considering State and employer perspectives, shall, by rule, designate standard data elements for any category of information required under title III or this title.

‘‘(2) The standard data elements designated under paragraph (1) shall, to the extent practicable, be nonproprietary and interoperable.

“(3) In designating standard data elements under this subsection, the Secretary of Labor shall, to the extent practicable, incorporate—

“(A) interoperable standards developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization;

“(B) interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model; and

“(C) interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance, such as the Federal Acquisition Regulations Council.

“Data Standards for Reporting

“(b)(1) The Secretary of Labor, in consultation with an interagency work group established by the Office of Management and Budget, and considering State and employer perspectives, shall, by rule, designate data reporting standards to govern the reporting required under title III or this title.

“(2) The data reporting standards required by paragraph (1) shall, to the extent practicable—

"(A) incorporate a widely-accepted, nonproprietary, searchable, computer-readable format;

"(B) be consistent with and implement applicable accounting principles; and

"(C) be capable of being continually upgraded as necessary.

"(3) In designating reporting standards under this subsection, the Secretary of Labor shall, to the extent practicable, incorporate existing nonproprietary standards, such as the eXtensible Business Reporting Language.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply after September 30, 2012.

SEC. 2127. DRUG TESTING OF APPLICANTS.

Section 303 of the Social Security Act is amended by adding at the end the following:

"(k)(1) Nothing in this Act or any other provision of Federal law shall be considered to prevent a State from—

"(A) testing an applicant for unemployment compensation for the unlawful use of controlled substances as a condition for receiving such compensation; or

"(B) denying such compensation to such applicant on the basis of the result of such testing.

"(2) For purposes of this subsection—

"(A) the term 'unemployment compensation' has the meaning given such term in subsection (d)(2)(A); and

"(B) the term 'controlled substance' has the meaning given such term in section 102 of the Controlled Substances Act (21 U.S.C. 802).".

PART 2—PROVISIONS RELATING TO EXTENDED BENEFITS

SEC. 2141. SHORT TITLE.

This part may be cited as the "Unemployment Benefits Extension Act of 2011".

SEC. 2142. EXTENSION AND MODIFICATION OF EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.

(a) EXTENSION.—Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(1) in subsection (a)—

(A) by striking "Except as provided in subsection (b), an" and inserting "An"; and

(B) by striking "January 3, 2012" and inserting "January 31, 2013"; and

(2) by amending subsection (b) to read as follows:

"(b) TERMINATION.—No compensation under this title shall be payable for any week subsequent to the last week described in subsection (a).".

(b) MODIFIED TIERS OF EMERGENCY UNEMPLOYMENT COMPENSATION.—

(1) IN GENERAL.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended by striking subsections (b) through (e) and inserting the following:

"(b) FIRST-TIER EMERGENCY UNEMPLOYMENT COMPENSATION.—

"(1) IN GENERAL.—The amount established in an account under subsection (a) shall be an amount (in this title referred to as 'first-tier emergency unemployment compensation') equal to the lesser of—

"(A) 80 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under the State law; or

"(B) 20 times the individual's average weekly benefit amount for the benefit year.

"(2) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

"(c) SECOND-TIER EMERGENCY UNEMPLOYMENT COMPENSATION.—

"(1) IN GENERAL.—If, at the time that the amount established in an individual's account under subsection (b)(1) is exhausted or at any time thereafter, such individual's State is in an extended benefit period (as determined under paragraph (2)), such account shall be augmented by an amount (in this title referred to as 'second-tier emergency unemployment compensation') equal to the lesser of—

"(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under the State law; or

"(B) 13 times the individual's average weekly benefit amount (as determined under subsection (b)(2)) for the benefit year.

"(2) EXTENDED BENEFIT PERIOD.—For purposes of paragraph (1), a State shall be considered to be in an extended benefit period, as of any given time, if—

''(A) such a period would then be in effect for such State, under the Federal-State Extended Unemployment Compensation Act of 1970, if section 203(d) of such Act—

''(i) were applied by substituting '4' for '5' each place it appears; and

''(ii) did not include the requirement under paragraph (1)(A) thereof; or

''(B) such a period would then be in effect for such State, under the Federal-State Extended Unemployment Compensation Act of 1970, if—

''(i) section 203(f) of such Act were applied to such State (regardless of whether or not the State by law had provided for such application); and

''(ii) such section 203(f)—

''(I) were applied by substituting '6.0' for '6.5' in paragraph (1)(A)(i) thereof; and

''(II) did not include the requirement under paragraph (1)(A)(ii) thereof.

"(3) LIMITATION.—The account of an individual may be augmented not more than once under this subsection.".

(2) TECHNICAL AND CONFORMING AMENDMENTS.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note), as amended by paragraph (1), is further amended—

(A) by striking subsection (f); and

(B) by redesignating subsection (g) as subsection (d).

(c) ORDER OF PAYMENTS REQUIREMENT.—

(1) IN GENERAL.—Section 4001(e) of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended to read as follows:

"(e) COORDINATION RULE.—An agreement under this section shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that, under the State law or other applicable rules of such State, the payment of extended compensation for which an individual is otherwise eligible may or must be deferred until after the payment of any emergency unemployment compensation under section 4002, as amended by the Unemployment Benefits Extension Act of 2011, for which the individual is concurrently eligible.''.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—Section 4001(b)(2) of such Act is amended—

(A) by striking ''or extended compensation''; and

(B) by striking ''(except as provided under subsection (e))''.

(d) FUNDING.—Section 4004(e)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(1) in subparagraph (F), by striking ''and'' at the end; and

(2) by inserting after subparagraph (G) the following:

''(H) the amendments made by section 2302 of the Unemployment Benefits Extension Act of 2011; and''.

(e) EFFECTIVE DATES; TRANSITION RULES RELATING TO SUBSECTION (b).—

(1) IN GENERAL.—The amendments made by—

(A) subsection (a) shall take effect as if included in the enactment of the Tax Relief, Unemployment Insurance Reauthorization, and

Job Creation Act of 2010 (Public Law 111–312);

(B) subsections (b) and (c) shall take effect on December 28, 2011, and shall apply with respect to weeks of unemployment beginning after that date; and

(C) subsection (d) shall take effect on the date of enactment of this Act.

(2) TRANSITION RULES FOR THE APPLICATION OF THE AMENDMENTS MADE BY SUBSECTION (b) IN THE CASE OF INDIVIDUALS HAVING RESIDUAL AMOUNTS IN THEIR ACCOUNT.—

(A) EXHAUSTION OF RESIDUAL AMOUNTS.—In the case of an individual who, as of any time during the last week ending before January 3, 2012, has amounts remaining in an account established under section 4002 of the Supplemental Appropriations Act, 2008, emergency unemployment compensation shall continue to be payable to such individual from the amounts so remaining, subject to section 4007(b) of such Act, as amended by this subtitle.

(B) NON-AUGMENTATION RULE.—

(i) IN GENERAL.—Except as provided in clause (ii), after exhausting the amounts remaining in the individual's account under subparagraph (A), no augmentation (or further augmentation) to such account may be made.

(ii) EXCEPTION.—In the case of an individual whose residual amounts (as described in subparagraph (A)) represent amounts that were established in such individual's account under section 4002(b) of the Supplemental Appropriations Act, 2008, as in effect before the date of enactment of this Act, no augmentation to such account may be made except in accordance with section 4002(c) of such Act, as amended by this subtitle.

(3) TRANSITION RULES FOR THE APPLICATION OF THE AMENDMENTS MADE BY SUBSECTION (b) IN THE CASE OF INDIVIDUALS BETWEEN TIERS.—

(A) IN GENERAL.—In the case of an individual for whom an emergency unemployment compensation account has been established under section 4002 of the Supplemental Appropriations Act, 2008, as in effect before the date of enactment of this Act, but who is not covered by paragraph (2), no augmentation (or further augmentation) to such account shall be allowable, except as provided in subparagraph (B).

(B) EXCEPTION.—

(i) RULE.—In the case of a first-tier exhaustee, augmentation shall be allowable in a manner similar to that described in paragraph (2)(B)(ii).

(ii) DEFINITION.—For purposes of this subparagraph, the term ''first-tier exhaustee'' means an individual—

(I) who is described in subparagraph (A); and

(II) whose emergency unemployment compensation account—

(aa) has been exhausted of amounts described in section 4002(b) of the Supplemental Appropriations Act, 2008, as in effect before the enactment of this Act; but

(bb) has never been augmented.

(4) WEEK DEFINED.—For purposes of this subsection, the term "week" has the meaning given such term under section 4006 of the Supplemental Appropriations Act, 2008.

SEC. 2143. TEMPORARY EXTENSION OF EXTENDED BENEFIT PROVISIONS.

(a) IN GENERAL.—Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111–5 (26 U.S.C. 3304 note), is amended—

(1) by striking "January 4, 2012" each place it appears and inserting "January 31, 2013"; and

(2) in subsection (c), by striking "June 11, 2012" and inserting "January 31, 2013".

(b) EXTENSION OF MATCHING FOR STATES WITH NO WAITING WEEK.—Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110–449; 26 U.S.C. 3304 note) is amended by striking "June 10, 2012" and inserting "January 31, 2013".

(c) EXTENSION OF MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.—Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) in subsection (d), by striking "December 31, 2011" and inserting "January 31, 2013"; and

(2) in subsection (f)(2), by striking "December 31, 2011" and inserting "January 31, 2013".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Public Law 111–312; 26 U.S.C. 3304 note).

SEC. 2144. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

(a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Railroad Unemployment Insurance Act, as added by section 2006 of the American Recovery and Reinvestment Act of 2009 (Public Law 96 111–5) and as amended by section 9 of the Worker, Homeownership, and Business Assistance Act of 2009 (Public Law 111–92) and section 505 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Public Law 111–312), is amended—

(1) by striking "June 30, 2011" and inserting "June 30, 2012"; and

(2) by striking "December 31, 2011" and inserting "January 31, 2013".

(b) CLARIFICATION ON AUTHORITY TO USE FUNDS.—Funds appropriated under either the first or second sentence of clause (iv) of section 2(c)(2)(D) of the Railroad Unemployment Insurance Act shall be available to cover the cost of additional extended unemployment benefits provided under such section 2(c)(2)(D) by reason of the amendments made by subsection (a) as well as to cover the cost of such benefits provided under such section 2(c)(2)(D), as in effect on the day before the date of enactment of this Act.

PART 3—IMPROVING REEMPLOYMENT STRATEGIES UNDER THE EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

SEC. 2161. IMPROVED WORK SEARCH FOR THE LONG-TERM UNEMPLOYED.

(a) IN GENERAL.—Section 4001(b) of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(1) by striking ‘‘and’’ at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ‘‘; and’’; and

(3) by adding at the end the following:

‘‘(4) are able to work, available to work, and actively seeking work.’’.

(b) ACTIVELY SEEKING WORK.—Section 4001 of such Act is amended by adding at the end the following:

"(h) ACTIVELY SEEKING WORK.—

"(1) IN GENERAL.—For purposes of subsection (b)(4), the term 'actively seeking work' means, with respect to any individual, that such individual is actively engaged in a systematic and sustained effort to obtain work, as determined based on evidence (whether in electronic format or otherwise) satisfactory to the State agency charged with the administration of the State law.

"(2) SPECIFIC REQUIREMENTS.—The specific requirements that must be met in order to satisfy subsection (b)(4), to the extent that it relates to actively seeking work, shall be established by the State agency, and shall include the following:

"(A) Registration for employment services within 30 days after the date on which occurs whichever of the following events occurs first, in the case of the individual referred to in paragraph (1):

"(i) The submission of the claim on the basis of which amounts described in section 4002(b) (as amended by the Unemployment Benefits Extension Act of 2011) first become payable to such individual.

"(ii) The submission of the claim on the basis of which amounts described in section 4002(c) (as amended by the Unemployment Benefits Extension Act of 2011) first become payable to such individual.

"(B) Posting a resume, record, or other application for employment on such database as the State agency may require.

"(C) Applying, in such manner as the State agency may require, for work.".

SEC. 2162. REEMPLOYMENT SERVICES AND REEMPLOYMENT AND ELIGIBILITY ASSESSMENT ACTIVITIES.

(a) IN GENERAL.—

(1) PROVISION OF SERVICES AND ACTIVITIES.—Section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended by inserting after subsection (h) (as added by section 2161) the following:

"(i) PROVISION OF SERVICES AND ACTIVITIES.—

"(1) IN GENERAL.—An agreement under this section shall require the following:

"(A) The State which is party to such agreement shall provide reemployment services and reemployment and eligibility assessment activities to each individual—

"(i) who, on or after the 30th day after the date of enactment of the Extended Benefits, Reemployment, and Program Integrity Improvement Act, begins receiving amounts described in subsection (b) and (c) of 4002 of the Supplemental Appropriations Act of 2008, as amended by the Extended Benefits, Reemployment, and Program Integrity Improvement Act; and

"(ii) while such individual continues to receive emergency unemployment compensation under this title.

"(B) As a condition of eligibility for emergency unemployment compensation for any week—

"(i) a claimant shall meet the minimum educational requirements set forth in section 303(a)(10)(B) of the Social Security Act;

"(ii) a claimant who has been duly referred to reemployment services shall participate in such services; and

"(iii) a claimant shall be actively seeking work (determined applying subsection (h)).

"(2) DESCRIPTION OF SERVICES AND ACTIVITIES.—The reemployment services and in-person reemployment and eligibility assessment activities provided to individuals receiving emergency unemployment compensation described in paragraph (1)—

"(A) shall include—

"(i) the provision of labor market and career information;

"(ii) an assessment of the skills of the individual;

"(iii) orientation to the services available through the one-stop centers established under title I of the Workforce Investment Act of 1998; and

"(iv) review of the eligibility of the individual for emergency unemployment compensation relating to the job search activities of the individual; and

"(B) may include the provision of—

"(i) comprehensive and specialized assessments;

"(ii) individual and group career counseling;

"(iii) training services;

"(iv) additional reemployment services; and

"(v) job search counseling and the development or review of an individual reemployment plan that includes participation in job search activities and appropriate workshops.

"(3) PARTICIPATION REQUIREMENT.—As a condition of continuing eligibility for emergency unemployment compensation for any week, an individual who has been referred to reemployment services or reemployment and eligibility assessment activities under this subsection shall participate in such services or activities, unless the State agency responsible for the administration of State unemployment compensation law determines that—

"(A) such individual has completed participating in such services or activities; or

"(B) there is justifiable cause for failure to participate or to complete participating in such services or activities, as determined in accordance with guidance to be issued by the Secretary.''.

(2) ISSUANCE OF GUIDANCE.—Not later than 30 days after the date of enactment of this Act, the Secretary shall issue guidance on the implementation of the reemployment services and reemployment and eligibility assessment activities required to be provided under the amendment made by paragraph (1).

(b) FUNDING.—Section 4002 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note), as amended by section 2142(b), is further amended by adding at the end the following:

''(e) OPTIONAL FUNDING FOR REEMPLOYMENT SERVICES AND REEMPLOYMENT AND ELIGIBILITY ASSESSMENT ACTIVITIES.—In order to carry out section 4001(i)(2), a State may withhold up to $5 from any amount otherwise payable to an individual under this title for any week.''.

SEC. 2163. STATE FLEXIBILITY TO SUPPORT LONG-TERM UNEMPLOYED WORKERS WITH IMPROVED REEMPLOYMENT SERVICES.

Title IV of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended by adding at the end the following:

''DEMONSTRATION PROJECTS

''SEC. 4008. (a) The Secretary may enter into an agreement under this section, with any State which has an agreement with the Secretary under section 4001 and which submits an application under subsection (b), for the purpose of allowing such State to divert, in any month, a number of emergency unemployment compensation beneficiaries not to exceed 20 percent of the total number of beneficiaries, attributable to such State and receiving emergency unemployment compensation for the first week of such month, to conduct demonstration projects to test and evaluate measures designed—

''(1) to expedite the reemployment of individuals who establish initial eligibility for unemployment compensation under the State law of such State; or

''(2) to improve the effectiveness of a State in carrying out its State law with respect to reemployment.

''(b) The Governor of any State desiring to conduct a demonstration project under this section shall submit an application to the Secretary. Any such application shall include—

''(1) a description of the activities to be carried out by the State to assist in the reemployment of eligible individuals to be served in accordance with this part, including activities the State intends to carry out and an estimate of the amounts the State intends to allocate to those respective activities;

"(2) a description of the performance outcomes to be achieved by the State through the activities carried out under this part, including the employment outcomes to be achieved by participants and the processes the State will use to track performance, consistent with guidance provided by the Secretary regarding such outcomes and processes;

"(3) the timelines for implementation of the activities described in the application and the number of emergency unemployment compensation claimants expected to be enrolled in such activities for each quarter;

"(4) assurances that the State will participate in the evaluation activities carried out by the Secretary under this section;

"(5) assurances that the State will provide appropriate reemployment services to individuals participating in the demonstration project;

"(6) assurances that the State will report such information as the Secretary may require relating to fiscal, performance and other matters, including employment outcomes.

"(7) the specific aspects of the project to which the waiver would apply and the reasons why such waiver is needed;

"(8) a description of the goals and the expected programmatic outcomes of the demonstration project, including how the project would contribute to the objective described in subsection (a)(1), subsection (a)(2), or both;

"(9) assurances (accompanied by supporting analysis) that the demonstration project would not result in any increased net costs to the emergency unemployment compensation program;

"(10) a description of the manner in which the State—

"(A) will conduct an impact evaluation, using a control or comparison group or other valid methodology, of the demonstration project; and

"(B) will determine the extent to which the goals and outcomes described in paragraph (8) were achieved; and

"(11) assurances that the State will provide any reports relating to the demonstration project, after its approval, as the Secretary may require.

"(c) Activities that may be pursued under a demonstration project under this section, including—

"(1) subsidies for employer-provided training, such as wage subsidies;

"(2) work sharing or short-time compensation; and

"(3) enhanced employment strategies, which may include services such as—

"(A) assessments, counseling, and other intensive services that are provided by staff on a one-to-one basis and may be customized to meet the reemployment needs of emergency unemployment compensation claimants and individuals;

"(B) comprehensive assessments designed to identify alternative career paths;

"(C) case management;

"(D) reemployment services that are provided more frequently and more intensively than such reemployment services have previously been provided by the State;

"(E) self-employment assistance programs;

"(F) services that are designed to enhance communication skills, interviewing skills, and other skills that would assist in obtaining reemployment;

"(G) direct disbursements to employers who hire individuals receiving emergency unemployment compensation to cover part of the cost of wages that exceed the unemployed individual's prior benefit level; and

"(H) other innovative activities which use a strategy that is different from the reemployment strategies described above and which are designed to facilitate the reemployment of individuals receiving emergency unemployment compensation.

"(d) The Secretary shall, in the case of any State for which an application is submitted under subsection (b)—

"(1) notify the State as to whether such application has been approved or denied within 30 days after receipt of a complete application; and

"(2) provide public notice of the decision within 10 days after providing notification to the State in accordance with paragraph (1).

Public notice under paragraph (2) may be provided through the Internet or other appropriate means. Any application under this section that has not been denied within such 30 days shall be deemed approved, and public notice of any approval under this sentence shall be provided within 10 days thereafter.

"(e) The Secretary may terminate a demonstration project under this section if the Secretary determines that the State has violated the substantive terms or conditions of the project.

"(f) Authority to carry out a demonstration project under this section shall terminate with respect to any State after compensation under this title ceases to be payable with respect to such State.".

SEC. 2164. PROMOTING PROGRAM INTEGRITY THROUGH BETTER RECOVERY OF OVERPAYMENTS.

Section 4005(c)(1) of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(1) by striking "may" and inserting "shall";

(2) by striking "exceed" and inserting "be less than"; and

(3) by striking "made." and inserting "made, unless the amount to be repaid is less than 50 percent of the weekly benefit amount.".

SEC. 2165. RESTORE STATE FLEXIBILITY TO IMPROVE UNEMPLOYMENT PROGRAM SOLVENCY.

Subsection (g) of section 4001 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is repealed.

Subtitle C—Medicare Extensions; Other Health Provisions

PART 1—MEDICARE EXTENSIONS

SEC. 2201. PHYSICIAN PAYMENT UPDATE.

(a) IN GENERAL.—Section 1848(d) of the Social Security Act (42 U.S.C. 1395w–4(d)) is amended by adding at the end the following new paragraph:

"(13) UPDATE FOR 2012 AND 2013.—

"(A) IN GENERAL.—Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), (11)(B), and (12)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2012 and for 2013, the update to the single conversion factor shall be 1.0 percent for the year.

"(B) NO EFFECT ON COMPUTATION OF CONVERSION FACTOR FOR 2014 AND SUBSEQUENT YEARS.—The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2014 and subsequent years as if subparagraph (A) had never applied.".

(b) MANDATED STUDIES ON PHYSICIAN PAYMENT REFORM.—

(1) STUDY BY SECRETARY ON OPTIONS FOR BUNDLED OR EPISODE-BASED PAYMENT.—

(A) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study that examines options for bundled or episode-based payments, to cover physicians' services currently paid under the physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4), for one or more prevalent chronic conditions (such as cancer, diabetes, and congestive heart failure) or episodes of care for one or more major procedures (such as medical device implantation). In conducting the study the Secretary shall consult with medical professional societies and other relevant stakeholders. The study shall include an examination of related private payer payment initiatives.

(B) REPORT.—Not later than January 1, 2013, the Secretary shall submit to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance in the Senate a report on the study conducted under this paragraph. The Secretary shall include in the report recommendations on suitable alternative payment options for services paid under such fee schedule and on associated implementation requirements (such as timelines, operational issues, and interactions with other payment reform initiatives).

(2) GAO STUDY OF PRIVATE PAYER INITIATIVES.—

(A) IN GENERAL.—The Comptroller General of the United States shall conduct a study that examines initiatives of private entities offering or administering health insurance coverage, group health plans, or other private health benefit plans to base or adjust physician payment rates under such coverage or plans for performance on quality and efficiency as well as demonstration of care delivery improvement activities (such as adherence to evidence based guidelines and patient shared decision making programs). In conducting such study, the Comptroller General shall consult, to the extent appropriate, with medical professional societies and other relevant stakeholders.

(B) REPORT.—Not later than January 1, 2013, the Comptroller General shall submit to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance in the Senate a report on the study conducted under this paragraph. Such report shall include an assessment of applicability of the payer initiatives described in subparagraph (A) to the Medicare program and recommendations on modifications to existing Medicare performance-based payment initiatives.

(3) MEDPAC STUDY OF ALIGNING PAYMENT INCENTIVES.—Not later than March 1, 2013, the Medicare Payment Advisory Commission shall conduct a study, and submit to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance in the Senate a report, that examines the feasibility of aligning private payer quality and efficiency programs with those in the Medicare program. In conducting such study, the Medicare Payment Advisory Commission shall consult with medical professional societies and other relevant stake-

holders. Such report shall include recommendations on how to achieve such alignment.

(4) COLLABORATION.—The Secretary, Comptroller General, and Commission may collaborate to the extent beneficial in conducting their respective studies and submitting their respective reports under this subsection.

(c) STUDY AND REVIEW OF MEASURES TO IMPROVE PHYSICIAN PAYMENTS, HEALTH OUTCOMES, AND EFFICIENCY.—During the 112th Congress, the Committees on Energy and Commerce and Ways and Means of the House of Representatives and the Committee on Finance in the Senate shall each study and review value-based measures and practice arrangements which may improve health outcomes and efficiency in the Medicare program to the end of replacing the Medicare sustainable growth rate in a fiscally responsible manner and establishing a sustainable payment system. In conducting such study and review, the committees shall solicit comments from stakeholder physician groups, including State medical associations.

SEC. 2202. AMBULANCE ADD-ONS.

(a) GROUND AMBULANCE.—Section 1834(l)(13)(A) of the Social Security Act (42 U.S.C. 1395m(l)(13)(A)), as amended by section 106(a) of the Medicare and Medicaid Extenders Act of 2010 (Public Law 111–309), is amended—

(1) in the matter preceding clause (i), by striking "2012" and inserting "2013"; and

(2) in each of clauses (i) and (ii), by striking "2012" and inserting "2013" each place it appears.

(b) SUPER RURAL AMBULANCE.—Section 1834(l)(12)(A) of the Social Security Act (42 U.S.C. 1395m(l)(12)(A)), as amended by section 106(c) of the Medicare and Medicaid Extenders Act of 2010 (Public Law 111–309), is amended in the first sentence by striking "2012" and inserting "2013".

(c) GAO REPORT UPDATE.—Not later than October 1, 2012, the Comptroller General of the United States shall update the GAO report GAO–07–383 (relating to Ambulance Providers: Costs and Expected Medicare Margins Vary Greatly) to reflect current costs for ambulance providers.

(d) MEDPAC REPORT.—The Medicare Payment Advisory Commission shall conduct a study of—

(1) the appropriateness of the add-on payments for ambulance providers under paragraphs (12)(A) and (13)(A) of section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l));

(2) the effect these additional payments have on the Medicare margins of ambulance providers; and

(3) whether there is a need to reform the Medicare ambulance fee schedule under such section and, if so, what should such reforms be, including rolling the add-on payments into the base rate.

Not later than July 1, 2012, the Commission shall submit to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report on such study and shall include in the report such recommendations as the Commission deems appropriate.

(e) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to ambulance services furnished on or after January 1, 2012.

SEC. 2203. MEDICARE PAYMENT FOR OUTPATIENT THERAPY SERVICES.

(a) APPLICATION OF ADDITIONAL REQUIREMENTS.—Section 1833(g)(5) of the Social Security Act (42 U.S.C. 1395l(g)(5)) is amended—

(1) by inserting "(A)" after "(5)";

(2) by striking "December 31, 2011" and inserting "December 31, 2013";

(3) in the first sentence, by inserting ''and if the requirement of subparagraph (B) is met'' after ''medically necessary'';

(4) in the second sentence, by inserting ''made in accordance with such requirement'' after ''receipt of the request''; and

(5) by adding at the end the following new subparagraphs:

''(B) In the case of outpatient therapy services for which an exception is requested under the first sentence of subparagraph (A), the claim for such services contains an appropriate modifier (such as the KX modifier used as of the date of the enactment of this subparagraph) indicating that such services are medically necessary as justified by appropriate documentation in the medical record involved.

''(C)(i) In applying this paragraph with respect to a request for an exception with respect to expenses that would be incurred for outpatient therapy services (including services described in subsection (a)(8)(B)) that would exceed the threshold described in clause (ii) for a year, the request for such an exception, for services furnished on or after July 1, 2012, shall be subject to a manual medical review process that is similar to the manual medical review process used for certain exceptions under this paragraph in 2006.

"(ii) The threshold under this clause for a year is $3,700. Such threshold shall be applied separately—

"(I) for physical therapy services and speech-language pathology services; and

"(II) for occupational therapy services.".

(b) APPLICATION OF THERAPY CAP TO THERAPY FURNISHED AS PART OF HOSPITAL OUTPATIENT SERVICES.—Paragraphs (1) and (3) of section 1833(g) of such Act are each amended by striking "but not described in section 1833(a)(8)(B)" and inserting "but (with respect to services furnished before July 1, 2012) not described in subsection (a)(8)(B)".

(c) REQUIREMENT FOR INCLUSION ON CLAIMS OF NPI OF PHYSICIAN WHO REVIEWS THERAPY PLAN.—Section 1842(t) of such Act (42 U.S.C. 1395u(t)) is amended—

(1) by inserting "(1)" after "(t)"; and

(2) by adding at the end the following new paragraph:

"(2) Each request for payment, or bill submitted, for therapy services described in paragraph (1) or (3) of section 1833(g) furnished on or after July 1, 2012, for which payment may be made under this part shall include the national provider identifier of the physician who periodically reviews the plan for such services under section 1861(p)(2).''.

(d) IMPLEMENTATION.—The Secretary of Health and Human Services shall implement such claims processing edits and issue such guidance as may be necessary to implement the amendments made by this section in a timely manner. Notwithstanding any other provision of law, the Secretary may implement the amendments made by this section by program instruction. Of the amount of funds made available to the Secretary for fiscal year 2012 for program management for the Centers for Medicare & Medicaid Services, not to exceed $7,500,000 shall be available for such fiscal year to carry out section 1833(g)(5)(C) of the Social Security Act (relating to manual medical review), as added by subsection (a). Of the amount of funds made available to the Secretary for fiscal year 2013 for such program management, not to exceed $7,500,000 shall be available for such fiscal year to carry out such section.

(e) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to services furnished on or after January 1, 2012.

(f) MEDPAC REPORT ON IMPROVED MEDICARE THERAPY BENEFITS.—Not later than March 1, 2013, the

Medicare Payment Advisory Commission shall submit to the Committees on Energy and Commerce and Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a report making recommendations on how to improve the outpatient therapy benefit under part B of title XVIII of the Social Security Act. The report shall include recommendations on how to reform the payment system for such outpatient therapy services under such part so that the benefit is better designed to reflect individual acuity, condition, and therapy needs of the patient. Such report shall include an examination of private sector initiatives relating to outpatient therapy benefits.

(g) COLLECTION OF ADDITIONAL DATA.—

(1) STRATEGY.—The Secretary of Health and Human Services shall implement, beginning on January 1, 2013, a claims-based data collection strategy that is designed to assist in reforming the Medicare payment system for outpatient therapy services subject to the limitations of section 1833(g) of the Social Security Act. Such strategy shall be designed to provide for the collection of data on patient function during the course of therapy services in order to better understand patient condition and outcomes.

(2) CONSULTATION.—In proposing and implementing such strategy, the Secretary shall consult with relevant stakeholders.

(h) GAO REPORT ON MANUAL MEDICAL REVIEW PROCESS IMPLEMENTATION.—Not later than May 1, 2013, the Comptroller General of the United States shall submit to the Committees on Energy and Commerce and Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a report on the implementation of the manual medical review process referred to in section 1833(g)(5)(C) of the Social Security Act. Such report shall include aggregate data on the number of individuals and claims subject to such process, the number of reviews conducted under such process, and the outcome of such reviews.

SEC. 2204. WORK GEOGRAPHIC ADJUSTMENT.

(a) IN GENERAL.—Section 1848(e)(1)(E) of the Social Security Act (42 U.S.C. 1395w–4(e)(1)(E)) is amended by striking ‘‘January 1, 2012’’ and inserting ‘‘January 1, 2013’’.

(b) REPORT.—Not later than June 1, 2012, the Medicare Payment Advisory Commission shall submit to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report that assesses whether any geographic adjustment is needed under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) to distinguish the difference in work effort by geographic area and, if so, what that level should be and where it should be applied. The report shall also assess the impact of the work geographic adjustment under such section, including the extent to which the floor impacts access to care.

PART 2—OTHER HEALTH PROVISIONS

SEC. 2211. QUALIFYING INDIVIDUAL (QI) PROGRAM.

(a) EXTENSION.—Section 1902(a)(10)(E)(iv) of the Social Security Act (42 U.S.C. 1396a(a)(10)(E)(iv)) is amended by striking ‘‘December 2011’’ and inserting ‘‘December 2012’’.

(b) EXTENDING TOTAL AMOUNT AVAILABLE FOR ALLOCATION.—Section 1933(g) of such Act (42 U.S.C. 1396u–3(g)) is amended—

(1) in paragraph (2)—

(A) by striking ‘‘and’’ at the end of subparagraph (O);

(B) in subparagraph (P), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(Q) for the period that begins on January 1, 2012, and ends on September 30, 2012, the total allocation amount is $450,000,000; and

"(R) for the period that begins on October 1, 2012, and ends on December 31, 2012, the total allocation amount is $280,000,000."; and

(2) in paragraph (3), in the matter preceding subparagraph (A), by striking "or (P)" and inserting "(P), or (R)".

SEC. 2212. EXTENSION OF TRANSITIONAL MEDICAL ASSISTANCE (TMA).

(a) EXTENSION.—Sections 1902(e)(1)(B) and 1925(f) of the Social Security Act (42 U.S.C. 1396a(e)(1)(B), 1396r–6(f)) are each amended by striking "December 31, 2011" and inserting "December 31, 2012".

(b) EXTENDING APPLICATION OF TERMINATION OF ELIGIBILITY BASED ON INCOME TO INITIAL EXTENSION PERIOD.—

(1) INCOME REPORTING REQUIREMENTS.—Subsection (b)(2)(B)(i) of section 1925 of such Act (42 U.S.C. 1396r–6) is amended—

(A) by striking "additional extended assistance under this subsection" and inserting "continued extended assistance under subsection (a)''; and

(B) by inserting ''(and, in the case of a State that makes an election under subsection (a)(5), the 7th month and the 11th month)'' after ''4th month''.

(2) TERMINATION.—Subsection (a)(3) of such section is amended—

(A) in subparagraph (B)—

(i) by inserting ''or (D)'' after ''subparagraph (A)''; and

(ii) by striking the period at the end and inserting the following: '', which notice shall include (in the case of termination under subparagraph (D)(ii), relating to no continued earnings) a description of how the family may reestablish eligibility for medical assistance under the State plan. No termination shall be effective under subparagraph (D) earlier than 10 days after the date of mailing of such notice.'';

(B) in subparagraph (C)—

(i) by designating the matter beginning with ''With respect to'' as a clause (i) with the heading ''DEPENDENT CHIL-

DREN.—'' and appropriate indentation; and

(ii) by adding at the end the following new clause:

''(ii) MEDICALLY NEEDY.—With respect to an individual who would cease to receive medical assistance because of subparagraph (D) but who may be eligible for assistance under the State plan because the individual is within a category of person for which medical assistance under the State plan is available under section 1902(a)(10)(C) (relating to medically needy individuals), the State may not discontinue such assistance under such subparagraph until the State has determined that the individual is not eligible for assistance under the plan.''; and

(C) by adding at the end the following new subparagraph:

''(D) QUARTERLY INCOME REPORTING AND TEST.—Subject to subparagraphs (B) and (C), extension of assistance during the 6-month period described in paragraph (1) to a family shall terminate (during the period) at the close of the 4th month of the 6-month period (or 4th, 7th, or 11th month in case of a State that makes an election under paragraph (5)) if—

"(i) the family fails to report to the State, by the 21st day of such month, the information required under subsection (b)(2)(B)(i), unless the family has established, to the satisfaction of the State, good cause for the failure to report on a timely basis;

"(ii) the caretaker relative had no earnings in one or more of the previous 3 months, unless such lack of any earnings was due to an involuntary loss of employment, illness, or other good cause, established to the satisfaction of the State; or

"(iii) the State determines that the family's average gross monthly earnings (less such costs for such child care as is necessary for the employment of the caretaker relative) during the immediately preceding 3-month period exceed 185 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

Information described in clause (i) shall be subject to the restrictions on use and disclosure of information provided under section 402(a)(9). Instead of terminating a family's extension under clause (i), a State, at its option, may provide for suspension of the extension until the month after the month in which the family reports information required under subsection (b)(2)(B)(i), but only if the family's extension has not otherwise been terminated under clause (ii) or (iii). The State shall make determinations under clause (iii) for a family each time a report under subsection (b)(2)(B)(i) for the family is received.''.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by this subsection shall, subject to subparagraph (B), apply to assistance furnished for months beginning with January 2012.

(B) TRANSITION FOR CURRENT BENEFICIARIES.—

(i) IN GENERAL.—Subject to clause (ii), such amendments shall not apply to any individual who is receiving extended assistance under subsection (a) of section 1925 of the Social Security Act for December 2011 during the period of assistance that includes such month.

(ii) SPECIAL RULE FOR INDIVIDUALS ELIGIBLE FOR 12 MONTHS EXTENDED ASSISTANCE.—In the case of a State that makes an election under paragraph (5) of such section, such amendments shall apply to an individual who is receiving such extended assistance for such month if such month is within the first 6 months of the 12-month period referred to in such paragraph but only with respect to the second 6 months of such 12-month period.

SEC. 2213. MODIFICATION TO REQUIREMENTS FOR QUALIFYING FOR EXCEPTION TO MEDICARE PROHIBITION ON CERTAIN PHYSICIAN REFERRALS FOR HOSPITALS.

(a) IN GENERAL.—Section 1877(i) of the Social Security Act (42 U.S.C. 1395nn(i)) is amended—

(1) in paragraph (1)(A)—

(A) in the matter preceding clause (i), by striking ‘‘had’’;

(B) in clause (i), by inserting ‘‘had’’ before ‘‘physician ownership’’; and

(C) by amending clause (ii) to read as follows:

‘‘(ii) either—

‘‘(I) had a provider agreement under section 1866 in effect on such date; or

‘‘(II) was under construction on such date.’’; and

(2) in paragraph (3)—

(A) by amending subparagraph (E) to read as follows:

‘‘(E) APPLICABLE HOSPITAL.—In this paragraph, the term ‘applicable hospital’ means a hospital that does not discriminate against beneficiaries of Federal health care programs and does not permit physicians practicing at the hospital to discriminate against such beneficiaries.’’; and

(B) in subparagraph (F)(iii), by striking ‘‘subparagraph (E)(iii)’’ and inserting ‘‘subparagraph (E)’’.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective as if as if included in the enactment of subsection (i) of section 1877 of the Social Security Act (42 U.S.C. 1395nn).

PART 3—OFFSETS

SEC. 2221. ADJUSTMENTS TO MAXIMUM THRESHOLDS FOR RECAPTURING OVERPAYMENTS RESULTING FROM CERTAIN FEDERALLY-SUBSIDIZED HEALTH INSURANCE.

The table specified in clause (i) of section 36B(f)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows:

"If the household income (expressed as a percent of poverty line) is:	The applicable dollar amount is:
Less than 100 percent	$600
At least 100 percent and less than 150 percent	$800
At least 150 percent but less than 200 percent	$1,000
At least 200 percent but less than 250 percent	$1,500
At least 250 percent but less than 300 percent	$2,200
At least 300 percent but less than 350 percent	$2,500
At least 350 percent but less than 400 percent	$3,200.".

SEC. 2222. PREVENTION AND PUBLIC HEALTH FUND.

Section 4002(b) of the Patient Protection and Affordable Care Act (42 U.S.C. 300u–11(b)) is amended—

(1) in paragraph (3), by adding at the end "and"; and

(2) by striking each of paragraphs (4) through (6) and inserting the following:

"(4) for fiscal year 2013 and each subsequent fiscal year, $640,000,000.".

SEC. 2223. PARITY IN MEDICARE PAYMENTS FOR HOSPITAL OUTPATIENT DEPARTMENT EVALUATION AND MANAGEMENT OFFICE VISIT SERVICES.

Section 1833(t) of the Social Security Act (42 U.S.C. 1395l(t)) is amended—

(1) in paragraph (3)—

(A) in subparagraph (D), by striking "The Secretary" and inserting "Subject to subparagraph (H), the Secretary"; and

(B) by adding at the end the following new subparagraph:

"(H) PARITY IN FEE SCHEDULE AMOUNT FOR SPECIFIED EVALUATION AND MANAGEMENT SERVICES.—

"(i) IN GENERAL.—In the case of covered OPD services that are specified evaluation and management services furnished during 2012 or a subsequent year, there shall be substituted for the medicare OPD fee schedule amount established under subparagraph (D) for such services and year, before application of any geographic or other adjustment, an amount equal to the product of the conversion factor established under section 1848(d) for such year and the amount by which—

"(I) the non-facility practice expense relative value units under the fee schedule under section 1848 for such year for physicians' services that are such specified evaluation and management services; exceeds

"(II) the facility practice expense relative value unit under such fee schedule for such year and services.

"(ii) BUDGET NEUTRALITY.—In determining the adjustments under paragraph (9)(B) for 2012 or a subsequent year, the Secretary shall not take into account under such paragraph or paragraph (2)(E) any changes in expenditures that result from the application of this subparagraph.

"(iii) SPECIFIED EVALUATION AND MANAGEMENT SERVICES DEFINED.—For the purposes of this subparagraph, the term ‘specified evaluation and management services’ means the HCPCS codes in the range 99201 through 99215 as of January 1, 2011 (and such codes as subsequently modified by the Secretary).’’; and

(2) in paragraph (9)(B), by striking ‘‘If the Secretary’’ and inserting ‘‘Subject to paragraph (3)(H)(ii), if the Secretary’’.

SEC. 2224. REDUCTION OF BAD DEBT TREATED AS AN ALLOWABLE COST.

(a) HOSPITALS.—Section 1861(v)(1)(T) of the Social Security Act (42 U.S.C. 1395x(v)(1)(T)) is amended—

(1) in clause (iii), by striking ‘‘and’’ at the end;

(2) in clause (iv)—

(A) by striking ‘‘a subsequent fiscal year’’ and inserting ‘‘fiscal years 2001 through 2012’’; and

(B) by striking the period at the end and inserting ‘‘, and’’; and

(3) by adding at the end the following:

‘‘(v) for cost reporting periods beginning during fiscal year 2013, by 35 percent of such amount otherwise allowable,

‘‘(vi) for cost reporting periods beginning during fiscal year 2014, by 40 percent of such amount otherwise allowable, and

"(vii) for cost reporting periods beginning during a subsequent fiscal year, by 45 percent of such amount otherwise allowable.".

(b) SKILLED NURSING FACILITIES.—Section 1861(v)(1)(V) of such Act (42 U.S.C. 1395x(v)(1)(V)) is amended—

(1) in the matter preceding clause (i), by striking "with respect to cost reporting periods beginning on or after October 1, 2005" and inserting "and (beginning with respect to cost reporting periods beginning during fiscal year 2013) for covered skilled nursing services described in section 1888(e)(2)(A) furnished by hospital providers of extended care services (as described in section 1883)";

(2) in clause (i), by striking "reduced by" and all that follows through "allowable; and" and inserting the following: "reduced by—

"(I) for cost reporting periods beginning on or after October 1, 2005, but before fiscal year 2013, 30 percent of such amount otherwise allowable;

"(II) for cost reporting periods beginning during fiscal year 2013, by 35 percent of such amount otherwise allowable;

"(III) for cost reporting periods beginning during fiscal year 2014, by 40 percent of such amount otherwise allowable; and

"(IV) for cost reporting periods beginning during a subsequent fiscal year, by 45 percent of such amount otherwise allowable; and"; and

(3) in clause (ii), by striking "such section shall not be reduced." and inserting "such section—

"(I) for cost reporting periods beginning on or after October 1, 2005, but before fiscal year 2013, shall not be reduced;

"(II) for cost reporting periods beginning during fiscal year 2013, shall be reduced by 15 percent of such amount otherwise allowable;

"(III) for cost reporting periods beginning during fiscal year 2014, shall be reduced by 30 percent of such amount otherwise allowable; and

"(IV) for cost reporting periods beginning during a subsequent fiscal year, shall be reduced by 45 percent of such amount otherwise allowable.".

(c) CERTAIN OTHER PROVIDERS.—Section 1861(v)(1) of such Act (42 U.S.C. 1395x(v)(1)) is amended by adding at the end the following new subparagraph:

"(W)(i) In determining such reasonable costs for providers described in clause (ii), the amount of bad debts otherwise treated as allowable costs which are attributable to deductibles and coinsurance amounts under this title shall be reduced—

"(I) for cost reporting periods beginning during fiscal year 2013, by 15 percent of such amount otherwise allowable;

"(II) for cost reporting periods beginning during fiscal year 2014, by 30 percent of such amount otherwise allowable; and

"(III) for cost reporting periods beginning during a subsequent fiscal year, by 45 percent of such amount otherwise allowable.

"(ii) A provider described in this clause is a provider of services not described in subparagraph (T) or (V), a supplier, or any other type of entity that receives payment for bad debts under the authority under subparagraph (A).''.

(d) CONFORMING AMENDMENT FOR HOSPITAL SERVICES.—Section 4008(c) of the Omnibus Budget Reconciliation Act of 1987, as amended by section 8402 of the Technical and Miscellaneous Revenue Act of 1988 and section 6023 of the Omnibus Budget Reconciliation Act of 1989, is amended by adding at the end the following new sentence: ''Effective for cost reporting periods beginning on or after October 1, 2012, the provisions of the previous two sentences shall not apply.''.

SEC. 2225. REBASING OF STATE DSH ALLOTMENTS FOR FISCAL YEAR 2021.

Section 1923(f) of the Social Security Act (42 U.S.C. 1396r–4(f)) is amended—

(1) by redesignating paragraph (8) as paragraph (9);

(2) in paragraph (3)(A) by striking ''paragraphs (6) and (7)'' and inserting ''paragraphs (6), (7), and (8)''; and

(3) by inserting after paragraph (7) the following new paragraph:

''(8) REBASING OF STATE DSH ALLOTMENTS FOR FISCAL YEAR 2021.—With respect to fiscal 2021 and each subsequent fiscal year, for purposes of applying paragraph (3)(A) to determine the DSH allotment for a State, the amount of the DSH allotment for the State under paragraph (3) for fiscal year 2020 shall be treated as if it were such amount as reduced under paragraph (7).''.

Subtitle D—TANF Extension

SEC. 2301. SHORT TITLE.

This subtitle may be cited as the ''Welfare Integrity and Data Improvement Act''.

SEC. 2302. EXTENSION OF PROGRAM.

(a) FAMILY ASSISTANCE GRANTS.—Section 403(a)(1) of the Social Security Act (42 U.S.C. 603(a)(1)) is amended—

(1) in subparagraph (A), by striking ''each of fiscal years 1996'' and all that follows through ''2003'' and inserting ''fiscal year 2012'';

(2) in subparagraph (B)—

(A) by inserting ''(as in effect just before the enactment of the Welfare Integrity and Data Improvement Act)'' after ''this paragraph'' the 1st place it appears; and

(B) by inserting ''(as so in effect)'' after ''this paragraph'' the 2nd place it appears; and

(3) in subparagraph (C), by striking ''2003'' and inserting ''2012''.

(b) HEALTHY MARRIAGE PROMOTION AND RESPONSIBLE FATHERHOOD GRANTS.—Section 403(a)(2)(D) of such Act (42 U.S.C. 603(a)(2)(D)) is amended by striking ''2011'' and inserting ''2012''.

(c) MAINTENANCE OF EFFORT REQUIREMENT.—Section 409(a)(7) of such Act (42 U.S.C. 609(a)(7)) is amended—

(1) in subparagraph (A), by striking ''fiscal year'' and all that follows through ''2012'' and inserting ''a fiscal year''; and

(2) in subparagraph (B)(ii)—

(A) by striking ''for fiscal years 1997 through 2011,''; and

(B) by striking ''407(a) for the fiscal year,'' and inserting ''407(a),''.

(d) TRIBAL GRANTS.—Section 412(a) of such Act (42 U.S.C. 612(a)) is amended in each of paragraphs (1)(A) and (2)(A) by striking ''each of fiscal years 1997'' and all that follows through ''2003'' and inserting ''fiscal year 2012''.

(e) STUDIES AND DEMONSTRATIONS.—Section 413(h)(1) of such Act (42 U.S.C. 613(h)(1)) is amended by striking ''each of fiscal years 1997 through 2002'' and inserting ''fiscal year 2012''.

(f) CENSUS BUREAU STUDY.—Section 414(b) of such Act (42 U.S.C. 614(b)) is amended by striking ''each of fiscal years 1996'' and all that follows through ''2003'' and inserting ''fiscal year 2012''.

(g) CHILD CARE ENTITLEMENT.—Section 418(a)(3) of such Act (42 U.S.C. 618(a)(3)) is amended by striking ''appropriated'' and all that follows and inserting ''appropriated $2,917,000,000 for fiscal year 2012.''.

(h) GRANTS TO TERRITORIES.—Section 1108(b)(2) of such Act (42 U.S.C. 1308(b)(2)) is amended by striking ''for fiscal years 1997 through 2003'' and inserting ''fiscal year 2012''.

(i) PREVENTION OF DUPLICATE APPROPRIATIONS FOR FISCAL YEAR 2012.—Expenditures made pursuant to the Short-Term TANF Extension Act (Public Law 112–35) or section 403(b) of the Social Security Act for fiscal year 2012 shall be charged to the applicable appropriation or authorization provided by the amendments made by this section for such fiscal year.

(j) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 2303. DATA STANDARDIZATION.

(a) IN GENERAL.—Section 411 of the Social Security Act (42 U.S.C. 611) is amended by adding at the end the following:

"(d) DATA STANDARDIZATION.—

"(1) STANDARD DATA ELEMENTS.—

"(A) DESIGNATION.—The Secretary, in consultation with an interagency work group which shall be established by the Office of Management and Budget, and considering State and tribal perspectives, shall, by rule, designate standard data elements for any category of information required to be reported under this part.

"(B) REQUIREMENTS.—In designating the standard data elements, the Secretary shall, to the extent practicable—

"(i) ensure that the data elements are nonproprietary and interoperable;

"(ii) incorporate interoperable standards developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization;

"(iii) incorporate interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model; and

"(iv) incorporate interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance, such as the Federal Acquisition Regulatory Council.

"(2) DATA REPORTING STANDARDS.—

"(A) DESIGNATION.—The Secretary, in consultation with an interagency work group established by the Office of Management and Budget, and considering State and tribal perspectives, shall, by rule, designate standards to govern the data reporting required under this part.

"(B) REQUIREMENTS.—In designating the data reporting standards, the Secretary shall, to the extent practicable, incorporate existing nonproprietary standards, such as the eXtensible Business Reporting Language. Such standards shall, to the extent practicable—

''(i) incorporate a widely-accepted, nonproprietary, searchable, computer-readable format;

''(ii) be consistent with and implement applicable accounting principles; and

''(iii) be capable of being continually upgraded as necessary.''.

(b) APPLICABILITY.—The amendments made by this subsection shall apply with respect to information required to be reported on or after October 1, 2012.

SEC. 2304. SPENDING POLICIES FOR ASSISTANCE UNDER STATE TANF PROGRAMS.

(a) STATE REQUIREMENT.—Section 408(a) of the Social Security Act (42 U.S.C. 608(a)) is amended by adding at the end the following:

''(12) STATE REQUIREMENT TO PREVENT UNAUTHORIZED SPENDING OF BENEFITS.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall maintain policies and practices as necessary to prevent assistance provided under the State program funded under this part from being used in any transaction in—

''(i) any liquor store;

“(ii) any casino, gambling casino, or gaming establishment; or

“(iii) any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment.

“(B) DEFINITIONS.—For purposes of subparagraph (A)—

“(i) LIQUOR STORE.—The term ‘liquor store’ means any retail establishment which sells exclusively or primarily intoxicating liquor. Such term does not include a grocery store which sells both intoxicating liquor and groceries including staple foods (within the meaning of section 3(r) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(r))).

“(ii) CASINO, GAMBLING CASINO, OR GAMING ESTABLISHMENT.—The terms ‘casino’, ‘gambling casino’, and ‘gaming establishment’ do not include a grocery store which sells groceries including such staple foods and which also offers, or is located within the same building or complex as, casino, gambling, or gaming activities.”.

(b) PENALTY.—Section 409(a) of such Act (42 U.S.C. 609(a)) is amended by adding at the end the following:

"(16) PENALTY FOR FAILURE TO ENFORCE SPENDING POLICIES.—

"(A) IN GENERAL.—If, within 2 years after the date of the enactment of this paragraph, any State has not reported to the Secretary on such State's implementation of the policies and practices required by section 408(a)(12), or the Secretary determines that any State has not implemented and maintained such policies and practices, the Secretary shall reduce, by an amount equal to 5 percent of the State family assistance grant, the grant payable to such State under section 403(a)(1) for—

"(i) the fiscal year immediately succeeding the year in which such 2-year period ends; and

"(ii) each succeeding fiscal year in which the State does not demonstrate that such State has implemented and maintained such policies and practices.

"(B) REDUCTION OF APPLICABLE PENALTY.—The Secretary may reduce the amount of the reduction required under subparagraph (A) based on the degree of noncompliance of the State.

"(C) STATE NOT RESPONSIBLE FOR INDIVIDUAL VIOLATIONS.—Fraudulent activity by any individual in an attempt to circumvent the policies and practices required by section 408(a)(12) shall not trigger a State penalty under subparagraph (A).".

(c) CONFORMING AMENDMENT.—Section 409(c)(4) of such Act (42 U.S.C. 609(c)(4)) is amended by striking "or (13)" and inserting "(13), or (16)".

SEC. 2305. TECHNICAL CORRECTIONS.

(a) Section 404(d)(1)(A) of the Social Security Act (42 U.S.C. 604(d)(1)(A)) is amended by striking "subtitle 1 of Title" and inserting "Subtitle A of title".

(b) Sections 407(c)(2)(A)(i) and 409(a)(3)(C) of such Act (42 U.S.C. 607(c)(2)(A)(i) and 609(a)(3)(C)) are each amended by striking "403(b)(6)" and inserting "403(b)(5)".

(c) Section 409(a)(2)(A) of such Act (42 U.S.C. 609(a)(2)(A)) is amended by moving clauses (i) and (ii) 2 ems to the right.

(d) Section 409(c)(2) of such Act (42 U.S.C. 609(c)(2)) is amended by inserting a comma after ''appropriate''.

(e) Section 411(a)(1)(A)(ii)(III) of such Act (42 U.S.C. 611(a)(1)(A)(ii)(III)) is amended by striking the last close parenthesis.

TITLE III—FLOOD INSURANCE REFORM

SEC. 3001. SHORT TITLE.

This title may be cited as the ''Flood Insurance Reform Act of 2011''.

SEC. 3002. EXTENSIONS.

(a) EXTENSION OF PROGRAM.—Section 1319 of the National Flood Insurance Act of 1968 (42 U.S.C. 4026) is amended by striking ''September 30, 2011'' and inserting ''September 30, 2016''.

(b) EXTENSION OF FINANCING.—Section 1309(a) of such Act (42 U.S.C. 4016(a)) is amended by striking ''September 30, 2011'' and inserting ''September 30, 2016''.

SEC. 3003. MANDATORY PURCHASE.

(a) AUTHORITY TO TEMPORARILY SUSPEND MANDATORY PURCHASE REQUIREMENT.—

(1) IN GENERAL.—Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a)

is amended by adding at the end the following new subsection:

"(i) AUTHORITY TO TEMPORARILY SUSPEND MANDATORY PURCHASE REQUIREMENT.—

"(1) FINDING BY ADMINISTRATOR THAT AREA IS AN ELIGIBLE AREA.—For any area, upon a request submitted to the Administrator by a local government authority having jurisdiction over any portion of the area, the Administrator shall make a finding of whether the area is an eligible area under paragraph (3). If the Administrator finds that such area is an eligible area, the Administrator shall, in the discretion of the Administrator, designate a period during which such finding shall be effective, which shall not be longer in duration than 12 months.

"(2) SUSPENSION OF MANDATORY PURCHASE REQUIREMENT.—If the Administrator makes a finding under paragraph (1) that an area is an eligible area under paragraph (3), during the period specified in the finding, the designation of such eligible area as an area having special flood hazards shall not be effective for purposes of subsections (a), (b), and (e) of this section, and section 202(a) of this Act. Nothing in this paragraph may be construed to prevent any lender, servicer, regulated lending institution, Federal agency lender, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation, at the discretion of such entity, from requiring the purchase of flood insurance coverage in connection with the making, increasing, extending, or renewing of a loan secured by improved real estate or a mobile home located or to be located in such eligible area during such period or a lender or servicer from purchasing coverage on behalf of a borrower pursuant to subsection (e).

''(3) ELIGIBLE AREAS.—An eligible area under this paragraph is an area that is designated or will, pursuant to any issuance, revision, updating, or other change in flood insurance maps that takes effect on or after the date of the enactment of the Flood Insurance Reform Act of 2011, become designated as an area having special flood hazards and that meets any one of the following 3 requirements:

''(A) AREAS WITH NO HISTORY OF SPECIAL FLOOD HAZARDS.—The area does not include any area that has ever previously been designated as an area having special flood hazards.

"(B) AREAS WITH FLOOD PROTECTION SYSTEMS UNDER IMPROVEMENTS.—The area was intended to be protected by a flood protection system—

"(i) that has been decertified, or is required to be certified, as providing protection for the 100-year frequency flood standard;

"(ii) that is being improved, constructed, or reconstructed; and

"(iii) for which the Administrator has determined measurable progress toward completion of such improvement, construction, reconstruction is being made and toward securing financial commitments sufficient to fund such completion.

"(C) AREAS FOR WHICH APPEAL HAS BEEN FILED.—An area for which a community has appealed designation of the area as having special flood hazards in a timely manner under section 1363.

"(4) EXTENSION OF DELAY.—Upon a request submitted by a local government authority having jurisdiction over any portion of the eligible area, the Administrator may extend the period during which a finding under paragraph (1) shall be effective, except that—

"(A) each such extension under this paragraph shall not be for a period exceeding 12 months; and

"(B) for any area, the cumulative number of such extensions may not exceed 2.

"(5) ADDITIONAL EXTENSION FOR COMMUNITIES MAKING MORE THAN ADEQUATE PROGRESS ON FLOOD PROTECTION SYSTEM.—

"(A) EXTENSION.—

"(i) AUTHORITY.—Except as provided in subparagraph (B), in the case of an eligible area for which the Administrator has, pursuant to paragraph (4), extended the period of effectiveness of the finding under paragraph (1) for the area, upon a request submitted by a local government authority having jurisdiction over any portion of the eligible area, if the Administrator finds that more than adequate progress has been made on the construction of a flood protection system for such area, as determined in accordance with the last sentence of section 1307(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4014(e)), the Administrator may, in the discretion of the Administrator, further extend the period during which the finding under paragraph (1) shall be effective for such area for an additional 12 months.

"(ii) LIMIT.—For any eligible area, the cumulative number of extensions under this subparagraph may not exceed 2.

"(B) EXCLUSION FOR NEW MORTGAGES.—

"(i) EXCLUSION.—Any extension under subparagraph (A) of this paragraph of a finding under paragraph (1) shall not be effective with respect to any excluded property after the origination, increase, extension, or renewal of the loan referred to in clause (ii)(II) for the property.

"(ii) EXCLUDED PROPERTIES.—For purposes of this subparagraph, the term 'excluded property' means any improved real estate or mobile home—

"(I) that is located in an eligible area; and

"(II) for which, during the period that any extension under subparagraph (A) of this paragraph of a finding under paragraph (1) is otherwise in effect for the eligible area in which such property is located—

"(aa) a loan that is secured by the property is originated; or

"(bb) any existing loan that is secured by the property is increased, extended, or renewed.

"(6) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to affect the applicability of a designation of any area as an area having special flood hazards for purposes of the availability of flood insurance coverage, criteria for land management and use, notification of flood hazards, eligibility for mitigation assistance, or any other purpose or provision not specifically referred to in paragraph (2).

"(7) REPORTS.—The Administrator shall, in each annual report submitted pursuant to section 1320, include information identifying each finding under paragraph (1) by the Administrator during the preceding year that an area is an area having special flood hazards, the basis for each such finding, any extensions pursuant to paragraph (4) of the periods of effectiveness of such findings, and the reasons for such extensions.''.

(2) NO REFUNDS.—Nothing in this subsection or the amendments made by this subsection may be construed to authorize or require any payment or refund for flood insurance coverage purchased for any property that covered any period during which such coverage is not required for the property pursuant to the applicability of the amendment made by paragraph (1).

(b) TERMINATION OF FORCE-PLACED INSURANCE.—Section 102(e) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(e)) is amended—

(1) in paragraph (2), by striking ''insurance.'' and inserting ''insurance, including premiums or fees incurred for coverage beginning on the date on which flood insurance coverage lapsed or did not provide a sufficient coverage amount.'';

(2) by redesignating paragraphs (3) and (4) as paragraphs (5) and 6), respectively; and

(3) by inserting after paragraph (2) the following new paragraphs:

''(3) TERMINATION OF FORCE-PLACED INSURANCE.—Within 30 days of receipt by the lender or servicer of a confirmation of a borrower's existing flood insurance coverage, the lender or servicer shall—

“(A) terminate the force-placed insurance; and

“(B) refund to the borrower all force-placed insurance premiums paid by the borrower during any period during which the borrower's flood insurance coverage and the force-placed flood insurance coverage were each in effect, and any related fees charged to the borrower with respect to the force-placed insurance during such period.

“(4) SUFFICIENCY OF DEMONSTRATION.—For purposes of confirming a borrower's existing flood insurance coverage, a lender or servicer for a loan shall accept from the borrower an insurance policy declarations page that includes the existing flood insurance policy number and the identity of, and contact information for, the insurance company or agent.”.

(c) USE OF PRIVATE INSURANCE TO SATISFY MANDATORY PURCHASE REQUIREMENT.—Section 102(b) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''lending institutions not to make'' and inserting ''lending institutions—

''(A) not to make'';

(B) in subparagraph (A), as designated by subparagraph (A) of this paragraph, by striking ''less.'' and inserting ''less; and''; and

(C) by adding at the end the following new subparagraph:

''(B) to accept private flood insurance as satisfaction of the flood insurance coverage requirement under subparagraph (A) if the coverage provided by such private flood insurance meets the requirements for coverage under such subparagraph.'';

(2) in paragraph (2), by inserting after ''provided in paragraph (1).'' the following new sentence: ''Each Federal agency lender shall accept private flood insurance as satisfaction of the flood insurance coverage requirement under the preceding sentence if the flood insurance coverage provided by such private flood insurance meets the requirements for coverage under such sentence.'';

(3) in paragraph (3), in the matter following subparagraph (B), by adding at the end the following new sentence: ''The Federal National Mort-

gage Association and the Federal Home Loan Mortgage Corporation shall accept private flood insurance as satisfaction of the flood insurance coverage requirement under the preceding sentence if the flood insurance coverage provided by such private flood insurance meets the requirements for coverage under such sentence.''; and

(4) by adding at the end the following new paragraph:

``(5) PRIVATE FLOOD INSURANCE DEFINED.—In this subsection, the term 'private flood insurance' means a contract for flood insurance coverage allowed for sale under the laws of any State.''.

SEC. 3004. REFORMS OF COVERAGE TERMS.

(a) MINIMUM DEDUCTIBLES FOR CLAIMS.—Section 1312 of the National Flood Insurance Act of 1968 (42 U.S.C. 4019) is amended—

(1) by striking ``The Director is'' and inserting the following: ``(a) IN GENERAL.—The Administrator is''; and

(2) by adding at the end the following:

``(b) MINIMUM ANNUAL DEDUCTIBLES.—

``(1) SUBSIDIZED RATE PROPERTIES.—For any structure that is covered by flood insurance under this title, and for which the chargeable rate for such coverage is less than the applicable estimated risk premium rate under section 1307(a)(1) for the area (or subdivision thereof) in which such structure is located, the minimum annual deductible for damage to or loss of such structure shall be $2,000.

"(2) ACTUARIAL RATE PROPERTIES.—For any structure that is covered by flood insurance under this title, for which the chargeable rate for such coverage is not less than the applicable estimated risk premium rate under section 1307(a)(1) for the area (or subdivision thereof) in which such structure is located, the minimum annual deductible for damage to or loss of such structure shall be $1,000.".

(b) CLARIFICATION OF RESIDENTIAL AND COMMERCIAL COVERAGE LIMITS.—Section 1306(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (2)—

(A) by striking "in the case of any residential property" and inserting "in the case of any residential building designed for the occupancy of from one to four families"; and

(B) by striking "shall be made available to every insured upon renewal and every applicant for insurance so as to enable such insured or applicant to receive coverage up to a total amount (including such limits specified in paragraph (1)(A)(i)) of $250,000'' and inserting ``shall be made available, with respect to any single such building, up to an aggregate liability (including such limits specified in paragraph (1)(A)(i)) of $250,000''; and

(2) in paragraph (4)—

(A) by striking ``in the case of any nonresidential property, including churches,'' and inserting ``in the case of any nonresidential building, including a church,''; and

(B) by striking ``shall be made available to every insured upon renewal and every applicant for insurance, in respect to any single structure, up to a total amount (including such limit specified in subparagraph (B) or (C) of paragraph (1), as applicable) of $500,000 for each structure and $500,000 for any contents related to each structure'' and inserting ``shall be made available with respect to any single such building, up to an aggregate liability (including such limits specified in subparagraph (B) or (C) of paragraph (1), as applicable) of $500,000, and coverage shall be made available up to a total of $500,000 aggregate liability for contents owned by the building owner and $500,000 aggregate liability for each unit within the building for contents owned by the tenant''.

(c) INDEXING OF MAXIMUM COVERAGE LIMITS.—Subsection (b) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (4), by striking ''and'' at the end;

(2) in paragraph (5), by striking the period at the end and inserting ''; and'';

(3) by redesignating paragraph (5) as paragraph (7); and

(4) by adding at the end the following new paragraph:

''(8) each of the dollar amount limitations under paragraphs (2), (3), (4), (5), and (6) shall be adjusted effective on the date of the enactment of the Flood Insurance Reform Act of 2011, such adjustments shall be calculated using the percentage change, over the period beginning on September 30, 1994, and ending on such date of enactment, in such inflationary index as the Administrator shall, by regulation, specify, and the dollar amount of such adjustment shall be rounded to the next lower dollar;

and the Administrator shall cause to be published in the Federal Register the adjustments under this paragraph to such dollar amount limitations; except that in the case of coverage for a property that is made available, pursuant to this paragraph, in an amount that exceeds the limitation otherwise applicable to such coverage as specified in paragraph (2), (3), (4), (5), or (6), the total of such coverage shall be made available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1).''.

(d) OPTIONAL COVERAGE FOR LOSS OF USE OF PERSONAL RESIDENCE AND BUSINESS INTERRUPTION.—Subsection (b) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)), as amended by the preceding provisions of this section, is further amended by inserting after paragraph (4) the following new paragraphs:

``(5) the Administrator may provide that, in the case of any residential property, each renewal or new contract for flood insurance coverage may provide not more than $5,000 aggregate liability per dwelling unit for any necessary increases in living expenses incurred by the insured when losses from a flood make the residence unfit to live in, except that—

"(A) purchase of such coverage shall be at the option of the insured;

"(B) any such coverage shall be made available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1); and

"(C) the Administrator may make such coverage available only if the Administrator makes a determination and causes notice of such determination to be published in the Federal Register that—

"(i) a competitive private insurance market for such coverage does not exist; and

"(ii) the national flood insurance program has the capacity to make such coverage available without borrowing funds from the Secretary of the Treasury under section 1309 or otherwise;

"(6) the Administrator may provide that, in the case of any commercial property or other residential property, including multifamily rental property, coverage for losses resulting from any partial or total interruption of the insured's business caused by damage to, or loss of, such property from a flood may be made available to every insured upon renewal and every applicant, up to a total amount of $20,000 per property, except that—

"(A) purchase of such coverage shall be at the option of the insured;

"(B) any such coverage shall be made available only at chargeable rates that are not less than the estimated premium rates for such coverage determined in accordance with section 1307(a)(1); and

"(C) the Administrator may make such coverage available only if the Administrator makes a determination and causes notice of such determination to be published in the Federal Register that—

"(i) a competitive private insurance market for such coverage does not exist; and

"(ii) the national flood insurance program has the capacity to make such coverage available without borrowing funds from the Secretary of the Treasury under section 1309 or otherwise;''.

(e) PAYMENT OF PREMIUMS IN INSTALLMENTS FOR RESIDENTIAL PROPERTIES.—Section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013) is amended by adding at the end the following new subsection:

''(d) PAYMENT OF PREMIUMS IN INSTALLMENTS FOR RESIDENTIAL PROPERTIES.—

''(1) AUTHORITY.—In addition to any other terms and conditions under subsection (a), such regulations shall provide that, in the case of any residential property, premiums for flood insurance coverage made available under this title for such property may be paid in installments.

''(2) LIMITATIONS.—In implementing the authority under paragraph (1), the Administrator may establish increased chargeable premium rates and surcharges, and deny coverage and establish such other sanctions, as the Administrator considers necessary to ensure that insureds purchase, pay for, and maintain coverage for the full term of a contract for flood insurance coverage or to prevent insureds from purchasing coverage only for periods during a year when risk of flooding is comparatively higher or canceling coverage for periods when such risk is comparatively lower.''.

(f) EFFECTIVE DATE OF POLICIES COVERING PROPERTIES AFFECTED BY FLOODS IN PROGRESS.—Paragraph (1) of section 1306(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(c)) is amended by adding after the period at the end the following: ''With respect to any flood that has commenced or is in progress before the expiration of such 30-day period, such flood insurance coverage for a property shall take effect upon the expiration of such 30-day period and shall cover damage to such property occurring after the expiration of such period that results from such flood, but only if the property has not suffered damage or loss as a result of such flood before the expiration of such 30-day period.''.

SEC. 3005. REFORMS OF PREMIUM RATES.

(a) INCREASE IN ANNUAL LIMITATION ON PREMIUM INCREASES.—Section 1308(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(e)) is amended by striking ''10 percent'' and inserting ''20 percent''.

(b) PHASE-IN OF RATES FOR CERTAIN PROPERTIES IN NEWLY MAPPED AREAS.—

(1) IN GENERAL.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended—

(A) in subsection (a), in the matter preceding paragraph (1), by inserting ''or notice'' after ''prescribe by regulation'';

(B) in subsection (c), by inserting ''and subsection (g)'' before the first comma; and

(C) by adding at the end the following new subsection:

''(g) 5-YEAR PHASE-IN OF FLOOD INSURANCE RATES FOR CERTAIN PROPERTIES IN NEWLY MAPPED AREAS.—

''(1) 5-YEAR PHASE-IN PERIOD.—Notwithstanding subsection (c) or any other provision of law relating to chargeable risk premium rates for flood insurance coverage under this title, in the case of any area that was not previously designated as an area having special flood hazards and that, pursuant to any issuance, revision, updating, or other change in flood insurance maps, becomes designated as such an area, during the 5-year period that begins, except as provided in paragraph (2), upon the date that such maps, as issued, revised, updated, or otherwise changed, become effective, the chargeable premium rate for flood insurance under this title with respect to any covered property that is located within such area shall be the rate described in paragraph (3).

"(2) APPLICABILITY TO PREFERRED RISK RATE AREAS.—In the case of any area described in paragraph (1) that consists of or includes an area that, as of date of the effectiveness of the flood insurance maps for such area referred to in paragraph (1) as so issued, revised, updated, or changed, is eligible for any reason for preferred risk rate method premiums for flood insurance coverage and was eligible for such premiums as of the enactment of the Flood Insurance Reform Act of 2011, the 5-year period referred to in paragraph (1) for such area eligible for preferred risk rate method premiums shall begin upon the expiration of the period during which such area is eligible for such preferred risk rate method premiums.

"(3) PHASE-IN OF FULL ACTUARIAL RATES.—With respect to any area described in paragraph (1), the chargeable risk premium rate for flood insurance under this title for a covered property that is located in such area shall be—

"(A) for the first year of the 5-year period referred to in paragraph (1), the greater of—

"(i) 20 percent of the chargeable risk premium rate otherwise applicable under this title to the property; and "(ii) in the case of any property that, as of the beginning of such first year, is eligible for preferred risk rate method premiums for flood insurance coverage, such preferred risk rate method premium for the property;

"(B) for the second year of such 5-year period, 40 percent of the chargeable risk premium rate otherwise applicable under this title to the property;

"(C) for the third year of such 5-year period, 60 percent of the chargeable risk premium rate otherwise applicable under this title to the property;

"(D) for the fourth year of such 5-year period, 80 percent of the chargeable risk premium rate otherwise applicable under this title to the property; and

"(E) for the fifth year of such 5-year period, 100 percent of the chargeable risk premium rate otherwise applicable under this title to the property.

"(4) COVERED PROPERTIES.—For purposes of the subsection, the term 'covered property' means any residential property occupied by its owner or a bona fide tenant as a primary residence.''.

(2) REGULATION OR NOTICE.—The Administrator of the Federal Emergency Management Agency shall issue an interim final rule or notice to implement this subsection and the amendments made by this subsection as soon as practicable after the date of the enactment of this Act.

(c) PHASE-IN OF ACTUARIAL RATES FOR CERTAIN PROPERTIES.—

(1) IN GENERAL.—Section 1308(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(c)) is amended—

(A) by redesignating paragraph (2) as paragraph (7); and

(B) by inserting after paragraph (1) the following new paragraphs:

``(2) COMMERCIAL PROPERTIES.—Any nonresidential property.

``(3) SECOND HOMES AND VACATION HOMES.—Any residential property that is not the primary residence of any individual.

``(4) HOMES SOLD TO NEW OWNERS.—Any single family property that—

"(A) has been constructed or substantially improved and for which such construction or improvement was started, as determined by the Administrator, before December 31, 1974, or before the effective date of the initial rate map published by the Administrator under paragraph (2) of section 1360(a) for the area in which such property is located, whichever is later; and

"(B) is purchased after the effective date of this paragraph, pursuant to section 3005(c)(3)(A) of the Flood Insurance Reform Act of 2011.

"(5) HOMES DAMAGED OR IMPROVED.—Any property that, on or after the date of the enactment of the Flood Insurance Reform Act of 2011, has experienced or sustained—

"(A) substantial flood damage exceeding 50 percent of the fair market value of such property; or

"(B) substantial improvement exceeding 30 percent of the fair market value of such property.

"(6) HOMES WITH MULTIPLE CLAIMS.—Any severe repetitive loss property (as such term is defined in section 1366(j)).".

(2) TECHNICAL AMENDMENTS.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended—

(A) in subsection (c)—

(i) in the matter preceding paragraph (1), by striking "the limitations provided under paragraphs (1) and (2)" and inserting "subsection (e)"; and

(ii) in paragraph (1), by striking ", except" and all that follows through "subsection (e)"; and

(B) in subsection (e), by striking "paragraph (2) or (3)" and inserting "paragraph (7)".

(3) EFFECTIVE DATE AND TRANSITION.—

(A) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall apply beginning upon the expiration of the 12-month period that begins on the date of the enactment of this Act, except as provided in subparagraph (B) of this paragraph.

(B) TRANSITION FOR PROPERTIES COVERED BY FLOOD INSURANCE UPON EFFECTIVE DATE.—

(i) INCREASE OF RATES OVER TIME.— In the case of any property described in paragraph (2), (3), (4), (5), or (6) of section 1308(c) of the National Flood Insurance Act of 1968, as amended by paragraph (1) of this subsection, that, as of the effective date under subparagraph (A) of this paragraph, is covered under a policy for flood insurance made available under the national flood insurance program for which the chargeable premium rates are less than the applicable estimated risk premium rate under section 1307(a)(1) of such Act for the area in which the property is located, the Administrator of the Federal Emergency Management Agency shall increase the chargeable premium rates for such property over time to such applicable estimated risk premium rate under section 1307(a)(1).

(ii) AMOUNT OF ANNUAL INCREASE.— Such increase shall be made by increasing the chargeable premium rates for the property (after application of any increase in the premium rates otherwise applicable to such property), once during the 12-month period that begins upon the effective date under subparagraph (A) of this paragraph and once every 12 months thereafter until such increase is accomplished, by 20 percent (or such lesser amount as may be necessary so that the chargeable rate does not exceed such applicable estimated risk premium rate or to comply with clause (iii)).

(iii) PROPERTIES SUBJECT TO PHASE-IN AND ANNUAL INCREASES.—In the case of any pre-FIRM property (as such term is defined in section 578(b) of the National Flood Insurance Reform Act of 1974), the aggregate increase, during any 12-month period, in the chargeable premium rate for the property that is attributable to this subparagraph or to an increase described in section 1308(e) of the National Flood Insurance Act of 1968 may not exceed 20 percent.

(iv) FULL ACTUARIAL RATES.—The provisions of paragraphs (2), (3), (4), (5), and (6) of such section 1308(c) shall apply to such a property upon the accomplishment of the increase under this subparagraph and thereafter.

(d) PROHIBITION OF EXTENSION OF SUBSIDIZED RATES TO LAPSED POLICIES.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015), as amended by the preceding provisions of this title, is further amended—

(1) in subsection (e), by inserting ''or subsection (h)'' after ''subsection (c)''; and

(2) by adding at the end the following new subsection:

''(h) PROHIBITION OF EXTENSION OF SUBSIDIZED RATES TO LAPSED POLICIES.—Notwithstanding any other provision of law relating to chargeable risk premium rates for flood insurance coverage under this title, the Administrator shall not provide flood insurance coverage under this title for any property for which a policy for such coverage for the property has previously lapsed in coverage as a result of the deliberate choice of the holder of such policy, at a rate less than the applicable estimated risk premium rates for the area (or subdivision thereof) in which such property is located.''.

(e) RECOGNITION OF STATE AND LOCAL FUNDING FOR CONSTRUCTION, RECONSTRUCTION, AND IMPROVEMENT OF FLOOD PROTECTION SYSTEMS IN DETERMINATION OF RATES.—

(1) IN GENERAL.—Section 1307 of the National Flood Insurance Act of 1968 (42 U.S.C. 4014) is amended—

(A) in subsection (e)—

(i) in the first sentence, by striking ''construction of a flood protection system'' and inserting ''construction, reconstruction, or improvement of a flood protection system (without respect to the level of Federal investment or participation)''; and

(ii) in the second sentence—

(I) by striking ''construction of a flood protection system'' and inserting ''construction, reconstruction, or improvement of a flood protection system''; and

(II) by inserting ''based on the present value of the completed system'' after ''has been expended''; and

(B) in subsection (f)—

(i) in the first sentence in the matter preceding paragraph (1), by inserting ''(without respect to the level of Federal investment or participation)'' before the period at the end;

(ii) in the third sentence in the matter preceding paragraph (1), by inserting '', whether coastal or riverine,'' after ''special flood hazard''; and

(iii) in paragraph (1), by striking ''a Federal agency in consultation with the local project sponsor'' and inserting ''the entity or entities that own, operate, maintain, or repair such system''.

(2) REGULATIONS.—The Administrator of the Federal Emergency Management Agency shall promulgate regulations to implement this subsection and the amendments made by this subsection as soon as practicable, but not more than 18 months after the date of the enactment of this Act. Paragraph (3) may not be construed to annul, alter, affect, authorize any waiver of, or establish any exception to, the requirement under the preceding sentence.

SEC. 3006. TECHNICAL MAPPING ADVISORY COUNCIL.

(a) ESTABLISHMENT.—There is established a council to be known as the Technical Mapping Advisory Council (in this section referred to as the ''Council'').

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Council shall consist of—

(A) the Administrator of the Federal Emergency Management Agency (in this section referred to as the ''Administrator''), or the designee thereof;

(B) the Director of the United States Geological Survey of the Department of the Interior, or the designee thereof;

(C) the Under Secretary of Commerce for Oceans and Atmosphere, or the designee thereof;

(D) the commanding officer of the United States Army Corps of Engineers, or the designee thereof;

(E) the chief of the Natural Resources Conservation Service of the Department of Agriculture, or the designee thereof;

(F) the Director of the United States Fish and Wildlife Service of the Department of the Interior, or the designee thereof;

(G) the Assistant Administrator for Fisheries of the National Oceanic and Atmospheric Administration of the Department of Commerce, or the designee thereof; and

(H) 14 additional members to be appointed by the Administrator of the Federal Emergency Management Agency, who shall be—

(i) an expert in data management;

(ii) an expert in real estate;

(iii) an expert in insurance;

(iv) a member of a recognized regional flood and storm water management organization;

(v) a representative of a State emergency management agency or association or organization for such agencies;

(vi) a member of a recognized professional surveying association or organization;

(vii) a member of a recognized professional mapping association or organization;

(viii) a member of a recognized professional engineering association or organization;

(ix) a member of a recognized professional association or organization representing flood hazard determination firms;

(x) a representative of State national flood insurance coordination offices;

(xi) representatives of two local governments, at least one of whom is a local levee flood manager or executive, designated by the Federal Emergency Management Agency as Cooperating Technical Partners; and

(xii) representatives of two State governments designated by the Federal Emergency Management Agency as Cooperating Technical States.

(2) QUALIFICATIONS.—Members of the Council shall be appointed based on their demonstrated knowledge and competence regarding surveying, cartography, remote sensing, geographic information systems, or the technical aspects of preparing and using flood insurance rate maps. In appointing members under paragraph (1)(H), the Administrator shall ensure that the membership of the Council has a balance of Federal, State, local, and private members, and includes an adequate number of represent-

atives from the States with coastline on the Gulf of Mexico and other States containing areas identified by the Administrator of the Federal Emergency Management Agency as at high-risk for flooding or special flood hazard areas.

(c) DUTIES.—

(1) NEW MAPPING STANDARDS.—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Council shall develop and submit to the Administrator and the Congress proposed new mapping standards for 100-year flood insurance rate maps used under the national flood insurance program under the National Flood Insurance Act of 1968. In developing such proposed standards the Council shall—

(A) ensure that the flood insurance rate maps reflect true risk, including graduated risk that better reflects the financial risk to each property; such reflection of risk should be at the smallest geographic level possible (but not necessarily property-by-property) to ensure that communities are mapped in a manner that takes into consideration different risk levels within the community;

(B) ensure the most efficient generation, display, and distribution of flood risk data, models, and maps where practicable through dynamic digital environments using spatial database technology and the Internet;

(C) ensure that flood insurance rate maps reflect current hydrologic and hydraulic data, current land use, and topography, incorporating the most current and accurate ground and bathymetric elevation data;

(D) determine the best ways to include in such flood insurance rate maps levees, decertified levees, and areas located below dams, including determining a methodology for ensuring that decertified levees and other protections are included in flood insurance rate maps and their corresponding flood zones reflect the level of protection conferred;

(E) consider how to incorporate restored wetlands and other natural buffers into flood insurance rate maps, which may include wetlands, groundwater recharge areas, erosion zones, meander belts, endangered species habitat, barrier islands and shoreline buffer features, riparian forests, and other features;

(F) consider whether to use vertical positioning (as defined by the Administrator) for flood insurance rate maps;

(G) ensure that flood insurance rate maps differentiate between a property that is located in a flood zone and a structure located on such property that is not at the same risk level for flooding as such property due to the elevation of the structure;

(H) ensure that flood insurance rate maps take into consideration the best scientific data and potential future conditions (including projections for sea level rise); and

(I) consider how to incorporate the new standards proposed pursuant to this paragraph in existing mapping efforts.

(2) ONGOING DUTIES.—The Council shall, on an ongoing basis, review the mapping protocols developed pursuant to paragraph (1), and make recommendations to the Administrator when the Council determines that mapping protocols should be altered.

(3) MEETINGS.—In carrying out its duties under this section, the Council shall consult with stakeholders through at least 4 public meetings an-

nually, and shall seek input of all stakeholder interests including State and local representatives, environmental and conservation organizations, insurance industry representatives, advocacy groups, planning organizations, and mapping organizations.

(d) PROHIBITION ON COMPENSATION.—Members of the Council shall receive no additional compensation by reason of their service on the Council.

(e) CHAIRPERSON.—The Administrator shall serve as the Chairperson of the Council.

(f) STAFF.—

(1) FEMA.—Upon the request of the Council, the Administrator may detail, on a nonreimbursable basis, personnel of the Federal Emergency Management Agency to assist the Council in carrying out its duties.

(2) OTHER FEDERAL AGENCIES.—Upon request of the Council, any other Federal agency that is a member of the Council may detail, on a non-reimbursable basis, personnel to assist the Council in carrying out its duties.

(g) POWERS.—In carrying out this section, the Council may hold hearings, receive evidence and assistance, provide information, and conduct research, as the Council considers appropriate.

(h) TERMINATION.—The Council shall terminate upon the expiration of the 5-year period beginning on the date of the enactment of this Act.

(i) MORATORIUM ON FLOOD MAP CHANGES.—

(1) MORATORIUM.—Except as provided in paragraph (2) and notwithstanding any other provision of this title, the National Flood Insurance Act of 1968, or the Flood Disaster Protection Act of 1973, during the period beginning upon the date of the enactment of this Act and ending upon the submission by the Council to the Administrator and the Congress of the proposed new mapping standards required under subsection (c)(1), the Administrator may not make effective any new or updated rate maps for flood insurance coverage under the national flood insurance program that were not in effect for such program as of such date of enactment, or otherwise revise, update, or change the flood insurance rate maps in effect for such program as of such date.

(2) LETTERS OF MAP CHANGE.—During the period described in paragraph (1), the Administrator may revise, update, and change the flood insurance rate maps in effect for the national flood insurance program only pursuant to a letter of map change

(including a letter of map amendment, letter of map revision, and letter of map revision based on fill).

SEC. 3007. FEMA INCORPORATION OF NEW MAPPING PROTOCOLS.

(a) NEW RATE MAPPING STANDARDS.—Not later than the expiration of the 6-month period beginning upon submission by the Technical Mapping Advisory Council under section 3006 of the proposed new mapping standards for flood insurance rate maps used under the national flood insurance program developed by the Council pursuant to section 3006(c), the Administrator of the Federal Emergency Management Agency (in this section referred to as the ''Administrator'') shall establish new standards for such rate maps based on such proposed new standards and the recommendations of the Council.

(b) REQUIREMENTS.—The new standards for flood insurance rate maps established by the Administrator pursuant to subsection (a) shall—

(1) delineate and include in any such rate maps—

(A) all areas located within the 100-year flood plain; and

(B) areas subject to graduated and other risk levels, to the maximum extent possible;

(2) ensure that any such rate maps—

(A) include levees, including decertified levees, and the level of protection they confer;

(B) reflect current land use and topography and incorporate the most current and accurate ground level data;

(C) take into consideration the impacts and use of fill and the flood risks associated with altered hydrology;

(D) differentiate between a property that is located in a flood zone and a structure located on such property that is not at the same risk level for flooding as such property due to the elevation of the structure;

(E) identify and incorporate natural features and their associated flood protection benefits into mapping and rates; and

(F) identify, analyze, and incorporate the impact of significant changes to building and development throughout any river or costal water system, including all tributaries, which may impact flooding in areas downstream; and

(3) provide that such rate maps are developed on a watershed basis.

(c) REPORT.—If, in establishing new standards for flood insurance rate maps pursuant to subsection (a) of this section, the Administrator does not implement all of the recommendations of the Council made under the proposed new mapping standards developed by the Council pursuant to section 3006(c), upon establishment of the new standards the Administrator shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate specifying which such recommendations were not adopted and explaining the reasons such recommendations were not adopted.

(d) IMPLEMENTATION.—The Administrator shall, not later than the expiration of the 6-month period beginning upon establishment of the new standards for flood insurance rate maps pursuant to subsection (a) of this section, commence use of the new standards and updating of flood insurance rate maps in accordance with the new standards. Not later than the expiration of the 10-year period beginning upon the establishment of such new standards, the Administrator shall complete updating of all flood insurance rate maps in accordance with the new standards, subject to the availability of sufficient amounts for such activities provided in appropriation Acts.

(e) TEMPORARY SUSPENSION OF MANDATORY PURCHASE REQUIREMENT FOR CERTAIN PROPERTIES.—

(1) SUBMISSION OF ELEVATION CERTIFICATE.—Subject to paragraphs (2) and (3) of this subsection, subsections (a), (b), and (e) of section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a), and section 202(a) of such Act, shall not apply to a property located in an area designated as having a special flood hazard if the owner of such property submits to the Administrator an elevation certificate for such property showing that the lowest level of the primary residence on such property is at an elevation that is at least three feet higher than the elevation of the 100-year flood plain.

(2) REVIEW OF CERTIFICATE.—The Administrator shall accept as conclusive each elevation certificate submitted under paragraph (1) unless the Administrator conducts a subsequent elevation survey and determines that the lowest level of the primary residence on the property in question is not at an elevation that is at least three feet higher than the elevation of the 100-year flood plain. The Administrator shall provide any such subsequent elevation survey to the owner of such property.

(3) DETERMINATIONS FOR PROPERTIES ON BORDERS OF SPECIAL FLOOD HAZARD AREAS.—

(A) EXPEDITED DETERMINATION.—In the case of any survey for a property submitted to the Administrator pursuant to paragraph (1) showing that a portion of the property is located within an area having special flood hazards and that a structure located on the property is not located within such area having special flood hazards, the Administrator shall expeditiously process any request made by an owner of the property for a determination pursuant to paragraph (2) or a determination of whether the structure is located within the area having special flood hazards.

(B) PROHIBITION OF FEE.—If the Administrator determines pursuant to subparagraph (A) that the structure on the property is not located within the area having special flood hazards, the Administrator shall not charge a fee for reviewing the flood hazard data and shall not require the owner to provide any additional elevation data.

(C) SIMPLIFICATION OF REVIEW PROCESS.—The Administrator shall collaborate with private sector flood insurers to simplify the review process for properties described in subparagraph (A) and to ensure that the review process provides for accurate determinations.

(4) TERMINATION OF AUTHORITY.—This subsection shall cease to apply to a property on the date on which the Administrator updates the flood insurance rate map that applies to such property in accordance with the requirements of subsection (d).

SEC. 3008. TREATMENT OF LEVEES.

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101) is amended by adding at the end the following new subsection:

"(k) TREATMENT OF LEVEES.—The Administrator may not issue flood insurance maps, or make effective updated flood insurance maps, that omit or disregard the actual protection afforded by an existing levee, floodwall, pump or other flood protection feature, regardless of the accreditation status of such feature.".

SEC. 3009. PRIVATIZATION INITIATIVES.

(a) FEMA AND GAO REPORTS.—Not later than the expiration of the 18-month period beginning on the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency and the Comptroller General of the United States shall each conduct a separate study to assess a broad range of options, methods, and strategies for privatizing the national flood insurance program and shall each submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate with recommendations for the best manner to accomplish such privatization.

(b) PRIVATE RISK-MANAGEMENT INITIATIVES.—

(1) AUTHORITY.—The Administrator of the Federal Emergency Management Agency may carry out such private risk-management initiatives under the national flood insurance program as the Administrator considers appropriate to determine the capacity of private insurers, reinsurers, and financial markets to assist communities, on a voluntary basis only, in managing the full range of financial risks associated with flooding.

(2) ASSESSMENT.—Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Administrator shall assess the capacity of the private reinsurance, capital, and financial markets by seeking proposals to assume a portion of the program's insurance risk and submit to the Congress a report describing the response to such request for proposals and the results of such assessment.

(3) PROTOCOL FOR RELEASE OF DATA.—The Administrator shall develop a protocol to provide for the release of data sufficient to conduct the assessment required under paragraph (2).

(c) REINSURANCE.—The National Flood Insurance Act of 1968 is amended—

(1) in section 1331(a)(2) (42 U.S.C. 4051(a)(2)), by inserting ‘‘, including as reinsurance of insurance coverage provided by the flood insurance program’’ before ‘‘, on such terms’’;

(2) in section 1332(c)(2) (42 U.S.C. 4052(c)(2)), by inserting ‘‘or reinsurance’’ after ‘‘flood insurance coverage’’;

(3) in section 1335(a) (42 U.S.C. 4055(a))—

(A) by inserting ‘‘(1)’’ after ‘‘(a)’’; and

(B) by adding at the end the following new paragraph:

‘‘(2) The Administrator is authorized to secure reinsurance coverage of coverage provided by the flood insurance program from private market insurance, reinsurance, and capital market sources at rates and on terms determined by the Administrator to be reasonable and appropriate in an amount sufficient to maintain the ability of the program to pay claims and that minimizes the likelihood that the program will utilize the borrowing authority provided under section 1309.'';

(4) in section 1346(a) (12 U.S.C. 4082(a))—

(A) in the matter preceding paragraph (1), by inserting '', or for purposes of securing reinsurance of insurance coverage provided by the program,'' before ''of any or all of'';

(B) in paragraph (1)—

(i) by striking ''estimating'' and inserting ''Estimating''; and

(ii) by striking the semicolon at the end and inserting a period;

(C) in paragraph (2)—

(i) by striking ''receiving'' and inserting ''Receiving''; and

(ii) by striking the semicolon at the end and inserting a period;

(D) in paragraph (3)—

(i) by striking ''making'' and inserting ''Making''; and

(ii) by striking ''; and'' and inserting a period;

(E) in paragraph (4)—

(i) by striking ''otherwise'' and inserting ''Otherwise''; and

(ii) by redesignating such paragraph as paragraph (5); and

(F) by inserting after paragraph (3) the following new paragraph:

"(4) Placing reinsurance coverage on insurance provided by such program."; and

(5) in section 1370(a)(3) (42 U.S.C. 4121(a)(3)), by inserting before the semicolon at the end the following: ", is subject to the reporting requirements of the Securities Exchange Act of 1934, pursuant to section 13(a) or 15(d) of such Act (15 U.S.C. 78m(a), 78o(d)), or is authorized by the Administrator to assume reinsurance on risks insured by the flood insurance program".

(d) ASSESSMENT OF CLAIMS-PAYING ABILITY.—

(1) ASSESSMENT.—Not later than September 30 of each year, the Administrator of the Federal Emergency Management Agency shall conduct an assessment of the claims-paying ability of the national flood insurance program, including the program's utilization of private sector reinsurance and reinsurance equivalents, with and without reliance on borrowing authority under section 1309 of the National Flood Insurance Act of 1968 (42 U.S.C. 4016). In conducting the assessment, the Adminis-

trator shall take into consideration regional concentrations of coverage written by the program, peak flood zones, and relevant mitigation measures.

(2) REPORT.—The Administrator shall submit a report to the Congress of the results of each such assessment, and make such report available to the public, not later than 30 days after completion of the assessment.

SEC. 3010. FEMA ANNUAL REPORT ON INSURANCE PROGRAM.

Section 1320 of the National Flood Insurance Act of 1968 (42 U.S.C. 4027) is amended—

(1) in the section heading, by striking "REPORT TO THE PRESIDENT" and inserting "ANNUAL REPORT TO CONGRESS";

(2) in subsection (a)—

(A) by striking "biennially";

(B) by striking "the President for submission to"; and

(C) by inserting "not later than June 30 of each year" before the period at the end;

(3) in subsection (b), by striking "biennial" and inserting "annual"; and

(4) by adding at the end the following new subsection:

"(c) FINANCIAL STATUS OF PROGRAM.—The report under this section for each year shall include information regarding the financial status of the national flood insurance program under this title, including a description of the financial status of the National Flood Insurance Fund and current and projected levels of claims, premium receipts, expenses, and borrowing under the program.".

SEC. 3011. MITIGATION ASSISTANCE.

(a) MITIGATION ASSISTANCE GRANTS.—Section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) is amended—

(1) in subsection (a), by striking the last sentence and inserting the following: "Such financial assistance shall be made available—

"(1) to States and communities in the form of grants under this section for carrying out mitigation activities;

"(2) to States and communities in the form of grants under this section for carrying out mitigation activities that reduce flood damage to severe repetitive loss structures; and

"(3) to property owners in the form of direct grants under this section for carrying out mitigation activities that reduce flood damage to individual structures for which 2 or more claim payments for losses have been made under flood insurance coverage under this title if the Administrator, after consultation with the State and community, determines that neither the State nor community in which such a structure is located has the capacity to manage such grants.'';

(2) by striking subsection (b);

(3) in subsection (c)—

(A) by striking ''flood risk'' and inserting ''multi-hazard'';

(B) by striking ''provides protection against'' and inserting ''examines reduction of''; and

(C) by redesignating such subsection as subsection (b);

(4) by striking subsection (d);

(5) in subsection (e)—

(A) in paragraph (1), by striking the paragraph designation and all that follows through the end of the first sentence and inserting the following:

''(1) REQUIREMENT OF CONSISTENCY WITH APPROVED MITIGATION PLAN.—Amounts provided under this section may be used only for mitigation activities that are consistent with mitigation plans that are approved by the Administrator and identified under subparagraph (4).'';

(B) by striking paragraphs (2), (3), and (4) and inserting the following new paragraphs:

``(2) REQUIREMENTS OF TECHNICAL FEASIBILITY, COST EFFECTIVENESS, AND INTEREST OF NFIF.—The Administrator may approve only mitigation activities that the Administrator determines are technically feasible and cost-effective and in the interest of, and represent savings to, the National Flood Insurance Fund. In making such determinations, the Administrator shall take into consideration recognized benefits that are difficult to quantify.

``(3) PRIORITY FOR MITIGATION ASSISTANCE.—In providing grants under this section for mitigation activities, the Administrator shall give priority for funding to activities that the Administrator determines will result in the greatest savings to the National Flood Insurance Fund, including activities for—

``(A) severe repetitive loss structures;

``(B) repetitive loss structures; and

``(C) other subsets of structures as the Administrator may establish.'';

(C) in paragraph (5)—

(i) by striking all of the matter that precedes subparagraph (A) and inserting the following:

"(4) ELIGIBLE ACTIVITIES.—Eligible activities may include—";

(ii) by striking subparagraphs (E) and (H);

(iii) by redesignating subparagraphs (D), (F), and (G) as subparagraphs (E), (G), and (H);

(iv) by inserting after subparagraph (C) the following new subparagraph:

"(D) elevation, relocation, and floodproofing of utilities (including equipment that serve structures);";

(v) by inserting after subparagraph (E), as so redesignated by clause (iii) of this subparagraph, the following new subparagraph:

"(F) the development or update of State, local, or Indian tribal mitigation plans which meet the planning criteria established by the Administrator, except that the amount from grants under this section that may be used under this subparagraph may not exceed

$50,000 for any mitigation plan of a State or $25,000 for any mitigation plan of a local government or Indian tribe;'';

(vi) in subparagraph (H); as so redesignated by clause (iii) of this subparagraph, by striking ``and'' at the end; and

(vii) by adding at the end the following new subparagraphs:

``(I) other mitigation activities not described in subparagraphs (A) through (G) or the regulations issued under subparagraph (H), that are described in the mitigation plan of a State, community, or Indian tribe; and

``(J) personnel costs for State staff that provide technical assistance to communities to identify eligible activities, to develop grant applications, and to implement grants awarded under this section, not to exceed $50,000 per State in any Federal fiscal year, so long as the State applied for and was awarded at least $1,000,000 in grants available under this section in the prior Federal fiscal year; the requirements of subsections (d)(1) and (d)(2) shall not apply to the activity under this subparagraph.'';

(D) by adding at the end the following new paragraph:

"(6) ELIGIBILITY OF DEMOLITION AND REBUILDING OF PROPERTIES.—The Administrator shall consider as an eligible activity the demolition and rebuilding of properties to at least base flood elevation or greater, if required by the Administrator or if required by any State regulation or local ordinance, and in accordance with criteria established by the Administrator."; and

(E) by redesignating such subsection as subsection (c);

(6) by striking subsections (f), (g), and (h) and inserting the following new subsection:

"(d) MATCHING REQUIREMENT.—The Administrator may provide grants for eligible mitigation activities as follows:

"(1) SEVERE REPETITIVE LOSS STRUCTURES.—In the case of mitigation activities to severe repetitive loss structures, in an amount up to 100 percent of all eligible costs.

"(2) REPETITIVE LOSS STRUCTURES.—In the case of mitigation activities to repetitive loss structures, in an amount up to 90 percent of all eligible costs.

"(3) OTHER MITIGATION ACTIVITIES.—In the case of all other mitigation activities, in an amount up to 75 percent of all eligible costs.";

(7) in subsection (i)—

(A) in paragraph (2)—

(i) by striking "certified under subsection (g)" and inserting "required under subsection (d)"; and

(ii) by striking "3 times the amount" and inserting "the amount"; and

(B) by redesignating such subsection as subsection (e);

(8) in subsection (j)—

(A) in paragraph (1), by striking "Riegle Community Development and Regulatory Improvement Act of 1994" and inserting "Flood Insurance Reform Act of 2011";

(B) by redesignating such subsection as subsection (f); and

(9) by striking subsections (k) and (m) and inserting the following new subsections:

"(g) FAILURE TO MAKE GRANT AWARD WITHIN 5 YEARS.—For any application for a grant under this section for which the Administrator fails to make a grant award within 5 years of the date of application, the grant application shall be considered to be denied and any funding amounts allocated for such grant applications shall remain in the National Flood Mitigation Fund under section 1367 of this title and shall be made available for grants under this section.

"(h) LIMITATION ON FUNDING FOR MITIGATION ACTIVITIES FOR SEVERE REPETITIVE LOSS STRUCTURES.—The amount used pursuant to section 1310(a)(8) in any fiscal year may not exceed $40,000,000 and shall remain available until expended.

"(i) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) COMMUNITY.—The term 'community' means—

"(A) a political subdivision that—

"(i) has zoning and building code jurisdiction over a particular area having special flood hazards, and

"(ii) is participating in the national flood insurance program; or

"(B) a political subdivision of a State, or other authority, that is designated by political subdivisions, all of which meet the requirements of subparagraph (A), to administer grants for mitigation activities for such political subdivisions.

"(2) REPETITIVE LOSS STRUCTURE.—The term 'repetitive loss structure' has the meaning given such term in section 1370.

"(3) SEVERE REPETITIVE LOSS STRUCTURE.—The term 'severe repetitive loss structure' means a structure that—

"(A) is covered under a contract for flood insurance made available under this title; and

"(B) has incurred flood-related damage—

"(i) for which 4 or more separate claims payments have been made under flood insurance coverage under this title, with the amount of each such claim exceeding $15,000, and with the cumulative amount of such claims payments exceeding $60,000; or

"(ii) for which at least 2 separate claims payments have been made under such coverage, with the cumulative amount of such claims exceeding the value of the insured structure.".

(b) ELIMINATION OF GRANTS PROGRAM FOR REPETITIVE INSURANCE CLAIMS PROPERTIES.—Chapter I of the National Flood Insurance Act of 1968 is amended by striking section 1323 (42 U.S.C. 4030).

(c) ELIMINATION OF PILOT PROGRAM FOR MITIGATION OF SEVERE REPETITIVE LOSS PROPERTIES.—Chapter III of the National Flood Insurance Act of 1968 is amended by striking section 1361A (42 U.S.C. 4102a).

(d) NATIONAL FLOOD INSURANCE FUND.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended—

(1) in paragraph (6), by inserting ''and'' after the semicolon;

(2) in paragraph (7), by striking the semicolon and inserting a period; and

(3) by striking paragraphs (8) and (9).

(e) NATIONAL FLOOD MITIGATION FUND.—Section 1367 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104d) is amended—

(1) in subsection (b)—

(A) by striking paragraph (1) and inserting the following new paragraph:

''(1) in each fiscal year, from the National Flood Insurance Fund in amounts not exceeding $90,000,000 to remain available until expended, of which—

"(A) not more than $40,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(1);

"(B) not more than $40,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(2); and

"(C) not more than $10,000,000 shall be available pursuant to subsection (a) of this section only for assistance described in section 1366(a)(3).";

(B) in paragraph (3), by striking "section 1366(i)" and inserting "section 1366(e)";

(2) in subsection (c), by striking "sections 1366 and 1323" and inserting "section 1366";

(3) by redesignating subsections (d) and (e) as subsections (f) and (g), respectively; and

(4) by inserting after subsection (c) the following new subsections:

"(d) PROHIBITION ON OFFSETTING COLLECTIONS.—Notwithstanding any other provision of this title, amounts made available pursuant to this section shall not be subject to offsetting collections through premium rates for flood insurance coverage under this title.

"(e) CONTINUED AVAILABILITY AND REALLOCATION.—Any amounts made available pursuant to subparagraph (A), (B), or (C) of subsection (b)(1) that are not used in any fiscal year shall continue to be available for the purposes specified in such subparagraph of subsection (b)(1) pursuant to which such amounts were made available, unless the Administrator determines that reallocation of such unused amounts to meet demonstrated need for other mitigation activities under section 1366 is in the best interest of the National Flood Insurance Fund.".

(f) INCREASED COST OF COMPLIANCE COVERAGE.—Section 1304(b)(4) of the National Flood Insurance Act of 1968 (42 U.S.C. 4011(b)(4)) is amended—

(1) by striking subparagraph (B); and

(2) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively.

SEC. 3012. NOTIFICATION TO HOMEOWNERS REGARDING MANDATORY PURCHASE REQUIREMENT APPLICABILITY AND RATE PHASE-INS.

Section 201 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4105) is amended by adding at the end the following new subsection:

"(f) ANNUAL NOTIFICATION.—The Administrator, in consultation with affected communities, shall establish and carry out a plan to notify residents of areas having special flood hazards, on an annual basis—

"(1) that they reside in such an area;

"(2) of the geographical boundaries of such area;

"(3) of whether section 1308(g) of the National Flood Insurance Act of 1968 applies to properties within such area;

"(4) of the provisions of section 102 requiring purchase of flood insurance coverage for properties located in such an area, including the date on which such provisions apply with respect to such area, taking into consideration section 102(i); and

"(5) of a general estimate of what similar homeowners in similar areas typically pay for flood insurance coverage, taking into consideration section 1308(g) of the National Flood Insurance Act of 1968.".

SEC. 3013. NOTIFICATION TO MEMBERS OF CONGRESS OF FLOOD MAP REVISIONS AND UPDATES.

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), as amended by the preceding provisions of this title, is further amended by adding at the end the following new subsection:

"(l) NOTIFICATION TO MEMBERS OF CONGRESS OF MAP MODERNIZATION.—Upon any revision or update of any floodplain area or flood-risk zone pursuant to subsection (f), any decision pursuant to subsection (f)(1) that such revision or update is necessary, any issuance of preliminary maps for such revision or updating, or any other significant action relating to any such revision or update, the Administrator shall notify the Senators for each State affected, and each Member of the House of Representatives for each congressional district affected, by such revision or update in writing of the action taken.".

SEC. 3014. NOTIFICATION AND APPEAL OF MAP CHANGES; NOTIFICATION TO COMMUNITIES OF ESTABLISHMENT OF FLOOD ELEVATIONS.

Section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104) is amended by striking the section designation and all that follows through the end of subsection (a) and inserting the following:

"SEC. 1363. (a) In establishing projected flood elevations for land use purposes with respect to any community pursuant to section 1361, the Director shall first propose such determinations—

"(1) by providing the chief executive officer of each community affected by the proposed elevations, by certified mail, with a return receipt requested, notice of the elevations, including a copy of the maps for the elevations for such community and a statement explaining the process under this section to appeal for changes in such elevations;

"(2) by causing notice of such elevations to be published in the Federal Register, which notice shall include information sufficient to identify the elevation determinations and the communities affected, information explaining how to obtain copies of the elevations, and a statement explaining the process under this section to appeal for changes in the elevations;

"(3) by publishing in a prominent local newspaper the elevations, a description of the appeals process for flood determinations, and the mailing address and telephone number of a person the owner may contact for more information or to initiate an appeal; and

"(4) by providing written notification, by first class mail, to each owner of real property affected by the proposed elevations of—

"(A) the status of such property, both prior to and after the effective date of the proposed determination, with respect to flood zone and flood insurance requirements under this

Act and the Flood Disaster Protection Act of 1973;

"(B) the process under this section to appeal a flood elevation determination; and

"(C) the mailing address and phone number of a person the owner may contact for more information or to initiate an appeal.".

SEC. 3015. NOTIFICATION TO TENANTS OF AVAILABILITY OF CONTENTS INSURANCE.

The National Flood Insurance Act of 1968 is amended by inserting after section 1308 (42 U.S.C. 4015) the following new section:

"SEC. 1308A. NOTIFICATION TO TENANTS OF AVAILABILITY OF CONTENTS INSURANCE.

"(a) IN GENERAL.—The Administrator shall, upon entering into a contract for flood insurance coverage under this title for any property—

"(1) provide to the insured sufficient copies of the notice developed pursuant to subsection (b); and

"(2) require the insured to provide a copy of the notice, or otherwise provide notification of the information under subsection (b) in the manner that the manager or landlord deems most appropriate, to each such tenant and to each new tenant upon commencement of such a tenancy.

"(b) NOTICE.—Notice to a tenant of a property in accordance with this subsection is written notice that clearly informs a tenant—

"(1) whether the property is located in an area having special flood hazards;

"(2) that flood insurance coverage is available under the national flood insurance program under this title for contents of the unit or structure leased by the tenant;

"(3) of the maximum amount of such coverage for contents available under this title at that time; and

"(4) of where to obtain information regarding how to obtain such coverage, including a telephone number, mailing address, and Internet site of the Administrator where such information is available.".

SEC. 3016. NOTIFICATION TO POLICY HOLDERS REGARDING DIRECT MANAGEMENT OF POLICY BY FEMA.

Part C of chapter II of the National Flood Insurance Act of 1968 (42 U.S.C. 4081 et seq.) is amended by adding at the end the following new section:

"SEC. 1349. NOTIFICATION TO POLICY HOLDERS REGARDING DIRECT MANAGEMENT OF POLICY BY FEMA.

"(a) NOTIFICATION.—Not later than 60 days before the date on which a transferred flood insurance policy expires, and annually thereafter until such time as the Federal Emergency Management Agency is no longer directly administering such policy, the Administrator shall notify the holder of such policy that—

"(1) the Federal Emergency Management Agency is directly administering the policy;

"(2) such holder may purchase flood insurance that is directly administered by an insurance company; and

"(3) purchasing flood insurance offered under the National Flood Insurance Program that is directly administered by an insurance company will not alter the coverage provided or the premiums charged to such holder that otherwise would be provided or charged if the policy was directly administered by the Federal Emergency Management Agency.

"(b) DEFINITION.—In this section, the term 'transferred flood insurance policy' means a flood insurance policy that—

"(1) was directly administered by an insurance company at the time the policy was originally purchased by the policy holder; and

"(2) at the time of renewal of the policy, direct administration of the policy was or will be transferred to the Federal Emergency Management Agency.".

SEC. 3017. NOTICE OF AVAILABILITY OF FLOOD INSURANCE AND ESCROW IN RESPA GOOD FAITH ESTIMATE.

Subsection (c) of section 5 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604(c)) is amended by adding at the end the following new sentence: "Each such good faith estimate shall include the following conspicuous statements and information: (1) that flood insurance coverage for residential real estate is generally available under the national flood insurance program whether or not the real estate is located in an area having special flood hazards and that, to obtain such coverage, a home owner or purchaser should contact the national flood insurance program; (2) a telephone number and a location on the Internet by which a home owner or purchaser can contact the national flood insurance program; and (3) that the escrowing of flood insurance payments is required for many loans under section 102(d) of the

Flood Disaster Protection Act of 1973, and may be a convenient and available option with respect to other loans.''.

SEC. 3018. REIMBURSEMENT FOR COSTS INCURRED BY HOMEOWNERS AND COMMUNITIES OBTAINING LETTERS OF MAP AMENDMENT OR REVISION.

(a) IN GENERAL.—Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), as amended by the preceding provisions of this title, is further amended by adding at the end the following new subsection:

''(m) REIMBURSEMENT.—

''(1) REQUIREMENT UPON BONA FIDE ERROR.—If an owner of any property located in an area described in section 102(i)(3) of the Flood Disaster Protection Act of 1973, or a community in which such a property is located, obtains a letter of map amendment, or a letter of map revision, due to a bona fide error on the part of the Administrator of the Federal Emergency Management Agency, the Administrator shall reimburse such owner, or such entity or jurisdiction acting on such owner's behalf, or such community, as applicable, for any reasonable costs incurred in obtaining such letter.

"(2) REASONABLE COSTS.—The Administrator shall, by regulation or notice, determine a reasonable amount of costs to be reimbursed under paragraph (1), except that such costs shall not include legal or attorneys fees. In determining the reasonableness of costs, the Administrator shall only consider the actual costs to the owner or community, as applicable, of utilizing the services of an engineer, surveyor, or similar services.".

(b) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency shall issue the regulations or notice required under section 1360(m)(2) of the National Flood Insurance Act of 1968, as added by the amendment made by subsection (a) of this section.

SEC. 3019. ENHANCED COMMUNICATION WITH CERTAIN COMMUNITIES DURING MAP UPDATING PROCESS.

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), as amended by the preceding provisions of this title, is further amended by adding at the end the following new subsection:

"(n) ENHANCED COMMUNICATION WITH CERTAIN COMMUNITIES DURING MAP UPDATING PROCESS.—In updating flood insurance maps under this section, the Administrator shall communicate with communities located in areas where flood insurance rate maps have not been updated in 20 years or more and the appropriate State emergency agencies to resolve outstanding issues, provide technical assistance, and disseminate all necessary information to reduce the prevalence of outdated maps in flood-prone areas.''.

SEC. 3020. NOTIFICATION TO RESIDENTS NEWLY INCLUDED IN FLOOD HAZARD AREAS.

Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), as amended by the preceding provisions of this title, is further amended by adding at the end the following new subsection:

``(o) NOTIFICATION TO RESIDENTS NEWLY INCLUDED IN FLOOD HAZARD AREA.—In revising or updating any areas having special flood hazards, the Administrator shall provide to each owner of a property to be newly included in such a special flood hazard area, at the time of issuance of such proposed revised or updated flood insurance maps, a copy of the proposed revised or updated flood insurance maps together with information regarding the appeals process under section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104).''.

SEC. 3021. TREATMENT OF SWIMMING POOL ENCLOSURES OUTSIDE OF HURRICANE SEASON.

Chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) is amended by adding at the end the following new section:

"SEC. 1325. TREATMENT OF SWIMMING POOL ENCLOSURES OUTSIDE OF HURRICANE SEASON.

''In the case of any property that is otherwise in compliance with the coverage and building requirements of the national flood insurance program, the presence of an enclosed swimming pool located at ground level or in the space below the lowest floor of a building after November 30 and before June 1 of any year shall have no effect on the terms of coverage or the ability to receive coverage for such building under the national flood insurance program established pursuant to this title, if the pool is enclosed with non-supporting breakaway walls.''.

SEC. 3022. INFORMATION REGARDING MULTIPLE PERILS CLAIMS.

Section 1345 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081) is amended by adding at the end the following new subsection:

''(d) INFORMATION REGARDING MULTIPLE PERILS CLAIMS.—

''(1) IN GENERAL.—Subject to paragraph (2), if an insured having flood insurance coverage under a policy issued under the program under this title by the Administrator or a company, insurer, or entity offering flood insurance coverage under such program (in this subsection referred to as a 'participating company') has wind or other homeowners coverage from any company, insurer, or other entity covering property covered by such flood insurance, in the case of damage to such property that may have been caused by flood or by wind, the Administrator and the participating company, upon the request of the insured, shall provide to the insured, within 30 days of such request—

"(A) a copy of the estimate of structure damage;

"(B) proofs of loss;

"(C) any expert or engineering reports or documents commissioned by or relied upon by the Administrator or participating company in determining whether the damage was caused by flood or any other peril; and

"(D) the Administrator's or the participating company's final determination on the claim.

"(2) TIMING.—Paragraph (1) shall apply only with respect to a request described in such paragraph made by an insured after the Administrator or the participating company, or both, as applicable, have issued a final decision on the flood claim involved and resolution of all appeals with respect to such claim.''.

SEC. 3023. FEMA AUTHORITY TO REJECT TRANSFER OF POLICIES.

Section 1345 of the National Flood Insurance Act of 1968 (42 U.S.C. 4081) is amended by adding at the end the following new subsection:

''(e) FEMA AUTHORITY TO REJECT TRANSFER OF POLICIES.—Notwithstanding any other provision of this Act, the Administrator may, at the discretion of the Administrator, refuse to accept the transfer of the administration of policies for coverage under the flood insurance program under this title that are written and administered by any insurance company or other insurer, or any insurance agent or broker.''.

SEC. 3024. APPEALS.

(a) TELEVISION AND RADIO ANNOUNCEMENT.—Section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104) is amended—

(1) in subsection (a), by inserting after ''determinations'' by inserting the following: ''by notifying a local television and radio station,''; and

(2) in the first sentence of subsection (b), by inserting before the period at the end the following: "and shall notify a local television and radio station at least once during the same 10-day period".

(b) Extension of Appeals Period.—Subsection (b) of section 1363 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104(b)) is amended—

(1) by striking "(b) The Director" and inserting "(b)(1) The Administrator"; and

(2) by adding at the end the following new paragraph:

"(2) The Administrator shall grant an extension of the 90-day period for appeals referred to in paragraph (1) for 90 additional days if an affected community certifies to the Administrator, after the expiration of at least 60 days of such period, that the community—

"(A) believes there are property owners or lessees in the community who are unaware of such period for appeals; and

"(B) will utilize the extension under this paragraph to notify property owners or lessees who are affected by the proposed flood elevation determinations of the period for appeals and the opportunity to appeal the determinations proposed by the Administrator.".

(c) APPLICABILITY.—The amendments made by subsections (a) and (b) shall apply with respect to any flood elevation determination for any area in a community that has not, as of the date of the enactment of this Act, been issued a Letter of Final Determination for such determination under the flood insurance map modernization process.

SEC. 3025. RESERVE FUND.

(a) ESTABLISHMENT.—Chapter I of the National Flood Insurance Act of 1968 is amended by inserting after section 1310 (42 U.S.C. 4017) the following new section:

"SEC. 1310A. RESERVE FUND.

''(a) ESTABLISHMENT OF RESERVE FUND.—In carrying out the flood insurance program authorized by this title, the Administrator shall establish in the Treasury of the United States a National Flood Insurance Reserve Fund (in this section referred to as the 'Reserve Fund') which shall—

''(1) be an account separate from any other accounts or funds available to the Administrator; and

''(2) be available for meeting the expected future obligations of the flood insurance program.

''(b) RESERVE RATIO.—Subject to the phase-in requirements under subsection (d), the Reserve Fund shall maintain a balance equal to—

"(1) 1 percent of the sum of the total potential loss exposure of all outstanding flood insurance policies in force in the prior fiscal year; or

"(2) such higher percentage as the Administrator determines to be appropriate, taking into consideration any circumstance that may raise a significant risk of substantial future losses to the Reserve Fund.

"(c) MAINTENANCE OF RESERVE RATIO.—

"(1) IN GENERAL.—The Administrator shall have the authority to establish, increase, or decrease the amount of aggregate annual insurance premiums to be collected for any fiscal year necessary—

"(A) to maintain the reserve ratio required under subsection (b); and

"(B) to achieve such reserve ratio, if the actual balance of such reserve is below the amount required under subsection (b).

"(2) CONSIDERATIONS.—In exercising the authority under paragraph (1), the Administrator shall consider—

"(A) the expected operating expenses of the Reserve Fund;

"(B) the insurance loss expenditures under the flood insurance program;

"(C) any investment income generated under the flood insurance program; and

"(D) any other factor that the Administrator determines appropriate.

"(3) LIMITATIONS.—In exercising the authority under paragraph (1), the Administrator shall be subject to all other provisions of this Act, including any provisions relating to chargeable premium rates and annual increases of such rates.

"(d) PHASE-IN REQUIREMENTS.—The phase-in requirements under this subsection are as follows:

"(1) IN GENERAL.—Beginning in fiscal year 2012 and not ending until the fiscal year in which the ratio required under subsection (b) is achieved, in each such fiscal year the Administrator shall place in the Reserve Fund an amount equal to not less than 7.5 percent of the reserve ratio required under subsection (b).

"(2) AMOUNT SATISFIED.—As soon as the ratio required under subsection (b) is achieved, and except as provided in paragraph (3), the Administrator shall not be required to set aside any amounts for the Reserve Fund.

"(3) EXCEPTION.—If at any time after the ratio required under subsection (b) is achieved, the

Reserve Fund falls below the required ratio under subsection (b), the Administrator shall place in the Reserve Fund for that fiscal year an amount equal to not less than 7.5 percent of the reserve ratio required under subsection (b).

"(e) LIMITATION ON RESERVE RATIO.—In any given fiscal year, if the Administrator determines that the reserve ratio required under subsection (b) cannot be achieved, the Administrator shall submit a report to the Congress that—

"(1) describes and details the specific concerns of the Administrator regarding such consequences;

"(2) demonstrates how such consequences would harm the long-term financial soundness of the flood insurance program; and

"(3) indicates the maximum attainable reserve ratio for that particular fiscal year.

"(f) AVAILABILITY OF AMOUNTS.—The reserve ratio requirements under subsection (b) and the phase-in requirements under subsection (d) shall be subject to the availability of amounts in the National Flood Insurance Fund for transfer under section 1310(a)(10), as provided in section 1310(f).".

(b) FUNDING.—Subsection (a) of section 1310 of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended—

(1) in paragraph (8), by striking ''and'' at the end;

(2) in paragraph (9), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(10) for transfers to the National Flood Insurance Reserve Fund under section 1310A, in accordance with such section.''.

SEC. 3026. CDBG ELIGIBILITY FOR FLOOD INSURANCE OUTREACH ACTIVITIES AND COMMUNITY BUILDING CODE ADMINISTRATION GRANTS.

Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (24), by striking ''and'' at the end;

(2) in paragraph (25), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

''(26) supplementing existing State or local funding for administration of building code enforcement by local building code enforcement departments, including for increasing staffing, providing staff training, increasing staff competence and professional qualifications, and supporting individual certification or departmental accreditation, and for capital expenditures specifically dedicated to the administration of the building code enforcement department, except that, to be eligible to use amounts as provided in this paragraph—

"(A) a building code enforcement department shall provide matching, non-Federal funds to be used in conjunction with amounts used under this paragraph in an amount—

"(i) in the case of a building code enforcement department serving an area with a population of more than 50,000, equal to not less than 50 percent of the total amount of any funds made available under this title that are used under this paragraph;

"(ii) in the case of a building code enforcement department serving an area with a population of between 20,001 and 50,000, equal to not less than 25 percent of the total amount of any funds made available under this title that are used under this paragraph; and

"(iii) in the case of a building code enforcement department serving an area with a population of less than 20,000, equal to not less than 12.5 percent of the total amount of any funds made available under this title that are used under this paragraph,

except that the Secretary may waive the matching fund requirements under this subparagraph, in whole or in part, based upon the level of economic distress of the jurisdiction in which is located the local building code enforcement department that is using amounts for purposes under this paragraph, and shall waive such matching fund requirements in whole for any recipient jurisdiction that has dedicated all building code permitting fees to the conduct of local building code enforcement; and

"(B) any building code enforcement department using funds made available under this title for purposes under this paragraph shall empanel a code administration and enforcement team consisting of at least 1 full-time building code enforcement officer, a city planner, and a health planner or similar officer; and

"(27) provision of assistance to local governmental agencies responsible for floodplain management activities (including such agencies of Indians tribes, as such term is defined in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)) in communities that participate in the national flood insurance program under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), only for carrying out outreach activities to encourage and facilitate the purchase of flood insurance protection under such Act by owners and renters of properties in such communities and to promote educational activities that increase awareness of flood risk reduction; except that—

"(A) amounts used as provided under this paragraph shall be used only for activities designed to—

"(i) identify owners and renters of properties in communities that participate in the national flood insurance program, including owners of residential and commercial properties;

"(ii) notify such owners and renters when their properties become included in, or when they are excluded from, an area having special flood hazards and the effect of such inclusion or exclusion on the applicability of the mandatory flood insurance purchase requirement under section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) to such properties;

"(iii) educate such owners and renters regarding the flood risk and reduction of this risk in their community, including the continued flood risks to areas that are no longer subject to the flood insurance mandatory purchase requirement;

"(iv) educate such owners and renters regarding the benefits and costs of maintaining or acquiring flood insurance, including, where applicable, lower-cost preferred risk policies under this title for such properties and the contents of such properties;

"(v) encourage such owners and renters to maintain or acquire such coverage;

“(vi) notify such owners of where to obtain information regarding how to obtain such coverage, including a telephone number, mailing address, and Internet site of the Administrator of the Federal Emergency Management Agency (in this paragraph referred to as the ‘Administrator’) where such information is available; and

“(vii) educate local real estate agents in communities participating in the national flood insurance program regarding the program and the availability of coverage under the program for owners and renters of properties in such communities, and establish coordination and liaisons with such real estate agents to facilitate purchase of coverage under the National Flood Insurance Act of 1968 and increase awareness of flood risk reduction;

“(B) in any fiscal year, a local governmental agency may not use an amount under this paragraph that exceeds 3 times the amount that the agency certifies, as the Secretary, in consultation with the Administrator, shall require, that the agency will contribute from non-

Federal funds to be used with such amounts used under this paragraph only for carrying out activities described in subparagraph (A); and for purposes of this subparagraph, the term 'non-Federal funds' includes State or local government agency amounts, in-kind contributions, any salary paid to staff to carry out the eligible activities of the local governmental agency involved, the value of the time and services contributed by volunteers to carry out such services (at a rate determined by the Secretary), and the value of any donated material or building and the value of any lease on a building;

"(C) a local governmental agency that uses amounts as provided under this paragraph may coordinate or contract with other agencies and entities having particular capacities, specialties, or experience with respect to certain populations or constituencies, including elderly or disabled families or persons, to carry out activities described in subparagraph (A) with respect to such populations or constituencies; and

"(D) each local government agency that uses amounts as provided under this paragraph shall submit a report to the Secretary and the

Administrator, not later than 12 months after such amounts are first received, which shall include such information as the Secretary and the Administrator jointly consider appropriate to describe the activities conducted using such amounts and the effect of such activities on the retention or acquisition of flood insurance coverage.''.

SEC. 3027. TECHNICAL CORRECTIONS.

(a) FLOOD DISASTER PROTECTION ACT OF 1973.—The Flood Disaster Protection Act of 1973 (42 U.S.C. 4002 et seq.) is amended—

(1) by striking ''Director'' each place such term appears, except in section 102(f)(3) (42 U.S.C. 4012a(f)(3)), and inserting ''Administrator''; and

(2) in section 201(b) (42 U.S.C. 4105(b)), by striking ''Director's'' and inserting ''Administrator's''.

(b) NATIONAL FLOOD INSURANCE ACT OF 1968.—The National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) is amended—

(1) by striking ''Director'' each place such term appears and inserting ''Administrator''; and

(2) in section 1363 (42 U.S.C. 4104), by striking ‘‘Director's’’ each place such term appears and inserting ‘‘Administrator's’’.

(c) FEDERAL FLOOD INSURANCE ACT OF 1956.—Section 15(e) of the Federal Flood Insurance Act of 1956 (42 U.S.C. 2414(e)) is amended by striking ‘‘Director’’ each place such term appears and inserting ‘‘Administrator’’.

SEC. 3028. REQUIRING COMPETITION FOR NATIONAL FLOOD INSURANCE PROGRAM POLICIES.

(a) REPORT.—Not later than the expiration of the 90-day period beginning upon the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency, in consultation with insurance companies, insurance agents and other organizations with which the Administrator has contracted, shall submit to the Congress a report describing procedures and policies that the Administrator shall implement to limit the percentage of policies for flood insurance coverage under the national flood insurance program that are directly managed by the Agency to not more than 10 percent of the aggregate number of flood insurance policies in force under such program.

(b) IMPLEMENTATION.—Upon submission of the report under subsection (a) to the Congress, the Administrator shall implement the policies and procedures described in the report. The Administrator shall, not later than the expiration of the 12-month period beginning upon submission of such report, reduce the number of policies for flood insurance coverage that are directly managed by the Agency, or by the Agency's direct servicing contractor that is not an insurer, to not more than 10 percent of the aggregate number of flood insurance policies in force as of the expiration of such 12-month period.

(c) CONTINUATION OF CURRENT AGENT RELATIONSHIPS.—In carrying out subsection (b), the Administrator shall ensure that—

(1) agents selling or servicing policies described in such subsection are not prevented from continuing to sell or service such policies; and

(2) insurance companies are not prevented from waiving any limitation such companies could otherwise enforce to limit any such activity.

SEC. 3029. STUDIES OF VOLUNTARY COMMUNITY-BASED FLOOD INSURANCE OPTIONS.

(a) STUDIES.—The Administrator of the Federal Emergency Management Agency and the Comptroller General of the United States shall each conduct a separate study to assess options, methods, and strategies for offering voluntary community-based flood insurance policy options and incorporating such options into the national flood insurance program. Such studies shall take into consideration and analyze how the policy options would affect communities having varying economic bases, geographic locations, flood hazard characteristics or classifications, and flood management approaches.

(b) REPORTS.—Not later than the expiration of the 18-month period beginning on the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency and the Comptroller General of the United States shall each submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the results and conclusions of the study such agency conducted under subsection (a), and each such report shall include recommendations for the best manner to incorporate voluntary community-based flood insurance options into the national flood insurance program and for a strategy to implement such options that would encourage communities to undertake flood mitigation activities.

SEC. 3030. REPORT ON INCLUSION OF BUILDING CODES IN FLOODPLAIN MANAGEMENT CRITERIA.

Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the

Administrator of the Federal Emergency Management Agency shall conduct a study and submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate regarding the impact, effectiveness, and feasibility of amending section 1361 of the National Flood Insurance Act of 1968 (42 U.S.C. 4102) to include widely used and nationally recognized building codes as part of the floodplain management criteria developed under such section, and shall determine—

(1) the regulatory, financial, and economic impacts of such a building code requirement on homeowners, States and local communities, local land use policies, and the Federal Emergency Management Agency;

(2) the resources required of State and local communities to administer and enforce such a building code requirement;

(3) the effectiveness of such a building code requirement in reducing flood-related damage to buildings and contents;

(4) the impact of such a building code requirement on the actuarial soundness of the National Flood Insurance Program;

(5) the effectiveness of nationally recognized codes in allowing innovative materials and systems for flood-resistant construction;

(6) the feasibility and effectiveness of providing an incentive in lower premium rates for flood insurance coverage under such Act for structures meeting whichever of such widely used and nationally recognized building code or any applicable local building code provides greater protection from flood damage;

(7) the impact of such a building code requirement on rural communities with different building code challenges than more urban environments; and

(8) the impact of such a building code requirement on Indian reservations.

SEC. 3031. STUDY ON GRADUATED RISK.

(a) STUDY.—The National Academy of Sciences shall conduct a study exploring methods for understanding graduated risk behind levees and the associated land development, insurance, and risk communication dimensions, which shall—

(1) research, review, and recommend current best practices for estimating direct annualized flood losses behind levees for residential and commercial structures;

(2) rank such practices based on their best value, balancing cost, scientific integrity, and the inherent uncertainties associated with all aspects of the loss estimate, including geotechnical engineering, flood frequency estimates, economic value, and direct damages;

(3) research, review, and identify current best floodplain management and land use practices behind levees that effectively balance social, economic, and environmental considerations as part of an overall flood risk management strategy;

(4) identify examples where such practices have proven effective and recommend methods and processes by which they could be applied more broadly across the United States, given the variety of different flood risks, State and local legal frameworks, and evolving judicial opinions;

(5) research, review, and identify a variety of flood insurance pricing options for flood hazards behind levees which are actuarially sound and based on the flood risk data developed using the top three best value approaches identified pursuant to paragraph (1);

(6) evaluate and recommend methods to reduce insurance costs through creative arrangements be-

tween insureds and insurers while keeping a clear accounting of how much financial risk is being borne by various parties such that the entire risk is accounted for, including establishment of explicit limits on disaster aid or other assistance in the event of a flood; and

(7) taking into consideration the recommendations pursuant to paragraphs (1) through (3), recommend approaches to communicating the associated risks to community officials, homeowners, and other residents.

(b) REPORT.—Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the National Academy of Sciences shall submit a report to the Committees on Financial Services and Science, Space, and Technology of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs and Commerce, Science and Transportation of the Senate on the study under subsection (a) including the information and recommendations required under such subsection.

SEC. 3032. REPORT ON FLOOD-IN-PROGRESS DETERMINATION.

The Administrator of the Federal Emergency Management Agency shall review the processes and procedures for determining that a flood event has commenced or is in progress for purposes of flood insurance coverage made available under the national flood insurance program under the National Flood Insurance Act of 1968 and for providing public notification that such an event has commenced or is in progress. In such review, the Administrator shall take into consideration the effects and implications that weather conditions, such as rainfall, snowfall, projected snowmelt, existing water levels, and other conditions have on the determination that a flood event has commenced or is in progress. Not later than the expiration of the 6-month period beginning upon the date of the enactment of this Act, the Administrator shall submit a report to the Congress setting forth the results and conclusions of the review undertaken pursuant to this section and any actions undertaken or proposed actions to be taken to provide for a more precise and technical determination that a flooding event has commenced or is in progress.

SEC. 3033. STUDY ON REPAYING FLOOD INSURANCE DEBT.

Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Administrator of the Federal Emergency Management Agency shall submit a report to the Congress setting forth a plan for repaying within 10 years all amounts, including any amounts previously borrowed but not yet repaid, owed pursuant to clause (2) of subsection (a) of section 1309 of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)(2)).

SEC. 3034. NO CAUSE OF ACTION.

No cause of action shall exist and no claim may be brought against the United States for violation of any notification requirement imposed upon the United States by this title or any amendment made by this title.

SEC. 3035. AUTHORITY FOR THE CORPS OF ENGINEERS TO PROVIDE SPECIALIZED OR TECHNICAL SERVICES.

(a) IN GENERAL.—Notwithstanding any other provision of law, upon the request of a State or local government, the Secretary of the Army may evaluate a levee system that was designed or constructed by the Secretary for the purposes of the National Flood Insurance Program established under chapter 1 of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.).

(b) REQUIREMENTS.—A levee system evaluation under subsection (a) shall—

(1) comply with applicable regulations related to areas protected by a levee system;

(2) be carried out in accordance with such procedures as the Secretary, in consultation with the

Administrator of the Federal Emergency Management Agency, may establish; and

(3) be carried out only if the State or local government agrees to reimburse the Secretary for all cost associated with the performance of the activities.

TITLE IV—JUMPSTARTING OPPORTUNITY WITH BROADBAND SPECTRUM ACT OF 2011

SEC. 4001. SHORT TITLE.

This title may be cited as the ''Jumpstarting Opportunity with Broadband Spectrum Act of 2011'' or the ''JOBS Act of 2011''.

SEC. 4002. DEFINITIONS.

In this title:

(1) 700 MHZ D BLOCK SPECTRUM.—The term ''700 MHz D block spectrum'' means the portion of the electromagnetic spectrum between the frequencies from 758 megahertz to 763 megahertz and between the frequencies from 788 megahertz to 793 megahertz.

(2) 700 MHZ PUBLIC SAFETY GUARD BAND SPECTRUM.—The term ''700 MHz public safety guard band spectrum'' means the portion of the

electromagnetic spectrum between the frequencies from 768 megahertz to 769 megahertz and between the frequencies from 798 megahertz to 799 megahertz.

(3) 700 MHZ PUBLIC SAFETY NARROWBAND SPECTRUM.—The term ''700 MHz public safety narrowband spectrum'' means the portion of the electromagnetic spectrum between the frequencies from 769 megahertz to 775 megahertz and between the frequencies from 799 megahertz to 805 megahertz.

(4) ADMINISTRATOR.—The term ''Administrator'' means the entity selected under section 4203(a) to serve as Administrator of the National Public Safety Communications Plan.

(5) ASSISTANT SECRETARY.—The term ''Assistant Secretary'' means the Assistant Secretary of Commerce for Communications and Information.

(6) BOARD.—The term ''Board'' means the Public Safety Communications Planning Board established under section 4202(a)(1).

(7) BROADCAST TELEVISION LICENSEE.—The term ''broadcast television licensee'' means the licensee of—

(A) a full-power television station; or

(B) a low-power television station that has been accorded primary status as a Class A television licensee under section 73.6001(a) of title 47, Code of Federal Regulations.

(8) BROADCAST TELEVISION SPECTRUM.—The term ''broadcast television spectrum'' means the portions of the electromagnetic spectrum between the frequencies from 54 megahertz to 72 megahertz, from 76 megahertz to 88 megahertz, from 174 megahertz to 216 megahertz, and from 470 megahertz to 698 megahertz.

(9) COMMERCIAL MOBILE DATA SERVICE.—The term ''commercial mobile data service'' means any mobile service (as defined in section 3 of the Communications Act of 1934 (47 U.S.C. 153)) that is—

(A) a data service;

(B) provided for profit; and

(C) available to the public or such classes of eligible users as to be effectively available to a substantial portion of the public, as specified by regulation by the Commission.

(10) COMMERCIAL MOBILE SERVICE.—The term ''commercial mobile service'' has the meaning given such term in section 332 of the Communications Act of 1934 (47 U.S.C. 332).

(11) COMMERCIAL STANDARDS.—The term "commercial standards" means the technical standards followed by the commercial mobile service and commercial mobile data service industries for network, device, and Internet Protocol connectivity. Such term includes standards developed by the Third Generation Partnership Project (3GPP), the Institute of Electrical and Electronics Engineers (IEEE), the Alliance for Telecommunications Industry Solutions (ATIS), the Internet Engineering Task Force (IETF), and the International Telecommunication Union (ITU).

(12) COMMISSION.—The term "Commission" means the Federal Communications Commission.

(13) EMERGENCY CALL.—The term "emergency call" means any real-time communication with a public safety answering point or other emergency management or response agency, including—

(A) through voice, text, or video and related data; and

(B) nonhuman-initiated automatic event alerts, such as alarms, telematics, or sensor data, which may also include real-time voice, text, or video communications.

(14) FORWARD AUCTION.—The term ''forward auction'' means the portion of an incentive auction of broadcast television spectrum under section 4104(c).

(15) INCENTIVE AUCTION.—The term ''incentive auction'' means a system of competitive bidding under subparagraph (G) of section 309(j)(8) of the Communications Act of 1934, as added by section 4103.

(16) MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTOR.—The term ''multichannel video programming distributor'' has the meaning given such term in section 602 of the Communications Act of 1934 (47 U.S.C. 522).

(17) NATIONAL PUBLIC SAFETY COMMUNICATIONS PLAN.—The term ''National Public Safety Communications Plan'' or ''Plan'' means the plan adopted under section 4202(c).

(18) NEXT GENERATION 9–1–1 SERVICES.—The term ''Next Generation 9–1–1 services'' means an IP-based system comprised of hardware, software, data, and operational policies and procedures that—

(A) provides standardized interfaces from emergency call and message services to support emergency communications;

(B) processes all types of emergency calls, including voice, text, data, and multimedia information;

(C) acquires and integrates additional emergency call data useful to call routing and handling;

(D) delivers the emergency calls, messages, and data to the appropriate public safety answering point and other appropriate emergency entities;

(E) supports data or video communications needs for coordinated incident response and management; and

(F) provides broadband service to public safety answering points or other first responder entities.

(19) NTIA.—The term ‘‘NTIA’’ means the National Telecommunications and Information Administration.

(20) PUBLIC SAFETY ANSWERING POINT.—The term ‘‘public safety answering point’’ has the meaning given such term in section 222 of the Communications Act of 1934 (47 U.S.C. 222).

(21) PUBLIC SAFETY BROADBAND SPECTRUM.—The term ‘‘public safety broadband spec-

trum'' means the portion of the electromagnetic spectrum between the frequencies from 763 megahertz to 768 megahertz and between the frequencies from 793 megahertz to 798 megahertz.

(22) PUBLIC SAFETY COMMUNICATIONS.—The term ''public safety communications'' means communications by providers of public safety services.

(23) PUBLIC SAFETY SERVICES.—The term ''public safety services'' has the meaning given such term in section 337 of the Communications Act of 1934 (47 U.S.C. 337).

(24) REVERSE AUCTION.—The term ''reverse auction'' means the portion of an incentive auction of broadcast television spectrum under section 4104(a), in which a broadcast television licensee may submit bids stating the amount it would accept for voluntarily relinquishing some or all of its broadcast television spectrum usage rights.

(25) SPECTRUM LICENSED TO THE ADMINISTRATOR.—The term ''spectrum licensed to the Administrator'' means the portion of the electromagnetic spectrum that the Administrator is licensed to use under section 4201(a).

(26) STATE.—The term ''State'' has the meaning given such term in section 3 of the Communications Act of 1934 (47 U.S.C. 153).

(27) STATE PUBLIC SAFETY BROADBAND COMMUNICATIONS NETWORK.—The term ''State public safety broadband communications network'' means a broadband network for public safety communications established by a State Public Safety Broadband Office, in accordance with the National Public Safety Communications Plan, using the spectrum licensed to the Administrator.

(28) STATE PUBLIC SAFETY BROADBAND OFFICE.—The term ''State Public Safety Broadband Office'' means an office established or designated under section 4221(a).

(29) ULTRA HIGH FREQUENCY.—The term ''ultra high frequency'' means, with respect to a television channel, that the channel is located in the portion of the electromagnetic spectrum between the frequencies from 470 megahertz to 698 megahertz.

(30) VERY HIGH FREQUENCY.—The term ''very high frequency'' means, with respect to a television channel, that the channel is located in the portion of the electromagnetic spectrum between the frequencies from 54 megahertz to 72 megahertz, from

76 megahertz to 88 megahertz, or from 174 megahertz to 216 megahertz.

SEC. 4003. RULE OF CONSTRUCTION.

Each range of frequencies described in this title shall be construed to be inclusive of the upper and lower frequencies in the range.

SEC. 4004. ENFORCEMENT.

(a) IN GENERAL.—The Commission shall implement and enforce this title as if this title is a part of the Communications Act of 1934 (47 U.S.C. 151 et seq.). A violation of this title, or a regulation promulgated under this title, shall be considered to be a violation of the Communications Act of 1934, or a regulation promulgated under such Act, respectively.

(b) EXCEPTIONS.—

(1) OTHER AGENCIES.—Subsection (a) does not apply in the case of a provision of this title that is expressly required to be carried out by an agency (as defined in section 551 of title 5, United States Code) other than the Commission.

(2) NTIA REGULATIONS.—The Assistant Secretary may promulgate such regulations as are necessary to implement and enforce any provision of this title that is expressly required to be carried out by the Assistant Secretary.

SEC. 4005. NATIONAL SECURITY RESTRICTIONS ON USE OF FUNDS AND AUCTION PARTICIPATION.

(a) USE OF FUNDS.—No funds made available by section 4102 or subtitle B may be used to make payments under a contract to a person described in subsection (c).

(b) AUCTION PARTICIPATION.—A person described in subsection (c) may not participate in a system of competitive bidding under section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j))—

(1) that is required to be conducted by this title; or

(2) in which any spectrum usage rights for which licenses are being assigned were made available under clause (i) of subparagraph (G) of paragraph (8) of such section, as added by section 4103.

(c) PERSON DESCRIBED.—A person described in this subsection is a person who has been, for reasons of national security, barred by any agency of the Federal Government from bidding on a contract, participating in an auction, or receiving a grant.

Subtitle A—Spectrum Auction Authority

SEC. 4101. DEADLINES FOR AUCTION OF CERTAIN SPECTRUM.

(a) CLEARING CERTAIN FEDERAL SPECTRUM.—

(1) IN GENERAL.—The President shall—

(A) not later than 3 years after the date of the enactment of this Act, begin the process of withdrawing or modifying the assignment to a Federal Government station of the electromagnetic spectrum described in paragraph (2); and

(B) not later than 30 days after completing the withdrawal or modification, notify the Commission that the withdrawal or modification is complete.

(2) SPECTRUM DESCRIBED.—The electromagnetic spectrum described in this paragraph is the following:

(A) The frequencies between 1755 megahertz and 1780 megahertz, except that if—

(i) the Secretary of Commerce—

(I) determines that such frequencies cannot be reallocated for non-Federal use because incumbent Federal operations cannot be eliminated, relocated to other spectrum, or accommodated through other means;

(II) identifies other spectrum for reallocation for non-Federal use that the Secretary of Commerce determines can reasonably be expected to produce a comparable amount of net auction proceeds; and

(III) submits to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that identifies such spectrum and explains the determinations under subclauses (I) and (II); and

(ii) not later than 1 year after the date of the submission of such report, there is enacted a law approving the substitution of the spectrum identified under clause (i)(II) for the frequencies between 1755 megahertz and 1780 megahertz;

the spectrum described in this subparagraph shall be the spectrum identified under such clause.

(B) The 15 megahertz of spectrum between 1675 megahertz and 1710 megahertz identified under paragraph (3).

(C) The frequencies between 3550 megahertz and 3650 megahertz, except for the geographic exclusion zones (as such zones may be amended) identified in the report of the NTIA published in October 2010 and entitled ''An Assessment of Near-Term Viability of Accommodating Wireless Broadband Systems in 1675–1710 MHz, 1755–1780 MHz, 3500–3650 MHz, and 4200–4220 MHz, 4380–4400 MHz Bands''.

(3) IDENTIFICATION BY SECRETARY OF COMMERCE.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Commerce shall submit to the President a report identifying 15 megahertz of spectrum between 1675 megahertz and 1710 megahertz for reallocation from Federal use to non-Federal use.

(b) REALLOCATION AND AUCTION.—

(1) IN GENERAL.—Notwithstanding paragraph (15)(A) of section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)), not later than 3 years after the date of the enactment of this Act, the Commission shall, except as provided in paragraph (4)—

(A) allocate the spectrum described in paragraph (2) for commercial use; and

(B) through a system of competitive bidding under such section, grant new initial licenses for the use of such spectrum, subject to flexible-use service rules.

(2) SPECTRUM DESCRIBED.—The spectrum described in this paragraph is the following:

(A) The frequencies between 1915 megahertz and 1920 megahertz, paired with the frequencies between 1995 megahertz and 2000 megahertz.

(B) The frequencies described in subsection (a)(2)(A).

(C) The frequencies between 2155 megahertz and 2180 megahertz.

(D) The 15 megahertz of spectrum identified under subsection (a)(3), paired with 15 megahertz of contiguous spectrum to be identified by the Commission.

(E) The frequencies described in subsection (a)(2)(C).

(3) PROCEEDS TO COVER 110 PERCENT OF FEDERAL RELOCATION OR SHARING COSTS.—Nothing in paragraph (1) shall be construed to relieve the Commission from the requirements of section

309(j)(16)(B) of the Communications Act of 1934 (47 U.S.C. 309(j)(16)(B)).

(4) DETERMINATION BY COMMISSION.—If the Commission determines that either band of frequencies described in paragraph (2)(A) cannot be used without causing harmful interference to commercial mobile service licensees in the frequencies between 1930 megahertz and 1995 megahertz, the Commission may not—

(A) allocate for commercial use under paragraph (1)(A) either band described in paragraph (2)(A); or

(B) grant licenses under paragraph (1)(B) for the use of either band described in paragraph (2)(A).

(c) AUCTION PROCEEDS.—Section 309(j)(8) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)) is amended—

(1) in subparagraph (A), by striking ''(D), and (E),'' and inserting ''(D), (E), (F), and (G),'';

(2) in subparagraph (C)(i), by striking ''subparagraph (E)(ii)'' and inserting ''subparagraphs (D)(ii), (E)(ii), (F), and (G)'';

(3) in subparagraph (D)—

(A) by striking the heading and inserting "PROCEEDS FROM REALLOCATED FEDERAL SPECTRUM";

(B) by striking "Cash" and inserting the following:

"(i) IN GENERAL.—Except as provided in clause (ii), cash"; and

(C) by adding at the end the following:

"(ii) CERTAIN OTHER PROCEEDS.—Notwithstanding subparagraph (A) and except as provided in subparagraph (B), in the case of proceeds (including deposits and upfront payments from successful bidders) attributable to the auction of eligible frequencies described in paragraph (2) of section 113(g) of the National Telecommunications and Information Administration Organization Act that are required to be auctioned by section 4101(b)(1)(B) of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011, such portion of such proceeds as is necessary to cover the relocation or sharing costs (as defined in paragraph (3) of such section 113(g)) of Federal entities relocated from such eligible frequencies shall be deposited in the Spectrum Relocation Fund. The remainder of such proceeds shall be deposited in the Public Safety Trust Fund established by section 4241(a)(1) of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011.''; and

(4) by adding at the end the following:

''(F) CERTAIN PROCEEDS DESIGNATED FOR PUBLIC SAFETY TRUST FUND.—Notwithstanding subparagraph (A) and except as provided in subparagraphs (B) and (D)(ii), the proceeds (including deposits and upfront payments from successful bidders) from the use of a system of competitive bidding under this subsection pursuant to section 4101(b)(1)(B) of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011 shall be deposited in the Public Safety Trust Fund established by section 4241(a)(1) of such Act.''.

SEC. 4102. 700 MHZ PUBLIC SAFETY NARROWBAND SPECTRUM AND GUARD BAND SPECTRUM.

(a) REALLOCATION AND AUCTION.—

(1) IN GENERAL.—On the date that is 5 years after a certification by the Administrator to the

Commission of the availability of standards for public safety voice over broadband, the Commission shall, notwithstanding paragraph (15)(A) of section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j))—

(A) reallocate the 700 MHz public safety narrowband spectrum and the 700 MHz public safety guard band spectrum for commercial use; and

(B) begin a system of competitive bidding under such section to grant new initial licenses for the use of such spectrum.

(2) AUCTION PROCEEDS.—Notwithstanding subparagraphs (A) and (C)(i) of paragraph (8) of such section, not more than $1,000,000,000 of the proceeds (including deposits and upfront payments from successful bidders) from the use of a system of competitive bidding pursuant to paragraph (1)(B) shall be available to the Assistant Secretary to carry out subsection (b) and shall remain available until expended.

(b) GRANTS FOR PUBLIC SAFETY RADIO EQUIPMENT.—

(1) IN GENERAL.—From amounts made available under subsection (a)(2), the Assistant Secretary

shall make grants to States for the acquisition of public safety radio equipment.

(2) APPLICATION.—The Assistant Secretary may only make a grant under this subsection to a State that submits an application at such time, in such form, and containing such information and assurances as the Assistant Secretary may require.

(3) QUARTERLY REPORTS.—

(A) FROM GRANTEES TO NTIA.—A State receiving grant funds under this subsection shall, not later than 3 months after receiving such funds and not less frequently than quarterly thereafter until the date that is 1 year after all such funds have been expended, submit to the Assistant Secretary a report on the use of grant funds by such State.

(B) FROM NTIA TO CONGRESS.—Not later than 6 months after making the first grant under this subsection and not less frequently than quarterly thereafter until the date that is 18 months after all such funds have been expended by the grantees, the Assistant Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that—

(i) summarizes the reports submitted by grantees under subparagraph (A); and

(ii) describes and evaluates the use of grant funds disbursed under this subsection.

(c) CONFORMING AMENDMENTS.—Section 337(a) of the Communications Act of 1934 (47 U.S.C. 337(a)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking ''Not later than January 1, 1998, the'' and inserting ''The''; and

(B) by inserting ''for either public safety services or commercial use,'' after ''inclusive,'';

(2) in paragraph (1)—

(A) by striking ''24 megahertz'' and inserting ''Not more than 34 megahertz''; and

(B) by striking '', in consultation with the Secretary of Commerce and the Attorney General; and'' and inserting a period; and

(3) in paragraph (2), by striking ''36 megahertz'' and inserting ''Not more than 40 megahertz''.

SEC. 4103. GENERAL AUTHORITY FOR INCENTIVE AUCTIONS.

Section 309(j)(8) of the Communications Act of 1934, as amended by section 4101(c), is further amended by adding at the end the following:

"(G) INCENTIVE AUCTIONS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A) and except as provided in subparagraph (B), the Commission may encourage a licensee to relinquish voluntarily some or all of its licensed spectrum usage rights in order to permit the assignment of new initial licenses subject to flexible-use service rules by sharing with such licensee a portion, based on the value of the relinquished rights as determined in the reverse auction required by clause (ii)(I), of the proceeds (including deposits and upfront payments from successful bidders) from the use of a competitive bidding system under this subsection.

"(ii) LIMITATIONS.—The Commission may not enter into an agreement for a licensee to relinquish spectrum usage rights in exchange for a share of auction proceeds under clause (i) unless—

"(I) the Commission conducts a reverse auction to determine the amount of compensation that licensees would accept in return for voluntarily relinquishing spectrum usage rights; and

"(II) at least two competing licensees participate in the reverse auction.

"(iii) TREATMENT OF REVENUES.—Notwithstanding subparagraph (A) and except as provided in subparagraph (B), the proceeds (including deposits and upfront payments from successful bidders) from any auction, prior to the end of fiscal year 2021, of spectrum usage rights made available under clause (i) that are not shared with licensees under such clause shall be deposited as follows:

"(I) $3,000,000,000 of the proceeds from the incentive auction of broadcast television spectrum required by section 4104 of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011 shall be deposited in the TV Broadcaster Relocation Fund established by subsection (d)(1) of such section.

"(II) All other proceeds shall be deposited—

"(aa) prior to the end of fiscal year 2021, in the Public Safety Trust Fund established by section 4241(a)(1) of such Act; and

"(bb) after the end of fiscal year 2021, in the general fund of the Treasury, where such proceeds shall be dedicated for the sole purpose of deficit reduction.

"(iv) CONGRESSIONAL NOTIFICATION.—At least 3 months before any incentive auction conducted under this subparagraph, the Chairman of the Commission, in consultation with the Director of the Office of Management and Budget, shall notify the appropriate committees of Congress of the methodology for calculating the amounts that will be shared with licensees under clause (i).

"(v) DEFINITION.—In this subparagraph, the term 'appropriate committees of Congress' means—

"(I) the Committee on Commerce, Science, and Transportation of the Senate;

"(II) the Committee on Appropriations of the Senate;

"(III) the Committee on Energy and Commerce of the House of Representatives; and

"(IV) the Committee on Appropriations of the House of Representatives.".

SEC. 4104. SPECIAL REQUIREMENTS FOR INCENTIVE AUCTION OF BROADCAST TV SPECTRUM.

(a) REVERSE AUCTION TO IDENTIFY INCENTIVE AMOUNT.—

(1) IN GENERAL.—The Commission shall conduct a reverse auction to determine the amount of compensation that each broadcast television licensee would accept in return for voluntarily relinquishing some or all of its broadcast television spectrum usage rights in order to make spectrum available for assignment through a system of competitive bidding

under subparagraph (G) of section 309(j)(8) of the Communications Act of 1934, as added by section 4103.

(2) ELIGIBLE RELINQUISHMENTS.—A relinquishment of usage rights for purposes of paragraph (1) shall include the following:

(A) Relinquishing all usage rights with respect to a particular television channel without receiving in return any usage rights with respect to another television channel.

(B) Relinquishing all usage rights with respect to an ultra high frequency television channel in return for receiving usage rights with respect to a very high frequency television channel.

(C) Relinquishing usage rights in order to share a television channel with another licensee.

(3) CONFIDENTIALITY.—The Commission shall take all reasonable steps necessary to protect the confidentiality of Commission-held data of a licensee participating in the reverse auction under paragraph (1), including withholding the identity of such licensee until the reassignments and reallocations (if any) under subsection (b)(1)(B) become effective, as described in subsection (f)(2).

(4) PROTECTION OF CARRIAGE RIGHTS OF LICENSEES SHARING A CHANNEL.—A broadcast television station that voluntarily relinquishes spectrum usage rights under this subsection in order to share a television channel and that possessed carriage rights under section 338, 614, or 615 of the Communications Act of 1934 (47 U.S.C. 338; 534; 535) on November 30, 2010, shall have, at its shared location, the carriage rights under such section that would apply to such station at such location if it were not sharing a channel.

(b) REORGANIZATION OF BROADCAST TV SPECTRUM.—

(1) IN GENERAL.—For purposes of making available spectrum to carry out the forward auction under subsection (c)(1), the Commission—

(A) shall evaluate the broadcast television spectrum (including spectrum made available through the reverse auction under subsection (a)(1)); and

(B) may, subject to international coordination along the border with Mexico and Canada—

(i) make such reassignments of television channels as the Commission considers appropriate; and

(ii) reallocate such portions of such spectrum as the Commission determines are available for reallocation.

(2) FACTORS FOR CONSIDERATION.—In making any reassignments or reallocations under paragraph (1)(B), the Commission shall make all reasonable efforts to preserve, as of the date of the enactment of this Act, the coverage area and population served of each broadcast television licensee, as determined using the methodology described in OET Bulletin 69 of the Office of Engineering and Technology of the Commission.

(3) NO INVOLUNTARY RELOCATION FROM UHF TO VHF.—In making any reassignments under paragraph (1)(B)(i), the Commission may not involuntarily reassign a broadcast television licensee—

(A) from an ultra high frequency television channel to a very high frequency television channel; or

(B) from a television channel between the frequencies from 174 megahertz to 216 megahertz to a television channel between the frequencies from 54 megahertz to 88 megahertz.

(4) PAYMENT OF RELOCATION COSTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), from amounts made available under subsection (d)(2), the Commission shall reimburse costs reasonably incurred by—

(i) a broadcast television licensee that was reassigned under paragraph (1)(B)(i) from one ultra high frequency television channel to a different ultra high frequency television channel, from one very high frequency television channel to a different very high frequency television channel, or, in accordance with subsection (g)(1)(B), from a very high frequency television channel to an ultra high frequency television channel, in order for the licensee to relocate its television service from one channel to the other; or

(ii) a multichannel video programming distributor in order to continue to carry the signal of a broadcast television licensee that—

(I) is described in clause (i);

(II) voluntarily relinquishes spectrum usage rights under subsection (a) with respect to an ultra high frequency television channel in return for receiving usage rights with respect to a very high frequency television channel; or

(III) voluntarily relinquishes spectrum usage rights under subsection (a) to share a television channel with another licensee.

(B) REGULATORY RELIEF.—In lieu of reimbursement for relocation costs under subparagraph (A), a broadcast television licensee may accept, and the Commission may grant as it considers appropriate, a waiver of the service rules of the Commission to permit the licensee, subject to interference protections, to make flexible use of the spectrum assigned to the licensee to provide services other than broadcast television services. Such waiver shall only remain in effect while the licensee provides at least 1 broadcast television program stream on such spectrum at no charge to the public.

(C) LIMITATION.—The Commission may not make reimbursements under subparagraph (A) for lost revenues.

(D) DEADLINE.—The Commission shall make all reimbursements required by subparagraph (A) not later than the date that is 3 years after the completion of the forward auction under subsection (c)(1).

(5) LOW-POWER TELEVISION USAGE RIGHTS.—Nothing in this subsection shall be construed to alter the spectrum usage rights of low-power television stations.

(c) FORWARD AUCTION.—

(1) AUCTION REQUIRED.—The Commission shall conduct a forward auction in which—

(A) the Commission assigns licenses for the use of the spectrum that the Commission reallocates under subsection (b)(1)(B)(ii); and

(B) the amount of the proceeds that the Commission shares under clause (i) of section 309(j)(8)(G) of the Communications Act of 1934 with each licensee whose bid the Commission accepts in the reverse auction under subsection (a)(1) is not less than the amount of such bid.

(2) MINIMUM PROCEEDS.—

(A) IN GENERAL.—If the amount of the proceeds from the forward auction under paragraph (1) is not greater than the sum described in subparagraph (B), no licenses shall be assigned through such forward auction, no reassignments or reallocations under subsection (b)(1)(B) shall become effective, and the Commission may not revoke any spectrum usage rights by reason of a bid that the Commission accepts in the reverse auction under subsection (a)(1).

(B) SUM DESCRIBED.—The sum described in this subparagraph is the sum of—

(i) the total amount of compensation that the Commission must pay successful bidders in the reverse auction under subsection (a)(1);

(ii) the costs of conducting such forward auction that the salaries and expenses account of the Commission is required to retain under section 309(j)(8)(B) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(B)); and

(iii) the estimated costs for which the Commission is required to make reimbursements under subsection (b)(4)(A).

(C) ADMINISTRATIVE COSTS.—The amount of the proceeds from the forward auction under paragraph (1) that the salaries and expenses account of the Commission is required to retain under section 309(j)(8)(B) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(B)) shall be sufficient to cover the costs incurred by the Commission in conducting the reverse auction under subsection (a)(1), conducting the evaluation of the broadcast television spectrum under subparagraph (A) of subsection (b)(1), and making any reassignments or reallocations under subparagraph (B) of such subsection, in addition to the costs incurred by the Commission in conducting such forward auction.

(3) FACTOR FOR CONSIDERATION.—In conducting the forward auction under paragraph (1), the Commission shall consider assigning licenses that cover geographic areas of a variety of different sizes.

(d) TV BROADCASTER RELOCATION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the TV Broadcaster Relocation Fund.

(2) PAYMENT OF RELOCATION COSTS.—Any amounts borrowed under paragraph (3)(A) and any amounts in the TV Broadcaster Relocation Fund that are not necessary for reimbursement of the general fund of the Treasury for such borrowed amounts shall be available to the Commission to make the payments required by subsection (b)(4)(A).

(3) BORROWING AUTHORITY.—

(A) IN GENERAL.—Beginning on the date when any reassignments or reallocations under subsection (b)(1)(B) become effective, as provided in subsection (f)(2), and ending when $1,000,000,000 has been deposited in the TV Broadcaster Relocation Fund, the Commission may borrow from the Treasury of the United States an amount not to exceed $1,000,000,000 to use toward the payments required by subsection (b)(4)(A).

(B) REIMBURSEMENT.—The Commission shall reimburse the general fund of the Treasury, without interest, for any amounts borrowed under subparagraph (A) as funds are deposited into the TV Broadcaster Relocation Fund.

(4) TRANSFER OF UNUSED FUNDS.—If any amounts remain in the TV Broadcaster Relocation Fund after the date that is 3 years after the completion of the forward auction under subsection (c)(1), the Secretary of the Treasury shall—

(A) prior to the end of fiscal year 2021, transfer such amounts to the Public Safety Trust Fund established by section 4241(a)(1); and

(B) after the end of fiscal year 2021, transfer such amounts to the general fund of the Treasury, where such amounts shall be dedicated for the sole purpose of deficit reduction.

(e) NUMERICAL LIMITATION ON AUCTIONS AND REORGANIZATION.—The Commission may not complete more than one reverse auction under subsection (a)(1) or more than one reorganization of the broadcast television spectrum under subsection (b).

(f) TIMING.—

(1) CONTEMPORANEOUS AUCTIONS AND REORGANIZATION PERMITTED.—The Commission may conduct the reverse auction under subsection (a)(1),

any reassignments or reallocations under subsection (b)(1)(B), and the forward auction under subsection (c)(1) on a contemporaneous basis.

(2) EFFECTIVENESS OF REASSIGNMENTS AND REALLOCATIONS.—Notwithstanding paragraph (1), no reassignments or reallocations under subsection (b)(1)(B) shall become effective until the completion of the reverse auction under subsection (a)(1) and the forward auction under subsection (c)(1), and, to the extent practicable, all such reassignments and reallocations shall become effective simultaneously.

(3) DEADLINE.—The Commission may not conduct the reverse auction under subsection (a)(1) or the forward auction under subsection (c)(1) after the end of fiscal year 2021.

(4) LIMIT ON DISCRETION REGARDING AUCTION TIMING.—Section 309(j)(15)(A) of the Communications Act of 1934 (47 U.S.C. 309(j)(15)(A)) shall not apply in the case of an auction conducted under this section.

(g) LIMITATION ON REORGANIZATION AUTHORITY.—

(1) IN GENERAL.—During the period described in paragraph (2), the Commission may not—

(A) involuntarily modify the spectrum usage rights of a broadcast television licensee or reassign such a licensee to another television channel except—

(i) in accordance with this section; or

(ii) in the case of a violation by such licensee of the terms of its license or a specific provision of a statute administered by the Commission, or a regulation of the Commission promulgated under any such provision; or

(B) reassign a broadcast television licensee from a very high frequency television channel to an ultra high frequency television channel, unless such a reassignment will not decrease the total amount of ultra high frequency spectrum made available for reallocation under this section.

(2) PERIOD DESCRIBED.—The period described in this paragraph is the period beginning on the date of the enactment of this Act and ending on the earliest of—

(A) the first date when the reverse auction under subsection (a)(1), the reassignments and reallocations (if any) under subsection (b)(1)(B), and the forward auction under subsection (c)(1) have been completed;

(B) the date of a determination by the Commission that the amount of the proceeds from the forward auction under subsection (c)(1) is not greater than the sum described in subsection (c)(2)(B); or

(C) September 30, 2021.

(h) PROTEST RIGHT INAPPLICABLE.—The right of a licensee to protest a proposed order of modification of its license under section 316 of the Communications Act of 1934 (47 U.S.C. 316) shall not apply in the case of a modification made under this section.

(i) COMMISSION AUTHORITY.—Nothing in subsection (b) shall be construed to—

(1) expand or contract the authority of the Commission, except as otherwise expressly provided; or

(2) prevent the implementation of the Commission's ''White Spaces'' Second Report and Order and Memorandum Opinion and Order (FCC 08–260, adopted November 4, 2008) in the spectrum that remains allocated for broadcast television use after the reorganization required by such subsection.

SEC. 4105. ADMINISTRATION OF AUCTIONS BY COMMISSION.

Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) is amended by adding at the end the following new paragraphs:

"(17) CERTAIN CONDITIONS ON AUCTION PARTICIPATION PROHIBITED.—Notwithstanding any other provision of law, the Commission may not prevent a person from participating in a system of competitive bidding under this subsection if such person—

"(A) meets the technical, financial, and character qualifications required by sections 303(l)(1), 308(b), and 310 to hold a license; or

"(B) could meet such qualifications prior to the grant of the license.

"(18) CERTAIN LICENSING CONDITIONS PROHIBITED.—In assigning licenses through a system of competitive bidding under this subsection, the Commission may not impose any condition on the licenses assigned through such system that—

"(A) limits the ability of a licensee to manage the use of its network, including management of the use of applications, services, or devices on its network, or to prioritize the traffic on its network as it chooses; or

"(B) requires a licensee to sell access to its network on a wholesale basis.".

SEC. 4106. EXTENSION OF AUCTION AUTHORITY.

Section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)) is amended by striking "2012" and inserting "2021".

SEC. 4107. UNLICENSED USE IN THE 5 GHZ BAND.

(a) MODIFICATION OF COMMISSION REGULATIONS TO ALLOW CERTAIN UNLICENSED USE.—

(1) IN GENERAL.—Subject to paragraph (2), not later than 1 year after the date of the enactment of this Act, the Commission shall begin a proceeding to modify part 15 of title 47, Code of Federal Regulations, to allow unlicensed U–NII devices to operate in the 5350–5470 MHz band.

(2) REQUIRED DETERMINATIONS.—The Commission may make the modification described in paragraph (1) only if the Commission determines that—

(A) licensed users will be protected by technical solutions, including use of existing, modified, or new spectrum-sharing technologies and solutions, such as dynamic frequency selection; and

(B) the primary mission of Federal spectrum users in the 5350–5470 MHz band will not be compromised by the introduction of unlicensed devices.

(b) STUDY BY NTIA.—

(1) IN GENERAL.—The Assistant Secretary, in consultation with the Commission, shall conduct a study evaluating known and proposed spectrum-sharing technologies and the risk to Federal users if unlicensed U–NII devices were allowed to operate in the 5350–5470 MHz band.

(2) SUBMISSION.—Not later than 8 months after the date of the enactment of this Act, the Assistant Secretary shall submit the study required by paragraph (1) to—

(A) the Commission; and

(B) the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

(c) 5350–5470 MHZ BAND DEFINED.—In this section, the term ''5350–5470 MHz band'' means the portion of the electromagnetic spectrum between the frequencies from 5350 megahertz to 5470 megahertz.

Subtitle B—Advanced Public Safety Communications

PART 1—NATIONAL IMPLEMENTATION

SEC. 4201. LICENSING OF SPECTRUM TO ADMINISTRATOR.

(a) IN GENERAL.—Not later than 60 days after the initial selection under section 4203(a) of an entity to serve as Administrator, the Commission shall assign to the Administrator a license for the exclusive use of the public safety broadband spectrum and the 700 MHz D block spectrum.

(b) TERM OF LICENSE AND LICENSE CONDITIONS.—

(1) INITIAL LICENSE.—The initial license assigned under subsection (a) shall be for a term of 10 years.

(2) RENEWAL OF LICENSE.—Prior to the expiration of the term of the initial license assigned under subsection (a) or the expiration of any renewal of such license, if the Administrator wishes to continue serving as Administrator after the license expires, the Administrator shall submit to the Commission an application for the renewal of such license in accordance with the Communications Act of 1934 (47 U.S.C. 151 et seq.) and any applicable Commission regulations. Such renewal application shall demonstrate that, during the term of the li-

cense that the Administrator is seeking to renew, the Administrator has fulfilled its duties and obligations under this title and the Communications Act of 1934 and has complied with all applicable Commission regulations. A renewal of the initial license granted under subsection (a) or any renewal of such license shall be for a term not to exceed 10 years.

(3) USE OF SPECTRUM.—Except as provided in section 4221(d), the license assigned under subsection (a) and any renewal of such license shall prohibit the Administrator from using the public safety broadband spectrum or the 700 MHz D block spectrum for any purpose other than authorizing the operation of State public safety broadband communications networks in accordance with the National Public Safety Communications Plan.

(4) LIMITATION ON LICENSE CONDITIONS.—The Commission may not place any conditions on the license assigned under subsection (a) or any renewal of such license or, with respect to the spectrum governed by such license, otherwise prohibit any action of the Administrator, a State Public Safety Broadband Office, or an entity with which such an Office has entered into a contract under section 4221(b)(1)(D), except as necessary to—

(A) protect other users from harmful interference;

(B) ensure that such spectrum is used in accordance with the National Public Safety Communications Plan; or

(C) enforce a provision of this title or the Communications Act of 1934 (47 U.S.C. 151 et seq.) that governs the use of such spectrum.

(5) LICENSE CONDITIONED ON SERVICE AS ADMINISTRATOR.—If an entity ceases to serve as Administrator, the Commission shall, as soon as practicable after the Assistant Secretary selects a different entity to serve as Administrator under section 4203(a)(2), transfer to such different entity the license assigned under subsection (a) or any renewal of such license.

(c) ELIMINATION OF D BLOCK AUCTION REQUIREMENT.—Notwithstanding section 309(j)(15)(C)(v) of the Communications Act of 1934 (47 U.S.C. 309(j)(15)(C)(v)), the Commission may not assign a license for the use of the 700 MHz D block spectrum except under subsection (a).

(d) DEFINITION OF PUBLIC SAFETY SERVICES.—Section 337(f)(1) of the Communications Act of 1934 (47 U.S.C. 337(f)(1)) is amended—

(1) in subparagraph (A), by striking ‘‘to protect the safety of life, health, or property’’ and inserting ‘‘to provide law enforcement, fire and rescue response, or emergency medical assistance (including such assistance provided by ambulance services, hospitals, and urgent care facilities)’’; and

(2) in subparagraph (B)—

(A) in clause (i), by inserting ‘‘or tribal organizations (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b))’’ before the semicolon; and

(B) in clause (ii), by inserting ‘‘or a tribal organization’’ after ‘‘a governmental entity’’.

(e) CONFORMING AMENDMENTS.—Section 337(d)(3) of the Communications Act of 1934 (47 U.S.C. 337(d)(3)) is amended—

(1) in the matter preceding subparagraph (A), by striking ‘‘public safety services licensees and commercial licensees’’;

(2) in subparagraph (A), by inserting ‘‘public safety services licensees and commercial licensees’’ before ‘‘to aggregate’’; and

(3) in subparagraph (B), by inserting ‘‘commercial licensees’’ before ‘‘to disaggregate’’.

SEC. 4202. NATIONAL PUBLIC SAFETY COMMUNICATIONS PLAN.

(a) ESTABLISHMENT OF PUBLIC SAFETY COMMUNICATIONS PLANNING BOARD.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Commission shall establish a board to be known as the Public Safety Communications Planning Board.

(2) MEMBERSHIP.—The membership of the Board shall be as follows:

(A) FEDERAL MEMBERS.—

(i) IN GENERAL.—Four Federal members as follows:

(I) The Chairman of the Commission, or a designee.

(II) The Assistant Secretary, or a designee.

(III) The Director of the Office of Emergency Communications in the Department of Homeland Security, or a designee.

(IV) The Director of the National Institute of Standards and Technology, or a designee.

(ii) DESIGNEES.—If a Federal official designates a designee under clause (i), such designee shall be an officer or employee of the agency of the official who is subordinate to the official, except that the Chairman of the Commission may designate another Commissioner of the Commission or an officer or employee of the Commission.

(B) NON-FEDERAL MEMBERS.—Nine non-Federal members as follows:

(i) Two members who represent providers of commercial mobile data service, with one representing providers that have nationwide coverage areas and one representing providers that have regional coverage areas.

(ii) Two members who represent manufacturers of mobile wireless network equipment.

(iii) Five members who represent the interests of State and local governments, chosen to reflect geographic and population density differences across the United States, as follows:

(I) Two members who represent the public safety interests of the States.

(II) One member who represents State and local public safety employees.

(III) Two members who represent other interests of State and local governments, to be determined by the Chairman of the Commission.

(3) SELECTION OF NON-FEDERAL MEMBERS.—

(A) NOMINATION.—For each non-Federal member of the Board, the group that is represented by such member shall, by consensus, nominate an individual to serve as such member and submit the name of the nominee to the Chairman of the Commission.

(B) APPOINTMENT.—The Chairman of the Commission shall appoint the non-Federal members of the Board from the nominations submitted under subparagraph (A). If a group fails to reach consensus on a nominee or to submit a nomination for a member that represents such group, or if the nominee is not qualified under subparagraph (C), the Chairman shall select a member to represent such group.

(C) QUALIFICATIONS.—Each non-Federal member appointed under subparagraph (B) shall meet at least 1 of the following criteria:

(i) PUBLIC SAFETY EXPERIENCE.—Knowledge of and experience in Federal, State, local, or tribal public safety or emergency response.

(ii) TECHNICAL EXPERTISE.—Technical expertise regarding broadband communications, including public safety communications.

(iii) NETWORK EXPERTISE.—Expertise in building, deploying, and operating commercial telecommunications networks.

(iv) FINANCIAL EXPERTISE.—Expertise in financing and funding telecommunications networks.

(4) TERMS OF APPOINTMENT.—

(A) LENGTH.—

(i) FEDERAL MEMBERS.—The term of office of each Federal member of the Board shall be 3 years, except that such term shall end when such member no longer holds the Federal office by reason of which such member is a member of the Board (or, in the case of a designee, the Federal official who designated such designee no longer holds the office by reason of which such designation was made or the designee is no longer an officer, employee, or Commissioner as described in paragraph (2)(A)(ii)).

(ii) NON-FEDERAL MEMBERS.—The term of office of each non-Federal member of the Board shall be 3 years.

(B) STAGGERED TERMS.—With respect to the initial non-Federal members of the Board—

(i) three members shall serve for a term of 3 years;

(ii) three members shall serve for a term of 2 years; and

(iii) three members shall serve for a term of 1 year.

(C) VACANCIES.—

(i) EFFECT OF VACANCIES.—A vacancy in the membership of the Board shall not affect the Board's powers, subject to paragraph (8), and shall be filled in the same manner as the original member was appointed.

(ii) APPOINTMENT TO FILL VACANCY.—A member of the Board appointed to fill a vacancy occurring prior to the expiration of the term for which that member's predecessor was appointed shall be appointed for the remainder of the predecessor's term.

(iii) EXPIRATION OF TERM.—A non-Federal member of the Board whose term has expired may serve until such member's successor has taken office, or until the end of the calendar year in which such member's term has expired, whichever is earlier.

(5) CHAIR.—

(A) SELECTION.—The Chair of the Board shall be selected by the Board from among the members of the Board.

(B) TERM.—The term of office of the Chair of the Board shall run from the date when the Chair is selected until the date when the term of the Chair as a member of the Board expires.

(6) REMOVAL OF CHAIR AND NON-FEDERAL MEMBERS.—

(A) BY BOARD.—The members of the Board may, by majority vote—

(i) remove the Chair of the Board from the position of Chair for conduct determined to be detrimental to the Board; or

(ii) remove from the Board any non-Federal member of the Board for conduct determined to be detrimental to the Board.

(B) BY CHAIRMAN OF THE COMMISSION.—The Chairman of the Commission may, for good cause—

(i) remove the Chair of the Board from the position of Chair; or

(ii) remove from the Board any non-Federal member of the Board.

(7) ANNUAL MEETINGS.—In addition to any other meetings necessary to carry out the duties of the Board under this section, the Board shall meet—

(A) subject to the call of the Chair; and

(B) annually to consider the most recent report submitted by the Administrator under section 4203(f)(1).

(8) QUORUM.—Seven members of the Board, including not fewer than 6 non-Federal members, shall constitute a quorum.

(9) RESOURCES.—The Commission shall provide the Board with the staff, administrative support, and facilities necessary to carry out the duties of the Board under this section.

(10) PROHIBITION AGAINST COMPENSATION.—A member of the Board shall serve without pay but shall be allowed a per diem allowance for travel expenses, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Board. Compensation of a Federal member of the Board for service in the Federal office or employment by reason of which such member is a member of the Board shall not be considered compensation under this paragraph.

(11) FEDERAL ADVISORY COMMITTEE ACT INAPPLICABLE.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

(b) DEVELOPMENT OF PLAN BY BOARD.—

(1) IN GENERAL.—Not later than 1 year after the date on which the Board is established under subsection (a)(1), the Board shall submit to the Commission a detailed proposal for a National Public Safety Communications Plan to govern the use of the spectrum licensed to the Administrator in order to meet long-term public safety communications needs.

(2) LIMITATION ON RECOMMENDATIONS.—The Board may not make any recommendations for requirements generally applicable to providers of commercial mobile service or private mobile service (as defined in section 332 of the Communications Act of 1934 (47 U.S.C. 332)).

(c) CONSIDERATION OF PLAN BY COMMISSION.—

(1) IN GENERAL.—Not later than 90 days after the date of the submission of the proposal by the Board under subsection (b)(1), the Commission shall complete a single proceeding to—

(A) adopt such proposal, without modification, as the National Public Safety Communications Plan; or

(B) reject such proposal.

(2) PROCEDURES IF PLAN REJECTED.—If the Commission rejects such proposal under paragraph (1)(B), the Board shall, not later than 90 days thereafter, submit to the Commission a revised proposal. Such revised proposal shall be treated as a proposal submitted by the Board under subsection (b)(1).

(3) REVISIONS TO PLAN.—

(A) SUBMISSION.—The Board shall periodically submit to the Commission proposals for revisions to the Plan.

(B) CONSIDERATION BY COMMISSION.—Not later than 90 days after the submission of such a proposal, the Commission shall complete a single proceeding to—

(i) revise the Plan in accordance with such proposal, without modification of the proposal; or

(ii) reject such proposal.

(d) REQUIREMENTS FOR PLAN.—The Plan shall include the following requirements:

(1) DEPLOYMENT STANDARDS.—The Plan shall—

(A) require each State public safety broadband communications network to be interconnected and interoperable with all other such networks;

(B) require each State public safety broadband communications network to be based on a network architecture that evolves with technological advancements;

(C) require all State public safety broadband communications networks to be based on the same commercial standards;

(D) require each State public safety broadband communications network to be deployed as networks are typically deployed by providers of commercial mobile data service;

(E) promote competition in the public safety equipment market by requiring equipment for use on the State public safety broadband communications networks to be—

(i) built to open, nonproprietary, commercial standards;

(ii) capable of being used by any provider of public safety services and accessed by devices manufactured by multiple vendors; and

(iii) backward-compatible with prior generations of commercial mobile service and commercial mobile data service networks to the extent typically deployed by providers of commercial mobile service and commercial mobile data service; and

(F) require each State public safety broadband communications network to be integrated with public safety answering points, or the equivalent of public safety answering points, and with networks for the provision of Next Generation 9–1–1 services.

(2) STATE-SPECIFIC REQUIREMENTS.—The Plan shall require each State Public Safety Broadband Office to include in requests for proposals for the construction, management, maintenance, and operation of the State public safety broadband communications network of such State—

(A) specifications for the construction and deployment of such network, including—

(i) build timetables, which shall take into consideration the time needed to build out to rural areas;

(ii) required coverage areas, including rural and nonurban areas;

(iii) minimum service levels; and

(iv) specific performance criteria;

(B) the technical and operational requirements for such network;

(C) the practices, procedures, and standards for the management and operation of such network;

(D) the terms of service for the use of such network; and

(E) specifications for ongoing compliance review and monitoring of—

(i) the construction, management, maintenance, and operation of such network;

(ii) the practices and procedures of the entities operating on such network; and

(iii) the necessary training needs of network users.

(e) DEVELOPMENT OF BASELINE REQUEST FOR PROPOSALS.—

(1) DEVELOPMENT BY BOARD.—Not later than 1 year after the date on which the Board is established under subsection (a)(1), the Board shall submit to the Commission a draft baseline request for proposals for each State to use in developing its request for proposals for the construction, manage-

ment, maintenance, and operation of a State public safety broadband communications network.

(2) CONSIDERATION BY COMMISSION.—

(A) IN GENERAL.—Not later than 90 days after the date of the submission of the draft baseline request for proposals by the Board under paragraph (1), the Commission shall complete a single proceeding to—

(i) adopt such draft, without modification; or

(ii) reject such draft.

(B) PROCEDURES IF DRAFT REJECTED.—If the Commission rejects such draft under subparagraph (A)(ii), the Board shall, not later than 60 days thereafter, submit to the Commission a revised draft baseline request for proposals. Such revised draft shall be treated as a draft submitted by the Board under paragraph (1).

(3) REVISIONS.—

(A) SUBMISSION.—The Board shall periodically submit to the Commission draft revisions to the baseline request for proposals adopted under paragraph (2)(A)(i).

(B) CONSIDERATION BY COMMISSION.—Not later than 90 days after the submission of such a draft revision, the Commission shall complete a single proceeding to—

(i) revise the baseline request for proposals in accordance with such draft revision, without modification of such draft revision; or

(ii) reject such draft revision.

SEC. 4203. PLAN ADMINISTRATION.

(a) SELECTION OF ADMINISTRATOR.—

(1) IN GENERAL.—The Assistant Secretary shall, through an open, transparent request-for-proposals process, select an entity to serve as the Administrator of the Plan. The Assistant Secretary shall commence such process not later than 120 days after the date of the adoption of the Plan by the Commission under section 4202(c)(1)(A).

(2) REPLACEMENT.—If an entity ceases to serve as Administrator under a contract awarded under paragraph (1) or this paragraph, the Assistant Secretary shall, through an open, transparent request-for-proposals process, select another entity to serve as Administrator.

(b) POWERS AND DUTIES OF ADMINISTRATOR.—The Administrator shall—

(1) review and coordinate the implementation of the Plan and the construction, management, maintenance, and operation of the State public safety broadband communications networks, in accordance with the Plan, under contracts entered into by the State Public Safety Broadband Offices;

(2) transmit to each State Public Safety Broadband Office the baseline request for proposals adopted by the Commission under section 4202(e)(2)(A)(i) and any revisions to such baseline request for proposals adopted by the Commission under section 4202(e)(3)(B)(i);

(3) review and approve or disapprove, in accordance with section 4221(c), each contract proposed by a State Public Safety Broadband Office for the construction, management, maintenance, and operation of a State public safety broadband communications network;

(4) give public notice of each decision to approve or disapprove such a contract and of any other decision of the Administrator with respect to such a contract, a State Public Safety Broadband Office, or

a State public safety broadband communications network;

(5) in consultation with State Public Safety Broadband Offices, conduct assessments for inclusion in the annual report required by subsection (f)(1) of—

(A) progress on construction and adoption of the State public safety broadband communications networks; and

(B) the management, maintenance, and operation of such networks; and

(6) conduct such audits as are necessary to ensure—

(A) with respect to contracts described in paragraph (3), the integrity of the contracting process and the adequate performance of such contracts; and

(B) that the State public safety broadband communications networks are constructed, managed, maintained, and operated in accordance with the Plan.

(c) LIMITATION ON POWERS OF ADMINISTRATOR.—The Administrator may not—

(1) take any action unless this title expressly confers on the Administrator the power to take such

action or such action is necessary to carry out a power that this title expressly confers on the Administrator; or

(2) prohibit or refuse to approve any action of a State Public Safety Broadband Office or with respect to a State public safety broadband communications network unless such action would violate the Plan or the license terms of the spectrum licensed to the Administrator.

(d) REVIEW OF DECISIONS OF ADMINISTRATOR.—

(1) IN GENERAL.—The United States District Court for the District of Columbia shall have exclusive jurisdiction to review decisions of the Administrator.

(2) FILING OF PETITION.—Any party aggrieved by a decision of the Administrator may seek review of such decision by filing a petition for review with the court not later than 30 days after the date on which public notice is given of such decision.

(3) CONTENTS OF PETITION.—The petition shall contain a concise statement of the following:

(A) The nature of the proceedings as to which review is sought.

(B) The grounds on which relief is sought.

(C) The relief prayed.

(4) ATTACHMENT TO PETITION.—The petitioner shall attach to the petition, as an exhibit, a copy of the decision of the Administrator on which review is sought.

(5) SERVICE.—The clerk shall serve a true copy of the petition on the Administrator, the Assistant Secretary, and the Commission by registered mail, with request for a return receipt.

(6) STANDARD OF REVIEW.—The court may affirm or vacate a decision of the Administrator on review. The court may vacate a decision of the Administrator only—

(A) where the decision was procured by corruption, fraud, or undue means;

(B) where there was actual partiality or corruption in the Administrator;

(C) where the Administrator was guilty of misconduct in refusing to hear evidence pertinent and material to the decision or of any other misbehavior by which the rights of any party have been prejudiced; or

(D) where the Administrator exceeded the powers conferred on it by this title or otherwise did not arguably construe or apply the Plan in making its decision.

(7) REVIEW BY NTIA PROHIBITED.—The Assistant Secretary shall take such action as is necessary to ensure that the Administrator complies with the requirements of this title, the Plan, and the terms of the contract entered into under subsection (a), but the Assistant Secretary may not vacate or otherwise modify a decision by the Administrator with respect to a third party.

(e) AUDITS OF USE OF FEDERAL FUNDS BY ADMINISTRATOR.—Not later than 1 year after entering into a contract to serve as Administrator, and annually thereafter, the Administrator shall provide to the Assistant Secretary a statement, audited by an independent auditor, that details the use during the preceding fiscal year of any Federal funds received by the Administrator in connection with its service as Administrator.

(f) ANNUAL REPORT BY ADMINISTRATOR.—

(1) IN GENERAL.—Not later than 1 year after entering into a contract to serve as Administrator, and annually thereafter, the Administrator shall submit a report covering the preceding fiscal year to—

(A) the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate;

(B) the Assistant Secretary;

(C) the Commission; and

(D) the Board.

(2) REQUIRED CONTENT.—The report required by paragraph (1) shall include—

(A) a comprehensive and detailed description of—

(i) the results of assessments conducted under subsection (b)(5) and audits conducted under subsection (b)(6);

(ii) the activities of the Administrator in its capacity as Administrator; and

(iii) the financial condition of the Administrator; and

(B) such recommendations or proposals for legislative or administrative action as the Administrator considers appropriate.

SEC. 4204. INITIAL FUNDING FOR ADMINISTRATOR.

(a) BORROWING AUTHORITY.—Prior to the end of fiscal year 2021, the Assistant Secretary may borrow from the general fund of the Treasury of the United States not more than $40,000,000 to enter into a contract with an entity to serve as Administrator under section 4203(a).

(b) REIMBURSEMENT.—The Assistant Secretary shall reimburse the general fund of the Treasury, without interest, for any amounts borrowed under subsection (a) from funds made available from the Public Safety Trust Fund established by section 4241(a)(1), as such funds become available.

SEC. 4205. STUDY ON EMERGENCY COMMUNICATIONS BY AMATEUR RADIO AND IMPEDIMENTS TO AMATEUR RADIO COMMUNICATIONS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Commission, in consultation with the Office of Emergency Communications in the Department of Homeland Security, shall—

(1) complete a study on the uses and capabilities of amateur radio service communications in emergencies and disaster relief; and

(2) submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the findings of such study.

(b) CONTENTS.—The study required by subsection (a) shall include—

(1)(A) a review of the importance of emergency amateur radio service communications relating to disasters, severe weather, and other threats to lives and property in the United States; and

(B) recommendations for—

(i) enhancements in the voluntary deployment of amateur radio operators in disaster and emergency communications and disaster relief efforts; and

(ii) improved integration of amateur radio operators in the planning and furtherance of initiatives of the Federal Government; and

(2)(A) an identification of impediments to enhanced amateur radio service communications, such as the effects of unreasonable or unnecessary private land use restrictions on residential antenna installations; and

(B) recommendations regarding the removal of such impediments.

(c) EXPERTISE.—In conducting the study required by subsection (a), the Commission shall use the expertise of stakeholder entities and organizations, including the amateur radio, emergency response, and disaster communications communities.

PART 2—STATE IMPLEMENTATION

SEC. 4221. NEGOTIATION AND APPROVAL OF CONTRACTS.

(a) STATE PUBLIC SAFETY BROADBAND OFFICES.—Each State desiring to establish a State public safety broadband communications network shall establish or designate a State Public Safety Broadband Office.

(b) NEGOTIATION BY STATES.—

(1) IN GENERAL.—Each State Public Safety Broadband Office shall—

(A) use the baseline request for proposals transmitted under section 4203(b)(2) to develop a request for proposals for the construction, management, maintenance, and operation of a State public safety broadband communications network;

(B) negotiate a contract with a private-sector entity for such construction, management, maintenance, and operation;

(C) transmit such contract to the Administrator for approval; and

(D) if the Administrator approves such contract, enter into such contract with such entity.

(2) FACTORS FOR CONSIDERATION.—In developing a request for proposals under paragraph (1)(A) and negotiating a proposed contract under paragraph (1)(B), the State Public Safety Broadband Office shall take into consideration the following:

(A) The most efficient and effective use and integration by State, local, and tribal providers of public safety services within such State of the spectrum licensed to the Administrator and the infrastructure, equipment, and other architecture associated with the State public safety broadband communications network to satisfy the wireless communications and data services needs of such providers.

(B) The particular assets and specialized needs of such providers. Such assets may include available towers and infrastructure. Such needs may include the projected number of users, preferred buildout timeframes, special coverage needs, special hardening, reliability, security, and resiliency needs, local user priority assignments, and integration needs of public safety answering points and emergency operations centers.

(C) Whether any entities that are not providers of public safety services should have emergency access to the State public safety broadband communications network, as described in subsection (e).

(D) Whether the State public safety broadband communications network provides for the selection on a localized basis of network options that remain consistent with the Plan.

(E) How to ensure the reliability, security, and resiliency of the State public safety broadband communications network, including through measures for—

(i) protecting and monitoring the cybersecurity of the network; and

(ii) managing supply chain risks to the network.

(3) PARTNERSHIPS.—

(A) IN GENERAL.—In choosing from among the entities that respond to the request for proposals developed under paragraph (1)(A), the State Public Safety Broadband Office shall—

(i) select a provider of commercial mobile service or commercial mobile data service; and

(ii) give additional consideration to providers of commercial mobile service or commercial mobile data service whose proposals include a partnership with a utility provider.

(B) JOINT VENTURES.—For purposes of subparagraph (A), a joint venture that includes a provider of commercial mobile service or commercial mobile data service shall be considered to be such a provider.

(c) REVIEW BY ADMINISTRATOR.—

(1) IN GENERAL.—Upon receiving from a State Public Safety Broadband Office a contract negotiated under subsection (b), the Administrator shall either approve or disapprove such contract but may not make any changes to its terms.

(2) DISAPPROVAL.—In the case of disapproval under paragraph (1), the State Public Safety Broadband Office may renegotiate the contract, negotiate a contract with another entity that responded to the Office's request for proposals, or issue a new request for proposals.

(d) PUBLIC-PRIVATE PARTNERSHIPS.—Notwithstanding any limitation in section 337 of the Communications Act of 1934 (47 U.S.C. 337), a contract entered into between a State Public Safety Broadband Office and a private entity under subsection (b)(1)(D) may permit—

(1) such entity to obtain access to the spectrum licensed to the Administrator in such State for services that are not public safety services; or

(2) the State Public Safety Broadband Office to share with such entity equipment or infrastructure of the State public safety broadband communications network, including antennas and towers.

(e) EMERGENCY ACCESS BY NON-PUBLIC SAFETY ENTITIES.—

(1) IN GENERAL.—Notwithstanding any limitation in section 337 of the Communications Act of 1934 (47 U.S.C. 337), as expressly permitted by the terms of a contract entered into under subsection (b)(1)(D) for the construction, management, maintenance, and operation of a State public safety broadband communications network, the Administrator may enter into agreements with entities in such State that are not providers of public safety services to permit such entities to obtain access on a secondary, preemptible basis to the State public safety broadband communications network of such State in order to facilitate interoperability between such entities and providers of public safety services in protecting the safety of life, health, and property during emergencies and during preparation for and

recovery from emergencies, including during emergency drills, exercises, and tests.

(2) PREEMPTION.—The Administrator shall ensure that, under any agreement entered into under paragraph (1), providers of public safety services may preempt use of the State public safety broadband communications network by an entity with which the Administrator has entered into such agreement.

(f) MULTI-STATE NEGOTIATION.—The State Public Safety Broadband Offices of more than one State may form a consortium for purposes of developing a request for proposals and negotiating and entering into a contract for the construction, management, maintenance, and operation of a State public safety broadband communications network for such States. While such Offices remain in the consortium, such States shall be treated as a single State, such Offices shall be treated as a single Office of a single State, and such network shall be treated as the State public safety broadband communications network of a single State.

SEC. 4222. STATE IMPLEMENTATION GRANT PROGRAM.

(a) IN GENERAL.—From amounts made available under section 4223(b), the Assistant Secretary shall, in consultation with the Administrator, make grants to State

Public Safety Broadband Offices to assist such Offices in carrying out the duties of such Offices under this part, except for making payments under contracts entered into under section 4221(b)(1)(D).

(b) APPLICATION.—The Assistant Secretary may only make a grant under this section to a State Public Safety Broadband Office that submits an application at such time, in such form, and containing such information and assurances as the Assistant Secretary may require.

(c) MATCHING REQUIREMENTS; FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost of any activity carried out using a grant under this section may not exceed 80 percent of the eligible costs of carrying out that activity, as determined by the Assistant Secretary.

(2) WAIVER.—The Assistant Secretary may waive, in whole or in part, the requirements of paragraph (1) if the State Public Safety Broadband Office has demonstrated financial hardship.

(d) PROGRAMMATIC REQUIREMENTS.—Not later than 1 year after the date of the adoption of the Plan by the Commission under section 4202(c)(1)(A), the Assistant Secretary, in consultation with the Board, shall establish requirements relating to the grant program to be carried out under this section, including the following:

(1) Defining eligible costs for purposes of subsection (c)(1).

(2) Determining the scope of eligible activities for grant funding under this section.

(3) Prioritizing grants for activities that ensure coverage in rural as well as urban areas.

SEC. 4223. STATE IMPLEMENTATION FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the State Implementation Fund.

(b) AMOUNTS AVAILABLE FOR STATE IMPLEMENTATION GRANT PROGRAM.—Any amounts borrowed under subsection (c)(1) and any amounts in the State Implementation Fund that are not necessary to reimburse the general fund of the Treasury for such borrowed amounts shall be available to the Assistant Secretary to implement section 4222.

(c) BORROWING AUTHORITY.—

(1) IN GENERAL.—Prior to the end of fiscal year 2021, the Assistant Secretary may borrow from the general fund of the Treasury such sums as may be necessary, but not to exceed $100,000,000, to implement section 4222.

(2) REIMBURSEMENT.—The Assistant Secretary shall reimburse the general fund of the Treas-

ury, without interest, for any amounts borrowed under paragraph (1) as funds are deposited into the State Implementation Fund.

(d) TRANSFER OF UNUSED FUNDS.—If there is a balance remaining in the State Implementation Fund on September 30, 2021, the Secretary of the Treasury shall transfer such balance to the general fund of the Treasury, where such balance shall be dedicated for the sole purpose of deficit reduction.

SEC. 4224. GRANTS TO STATES FOR NETWORK BUILDOUT.

(a) ESTABLISHMENT.—From amounts made available from the Public Safety Trust Fund established by section 4241(a)(1), the Assistant Secretary shall make grants to State Public Safety Broadband Offices for payments under contracts entered into under section 4221(b)(1)(D).

(b) APPLICATION.—The Assistant Secretary may only make a grant under this section to a State Public Safety Broadband Office that submits an application at such time, in such form, and containing such information and assurances as the Assistant Secretary may require.

(c) QUARTERLY REPORTS.—

(1) FROM GRANTEES TO NTIA.—Not later than 3 months after receiving a grant under this section and not less frequently than quarterly thereafter

until the date that is 1 year after all such funds have been expended, a State Public Safety Broadband Office shall submit to the Assistant Secretary a report on—

(A) the use of grant funds by such Office; and

(B) the construction, management, maintenance, and operation of the State public safety broadband communications network of such State.

(2) FROM NTIA TO CONGRESS.—Not later than 6 months after making the first grant under this section and not less frequently than quarterly thereafter until the date that is 18 months after all such funds have been expended by the grantees, the Assistant Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that—

(A) summarizes the reports submitted by grantees under paragraph (1); and

(B) describes and evaluates—

(i) the use of grant funds disbursed under this section; and

(ii) the construction, management, maintenance, and operation of the State public safety broadband communications networks under the contracts under which grantees make payments using grant funds.

SEC. 4225. WIRELESS FACILITIES DEPLOYMENT.

(a) FACILITY MODIFICATIONS.—

(1) IN GENERAL.—Notwithstanding section 704 of the Telecommunications Act of 1996 (Public Law 104–104) or any other provision of law, a State or local government may not deny, and shall approve, any eligible facilities request for a modification of an existing wireless tower or base station that does not substantially change the physical dimensions of such tower or base station.

(2) ELIGIBLE FACILITIES REQUEST.—For purposes of this subsection, the term ''eligible facilities request'' means any request for modification of an existing wireless tower or base station that involves—

(A) collocation of new transmission equipment;

(B) removal of transmission equipment; or

(C) replacement of transmission equipment.

(b) FEDERAL EASEMENTS AND RIGHTS-OF-WAY.—

(1) GRANT.—If an executive agency, a State, a political subdivision or agency of a State, or a person, firm, or organization applies for the grant of an easement or right-of-way to, in, over, or on a building or other property owned by the Federal Government for the right to install, construct, and maintain wireless service antenna structures and equipment and backhaul transmission equipment, the executive agency having control of the building or other property may grant to the applicant, on behalf of the Federal Government, an easement or right-of-way to perform such installation, construction, and maintenance.

(2) APPLICATION.—The Administrator of General Services shall develop a common form for applications for easements and rights-of-way under paragraph (1) for all executive agencies that shall be used by applicants with respect to the buildings or other property of each such agency.

(3) FEE.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the Administrator of

General Services shall establish a fee for the grant of an easement or right-of-way pursuant to paragraph (1) that is based on direct cost recovery.

(B) EXCEPTIONS.—The Administrator of General Services may establish exceptions to the fee amount required under subparagraph (A)—

(i) in consideration of the public benefit provided by a grant of an easement or right-of-way; and

(ii) in the interest of expanding wireless and broadband coverage.

(4) USE OF FEES COLLECTED.—Any fee amounts collected by an executive agency pursuant to paragraph (3) may be made available, as provided in appropriations Acts, to such agency to cover the costs of granting the easement or right-of-way.

(c) MASTER CONTRACTS FOR WIRELESS FACILITY SITINGS.—

(1) IN GENERAL.—Notwithstanding section 704 of the Telecommunications Act of 1996 or any other provision of law, and not later than 60 days after the date of the enactment of this Act, the Administrator of General Services shall—

(A) develop 1 or more master contracts that shall govern the placement of wireless service antenna structures on buildings and other property owned by the Federal Government; and

(B) in developing the master contract or contracts, standardize the treatment of the placement of wireless service antenna structures on building rooftops or facades, the placement of wireless service antenna equipment on rooftops or inside buildings, the technology used in connection with wireless service antenna structures or equipment placed on Federal buildings and other property, and any other key issues the Administrator of General Services considers appropriate.

(2) APPLICABILITY.—The master contract or contracts developed by the Administrator of General Services under paragraph (1) shall apply to all publicly accessible buildings and other property owned by the Federal Government, unless the Administrator of General Services decides that issues with respect to the siting of a wireless service antenna structure on a specific building or other property

warrant nonstandard treatment of such building or other property.

(3) APPLICATION.—The Administrator of General Services shall develop a common form or set of forms for wireless service antenna structure siting applications under this subsection for all executive agencies that shall be used by applicants with respect to the buildings and other property of each such agency.

(d) EXECUTIVE AGENCY DEFINED.—In this section, the term ''executive agency'' has the meaning given such term in section 102 of title 40, United States Code.

PART 3—PUBLIC SAFETY TRUST FUND

SEC. 4241. PUBLIC SAFETY TRUST FUND.

(a) ESTABLISHMENT OF PUBLIC SAFETY TRUST FUND.—

(1) IN GENERAL.—There is established in the Treasury of the United States a trust fund to be known as the Public Safety Trust Fund.

(2) AVAILABILITY.—Amounts deposited in the Public Safety Trust Fund shall remain available through fiscal year 2021. Any amounts remaining in the Fund after the end of such fiscal year shall be deposited in the general fund of the Treasury, where

such amounts shall be dedicated for the sole purpose of deficit reduction.

(b) USE OF FUND.—As amounts are deposited in the Public Safety Trust Fund, such amounts shall be used to make the following deposits or payments in the following order of priority:

(1) REPAYMENT OF AMOUNT BORROWED FOR ADMINISTRATION OF NATIONAL PUBLIC SAFETY COMMUNICATIONS PLAN.—An amount not to exceed $40,000,000 shall be available to the Assistant Secretary to reimburse the general fund of the Treasury for any amounts borrowed under section 4204(a).

(2) STATE IMPLEMENTATION FUND.—$100,000,000 shall be deposited in the State Implementation Fund established by section 4223(a).

(3) BUILDOUT OF STATE PUBLIC SAFETY BROADBAND COMMUNICATIONS NETWORKS.—$4,960,000,000 shall be available to the Assistant Secretary to carry out section 4224.

(4) DEFICIT REDUCTION.—$20,400,000,000 shall be deposited in the general fund of the Treasury, where such amount shall be dedicated for the sole purpose of deficit reduction.

(5) 9–1–1, E9–1–1, AND NEXT GENERATION 9–1–1 IMPLEMENTATION GRANTS.—$250,000,000 shall

be available to the Assistant Secretary and the Administrator of the National Highway Traffic Safety Administration to carry out the grant program under section 158 of the National Telecommunications and Information Administration Organization Act, as amended by section 4265 of this title.

(6) BUILDOUT OF STATE PUBLIC SAFETY BROADBAND COMMUNICATIONS NETWORKS AND DEFICIT REDUCTION.—Of the remaining amounts deposited in the Fund—

(A) 10 percent of any such amounts, not to exceed $1,500,000,000, shall be available to the Assistant Secretary to carry out section 4224; and

(B) 90 percent of any such amounts (or 100 percent of any such amounts after amounts made available under subparagraph (A) exceed $1,500,000,000) shall be deposited in the general fund of the Treasury, where such amounts shall be dedicated for the sole purpose of deficit reduction.

(c) INVESTMENT.—Amounts in the Public Safety Trust Fund shall be invested in accordance with section 9702 of title 31, United States Code, and any interest on, and proceeds from, any such investment shall be credited to, and become a part of, the Fund.

PART 4—NEXT GENERATION 9–1–1 ADVANCEMENT ACT OF 2011

SEC. 4261. SHORT TITLE.

This part may be cited as the ''Next Generation 9–1–1 Advancement Act of 2011''.

SEC. 4262. FINDINGS.

Congress finds that—

(1) for the sake of the public safety of our Nation, a universal emergency service number (9–1–1) that is enhanced with the most modern and state-of-the-art telecommunications capabilities possible, including voice, data, and video communications, should be available to all citizens wherever they live, work, and travel;

(2) a successful migration to Next Generation 9–1–1 service communications systems will require greater Federal, State, and local government resources and coordination;

(3) any funds that are collected from fees imposed on consumer bills for the purposes of funding 9–1–1 services, enhanced 9–1–1 services, or Next Generation 9–1–1 services should only be used for the purposes for which the funds are collected;

(4) it is a national priority to foster the migration from analog, voice-centric 9–1–1 and current generation emergency communications systems to a 21st century, Next Generation, IP-based emergency services model that embraces a wide range of voice, video, and data applications;

(5) ensuring 9–1–1 access for all citizens includes improving access to 9–1–1 systems for the deaf, hard of hearing, deaf-blind, and individuals with speech disabilities, who increasingly communicate with non-traditional text, video, and instant-messaging communications services, and who expect those services to be able to connect directly to 9–1–1 systems;

(6) a coordinated public educational effort on current and emerging 9–1–1 system capabilities and proper use of the 9–1–1 system is essential to the operation of effective 9–1–1 systems;

(7) Federal policies and funding should enable the transition to Internet Protocol-based (IP-based) Next Generation 9–1–1 systems, and Federal 9–1–1 and emergency communications laws and regulations must keep pace with rapidly changing technology to ensure an open and competitive 9–1–1 en-

vironment based on the most advanced technology available; and

(8) Federal policies and grant programs should reflect the growing convergence and integration of emergency communications technology, such that State interoperability plans and Federal funding in support of such plans are made available for all aspects of Next Generation 9–1–1 service and emergency communications systems.

SEC. 4263. PURPOSES.

The purposes of this part are—

(1) to focus Federal policies and funding programs to ensure a successful migration from voice-centric 9–1–1 systems to IP-enabled, Next Generation 9–1–1 emergency response systems that use voice, data, and video services to greatly enhance the capability of 9–1–1 and emergency response services;

(2) to ensure that technologically advanced 9–1–1 and emergency communications systems are universally available and adequately funded to serve all Americans; and

(3) to ensure that all 9–1–1 and emergency response organizations have access to—

(A) high-speed broadband networks;

(B) interconnected IP backbones; and

(C) innovative services and applications.

SEC. 4264. DEFINITIONS.

In this part, the following definitions shall apply:

(1) 9–1–1 SERVICES AND E9–1–1 SERVICES.—The terms ‘‘9–1–1 services’’ and ‘‘E9–1–1 services’’ shall have the meaning given those terms in section 158 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 942), as amended by this part.

(2) MULTI-LINE TELEPHONE SYSTEM.—The term ‘‘multi-line telephone system’’ or ‘‘MLTS’’ means a system comprised of common control units, telephone sets, control hardware and software and adjunct systems, including network and premises based systems, such as Centrex and VoIP, as well as PBX, Hybrid, and Key Telephone Systems (as classified by the Commission under part 68 of title 47, Code of Federal Regulations), and includes systems owned or leased by governmental agencies and non-profit entities, as well as for profit businesses.

(3) OFFICE.—The term ‘‘Office’’ means the 9–1–1 Implementation Coordination Office established under section 158 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 942), as amended by this part.

SEC. 4265. COORDINATION OF 9–1–1 IMPLEMENTATION.

Section 158 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 942) is amended to read as follows:

"SEC. 158. COORDINATION OF 9–1–1, E9–1–1, AND NEXT GENERATION 9–1–1 IMPLEMENTATION.

"(a) 9–1–1 IMPLEMENTATION COORDINATION OFFICE.—

"(1) ESTABLISHMENT AND CONTINUATION.—The Assistant Secretary and the Administrator of the National Highway Traffic Safety Administration shall—

"(A) establish and further a program to facilitate coordination and communication between Federal, State, and local emergency communications systems, emergency personnel, public safety organizations, telecommunications carriers, and telecommunications equipment manufacturers and vendors involved in the implementation of 9–1–1 services; and

"(B) establish a 9–1–1 Implementation Coordination Office to implement the provisions of this section.

"(2) MANAGEMENT PLAN.—

"(A) DEVELOPMENT.—The Assistant Secretary and the Administrator shall develop a management plan for the grant program established under this section, including by developing—

"(i) plans related to the organizational structure of such program; and

"(ii) funding profiles for each fiscal year of the duration of such program.

"(B) SUBMISSION TO CONGRESS.—Not later than 90 days after the date of enactment of the Next Generation 9–1–1 Advancement Act of 2011, the Assistant Secretary and the Administrator shall submit the management plan developed under subparagraph (A) to—

"(i) the Committees on Commerce, Science, and Transportation and Appropriations of the Senate; and

"(ii) the Committees on Energy and Commerce and Appropriations of the House of Representatives.

"(3) PURPOSE OF OFFICE.—The Office shall—

"(A) take actions, in concert with coordinators designated in accordance with subsection (b)(3)(A)(ii), to improve coordination and communication with respect to the implementation of 9–1–1 services, E9–1–1 services, and Next Generation 9–1–1 services;

"(B) develop, collect, and disseminate information concerning practices, procedures, and technology used in the implementation of 9–1–1 services, E9–1–1 services, and Next Generation 9–1–1 services;

"(C) advise and assist eligible entities in the preparation of implementation plans required under subsection (b)(3)(A)(iii);

"(D) receive, review, and recommend the approval or disapproval of applications for grants under subsection (b); and

"(E) oversee the use of funds provided by such grants in fulfilling such implementation plans.

"(4) REPORTS.—The Assistant Secretary and the Administrator shall provide an annual report to Congress by the first day of October of each year on the activities of the Office to improve coordination and communication with respect to the implementation of 9–1–1 services, E9–1–1 services, and Next Generation 9–1–1 services.

"(b) 9–1–1, E9–1–1, AND NEXT GENERATION 9–1–1 IMPLEMENTATION GRANTS.—

"(1) MATCHING GRANTS.—The Assistant Secretary and the Administrator, acting through the Office, shall provide grants to eligible entities for—

"(A) the implementation and operation of 9–1–1 services, E9–1–1 services, migration to an IP-enabled emergency network, and adoption and operation of Next Generation 9–1–1 services and applications;

"(B) the implementation of IP-enabled emergency services and applications enabled by Next Generation 9–1–1 services, including the establishment of IP backbone networks and the application layer software infrastructure needed to interconnect the multitude of emergency response organizations; and

"(C) training public safety personnel, including call-takers, first responders, and other individuals and organizations who are part of the emergency response chain in 9–1–1 services.

"(2) MATCHING REQUIREMENT.—The Federal share of the cost of a project eligible for a grant under this section shall not exceed 80 percent. The non-Federal share of the cost shall be provided from non-Federal sources unless waived by the Assistant Secretary and the Administrator.

"(3) COORDINATION REQUIRED.—In providing grants under paragraph (1), the Assistant Secretary and the Administrator shall require an eligible entity to certify in its application that—

"(A) in the case of an eligible entity that is a State government, the entity—

"(i) has coordinated its application with the public safety answering points located within the jurisdiction of such entity;

"(ii) has designated a single officer or governmental body of the entity to serve as the coordinator of implementation of 9–1–1 services, except that such designation need not vest such coordinator with direct legal authority to implement 9–1–1 services, E9–1–1 services, or Next Generation 9–1–1 services or to manage emergency communications operations;

"(iii) has established a plan for the coordination and implementation of 9–1–1 services, E9–1–1 services, and Next Generation 9–1–1 services; and "(iv) has integrated telecommunications services involved in the implementation and delivery of 9–1–1 services, E9–1–1 services, and Next Generation 9–1–1 services; or

"(B) in the case of an eligible entity that is not a State, the entity has complied with clauses (i), (iii), and (iv) of subparagraph (A), and the State in which it is located has complied with clause (ii) of such subparagraph.

"(4) CRITERIA.—Not later than 120 days after the date of enactment of the Next Generation 9–1–1 Advancement Act of 2011, the Assistant Secretary and the Administrator shall issue regulations, after providing the public with notice and an opportunity to comment, prescribing the criteria for selection for grants under this section. The criteria shall include performance requirements and a timeline for completion of any project to be financed by a grant under this section. The Assistant Secretary and the Administrator shall update such regulations as necessary.

"(c) DIVERSION OF 9–1–1 CHARGES.—

"(1) DESIGNATED 9–1–1 CHARGES.—For the purposes of this subsection, the term 'designated 9–

1–1 charges' means any taxes, fees, or other charges imposed by a State or other taxing jurisdiction that are designated or presented as dedicated to deliver or improve 9–1–1 services, E9–1–1 services, or Next Generation 9–1–1 services.

"(2) CERTIFICATION.—Each applicant for a matching grant under this section shall certify to the Assistant Secretary and the Administrator at the time of application, and each applicant that receives such a grant shall certify to the Assistant Secretary and the Administrator annually thereafter during any period of time during which the funds from the grant are available to the applicant, that no portion of any designated 9–1–1 charges imposed by a State or other taxing jurisdiction within which the applicant is located are being obligated or expended for any purpose other than the purposes for which such charges are designated or presented during the period beginning 180 days immediately preceding the date of the application and continuing through the period of time during which the funds from the grant are available to the applicant.

"(3) CONDITION OF GRANT.—Each applicant for a grant under this section shall agree, as a condition of receipt of the grant, that if the State or other taxing jurisdiction within which the applicant is located, during any period of time during which the funds from the grant are available to the applicant, obligates or expends designated 9–1–1 charges for any purpose other than the purposes for which such charges are designated or presented, eliminates such charges, or redesignates such charges for purposes other than the implementation or operation of 9–1–1 services, E9–1–1 services, or Next Generation 9–1–1 services, all of the funds from such grant shall be returned to the Office.

''(4) PENALTY FOR PROVIDING FALSE INFORMATION.—Any applicant that provides a certification under paragraph (2) knowing that the information provided in the certification was false shall—

''(A) not be eligible to receive the grant under subsection (b);

''(B) return any grant awarded under subsection (b) during the time that the certification was not valid; and

''(C) not be eligible to receive any subsequent grants under subsection (b).

''(d) FUNDING AND TERMINATION.—

''(1) IN GENERAL.—From the amounts made available to the Assistant Secretary and the Administrator under section 4241(b)(5) of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011, the Assistant Secretary and the Administrator are authorized to provide grants under this section through the end of fiscal year 2021. Not more than 5 percent of such amounts may be obligated or expended to cover the administrative costs of carrying out this section.

"(2) TERMINATION.—Effective on October 1, 2021, the authority provided by this section terminates and this section shall have no effect.

"(e) DEFINITIONS.—In this section, the following definitions shall apply:

"(1) 9–1–1 SERVICES.—The term '9–1–1 services' includes both E9–1–1 services and Next Generation 9–1–1 services.

"(2) E9–1–1 SERVICES.—The term 'E9–1–1 services' means both phase I and phase II enhanced 9–1–1 services, as described in section 20.18 of the Commission's regulations (47 CFR 20.18), as in effect on the date of enactment of the Next Generation 9–1–1 Advancement Act of 2011, or as subsequently revised by the Commission.

"(3) ELIGIBLE ENTITY.—

"(A) IN GENERAL.—The term 'eligible entity' means a State or local government or a tribal organization (as defined in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l))).

"(B) INSTRUMENTALITIES.—The term 'eligible entity' includes public authorities, boards, commissions, and similar bodies created by 1 or more eligible entities described in subparagraph (A) to provide 9–1–1 services, E9–1–1 services, or Next Generation 9–1–1 services.

"(C) EXCEPTION.—The term 'eligible entity' does not include any entity that has failed to submit the most recently required certification under subsection (c) within 30 days after the date on which such certification is due.

"(4) EMERGENCY CALL.—The term 'emergency call' refers to any real-time communication with a public safety answering point or other emergency management or response agency, including—

"(A) through voice, text, or video and related data; and

"(B) nonhuman-initiated automatic event alerts, such as alarms, telematics, or sensor data, which may also include real-time voice, text, or video communications.

"(5) NEXT GENERATION 9–1–1 SERVICES.—The term 'Next Generation 9–1–1 services' means an IP-based system comprised of hardware, software, data, and operational policies and procedures that—

"(A) provides standardized interfaces from emergency call and message services to support emergency communications;

"(B) processes all types of emergency calls, including voice, data, and multimedia information;

"(C) acquires and integrates additional emergency call data useful to call routing and handling;

"(D) delivers the emergency calls, messages, and data to the appropriate public safety answering point and other appropriate emergency entities;

"(E) supports data or video communications needs for coordinated incident response and management; and

"(F) provides broadband service to public safety answering points or other first responder entities.

"(6) OFFICE.—The term 'Office' means the 9–1–1 Implementation Coordination Office.

"(7) PUBLIC SAFETY ANSWERING POINT.—The term 'public safety answering point' has the meaning given the term in section 222 of the Communications Act of 1934 (47 U.S.C. 222).

"(8) STATE.—The term 'State' means any State of the United States, the District of Columbia, Puerto Rico, American Samoa, Guam, the United States Virgin Islands, the Northern Mariana Islands, and any other territory or possession of the United States.".

SEC. 4266. REQUIREMENTS FOR MULTI-LINE TELEPHONE SYSTEMS.

(a) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, the Administrator of General Services, in conjunction with the Office, shall issue a report to Congress identifying the 9–1–1 capabilities of the multi-line telephone system in use by all Federal agencies in all Federal buildings and properties.

(b) COMMISSION ACTION.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Commission shall issue a public notice seeking comment on the feasibility of requiring MLTS manufacturers to

include within all such systems manufactured or sold after a date certain, to be determined by the Commission, one or more mechanisms to provide a sufficiently precise indication of a 9–1–1 caller's location, while avoiding the imposition of undue burdens on MLTS manufacturers, providers, and operators.

(2) SPECIFIC REQUIREMENT.—The public notice under paragraph (1) shall seek comment on the National Emergency Number Association's ''Technical Requirements Document On Model Legislation E9–1–1 for Multi-Line Telephone Systems'' (NENA 06–750, Version 2).

SEC. 4267. GAO STUDY OF STATE AND LOCAL USE OF 9–1–1 SERVICE CHARGES.

(a) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Comptroller General of the United States shall initiate a study of—

(1) the imposition of taxes, fees, or other charges imposed by States or political subdivisions of States that are designated or presented as dedicated to improve emergency communications services, including 9–1–1 services or enhanced 9–1–1 services, or related to emergency communications services operations or improvements; and

(2) the use of revenues derived from such taxes, fees, or charges.

(b) REPORT.—Not later than 18 months after initiating the study required by subsection (a), the Comptroller General shall prepare and submit a report on the results of the study to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives setting forth the findings, conclusions, and recommendations, if any, of the study, including—

(1) the identity of each State or political subdivision that imposes such taxes, fees, or other charges; and

(2) the amount of revenues obligated or expended by that State or political subdivision for any purpose other than the purposes for which such taxes, fees, or charges were designated or presented.

SEC. 4268. PARITY OF PROTECTION FOR PROVISION OR USE OF NEXT GENERATION 9–1–1 SERVICES.

(a) IMMUNITY.—A provider or user of Next Generation 9–1–1 services, a public safety answering point, and the officers, directors, employees, vendors, agents, and authorizing government entity (if any) of such provider, user, or public safety answering point, shall have immunity and protection from liability under Federal and State law to the extent provided in subsection (b) with respect to—

(1) the release of subscriber information related to emergency calls or emergency services;

(2) the use or provision of 9–1–1 services, E9–1–1 services, or Next Generation 9–1–1 services; and

(3) other matters related to 9–1–1 services, E9–1–1 services, or Next Generation 9–1–1 services.

(b) SCOPE OF IMMUNITY AND PROTECTION FROM LIABILITY.—The scope and extent of the immunity and protection from liability afforded under subsection (a) shall be the same as that provided under section 4 of the Wireless Communications and Public Safety Act of 1999 (47 U.S.C. 615a) to wireless carriers, public safety answering points, and users of wireless 9–1–1 service (as defined in paragraphs (4), (3), and (6), respectively, of section 6 of that Act (47 U.S.C. 615b)) with respect to such release, use, and other matters.

SEC. 4269. COMMISSION PROCEEDING ON AUTODIALING.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Commission shall initiate a proceeding to create a specialized Do-Not-Call registry for public safety answering points.

(b) FEATURES OF THE REGISTRY.—The Commission shall issue regulations, after providing the public with notice and an opportunity to comment, that—

(1) permit verified public safety answering point administrators or managers to register the telephone numbers of all 9–1–1 trunks and other lines used for the provision of emergency services to the public or for communications between public safety agencies;

(2) provide a process for verifying, no less frequently than once every 7 years, that registered numbers should continue to appear upon the registry;

(3) provide a process for granting and tracking access to the registry by the operators of automatic dialing equipment;

(4) protect the list of registered numbers from disclosure or dissemination by parties granted access to the registry; and

(5) prohibit the use of automatic dialing or ‘‘robocall’’ equipment to establish contact with registered numbers.

(c) ENFORCEMENT.—The Commission shall—

(1) establish monetary penalties for violations of the protective regulations established pursuant to

subsection (b)(4) of not less than $100,000 per incident nor more than $1,000,000 per incident;

(2) establish monetary penalties for violations of the prohibition on automatically dialing registered numbers established pursuant to subsection (b)(5) of not less than $10,000 per call nor more than $100,000 per call; and

(3) provide for the imposition of fines under paragraphs (1) or (2) that vary depending upon whether the conduct leading to the violation was negligent, grossly negligent, reckless, or willful, and depending on whether the violation was a first or subsequent offence.

SEC. 4270. NHTSA REPORT ON COSTS FOR REQUIREMENTS AND SPECIFICATIONS OF NEXT GENERATION 9–1–1 SERVICES.

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Administrator of the National Highway Traffic Safety Administration, in consultation with the Commission, the Secretary of Homeland Security, and the Office, shall prepare and submit a report to Congress that analyzes and determines detailed costs for specific Next Generation 9–1–1 service requirements and specifications.

(b) PURPOSE OF REPORT.—The purpose of the report required under subsection (a) is to serve as a resource for Congress as it considers creating a coordinated, long-term funding mechanism for the deployment and operation, accessibility, application development, equipment procurement, and training of personnel for Next Generation 9–1–1 services.

(c) REQUIRED INCLUSIONS.—The report required under subsection (a) shall include the following:

(1) How costs would be broken out geographically and/or allocated among public safety answering points, broadband service providers, and third-party providers of Next Generation 9–1–1 services.

(2) An assessment of the current state of Next Generation 9–1–1 service readiness among public safety answering points.

(3) How differences in public safety answering points' access to broadband across the country may affect costs.

(4) A technical analysis and cost study of different delivery platforms, such as wireline, wireless, and satellite.

(5) An assessment of the architectural characteristics, feasibility, and limitations of Next Generation 9–1–1 service delivery.

(6) An analysis of the needs for Next Generation 9–1–1 services of persons with disabilities.

(7) Standards and protocols for Next Generation 9–1–1 services and for incorporating Voice over Internet Protocol and ''Real-Time Text'' standards.

SEC. 4271. FCC RECOMMENDATIONS FOR LEGAL AND STATUTORY FRAMEWORK FOR NEXT GENERATION 9–1–1 SERVICES.

Not later than 1 year after the date of the enactment of this Act, the Commission, in coordination with the Secretary of Homeland Security, the Administrator of the National Highway Traffic Safety Administration, and the Office, shall prepare and submit a report to Congress that contains recommendations for the legal and statutory framework for Next Generation 9–1–1 services, consistent with recommendations in the National Broadband Plan developed by the Commission pursuant to the American Recovery and Reinvestment Act of 2009, including the following:

(1) A legal and regulatory framework for the development of Next Generation 9–1–1 services and the transition from legacy 9–1–1 to Next Generation 9–1–1 networks.

(2) Legal mechanisms to ensure efficient and accurate transmission of 9–1–1 caller information to emergency response agencies.

(3) Recommendations for removing jurisdictional barriers and inconsistent legacy regulations including—

(A) proposals that would require States to remove regulatory roadblocks to Next Generation 9–1–1 services development, while recognizing existing State authority over 9–1–1 services;

(B) eliminating outdated 9–1–1 regulations at the Federal level; and

(C) preempting inconsistent State regulations.

Subtitle C—Federal Spectrum Relocation

SEC. 4301. RELOCATION OF AND SPECTRUM SHARING BY FEDERAL GOVERNMENT STATIONS.

(a) IN GENERAL.—Section 113 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923) is amended—

(1) in subsection (g)—

(A) by striking the heading and inserting "RELOCATION OF AND SPECTRUM SHARING BY FEDERAL GOVERNMENT STATIONS";

(B) by amending paragraph (1) to read as follows:

"(1) ELIGIBLE FEDERAL ENTITIES.—Any Federal entity that operates a Federal Government station authorized to use a band of eligible frequencies described in paragraph (2) and that incurs relocation or sharing costs because of planning for an auction of spectrum frequencies or the reallocation of spectrum frequencies from Federal use to exclusive non-Federal use or to shared use shall receive payment for such relocation or sharing costs from the Spectrum Relocation Fund, in accordance with this section and section 118. For purposes of this paragraph, Federal power agencies exempted under subsection (c)(4) that choose to relocate from the frequencies identified for reallocation pursuant to subsection (a) are eligible to receive payment under this paragraph.";

(C) by amending paragraph (2)(B) to read as follows:

"(B) any other band of frequencies reallocated from Federal use to exclusive non-Federal use or to shared use after January 1, 2003, that is assigned by competitive bidding pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)).'';

(D) by amending paragraph (3) to read as follows:

''(3) RELOCATION OR SHARING COSTS DEFINED.—

''(A) IN GENERAL.—For purposes of this section and section 118, the term 'relocation or sharing costs' means the costs incurred by a Federal entity in connection with the auction of spectrum frequencies previously assigned to such entity or the sharing of spectrum frequencies assigned to such entity (including the auction or a planned auction of the rights to use spectrum frequencies on a shared basis with such entity) in order to achieve comparable capability of systems as before the relocation or sharing arrangement. Such term includes, with respect to relocation or sharing, as the case may be—

''(i) the costs of any modification or replacement of equipment, spares, associated ancillary equipment, software, facilities, operating manuals, training, or compliance with regulations that are attributable to relocation or sharing;

"(ii) the costs of all engineering, equipment, software, site acquisition, and construction, as well as any legitimate and prudent transaction expense, including term-limited Federal civil servant and contractor staff necessary to carry out the relocation or sharing activities of a Federal entity, and reasonable additional costs incurred by the Federal entity that are attributable to relocation or sharing, including increased recurring costs associated with the replacement of facilities;

"(iii) the costs of research, engineering studies, economic analyses, or other expenses reasonably incurred in connection with—

"(I) calculating the estimated relocation or sharing costs that are provided to the Commission pursuant to paragraph (4)(A);

"(II) determining the technical or operational feasibility of relocation to

1 or more potential relocation bands; or

“(III) planning for or managing a relocation or sharing arrangement (including spectrum coordination with auction winners);

“(iv) the one-time costs of any modification of equipment reasonably necessary—

“(I) to accommodate non-Federal use of shared frequencies; or

“(II) in the case of eligible frequencies reallocated for exclusive non-Federal use and assigned through a system of competitive bidding under section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) but with respect to which a Federal entity retains primary allocation or protected status for a period of time after the completion of the competitive bidding process, to accommodate shared Federal and non-Federal use of such frequencies for such period; and "(v) the costs associated with the accelerated replacement of systems and equipment if the acceleration is necessary to ensure the timely relocation of systems to a new frequency assignment or the timely accommodation of sharing of Federal frequencies.

"(B) COMPARABLE CAPABILITY OF SYSTEMS.—For purposes of subparagraph (A), comparable capability of systems—

"(i) may be achieved by relocating a Federal Government station to a new frequency assignment, by relocating a Federal Government station to a different geographic location, by modifying Federal Government equipment to mitigate interference or use less spectrum, in terms of bandwidth, geography, or time, and thereby permitting spectrum sharing (including sharing among relocated Federal entities and incumbents to make spectrum available for non-Federal use) or relocation, or by utilizing an alternative technology; and

"(ii) includes the acquisition of state-of-the-art replacement systems intended to meet comparable operational scope, which may include incidental increases in functionality.'';

(E) in paragraph (4)—

(i) in the heading, by striking ''RELOCATIONS COSTS'' and inserting ''RELOCATION OR SHARING COSTS'';

(ii) by striking ''relocation costs'' each place it appears and inserting ''relocation or sharing costs''; and

(iii) in subparagraph (A), by inserting ''or sharing'' after ''such relocation'';

(F) in paragraph (5)—

(i) by striking ''relocation costs'' and inserting ''relocation or sharing costs''; and

(ii) by inserting ''or sharing'' after ''for relocation''; and

(G) by amending paragraph (6) to read as follows:

''(6) IMPLEMENTATION OF PROCEDURES.—The NTIA shall take such actions as necessary to ensure the timely relocation of Federal entities' spectrum-related operations from frequencies described in paragraph (2) to frequencies or facilities of comparable capability and to ensure the timely implementation of arrangements for the sharing of frequencies described in such paragraph. Upon a finding by the NTIA that a Federal entity has achieved comparable capability of systems, the NTIA shall terminate or limit the entity's authorization and notify the Commission that the entity's relocation has been completed or sharing arrangement has been implemented. The NTIA shall also terminate such entity's authorization if the NTIA determines that the entity has unreasonably failed to comply with the timeline for relocation or sharing submitted by the Director of the Office of Management and Budget under section 118(d)(2)(C).'';

(2) by redesignating subsections (h) and (i) as subsections (k) and (l), respectively; and

(3) by inserting after subsection (g) the following:

''(h) DEVELOPMENT AND PUBLICATION OF RELOCATION OR SHARING TRANSITION PLANS.—

''(1) DEVELOPMENT OF TRANSITION PLAN BY FEDERAL ENTITY.—Not later than 240 days before the commencement of any auction of eligible frequencies described in subsection (g)(2), a Federal entity authorized to use any such frequency shall submit to the NTIA and to the Technical Panel established by paragraph (3) a transition plan for the implementation by such entity of the relocation or sharing arrangement. The NTIA shall specify, after public input, a common format for all Federal entities to follow in preparing transition plans under this paragraph.

"(2) CONTENTS OF TRANSITION PLAN.—The transition plan required by paragraph (1) shall include the following information:

"(A) The use by the Federal entity of the eligible frequencies to be auctioned, current as of the date of the submission of the plan.

"(B) The geographic location of the facilities or systems of the Federal entity that use such frequencies.

"(C) The frequency bands used by such facilities or systems, described by geographic location.

"(D) The steps to be taken by the Federal entity to relocate its spectrum use from such frequencies or to share such frequencies, including timelines for specific geographic locations in sufficient detail to indicate when use of such frequencies at such locations will be discontinued by the Federal entity or shared between the Federal entity and non-Federal users.

"(E) The specific interactions between the eligible Federal entity and the NTIA needed to implement the transition plan.

"(F) The name of the officer or employee of the Federal entity who is responsible for the relocation or sharing efforts of the entity and who is authorized to meet and negotiate with non-Federal users regarding the transition.

"(G) The plans and timelines of the Federal entity for—

"(i) using funds received from the Spectrum Relocation Fund established by section 118;

"(ii) procuring new equipment and additional personnel needed for relocation or sharing;

"(iii) field-testing and deploying new equipment needed for relocation or sharing; and

"(iv) hiring and relying on contract personnel, if any, needed for relocation or sharing.

"(H) Factors that could hinder fulfillment of the transition plan by the Federal entity.

"(3) Technical panel.—

"(A) Establishment.—There is established within the NTIA a panel to be known as the Technical Panel.

"(B) Membership.—

"(i) Number and appointment.—The Technical Panel shall be composed of 3 members, to be appointed as follows:

"(I) One member to be appointed by the Director of the Office of Management and Budget (in this subsection referred to as 'OMB').

"(II) One member to be appointed by the Assistant Secretary.

"(III) One member to be appointed by the Chairman of the Commission.

"(ii) Qualifications.—Each member of the Technical Panel shall be a radio engineer or a technical expert.

"(iii) Initial appointment.—The initial members of the Technical Panel shall be appointed not later than 180 days after the date of the enactment of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011.

"(iv) TERMS.—The term of a member of the Technical Panel shall be 18 months, and no individual may serve more than 1 consecutive term.

"(v) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy shall be filled in the manner in which the original appointment was made.

"(vi) NO COMPENSATION.—The members of the Technical Panel shall not receive any compensation for service on the Technical Panel. If any such member is an employee of the agency of the official that appointed such member to the Technical Panel, compensation in the member's capacity as such an employee shall not be considered compensation under this clause.

"(C) ADMINISTRATIVE SUPPORT.—The NTIA shall provide the Technical Panel with the administrative support services necessary to carry out its duties under this subsection and subsection (i).

"(D) REGULATIONS.—Not later than 180 days after the date of the enactment of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011, the NTIA shall, after public notice and comment and subject to approval by the Director of OMB, adopt regulations to govern the workings of the Technical Panel.

"(E) CERTAIN REQUIREMENTS INAPPLICABLE.—The Federal Advisory Committee Act (5 U.S.C. App.) and sections 552 and 552b of title 5, United States Code, shall not apply to the Technical Panel.

"(4) REVIEW OF PLAN BY TECHNICAL PANEL.—

"(A) IN GENERAL.—Not later than 30 days after the submission of the plan under paragraph (1), the Technical Panel shall submit to the NTIA and to the Federal entity a report on the sufficiency of the plan, including whether the plan includes the information required by paragraph (2) and an assessment of the reasonableness of the proposed timelines and estimated relocation or sharing costs, including the costs of any proposed expansion of the capabilities of a Federal system in connection with relocation or sharing.

"(B) INSUFFICIENCY OF PLAN.—If the Technical Panel finds the plan insufficient, the Federal entity shall, not later than 90 days after the submission of the report by the Technical panel under subparagraph (A), submit to the Technical Panel a revised plan. Such revised plan shall be treated as a plan submitted under paragraph (1).

"(5) PUBLICATION OF TRANSITION PLAN.—Not later than 120 days before the commencement of the auction described in paragraph (1), the NTIA shall make the transition plan publicly available on its website.

"(6) UPDATES OF TRANSITION PLAN.—As the Federal entity implements the transition plan, it shall periodically update the plan to reflect any changed circumstances, including changes in estimated relocation or sharing costs or the timeline for relocation or sharing. The NTIA shall make the updates available on its website.

"(7) CLASSIFIED AND OTHER SENSITIVE INFORMATION.—

"(A) CLASSIFIED INFORMATION.—If any of the information required to be included in the transition plan of a Federal entity is classified information (as defined in section 798(b) of title 18, United States Code), the entity shall—

"(i) include in the plan—

"(I) an explanation of the exclusion of any such information, which shall be as specific as possible; and

"(II) all relevant non-classified information that is available; and

"(ii) discuss as a factor under paragraph (2)(H) the extent of the classified information and the effect of such information on the implementation of the relocation or sharing arrangement.

"(B) REGULATIONS.—Not later than 180 days after the date of the enactment of the Jumpstarting Opportunity with Broadband

Spectrum Act of 2011, the NTIA, in consultation with the Director of OMB and the Secretary of Defense, shall adopt regulations to ensure that the information publicly released under paragraph (5) or (6) does not contain classified information or other sensitive information.

''(i) DISPUTE RESOLUTION PROCESS.—

''(1) IN GENERAL.—If a dispute arises between a Federal entity and a non-Federal user regarding the execution, timing, or cost of the transition plan submitted by the Federal entity under subsection (h)(1), the Federal entity or the non-Federal user may request that the NTIA establish a dispute resolution board to resolve the dispute.

''(2) ESTABLISHMENT OF BOARD.—

''(A) IN GENERAL.—If the NTIA receives a request under paragraph (1), it shall establish a dispute resolution board.

''(B) MEMBERSHIP AND APPOINTMENT.— The dispute resolution board shall be composed of 3 members, as follows:

''(i) A representative of the Office of Management and Budget (in this subsection referred to as 'OMB'), to be appointed by the Director of OMB.

''(ii) A representative of the NTIA, to be appointed by the Assistant Secretary.

''(iii) A representative of the Commission, to be appointed by the Chairman of the Commission.

''(C) CHAIR.—The representative of OMB shall be the Chair of the dispute resolution board.

''(D) VACANCIES.—Any vacancy in the dispute resolution board shall be filled in the manner in which the original appointment was made.

''(E) NO COMPENSATION.—The members of the dispute resolution board shall not receive any compensation for service on the board. If any such member is an employee of the agency of the official that appointed such member to the board, compensation in the member's capacity as such an employee shall not be considered compensation under this subparagraph.

''(F) TERMINATION OF BOARD.—The dispute resolution board shall be terminated after it rules on the dispute that it was established to resolve and the time for appeal of its decision under paragraph (7) has expired, unless an appeal has been taken under such paragraph. If such an appeal has been taken, the board shall continue to exist until the appeal process has been exhausted and the board has completed any action required by a court hearing the appeal.

"(3) PROCEDURES.—The dispute resolution board shall meet simultaneously with representatives of the Federal entity and the non-Federal user to discuss the dispute. The dispute resolution board may require the parties to make written submissions to it.

"(4) DEADLINE FOR DECISION.—The dispute resolution board shall rule on the dispute not later than 30 days after the request was made to the NTIA under paragraph (1).

"(5) ASSISTANCE FROM TECHNICAL PANEL.—The Technical Panel established under subsection (h)(3) shall provide the dispute resolution board with such technical assistance as the board requests.

"(6) ADMINISTRATIVE SUPPORT.—The NTIA shall provide the dispute resolution board with the administrative support services necessary to carry out its duties under this subsection.

"(7) APPEALS.—A decision of the dispute resolution board may be appealed to the United States Court of Appeals for the District of Columbia Circuit by filing a notice of appeal with that court not later than 30 days after the date of such decision. Each party shall bear its own costs and expenses, including attorneys' fees, for any appeal under this paragraph.

"(8) REGULATIONS.—Not later than 180 days after the date of the enactment of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011, the NTIA shall, after public notice and comment and subject to approval by OMB, adopt regulations to govern the working of any dispute resolution boards established under paragraph (2)(A) and the role of the Technical Panel in assisting any such board.

"(9) CERTAIN REQUIREMENTS INAPPLICABLE.—The Federal Advisory Committee Act (5 U.S.C. App.) and sections 552 and 552b of title 5, United States Code, shall not apply to a dispute resolution board established under paragraph (2)(A).

"(j) RELOCATION PRIORITIZED OVER SHARING.—

"(1) IN GENERAL.—In evaluating a band of frequencies for possible reallocation for exclusive non-Federal use or shared use, the NTIA shall give priority to options involving reallocation of the band for exclusive non-Federal use and shall choose options involving shared use only when it determines, in consultation with the Director of the Office of Management and Budget, that relocation of a Federal entity from the band is not feasible because of technical or cost constraints.

"(2) NOTIFICATION OF CONGRESS WHEN SHARING CHOSEN.—If the NTIA determines under paragraph (1) that relocation of a Federal entity from the band is not feasible, the NTIA shall notify the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives of the determination, including the specific technical or cost constraints on which the determination is based.".

(b) CONFORMING AMENDMENT.—Section 309(j) of the Communications Act of 1934, as amended by section 4105, is further amended by striking "relocation costs" each place it appears and inserting "relocation or sharing costs".

SEC. 4302. SPECTRUM RELOCATION FUND.

Section 118 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 928) is amended—

(1) by striking ''relocation costs'' each place it appears and inserting ''relocation or sharing costs'';

(2) by amending subsection (c) to read as follows:

''(c) USE OF FUNDS.—The amounts in the Fund from auctions of eligible frequencies are authorized to be used to pay relocation or sharing costs of an eligible Federal entity incurring such costs with respect to relocation from or sharing of those frequencies.'';

(3) in subsection (d)—

(A) in paragraph (2)—

(i) in subparagraph (A), by inserting ''or sharing'' before the semicolon;

(ii) in subparagraph (B), by inserting ''or sharing'' before the period at the end;

(iii) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(iv) by inserting before subparagraph (B), as so redesignated, the following:

''(A) unless the eligible Federal entity has submitted a transition plan to the NTIA as required by paragraph (1) of section 113(h), the Technical Panel has found such plan sufficient under paragraph (4) of such section, and the NTIA has made available such plan on its website as required by paragraph (5) of such section;'';

(B) by striking paragraph (3); and

(C) by adding at the end the following:

``(3) TRANSFERS FOR PRE-AUCTION COSTS.—

``(A) IN GENERAL.—Subject to subparagraph (B), the Director of OMB may transfer to an eligible Federal entity, at any time (including prior to a scheduled auction), such sums as may be available in the Fund to pay relocation or sharing costs related to pre-auction estimates or research, as such costs are described in section 113(g)(3)(A)(iii).

``(B) NOTIFICATION.—No funds may be transferred pursuant to subparagraph (A) unless—

``(i) the notification provided under paragraph (2)(C) includes a certification from the Director of OMB that—

``(I) funds transferred before an auction will likely allow for timely implementation of relocation or sharing, thereby increasing net expected auction proceeds by an amount not less than the time value of the amount of funds transferred; and

"(II) the auction is intended to occur not later than 5 years after transfer of funds; and

"(ii) the transition plan submitted by the eligible Federal entity under section 113(h)(1) provides—

"(I) to the fullest extent possible, for sharing and coordination of eligible frequencies with non-Federal users, including reasonable accommodation by the eligible Federal entity for the use of eligible frequencies by non-Federal users during the period that the entity is relocating its spectrum uses (in this clause referred to as the 'transition period');

"(II) for non-Federal users to be able to use eligible frequencies during the transition period in geographic areas where the eligible Federal entity does not use such frequencies;

"(III) that the eligible Federal entity will, during the transition period, make itself available for negotiation and discussion with non-Federal users not later than 30 days after a written request therefor; and

"(IV) that the eligible Federal entity will, during the transition period, make available to a non-Federal user with appropriate security clearances any classified information (as defined in section 798(b) of title 18, United States Code) regarding the relocation process, on a need-to-know basis, to assist the non-Federal user in the relocation process with such eligible Federal entity or other eligible Federal entities.

"(C) APPLICABILITY TO CERTAIN COSTS.—

"(i) IN GENERAL.—The Director of OMB may transfer under subparagraph (A) not more than $10,000,000 for costs incurred after June 28, 2010, but before the date of the enactment of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011.

"(ii) SUPPLEMENT NOT SUPPLANT.— Any amounts transferred by the Director of OMB pursuant to clause (i) shall be in addition to any amounts that the Director of OMB may transfer for costs incurred on or after the date of the enactment of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011.

"(4) REVERSION OF UNUSED FUNDS.—Any amounts in the Fund that are remaining after the payment of the relocation or sharing costs that are payable from the Fund shall revert to and be deposited in the general fund of the Treasury, for the sole purpose of deficit reduction, not later than 8 years after the date of the deposit of such proceeds to the Fund, unless within 60 days in advance of the reversion of such funds, the Director of OMB, in consultation with the NTIA, notifies the congressional committees described in paragraph (2)(C) that such funds are needed to complete or to implement current or future relocation or sharing arrangements.";

(4) in subsection (e)—

(A) in paragraph (1)(B)—

(i) in clause (i), by striking "subsection (d)(2)(A)" and inserting "subsection (d)(2)(B)"; and

(ii) in clause (ii), by striking "subsection (d)(2)(B)" and inserting "subsection (d)(2)(C)"; and

(B) in paragraph (2)—

(i) by striking "entity's relocation" and inserting "relocation of the entity or implementation of the sharing arrangement by the entity";

(ii) by inserting "or the implementation of such arrangement" after "such relocation"; and

(iii) by striking "subsection (d)(2)(A)" and inserting "subsection (d)(2)(B)"; and

(5) by adding at the end the following:

"(f) ADDITIONAL PAYMENTS FROM FUND.—

"(1) AMOUNTS AVAILABLE.—Notwithstanding subsections (c) through (e), after the date of the enactment of the Jumpstarting Opportunity with Broadband Spectrum Act of 2011, there are appropriated from the Fund and available to the Director of OMB for use in accordance with paragraph (2) not more than 10 percent of the amounts deposited in the Fund from auctions occurring after such date of enactment of licenses for the use of spectrum vacated by eligible Federal entities.

"(2) USE OF AMOUNTS.—

"(A) IN GENERAL.—The Director of OMB, in consultation with the NTIA, may use amounts made available under paragraph (1) to make payments to eligible Federal entities that are implementing a transition plan submitted under section 113(h)(1) in order to encourage such entities to complete the implementation more quickly, thereby encouraging timely access to the eligible frequencies that are being reallocated for exclusive non-Federal use or shared use.

"(B) CONDITIONS.—In the case of any payment by the Director of OMB under subparagraph (A)—

"(i) such payment shall be based on the market value of the eligible frequencies, the timeliness with which the eligible Federal entity clears its use of such frequencies, and the need for such frequencies in order for the entity to conduct its essential missions;

"(ii) the eligible Federal entity shall use such payment for the purposes specified in clauses (i) through (v) of section 113(g)(3)(A) to achieve comparable capability of systems affected by the reallocation of eligible frequencies from Federal use to exclusive non-Federal use or to shared use;

"(iii) such payment may not be made if the amount remaining in the Fund after such payment will be less than 10 percent of the winning bids in the auction of the spectrum with respect to which the Federal entity is incurring relocation or sharing costs; and

"(iv) such payment may not be made until 30 days after the Director of OMB has notified the congressional committees described in subsection (d)(2)(C).".

SEC. 4303. NATIONAL SECURITY AND OTHER SENSITIVE INFORMATION.

Part B of title I of the National Telecommunications and Information Administration Organization Act (47

U.S.C. 921 et seq.) is amended by adding at the end the following:

“SEC. 119. NATIONAL SECURITY AND OTHER SENSITIVE INFORMATION.

“(a) DETERMINATION.—If the head of an Executive agency (as defined in section 105 of title 5, United States Code) determines that public disclosure of any information contained in a notification or report required by section 113 or 118 would reveal classified national security information, or other information for which there is a legal basis for nondisclosure and the public disclosure of which would be detrimental to national security, homeland security, or public safety or would jeopardize a law enforcement investigation, the head of the Executive agency shall notify the Assistant Secretary of that determination prior to the release of such information.

“(b) INCLUSION IN ANNEX.—The head of the Executive agency shall place the information with respect to which a determination was made under subsection (a) in a separate annex to the notification or report required by section 113 or 118. The annex shall be provided to the subcommittee of primary jurisdiction of the congressional committee of primary jurisdiction in accordance with appropriate national security stipulations but shall not be disclosed to the public or provided to any unauthorized person through any means.''.

Subtitle D—Telecommunications Development Fund

SEC. 4401. NO ADDITIONAL FEDERAL FUNDS.

Section 309(j)(8)(C)(iii) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)(C)(iii)) is amended to read as follows:

''(iii) the interest accrued to the account shall be deposited in the general fund of the Treasury, where such amount shall be dedicated for the sole purpose of deficit reduction.''.

SEC. 4402. INDEPENDENCE OF THE FUND.

Section 714 of the Communications Act of 1934 (47 U.S.C. 614) is amended—

(1) by striking subsection (c) and inserting the following:

''(c) INDEPENDENT BOARD OF DIRECTORS.—The Fund shall have a Board of Directors consisting of 5 people with experience in areas including finance, investment banking, government banking, communications law and administrative practice, and public policy. The Board of Directors shall select annually a Chair from among the directors. A nominating committee, comprised of the Chair and 2 other directors selected by the Chair, shall appoint additional directors. The Fund's bylaws shall regulate the other aspects of the Board of Directors, including provisions relating to meetings, quorums, committees, and other matters, all as typically contained in the bylaws of a similar private investment fund.'';

(2) in subsection (d)—

(A) by striking ''(after consultation with the Commission and the Secretary of the Treasury)'';

(B) by striking paragraph (1); and

(C) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(3) in subsection (g), by striking ''subsection (d)(2)'' and inserting ''subsection (d)(1)''.

TITLE V—OFFSETS

Subtitle A—Guarantee Fees

SEC. 5001. GUARANTEE FEES.

Subpart A of part 2 of subtitle A of title XIII of the Housing and Community Development Act of 1992 is amended by adding after section 1326 (12 U.S.C. 4546) the following new section:

"SEC. 1327. ENTERPRISE GUARANTEE FEES.

"(a) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) GUARANTEE FEE.—The term 'guarantee fee'—

"(A) means a fee described in subsection (b); and

"(B) includes—

"(i) the guaranty fee charged by the Federal National Mortgage Association with respect to mortgage-backed securities; and

"(ii) the management and guarantee fee charged by the Federal Home Loan Mortgage Corporation with respect to participation certificates.

"(2) AVERAGE FEES.—The term 'average fees' means the average contractual fee rate of single-family guaranty arrangements by an enterprise entered into during 2011, plus the recognition of any up-front cash payments over an estimated average life, expressed in terms of basis points. Such definition shall be interpreted in a manner consistent with the annual report on guarantee fees by the Federal Housing Finance Agency.

"(b) INCREASE.—

"(1) IN GENERAL.—

"(A) PHASED INCREASE REQUIRED.—Subject to subsection (c), the Director shall require each enterprise to charge a guarantee fee in connection with any guarantee of the timely payment of principal and interest on securities, notes, and other obligations based on or backed by mortgages on residential real properties designed principally for occupancy of from 1 to 4 families, consummated after the date of enactment of this section.

"(B) AMOUNT.—The amount of the increase required under this section shall be determined by the Director to appropriately reflect the risk of loss, as well the cost of capital allocated to similar assets held by other fully private regulated financial institutions, but such amount shall be not less than an average increase of 10 basis points for each origination year or book year above the average fees imposed in 2011 for such guarantees. The Director shall prohibit an enterprise from offsetting the cost of the fee to mortgage originators, borrowers, and investors by decreasing other charges, fees, or premiums, or in any other manner.

"(2) AUTHORITY TO LIMIT OFFER OF GUARANTEE.—The Director shall prohibit an enterprise from consummating any offer for a guarantee to a lender for mortgage-backed securities, if—

"(A) the guarantee is inconsistent with the requirements of this section; or

"(B) the risk of loss is allowed to increase, through lowering of the underwriting standards or other means, for the primary purpose of meeting the requirements of this section.

"(3) DEPOSIT IN TREASURY.—To the extent that amounts are received from fee increases imposed under this section that are necessary to comply with the minimum increase required by this subsection, such amounts shall be deposited directly into the United States Treasury, and shall be available only to the extent provided in subsequent appropriations Acts. Such fees shall not be considered a reimbursement to the Federal Government for the costs or subsidy provided to an enterprise.

"(c) PHASE-IN.—

"(1) IN GENERAL.—The Director may provide for compliance with subsection (b) by allowing each enterprise to increase the guarantee fee charged by the enterprise gradually over the 2-year period beginning on the date of enactment of this section, in a manner sufficient to comply with this section. In determining a schedule for such increases, the Director shall—

"(A) provide for uniform pricing among lenders;

"(B) provide for adjustments in pricing based on risk levels; and

"(C) take into consideration conditions in financial markets.

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be interpreted to undermine the minimum increase required by subsection (b).

"(d) INFORMATION COLLECTION AND ANNUAL ANALYSIS.—The Director shall require each enterprise to provide to the Director, as part of its annual report submitted to Congress—

"(1) a description of—

"(A) changes made to up-front fees and annual fees as part of the guarantee fees negotiated with lenders; and

"(B) changes to the riskiness of the new borrowers compared to previous origination years or book years; and

"(2) an assessment of how the changes in the guarantee fees described in paragraph (1) met the requirements of subsection (b).

"(e) ENFORCEMENT.—

"(1) REQUIRED ADJUSTMENTS.—Based on the information from subsection (d) and any other information the Director deems necessary, the Director shall require an enterprise to make adjustments in its guarantee fee in order to be in compliance with subsection (b).

"(2) NONCOMPLIANCE PENALTY.—An enterprise that has been found to be out of compliance with subsection (b) for any 2 consecutive years shall be precluded from providing any guarantee for a period, determined by rule of the Director, but in no case less than 1 year.

"(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be interpreted as preventing the Director from initiating and implementing an enforcement action against an enterprise, at a time the Director deems necessary, under other existing enforcement authority.

"(f) AUTHORITY FOR OTHER INCREASES.—Nothing in this section may be construed to prohibiting, restricting, or limiting increases, other than pursuant to this section, in the guarantee fees charged by an enterprise.

"(g) EXPIRATION.—The provisions of this section shall expire on October 1, 2021.".

Subtitle B—Social Security Provisions

SEC. 5101. INFORMATION FOR ADMINISTRATION OF SOCIAL SECURITY PROVISIONS RELATED TO NON-COVERED EMPLOYMENT.

(a) COLLECTION.—Subsection (d) of section 6047 of the Internal Revenue Code of 1986 is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) DEFERRED COMPENSATION PLANS OF A STATE.—

"(A) IN GENERAL.—In the case of any employer deferred compensation plan (as defined in section 3405(e)(5)) of a State, a political subdivision thereof, or any agency or instrumentality of any of the foregoing, the Secretary shall in such forms or regulations require, to the extent such information is known or should be known, the identification of any designated distribution (as defined in section 3405(e)(1)) if paid to any participant or beneficiary of such plan based in whole or in part upon an individual's earnings for service in the employ of any such governmental entity.

"(B) STATE.—For purposes of subparagraph (A), the term 'State' includes the District of Columbia, the Commonwealth or Puerto Rico, the Virgin Island, Guam, and American Samoa.".

(b) DISCLOSURE.—Paragraph (1) of section 6103(l) of such Code is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting "; and", and by adding at the end the following:

"(D) any designated distribution described in section 6047(d)(2) to the Social Security Administration for purposes of its administration of the Social Security Act.".

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to distributions made after December 31, 2012.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to disclosures made after December 31, 2012.

Subtitle C—Child Tax Credit

SEC. 5201. SOCIAL SECURITY NUMBER REQUIRED TO CLAIM THE REFUNDABLE PORTION OF THE CHILD TAX CREDIT.

(a) IN GENERAL.—Subsection (d) of section 24 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(5) IDENTIFICATION REQUIREMENT WITH RESPECT TO TAXPAYER.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to any taxpayer for any taxable year unless the taxpayer includes the taxpayer's Social Security number on the return of tax for such taxable year.

"(B) JOINT RETURNS.—In the case of a joint return, the requirement of subparagraph (A) shall be treated as met if the Social Security number of either spouse is included on such return.".

(b) OMISSION TREATED AS MATHEMATICAL OR CLERICAL ERROR.—Subparagraph (I) of section 6213(g)(2) of such Code is amended to read as follows:

"(I) an omission of a correct Social Security number required under section 24(d)(5) (relating to refundable portion of child tax credit), or a correct TIN under section 24(e) (relating to child tax credit), to be included on a return,".

(c) CONFORMING AMENDMENT.—Subsection (e) of section 24 of such Code is amended by inserting "WITH RESPECT TO QUALIFYING CHILDREN" after "IDENTIFICATION REQUIREMENT" in the heading thereof.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

Subtitle D—Eliminating Taxpayer Benefits for Millionaires

SEC. 5301. ENDING UNEMPLOYMENT AND SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS FOR MILLIONAIRES.

(a) ENDING UNEMPLOYMENT BENEFITS FOR MILLIONAIRES.—

(1) IN GENERAL.—Subtitle E of the Internal Revenue Code of 1986 is amended by adding at the end the following new chapter:

"CHAPTER 56—EXCESS UNEMPLOYMENT COMPENSATION

"SEC. 5895. EXCESS UNEMPLOYMENT COMPENSATION.

"(a) IMPOSITION OF TAX.—There is hereby imposed a tax equal to 100 percent of the excess unemployment compensation received by a taxpayer in any taxable year.

"(b) EXCESS UNEMPLOYMENT COMPENSATION.—For purposes of this section, the term 'excess unemployment compensation' means, with respect to any State, the amount which bears the same ratio (not to exceed 1) to the amount of unemployment compensation received by the taxpayer from such State in the taxable year as—

"(1) the excess of—

"(A) the taxpayer's adjusted gross income for such taxable year, over

"(B) $750,000 ($1,500,000 in the case of a joint return), bears to

"(2) $250,000 ($500,000 in the case of a joint return).

"(c) ADDITIONAL DEFINITIONS.—For purposes of this section—

"(1) ADJUSTED GROSS INCOME.—The term 'adjusted gross income' has the meaning given such term by section 62.

"(2) UNEMPLOYMENT COMPENSATION.—The term 'unemployment compensation' has the meaning given such term by section 85(b).

"(d) ADMINISTRATIVE PROVISIONS.—For purposes of the deficiency procedures of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A.

"(e) TRANSFER OF TAX RECEIPTS.—With respect to excess unemployment compensation received by any taxpayer from a State, there is hereby appropriated to the unemployment fund (as defined in section 3306(f)) of such State, an amount equal to the amount of the tax imposed under subsection (a) on such excess unemployment compensation received in the Treasury.".

(2) TAX NOT DEDUCTIBLE.—Section 275(a) of the Internal Revenue Code of 1986 is amended by inserting after paragraph (6) the following new paragraph:

"(7) Tax imposed by section 5895.".

(3) CLERICAL AMENDMENT.—The table of chapters for subtitle E of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"CHAPTER 56—EXCESS UNEMPLOYMENT COMPENSATION".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to unemployment com-

pensation received in taxable years beginning after December 31, 2011.

(b) ENDING SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS FOR MILLIONAIRES.—

(1) IN GENERAL.—Section 6 of the Food and Nutrition Act of 2008 (7 U.S.C. 2015) is amended by adding at the end the following:

"(r) DISQUALIFICATION FOR RECEIPT OF ASSETS OF AT LEAST $1,000,000.—Any household in which a member receives income or assets with a fair market value of at least $1,000,000 shall, immediately on the receipt of the assets, become ineligible for further participation in the program until the date on which the household meets the income eligibility and allowable financial resources standards under section 5.".

(2) CONFORMING AMENDMENTS.—Section 5(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(a)) is amended in the second sentence by striking "sections 6(b), 6(d)(2), and 6(g)" and inserting "subsections (b), (d)(2), (g), and (r) of section 6".

Subtitle E—Federal Civilian Employees

PART 1—RETIREMENT ANNUITIES

SEC. 5401. SHORT TITLE.

This part may be cited as the "Securing Annuities for Federal Employees Act of 2011".

SEC. 5402. RETIREMENT CONTRIBUTIONS.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) INDIVIDUAL CONTRIBUTIONS.—Section 8334(a)(1)(A) of title 5, United States Code, is amended—

(A) by striking "(a)(1)(A) The" and inserting "(a)(1)(A)(i) Except as provided in clause (ii), the"; and

(B) by adding at the end the following:

"(ii) The percentage of basic pay to be deducted and withheld under clause (i) shall—

"(I) for each of calendar years 2013, 2014, and 2015, be equal to the percentage that applied in the preceding calendar year (as increased under this subclause, if applicable), plus an additional 0.5 percentage point; and

"(II) for each calendar year after 2015, be equal to the applicable percentage for calendar year 2015 (as determined under subclause (I)).".

(2) GOVERNMENT CONTRIBUTIONS.—Section 8334(a)(1)(B) of title 5, United States Code, is amended—

(A) in clause (i), by striking ''Except as provided in clause (ii),'' and inserting ''Except as provided in clause (ii) or (iii),''; and

(B) by adding at the end the following:

''(iii) The amount to be contributed under clause (i) shall, with respect to a period in any calendar year specified in subparagraph (A)(ii), be equal to—

''(I) the amount that would otherwise apply under clause (i), reduced by

''(II) the amount by which the withholding under subparagraph (A) exceeds the amount which would (but for clause (ii) of such subparagraph) otherwise have been withheld under such subparagraph from the basic pay of the employee or elected official involved with respect to such period.''.

(3) OFFSET RULE.—Section 8334(k) of title 5, United States Code, is amended by adding at the end the following:

''(5) This subsection shall be applied in a manner consistent with subsections (a)(1)(A)(ii) and (a)(1)(B)(iii) of section 8334.''.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8422(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by striking "paragraph (2)." and inserting "this subsection."; and

(2) by adding at the end the following:

"(4) Notwithstanding any other provision of this subsection, the percentage to be deducted and withheld under this subsection shall—

"(A) for each of calendar years 2013, 2014, and 2015, be equal to the percentage that applied in the preceding calendar year under this subsection (including this subparagraph, if applicable), plus an additional 0.5 percentage point; and

"(B) for each calendar year after 2015, be equal to the applicable percentage for calendar year 2015 (as determined under subparagraph (A)).".

(c) FOREIGN SERVICE.—For provisions of law requiring maintenance of existing conformity—

(1) between the Civil Service Retirement System and the Foreign Service Retirement System, and

(2) between the Federal Employees' Retirement System and the Foreign Service Pension System,

see section 827 of the Foreign Service Act of 1980 (22 U.S.C. 4067).

(d) CIARDS.—

(1) COMPATIBILITY WITH CSRS.—In order to carry out the purposes of this section with respect to the Central Intelligence Agency Retirement and Disability System, the authority under section 292 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2141) shall be applied.

(2) APPLICABILITY OF FERS.—For provisions of law providing for the application of the Federal Employees' Retirement System with respect to employees of the Central Intelligence Agency, see title III of the Central Intelligence Agency Retirement Act (50 U.S.C. 2151 and following).

(e) TVA.—Section 3 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831b) is amended by adding at the end the following:

"(c) The chief executive officer shall prescribe any regulations which may be necessary in order to carry out the purposes of the Securing Annuities for Federal Employees Act of 2011 with respect to any defined benefit plan covering employees of the Tennessee Valley Authority.".

SEC. 5403. AMENDMENTS RELATING TO SECURE ANNUITY EMPLOYEES.

(a) DEFINITION OF SECURE ANNUITY EMPLOYEE.—Section 8401 of title 5, United States Code, is amended—

(1) in paragraph (35), by striking "and" at the end;

(2) in paragraph (36), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(37) the term 'secure annuity employee' means an employee or Member who—

"(A) first becomes subject to this chapter after December 31, 2012; and

"(B) at the time of first becoming subject to this chapter, does not have at least 5 years of civilian service creditable under the Civil Service Retirement System or any other retirement system for Government employees.".

(b) INDIVIDUAL CONTRIBUTIONS.—Section 8422(a) of title 5, United States Code (as amended by section 2(b)) is further amended—

(1) in paragraph (4) (as added by section 2(b)), in the matter before subparagraph (A), by inserting "and except in the case of a secure annuity employee," after "this subsection"; and

(2) by adding after paragraph (4) (as so added) the following:

"(5) Notwithstanding any other provision of this subsection, in the case of a secure annuity employee, the percentage to be deducted and withheld shall be computed under paragraphs (1) through (3), except that the applicable percentage under paragraph (3) for civilian service shall—

"(A) in the case of a secure annuity employee who is an employee, be equal to 10.2 percent; and

"(B) in the case of a secure annuity employee who is not subject to subparagraph (A), 10.7 percent.".

(c) AVERAGE PAY.—Section 8401(3) of title 5, United States Code, is amended—

(1) by striking "(3)" and inserting "(3)(A)"; and

(2) by adding "except that" after the semicolon; and

(3) by adding at the end the following:

"(B) in the case of a secure annuity employee, the term 'average pay' has the meaning determined applying subparagraph (A)—

"(i) by substituting '5 consecutive years' for '3 consecutive years'; and "(ii) by substituting '5 years' for '3 years'.".

(d) COMPUTATION OF BASIC ANNUITY.—Section 8415 of title 5, United States Code, is amended—

(1) by striking subsections (a) through (e) and inserting the following:

"(a) Except as otherwise provided in this section, the annuity of an employee retiring under this subchapter is—

"(1) except as provided under paragraph (2), 1 percent of that individual's average pay multiplied by such individual's total service; or

"(2) in the case of a secure annuity employee, 0.7 percent of that individual's average pay multiplied by such individual's total service.

"(b) The annuity of a Member, or former Member with title to a Member annuity, retiring under this subchapter is computed under subsection (a), except that if the individual has had at least 5 years of service as a Member or Congressional employee, or any combination thereof, so much of the annuity as is computed with respect to either such type of service (or a combination thereof), not exceeding a total of 20 years, shall be computed—

"(1) except as provided under paragraph (2), by multiplying 1.7 percent of the individual's average pay by the years of such service; or

"(2) in the case of an individual who is a secure annuity employee, by multiplying 1.4 percent of the individual's average pay by the years of such service.

"(c) The annuity of a Congressional employee, or former Congressional employee, retiring under this subchapter is computed under subsection (a), except that if the individual has had at least 5 years of service as a Congressional employee or Member, or any combination thereof, so much of the annuity as is computed with respect to either such type of service (or a combination thereof), not exceeding a total of 20 years, shall be computed—

"(1) except as provided under paragraph (2), by multiplying 1.7 percent of the individual's average pay by the years of such service; or

"(2) in the case of an individual who is a secure annuity employee, by multiplying 1.4 percent of the individual's average pay by the years of such service.

"(d) The annuity of an employee retiring under subsection (d) or (e) of section 8412 or under subsection (a), (b), or (c) of section 8425 is—

"(1) except as provided under paragraph (2)—

"(A) 1.7 percent of that individual's average pay multiplied by so much of such individual's total service as does not exceed 20 years; plus

"(B) 1 percent of that individual's average pay multiplied by so much of such individual's total service as exceeds 20 years; or

"(2) in the case of an individual who is a secure annuity employee—

"(A) 1.4 percent of that individual's average pay multiplied by so much of such individual's total service as does not exceed 20 years; plus

"(B) 0.7 percent of that individual's average pay multiplied by so much of such individual's total service as exceeds 20 years.

"(e) The annuity of an air traffic controller or former air traffic controller retiring under section 8412(a) is computed under subsection (a), except that if the individual has had at least 5 years of service as an air traffic controller as defined by section 2109(1)(A)(i), so much of the annuity as is computed with respect to such type of service shall be computed—

"(1) except as provided under paragraph (2), by multiplying 1.7 percent of the individual's average pay by the years of such service; or

"(2) in the case of an individual who is a secure annuity employee, by multiplying 1.4 percent of the individual's average pay by the years of such service."; and

(2) in subsection (h)—

(A) in paragraph (1), by striking "subsection (a)" and inserting "subsection (a)(1)"; and

(B) in paragraph (2), in the matter following subparagraph (B), by striking "or customs and border protection officer" and inserting "customs and border protection officer, or secure annuity employee.".

SEC. 5404. ANNUITY SUPPLEMENT.

Section 8421(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by striking "paragraph (3)" and inserting "paragraphs (3) and (4)";

(2) in paragraph (2), by striking "paragraph (3)" and inserting "paragraphs (3) and (4)"; and

(3) by adding at the end the following:

"(4)(A) Except as provided in subparagraph (B), no annuity supplement under this section shall be payable in the case of an individual whose entitlement to annuity is based on such individual's separation from service after December 31, 2012.

"(B) Nothing in this paragraph applies in the case of an individual separating under subsection (d) or (e) of section 8412.".

PART 2—FEDERAL WORKFORCE

SEC. 5421. EXTENSION OF PAY LIMITATION FOR FEDERAL EMPLOYEES.

(a) IN GENERAL.—Section 147 of the Continuing Appropriations Act, 2011 (Public Law 111–242), as amended by section 1(a) of the Continuing Appropriations and Surface Transportation Extensions Act, 2011 (Public Law 111–322; 124 Stat. 3518), is further amended—

(1) in subsection (b)(1), by striking "December 31, 2012" and inserting "December 31, 2013"; and

(2) in subsection (c), by striking "December 31, 2012" and inserting "December 31, 2013".

(b) APPLICATION TO LEGISLATIVE BRANCH.—

(1) MEMBERS OF CONGRESS.—The extension of the pay limit for Federal employees through December 31, 2013, as established pursuant to the amendments made by subsection (a), shall apply to Mem-

bers of Congress in accordance with section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31).

(2) OTHER LEGISLATIVE BRANCH EMPLOYEES.—

(A) LIMIT IN PAY.—Notwithstanding any other provision of law, no cost of living adjustment required by statute with respect to a legislative branch employee which (but for this subparagraph) would otherwise take effect during the period beginning on the date of enactment of this Act and ending on December 31, 2013, shall be made.

(B) DEFINITION.—In this paragraph, the term ''legislative branch employee'' means—

(i) an employee of the Federal Government whose pay is disbursed by the Secretary of the Senate or the Chief Administrative Officer of the House of Representatives; and

(ii) an employee of any office of the legislative branch who is not described in clause (i).

SEC. 5422. REDUCTION OF DISCRETIONARY SPENDING LIMITS TO ACHIEVE SAVINGS FROM FEDERAL EMPLOYEE PROVISIONS.

Section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"(c) DISCRETIONARY SPENDING LIMIT.—As used in this part, the term 'discretionary spending limit' means—

"(1) with respect to fiscal year 2013—

"(A) for the security category, $685,000,000,000 in new budget authority; and

"(B) for the nonsecurity category, $359,000,000,000 in new budget authority;

"(2) with respect to fiscal year 2014, for the discretionary category, $1,063,000,000,000 in new budget authority;

"(3) with respect to fiscal year 2015, for the discretionary category, $1,083,000,000,000 in new budget authority;

"(4) with respect to fiscal year 2016, for the discretionary category, $1,104,000,000,000 in new budget authority;

"(5) with respect to fiscal year 2017, for the discretionary category, $1,128,000,000,000 in new budget authority;

"(6) with respect to fiscal year 2018, for the discretionary category, $1,153,000,000,000 in new budget authority;

"(7) with respect to fiscal year 2019, for the discretionary category, $1,178,000,000,000 in new budget authority;

"(8) with respect to fiscal year 2020, for the discretionary category, $1,204,000,000,000 in new budget authority; and

"(9) with respect to fiscal year 2021, for the discretionary category, $1,230,000,000,000 in new budget authority;

as adjusted in strict conformance with subsection (b).".

SEC. 5423. REDUCTION OF REVISED DISCRETIONARY SPENDING LIMITS TO ACHIEVE SAVINGS FROM FEDERAL EMPLOYEE PROVISIONS.

Paragraph (2) of section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"(2) REVISED DISCRETIONARY SPENDING LIMITS.—The discretionary spending limits for fiscal years 2013 through 2021 under section 251(c) shall be replaced with the following:

"(A) For fiscal year 2013—

“(i) for the security category, $546,000,000,000 in budget authority; and

“(ii) for the nonsecurity category, $499,000,000,000 in budget authority.

“(B) For fiscal year 2014—

“(i) for the security category, $556,000,000,000 in budget authority; and

“(ii) for the nonsecurity category, $507,000,000,000 in budget authority.

“(C) For fiscal year 2015—

“(i) for the security category, $566,000,000,000 in budget authority; and

“(ii) for the nonsecurity category, $517,000,000,000 in budget authority.

“(D) For fiscal year 2016—

“(i) for the security category, $577,000,000,000 in budget authority; and

“(ii) for the nonsecurity category, $527,000,000,000 in budget authority.

“(E) For fiscal year 2017—

“(i) for the security category, $590,000,000,000 in budget authority; and

“(ii) for the nonsecurity category, $538,000,000,000 in budget authority.

“(F) For fiscal year 2018—

"(i) for the security category, $603,000,000,000 in budget authority; and

"(ii) for the nonsecurity category, $550,000,000,000 in budget authority.

"(G) For fiscal year 2019—

"(i) for the security category, $616,000,000,000 in budget authority; and

"(ii) for the nonsecurity category, $562,000,000,000 in budget authority.

"(H) For fiscal year 2020—

"(i) for the security category, $630,000,000,000 in budget authority; and

"(ii) for the nonsecurity category, $574,000,000,000 in budget authority.

"(I) For fiscal year 2021—

"(i) for the security category, $644,000,000,000 in budget authority; and

"(ii) for the nonsecurity category, $586,000,000,000 in budget authority.".

Subtitle F—Health Care Provisions

SEC. 5501. INCREASE IN APPLICABLE PERCENTAGE USED TO CALCULATE MEDICARE PART B AND PART D PREMIUMS FOR HIGH-INCOME BENEFICIARIES.

(a) IN GENERAL.—Section 1839(i)(3)(C)(i) of the Social Security Act (42 U.S.C. 1395r(i)(3)(C)(i)) is amended—

(1) by striking "IN GENERAL.—" and inserting "IN GENERAL.—(I) For calendar years prior to 2017:"; and

(2) by adding at the end the following new subclause:

"(II) For calendar year 2017 and each subsequent calendar year:

"If the modified adjusted gross is:	The applicable percentage is:
More than $80,000 but not more than $100,000.	40.25 percent
More than $100,000 but not more than $150,000.	57.5 percent
More than $150,000 but not more than $200,000.	74.75 percent
More than $200,000	90 percent.".

(b) CONFORMING AMENDMENT.—Section 1839(i)(3)(A)(i) of the Social Security Act (42 U.S.C. 1395r(i)(3)(A)(i)) is amended, by inserting "and year" after "individual".

SEC. 5502. TEMPORARY ADJUSTMENT TO THE CALCULATION OF MEDICARE PART B AND PART D PREMIUMS.

(a) IN GENERAL.—Section 1839(i)(6) of the Social Security Act (42 U.S.C. 1395r(i)(6)) is amended in the matter preceding subparagraph (A) by striking ''December 31, 2019'' and inserting ''December 31 of the first year after the year in which at least 25 percent of individuals enrolled under this part are subject to a reduction under this subsection to the monthly amount of the premium subsidy applicable to the premium under this section.''.

(b) APPLICATION OF INFLATION ADJUSTMENT.—Section 1839(i)(5) of the Social Security Act (42 U.S.C. 1395r(i)(5)) is amended—

(1) in subparagraph (A), by striking ''In the case'' and inserting ''Subject to subparagraph (C), in the case''; and

(2) by adding at the end the following new subparagraph:

''(C) TREATMENT OF YEARS AFTER TEMPORARY ADJUSTMENT PERIOD.—In applying subparagraph (A) for the first year beginning after the period described in paragraph (6) and for each subsequent year, the 12-month period ending with August 2006 described in clause

(ii) of such subparagraph shall be deemed to be the 12-month period ending with August of the last year of such period described in paragraph (6).''.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 6001. REPEAL OF CERTAIN SHIFTS IN THE TIMING OF CORPORATE ESTIMATED TAX PAYMENTS.

The following provisions of law (and any modification of any such provision which is contained in any other provision of law) shall not apply with respect to any installment of corporate estimated tax:

(1) Section 201(b) of the Corporate Estimated Tax Shift Act of 2009.

(2) Section 561 of the Hiring Incentives to Restore Employment Act.

(3) Section 505 of the United States-Korea Free Trade Agreement Implementation Act.

(4) Section 603 of the United States-Colombia Trade Promotion Agreement Implementation Act.

(5) Section 502 of the United State-Panama Trade Promotion Agreement Implementation Act.

SEC. 6002. REPEAL OF REQUIREMENT RELATING TO TIME FOR REMITTING CERTAIN MERCHANDISE PROCESSING FEES.

(a) REPEAL.—The Trade Adjustment Assistance Extension Act of 2011 (title II of Public Law 112–40; 125 Stat. 402) is amended by striking section 263.

(b) CLERICAL AMENDMENT.—The table of contents for such Act is amended by striking the item relating to section 263.

SEC. 6003. POINTS OF ORDER IN THE SENATE.

(a) POINT OF ORDER TO PROTECT THE SOCIAL SECURITY TRUST FUND.—

(1) Notwithstanding any other provision of law, it shall not be in order in the Senate to consider any measure that extends the dates referenced in section 601(c) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (26 U.S.C. 1401 note).

(2) The provisions of this subsection may be waived in the Senate only by the affirmative vote of two-thirds of the Members, duly chosen and sworn.

(b) POINT OF ORDER AGAINST AN EMERGENCY DESIGNATION.—Section 314 of the Congressional Budget Act of 1974 is amended by—

(1) redesignating subsection (e) as subsection (f); and

(2) inserting after subsection (d) the following:

"(e) SENATE POINT OF ORDER AGAINST AN EMERGENCY DESIGNATION.—

"(1) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, amendment between the Houses, or conference report, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

"(2) SUPERMAJORITY WAIVER AND APPEALS.—

"(A) WAIVER.—Paragraph (1) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

"(B) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

"(3) DEFINITION OF AN EMERGENCY DESIGNATION.—For purposes of paragraph (1), a provision shall be considered an emergency designation if it designates any item pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(4) FORM OF THE POINT OF ORDER.—A point of order under paragraph (1) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

"(5) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.''.

SEC. 6004. PAYGO SCORECARD ESTIMATES.

(a) BUDGETARY EFFECTS.—Neither scorecard maintained by the Office of Management and Budget pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 933) shall include the budgetary effects of this Act if such budgetary effects do not increase the deficit for the period of fiscal years 2012 through 2021 as determined by the estimate submitted for printing in the Congressional Record pursuant to section 4(d) of such Act.

(b) DEFICIT.—The increase or decrease in the deficit in the estimate submitted for printing referred to in subsection (a) shall be determined on the basis of—

(1) the change in total outlays and total revenue of the Federal Government, including off-budget effects, that would result from this Act;

(2) the estimate of the effects of the changes to the discretionary spending limits set forth in section

251 of the Balanced Budget and Emergency Deficit Control Act of 1985 in this Act; and

(3) the estimate of the change in net income to the National Flood Insurance Program by this Act.

Passed the House of Representatives December 13, 2011.

Attest: KAREN L. HAAS,

Clerk.

Calendar No. 257

112TH CONGRESS
1ST SESSION

H. R. 3630

AN ACT

To provide incentives for the creation of jobs, and for other purposes.

DECEMBER 14, 2011

Received; read the second time and placed on the calendar