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112TH CONGRESS
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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.

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

3 **SECTION 1. SHORT TITLE.**

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

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

Sec. 1. Short title.

TITLE I—JOB CREATION INCENTIVES

Subtitle A—North American Energy Access

- Sec. 1001. Short title.
- Sec. 1002. Permit for Keystone XL Pipeline.

Subtitle B—EPA Regulatory Relief

- Sec. 1101. Short title.
- Sec. 1102. Legislative stay.
- Sec. 1103. Compliance dates.
- Sec. 1104. Energy recovery and conservation.
- Sec. 1105. Other provisions.

Subtitle C—Extension of 100 Percent Expensing

- Sec. 1201. Extension of allowance for bonus depreciation for certain business assets.

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.

Subtitle B—Unemployment Compensation

- Sec. 2101. Short title.

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

- Sec. 2121. Consistent job search requirements.
- Sec. 2122. Participation in reemployment services made a condition of benefit receipt.
- Sec. 2123. State flexibility to promote the reemployment of unemployed workers.
- Sec. 2124. Assistance and guidance in implementing self-employment assistance programs.
- Sec. 2125. Improving program integrity by better recovery of overpayments.
- Sec. 2126. Data standardization for improved data matching.
- Sec. 2127. Drug testing of applicants.

PART 2—PROVISIONS RELATING TO EXTENDED BENEFITS

- Sec. 2141. Short title.
- Sec. 2142. Extension and modification of emergency unemployment compensation program.
- Sec. 2143. Temporary extension of extended benefit provisions.
- Sec. 2144. Additional extended unemployment benefits under the Railroad Unemployment Insurance Act.

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

- Sec. 2161. Improved work search for the long-term unemployed.
- Sec. 2162. Reemployment services and reemployment and eligibility assessment activities.
- Sec. 2163. State flexibility to support long-term unemployed workers with improved reemployment services.

- Sec. 2164. Promoting program integrity through better recovery of overpayments.
- Sec. 2165. Restore State flexibility to improve unemployment program solvency.

Subtitle C—Medicare Extensions; Other Health Provisions

PART 1—MEDICARE EXTENSIONS

- Sec. 2201. Physician payment update.
- Sec. 2202. Ambulance add-ons.
- Sec. 2203. Medicare payment for outpatient therapy services.
- Sec. 2204. Work geographic adjustment.

PART 2—OTHER HEALTH PROVISIONS

- Sec. 2211. Qualifying individual (QI) program.
- Sec. 2212. Extension of Transitional Medical Assistance (TMA).
- Sec. 2213. Modification to requirements for qualifying for exception to Medicare prohibition on certain physician referrals for hospitals.

PART 3—OFFSETS

- Sec. 2221. Adjustments to maximum thresholds for recapturing overpayments resulting from certain Federally-subsidized health insurance.
- Sec. 2222. Prevention and Public Health Fund.
- Sec. 2223. Parity in Medicare payments for hospital outpatient department evaluation and management office visit services.
- Sec. 2224. Reduction of bad debt treated as an allowable cost.
- Sec. 2225. Rebasing of State DSH allotments for fiscal year 2021.

Subtitle D—TANF Extension

- Sec. 2301. Short title.
- Sec. 2302. Extension of program.
- Sec. 2303. Data standardization.
- Sec. 2304. Spending policies for assistance under State TANF programs.
- Sec. 2305. Technical corrections.

TITLE III—FLOOD INSURANCE REFORM

- Sec. 3001. Short title.
- Sec. 3002. Extensions.
- Sec. 3003. Mandatory purchase.
- Sec. 3004. Reforms of coverage terms.
- Sec. 3005. Reforms of premium rates.
- Sec. 3006. Technical Mapping Advisory Council.
- Sec. 3007. FEMA incorporation of new mapping protocols.
- Sec. 3008. Treatment of levees.
- Sec. 3009. Privatization initiatives.
- Sec. 3010. FEMA annual report on insurance program.
- Sec. 3011. Mitigation assistance.
- Sec. 3012. Notification to homeowners regarding mandatory purchase requirement applicability and rate phase-ins.
- Sec. 3013. Notification to members of congress of flood map revisions and updates.
- Sec. 3014. Notification and appeal of map changes; notification to communities of establishment of flood elevations.
- Sec. 3015. Notification to tenants of availability of contents insurance.

- Sec. 3016. Notification to policy holders regarding direct management of policy by FEMA.
- Sec. 3017. Notice of availability of flood insurance and escrow in RESPA good faith estimate.
- Sec. 3018. Reimbursement for costs incurred by homeowners and communities obtaining letters of map amendment or revision.
- Sec. 3019. Enhanced communication with certain communities during map updating process.
- Sec. 3020. Notification to residents newly included in flood hazard areas.
- Sec. 3021. Treatment of swimming pool enclosures outside of hurricane season.
- Sec. 3022. Information regarding multiple perils claims.
- Sec. 3023. FEMA authority to reject transfer of policies.
- Sec. 3024. Appeals.
- Sec. 3025. Reserve fund.
- Sec. 3026. CDBG eligibility for flood insurance outreach activities and community building code administration grants.
- Sec. 3027. Technical corrections.
- Sec. 3028. Requiring competition for national flood insurance program policies.
- Sec. 3029. Studies of voluntary community-based flood insurance options.
- Sec. 3030. Report on inclusion of building codes in floodplain management criteria.
- Sec. 3031. Study on graduated risk.
- Sec. 3032. Report on flood-in-progress determination.
- Sec. 3033. Study on repaying flood insurance debt.
- Sec. 3034. No cause of action.
- Sec. 3035. Authority for the corps of engineers to provide specialized or technical services.

TITLE IV—JUMPSTARTING OPPORTUNITY WITH BROADBAND SPECTRUM ACT OF 2011

- Sec. 4001. Short title.
- Sec. 4002. Definitions.
- Sec. 4003. Rule of construction.
- Sec. 4004. Enforcement.
- Sec. 4005. National security restrictions on use of funds and auction participation.

Subtitle A—Spectrum Auction Authority

- Sec. 4101. Deadlines for auction of certain spectrum.
- Sec. 4102. 700 MHz public safety narrowband spectrum and guard band spectrum.
- Sec. 4103. General authority for incentive auctions.
- Sec. 4104. Special requirements for incentive auction of broadcast TV spectrum.
- Sec. 4105. Administration of auctions by Commission.
- Sec. 4106. Extension of auction authority.
- Sec. 4107. Unlicensed use in the 5 GHz band.

Subtitle B—Advanced Public Safety Communications

PART 1—NATIONAL IMPLEMENTATION

- Sec. 4201. Licensing of spectrum to Administrator.
- Sec. 4202. National Public Safety Communications Plan.
- Sec. 4203. Plan administration.

- Sec. 4204. Initial funding for Administrator.
- Sec. 4205. Study on emergency communications by amateur radio and impediments to amateur radio communications.

PART 2—STATE IMPLEMENTATION

- Sec. 4221. Negotiation and approval of contracts.
- Sec. 4222. State implementation grant program.
- Sec. 4223. State Implementation Fund.
- Sec. 4224. Grants to States for network buildout.
- Sec. 4225. Wireless facilities deployment.

PART 3—PUBLIC SAFETY TRUST FUND

- Sec. 4241. Public Safety Trust Fund.

PART 4—NEXT GENERATION 9–1–1 ADVANCEMENT ACT OF 2011

- Sec. 4261. Short title.
- Sec. 4262. Findings.
- Sec. 4263. Purposes.
- Sec. 4264. Definitions.
- Sec. 4265. Coordination of 9–1–1 implementation.
- Sec. 4266. Requirements for multi-line telephone systems.
- Sec. 4267. GAO study of State and local use of 9–1–1 service charges.
- Sec. 4268. Parity of protection for provision or use of Next Generation 9–1–1 services.
- Sec. 4269. Commission proceeding on autodialing.
- Sec. 4270. NHTSA report on costs for requirements and specifications of Next Generation 9–1–1 services.
- Sec. 4271. FCC recommendations for legal and statutory framework for Next Generation 9–1–1 services.

Subtitle C—Federal Spectrum Relocation

- Sec. 4301. Relocation of and spectrum sharing by Federal Government stations.
- Sec. 4302. Spectrum Relocation Fund.
- Sec. 4303. National security and other sensitive information.

Subtitle D—Telecommunications Development Fund

- Sec. 4401. No additional Federal funds.
- Sec. 4402. Independence of the Fund.

TITLE V—OFFSETS

Subtitle A—Guarantee Fees

- Sec. 5001. Guarantee Fees.

Subtitle B—Social Security Provisions

- Sec. 5101. Information for administration of Social Security provisions related to noncovered employment.

Subtitle C—Child Tax Credit

Sec. 5201. Social Security number required to claim the refundable portion of the child tax credit.

Subtitle D—Eliminating Taxpayer Benefits for Millionaires

Sec. 5301. Ending unemployment and supplemental nutrition assistance program benefits for millionaires.

Subtitle E—Federal Civilian Employees

PART 1—RETIREMENT ANNUITIES

Sec. 5401. Short title.

Sec. 5402. Retirement contributions.

Sec. 5403. Amendments relating to secure annuity employees.

Sec. 5404. Annuity supplement.

PART 2—FEDERAL WORKFORCE

Sec. 5421. Extension of pay limitation for Federal employees.

Sec. 5422. Reduction of discretionary spending limits to achieve savings from Federal employee provisions.

Sec. 5423. Reduction of revised discretionary spending limits to achieve savings from Federal employee provisions.

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.

Sec. 5502. Temporary adjustment to the calculation of Medicare part B and part D premiums.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 6001. Repeal of certain shifts in the timing of corporate estimated tax payments.

Sec. 6002. Repeal of requirement relating to time for remitting certain merchandise processing fees.

Sec. 6003. Points of order in the Senate.

Sec. 6004. PAYGO scorecard estimates.

1 **TITLE I—JOB CREATION**
2 **INCENTIVES**
3 **Subtitle A—North American**
4 **Energy Access**

5 **SEC. 1001. SHORT TITLE.**

6 This subtitle may be cited as the “North American
7 Energy Security Act”.

1 **SEC. 1002. PERMIT FOR KEYSTONE XL PIPELINE.**

2 (a) IN GENERAL.—Except as provided in subsection
3 (b), not later than 60 days after the date of enactment
4 of this Act, the President, acting through the Secretary
5 of State, shall grant a permit under Executive Order
6 13337 (3 U.S.C. 301 note; relating to issuance of permits
7 with respect to certain energy-related facilities and land
8 transportation crossings on the international boundaries
9 of the United States) for the Keystone XL pipeline project
10 application filed on September 19, 2008 (including amend-
11 ments).

12 (b) EXCEPTION.—

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

17 (2) REPORT.—If the President determines that
18 the Keystone XL pipeline is not in the national in-
19 terest under paragraph (1), the President shall, not
20 later than 15 days after the date of the determina-
21 tion, submit to the Committee on Foreign Relations
22 of the Senate, the Committee on Foreign Affairs of
23 the House of Representatives, the majority leader of
24 the Senate, the minority leader of the Senate, the
25 Speaker of the House of Representatives, and the
26 minority leader of the House of Representatives a

1 report that provides a justification for determina-
2 tion, including consideration of economic, employ-
3 ment, energy security, foreign policy, trade, and en-
4 vironmental factors.

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

13 (c) REQUIREMENTS.—The permit granted under sub-
14 section (a) shall require the following:

15 (1) The permittee shall comply with all applica-
16 ble Federal and State laws (including regulations)
17 and all applicable industrial codes regarding the con-
18 struction, connection, operation, and maintenance of
19 the United States facilities.

20 (2) The permittee shall obtain all requisite per-
21 mits from Canadian authorities and relevant Fed-
22 eral, State, and local governmental agencies.

23 (3) The permittee shall take all appropriate
24 measures to prevent or mitigate any adverse envi-
25 ronmental impact or disruption of historic properties

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

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

6 (A) the final environmental impact state-
7 ment issued by the Secretary of State on Au-
8 gust 26, 2011, satisfies all requirements of the
9 National Environmental Policy Act of 1969 (42
10 U.S.C. 4321 et seq.) and section 106 of the Na-
11 tional Historic Preservation Act (16 U.S.C.
12 470f);

13 (B) any modification required by the Sec-
14 retary of State to the Plan described in para-
15 graph (5)(A) shall not require supplementation
16 of the final environmental impact statement de-
17 scribed in that paragraph; and

18 (C) no further Federal environmental re-
19 view shall be required.

20 (5) The construction, operation, and mainte-
21 nance of the facilities shall be in all material re-
22 spects similar to that described in the application
23 described in subsection (a) and in accordance with—

24 (A) the construction, mitigation, and rec-
25 lamation measures agreed to by the permittee

1 in the Construction Mitigation and Reclamation
2 Plan found in appendix B of the final environ-
3 mental impact statement issued by the Sec-
4 retary of State on August 26, 2011, subject to
5 the modification described in subsection (d);

6 (B) the special conditions agreed to be-
7 tween the permittee and the Administrator of
8 the Pipeline Hazardous Materials Safety Ad-
9 ministration of the Department of Transpor-
10 tation found in appendix U of the final environ-
11 mental impact statement described in subpara-
12 graph (A);

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

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

23 (6) Other requirements that are standard in-
24 dustry practice or commonly included in Federal

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

3 (d) MODIFICATION.—The permit issued under sub-
4 section (a) shall require—

5 (1) the reconsideration of routing of the Key-
6 stone XL pipeline within the State of Nebraska;

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

12 (3) the President—

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

18 (B) to approve the route within the State
19 of Nebraska that has been submitted to the
20 Secretary of State by the Governor of Ne-
21 braska.

22 (e) EFFECT OF NO APPROVAL.—If the President
23 does not approve the route within the State of Nebraska
24 submitted by the Governor of Nebraska under subsection
25 (d)(3)(B) not later than 10 days after the date of submis-

1 sion, the route submitted by the Governor of Nebraska
 2 under subsection (d)(3)(B) shall be considered approved,
 3 pursuant to the terms of the permit described in sub-
 4 section (a) that meets the requirements of subsection (c)
 5 and this subsection, by operation of law.

6 **Subtitle B—EPA Regulatory Relief**

7 **SEC. 1101. SHORT TITLE.**

8 This subtitle may be cited as the “EPA Regulatory
 9 Relief Act of 2011”.

10 **SEC. 1102. LEGISLATIVE STAY.**

11 (a) ESTABLISHMENT OF STANDARDS.—In place of
 12 the rules specified in subsection (b), and notwithstanding
 13 the date by which such rules would otherwise be required
 14 to be promulgated, the Administrator of the Environ-
 15 mental Protection Agency (in this subtitle referred to as
 16 the “Administrator”) shall—

17 (1) propose regulations for industrial, commer-
 18 cial, and institutional boilers and process heaters,
 19 and commercial and industrial solid waste inciner-
 20 ator units, subject to any of the rules specified in
 21 subsection (b)—

22 (A) establishing maximum achievable con-
 23 trol technology standards, performance stand-
 24 ards, and other requirements under sections

1 112 and 129, as applicable, of the Clean Air
2 Act (42 U.S.C. 7412, 7429); and

3 (B) identifying non-hazardous secondary
4 materials that, when used as fuels or ingredi-
5 ents in combustion units of such boilers, proc-
6 ess heaters, or incinerator units are solid waste
7 under the Solid Waste Disposal Act (42 U.S.C.
8 6901 et seq.; commonly referred to as the “Re-
9 source Conservation and Recovery Act”) for
10 purposes of determining the extent to which
11 such combustion units are required to meet the
12 emissions standards under section 112 of the
13 Clean Air Act (42 U.S.C. 7412) or the emission
14 standards under section 129 of such Act (42
15 U.S.C. 7429); and

16 (2) finalize the regulations on the date that is
17 15 months after the date of the enactment of this
18 Act.

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

23 (1) “National Emission Standards for Haz-
24 ardous Air Pollutants for Major Sources: Industrial,
25 Commercial, and Institutional Boilers and Process

1 Heaters”, published at 76 Fed. Reg. 15608 (March
2 21, 2011).

3 (2) “National Emission Standards for Haz-
4 ardous Air Pollutants for Area Sources: Industrial,
5 Commercial, and Institutional Boilers”, published at
6 76 Fed. Reg. 15554 (March 21, 2011).

7 (3) “Standards of Performance for New Sta-
8 tionary Sources and Emission Guidelines for Exist-
9 ing Sources: Commercial and Industrial Solid Waste
10 Incineration Units”, published at 76 Fed. Reg.
11 15704 (March 21, 2011).

12 (4) “Identification of Non-Hazardous Sec-
13 ondary Materials That Are Solid Waste”, published
14 at 76 Fed. Reg. 15456 (March 21, 2011).

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

22 **SEC. 1103. COMPLIANCE DATES.**

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

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

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

8 (A) the costs of achieving emissions reduc-
9 tions;

10 (B) any non-air quality health and environ-
11 mental impact and energy requirements of the
12 standards and requirements;

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

16 (i) obtain necessary permit approvals;

17 and

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

20 (D) the availability of equipment, sup-
21 pliers, and labor, given the requirements of the
22 regulation and other proposed or finalized regu-
23 lations of the Environmental Protection Agency;
24 and

25 (E) potential net employment impacts.

1 (b) NEW SOURCES.—The date on which the Adminis-
 2 trator proposes a regulation pursuant to section
 3 1012(a)(1) establishing an emission standard under sec-
 4 tion 112 or 129 of the Clean Air Act (42 U.S.C. 7412,
 5 7429) shall be treated as the date on which the Adminis-
 6 trator first proposes such a regulation for purposes of ap-
 7 plying the definition of a new source under section
 8 112(a)(4) of such Act (42 U.S.C. 7412(a)(4)) or the defi-
 9 nition of a new solid waste incineration unit under section
 10 129(g)(2) of such Act (42 U.S.C. 7429(g)(2)).

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

15 **SEC. 1104. ENERGY RECOVERY AND CONSERVATION.**

16 Notwithstanding any other provision of law, and to
 17 ensure the recovery and conservation of energy consistent
 18 with the Solid Waste Disposal Act (42 U.S.C. 6901 et
 19 seq.; commonly referred to as the “Resource Conservation
 20 and Recovery Act”), in promulgating rules under section
 21 1012(a) addressing the subject matter of the rules speci-
 22 fied in paragraphs (3) and (4) of section 1012(b), the Ad-
 23 ministrator—

24 (1) shall adopt the definitions of the terms
 25 “commercial and industrial solid waste incineration

1 unit”, “commercial and industrial waste”, and “con-
2 tained gaseous material” in the rule entitled “Stand-
3 ards of Performance for New Stationary Sources
4 and Emission Guidelines for Existing Sources: Com-
5 mercial and Industrial Solid Waste Incineration
6 Units”, published at 65 Fed. Reg. 75338 (December
7 1, 2000); and

8 (2) shall identify non-hazardous secondary ma-
9 terial to be solid waste only if—

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

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

14 **SEC. 1105. OTHER PROVISIONS.**

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

1 to measure the pollutant emissions, and operating condi-
 2 tions.

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

12 **Subtitle C—Extension of 100** 13 **Percent Expensing**

14 **SEC. 1201. EXTENSION OF ALLOWANCE FOR BONUS DEPRE-** 15 **CIATION FOR CERTAIN BUSINESS ASSETS.**

16 (a) EXTENSION OF 100 PERCENT BONUS DEPRECIA-
 17 TION.—

18 (1) IN GENERAL.—Paragraph (5) of section
 19 168(k) of the Internal Revenue Code of 1986 is
 20 amended—

21 (A) by striking “January 1, 2012” each
 22 place it appears and inserting “January 1,
 23 2013”, and

24 (B) by striking “January 1, 2013” and in-
 25 serting “January 1, 2014”.

1 (2) CONFORMING AMENDMENTS.—

2 (A) The heading for paragraph (5) of sec-
3 tion 168(k) of such Code is amended by strik-
4 ing “PRE-2012 PERIODS” and inserting “PRE-
5 2013 PERIODS”.

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

8 “(ii) is placed in service—

9 “(I) after December 31, 2009,
10 and before January 1, 2011 (January
11 1, 2012, in the case of property de-
12 scribed in section 168(k)(2)(B)), or

13 “(II) after December 31, 2011,
14 and before January 1, 2013 (January
15 1, 2014, in the case of property de-
16 scribed in section 168(k)(2)(B)).”.

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

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

22 (1) IN GENERAL.—Paragraph (4) of section
23 168(k) of such Code is amended to read as follows:

24 “(4) ELECTION TO ACCELERATE AMT CREDITS
25 IN LIEU OF BONUS DEPRECIATION.—

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

4 “(i) paragraph (1) shall not apply to
5 any eligible qualified property placed in
6 service by the taxpayer in such taxable
7 year,

8 “(ii) the applicable depreciation meth-
9 od used under this section with respect to
10 such property shall be the straight line
11 method, and

12 “(iii) the limitation imposed by section
13 53(c) for such taxable year shall be in-
14 creased by the bonus depreciation amount
15 which is determined for such taxable year
16 under subparagraph (B).

17 “(B) BONUS DEPRECIATION AMOUNT.—
18 For purposes of this paragraph—

19 “(i) IN GENERAL.—The bonus depre-
20 ciation amount for any taxable year is an
21 amount equal to 20 percent of the excess
22 (if any) of—

23 “(I) the aggregate amount of de-
24 preciation which would be allowed
25 under this section for eligible qualified

1 property placed in service by the tax-
2 payer during such taxable year if
3 paragraph (1) applied to all such
4 property, over

5 “(II) the aggregate amount of
6 depreciation which would be allowed
7 under this section for eligible qualified
8 property placed in service by the tax-
9 payer during such taxable year if
10 paragraph (1) did not apply to any
11 such property.

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

18 “(ii) LIMITATION.—The bonus depre-
19 ciation amount for any taxable year shall
20 not exceed the lesser of—

21 “(I) the minimum tax credit
22 under section 53(b) for such taxable
23 year determined by taking into ac-
24 count only the adjusted minimum tax
25 for taxable years ending before Janu-

1 ary 1, 2012 (determined by treating
2 credits as allowed on a first-in, first-
3 out basis), or

4 “(II) 50 percent of the minimum
5 tax credit under section 53(b) for the
6 first taxable year ending after Decem-
7 ber 31, 2011.

8 “(iii) AGGREGATION RULE.—All cor-
9 porations which are treated as a single em-
10 ployer under section 52(a) shall be treat-
11 ed—

12 “(I) as 1 taxpayer for purposes
13 of this paragraph, and

14 “(II) as having elected the appli-
15 cation of this paragraph if any such
16 corporation so elects.

17 “(C) ELIGIBLE QUALIFIED PROPERTY.—
18 For purposes of this paragraph, the term ‘eligi-
19 ble qualified property’ means qualified property
20 under paragraph (2), except that in applying
21 paragraph (2) for purposes of this paragraph—

22 “(i) ‘March 31, 2008’ shall be sub-
23 stituted for ‘December 31, 2007’ each
24 place it appears in subparagraph (A) and

1 clauses (i) and (ii) of subparagraph (E)
2 thereof,

3 “(ii) ‘April 1, 2008’ shall be sub-
4 stituted for ‘January 1, 2008’ in subpara-
5 graph (A)(iii)(I) thereof, and

6 “(iii) only adjusted basis attributable
7 to manufacture, construction, or produc-
8 tion—

9 “(I) after March 31, 2008, and
10 before January 1, 2010, and

11 “(II) after December 31, 2010,
12 and before January 1, 2013, shall be
13 taken into account under subpara-
14 graph (B)(ii) thereof.

15 “(D) CREDIT REFUNDABLE.—For pur-
16 poses of section 6401(b), the aggregate increase
17 in the credits allowable under part IV of sub-
18 chapter A for any taxable year resulting from
19 the application of this paragraph shall be treat-
20 ed as allowed under subpart C of such part
21 (and not any other subpart).

22 “(E) OTHER RULES.—

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

1 “(ii) PARTNERSHIPS WITH ELECTING
2 PARTNERS.—In the case of a corporation
3 making an election under subparagraph
4 (A) and which is a partner in a partner-
5 ship, for purposes of determining such cor-
6 poration’s distributive share of partnership
7 items under section 702—

8 “(I) paragraph (1) shall not
9 apply to any eligible qualified prop-
10 erty, and

11 “(II) the applicable depreciation
12 method used under this section with
13 respect to such property shall be the
14 straight line method.

15 “(iii) CERTAIN PARTNERSHIPS.—In
16 the case of a partnership in which more
17 than 50 percent of the capital and profits
18 interests are owned (directly or indirectly)
19 at all times during the taxable year by one
20 corporation (or by corporations treated as
21 1 taxpayer under subparagraph (B)(iii)),
22 each partner shall be treated as having an
23 amount equal to such partner’s allocable
24 share of the eligible property for such tax-

1 able year (as determined under regulations
2 prescribed by the Secretary).

3 “(iv) SPECIAL RULE FOR PASSENGER
4 AIRCRAFT.—In the case of any passenger
5 aircraft, the written binding contract limi-
6 tation under paragraph (2)(A)(iii)(I) shall
7 not apply for purposes of subparagraphs
8 (B)(i)(I) and (C).”.

9 (2) EFFECTIVE DATE.—The amendment made
10 by this subsection shall apply to taxable years end-
11 ing after December 31, 2011.

12 (3) TRANSITIONAL RULE.—In the case of a tax-
13 able year beginning before January 1, 2012, and
14 ending after December 31, 2011, the bonus depre-
15 ciation amount determined under paragraph (4) of
16 section 168(k) of Internal Revenue Code of 1986 for
17 such year shall be the sum of—

18 (A) such amount determined under such
19 paragraph as in effect on the date before the
20 date of enactment of this Act taking into ac-
21 count only property placed in service before
22 January 1, 2012, and

23 (B) such amount determined under such
24 paragraph as amended by this Act taking into

1 account only property placed in service after
2 December 31, 2011.

3 **TITLE II—EXTENSION OF CER-**
4 **TAIN EXPIRING PROVISIONS**
5 **AND RELATED MEASURES**

6 **Subtitle A—Extension of Payroll**
7 **Tax Reduction**

8 **SEC. 2001. EXTENSION OF TEMPORARY EMPLOYEE PAY-**
9 **ROLL TAX REDUCTION THROUGH END OF**
10 **2012.**

11 Subsection (c) of section 601 of the Tax Relief, Un-
12 employment Insurance Reauthorization, and Job Creation
13 Act of 2010 is amended by striking “calendar year 2011”
14 and inserting “calendar years 2011 and 2012”.

15 **Subtitle B—Unemployment**
16 **Compensation**

17 **SEC. 2101. SHORT TITLE.**

18 This subtitle may be cited as the “Extended Benefits,
19 Reemployment, and Program Integrity Improvement
20 Act”.

1 **PART 1—REFORMS OF UNEMPLOYMENT COM-**
2 **PENSATION TO PROMOTE WORK AND JOB**
3 **CREATION**

4 **SEC. 2121. CONSISTENT JOB SEARCH REQUIREMENTS.**

5 (a) IN GENERAL.—Section 303(a) of the Social Secu-
6 rity Act is amended by adding at the end the following:

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

11 “(B) For purposes of this paragraph, the term
12 ‘actively seeking work’ means, with respect to an in-
13 dividual, that such individual is actively engaged in
14 a systematic and sustained effort to obtain work, as
15 determined based on evidence (whether in electronic
16 format or otherwise) satisfactory to the State agency
17 charged with the administration of the State law.

18 “(C) The specific requirements that must be
19 met in order to satisfy this paragraph shall be estab-
20 lished by the State agency, and shall include at least
21 the following:

22 “(i) Registration for employment services
23 within 10 days after making initial application
24 for regular compensation.

1 “(ii) Posting a resume, record, or other ap-
 2 plication for employment on such database as
 3 the State agency may require.

4 “(iii) Applying for work in such manner as
 5 the State agency may require.”.

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

10 **SEC. 2122. PARTICIPATION IN REEMPLOYMENT SERVICES**

11 **MADE A CONDITION OF BENEFIT RECEIPT.**

12 (a) SOCIAL SECURITY ACT.—Paragraph (10) of sec-
 13 tion 303(a) of the Social Security Act is amended to read
 14 as follows:

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

18 “(i) a claimant shall meet the minimum
 19 educational requirements set forth in subpara-
 20 graph (B); and

21 “(ii) any claimant who has been referred to
 22 reemployment services shall participate in such
 23 services.

24 “(B) For purposes of this paragraph, an indi-
 25 vidual shall not be considered to have met the min-

1 imum educational requirements of this subparagraph
2 unless such individual—

3 “(i) has earned a high school diploma;

4 “(ii) has earned the General Educational
5 Development (GED) credential or other State-
6 recognized equivalent (including by meeting rec-
7 ognized alternative standards for individuals
8 with disabilities); or

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

12 “(C) The requirements of subparagraph (B)
13 may be waived for an individual to the extent that
14 the State agency charged with the administration of
15 the State law deems such requirements to be unduly
16 burdensome.”.

17 (b) INTERNAL REVENUE CODE OF 1986.—Para-
18 graph (8) of section 3304(a) of the Internal Revenue Code
19 of 1986 is amended to read as follows:

20 “(8) compensation shall not be denied to an in-
21 dividual for any week in which the individual is en-
22 rolled and making satisfactory progress in education
23 or training which has been previously approved by
24 the State agency;”.

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

5 **SEC. 2123. STATE FLEXIBILITY TO PROMOTE THE REEM-**
 6 **PLOYMENT OF UNEMPLOYED WORKERS.**

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

10 “DEMONSTRATION PROJECTS

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

16 “(1) to expedite the reemployment of individ-
 17 uals who have established a benefit year and are
 18 otherwise eligible to claim unemployment compensa-
 19 tion under the State law of such State; or

20 “(2) to improve the effectiveness of a State in
 21 carrying out its State law with respect to reemploy-
 22 ment.

23 “(b) The Governor of any State desiring to conduct
 24 a demonstration project under this section shall submit
 25 an application to the Secretary of Labor. Any such appli-
 26 cation shall include—

1 “(1) a general description of the proposed dem-
2 onstration project, including the authority (under
3 the laws of the State) for the measures to be tested,
4 as well as the period of time during which such dem-
5 onstration project would be conducted;

6 “(2) if a waiver under subsection (c) is re-
7 quested, a statement describing the specific aspects
8 of the project to which the waiver would apply and
9 the reasons why such waiver is needed;

10 “(3) a description of the goals and the expected
11 programmatic outcomes of the demonstration
12 project, including how the project would contribute
13 to the objective described in subsection (a)(1), sub-
14 section (a)(2), or both;

15 “(4) assurances (accompanied by supporting
16 analysis) that the demonstration project would oper-
17 ate for a period of at least 1 calendar year and not
18 result in any increased net costs to the State’s ac-
19 count in the Unemployment Trust Fund;

20 “(5) a description of the manner in which the
21 State—

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

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

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

7 “(c) The Secretary of Labor may waive any of the
8 requirements of section 3304(a)(4) of the Internal Rev-
9 enue Code of 1986 or of paragraph (1) or (5) of section
10 303(a), to the extent and for the period the Secretary of
11 Labor considers necessary to enable the State to carry out
12 a demonstration project under this section.

13 “(d) A demonstration project under this section—

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

16 “(2) may not be approved for a period of time
17 greater than 3 years, subject to extension upon re-
18 quest of the Governor of the State involved for such
19 additional period as the Secretary of Labor may
20 agree to, except that in no event may a demonstra-
21 tion project under this section be conducted after
22 the end of the 5-year period beginning on the date
23 of enactment of this section; and

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

1 “(A) did not increase the net cost to the
2 State’s account in the Unemployment Trust
3 Fund during the initial demonstration period;
4 and

5 “(B) may be reasonably projected not to
6 increase the net cost to the State’s account in
7 the Unemployment Trust Fund during the ex-
8 tended period requested.

9 “(e) The Secretary of Labor shall, in the case of any
10 State for which an application is submitted under sub-
11 section (b)—

12 “(1) notify the State as to whether such appli-
13 cation has been approved or denied within 30 days
14 after receipt of a complete application; and

15 “(2) provide public notice of the decision within
16 10 days after providing notification to the State in
17 accordance with paragraph (1).

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

24 “(f) The Secretary of Labor may terminate a dem-
25 onstration project under this section if the Secretary de-

1 terminates that the State has violated the substantive terms
2 or conditions of the project.

3 “(g) Funding certified under section 302(a) may be
4 used for an approved demonstration project.”.

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

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

10 (1) develop model language that may be used
11 by States in enacting such programs, as well as peri-
12 odically review and revise such model language;

13 (2) provide technical assistance and guidance in
14 establishing, improving, and administering such pro-
15 grams; and

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

19 (A) the number of businesses and jobs cre-
20 ated, both directly and indirectly, by self-em-
21 ployment assistance programs; and

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

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

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

6 (2) ensure accountability and program integ-
 7 rity.

8 (c) CONSULTATION.—In developing the model lan-
 9 guage, guidance, and reporting requirements pursuant to
 10 subsection (a), the Secretary shall consult with employers,
 11 labor organizations, State agencies, and other relevant
 12 program experts.

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

19 **SEC. 2125. IMPROVING PROGRAM INTEGRITY BY BETTER**
 20 **RECOVERY OF OVERPAYMENTS.**

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

1 (b) USE OF UNEMPLOYMENT COMPENSATION TO
 2 REPAY FEDERAL ADDITIONAL COMPENSATION OVERPAY-
 3 MENTS.—Section 303(g)(3) of the Social Security Act is
 4 amended by inserting “Federal additional compensation,”
 5 after “trade adjustment allowances,”.

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

10 **SEC. 2126. DATA STANDARDIZATION FOR IMPROVED DATA**
 11 **MATCHING.**

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

14 “DATA STANDARDIZATION FOR IMPROVED DATA
 15 MATCHING

16 “Standard Data Elements

17 “SEC. 911. (a)(1) The Secretary of Labor, in con-
 18 sultation with an interagency work group which shall be
 19 established by the Office of Management and Budget, and
 20 considering State and employer perspectives, shall, by
 21 rule, designate standard data elements for any category
 22 of information required under title III or this title.

23 “(2) The standard data elements designated under
 24 paragraph (1) shall, to the extent practicable, be non-
 25 proprietary and interoperable.

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

4 “(A) interoperable standards developed and
5 maintained by an international voluntary consensus
6 standards body, as defined by the Office of Manage-
7 ment and Budget, such as the International Organi-
8 zation for Standardization;

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

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

16 “Data Standards for Reporting

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

23 “(2) The data reporting standards required by para-
24 graph (1) shall, to the extent practicable—

1 “(A) incorporate a widely-accepted, nonpropri-
2 etary, searchable, computer-readable format;

3 “(B) be consistent with and implement applica-
4 ble accounting principles; and

5 “(C) be capable of being continually upgraded
6 as necessary.

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

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

13 **SEC. 2127. DRUG TESTING OF APPLICANTS.**

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

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

19 “(A) testing an applicant for unemployment
20 compensation for the unlawful use of controlled sub-
21 stances as a condition for receiving such compensa-
22 tion; or

23 “(B) denying such compensation to such appli-
24 cant on the basis of the result of such testing.

25 “(2) For purposes of this subsection—

1 “(A) the term ‘unemployment compensation’
 2 has the meaning given such term in subsection
 3 (d)(2)(A); and

4 “(B) the term ‘controlled substance’ has the
 5 meaning given such term in section 102 of the Con-
 6 trolled Substances Act (21 U.S.C. 802).”.

7 **PART 2—PROVISIONS RELATING TO EXTENDED**
 8 **BENEFITS**

9 **SEC. 2141. SHORT TITLE.**

10 This part may be cited as the “Unemployment Bene-
 11 fits Extension Act of 2011”.

12 **SEC. 2142. EXTENSION AND MODIFICATION OF EMERGENCY**
 13 **UNEMPLOYMENT COMPENSATION PROGRAM.**

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

17 (1) in subsection (a)—

18 (A) by striking “Except as provided in
 19 subsection (b), an” and inserting “An”; and

20 (B) by striking “January 3, 2012” and in-
 21 serting “January 31, 2013”; and

22 (2) by amending subsection (b) to read as fol-
 23 lows:

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

4 (b) MODIFIED TIERS OF EMERGENCY UNEMPLOY-
 5 MENT COMPENSATION.—

6 (1) IN GENERAL.—Section 4002 of the Supple-
 7 mental Appropriations Act, 2008 (Public Law 110–
 8 252; 26 U.S.C. 3304 note) is amended by striking
 9 subsections (b) through (e) and inserting the fol-
 10 lowing:

11 “(b) FIRST-TIER EMERGENCY UNEMPLOYMENT
 12 COMPENSATION.—

13 “(1) IN GENERAL.—The amount established in
 14 an account under subsection (a) shall be an amount
 15 (in this title referred to as ‘first-tier emergency un-
 16 employment compensation’) equal to the lesser of—

17 “(A) 80 percent of the total amount of
 18 regular compensation (including dependents’ al-
 19 lowances) payable to the individual during the
 20 individual’s benefit year under the State law; or

21 “(B) 20 times the individual’s average
 22 weekly benefit amount for the benefit year.

23 “(2) WEEKLY BENEFIT AMOUNT.—For pur-
 24 poses of this subsection, an individual’s weekly ben-
 25 efit amount for any week is the amount of regular

1 compensation (including dependents' allowances)
2 under the State law payable to such individual for
3 such week for total unemployment.

4 “(c) SECOND-TIER EMERGENCY UNEMPLOYMENT
5 COMPENSATION.—

6 “(1) IN GENERAL.—If, at the time that the
7 amount established in an individual's account under
8 subsection (b)(1) is exhausted or at any time there-
9 after, such individual's State is in an extended ben-
10 efit period (as determined under paragraph (2)),
11 such account shall be augmented by an amount (in
12 this title referred to as ‘second-tier emergency unem-
13 ployment compensation’) equal to the lesser of—

14 “(A) 50 percent of the total amount of
15 regular compensation (including dependents' al-
16 lowances) payable to the individual during the
17 individual's benefit year under the State law; or

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

21 “(2) EXTENDED BENEFIT PERIOD.—For pur-
22 poses of paragraph (1), a State shall be considered
23 to be in an extended benefit period, as of any given
24 time, if—

1 “(A) such a period would then be in effect
2 for such State, under the Federal-State Ex-
3 tended Unemployment Compensation Act of
4 1970, if section 203(d) of such Act—

5 “(i) were applied by substituting ‘4’
6 for ‘5’ each place it appears; and

7 “(ii) did not include the requirement
8 under paragraph (1)(A) thereof; or

9 “(B) such a period would then be in effect
10 for such State, under the Federal-State Ex-
11 tended Unemployment Compensation Act of
12 1970, if—

13 “(i) section 203(f) of such Act were
14 applied to such State (regardless of wheth-
15 er or not the State by law had provided for
16 such application); and

17 “(ii) such section 203(f)—

18 “(I) were applied by substituting
19 ‘6.0’ for ‘6.5’ in paragraph (1)(A)(i)
20 thereof; and

21 “(II) did not include the require-
22 ment under paragraph (1)(A)(ii)
23 thereof.

1 “(3) LIMITATION.—The account of an indi-
2 vidual may be augmented not more than once under
3 this subsection.”.

4 (2) TECHNICAL AND CONFORMING AMEND-
5 MENTS.—Section 4002 of the Supplemental Appro-
6 priations Act, 2008 (Public Law 110–252; 26
7 U.S.C. 3304 note), as amended by paragraph (1), is
8 further amended—

9 (A) by striking subsection (f); and

10 (B) by redesignating subsection (g) as sub-
11 section (d).

12 (c) ORDER OF PAYMENTS REQUIREMENT.—

13 (1) IN GENERAL.—Section 4001(e) of the Sup-
14 plemental Appropriations Act, 2008 (Public Law
15 110–252; 26 U.S.C. 3304 note) is amended to read
16 as follows:

17 “(e) COORDINATION RULE.—An agreement under
18 this section shall not apply (or shall cease to apply) with
19 respect to a State upon a determination by the Secretary
20 that, under the State law or other applicable rules of such
21 State, the payment of extended compensation for which
22 an individual is otherwise eligible may or must be deferred
23 until after the payment of any emergency unemployment
24 compensation under section 4002, as amended by the Un-

1 employment Benefits Extension Act of 2011, for which the
2 individual is concurrently eligible.”.

3 (2) TECHNICAL AND CONFORMING AMEND-
4 MENTS.—Section 4001(b)(2) of such Act is amend-
5 ed—

6 (A) by striking “or extended compensa-
7 tion”; and

8 (B) by striking “(except as provided under
9 subsection (e))”.

10 (d) FUNDING.—Section 4004(e)(1) of the Supple-
11 mental Appropriations Act, 2008 (Public Law 110–252;
12 26 U.S.C. 3304 note) is amended—

13 (1) in subparagraph (F), by striking “and” at
14 the end; and

15 (2) by inserting after subparagraph (G) the fol-
16 lowing:

17 “(H) the amendments made by section
18 2302 of the Unemployment Benefits Extension
19 Act of 2011; and”.

20 (e) EFFECTIVE DATES; TRANSITION RULES RELAT-
21 ING TO SUBSECTION (b).—

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

23 (A) subsection (a) shall take effect as if in-
24 cluded in the enactment of the Tax Relief, Un-
25 employment Insurance Reauthorization, and

1 Job Creation Act of 2010 (Public Law 111–
2 312);

3 (B) subsections (b) and (c) shall take ef-
4 fect on December 28, 2011, and shall apply
5 with respect to weeks of unemployment begin-
6 ning after that date; and

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

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

13 (A) EXHAUSTION OF RESIDUAL
14 AMOUNTS.—In the case of an individual who, as
15 of any time during the last week ending before
16 January 3, 2012, has amounts remaining in an
17 account established under section 4002 of the
18 Supplemental Appropriations Act, 2008, emer-
19 gency unemployment compensation shall con-
20 tinue to be payable to such individual from the
21 amounts so remaining, subject to section
22 4007(b) of such Act, as amended by this sub-
23 title.

24 (B) NON-AUGMENTATION RULE.—

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

7 (ii) EXCEPTION.—In the case of an
8 individual whose residual amounts (as de-
9 scribed in subparagraph (A)) represent
10 amounts that were established in such in-
11 dividual's account under section 4002(b) of
12 the Supplemental Appropriations Act,
13 2008, as in effect before the date of enact-
14 ment of this Act, no augmentation to such
15 account may be made except in accordance
16 with section 4002(c) of such Act, as
17 amended by this subtitle.

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

21 (A) IN GENERAL.—In the case of an indi-
22 vidual for whom an emergency unemployment
23 compensation account has been established
24 under section 4002 of the Supplemental Appro-
25 priations Act, 2008, as in effect before the date

1 of enactment of this Act, but who is not covered
2 by paragraph (2), no augmentation (or further
3 augmentation) to such account shall be allow-
4 able, except as provided in subparagraph (B).

5 (B) EXCEPTION.—

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

10 (ii) DEFINITION.—For purposes of
11 this subparagraph, the term “first-tier
12 exhaustee” means an individual—

13 (I) who is described in subpara-
14 graph (A); and

15 (II) whose emergency unemploy-
16 ment compensation account—

17 (aa) has been exhausted of
18 amounts described in section
19 4002(b) of the Supplemental Ap-
20 propriations Act, 2008, as in ef-
21 fect before the enactment of this
22 Act; but

23 (bb) has never been aug-
24 mented.

1 (4) WEEK DEFINED.—For purposes of this sub-
 2 section, the term “week” has the meaning given
 3 such term under section 4006 of the Supplemental
 4 Appropriations Act, 2008.

5 **SEC. 2143. TEMPORARY EXTENSION OF EXTENDED BENEFIT**
 6 **PROVISIONS.**

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

11 (1) by striking “January 4, 2012” each place
 12 it appears and inserting “January 31, 2013”; and

13 (2) in subsection (c), by striking “June 11,
 14 2012” and inserting “January 31, 2013”.

15 (b) EXTENSION OF MATCHING FOR STATES WITH
 16 NO WAITING WEEK.—Section 5 of the Unemployment
 17 Compensation Extension Act of 2008 (Public Law 110–
 18 449; 26 U.S.C. 3304 note) is amended by striking “June
 19 10, 2012” and inserting “January 31, 2013”.

20 (c) EXTENSION OF MODIFICATION OF INDICATORS
 21 UNDER THE EXTENDED BENEFIT PROGRAM.—Section
 22 203 of the Federal-State Extended Unemployment Com-
 23 pensation Act of 1970 (26 U.S.C. 3304 note) is amend-
 24 ed—

1 (1) in subsection (d), by striking “December
2 31, 2011” and inserting “January 31, 2013”; and

3 (2) in subsection (f)(2), by striking “December
4 31, 2011” and inserting “January 31, 2013”.

5 (d) EFFECTIVE DATE.—The amendments made by
6 this section shall take effect as if included in the enact-
7 ment of the Tax Relief, Unemployment Insurance Reau-
8 thorization, and Job Creation Act of 2010 (Public Law
9 111–312; 26 U.S.C. 3304 note).

10 **SEC. 2144. ADDITIONAL EXTENDED UNEMPLOYMENT BENE-**
11 **FITS UNDER THE RAILROAD UNEMPLOY-**
12 **MENT INSURANCE ACT.**

13 (a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Rail-
14 road Unemployment Insurance Act, as added by section
15 2006 of the American Recovery and Reinvestment Act of
16 2009 (Public Law 96 111–5) and as amended by section
17 9 of the Worker, Homeownership, and Business Assist-
18 ance Act of 2009 (Public Law 111–92) and section 505
19 of the Tax Relief, Unemployment Insurance Reauthoriza-
20 tion, and Job Creation Act of 2010 (Public Law 111–
21 312), is amended—

22 (1) by striking “June 30, 2011” and inserting
23 “June 30, 2012”; and

24 (2) by striking “December 31, 2011” and in-
25 serting “January 31, 2013”.

1 (b) CLARIFICATION ON AUTHORITY TO USE
 2 FUNDS.—Funds appropriated under either the first or
 3 second sentence of clause (iv) of section 2(c)(2)(D) of the
 4 Railroad Unemployment Insurance Act shall be available
 5 to cover the cost of additional extended unemployment
 6 benefits provided under such section 2(c)(2)(D) by reason
 7 of the amendments made by subsection (a) as well as to
 8 cover the cost of such benefits provided under such section
 9 2(c)(2)(D), as in effect on the day before the date of en-
 10 actment of this Act.

11 **PART 3—IMPROVING REEMPLOYMENT STRATE-**
 12 **gies UNDER THE EMERGENCY UNEMPLOY-**
 13 **MENT COMPENSATION PROGRAM**

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

16 (a) IN GENERAL.—Section 4001(b) of the Supple-
 17 mental Appropriations Act, 2008 (Public Law 110–252;
 18 26 U.S.C. 3304 note) is amended—

19 (1) by striking “and” at the end of paragraph
 20 (2);

21 (2) by striking the period at the end of para-
 22 graph (3) and inserting “; and”; and

23 (3) by adding at the end the following:

24 “(4) are able to work, available to work, and
 25 actively seeking work.”.

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

3 “(h) ACTIVELY SEEKING WORK.—

4 “(1) IN GENERAL.—For purposes of subsection
5 (b)(4), the term ‘actively seeking work’ means, with
6 respect to any individual, that such individual is ac-
7 tively engaged in a systematic and sustained effort
8 to obtain work, as determined based on evidence
9 (whether in electronic format or otherwise) satisfac-
10 tory to the State agency charged with the adminis-
11 tration of the State law.

12 “(2) SPECIFIC REQUIREMENTS.—The specific
13 requirements that must be met in order to satisfy
14 subsection (b)(4), to the extent that it relates to ac-
15 tively seeking work, shall be established by the State
16 agency, and shall include the following:

17 “(A) Registration for employment services
18 within 30 days after the date on which occurs
19 whichever of the following events occurs first, in
20 the case of the individual referred to in para-
21 graph (1):

22 “(i) The submission of the claim on
23 the basis of which amounts described in
24 section 4002(b) (as amended by the Unem-

ployment 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 Unem-
ployment 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 REEMPLOY-
MENT AND ELIGIBILITY ASSESSMENT ACTIVI-
TIES.**

(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:

1 “(A) The State which is party to such
2 agreement shall provide reemployment services
3 and reemployment and eligibility assessment ac-
4 tivities to each individual—

5 “(i) who, on or after the 30th day
6 after the date of enactment of the Ex-
7 tended Benefits, Reemployment, and Pro-
8 gram Integrity Improvement Act, begins
9 receiving amounts described in subsection
10 (b) and (c) of 4002 of the Supplemental
11 Appropriations Act of 2008, as amended
12 by the Extended Benefits, Reemployment,
13 and Program Integrity Improvement Act;
14 and

15 “(ii) while such individual continues
16 to receive emergency unemployment com-
17 pensation under this title.

18 “(B) As a condition of eligibility for emer-
19 gency unemployment compensation for any
20 week—

21 “(i) a claimant shall meet the min-
22 imum educational requirements set forth in
23 section 303(a)(10)(B) of the Social Secu-
24 rity Act;

1 “(ii) a claimant who has been duly re-
2 ferred to reemployment services shall par-
3 ticipate in such services; and

4 “(iii) a claimant shall be actively seek-
5 ing work (determined applying subsection
6 (h)).

7 “(2) DESCRIPTION OF SERVICES AND ACTIVI-
8 TIES.—The reemployment services and in-person re-
9 employment and eligibility assessment activities pro-
10 vided to individuals receiving emergency unemploy-
11 ment compensation described in paragraph (1)—

12 “(A) shall include—

13 “(i) the provision of labor market and
14 career information;

15 “(ii) an assessment of the skills of the
16 individual;

17 “(iii) orientation to the services avail-
18 able through the one-stop centers estab-
19 lished under title I of the Workforce In-
20 vestment Act of 1998; and

21 “(iv) review of the eligibility of the in-
22 dividual for emergency unemployment com-
23 pensation relating to the job search activi-
24 ties of the individual; and

25 “(B) may include the provision of—

1 “(i) comprehensive and specialized as-
2 sessments;

3 “(ii) individual and group career
4 counseling;

5 “(iii) training services;

6 “(iv) additional reemployment serv-
7 ices; and

8 “(v) job search counseling and the de-
9 velopment or review of an individual reem-
10 ployment plan that includes participation
11 in job search activities and appropriate
12 workshops.

13 “(3) PARTICIPATION REQUIREMENT.—As a con-
14 dition of continuing eligibility for emergency unem-
15 ployment compensation for any week, an individual
16 who has been referred to reemployment services or
17 reemployment and eligibility assessment activities
18 under this subsection shall participate in such serv-
19 ices or activities, unless the State agency responsible
20 for the administration of State unemployment com-
21 pensation law determines that—

22 “(A) such individual has completed partici-
23 pating in such services or activities; or

24 “(B) there is justifiable cause for failure to
25 participate or to complete participating in such

1 services or activities, as determined in accord-
2 ance with guidance to be issued by the Sec-
3 retary.”.

4 (2) ISSUANCE OF GUIDANCE.—Not later than
5 30 days after the date of enactment of this Act, the
6 Secretary shall issue guidance on the implementation
7 of the reemployment services and reemployment and
8 eligibility assessment activities required to be pro-
9 vided under the amendment made by paragraph (1).

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

14 “(e) OPTIONAL FUNDING FOR REEMPLOYMENT
15 SERVICES AND REEMPLOYMENT AND ELIGIBILITY AS-
16 SESSMENT ACTIVITIES.—In order to carry out section
17 4001(i)(2), a State may withhold up to \$5 from any
18 amount otherwise payable to an individual under this title
19 for any week.”.

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

23 Title IV of the Supplemental Appropriations Act,
24 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is
25 amended by adding at the end the following:

1 “DEMONSTRATION PROJECTS

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

13 “(1) to expedite the reemployment of individ-
14 uals who establish initial eligibility for unemploy-
15 ment compensation under the State law of such
16 State; or

17 “(2) to improve the effectiveness of a State in
18 carrying out its State law with respect to reemploy-
19 ment.

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

24 “(1) a description of the activities to be carried
25 out by the State to assist in the reemployment of eli-

1 gible individuals to be served in accordance with this
2 part, including activities the State intends to carry
3 out and an estimate of the amounts the State in-
4 tends to allocate to those respective activities;

5 “(2) a description of the performance outcomes
6 to be achieved by the State through the activities
7 carried out under this part, including the employ-
8 ment outcomes to be achieved by participants and
9 the processes the State will use to track perform-
10 ance, consistent with guidance provided by the Sec-
11 retary regarding such outcomes and processes;

12 “(3) the timelines for implementation of the ac-
13 tivities described in the application and the number
14 of emergency unemployment compensation claimants
15 expected to be enrolled in such activities for each
16 quarter;

17 “(4) assurances that the State will participate
18 in the evaluation activities carried out by the Sec-
19 retary under this section;

20 “(5) assurances that the State will provide ap-
21 propriate reemployment services to individuals par-
22 ticipating in the demonstration project;

23 “(6) assurances that the State will report such
24 information as the Secretary may require relating to

1 fiscal, performance and other matters, including em-
2 ployment outcomes.

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

6 “(8) a description of the goals and the expected
7 programmatic outcomes of the demonstration
8 project, including how the project would contribute
9 to the objective described in subsection (a)(1), sub-
10 section (a)(2), or both;

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

15 “(10) a description of the manner in which the
16 State—

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

21 “(B) will determine the extent to which the
22 goals and outcomes described in paragraph (8)
23 were achieved; and

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

4 “(c) Activities that may be pursued under a dem-
5 onstration project under this section, including—

6 “(1) subsidies for employer-provided training,
7 such as wage subsidies;

8 “(2) work sharing or short-time compensation;
9 and

10 “(3) enhanced employment strategies, which
11 may include services such as—

12 “(A) assessments, counseling, and other
13 intensive services that are provided by staff on
14 a one-to-one basis and may be customized to
15 meet the reemployment needs of emergency un-
16 employment compensation claimants and indi-
17 viduals;

18 “(B) comprehensive assessments designed
19 to identify alternative career paths;

20 “(C) case management;

21 “(D) reemployment services that are pro-
22 vided more frequently and more intensively
23 than such reemployment services have pre-
24 viously been provided by the State;

25 “(E) self-employment assistance programs;

1 “(F) services that are designed to enhance
2 communication skills, interviewing skills, and
3 other skills that would assist in obtaining reem-
4 ployment;

5 “(G) direct disbursements to employers
6 who hire individuals receiving emergency unem-
7 ployment compensation to cover part of the cost
8 of wages that exceed the unemployed individ-
9 ual’s prior benefit level; and

10 “(H) other innovative activities which use
11 a strategy that is different from the reemploy-
12 ment strategies described above and which are
13 designed to facilitate the reemployment of indi-
14 viduals receiving emergency unemployment
15 compensation.

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

19 “(1) notify the State as to whether such appli-
20 cation has been approved or denied within 30 days
21 after receipt of a complete application; and

22 “(2) provide public notice of the decision within
23 10 days after providing notification to the State in
24 accordance with paragraph (1).

1 Public notice under paragraph (2) may be provided
 2 through the Internet or other appropriate means. Any ap-
 3 plication under this section that has not been denied with-
 4 in such 30 days shall be deemed approved, and public no-
 5 tice of any approval under this sentence shall be provided
 6 within 10 days thereafter.

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

11 “(f) Authority to carry out a demonstration project
 12 under this section shall terminate with respect to any
 13 State after compensation under this title ceases to be pay-
 14 able with respect to such State.”.

15 **SEC. 2164. PROMOTING PROGRAM INTEGRITY THROUGH**
 16 **BETTER RECOVERY OF OVERPAYMENTS.**

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

- 20 (1) by striking “may” and inserting “shall”;
- 21 (2) by striking “exceed” and inserting “be less
 22 than”; and
- 23 (3) by striking “made.” and inserting “made,
 24 unless the amount to be repaid is less than 50 per-
 25 cent of the weekly benefit amount.”.

1 **SEC. 2165. RESTORE STATE FLEXIBILITY TO IMPROVE UN-**
 2 **EMPLOYMENT PROGRAM SOLVENCY.**

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

6 **Subtitle C—Medicare Extensions;**
 7 **Other Health Provisions**

8 **PART 1—MEDICARE EXTENSIONS**

9 **SEC. 2201. PHYSICIAN PAYMENT UPDATE.**

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

13 “(13) UPDATE FOR 2012 AND 2013.—

14 “(A) IN GENERAL.—Subject to paragraphs
 15 (7)(B), (8)(B), (9)(B), (10)(B), (11)(B), and
 16 (12)(B), in lieu of the update to the single con-
 17 version factor established in paragraph (1)(C)
 18 that would otherwise apply for 2012 and for
 19 2013, the update to the single conversion factor
 20 shall be 1.0 percent for the year.

21 “(B) NO EFFECT ON COMPUTATION OF
 22 CONVERSION FACTOR FOR 2014 AND SUBSE-
 23 QUENT YEARS.—The conversion factor under
 24 this subsection shall be computed under para-
 25 graph (1)(A) for 2014 and subsequent years as
 26 if subparagraph (A) had never applied.”.

1 (b) MANDATED STUDIES ON PHYSICIAN PAYMENT
2 REFORM.—

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

5 (A) IN GENERAL.—The Secretary of
6 Health and Human Services shall conduct a
7 study that examines options for bundled or epi-
8 sode-based payments, to cover physicians' serv-
9 ices currently paid under the physician fee
10 schedule under section 1848 of the Social Secu-
11 rity Act (42 U.S.C. 1395w–4), for one or more
12 prevalent chronic conditions (such as cancer, di-
13 abetes, and congestive heart failure) or episodes
14 of care for one or more major procedures (such
15 as medical device implantation). In conducting
16 the study the Secretary shall consult with med-
17 ical professional societies and other relevant
18 stakeholders. The study shall include an exam-
19 ination of related private payer payment initia-
20 tives.

21 (B) REPORT.—Not later than January 1,
22 2013, the Secretary shall submit to the Com-
23 mittees on Ways and Means and Energy and
24 Commerce of the House of Representatives and
25 the Committee on Finance in the Senate a re-

1 port on the study conducted under this para-
2 graph. The Secretary shall include in the report
3 recommendations on suitable alternative pay-
4 ment options for services paid under such fee
5 schedule and on associated implementation re-
6 quirements (such as timelines, operational
7 issues, and interactions with other payment re-
8 form initiatives).

9 (2) GAO STUDY OF PRIVATE PAYER INITIA-
10 TIVES.—

11 (A) IN GENERAL.—The Comptroller Gen-
12 eral of the United States shall conduct a study
13 that examines initiatives of private entities of-
14 fering or administering health insurance cov-
15 erage, group health plans, or other private
16 health benefit plans to base or adjust physician
17 payment rates under such coverage or plans for
18 performance on quality and efficiency as well as
19 demonstration of care delivery improvement ac-
20 tivities (such as adherence to evidence based
21 guidelines and patient shared decision making
22 programs). In conducting such study, the
23 Comptroller General shall consult, to the extent
24 appropriate, with medical professional societies
25 and other relevant stakeholders.

1 (B) REPORT.—Not later than January 1,
2 2013, the Comptroller General shall submit to
3 the Committees on Ways and Means and En-
4 ergy and Commerce of the House of Represent-
5 atives and the Committee on Finance in the
6 Senate a report on the study conducted under
7 this paragraph. Such report shall include an as-
8 sessment of applicability of the payer initiatives
9 described in subparagraph (A) to the Medicare
10 program and recommendations on modifications
11 to existing Medicare performance-based pay-
12 ment initiatives.

13 (3) MEDPAC STUDY OF ALIGNING PAYMENT
14 INCENTIVES.—Not later than March 1, 2013, the
15 Medicare Payment Advisory Commission shall con-
16 duct a study, and submit to the Committees on
17 Ways and Means and Energy and Commerce of the
18 House of Representatives and the Committee on Fi-
19 nance in the Senate a report, that examines the fea-
20 sibility of aligning private payer quality and effi-
21 ciency programs with those in the Medicare pro-
22 gram. In conducting such study, the Medicare Pay-
23 ment Advisory Commission shall consult with med-
24 ical professional societies and other relevant stake-

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

3 (4) COLLABORATION.—The Secretary, Comp-
4 troller General, and Commission may collaborate to
5 the extent beneficial in conducting their respective
6 studies and submitting their respective reports under
7 this subsection.

8 (c) STUDY AND REVIEW OF MEASURES TO IMPROVE
9 PHYSICIAN PAYMENTS, HEALTH OUTCOMES, AND EFFI-
10 CIENCY.—During the 112th Congress, the Committees on
11 Energy and Commerce and Ways and Means of the House
12 of Representatives and the Committee on Finance in the
13 Senate shall each study and review value-based measures
14 and practice arrangements which may improve health out-
15 comes and efficiency in the Medicare program to the end
16 of replacing the Medicare sustainable growth rate in a fis-
17 cally responsible manner and establishing a sustainable
18 payment system. In conducting such study and review, the
19 committees shall solicit comments from stakeholder physi-
20 cian groups, including State medical associations.

21 **SEC. 2202. AMBULANCE ADD-ONS.**

22 (a) GROUND AMBULANCE.—Section 1834(l)(13)(A)
23 of the Social Security Act (42 U.S.C. 1395m(l)(13)(A)),
24 as amended by section 106(a) of the Medicare and Med-

1 Medicaid Extenders Act of 2010 (Public Law 111–309), is
2 amended—

3 (1) in the matter preceding clause (i), by strik-
4 ing “2012” and inserting “2013”; and

5 (2) in each of clauses (i) and (ii), by striking
6 “2012” and inserting “2013” each place it appears.

7 (b) SUPER RURAL AMBULANCE.—Section
8 1834(l)(12)(A) of the Social Security Act (42 U.S.C.
9 1395m(l)(12)(A)), as amended by section 106(c) of the
10 Medicare and Medicaid Extenders Act of 2010 (Public
11 Law 111–309), is amended in the first sentence by strik-
12 ing “2012” and inserting “2013”.

13 (c) GAO REPORT UPDATE.—Not later than October
14 1, 2012, the Comptroller General of the United States
15 shall update the GAO report GAO–07–383 (relating to
16 Ambulance Providers: Costs and Expected Medicare Mar-
17 gins Vary Greatly) to reflect current costs for ambulance
18 providers.

19 (d) MEDPAC REPORT.—The Medicare Payment Ad-
20 visory Commission shall conduct a study of—

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

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

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

7 Not later than July 1, 2012, the Commission shall submit
8 to the Committees on Ways and Means and Energy and
9 Commerce of the House of Representatives and the Com-
10 mittee on Finance of the Senate a report on such study
11 and shall include in the report such recommendations as
12 the Commission deems appropriate.

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

16 **SEC. 2203. MEDICARE PAYMENT FOR OUTPATIENT THER-**
17 **APY SERVICES.**

18 (a) APPLICATION OF ADDITIONAL REQUIRE-
19 MENTS.—Section 1833(g)(5) of the Social Security Act
20 (42 U.S.C. 1395l(g)(5)) is amended—

21 (1) by inserting “(A)” after “(5)”;

22 (2) by striking “December 31, 2011” and in-
23 serting “December 31, 2013”;

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

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

7 (5) by adding at the end the following new sub-
8 paragraphs:

9 “(B) In the case of outpatient therapy services for
10 which an exception is requested under the first sentence
11 of subparagraph (A), the claim for such services contains
12 an appropriate modifier (such as the KX modifier used
13 as of the date of the enactment of this subparagraph) indi-
14 cating that such services are medically necessary as justi-
15 fied by appropriate documentation in the medical record
16 involved.

17 “(C)(i) In applying this paragraph with respect to a
18 request for an exception with respect to expenses that
19 would be incurred for outpatient therapy services (includ-
20 ing services described in subsection (a)(8)(B)) that would
21 exceed the threshold described in clause (ii) for a year,
22 the request for such an exception, for services furnished
23 on or after July 1, 2012, shall be subject to a manual
24 medical review process that is similar to the manual med-

1 ical review process used for certain exceptions under this
2 paragraph in 2006.

3 “(ii) The threshold under this clause for a year is
4 \$3,700. Such threshold shall be applied separately—

5 “(I) for physical therapy services and speech-
6 language pathology services; and

7 “(II) for occupational therapy services.”.

8 (b) APPLICATION OF THERAPY CAP TO THERAPY
9 FURNISHED AS PART OF HOSPITAL OUTPATIENT SERV-
10 ICES.—Paragraphs (1) and (3) of section 1833(g) of such
11 Act are each amended by striking “but not described in
12 section 1833(a)(8)(B)” and inserting “but (with respect
13 to services furnished before July 1, 2012) not described
14 in subsection (a)(8)(B)”.

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

19 (1) by inserting “(1)” after “(t)”; and

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

22 “(2) Each request for payment, or bill submitted, for
23 therapy services described in paragraph (1) or (3) of sec-
24 tion 1833(g) furnished on or after July 1, 2012, for which
25 payment may be made under this part shall include the

1 national provider identifier of the physician who periodi-
2 cally reviews the plan for such services under section
3 1861(p)(2).”.

4 (d) IMPLEMENTATION.—The Secretary of Health and
5 Human Services shall implement such claims processing
6 edits and issue such guidance as may be necessary to im-
7 plement the amendments made by this section in a timely
8 manner. Notwithstanding any other provision of law, the
9 Secretary may implement the amendments made by this
10 section by program instruction. Of the amount of funds
11 made available to the Secretary for fiscal year 2012 for
12 program management for the Centers for Medicare &
13 Medicaid Services, not to exceed \$7,500,000 shall be avail-
14 able for such fiscal year to carry out section 1833(g)(5)(C)
15 of the Social Security Act (relating to manual medical re-
16 view), as added by subsection (a). Of the amount of funds
17 made available to the Secretary for fiscal year 2013 for
18 such program management, not to exceed \$7,500,000
19 shall be available for such fiscal year to carry out such
20 section.

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

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

1 Medicare Payment Advisory Commission shall submit to
2 the Committees on Energy and Commerce and Ways and
3 Means of the House of Representatives and to the Com-
4 mittee on Finance of the Senate a report making rec-
5 ommendations on how to improve the outpatient therapy
6 benefit under part B of title XVIII of the Social Security
7 Act. The report shall include recommendations on how to
8 reform the payment system for such outpatient therapy
9 services under such part so that the benefit is better de-
10 signed to reflect individual acuity, condition, and therapy
11 needs of the patient. Such report shall include an examina-
12 tion of private sector initiatives relating to outpatient ther-
13 apy benefits.

14 (g) COLLECTION OF ADDITIONAL DATA.—

15 (1) STRATEGY.—The Secretary of Health and
16 Human Services shall implement, beginning on Jan-
17 uary 1, 2013, a claims-based data collection strategy
18 that is designed to assist in reforming the Medicare
19 payment system for outpatient therapy services sub-
20 ject to the limitations of section 1833(g) of the So-
21 cial Security Act. Such strategy shall be designed to
22 provide for the collection of data on patient function
23 during the course of therapy services in order to bet-
24 ter understand patient condition and outcomes.

1 (2) CONSULTATION.—In proposing and imple-
2 menting such strategy, the Secretary shall consult
3 with relevant stakeholders.

4 (h) GAO REPORT ON MANUAL MEDICAL REVIEW
5 PROCESS IMPLEMENTATION.—Not later than May 1,
6 2013, the Comptroller General of the United States shall
7 submit to the Committees on Energy and Commerce and
8 Ways and Means of the House of Representatives and to
9 the Committee on Finance of the Senate a report on the
10 implementation of the manual medical review process re-
11 ferred to in section 1833(g)(5)(C) of the Social Security
12 Act. Such report shall include aggregate data on the num-
13 ber of individuals and claims subject to such process, the
14 number of reviews conducted under such process, and the
15 outcome of such reviews.

16 **SEC. 2204. WORK GEOGRAPHIC ADJUSTMENT.**

17 (a) IN GENERAL.—Section 1848(e)(1)(E) of the So-
18 cial Security Act (42 U.S.C. 1395w-4(e)(1)(E)) is amend-
19 ed by striking “January 1, 2012” and inserting “January
20 1, 2013”.

21 (b) REPORT.—Not later than June 1, 2012, the
22 Medicare Payment Advisory Commission shall submit to
23 the Committees on Ways and Means and Energy and
24 Commerce of the House of Representatives and the Com-
25 mittee on Finance of the Senate a report that assesses

1 whether any geographic adjustment is needed under sec-
 2 tion 1848 of the Social Security Act (42 U.S.C. 1395w-
 3 4) to distinguish the difference in work effort by geo-
 4 graphic area and, if so, what that level should be and
 5 where it should be applied. The report shall also assess
 6 the impact of the work geographic adjustment under such
 7 section, including the extent to which the floor impacts
 8 access to care.

9 **PART 2—OTHER HEALTH PROVISIONS**

10 **SEC. 2211. QUALIFYING INDIVIDUAL (QI) PROGRAM.**

11 (a) EXTENSION.—Section 1902(a)(10)(E)(iv) of the
 12 Social Security Act (42 U.S.C. 1396a(a)(10)(E)(iv)) is
 13 amended by striking “December 2011” and inserting “De-
 14 cember 2012”.

15 (b) EXTENDING TOTAL AMOUNT AVAILABLE FOR
 16 ALLOCATION.—Section 1933(g) of such Act (42 U.S.C.
 17 1396u-3(g)) is amended—

18 (1) in paragraph (2)—

19 (A) by striking “and” at the end of sub-
 20 paragraph (O);

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

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

1 “(Q) for the period that begins on January
2 1, 2012, and ends on September 30, 2012, the
3 total allocation amount is \$450,000,000; and

4 “(R) for the period that begins on October
5 1, 2012, and ends on December 31, 2012, the
6 total allocation amount is \$280,000,000.”; and

7 (2) in paragraph (3), in the matter preceding
8 subparagraph (A), by striking “or (P)” and insert-
9 ing “(P), or (R)”.

10 **SEC. 2212. EXTENSION OF TRANSITIONAL MEDICAL ASSIST-**
11 **ANCE (TMA).**

12 (a) EXTENSION.—Sections 1902(e)(1)(B) and
13 1925(f) of the Social Security Act (42 U.S.C.
14 1396a(e)(1)(B), 1396r–6(f)) are each amended by strik-
15 ing “December 31, 2011” and inserting “December 31,
16 2012”.

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

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

23 (A) by striking “additional extended assist-
24 ance under this subsection” and inserting “con-

1 tinued extended assistance under subsection
2 (a)”; and

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

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

9 (A) in subparagraph (B)—

10 (i) by inserting “or (D)” after “sub-
11 paragraph (A)”; and

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

22 (B) in subparagraph (C)—

23 (i) by designating the matter begin-
24 ning with “With respect to” as a clause (i)
25 with the heading “DEPENDENT CHIL-

1 DREN.—” and appropriate indentation;
2 and

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

5 “(ii) MEDICALLY NEEDY.—With re-
6 spect to an individual who would cease to
7 receive medical assistance because of sub-
8 paragraph (D) but who may be eligible for
9 assistance under the State plan because
10 the individual is within a category of per-
11 son for which medical assistance under the
12 State plan is available under section
13 1902(a)(10)(C) (relating to medically
14 needy individuals), the State may not dis-
15 continue such assistance under such sub-
16 paragraph until the State has determined
17 that the individual is not eligible for assist-
18 ance under the plan.”; and

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

21 “(D) QUARTERLY INCOME REPORTING AND
22 TEST.—Subject to subparagraphs (B) and (C),
23 extension of assistance during the 6-month pe-
24 riod described in paragraph (1) to a family
25 shall terminate (during the period) at the close

1 of the 4th month of the 6-month period (or 4th,
2 7th, or 11th month in case of a State that
3 makes an election under paragraph (5)) if—

4 “(i) the family fails to report to the
5 State, by the 21st day of such month, the
6 information required under subsection
7 (b)(2)(B)(i), unless the family has estab-
8 lished, to the satisfaction of the State,
9 good cause for the failure to report on a
10 timely basis;

11 “(ii) the caretaker relative had no
12 earnings in one or more of the previous 3
13 months, unless such lack of any earnings
14 was due to an involuntary loss of employ-
15 ment, illness, or other good cause, estab-
16 lished to the satisfaction of the State; or

17 “(iii) the State determines that the
18 family’s average gross monthly earnings
19 (less such costs for such child care as is
20 necessary for the employment of the care-
21 taker relative) during the immediately pre-
22 ceding 3-month period exceed 185 percent
23 of the official poverty line (as defined by
24 the Office of Management and Budget,
25 and revised annually in accordance with

1 section 673(2) of the Omnibus Budget
2 Reconciliation Act of 1981) applicable to a
3 family of the size involved.

4 Information described in clause (i) shall be sub-
5 ject to the restrictions on use and disclosure of
6 information provided under section 402(a)(9).
7 Instead of terminating a family's extension
8 under clause (i), a State, at its option, may pro-
9 vide for suspension of the extension until the
10 month after the month in which the family re-
11 ports information required under subsection
12 (b)(2)(B)(i), but only if the family's extension
13 has not otherwise been terminated under clause
14 (ii) or (iii). The State shall make determina-
15 tions under clause (iii) for a family each time
16 a report under subsection (b)(2)(B)(i) for the
17 family is received.”.

18 (3) EFFECTIVE DATE.—

19 (A) IN GENERAL.—The amendments made
20 by this subsection shall, subject to subpara-
21 graph (B), apply to assistance furnished for
22 months beginning with January 2012.

23 (B) TRANSITION FOR CURRENT BENE-
24 FICIARIES.—

(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)—

1 (A) in the matter preceding clause (i), by
2 striking “had”;

3 (B) in clause (i), by inserting “had” before
4 “physician ownership”; and

5 (C) by amending clause (ii) to read as fol-
6 lows:

7 “(ii) either—

8 “(I) had a provider agreement
9 under section 1866 in effect on such
10 date; or

11 “(II) was under construction on
12 such date.”; and

13 (2) in paragraph (3)—

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

16 “(E) APPLICABLE HOSPITAL.—In this
17 paragraph, the term ‘applicable hospital’ means
18 a hospital that does not discriminate against
19 beneficiaries of Federal health care programs
20 and does not permit physicians practicing at
21 the hospital to discriminate against such bene-
22 ficiaries.”; and

23 (B) in subparagraph (F)(iii), by striking
24 “subparagraph (E)(iii)” and inserting “sub-
25 paragraph (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

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

3 “(4) for fiscal year 2013 and each subsequent
 4 fiscal year, \$640,000,000.”.

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

8 Section 1833(t) of the Social Security Act (42 U.S.C.
 9 1395l(t)) is amended—

10 (1) in paragraph (3)—

11 (A) in subparagraph (D), by striking “The
 12 Secretary” and inserting “Subject to subpara-
 13 graph (H), the Secretary”; and

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

16 “(H) PARITY IN FEE SCHEDULE AMOUNT
 17 FOR SPECIFIED EVALUATION AND MANAGE-
 18 MENT SERVICES.—

19 “(i) IN GENERAL.—In the case of cov-
 20 ered OPD services that are specified eval-
 21 uation and management services furnished
 22 during 2012 or a subsequent year, there
 23 shall be substituted for the medicare OPD
 24 fee schedule amount established under sub-
 25 paragraph (D) for such services and year,

1 before application of any geographic or
2 other adjustment, an amount equal to the
3 product of the conversion factor estab-
4 lished under section 1848(d) for such year
5 and the amount by which—

6 “(I) the non-facility practice ex-
7 pense relative value units under the
8 fee schedule under section 1848 for
9 such year for physicians’ services that
10 are such specified evaluation and
11 management services; exceeds

12 “(II) the facility practice expense
13 relative value unit under such fee
14 schedule for such year and services.

15 “(ii) BUDGET NEUTRALITY.—In de-
16 termining the adjustments under para-
17 graph (9)(B) for 2012 or a subsequent
18 year, the Secretary shall not take into ac-
19 count under such paragraph or paragraph
20 (2)(E) any changes in expenditures that
21 result from the application of this subpara-
22 graph.

23 “(iii) SPECIFIED EVALUATION AND
24 MANAGEMENT SERVICES DEFINED.—For
25 the purposes of this subparagraph, the

1 term ‘specified evaluation and management
 2 services’ means the HCPCS codes in the
 3 range 99201 through 99215 as of January
 4 1, 2011 (and such codes as subsequently
 5 modified by the Secretary).”; and

6 (2) in paragraph (9)(B), by striking “If the
 7 Secretary” and inserting “Subject to paragraph
 8 (3)(H)(ii), if the Secretary”.

9 **SEC. 2224. REDUCTION OF BAD DEBT TREATED AS AN AL-**
 10 **LOWABLE COST.**

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

13 (1) in clause (iii), by striking “and” at the end;

14 (2) in clause (iv)—

15 (A) by striking “a subsequent fiscal year”
 16 and inserting “fiscal years 2001 through
 17 2012”; and

18 (B) by striking the period at the end and
 19 inserting “, and”; and

20 (3) by adding at the end the following:

21 “(v) for cost reporting periods begin-
 22 ning during fiscal year 2013, by 35 per-
 23 cent of such amount otherwise allowable,

24 “(vi) for cost reporting periods begin-
 25 ning during fiscal year 2014, by 40 per-

1 cent of such amount otherwise allowable,
2 and
3 “(vii) for cost reporting periods begin-
4 ning during a subsequent fiscal year, by 45
5 percent of such amount otherwise allow-
6 able.”.

7 (b) SKILLED NURSING FACILITIES.—Section
8 1861(v)(1)(V) of such Act (42 U.S.C. 1395x(v)(1)(V)) is
9 amended—

10 (1) in the matter preceding clause (i), by strik-
11 ing “with respect to cost reporting periods beginning
12 on or after October 1, 2005” and inserting “and
13 (beginning with respect to cost reporting periods be-
14 ginning during fiscal year 2013) for covered skilled
15 nursing services described in section 1888(e)(2)(A)
16 furnished by hospital providers of extended care
17 services (as described in section 1883)”;

18 (2) in clause (i), by striking “reduced by” and
19 all that follows through “allowable; and” and insert-
20 ing the following: “reduced by—

21 “(I) for cost reporting periods be-
22 ginning on or after October 1, 2005,
23 but before fiscal year 2013, 30 per-
24 cent of such amount otherwise allow-
25 able;

1 “(II) for cost reporting periods
2 beginning during fiscal year 2013, by
3 35 percent of such amount otherwise
4 allowable;

5 “(III) for cost reporting periods
6 beginning during fiscal year 2014, by
7 40 percent of such amount otherwise
8 allowable; and

9 “(IV) for cost reporting periods
10 beginning during a subsequent fiscal
11 year, by 45 percent of such amount
12 otherwise allowable; and”;

13 (3) in clause (ii), by striking “such section shall
14 not be reduced.” and inserting “such section—

15 “(I) for cost reporting periods be-
16 ginning on or after October 1, 2005,
17 but before fiscal year 2013, shall not
18 be reduced;

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

23 “(III) for cost reporting periods
24 beginning during fiscal year 2014,

1 shall be reduced by 30 percent of such
2 amount otherwise allowable; and

3 “(IV) for cost reporting periods
4 beginning during a subsequent fiscal
5 year, shall be reduced by 45 percent
6 of such amount otherwise allowable.”.

7 (c) CERTAIN OTHER PROVIDERS.—Section
8 1861(v)(1) of such Act (42 U.S.C. 1395x(v)(1)) is amend-
9 ed by adding at the end the following new subparagraph:

10 “(W)(i) In determining such reasonable costs for pro-
11 viders described in clause (ii), the amount of bad debts
12 otherwise treated as allowable costs which are attributable
13 to deductibles and coinsurance amounts under this title
14 shall be reduced—

15 “(I) for cost reporting periods beginning during
16 fiscal year 2013, by 15 percent of such amount oth-
17 erwise allowable;

18 “(II) for cost reporting periods beginning dur-
19 ing fiscal year 2014, by 30 percent of such amount
20 otherwise allowable; and

21 “(III) for cost reporting periods beginning dur-
22 ing a subsequent fiscal year, by 45 percent of such
23 amount otherwise allowable.

24 “(ii) A provider described in this clause is a provider
25 of services not described in subparagraph (T) or (V), a

1 supplier, or any other type of entity that receives payment
 2 for bad debts under the authority under subparagraph
 3 (A).”.

4 (d) CONFORMING AMENDMENT FOR HOSPITAL SERV-
 5 ICES.—Section 4008(c) of the Omnibus Budget Reconcili-
 6 ation Act of 1987, as amended by section 8402 of the
 7 Technical and Miscellaneous Revenue Act of 1988 and
 8 section 6023 of the Omnibus Budget Reconciliation Act
 9 of 1989, is amended by adding at the end the following
 10 new sentence: “Effective for cost reporting periods begin-
 11 ning on or after October 1, 2012, the provisions of the
 12 previous two sentences shall not apply.”.

13 **SEC. 2225. REBASING OF STATE DSH ALLOTMENTS FOR FIS-**
 14 **CAL YEAR 2021.**

15 Section 1923(f) of the Social Security Act (42 U.S.C.
 16 1396r–4(f)) is amended—

17 (1) by redesignating paragraph (8) as para-
 18 graph (9);

19 (2) in paragraph (3)(A) by striking “para-
 20 graphs (6) and (7)” and inserting “paragraphs (6),
 21 (7), and (8)”; and

22 (3) by inserting after paragraph (7) the fol-
 23 lowing new paragraph:

24 “(8) REBASING OF STATE DSH ALLOTMENTS
 25 FOR FISCAL YEAR 2021.—With respect to fiscal 2021

1 and each subsequent fiscal year, for purposes of ap-
 2 plying paragraph (3)(A) to determine the DSH al-
 3 lotment for a State, the amount of the DSH allot-
 4 ment for the State under paragraph (3) for fiscal
 5 year 2020 shall be treated as if it were such amount
 6 as reduced under paragraph (7).”.

7 **Subtitle D—TANF Extension**

8 **SEC. 2301. SHORT TITLE.**

9 This subtitle may be cited as the “Welfare Integrity
 10 and Data Improvement Act”.

11 **SEC. 2302. EXTENSION OF PROGRAM.**

12 (a) FAMILY ASSISTANCE GRANTS.—Section
 13 403(a)(1) of the Social Security Act (42 U.S.C. 603(a)(1))
 14 is amended—

15 (1) in subparagraph (A), by striking “each of
 16 fiscal years 1996” and all that follows through
 17 “2003” and inserting “fiscal year 2012”;

18 (2) in subparagraph (B)—

19 (A) by inserting “(as in effect just before
 20 the enactment of the Welfare Integrity and
 21 Data Improvement Act)” after “this para-
 22 graph” the 1st place it appears; and

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

1 (3) in subparagraph (C), by striking “2003”
2 and inserting “2012”.

3 (b) HEALTHY MARRIAGE PROMOTION AND RESPON-
4 SIBLE FATHERHOOD GRANTS.—Section 403(a)(2)(D) of
5 such Act (42 U.S.C. 603(a)(2)(D)) is amended by striking
6 “2011” and inserting “2012”.

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

10 (1) in subparagraph (A), by striking “fiscal
11 year” and all that follows through “2012” and in-
12 serting “a fiscal year”; and

13 (2) in subparagraph (B)(ii)—

14 (A) by striking “for fiscal years 1997
15 through 2011,”; and

16 (B) by striking “407(a) for the fiscal
17 year,” and inserting “407(a),”.

18 (d) TRIBAL GRANTS.—Section 412(a) of such Act
19 (42 U.S.C. 612(a)) is amended in each of paragraphs
20 (1)(A) and (2)(A) by striking “each of fiscal years 1997”
21 and all that follows through “2003” and inserting “fiscal
22 year 2012”.

23 (e) STUDIES AND DEMONSTRATIONS.—Section
24 413(h)(1) of such Act (42 U.S.C. 613(h)(1)) is amended

1 by striking “each of fiscal years 1997 through 2002” and
2 inserting “fiscal year 2012”.

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

7 (g) CHILD CARE ENTITLEMENT.—Section 418(a)(3)
8 of such Act (42 U.S.C. 618(a)(3)) is amended by striking
9 “appropriated” and all that follows and inserting “appro-
10 priated \$2,917,000,000 for fiscal year 2012.”.

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

15 (i) PREVENTION OF DUPLICATE APPROPRIATIONS
16 FOR FISCAL YEAR 2012.—Expenditures made pursuant
17 to the Short-Term TANF Extension Act (Public Law
18 112–35) or section 403(b) of the Social Security Act for
19 fiscal year 2012 shall be charged to the applicable appro-
20 priation or authorization provided by the amendments
21 made by this section for such fiscal year.

22 (j) EFFECTIVE DATE.—This section and the amend-
23 ments made by this section shall take effect on the date
24 of the enactment of this Act.

1 **SEC. 2303. DATA STANDARDIZATION.**

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

5 “(d) DATA STANDARDIZATION.—

6 “(1) STANDARD DATA ELEMENTS.—

7 “(A) DESIGNATION.—The Secretary, in
8 consultation with an interagency work group
9 which shall be established by the Office of Man-
10 agement and Budget, and considering State
11 and tribal perspectives, shall, by rule, designate
12 standard data elements for any category of in-
13 formation required to be reported under this
14 part.

15 “(B) REQUIREMENTS.—In designating the
16 standard data elements, the Secretary shall, to
17 the extent practicable—

18 “(i) ensure that the data elements are
19 nonproprietary and interoperable;

20 “(ii) incorporate interoperable stand-
21 ards developed and maintained by an inter-
22 national voluntary consensus standards
23 body, as defined by the Office of Manage-
24 ment and Budget, such as the Inter-
25 national Organization for Standardization;

1 “(iii) incorporate interoperable stand-
2 ards developed and maintained by inter-
3 governmental partnerships, such as the
4 National Information Exchange Model;
5 and

6 “(iv) incorporate interoperable stand-
7 ards developed and maintained by Federal
8 entities with authority over contracting
9 and financial assistance, such as the Fed-
10 eral Acquisition Regulatory Council.

11 “(2) DATA REPORTING STANDARDS.—

12 “(A) DESIGNATION.—The Secretary, in
13 consultation with an interagency work group es-
14 tablished by the Office of Management and
15 Budget, and considering State and tribal per-
16 spectives, shall, by rule, designate standards to
17 govern the data reporting required under this
18 part.

19 “(B) REQUIREMENTS.—In designating the
20 data reporting standards, the Secretary shall, to
21 the extent practicable, incorporate existing non-
22 proprietary standards, such as the eXtensible
23 Business Reporting Language. Such standards
24 shall, to the extent practicable—

1 “(i) incorporate a widely-accepted,
 2 nonproprietary, searchable, computer-read-
 3 able format;

4 “(ii) be consistent with and implement
 5 applicable accounting principles; and

6 “(iii) be capable of being continually
 7 upgraded as necessary.”.

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

11 **SEC. 2304. SPENDING POLICIES FOR ASSISTANCE UNDER**
 12 **STATE TANF PROGRAMS.**

13 (a) STATE REQUIREMENT.—Section 408(a) of the
 14 Social Security Act (42 U.S.C. 608(a)) is amended by add-
 15 ing at the end the following:

16 “(12) STATE REQUIREMENT TO PREVENT UN-
 17 AUTHORIZED SPENDING OF BENEFITS.—

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

24 “(i) any liquor store;

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

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

7 “(B) DEFINITIONS.—For purposes of sub-
8 paragraph (A)—

9 “(i) LIQUOR STORE.—The term ‘liq-
10 uor store’ means any retail establishment
11 which sells exclusively or primarily intoxi-
12 cating liquor. Such term does not include
13 a grocery store which sells both intoxi-
14 cating liquor and groceries including staple
15 foods (within the meaning of section 3(r)
16 of the Food and Nutrition Act of 2008 (7
17 U.S.C. 2012(r))).

18 “(ii) CASINO, GAMBLING CASINO, OR
19 GAMING ESTABLISHMENT.—The terms ‘ca-
20 sino’, ‘gambling casino’, and ‘gaming es-
21 tablishment’ do not include a grocery store
22 which sells groceries including such staple
23 foods and which also offers, or is located
24 within the same building or complex as, ca-
25 sino, gambling, or gaming activities.”.

1 (b) PENALTY.—Section 409(a) of such Act (42
2 U.S.C. 609(a)) is amended by adding at the end the fol-
3 lowing:

4 “(16) PENALTY FOR FAILURE TO ENFORCE
5 SPENDING POLICIES.—

6 “(A) IN GENERAL.—If, within 2 years
7 after the date of the enactment of this para-
8 graph, any State has not reported to the Sec-
9 retary on such State’s implementation of the
10 policies and practices required by section
11 408(a)(12), or the Secretary determines that
12 any State has not implemented and maintained
13 such policies and practices, the Secretary shall
14 reduce, by an amount equal to 5 percent of the
15 State family assistance grant, the grant payable
16 to such State under section 403(a)(1) for—

17 “(i) the fiscal year immediately suc-
18 ceeding the year in which such 2-year pe-
19 riod ends; and

20 “(ii) each succeeding fiscal year in
21 which the State does not demonstrate that
22 such State has implemented and main-
23 tained such policies and practices.

24 “(B) REDUCTION OF APPLICABLE PEN-
25 ALTY.—The Secretary may reduce the amount

1 of the reduction required under subparagraph
2 (A) based on the degree of noncompliance of
3 the State.

4 “(C) STATE NOT RESPONSIBLE FOR INDI-
5 VIDUAL VIOLATIONS.—Fraudulent activity by
6 any individual in an attempt to circumvent the
7 policies and practices required by section
8 408(a)(12) shall not trigger a State penalty
9 under subparagraph (A).”.

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

13 **SEC. 2305. TECHNICAL CORRECTIONS.**

14 (a) Section 404(d)(1)(A) of the Social Security Act
15 (42 U.S.C. 604(d)(1)(A)) is amended by striking “subtitle
16 1 of Title” and inserting “Subtitle A of title”.

17 (b) Sections 407(c)(2)(A)(i) and 409(a)(3)(C) of
18 such Act (42 U.S.C. 607(c)(2)(A)(i) and 609(a)(3)(C))
19 are each amended by striking “403(b)(6)” and inserting
20 “403(b)(5)”.

21 (c) Section 409(a)(2)(A) of such Act (42 U.S.C.
22 609(a)(2)(A)) is amended by moving clauses (i) and (ii)
23 2 ems to the right.

1 (d) Section 409(c)(2) of such Act (42 U.S.C.
2 609(c)(2)) is amended by inserting a comma after “appro-
3 priate”.

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

7 **TITLE III—FLOOD INSURANCE** 8 **REFORM**

9 **SEC. 3001. SHORT TITLE.**

10 This title may be cited as the “Flood Insurance Re-
11 form Act of 2011”.

12 **SEC. 3002. EXTENSIONS.**

13 (a) EXTENSION OF PROGRAM.—Section 1319 of the
14 National Flood Insurance Act of 1968 (42 U.S.C. 4026)
15 is amended by striking “September 30, 2011” and insert-
16 ing “September 30, 2016”.

17 (b) EXTENSION OF FINANCING.—Section 1309(a) of
18 such Act (42 U.S.C. 4016(a)) is amended by striking
19 “September 30, 2011” and inserting “September 30,
20 2016”.

21 **SEC. 3003. MANDATORY PURCHASE.**

22 (a) AUTHORITY TO TEMPORARILY SUSPEND MANDA-
23 TORY PURCHASE REQUIREMENT.—

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

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

3 “(i) AUTHORITY TO TEMPORARILY SUSPEND MAN-
4 DATORY PURCHASE REQUIREMENT.—

5 “(1) FINDING BY ADMINISTRATOR THAT AREA
6 IS AN ELIGIBLE AREA.—For any area, upon a re-
7 quest submitted to the Administrator by a local gov-
8 ernment authority having jurisdiction over any por-
9 tion of the area, the Administrator shall make a
10 finding of whether the area is an eligible area under
11 paragraph (3). If the Administrator finds that such
12 area is an eligible area, the Administrator shall, in
13 the discretion of the Administrator, designate a pe-
14 riod during which such finding shall be effective,
15 which shall not be longer in duration than 12
16 months.

17 “(2) SUSPENSION OF MANDATORY PURCHASE
18 REQUIREMENT.—If the Administrator makes a find-
19 ing under paragraph (1) that an area is an eligible
20 area under paragraph (3), during the period speci-
21 fied in the finding, the designation of such eligible
22 area as an area having special flood hazards shall
23 not be effective for purposes of subsections (a), (b),
24 and (e) of this section, and section 202(a) of this
25 Act. Nothing in this paragraph may be construed to

1 prevent any lender, servicer, regulated lending insti-
2 tution, Federal agency lender, the Federal National
3 Mortgage Association, or the Federal Home Loan
4 Mortgage Corporation, at the discretion of such enti-
5 ty, from requiring the purchase of flood insurance
6 coverage in connection with the making, increasing,
7 extending, or renewing of a loan secured by im-
8 proved real estate or a mobile home located or to be
9 located in such eligible area during such period or
10 a lender or servicer from purchasing coverage on be-
11 half of a borrower pursuant to subsection (e).

12 “(3) ELIGIBLE AREAS.—An eligible area under
13 this paragraph is an area that is designated or will,
14 pursuant to any issuance, revision, updating, or
15 other change in flood insurance maps that takes ef-
16 fect on or after the date of the enactment of the
17 Flood Insurance Reform Act of 2011, become des-
18 ignated as an area having special flood hazards and
19 that meets any one of the following 3 requirements:

20 “(A) AREAS WITH NO HISTORY OF SPE-
21 CIAL FLOOD HAZARDS.—The area does not in-
22 clude any area that has ever previously been
23 designated as an area having special flood haz-
24 ards.

1 “(B) AREAS WITH FLOOD PROTECTION
2 SYSTEMS UNDER IMPROVEMENTS.—The area
3 was intended to be protected by a flood protec-
4 tion system—

5 “(i) that has been decertified, or is re-
6 quired to be certified, as providing protec-
7 tion for the 100-year frequency flood
8 standard;

9 “(ii) that is being improved, con-
10 structed, or reconstructed; and

11 “(iii) for which the Administrator has
12 determined measurable progress toward
13 completion of such improvement, construc-
14 tion, reconstruction is being made and to-
15 ward securing financial commitments suffi-
16 cient to fund such completion.

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

22 “(4) EXTENSION OF DELAY.—Upon a request
23 submitted by a local government authority having
24 jurisdiction over any portion of the eligible area, the
25 Administrator may extend the period during which a

1 finding under paragraph (1) shall be effective, ex-
2 cept that—

3 “(A) each such extension under this para-
4 graph shall not be for a period exceeding 12
5 months; and

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

8 “(5) ADDITIONAL EXTENSION FOR COMMU-
9 NITIES MAKING MORE THAN ADEQUATE PROGRESS
10 ON FLOOD PROTECTION SYSTEM.—

11 “(A) EXTENSION.—

12 “(i) AUTHORITY.—Except as provided
13 in subparagraph (B), in the case of an eli-
14 gible area for which the Administrator has,
15 pursuant to paragraph (4), extended the
16 period of effectiveness of the finding under
17 paragraph (1) for the area, upon a request
18 submitted by a local government authority
19 having jurisdiction over any portion of the
20 eligible area, if the Administrator finds
21 that more than adequate progress has been
22 made on the construction of a flood protec-
23 tion system for such area, as determined in
24 accordance with the last sentence of sec-
25 tion 1307(e) of the National Flood Insur-

1 ance Act of 1968 (42 U.S.C. 4014(e)), the
 2 Administrator may, in the discretion of the
 3 Administrator, further extend the period
 4 during which the finding under paragraph
 5 (1) shall be effective for such area for an
 6 additional 12 months.

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

10 “(B) EXCLUSION FOR NEW MORTGAGES.—

11 “(i) EXCLUSION.—Any extension
 12 under subparagraph (A) of this paragraph
 13 of a finding under paragraph (1) shall not
 14 be effective with respect to any excluded
 15 property after the origination, increase, ex-
 16 tension, or renewal of the loan referred to
 17 in clause (ii)(II) for the property.

18 “(ii) EXCLUDED PROPERTIES.—For
 19 purposes of this subparagraph, the term
 20 ‘excluded property’ means any improved
 21 real estate or mobile home—

22 “(I) that is located in an eligible
 23 area; and

24 “(II) for which, during the period
 25 that any extension under subpara-

1 graph (A) of this paragraph of a find-
2 ing under paragraph (1) is otherwise
3 in effect for the eligible area in which
4 such property is located—

5 “(aa) a loan that is secured
6 by the property is originated; or

7 “(bb) any existing loan that
8 is secured by the property is in-
9 creased, extended, or renewed.

10 “(6) RULE OF CONSTRUCTION.—Nothing in
11 this subsection may be construed to affect the appli-
12 cability of a designation of any area as an area hav-
13 ing special flood hazards for purposes of the avail-
14 ability of flood insurance coverage, criteria for land
15 management and use, notification of flood hazards,
16 eligibility for mitigation assistance, or any other pur-
17 pose or provision not specifically referred to in para-
18 graph (2).

19 “(7) REPORTS.—The Administrator shall, in
20 each annual report submitted pursuant to section
21 1320, include information identifying each finding
22 under paragraph (1) by the Administrator during
23 the preceding year that an area is an area having
24 special flood hazards, the basis for each such find-
25 ing, any extensions pursuant to paragraph (4) of the

1 periods of effectiveness of such findings, and the
2 reasons for such extensions.”.

3 (2) NO REFUNDS.—Nothing in this subsection
4 or the amendments made by this subsection may be
5 construed to authorize or require any payment or re-
6 fund for flood insurance coverage purchased for any
7 property that covered any period during which such
8 coverage is not required for the property pursuant to
9 the applicability of the amendment made by para-
10 graph (1).

11 (b) TERMINATION OF FORCE-PLACED INSURANCE.—
12 Section 102(e) of the Flood Disaster Protection Act of
13 1973 (42 U.S.C. 4012a(e)) is amended—

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

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

21 (3) by inserting after paragraph (2) the fol-
22 lowing new paragraphs:

23 “(3) TERMINATION OF FORCE-PLACED INSUR-
24 ANCE.—Within 30 days of receipt by the lender or
25 servicer of a confirmation of a borrower’s existing

1 flood insurance coverage, the lender or servicer
2 shall—

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

5 “(B) refund to the borrower all force-
6 placed insurance premiums paid by the bor-
7 rower during any period during which the bor-
8 rower’s flood insurance coverage and the force-
9 placed flood insurance coverage were each in ef-
10 fect, and any related fees charged to the bor-
11 rower with respect to the force-placed insurance
12 during such period.

13 “(4) SUFFICIENCY OF DEMONSTRATION.—For
14 purposes of confirming a borrower’s existing flood
15 insurance coverage, a lender or servicer for a loan
16 shall accept from the borrower an insurance policy
17 declarations page that includes the existing flood in-
18 surance policy number and the identity of, and con-
19 tact information for, the insurance company or
20 agent.”.

21 (c) USE OF PRIVATE INSURANCE TO SATISFY MAN-
22 DATORY PURCHASE REQUIREMENT.—Section 102(b) of
23 the Flood Disaster Protection Act of 1973 (42 U.S.C.
24 4012a(b)) is amended—

25 (1) in paragraph (1)—

1 (A) by striking “lending institutions not to
2 make” and inserting “lending institutions—

3 “(A) not to make”;

4 (B) in subparagraph (A), as designated by
5 subparagraph (A) of this paragraph, by striking
6 “less.” and inserting “less; and”; and

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

9 “(B) to accept private flood insurance as
10 satisfaction of the flood insurance coverage re-
11 quirement under subparagraph (A) if the cov-
12 erage provided by such private flood insurance
13 meets the requirements for coverage under such
14 subparagraph.”;

15 (2) in paragraph (2), by inserting after “pro-
16 vided in paragraph (1).” the following new sentence:
17 “Each Federal agency lender shall accept private
18 flood insurance as satisfaction of the flood insurance
19 coverage requirement under the preceding sentence
20 if the flood insurance coverage provided by such pri-
21 vate flood insurance meets the requirements for cov-
22 erage under such sentence.”;

23 (3) in paragraph (3), in the matter following
24 subparagraph (B), by adding at the end the fol-
25 lowing new sentence: “The Federal National Mort-

1 gage Association and the Federal Home Loan Mort-
 2 gage Corporation shall accept private flood insurance
 3 as satisfaction of the flood insurance coverage re-
 4 quirement under the preceding sentence if the flood
 5 insurance coverage provided by such private flood in-
 6 surance meets the requirements for coverage under
 7 such sentence.”; and

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

10 “(5) PRIVATE FLOOD INSURANCE DEFINED.—

11 In this subsection, the term ‘private flood insurance’
 12 means a contract for flood insurance coverage al-
 13 lowed for sale under the laws of any State.”.

14 **SEC. 3004. REFORMS OF COVERAGE TERMS.**

15 (a) MINIMUM DEDUCTIBLES FOR CLAIMS.—Section
 16 1312 of the National Flood Insurance Act of 1968 (42
 17 U.S.C. 4019) is amended—

18 (1) by striking “The Director is” and inserting
 19 the following: “(a) IN GENERAL.—The Adminis-
 20 trator is”; and

21 (2) by adding at the end the following:

22 “(b) MINIMUM ANNUAL DEDUCTIBLES.—

23 “(1) SUBSIDIZED RATE PROPERTIES.—For any
 24 structure that is covered by flood insurance under
 25 this title, and for which the chargeable rate for such

1 coverage is less than the applicable estimated risk
2 premium rate under section 1307(a)(1) for the area
3 (or subdivision thereof) in which such structure is
4 located, the minimum annual deductible for damage
5 to or loss of such structure shall be \$2,000.

6 “(2) ACTUARIAL RATE PROPERTIES.—For any
7 structure that is covered by flood insurance under
8 this title, for which the chargeable rate for such cov-
9 erage is not less than the applicable estimated risk
10 premium rate under section 1307(a)(1) for the area
11 (or subdivision thereof) in which such structure is
12 located, the minimum annual deductible for damage
13 to or loss of such structure shall be \$1,000.”.

14 (b) CLARIFICATION OF RESIDENTIAL AND COMMER-
15 CIAL COVERAGE LIMITS.—Section 1306(b) of the Na-
16 tional Flood Insurance Act of 1968 (42 U.S.C. 4013(b))
17 is amended—

18 (1) in paragraph (2)—

19 (A) by striking “in the case of any residen-
20 tial property” and inserting “in the case of any
21 residential building designed for the occupancy
22 of from one to four families”; and

23 (B) by striking “shall be made available to
24 every insured upon renewal and every applicant
25 for insurance so as to enable such insured or

1 applicant to receive coverage up to a total
2 amount (including such limits specified in para-
3 graph (1)(A)(i)) of \$250,000” and inserting
4 “shall be made available, with respect to any
5 single such building, up to an aggregate liability
6 (including such limits specified in paragraph
7 (1)(A)(i)) of \$250,000”; and
8 (2) in paragraph (4)—

9 (A) by striking “in the case of any nonresi-
10 dential property, including churches,” and in-
11 serting “in the case of any nonresidential build-
12 ing, including a church,”; and

13 (B) by striking “shall be made available to
14 every insured upon renewal and every applicant
15 for insurance, in respect to any single structure,
16 up to a total amount (including such limit spec-
17 ified in subparagraph (B) or (C) of paragraph
18 (1), as applicable) of \$500,000 for each struc-
19 ture and \$500,000 for any contents related to
20 each structure” and inserting “shall be made
21 available with respect to any single such build-
22 ing, up to an aggregate liability (including such
23 limits specified in subparagraph (B) or (C) of
24 paragraph (1), as applicable) of \$500,000, and
25 coverage shall be made available up to a total

1 of \$500,000 aggregate liability for contents
2 owned by the building owner and \$500,000 ag-
3 gregate liability for each unit within the build-
4 ing for contents owned by the tenant”.

5 (c) INDEXING OF MAXIMUM COVERAGE LIMITS.—

6 Subsection (b) of section 1306 of the National Flood In-
7 surance Act of 1968 (42 U.S.C. 4013(b)) is amended—

8 (1) in paragraph (4), by striking “and” at the
9 end;

10 (2) in paragraph (5), by striking the period at
11 the end and inserting “; and”;

12 (3) by redesignating paragraph (5) as para-
13 graph (7); and

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

16 “(8) each of the dollar amount limitations
17 under paragraphs (2), (3), (4), (5), and (6) shall be
18 adjusted effective on the date of the enactment of
19 the Flood Insurance Reform Act of 2011, such ad-
20 justments shall be calculated using the percentage
21 change, over the period beginning on September 30,
22 1994, and ending on such date of enactment, in
23 such inflationary index as the Administrator shall,
24 by regulation, specify, and the dollar amount of such
25 adjustment shall be rounded to the next lower dollar;

1 and the Administrator shall cause to be published in
2 the Federal Register the adjustments under this
3 paragraph to such dollar amount limitations; except
4 that in the case of coverage for a property that is
5 made available, pursuant to this paragraph, in an
6 amount that exceeds the limitation otherwise appli-
7 cable to such coverage as specified in paragraph (2),
8 (3), (4), (5), or (6), the total of such coverage shall
9 be made available only at chargeable rates that are
10 not less than the estimated premium rates for such
11 coverage determined in accordance with section
12 1307(a)(1).”.

13 (d) OPTIONAL COVERAGE FOR LOSS OF USE OF PER-
14 SONAL RESIDENCE AND BUSINESS INTERRUPTION.—Sub-
15 section (b) of section 1306 of the National Flood Insur-
16 ance Act of 1968 (42 U.S.C. 4013(b)), as amended by
17 the preceding provisions of this section, is further amend-
18 ed by inserting after paragraph (4) the following new
19 paragraphs:

20 “(5) the Administrator may provide that, in the
21 case of any residential property, each renewal or new
22 contract for flood insurance coverage may provide
23 not more than \$5,000 aggregate liability per dwell-
24 ing unit for any necessary increases in living ex-
25 penses incurred by the insured when losses from a

1 flood make the residence unfit to live in, except
2 that—

3 “(A) purchase of such coverage shall be at
4 the option of the insured;

5 “(B) any such coverage shall be made
6 available only at chargeable rates that are not
7 less than the estimated premium rates for such
8 coverage determined in accordance with section
9 1307(a)(1); and

10 “(C) the Administrator may make such
11 coverage available only if the Administrator
12 makes a determination and causes notice of
13 such determination to be published in the Fed-
14 eral Register that—

15 “(i) a competitive private insurance
16 market for such coverage does not exist;
17 and

18 “(ii) the national flood insurance pro-
19 gram has the capacity to make such cov-
20 erage available without borrowing funds
21 from the Secretary of the Treasury under
22 section 1309 or otherwise;

23 “(6) the Administrator may provide that, in the
24 case of any commercial property or other residential
25 property, including multifamily rental property, cov-

1 erage for losses resulting from any partial or total
2 interruption of the insured's business caused by
3 damage to, or loss of, such property from a flood
4 may be made available to every insured upon re-
5 newal and every applicant, up to a total amount of
6 \$20,000 per property, except that—

7 “(A) purchase of such coverage shall be at
8 the option of the insured;

9 “(B) any such coverage shall be made
10 available only at chargeable rates that are not
11 less than the estimated premium rates for such
12 coverage determined in accordance with section
13 1307(a)(1); and

14 “(C) the Administrator may make such
15 coverage available only if the Administrator
16 makes a determination and causes notice of
17 such determination to be published in the Fed-
18 eral Register that—

19 “(i) a competitive private insurance
20 market for such coverage does not exist;
21 and

22 “(ii) the national flood insurance pro-
23 gram has the capacity to make such cov-
24 erage available without borrowing funds

1 from the Secretary of the Treasury under
2 section 1309 or otherwise;”.

3 (e) PAYMENT OF PREMIUMS IN INSTALLMENTS FOR
4 RESIDENTIAL PROPERTIES.—Section 1306 of the Na-
5 tional Flood Insurance Act of 1968 (42 U.S.C. 4013) is
6 amended by adding at the end the following new sub-
7 section:

8 “(d) PAYMENT OF PREMIUMS IN INSTALLMENTS FOR
9 RESIDENTIAL PROPERTIES.—

10 “(1) AUTHORITY.—In addition to any other
11 terms and conditions under subsection (a), such reg-
12 ulations shall provide that, in the case of any resi-
13 dential property, premiums for flood insurance cov-
14 erage made available under this title for such prop-
15 erty may be paid in installments.

16 “(2) LIMITATIONS.—In implementing the au-
17 thority under paragraph (1), the Administrator may
18 establish increased chargeable premium rates and
19 surcharges, and deny coverage and establish such
20 other sanctions, as the Administrator considers nec-
21 essary to ensure that insureds purchase, pay for,
22 and maintain coverage for the full term of a contract
23 for flood insurance coverage or to prevent insureds
24 from purchasing coverage only for periods during a
25 year when risk of flooding is comparatively higher or

1 canceling coverage for periods when such risk is
2 comparatively lower.”.

3 (f) EFFECTIVE DATE OF POLICIES COVERING PROP-
4 erties affected by floods in progress.—Para-
5 graph (1) of section 1306(c) of the National Flood Insur-
6 ance Act of 1968 (42 U.S.C. 4013(c)) is amended by add-
7 ing after the period at the end the following: “With respect
8 to any flood that has commenced or is in progress before
9 the expiration of such 30-day period, such flood insurance
10 coverage for a property shall take effect upon the expira-
11 tion of such 30-day period and shall cover damage to such
12 property occurring after the expiration of such period that
13 results from such flood, but only if the property has not
14 suffered damage or loss as a result of such flood before
15 the expiration of such 30-day period.”.

16 **SEC. 3005. REFORMS OF PREMIUM RATES.**

17 (a) INCREASE IN ANNUAL LIMITATION ON PREMIUM
18 INCREASES.—Section 1308(e) of the National Flood In-
19 surance Act of 1968 (42 U.S.C. 4015(e)) is amended by
20 striking “10 percent” and inserting “20 percent”.

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

23 (1) IN GENERAL.—Section 1308 of the Na-
24 tional Flood Insurance Act of 1968 (42 U.S.C.
25 4015) is amended—

1 (A) in subsection (a), in the matter pre-
2 ceding paragraph (1), by inserting “or notice”
3 after “prescribe by regulation”;

4 (B) in subsection (c), by inserting “and
5 subsection (g)” before the first comma; and

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

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

11 “(1) 5-YEAR PHASE-IN PERIOD.—Notwith-
12 standing subsection (c) or any other provision of law
13 relating to chargeable risk premium rates for flood
14 insurance coverage under this title, in the case of
15 any area that was not previously designated as an
16 area having special flood hazards and that, pursuant
17 to any issuance, revision, updating, or other change
18 in flood insurance maps, becomes designated as such
19 an area, during the 5-year period that begins, except
20 as provided in paragraph (2), upon the date that
21 such maps, as issued, revised, updated, or otherwise
22 changed, become effective, the chargeable premium
23 rate for flood insurance under this title with respect
24 to any covered property that is located within such
25 area shall be the rate described in paragraph (3).

1 “(2) APPLICABILITY TO PREFERRED RISK RATE
2 AREAS.—In the case of any area described in para-
3 graph (1) that consists of or includes an area that,
4 as of date of the effectiveness of the flood insurance
5 maps for such area referred to in paragraph (1) as
6 so issued, revised, updated, or changed, is eligible
7 for any reason for preferred risk rate method pre-
8 miums for flood insurance coverage and was eligible
9 for such premiums as of the enactment of the Flood
10 Insurance Reform Act of 2011, the 5-year period re-
11 ferred to in paragraph (1) for such area eligible for
12 preferred risk rate method premiums shall begin
13 upon the expiration of the period during which such
14 area is eligible for such preferred risk rate method
15 premiums.

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

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

23 “(i) 20 percent of the chargeable risk
24 premium rate otherwise applicable under
25 this title to the property; and

1 “(ii) in the case of any property that,
2 as of the beginning of such first year, is el-
3 igible for preferred risk rate method pre-
4 miums for flood insurance coverage, such
5 preferred risk rate method premium for
6 the property;

7 “(B) for the second year of such 5-year pe-
8 riod, 40 percent of the chargeable risk premium
9 rate otherwise applicable under this title to the
10 property;

11 “(C) for the third year of such 5-year pe-
12 riod, 60 percent of the chargeable risk premium
13 rate otherwise applicable under this title to the
14 property;

15 “(D) for the fourth year of such 5-year pe-
16 riod, 80 percent of the chargeable risk premium
17 rate otherwise applicable under this title to the
18 property; and

19 “(E) for the fifth year of such 5-year pe-
20 riod, 100 percent of the chargeable risk pre-
21 mium rate otherwise applicable under this title
22 to the property.

23 “(4) COVERED PROPERTIES.—For purposes of
24 the subsection, the term ‘covered property’ means

1 any residential property occupied by its owner or a
2 bona fide tenant as a primary residence.”.

3 (2) REGULATION OR NOTICE.—The Adminis-
4 trator of the Federal Emergency Management Agen-
5 cy shall issue an interim final rule or notice to im-
6 plement this subsection and the amendments made
7 by this subsection as soon as practicable after the
8 date of the enactment of this Act.

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

11 (1) IN GENERAL.—Section 1308(c) of the Na-
12 tional Flood Insurance Act of 1968 (42 U.S.C.
13 4015(c)) is amended—

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

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

18 “(2) COMMERCIAL PROPERTIES.—Any nonresi-
19 dential property.

20 “(3) SECOND HOMES AND VACATION HOMES.—
21 Any residential property that is not the primary res-
22 idence of any individual.

23 “(4) HOMES SOLD TO NEW OWNERS.—Any sin-
24 gle family property that—

1 “(A) has been constructed or substantially
2 improved and for which such construction or
3 improvement was started, as determined by the
4 Administrator, before December 31, 1974, or
5 before the effective date of the initial rate map
6 published by the Administrator under para-
7 graph (2) of section 1360(a) for the area in
8 which such property is located, whichever is
9 later; and

10 “(B) is purchased after the effective date
11 of this paragraph, pursuant to section
12 3005(c)(3)(A) of the Flood Insurance Reform
13 Act of 2011.

14 “(5) HOMES DAMAGED OR IMPROVED.—Any
15 property that, on or after the date of the enactment
16 of the Flood Insurance Reform Act of 2011, has ex-
17 perienced or sustained—

18 “(A) substantial flood damage exceeding
19 50 percent of the fair market value of such
20 property; or

21 “(B) substantial improvement exceeding
22 30 percent of the fair market value of such
23 property.

1 “(6) HOMES WITH MULTIPLE CLAIMS.—Any se-
2 vere repetitive loss property (as such term is defined
3 in section 1366(j)).”.

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

7 (A) in subsection (c)—

8 (i) in the matter preceding paragraph
9 (1), by striking “the limitations provided
10 under paragraphs (1) and (2)” and insert-
11 ing “subsection (e)”; and

12 (ii) in paragraph (1), by striking “,
13 except” and all that follows through “sub-
14 section (e)”; and

15 (B) in subsection (e), by striking “para-
16 graph (2) or (3)” and inserting “paragraph
17 (7)”.

18 (3) EFFECTIVE DATE AND TRANSITION.—

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

1 (B) TRANSITION FOR PROPERTIES COV-
2 ERED BY FLOOD INSURANCE UPON EFFECTIVE
3 DATE.—

4 (i) INCREASE OF RATES OVER TIME.—

5 In the case of any property described in
6 paragraph (2), (3), (4), (5), or (6) of sec-
7 tion 1308(c) of the National Flood Insur-
8 ance Act of 1968, as amended by para-
9 graph (1) of this subsection, that, as of the
10 effective date under subparagraph (A) of
11 this paragraph, is covered under a policy
12 for flood insurance made available under
13 the national flood insurance program for
14 which the chargeable premium rates are
15 less than the applicable estimated risk pre-
16 mium rate under section 1307(a)(1) of
17 such Act for the area in which the prop-
18 erty is located, the Administrator of the
19 Federal Emergency Management Agency
20 shall increase the chargeable premium
21 rates for such property over time to such
22 applicable estimated risk premium rate
23 under section 1307(a)(1).

24 (ii) AMOUNT OF ANNUAL INCREASE.—

25 Such increase shall be made by increasing

1 the chargeable premium rates for the prop-
2 erty (after application of any increase in
3 the premium rates otherwise applicable to
4 such property), once during the 12-month
5 period that begins upon the effective date
6 under subparagraph (A) of this paragraph
7 and once every 12 months thereafter until
8 such increase is accomplished, by 20 per-
9 cent (or such lesser amount as may be nec-
10 essary so that the chargeable rate does not
11 exceed such applicable estimated risk pre-
12 mium rate or to comply with clause (iii)).

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

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

7 (d) PROHIBITION OF EXTENSION OF SUBSIDIZED
 8 RATES TO LAPSED POLICIES.—Section 1308 of the Na-
 9 tional Flood Insurance Act of 1968 (42 U.S.C. 4015), as
 10 amended by the preceding provisions of this title, is fur-
 11 ther amended—

12 (1) in subsection (e), by inserting “or sub-
 13 section (h)” after “subsection (c)”; and

14 (2) by adding at the end the following new sub-
 15 section:

16 “(h) PROHIBITION OF EXTENSION OF SUBSIDIZED
 17 RATES TO LAPSED POLICIES.—Notwithstanding any
 18 other provision of law relating to chargeable risk premium
 19 rates for flood insurance coverage under this title, the Ad-
 20 ministrator shall not provide flood insurance coverage
 21 under this title for any property for which a policy for
 22 such coverage for the property has previously lapsed in
 23 coverage as a result of the deliberate choice of the holder
 24 of such policy, at a rate less than the applicable estimated

1 risk premium rates for the area (or subdivision thereof)
2 in which such property is located.”.

3 (e) RECOGNITION OF STATE AND LOCAL FUNDING
4 FOR CONSTRUCTION, RECONSTRUCTION, AND IMPROVE-
5 MENT OF FLOOD PROTECTION SYSTEMS IN DETERMINA-
6 TION OF RATES.—

7 (1) IN GENERAL.—Section 1307 of the Na-
8 tional Flood Insurance Act of 1968 (42 U.S.C.
9 4014) is amended—

10 (A) in subsection (e)—

11 (i) in the first sentence, by striking
12 “construction of a flood protection system”
13 and inserting “construction, reconstruc-
14 tion, or improvement of a flood protection
15 system (without respect to the level of Fed-
16 eral investment or participation)”; and

17 (ii) in the second sentence—

18 (I) by striking “construction of a
19 flood protection system” and inserting
20 “construction, reconstruction, or im-
21 provement of a flood protection sys-
22 tem”; and

23 (II) by inserting “based on the
24 present value of the completed sys-
25 tem” after “has been expended”; and

1 (B) in subsection (f)—

2 (i) in the first sentence in the matter
3 preceding paragraph (1), by inserting
4 “(without respect to the level of Federal
5 investment or participation)” before the
6 period at the end;

7 (ii) in the third sentence in the matter
8 preceding paragraph (1), by inserting “,
9 whether coastal or riverine,” after “special
10 flood hazard”; and

11 (iii) in paragraph (1), by striking “a
12 Federal agency in consultation with the
13 local project sponsor” and inserting “the
14 entity or entities that own, operate, main-
15 tain, or repair such system”.

16 (2) REGULATIONS.—The Administrator of the
17 Federal Emergency Management Agency shall pro-
18 mulgate regulations to implement this subsection
19 and the amendments made by this subsection as
20 soon as practicable, but not more than 18 months
21 after the date of the enactment of this Act. Para-
22 graph (3) may not be construed to annul, alter, af-
23 fect, authorize any waiver of, or establish any excep-
24 tion to, the requirement under the preceding sen-
25 tence.

1 **SEC. 3006. TECHNICAL MAPPING ADVISORY COUNCIL.**

2 (a) ESTABLISHMENT.—There is established a council
3 to be known as the Technical Mapping Advisory Council
4 (in this section referred to as the “Council”).

5 (b) MEMBERSHIP.—

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

8 (A) the Administrator of the Federal
9 Emergency Management Agency (in this section
10 referred to as the “Administrator”), or the des-
11 ignee thereof;

12 (B) the Director of the United States Geo-
13 logical Survey of the Department of the Inte-
14 rior, or the designee thereof;

15 (C) the Under Secretary of Commerce for
16 Oceans and Atmosphere, or the designee there-
17 of;

18 (D) the commanding officer of the United
19 States Army Corps of Engineers, or the des-
20 ignee thereof;

21 (E) the chief of the Natural Resources
22 Conservation Service of the Department of Ag-
23 riculture, or the designee thereof;

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

1 (G) the Assistant Administrator for Fish-
2 eries of the National Oceanic and Atmospheric
3 Administration of the Department of Com-
4 merce, or the designee thereof; and

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

8 (i) an expert in data management;

9 (ii) an expert in real estate;

10 (iii) an expert in insurance;

11 (iv) a member of a recognized regional
12 flood and storm water management organi-
13 zation;

14 (v) a representative of a State emer-
15 gency management agency or association
16 or organization for such agencies;

17 (vi) a member of a recognized profes-
18 sional surveying association or organiza-
19 tion;

20 (vii) a member of a recognized profes-
21 sional mapping association or organization;

22 (viii) a member of a recognized pro-
23 fessional engineering association or organi-
24 zation;

1 (ix) a member of a recognized profes-
2 sional association or organization rep-
3 resenting flood hazard determination firms;

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

6 (xi) representatives of two local gov-
7 ernments, at least one of whom is a local
8 levee flood manager or executive, des-
9 ignated by the Federal Emergency Man-
10 agement Agency as Cooperating Technical
11 Partners; and

12 (xii) representatives of two State gov-
13 ernments designated by the Federal Emer-
14 gency Management Agency as Cooperating
15 Technical States.

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

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

6 (c) DUTIES.—

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

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

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

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

11 (D) determine the best ways to include in
12 such flood insurance rate maps levees, decerti-
13 fied levees, and areas located below dams, in-
14 cluding determining a methodology for ensuring
15 that decertified levees and other protections are
16 included in flood insurance rate maps and their
17 corresponding flood zones reflect the level of
18 protection conferred;

19 (E) consider how to incorporate restored
20 wetlands and other natural buffers into flood
21 insurance rate maps, which may include wet-
22 lands, groundwater recharge areas, erosion
23 zones, meander belts, endangered species habi-
24 tat, barrier islands and shoreline buffer fea-
25 tures, riparian forests, and other features;

1 (F) consider whether to use vertical posi-
2 tioning (as defined by the Administrator) for
3 flood insurance rate maps;

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

10 (H) ensure that flood insurance rate maps
11 take into consideration the best scientific data
12 and potential future conditions (including pro-
13 jections for sea level rise); and

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

17 (2) ONGOING DUTIES.—The Council shall, on
18 an ongoing basis, review the mapping protocols de-
19 veloped pursuant to paragraph (1), and make rec-
20 ommendations to the Administrator when the Coun-
21 cil determines that mapping protocols should be al-
22 tered.

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

1 nually, and shall seek input of all stakeholder inter-
2 ests including State and local representatives, envi-
3 ronmental and conservation organizations, insurance
4 industry representatives, advocacy groups, planning
5 organizations, and mapping organizations.

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

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

11 (f) STAFF.—

12 (1) FEMA.—Upon the request of the Council,
13 the Administrator may detail, on a nonreimbursable
14 basis, personnel of the Federal Emergency Manage-
15 ment Agency to assist the Council in carrying out its
16 duties.

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

22 (g) POWERS.—In carrying out this section, the Coun-
23 cil may hold hearings, receive evidence and assistance, pro-
24 vide information, and conduct research, as the Council
25 considers appropriate.

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

4 (i) MORATORIUM ON FLOOD MAP CHANGES.—

5 (1) MORATORIUM.—Except as provided in para-
6 graph (2) and notwithstanding any other provision
7 of this title, the National Flood Insurance Act of
8 1968, or the Flood Disaster Protection Act of 1973,
9 during the period beginning upon the date of the en-
10 actment of this Act and ending upon the submission
11 by the Council to the Administrator and the Con-
12 gress of the proposed new mapping standards re-
13 quired under subsection (c)(1), the Administrator
14 may not make effective any new or updated rate
15 maps for flood insurance coverage under the na-
16 tional flood insurance program that were not in ef-
17 fect for such program as of such date of enactment,
18 or otherwise revise, update, or change the flood in-
19 surance rate maps in effect for such program as of
20 such date.

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

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

3 **SEC. 3007. FEMA INCORPORATION OF NEW MAPPING PRO-**
4 **TOCOLS.**

5 (a) NEW RATE MAPPING STANDARDS.—Not later
6 than the expiration of the 6-month period beginning upon
7 submission by the Technical Mapping Advisory Council
8 under section 3006 of the proposed new mapping stand-
9 ards for flood insurance rate maps used under the national
10 flood insurance program developed by the Council pursu-
11 ant to section 3006(c), the Administrator of the Federal
12 Emergency Management Agency (in this section referred
13 to as the “Administrator”) shall establish new standards
14 for such rate maps based on such proposed new standards
15 and the recommendations of the Council.

16 (b) REQUIREMENTS.—The new standards for flood
17 insurance rate maps established by the Administrator pur-
18 suant to subsection (a) shall—

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

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

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

25 (2) ensure that any such rate maps—

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

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

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

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

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

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

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

24 (c) REPORT.—If, in establishing new standards for
25 flood insurance rate maps pursuant to subsection (a) of

1 this section, the Administrator does not implement all of
2 the recommendations of the Council made under the pro-
3 posed new mapping standards developed by the Council
4 pursuant to section 3006(c), upon establishment of the
5 new standards the Administrator shall submit a report to
6 the Committee on Financial Services of the House of Rep-
7 resentatives and the Committee on Banking, Housing, and
8 Urban Affairs of the Senate specifying which such rec-
9 ommendations were not adopted and explaining the rea-
10 sons such recommendations were not adopted.

11 (d) IMPLEMENTATION.—The Administrator shall, not
12 later than the expiration of the 6-month period beginning
13 upon establishment of the new standards for flood insur-
14 ance rate maps pursuant to subsection (a) of this section,
15 commence use of the new standards and updating of flood
16 insurance rate maps in accordance with the new stand-
17 ards. Not later than the expiration of the 10-year period
18 beginning upon the establishment of such new standards,
19 the Administrator shall complete updating of all flood in-
20 surance rate maps in accordance with the new standards,
21 subject to the availability of sufficient amounts for such
22 activities provided in appropriation Acts.

23 (e) TEMPORARY SUSPENSION OF MANDATORY PUR-
24 CHASE REQUIREMENT FOR CERTAIN PROPERTIES.—

1 (1) SUBMISSION OF ELEVATION CERTIFI-
2 CATE.—Subject to paragraphs (2) and (3) of this
3 subsection, subsections (a), (b), and (e) of section
4 102 of the Flood Disaster Protection Act of 1973
5 (42 U.S.C. 4012a), and section 202(a) of such Act,
6 shall not apply to a property located in an area des-
7 ignated as having a special flood hazard if the owner
8 of such property submits to the Administrator an
9 elevation certificate for such property showing that
10 the lowest level of the primary residence on such
11 property is at an elevation that is at least three feet
12 higher than the elevation of the 100-year flood plain.

13 (2) REVIEW OF CERTIFICATE.—The Adminis-
14 trator shall accept as conclusive each elevation cer-
15 tificate submitted under paragraph (1) unless the
16 Administrator conducts a subsequent elevation sur-
17 vey and determines that the lowest level of the pri-
18 mary residence on the property in question is not at
19 an elevation that is at least three feet higher than
20 the elevation of the 100-year flood plain. The Ad-
21 ministrator shall provide any such subsequent ele-
22 vation survey to the owner of such property.

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

1 (A) EXPEDITED DETERMINATION.—In the
2 case of any survey for a property submitted to
3 the Administrator pursuant to paragraph (1)
4 showing that a portion of the property is lo-
5 cated within an area having special flood haz-
6 ards and that a structure located on the prop-
7 erty is not located within such area having spe-
8 cial flood hazards, the Administrator shall expe-
9 ditiously process any request made by an owner
10 of the property for a determination pursuant to
11 paragraph (2) or a determination of whether
12 the structure is located within the area having
13 special flood hazards.

14 (B) PROHIBITION OF FEE.—If the Admin-
15 istrator determines pursuant to subparagraph
16 (A) that the structure on the property is not lo-
17 cated within the area having special flood haz-
18 ards, the Administrator shall not charge a fee
19 for reviewing the flood hazard data and shall
20 not require the owner to provide any additional
21 elevation data.

22 (C) SIMPLIFICATION OF REVIEW PROC-
23 ESS.—The Administrator shall collaborate with
24 private sector flood insurers to simplify the re-
25 view process for properties described in sub-

1 paragraph (A) and to ensure that the review
2 process provides for accurate determinations.

3 (4) TERMINATION OF AUTHORITY.—This sub-
4 section shall cease to apply to a property on the date
5 on which the Administrator updates the flood insur-
6 ance rate map that applies to such property in ac-
7 cordance with the requirements of subsection (d).

8 **SEC. 3008. TREATMENT OF LEVEES.**

9 Section 1360 of the National Flood Insurance Act of
10 1968 (42 U.S.C. 4101) is amended by adding at the end
11 the following new subsection:

12 “(k) TREATMENT OF LEVEES.—The Administrator
13 may not issue flood insurance maps, or make effective up-
14 dated flood insurance maps, that omit or disregard the
15 actual protection afforded by an existing levee, floodwall,
16 pump or other flood protection feature, regardless of the
17 accreditation status of such feature.”.

18 **SEC. 3009. PRIVATIZATION INITIATIVES.**

19 (a) FEMA AND GAO REPORTS.—Not later than the
20 expiration of the 18-month period beginning on the date
21 of the enactment of this Act, the Administrator of the
22 Federal Emergency Management Agency and the Comp-
23 troller General of the United States shall each conduct a
24 separate study to assess a broad range of options, meth-
25 ods, and strategies for privatizing the national flood insur-

1 ance program and shall each submit a report to the Com-
2 mittee on Financial Services of the House of Representa-
3 tives and the Committee on Banking, Housing, and Urban
4 Affairs of the Senate with recommendations for the best
5 manner to accomplish such privatization.

6 (b) PRIVATE RISK-MANAGEMENT INITIATIVES.—

7 (1) AUTHORITY.—The Administrator of the
8 Federal Emergency Management Agency may carry
9 out such private risk-management initiatives under
10 the national flood insurance program as the Admin-
11 istrator considers appropriate to determine the ca-
12 pacity of private insurers, reinsurers, and financial
13 markets to assist communities, on a voluntary basis
14 only, in managing the full range of financial risks
15 associated with flooding.

16 (2) ASSESSMENT.—Not later than the expira-
17 tion of the 12-month period beginning on the date
18 of the enactment of this Act, the Administrator shall
19 assess the capacity of the private reinsurance, cap-
20 ital, and financial markets by seeking proposals to
21 assume a portion of the program’s insurance risk
22 and submit to the Congress a report describing the
23 response to such request for proposals and the re-
24 sults of such assessment.

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

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

7 (1) in section 1331(a)(2) (42 U.S.C.
8 4051(a)(2)), by inserting “, including as reinsurance
9 of insurance coverage provided by the flood insur-
10 ance program” before “, on such terms”;

11 (2) in section 1332(c)(2) (42 U.S.C.
12 4052(c)(2)), by inserting “or reinsurance” after
13 “flood insurance coverage”;

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

15 (A) by inserting “(1)” after “(a)”; and

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

18 “(2) The Administrator is authorized to secure rein-
19 surance coverage of coverage provided by the flood insur-
20 ance program from private market insurance, reinsurance,
21 and capital market sources at rates and on terms deter-
22 mined by the Administrator to be reasonable and appro-
23 priate in an amount sufficient to maintain the ability of
24 the program to pay claims and that minimizes the likeli-

1 hood that the program will utilize the borrowing authority
2 provided under section 1309.”;

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

4 (A) in the matter preceding paragraph (1),
5 by inserting “, or for purposes of securing rein-
6 surance of insurance coverage provided by the
7 program,” before “of any or all of”;

8 (B) in paragraph (1)—

9 (i) by striking “estimating” and in-
10 serting “Estimating”; and

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

13 (C) in paragraph (2)—

14 (i) by striking “receiving” and insert-
15 ing “Receiving”; and

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

18 (D) in paragraph (3)—

19 (i) by striking “making” and inserting
20 “Making”; and

21 (ii) by striking “; and” and inserting
22 a period;

23 (E) in paragraph (4)—

24 (i) by striking “otherwise” and insert-
25 ing “Otherwise”; and

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

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

5 “(4) Placing reinsurance coverage on insurance
6 provided by such program.”; and

7 (5) in section 1370(a)(3) (42 U.S.C.
8 4121(a)(3)), by inserting before the semicolon at the
9 end the following: “, is subject to the reporting re-
10 quirements of the Securities Exchange Act of 1934,
11 pursuant to section 13(a) or 15(d) of such Act (15
12 U.S.C. 78m(a), 78o(d)), or is authorized by the Ad-
13 ministrator to assume reinsurance on risks insured
14 by the flood insurance program”.

15 (d) ASSESSMENT OF CLAIMS-PAYING ABILITY.—

16 (1) ASSESSMENT.—Not later than September
17 30 of each year, the Administrator of the Federal
18 Emergency Management Agency shall conduct an
19 assessment of the claims-paying ability of the na-
20 tional flood insurance program, including the pro-
21 gram’s utilization of private sector reinsurance and
22 reinsurance equivalents, with and without reliance
23 on borrowing authority under section 1309 of the
24 National Flood Insurance Act of 1968 (42 U.S.C.
25 4016). In conducting the assessment, the Adminis-

1 trator shall take into consideration regional con-
 2 centrations of coverage written by the program, peak
 3 flood zones, and relevant mitigation measures.

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

9 **SEC. 3010. FEMA ANNUAL REPORT ON INSURANCE PRO-**
 10 **GRAM.**

11 Section 1320 of the National Flood Insurance Act of
 12 1968 (42 U.S.C. 4027) is amended—

13 (1) in the section heading, by striking “REPORT
 14 TO THE PRESIDENT” and inserting “ANNUAL RE-
 15 PORT TO CONGRESS”;

16 (2) in subsection (a)—

17 (A) by striking “biennially”;

18 (B) by striking “the President for submis-
 19 sion to”; and

20 (C) by inserting “not later than June 30
 21 of each year” before the period at the end;

22 (3) in subsection (b), by striking “biennial” and
 23 inserting “annual”; and

24 (4) by adding at the end the following new sub-
 25 section:

1 “(c) FINANCIAL STATUS OF PROGRAM.—The report
2 under this section for each year shall include information
3 regarding the financial status of the national flood insur-
4 ance program under this title, including a description of
5 the financial status of the National Flood Insurance Fund
6 and current and projected levels of claims, premium re-
7 ceipts, expenses, and borrowing under the program.”.

8 **SEC. 3011. MITIGATION ASSISTANCE.**

9 (a) MITIGATION ASSISTANCE GRANTS.—Section
10 1366 of the National Flood Insurance Act of 1968 (42
11 U.S.C. 4104c) is amended—

12 (1) in subsection (a), by striking the last sen-
13 tence and inserting the following: “Such financial
14 assistance shall be made available—

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

18 “(2) to States and communities in the form of
19 grants under this section for carrying out mitigation
20 activities that reduce flood damage to severe repet-
21 itive loss structures; and

22 “(3) to property owners in the form of direct
23 grants under this section for carrying out mitigation
24 activities that reduce flood damage to individual
25 structures for which 2 or more claim payments for

1 losses have been made under flood insurance cov-
2 erage under this title if the Administrator, after con-
3 sultation with the State and community, determines
4 that neither the State nor community in which such
5 a structure is located has the capacity to manage
6 such grants.”;

7 (2) by striking subsection (b);

8 (3) in subsection (c)—

9 (A) by striking “flood risk” and inserting
10 “multi-hazard”;

11 (B) by striking “provides protection
12 against” and inserting “examines reduction of”;
13 and

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

16 (4) by striking subsection (d);

17 (5) in subsection (e)—

18 (A) in paragraph (1), by striking the para-
19 graph designation and all that follows through
20 the end of the first sentence and inserting the
21 following:

22 “(1) REQUIREMENT OF CONSISTENCY WITH AP-
23 PROVED MITIGATION PLAN.—Amounts provided
24 under this section may be used only for mitigation
25 activities that are consistent with mitigation plans

1 that are approved by the Administrator and identi-
2 fied under subparagraph (4).”;

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

5 “(2) REQUIREMENTS OF TECHNICAL FEASI-
6 BILITY, COST EFFECTIVENESS, AND INTEREST OF
7 NFIF.—The Administrator may approve only mitiga-
8 tion activities that the Administrator determines are
9 technically feasible and cost-effective and in the in-
10 terest of, and represent savings to, the National
11 Flood Insurance Fund. In making such determina-
12 tions, the Administrator shall take into consideration
13 recognized benefits that are difficult to quantify.

14 “(3) PRIORITY FOR MITIGATION ASSISTANCE.—
15 In providing grants under this section for mitigation
16 activities, the Administrator shall give priority for
17 funding to activities that the Administrator deter-
18 mines will result in the greatest savings to the Na-
19 tional Flood Insurance Fund, including activities
20 for—

21 “(A) severe repetitive loss structures;

22 “(B) repetitive loss structures; and

23 “(C) other subsets of structures as the Ad-
24 ministrator may establish.”;

25 (C) in paragraph (5)—

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

4 “(4) ELIGIBLE ACTIVITIES.—Eligible ac-
5 tivities may include—”;

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

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

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

13 “(D) elevation, relocation, and
14 floodproofing of utilities (including equipment
15 that serve structures);”;

16 (v) by inserting after subparagraph
17 (E), as so redesignated by clause (iii) of
18 this subparagraph, the following new sub-
19 paragraph:

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

1 \$50,000 for any mitigation plan of a State or
2 \$25,000 for any mitigation plan of a local gov-
3 ernment or Indian tribe;”;

4 (vi) in subparagraph (H); as so redes-
5 ignated by clause (iii) of this subpara-
6 graph, by striking “and” at the end; and

7 (vii) by adding at the end the fol-
8 lowing new subparagraphs:

9 “(I) other mitigation activities not de-
10 scribed in subparagraphs (A) through (G) or
11 the regulations issued under subparagraph (H),
12 that are described in the mitigation plan of a
13 State, community, or Indian tribe; and

14 “(J) personnel costs for State staff that
15 provide technical assistance to communities to
16 identify eligible activities, to develop grant ap-
17 plications, and to implement grants awarded
18 under this section, not to exceed \$50,000 per
19 State in any Federal fiscal year, so long as the
20 State applied for and was awarded at least
21 \$1,000,000 in grants available under this sec-
22 tion in the prior Federal fiscal year; the re-
23 quirements of subsections (d)(1) and (d)(2)
24 shall not apply to the activity under this sub-
25 paragraph.”;

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

3 “(6) ELIGIBILITY OF DEMOLITION AND RE-
4 BUILDING OF PROPERTIES.—The Administrator
5 shall consider as an eligible activity the demolition
6 and rebuilding of properties to at least base flood
7 elevation or greater, if required by the Administrator
8 or if required by any State regulation or local ordi-
9 nance, and in accordance with criteria established by
10 the Administrator.”; and

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

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

15 “(d) MATCHING REQUIREMENT.—The Administrator
16 may provide grants for eligible mitigation activities as fol-
17 lows:

18 “(1) SEVERE REPETITIVE LOSS STRUCTURES.—
19 In the case of mitigation activities to severe repet-
20 itive loss structures, in an amount up to 100 percent
21 of all eligible costs.

22 “(2) REPETITIVE LOSS STRUCTURES.—In the
23 case of mitigation activities to repetitive loss struc-
24 tures, in an amount up to 90 percent of all eligible
25 costs.

1 “(3) OTHER MITIGATION ACTIVITIES.—In the
2 case of all other mitigation activities, in an amount
3 up to 75 percent of all eligible costs.”;

4 (7) in subsection (i)—

5 (A) in paragraph (2)—

6 (i) by striking “certified under sub-
7 section (g)” and inserting “required under
8 subsection (d)”;

9 (ii) by striking “3 times the amount”
10 and inserting “the amount”;

11 (B) by redesignating such subsection as
12 subsection (e);

13 (8) in subsection (j)—

14 (A) in paragraph (1), by striking “Riegle
15 Community Development and Regulatory Im-
16 provement Act of 1994” and inserting “Flood
17 Insurance Reform Act of 2011”;

18 (B) by redesignating such subsection as
19 subsection (f); and

20 (9) by striking subsections (k) and (m) and in-
21 serting the following new subsections:

22 “(g) FAILURE TO MAKE GRANT AWARD WITHIN 5
23 YEARS.—For any application for a grant under this sec-
24 tion for which the Administrator fails to make a grant
25 award within 5 years of the date of application, the grant

1 application shall be considered to be denied and any fund-
 2 ing amounts allocated for such grant applications shall re-
 3 main in the National Flood Mitigation Fund under section
 4 1367 of this title and shall be made available for grants
 5 under this section.

6 “(h) LIMITATION ON FUNDING FOR MITIGATION AC-
 7 TIVITIES FOR SEVERE REPETITIVE LOSS STRUCTURES.—
 8 The amount used pursuant to section 1310(a)(8) in any
 9 fiscal year may not exceed \$40,000,000 and shall remain
 10 available until expended.

11 “(i) DEFINITIONS.—For purposes of this section, the
 12 following definitions shall apply:

13 “(1) COMMUNITY.—The term ‘community’
 14 means—

15 “(A) a political subdivision that—

16 “(i) has zoning and building code ju-
 17 risdiction over a particular area having
 18 special flood hazards, and

19 “(ii) is participating in the national
 20 flood insurance program; or

21 “(B) a political subdivision of a State, or
 22 other authority, that is designated by political
 23 subdivisions, all of which meet the requirements
 24 of subparagraph (A), to administer grants for

1 mitigation activities for such political subdivi-
2 sions.

3 “(2) REPETITIVE LOSS STRUCTURE.—The term
4 ‘repetitive loss structure’ has the meaning given
5 such term in section 1370.

6 “(3) SEVERE REPETITIVE LOSS STRUCTURE.—
7 The term ‘severe repetitive loss structure’ means a
8 structure that—

9 “(A) is covered under a contract for flood
10 insurance made available under this title; and

11 “(B) has incurred flood-related damage—

12 “(i) for which 4 or more separate
13 claims payments have been made under
14 flood insurance coverage under this title,
15 with the amount of each such claim ex-
16 ceeding \$15,000, and with the cumulative
17 amount of such claims payments exceeding
18 \$60,000; or

19 “(ii) for which at least 2 separate
20 claims payments have been made under
21 such coverage, with the cumulative amount
22 of such claims exceeding the value of the
23 insured structure.”.

24 (b) ELIMINATION OF GRANTS PROGRAM FOR REPET-
25 ITIVE INSURANCE CLAIMS PROPERTIES.—Chapter I of

1 the National Flood Insurance Act of 1968 is amended by
2 striking section 1323 (42 U.S.C. 4030).

3 (c) ELIMINATION OF PILOT PROGRAM FOR MITIGA-
4 TION OF SEVERE REPETITIVE LOSS PROPERTIES.—Chapter
5 ter III of the National Flood Insurance Act of 1968 is
6 amended by striking section 1361A (42 U.S.C. 4102a).

7 (d) NATIONAL FLOOD INSURANCE FUND.—Section
8 1310(a) of the National Flood Insurance Act of 1968 (42
9 U.S.C. 4017(a)) is amended—

10 (1) in paragraph (6), by inserting “and” after
11 the semicolon;

12 (2) in paragraph (7), by striking the semicolon
13 and inserting a period; and

14 (3) by striking paragraphs (8) and (9).

15 (e) NATIONAL FLOOD MITIGATION FUND.—Section
16 1367 of the National Flood Insurance Act of 1968 (42
17 U.S.C. 4104d) is amended—

18 (1) in subsection (b)—

19 (A) by striking paragraph (1) and insert-
20 ing the following new paragraph:

21 “(1) in each fiscal year, from the National
22 Flood Insurance Fund in amounts not exceeding
23 \$90,000,000 to remain available until expended, of
24 which—

1 “(A) not more than \$40,000,000 shall be
2 available pursuant to subsection (a) of this sec-
3 tion only for assistance described in section
4 1366(a)(1);

5 “(B) not more than \$40,000,000 shall be
6 available pursuant to subsection (a) of this sec-
7 tion only for assistance described in section
8 1366(a)(2); and

9 “(C) not more than \$10,000,000 shall be
10 available pursuant to subsection (a) of this sec-
11 tion only for assistance described in section
12 1366(a)(3).”;

13 (B) in paragraph (3), by striking “section
14 1366(i)” and inserting “section 1366(e”;

15 (2) in subsection (c), by striking “sections 1366
16 and 1323” and inserting “section 1366”;

17 (3) by redesignating subsections (d) and (e) as
18 subsections (f) and (g), respectively; and

19 (4) by inserting after subsection (c) the fol-
20 lowing new subsections:

21 “(d) PROHIBITION ON OFFSETTING COLLECTIONS.—

22 Notwithstanding any other provision of this title, amounts
23 made available pursuant to this section shall not be sub-
24 ject to offsetting collections through premium rates for
25 flood insurance coverage under this title.

1 “(e) CONTINUED AVAILABILITY AND REALLOCA-
 2 TION.—Any amounts made available pursuant to subpara-
 3 graph (A), (B), or (C) of subsection (b)(1) that are not
 4 used in any fiscal year shall continue to be available for
 5 the purposes specified in such subparagraph of subsection
 6 (b)(1) pursuant to which such amounts were made avail-
 7 able, unless the Administrator determines that realloca-
 8 tion of such unused amounts to meet demonstrated need
 9 for other mitigation activities under section 1366 is in the
 10 best interest of the National Flood Insurance Fund.”.

11 (f) INCREASED COST OF COMPLIANCE COVERAGE.—
 12 Section 1304(b)(4) of the National Flood Insurance Act
 13 of 1968 (42 U.S.C. 4011(b)(4)) is amended—

14 (1) by striking subparagraph (B); and
 15 (2) by redesignating subparagraphs (C), (D),
 16 and (E) as subparagraphs (B), (C), and (D), respec-
 17 tively.

18 **SEC. 3012. NOTIFICATION TO HOMEOWNERS REGARDING**
 19 **MANDATORY PURCHASE REQUIREMENT AP-**
 20 **PLICABILITY AND RATE PHASE-INS.**

21 Section 201 of the Flood Disaster Protection Act of
 22 1973 (42 U.S.C. 4105) is amended by adding at the end
 23 the following new subsection:

24 “(f) ANNUAL NOTIFICATION.—The Administrator, in
 25 consultation with affected communities, shall establish and

1 carry out a plan to notify residents of areas having special
2 flood hazards, on an annual basis—

3 “(1) that they reside in such an area;

4 “(2) of the geographical boundaries of such
5 area;

6 “(3) of whether section 1308(g) of the National
7 Flood Insurance Act of 1968 applies to properties
8 within such area;

9 “(4) of the provisions of section 102 requiring
10 purchase of flood insurance coverage for properties
11 located in such an area, including the date on which
12 such provisions apply with respect to such area, tak-
13 ing into consideration section 102(i); and

14 “(5) of a general estimate of what similar
15 homeowners in similar areas typically pay for flood
16 insurance coverage, taking into consideration section
17 1308(g) of the National Flood Insurance Act of
18 1968.”.

19 **SEC. 3013. NOTIFICATION TO MEMBERS OF CONGRESS OF**
20 **FLOOD MAP REVISIONS AND UPDATES.**

21 Section 1360 of the National Flood Insurance Act of
22 1968 (42 U.S.C. 4101), as amended by the preceding pro-
23 visions of this title, is further amended by adding at the
24 end the following new subsection:

1 “(1) NOTIFICATION TO MEMBERS OF CONGRESS OF
2 MAP MODERNIZATION.—Upon any revision or update of
3 any floodplain area or flood-risk zone pursuant to sub-
4 section (f), any decision pursuant to subsection (f)(1) that
5 such revision or update is necessary, any issuance of pre-
6 liminary maps for such revision or updating, or any other
7 significant action relating to any such revision or update,
8 the Administrator shall notify the Senators for each State
9 affected, and each Member of the House of Representa-
10 tives for each congressional district affected, by such revi-
11 sion or update in writing of the action taken.”.

12 **SEC. 3014. NOTIFICATION AND APPEAL OF MAP CHANGES;**
13 **NOTIFICATION TO COMMUNITIES OF ESTAB-**
14 **LISHMENT OF FLOOD ELEVATIONS.**

15 Section 1363 of the National Flood Insurance Act of
16 1968 (42 U.S.C. 4104) is amended by striking the section
17 designation and all that follows through the end of sub-
18 section (a) and inserting the following:

19 “SEC. 1363. (a) In establishing projected flood ele-
20 vations for land use purposes with respect to any commu-
21 nity pursuant to section 1361, the Director shall first pro-
22 pose such determinations—

23 “(1) by providing the chief executive officer of
24 each community affected by the proposed elevations,
25 by certified mail, with a return receipt requested,

1 notice of the elevations, including a copy of the maps
2 for the elevations for such community and a state-
3 ment explaining the process under this section to ap-
4 peal for changes in such elevations;

5 “(2) by causing notice of such elevations to be
6 published in the Federal Register, which notice shall
7 include information sufficient to identify the ele-
8 vation determinations and the communities affected,
9 information explaining how to obtain copies of the
10 elevations, and a statement explaining the process
11 under this section to appeal for changes in the ele-
12 vations;

13 “(3) by publishing in a prominent local news-
14 paper the elevations, a description of the appeals
15 process for flood determinations, and the mailing ad-
16 dress and telephone number of a person the owner
17 may contact for more information or to initiate an
18 appeal; and

19 “(4) by providing written notification, by first
20 class mail, to each owner of real property affected by
21 the proposed elevations of—

22 “(A) the status of such property, both
23 prior to and after the effective date of the pro-
24 posed determination, with respect to flood zone
25 and flood insurance requirements under this

1 Act and the Flood Disaster Protection Act of
2 1973;

3 “(B) the process under this section to ap-
4 peal a flood elevation determination; and

5 “(C) the mailing address and phone num-
6 ber of a person the owner may contact for more
7 information or to initiate an appeal.”.

8 **SEC. 3015. NOTIFICATION TO TENANTS OF AVAILABILITY**
9 **OF CONTENTS INSURANCE.**

10 The National Flood Insurance Act of 1968 is amend-
11 ed by inserting after section 1308 (42 U.S.C. 4015) the
12 following new section:

13 **“SEC. 1308A. NOTIFICATION TO TENANTS OF AVAILABILITY**
14 **OF CONTENTS INSURANCE.**

15 “(a) IN GENERAL.—The Administrator shall, upon
16 entering into a contract for flood insurance coverage under
17 this title for any property—

18 “(1) provide to the insured sufficient copies of
19 the notice developed pursuant to subsection (b); and

20 “(2) require the insured to provide a copy of
21 the notice, or otherwise provide notification of the
22 information under subsection (b) in the manner that
23 the manager or landlord deems most appropriate, to
24 each such tenant and to each new tenant upon com-
25 mencement of such a tenancy.

1 “(b) NOTICE.—Notice to a tenant of a property in
2 accordance with this subsection is written notice that
3 clearly informs a tenant—

4 “(1) whether the property is located in an area
5 having special flood hazards;

6 “(2) that flood insurance coverage is available
7 under the national flood insurance program under
8 this title for contents of the unit or structure leased
9 by the tenant;

10 “(3) of the maximum amount of such coverage
11 for contents available under this title at that time;
12 and

13 “(4) of where to obtain information regarding
14 how to obtain such coverage, including a telephone
15 number, mailing address, and Internet site of the
16 Administrator where such information is available.”.

17 **SEC. 3016. NOTIFICATION TO POLICY HOLDERS REGARD-**
18 **ING DIRECT MANAGEMENT OF POLICY BY**
19 **FEMA.**

20 Part C of chapter II of the National Flood Insurance
21 Act of 1968 (42 U.S.C. 4081 et seq.) is amended by add-
22 ing at the end the following new section:

1 **“SEC. 1349. NOTIFICATION TO POLICY HOLDERS REGARD-**
2 **ING DIRECT MANAGEMENT OF POLICY BY**
3 **FEMA.**

4 “(a) NOTIFICATION.—Not later than 60 days before
5 the date on which a transferred flood insurance policy ex-
6 pires, and annually thereafter until such time as the Fed-
7 eral Emergency Management Agency is no longer directly
8 administering such policy, the Administrator shall notify
9 the holder of such policy that—

10 “(1) the Federal Emergency Management
11 Agency is directly administering the policy;

12 “(2) such holder may purchase flood insurance
13 that is directly administered by an insurance com-
14 pany; and

15 “(3) purchasing flood insurance offered under
16 the National Flood Insurance Program that is di-
17 rectly administered by an insurance company will
18 not alter the coverage provided or the premiums
19 charged to such holder that otherwise would be pro-
20 vided or charged if the policy was directly adminis-
21 tered by the Federal Emergency Management Agen-
22 cy.

23 “(b) DEFINITION.—In this section, the term ‘trans-
24 ferred flood insurance policy’ means a flood insurance pol-
25 icy that—

1 “(1) was directly administered by an insurance
2 company at the time the policy was originally pur-
3 chased by the policy holder; and

4 “(2) at the time of renewal of the policy, direct
5 administration of the policy was or will be trans-
6 ferred to the Federal Emergency Management Agen-
7 cy.”.

8 **SEC. 3017. NOTICE OF AVAILABILITY OF FLOOD INSURANCE**
9 **AND ESCROW IN RESPA GOOD FAITH ESTI-**
10 **MATE.**

11 Subsection (c) of section 5 of the Real Estate Settle-
12 ment Procedures Act of 1974 (12 U.S.C. 2604(c)) is
13 amended by adding at the end the following new sentence:
14 “Each such good faith estimate shall include the following
15 conspicuous statements and information: (1) that flood in-
16 surance coverage for residential real estate is generally
17 available under the national flood insurance program
18 whether or not the real estate is located in an area having
19 special flood hazards and that, to obtain such coverage,
20 a home owner or purchaser should contact the national
21 flood insurance program; (2) a telephone number and a
22 location on the Internet by which a home owner or pur-
23 chaser can contact the national flood insurance program;
24 and (3) that the escrowing of flood insurance payments
25 is required for many loans under section 102(d) of the

1 Flood Disaster Protection Act of 1973, and may be a con-
2 venient and available option with respect to other loans.”.

3 **SEC. 3018. REIMBURSEMENT FOR COSTS INCURRED BY**
4 **HOMEOWNERS AND COMMUNITIES OBTAIN-**
5 **ING LETTERS OF MAP AMENDMENT OR REVI-**
6 **SION.**

7 (a) IN GENERAL.—Section 1360 of the National
8 Flood Insurance Act of 1968 (42 U.S.C. 4101), as amend-
9 ed by the preceding provisions of this title, is further
10 amended by adding at the end the following new sub-
11 section:

12 “(m) REIMBURSEMENT.—

13 “(1) REQUIREMENT UPON BONA FIDE
14 ERROR.—If an owner of any property located in an
15 area described in section 102(i)(3) of the Flood Dis-
16 aster Protection Act of 1973, or a community in
17 which such a property is located, obtains a letter of
18 map amendment, or a letter of map revision, due to
19 a bona fide error on the part of the Administrator
20 of the Federal Emergency Management Agency, the
21 Administrator shall reimburse such owner, or such
22 entity or jurisdiction acting on such owner’s behalf,
23 or such community, as applicable, for any reasonable
24 costs incurred in obtaining such letter.

1 “(2) REASONABLE COSTS.—The Administrator
2 shall, by regulation or notice, determine a reasonable
3 amount of costs to be reimbursed under paragraph
4 (1), except that such costs shall not include legal or
5 attorneys fees. In determining the reasonableness of
6 costs, the Administrator shall only consider the ac-
7 tual costs to the owner or community, as applicable,
8 of utilizing the services of an engineer, surveyor, or
9 similar services.”.

10 (b) REGULATIONS.—Not later than 90 days after the
11 date of the enactment of this Act, the Administrator of
12 the Federal Emergency Management Agency shall issue
13 the regulations or notice required under section
14 1360(m)(2) of the National Flood Insurance Act of 1968,
15 as added by the amendment made by subsection (a) of
16 this section.

17 **SEC. 3019. ENHANCED COMMUNICATION WITH CERTAIN**
18 **COMMUNITIES DURING MAP UPDATING**
19 **PROCESS.**

20 Section 1360 of the National Flood Insurance Act of
21 1968 (42 U.S.C. 4101), as amended by the preceding pro-
22 visions of this title, is further amended by adding at the
23 end the following new subsection:

24 “(n) ENHANCED COMMUNICATION WITH CERTAIN
25 COMMUNITIES DURING MAP UPDATING PROCESS.—In

1 updating flood insurance maps under this section, the Ad-
2 ministrator shall communicate with communities located
3 in areas where flood insurance rate maps have not been
4 updated in 20 years or more and the appropriate State
5 emergency agencies to resolve outstanding issues, provide
6 technical assistance, and disseminate all necessary infor-
7 mation to reduce the prevalence of outdated maps in flood-
8 prone areas.”.

9 **SEC. 3020. NOTIFICATION TO RESIDENTS NEWLY INCLUDED**
10 **IN FLOOD HAZARD AREAS.**

11 Section 1360 of the National Flood Insurance Act of
12 1968 (42 U.S.C. 4101), as amended by the preceding pro-
13 visions of this title, is further amended by adding at the
14 end the following new subsection:

15 “(o) NOTIFICATION TO RESIDENTS NEWLY IN-
16 CLUDED IN FLOOD HAZARD AREA.—In revising or updat-
17 ing any areas having special flood hazards, the Adminis-
18 trator shall provide to each owner of a property to be
19 newly included in such a special flood hazard area, at the
20 time of issuance of such proposed revised or updated flood
21 insurance maps, a copy of the proposed revised or updated
22 flood insurance maps together with information regarding
23 the appeals process under section 1363 of the National
24 Flood Insurance Act of 1968 (42 U.S.C. 4104).”.

1 **SEC. 3021. TREATMENT OF SWIMMING POOL ENCLOSURES**
2 **OUTSIDE OF HURRICANE SEASON.**

3 Chapter I of the National Flood Insurance Act of
4 1968 (42 U.S.C. 4001 et seq.) is amended by adding at
5 the end the following new section:

6 **“SEC. 1325. TREATMENT OF SWIMMING POOL ENCLOSURES**
7 **OUTSIDE OF HURRICANE SEASON.**

8 “In the case of any property that is otherwise in com-
9 pliance with the coverage and building requirements of the
10 national flood insurance program, the presence of an en-
11 closed swimming pool located at ground level or in the
12 space below the lowest floor of a building after November
13 30 and before June 1 of any year shall have no effect on
14 the terms of coverage or the ability to receive coverage
15 for such building under the national flood insurance pro-
16 gram established pursuant to this title, if the pool is en-
17 closed with non-supporting breakaway walls.”.

18 **SEC. 3022. INFORMATION REGARDING MULTIPLE PERILS**
19 **CLAIMS.**

20 Section 1345 of the National Flood Insurance Act of
21 1968 (42 U.S.C. 4081) is amended by adding at the end
22 the following new subsection:

23 “(d) INFORMATION REGARDING MULTIPLE PERILS
24 CLAIMS.—

25 “(1) IN GENERAL.—Subject to paragraph (2),
26 if an insured having flood insurance coverage under

1 a policy issued under the program under this title by
2 the Administrator or a company, insurer, or entity
3 offering flood insurance coverage under such pro-
4 gram (in this subsection referred to as a ‘partici-
5 pating company’) has wind or other homeowners
6 coverage from any company, insurer, or other entity
7 covering property covered by such flood insurance, in
8 the case of damage to such property that may have
9 been caused by flood or by wind, the Administrator
10 and the participating company, upon the request of
11 the insured, shall provide to the insured, within 30
12 days of such request—

13 “(A) a copy of the estimate of structure
14 damage;

15 “(B) proofs of loss;

16 “(C) any expert or engineering reports or
17 documents commissioned by or relied upon by
18 the Administrator or participating company in
19 determining whether the damage was caused by
20 flood or any other peril; and

21 “(D) the Administrator’s or the partici-
22 pating company’s final determination on the
23 claim.

24 “(2) TIMING.—Paragraph (1) shall apply only
25 with respect to a request described in such para-

1 graph made by an insured after the Administrator
2 or the participating company, or both, as applicable,
3 have issued a final decision on the flood claim in-
4 volved and resolution of all appeals with respect to
5 such claim.”.

6 **SEC. 3023. FEMA AUTHORITY TO REJECT TRANSFER OF**
7 **POLICIES.**

8 Section 1345 of the National Flood Insurance Act of
9 1968 (42 U.S.C. 4081) is amended by adding at the end
10 the following new subsection:

11 “(e) FEMA AUTHORITY TO REJECT TRANSFER OF
12 POLICIES.—Notwithstanding any other provision of this
13 Act, the Administrator may, at the discretion of the Ad-
14 ministrator, refuse to accept the transfer of the adminis-
15 tration of policies for coverage under the flood insurance
16 program under this title that are written and administered
17 by any insurance company or other insurer, or any insur-
18 ance agent or broker.”.

19 **SEC. 3024. APPEALS.**

20 (a) TELEVISION AND RADIO ANNOUNCEMENT.—Sec-
21 tion 1363 of the National Flood Insurance Act of 1968
22 (42 U.S.C. 4104) is amended—

23 (1) in subsection (a), by inserting after “deter-
24 minations” by inserting the following: “by notifying
25 a local television and radio station,”; and

1 (2) in the first sentence of subsection (b), by in-
2 serting before the period at the end the following:
3 “and shall notify a local television and radio station
4 at least once during the same 10-day period”.

5 (b) EXTENSION OF APPEALS PERIOD.—Subsection
6 (b) of section 1363 of the National Flood Insurance Act
7 of 1968 (42 U.S.C. 4104(b)) is amended—

8 (1) by striking “(b) The Director” and insert-
9 ing “(b)(1) The Administrator”; and

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

12 “(2) The Administrator shall grant an extension of
13 the 90-day period for appeals referred to in paragraph (1)
14 for 90 additional days if an affected community certifies
15 to the Administrator, after the expiration of at least 60
16 days of such period, that the community—

17 “(A) believes there are property owners or les-
18 sees in the community who are unaware of such pe-
19 riod for appeals; and

20 “(B) will utilize the extension under this para-
21 graph to notify property owners or lessees who are
22 affected by the proposed flood elevation determina-
23 tions of the period for appeals and the opportunity
24 to appeal the determinations proposed by the Ad-
25 ministrator.”.

1 (c) APPLICABILITY.—The amendments made by sub-
2 sections (a) and (b) shall apply with respect to any flood
3 elevation determination for any area in a community that
4 has not, as of the date of the enactment of this Act, been
5 issued a Letter of Final Determination for such deter-
6 mination under the flood insurance map modernization
7 process.

8 **SEC. 3025. RESERVE FUND.**

9 (a) ESTABLISHMENT.—Chapter I of the National
10 Flood Insurance Act of 1968 is amended by inserting after
11 section 1310 (42 U.S.C. 4017) the following new section:

12 **“SEC. 1310A. RESERVE FUND.**

13 “(a) ESTABLISHMENT OF RESERVE FUND.—In car-
14 rying out the flood insurance program authorized by this
15 title, the Administrator shall establish in the Treasury of
16 the United States a National Flood Insurance Reserve
17 Fund (in this section referred to as the ‘Reserve Fund’)
18 which shall—

19 “(1) be an account separate from any other ac-
20 counts or funds available to the Administrator; and

21 “(2) be available for meeting the expected fu-
22 ture obligations of the flood insurance program.

23 “(b) RESERVE RATIO.—Subject to the phase-in re-
24 quirements under subsection (d), the Reserve Fund shall
25 maintain a balance equal to—

1 “(1) 1 percent of the sum of the total potential
2 loss exposure of all outstanding flood insurance poli-
3 cies in force in the prior fiscal year; or

4 “(2) such higher percentage as the Adminis-
5 trator determines to be appropriate, taking into con-
6 sideration any circumstance that may raise a signifi-
7 cant risk of substantial future losses to the Reserve
8 Fund.

9 “(c) MAINTENANCE OF RESERVE RATIO.—

10 “(1) IN GENERAL.—The Administrator shall
11 have the authority to establish, increase, or decrease
12 the amount of aggregate annual insurance premiums
13 to be collected for any fiscal year necessary—

14 “(A) to maintain the reserve ratio required
15 under subsection (b); and

16 “(B) to achieve such reserve ratio, if the
17 actual balance of such reserve is below the
18 amount required under subsection (b).

19 “(2) CONSIDERATIONS.—In exercising the au-
20 thority under paragraph (1), the Administrator shall
21 consider—

22 “(A) the expected operating expenses of
23 the Reserve Fund;

24 “(B) the insurance loss expenditures under
25 the flood insurance program;

1 “(C) any investment income generated
2 under the flood insurance program; and

3 “(D) any other factor that the Adminis-
4 trator determines appropriate.

5 “(3) LIMITATIONS.—In exercising the authority
6 under paragraph (1), the Administrator shall be
7 subject to all other provisions of this Act, including
8 any provisions relating to chargeable premium rates
9 and annual increases of such rates.

10 “(d) PHASE-IN REQUIREMENTS.—The phase-in re-
11 quirements under this subsection are as follows:

12 “(1) IN GENERAL.—Beginning in fiscal year
13 2012 and not ending until the fiscal year in which
14 the ratio required under subsection (b) is achieved,
15 in each such fiscal year the Administrator shall
16 place in the Reserve Fund an amount equal to not
17 less than 7.5 percent of the reserve ratio required
18 under subsection (b).

19 “(2) AMOUNT SATISFIED.—As soon as the ratio
20 required under subsection (b) is achieved, and except
21 as provided in paragraph (3), the Administrator
22 shall not be required to set aside any amounts for
23 the Reserve Fund.

24 “(3) EXCEPTION.—If at any time after the
25 ratio required under subsection (b) is achieved, the

1 Reserve Fund falls below the required ratio under
2 subsection (b), the Administrator shall place in the
3 Reserve Fund for that fiscal year an amount equal
4 to not less than 7.5 percent of the reserve ratio re-
5 quired under subsection (b).

6 “(e) LIMITATION ON RESERVE RATIO.—In any given
7 fiscal year, if the Administrator determines that the re-
8 serve ratio required under subsection (b) cannot be
9 achieved, the Administrator shall submit a report to the
10 Congress that—

11 “(1) describes and details the specific concerns
12 of the Administrator regarding such consequences;

13 “(2) demonstrates how such consequences
14 would harm the long-term financial soundness of the
15 flood insurance program; and

16 “(3) indicates the maximum attainable reserve
17 ratio for that particular fiscal year.

18 “(f) AVAILABILITY OF AMOUNTS.—The reserve ratio
19 requirements under subsection (b) and the phase-in re-
20 quirements under subsection (d) shall be subject to the
21 availability of amounts in the National Flood Insurance
22 Fund for transfer under section 1310(a)(10), as provided
23 in section 1310(f).”.

1 (b) FUNDING.—Subsection (a) of section 1310 of the
2 National Flood Insurance Act of 1968 (42 U.S.C.
3 4017(a)) is amended—

4 (1) in paragraph (8), by striking “and” at the
5 end;

6 (2) in paragraph (9), by striking the period at
7 the end and inserting “; and”; and

8 (3) by adding at the end the following new
9 paragraph:

10 “(10) for transfers to the National Flood Insur-
11 ance Reserve Fund under section 1310A, in accord-
12 ance with such section.”.

13 **SEC. 3026. CDBG ELIGIBILITY FOR FLOOD INSURANCE OUT-**
14 **REACH ACTIVITIES AND COMMUNITY BUILD-**
15 **ING CODE ADMINISTRATION GRANTS.**

16 Section 105(a) of the Housing and Community De-
17 velopment Act of 1974 (42 U.S.C. 5305(a)) is amended—

18 (1) in paragraph (24), by striking “and” at the
19 end;

20 (2) in paragraph (25), by striking the period at
21 the end and inserting a semicolon; and

22 (3) by adding at the end the following new
23 paragraphs:

24 “(26) supplementing existing State or local
25 funding for administration of building code enforce-

1 ment by local building code enforcement depart-
2 ments, including for increasing staffing, providing
3 staff training, increasing staff competence and pro-
4 fessional qualifications, and supporting individual
5 certification or departmental accreditation, and for
6 capital expenditures specifically dedicated to the ad-
7 ministration of the building code enforcement de-
8 partment, except that, to be eligible to use amounts
9 as provided in this paragraph—

10 “(A) a building code enforcement depart-
11 ment shall provide matching, non-Federal funds
12 to be used in conjunction with amounts used
13 under this paragraph in an amount—

14 “(i) in the case of a building code en-
15 forcement department serving an area with
16 a population of more than 50,000, equal to
17 not less than 50 percent of the total
18 amount of any funds made available under
19 this title that are used under this para-
20 graph;

21 “(ii) in the case of a building code en-
22 forcement department serving an area with
23 a population of between 20,001 and
24 50,000, equal to not less than 25 percent
25 of the total amount of any funds made

1 available under this title that are used
2 under this paragraph; and

3 “(iii) in the case of a building code
4 enforcement department serving an area
5 with a population of less than 20,000,
6 equal to not less than 12.5 percent of the
7 total amount of any funds made available
8 under this title that are used under this
9 paragraph,

10 except that the Secretary may waive the match-
11 ing fund requirements under this subparagraph,
12 in whole or in part, based upon the level of eco-
13 nomic distress of the jurisdiction in which is lo-
14 cated the local building code enforcement de-
15 partment that is using amounts for purposes
16 under this paragraph, and shall waive such
17 matching fund requirements in whole for any
18 recipient jurisdiction that has dedicated all
19 building code permitting fees to the conduct of
20 local building code enforcement; and

21 “(B) any building code enforcement de-
22 partment using funds made available under this
23 title for purposes under this paragraph shall
24 empanel a code administration and enforcement
25 team consisting of at least 1 full-time building

1 code enforcement officer, a city planner, and a
2 health planner or similar officer; and

3 “(27) provision of assistance to local govern-
4 mental agencies responsible for floodplain manage-
5 ment activities (including such agencies of Indians
6 tribes, as such term is defined in section 4 of the
7 Native American Housing Assistance and Self-De-
8 termination Act of 1996 (25 U.S.C. 4103)) in com-
9 munities that participate in the national flood insur-
10 ance program under the National Flood Insurance
11 Act of 1968 (42 U.S.C. 4001 et seq.), only for car-
12 rying out outreach activities to encourage and facili-
13 tate the purchase of flood insurance protection
14 under such Act by owners and renters of properties
15 in such communities and to promote educational ac-
16 tivities that increase awareness of flood risk reduc-
17 tion; except that—

18 “(A) amounts used as provided under this
19 paragraph shall be used only for activities de-
20 signed to—

21 “(i) identify owners and renters of
22 properties in communities that participate
23 in the national flood insurance program,
24 including owners of residential and com-
25 mercial properties;

1 “(ii) notify such owners and renters
2 when their properties become included in,
3 or when they are excluded from, an area
4 having special flood hazards and the effect
5 of such inclusion or exclusion on the appli-
6 cability of the mandatory flood insurance
7 purchase requirement under section 102 of
8 the Flood Disaster Protection Act of 1973
9 (42 U.S.C. 4012a) to such properties;

10 “(iii) educate such owners and renters
11 regarding the flood risk and reduction of
12 this risk in their community, including the
13 continued flood risks to areas that are no
14 longer subject to the flood insurance man-
15 datory purchase requirement;

16 “(iv) educate such owners and renters
17 regarding the benefits and costs of main-
18 taining or acquiring flood insurance, in-
19 cluding, where applicable, lower-cost pre-
20 ferred risk policies under this title for such
21 properties and the contents of such prop-
22 erties;

23 “(v) encourage such owners and rent-
24 ers to maintain or acquire such coverage;

1 “(vi) notify such owners of where to
2 obtain information regarding how to obtain
3 such coverage, including a telephone num-
4 ber, mailing address, and Internet site of
5 the Administrator of the Federal Emer-
6 gency Management Agency (in this para-
7 graph referred to as the ‘Administrator’)
8 where such information is available; and

9 “(vii) educate local real estate agents
10 in communities participating in the na-
11 tional flood insurance program regarding
12 the program and the availability of cov-
13 erage under the program for owners and
14 renters of properties in such communities,
15 and establish coordination and liaisons
16 with such real estate agents to facilitate
17 purchase of coverage under the National
18 Flood Insurance Act of 1968 and increase
19 awareness of flood risk reduction;

20 “(B) in any fiscal year, a local govern-
21 mental agency may not use an amount under
22 this paragraph that exceeds 3 times the amount
23 that the agency certifies, as the Secretary, in
24 consultation with the Administrator, shall re-
25 quire, that the agency will contribute from non-

1 Federal funds to be used with such amounts
2 used under this paragraph only for carrying out
3 activities described in subparagraph (A); and
4 for purposes of this subparagraph, the term
5 ‘non-Federal funds’ includes State or local gov-
6 ernment agency amounts, in-kind contributions,
7 any salary paid to staff to carry out the eligible
8 activities of the local governmental agency in-
9 volved, the value of the time and services con-
10 tributed by volunteers to carry out such services
11 (at a rate determined by the Secretary), and
12 the value of any donated material or building
13 and the value of any lease on a building;

14 “(C) a local governmental agency that uses
15 amounts as provided under this paragraph may
16 coordinate or contract with other agencies and
17 entities having particular capacities, specialties,
18 or experience with respect to certain popu-
19 lations or constituencies, including elderly or
20 disabled families or persons, to carry out activi-
21 ties described in subparagraph (A) with respect
22 to such populations or constituencies; and

23 “(D) each local government agency that
24 uses amounts as provided under this paragraph
25 shall submit a report to the Secretary and the

1 Administrator, not later than 12 months after
2 such amounts are first received, which shall in-
3 clude such information as the Secretary and the
4 Administrator jointly consider appropriate to
5 describe the activities conducted using such
6 amounts and the effect of such activities on the
7 retention or acquisition of flood insurance cov-
8 erage.”.

9 **SEC. 3027. TECHNICAL CORRECTIONS.**

10 (a) FLOOD DISASTER PROTECTION ACT OF 1973.—
11 The Flood Disaster Protection Act of 1973 (42 U.S.C.
12 4002 et seq.) is amended—

13 (1) by striking “Director” each place such term
14 appears, except in section 102(f)(3) (42 U.S.C.
15 4012a(f)(3)), and inserting “Administrator”; and

16 (2) in section 201(b) (42 U.S.C. 4105(b)), by
17 striking “Director’s” and inserting “Administra-
18 tor’s”.

19 (b) NATIONAL FLOOD INSURANCE ACT OF 1968.—
20 The National Flood Insurance Act of 1968 (42 U.S.C.
21 4001 et seq.) is amended—

22 (1) by striking “Director” each place such term
23 appears and inserting “Administrator”; and

1 (2) in section 1363 (42 U.S.C. 4104), by strik-
2 ing “Director’s” each place such term appears and
3 inserting “Administrator’s”.

4 (c) FEDERAL FLOOD INSURANCE ACT OF 1956.—
5 Section 15(e) of the Federal Flood Insurance Act of 1956
6 (42 U.S.C. 2414(e)) is amended by striking “Director”
7 each place such term appears and inserting “Adminis-
8 trator”.

9 **SEC. 3028. REQUIRING COMPETITION FOR NATIONAL**
10 **FLOOD INSURANCE PROGRAM POLICIES.**

11 (a) REPORT.—Not later than the expiration of the
12 90-day period beginning upon the date of the enactment
13 of this Act, the Administrator of the Federal Emergency
14 Management Agency, in consultation with insurance com-
15 panies, insurance agents and other organizations with
16 which the Administrator has contracted, shall submit to
17 the Congress a report describing procedures and policies
18 that the Administrator shall implement to limit the per-
19 centage of policies for flood insurance coverage under the
20 national flood insurance program that are directly man-
21 aged by the Agency to not more than 10 percent of the
22 aggregate number of flood insurance policies in force
23 under such program.

24 (b) IMPLEMENTATION.—Upon submission of the re-
25 port under subsection (a) to the Congress, the Adminis-

1 trator shall implement the policies and procedures de-
2 scribed in the report. The Administrator shall, not later
3 than the expiration of the 12-month period beginning
4 upon submission of such report, reduce the number of
5 policies for flood insurance coverage that are directly man-
6 aged by the Agency, or by the Agency's direct servicing
7 contractor that is not an insurer, to not more than 10
8 percent of the aggregate number of flood insurance poli-
9 cies in force as of the expiration of such 12-month period.

10 (c) CONTINUATION OF CURRENT AGENT RELATION-
11 SHIPS.—In carrying out subsection (b), the Administrator
12 shall ensure that—

13 (1) agents selling or servicing policies described
14 in such subsection are not prevented from con-
15 tinuing to sell or service such policies; and

16 (2) insurance companies are not prevented from
17 waiving any limitation such companies could other-
18 wise enforce to limit any such activity.

19 **SEC. 3029. STUDIES OF VOLUNTARY COMMUNITY-BASED**
20 **FLOOD INSURANCE OPTIONS.**

21 (a) STUDIES.—The Administrator of the Federal
22 Emergency Management Agency and the Comptroller
23 General of the United States shall each conduct a separate
24 study to assess options, methods, and strategies for offer-
25 ing voluntary community-based flood insurance policy op-

1 tions and incorporating such options into the national
2 flood insurance program. Such studies shall take into con-
3 sideration and analyze how the policy options would affect
4 communities having varying economic bases, geographic
5 locations, flood hazard characteristics or classifications,
6 and flood management approaches.

7 (b) REPORTS.—Not later than the expiration of the
8 18-month period beginning on the date of the enactment
9 of this Act, the Administrator of the Federal Emergency
10 Management Agency and the Comptroller General of the
11 United States shall each submit a report to the Committee
12 on Financial Services of the House of Representatives and
13 the Committee on Banking, Housing, and Urban Affairs
14 of the Senate on the results and conclusions of the study
15 such agency conducted under subsection (a), and each
16 such report shall include recommendations for the best
17 manner to incorporate voluntary community-based flood
18 insurance options into the national flood insurance pro-
19 gram and for a strategy to implement such options that
20 would encourage communities to undertake flood mitiga-
21 tion activities.

22 **SEC. 3030. REPORT ON INCLUSION OF BUILDING CODES IN**
23 **FLOODPLAIN MANAGEMENT CRITERIA.**

24 Not later than the expiration of the 6-month period
25 beginning on the date of the enactment of this Act, the

1 Administrator of the Federal Emergency Management
2 Agency shall conduct a study and submit a report to the
3 Committee on Financial Services of the House of Rep-
4 resentatives and the Committee on Banking, Housing, and
5 Urban Affairs of the Senate regarding the impact, effec-
6 tiveness, and feasibility of amending section 1361 of the
7 National Flood Insurance Act of 1968 (42 U.S.C. 4102)
8 to include widely used and nationally recognized building
9 codes as part of the floodplain management criteria devel-
10 oped under such section, and shall determine—

11 (1) the regulatory, financial, and economic im-
12 pacts of such a building code requirement on home-
13 owners, States and local communities, local land use
14 policies, and the Federal Emergency Management
15 Agency;

16 (2) the resources required of State and local
17 communities to administer and enforce such a build-
18 ing code requirement;

19 (3) the effectiveness of such a building code re-
20 quirement in reducing flood-related damage to build-
21 ings and contents;

22 (4) the impact of such a building code require-
23 ment on the actuarial soundness of the National
24 Flood Insurance Program;

1 (5) the effectiveness of nationally recognized
2 codes in allowing innovative materials and systems
3 for flood-resistant construction;

4 (6) the feasibility and effectiveness of providing
5 an incentive in lower premium rates for flood insur-
6 ance coverage under such Act for structures meeting
7 whichever of such widely used and nationally recog-
8 nized building code or any applicable local building
9 code provides greater protection from flood damage;

10 (7) the impact of such a building code require-
11 ment on rural communities with different building
12 code challenges than more urban environments; and

13 (8) the impact of such a building code require-
14 ment on Indian reservations.

15 **SEC. 3031. STUDY ON GRADUATED RISK.**

16 (a) STUDY.—The National Academy of Sciences shall
17 conduct a study exploring methods for understanding
18 graduated risk behind levees and the associated land de-
19 velopment, insurance, and risk communication dimensions,
20 which shall—

21 (1) research, review, and recommend current
22 best practices for estimating direct annualized flood
23 losses behind levees for residential and commercial
24 structures;

1 (2) rank such practices based on their best
2 value, balancing cost, scientific integrity, and the in-
3 herent uncertainties associated with all aspects of
4 the loss estimate, including geotechnical engineering,
5 flood frequency estimates, economic value, and direct
6 damages;

7 (3) research, review, and identify current best
8 floodplain management and land use practices be-
9 hind levees that effectively balance social, economic,
10 and environmental considerations as part of an over-
11 all flood risk management strategy;

12 (4) identify examples where such practices have
13 proven effective and recommend methods and proc-
14 esses by which they could be applied more broadly
15 across the United States, given the variety of dif-
16 ferent flood risks, State and local legal frameworks,
17 and evolving judicial opinions;

18 (5) research, review, and identify a variety of
19 flood insurance pricing options for flood hazards be-
20 hind levees which are actuarially sound and based on
21 the flood risk data developed using the top three
22 best value approaches identified pursuant to para-
23 graph (1);

24 (6) evaluate and recommend methods to reduce
25 insurance costs through creative arrangements be-

1 tween insureds and insurers while keeping a clear
2 accounting of how much financial risk is being borne
3 by various parties such that the entire risk is ac-
4 counted for, including establishment of explicit limits
5 on disaster aid or other assistance in the event of a
6 flood; and

7 (7) taking into consideration the recommenda-
8 tions pursuant to paragraphs (1) through (3), rec-
9 ommend approaches to communicating the associ-
10 ated risks to community officials, homeowners, and
11 other residents.

12 (b) REPORT.—Not later than the expiration of the
13 12-month period beginning on the date of the enactment
14 of this Act, the National Academy of Sciences shall submit
15 a report to the Committees on Financial Services and
16 Science, Space, and Technology of the House of Rep-
17 resentatives and the Committees on Banking, Housing,
18 and Urban Affairs and Commerce, Science and Transpor-
19 tation of the Senate on the study under subsection (a) in-
20 cluding the information and recommendations required
21 under such subsection.

22 **SEC. 3032. REPORT ON FLOOD-IN-PROGRESS DETERMINA-**
23 **TION.**

24 The Administrator of the Federal Emergency Man-
25 agement Agency shall review the processes and procedures

1 for determining that a flood event has commenced or is
2 in progress for purposes of flood insurance coverage made
3 available under the national flood insurance program
4 under the National Flood Insurance Act of 1968 and for
5 providing public notification that such an event has com-
6 menced or is in progress. In such review, the Adminis-
7 trator shall take into consideration the effects and implica-
8 tions that weather conditions, such as rainfall, snowfall,
9 projected snowmelt, existing water levels, and other condi-
10 tions have on the determination that a flood event has
11 commenced or is in progress. Not later than the expiration
12 of the 6-month period beginning upon the date of the en-
13 actment of this Act, the Administrator shall submit a re-
14 port to the Congress setting forth the results and conclu-
15 sions of the review undertaken pursuant to this section
16 and any actions undertaken or proposed actions to be
17 taken to provide for a more precise and technical deter-
18 mination that a flooding event has commenced or is in
19 progress.

20 **SEC. 3033. STUDY ON REPAYING FLOOD INSURANCE DEBT.**

21 Not later than the expiration of the 6-month period
22 beginning on the date of the enactment of this Act, the
23 Administrator of the Federal Emergency Management
24 Agency shall submit a report to the Congress setting forth
25 a plan for repaying within 10 years all amounts, including

1 any amounts previously borrowed but not yet repaid, owed
2 pursuant to clause (2) of subsection (a) of section 1309
3 of the National Flood Insurance Act of 1968 (42 U.S.C.
4 4016(a)(2)).

5 **SEC. 3034. NO CAUSE OF ACTION.**

6 No cause of action shall exist and no claim may be
7 brought against the United States for violation of any no-
8 tification requirement imposed upon the United States by
9 this title or any amendment made by this title.

10 **SEC. 3035. AUTHORITY FOR THE CORPS OF ENGINEERS TO**
11 **PROVIDE SPECIALIZED OR TECHNICAL SERV-**
12 **ICES.**

13 (a) IN GENERAL.—Notwithstanding any other provi-
14 sion of law, upon the request of a State or local govern-
15 ment, the Secretary of the Army may evaluate a levee sys-
16 tem that was designed or constructed by the Secretary for
17 the purposes of the National Flood Insurance Program es-
18 tablished under chapter 1 of the National Flood Insurance
19 Act of 1968 (42 U.S.C. 4011 et seq.).

20 (b) REQUIREMENTS.—A levee system evaluation
21 under subsection (a) shall—

22 (1) comply with applicable regulations related
23 to areas protected by a levee system;

24 (2) be carried out in accordance with such pro-
25 cedures as the Secretary, in consultation with the

1 Administrator of the Federal Emergency Manage-
2 ment Agency, may establish; and

3 (3) be carried out only if the State or local gov-
4 ernment agrees to reimburse the Secretary for all
5 cost associated with the performance of the activi-
6 ties.

7 **TITLE IV—JUMPSTARTING OP-**
8 **PORTUNITY WITH**
9 **BROADBAND SPECTRUM ACT**
10 **OF 2011**

11 **SEC. 4001. SHORT TITLE.**

12 This title may be cited as the “Jumpstarting Oppor-
13 tunity with Broadband Spectrum Act of 2011” or the
14 “JOBS Act of 2011”.

15 **SEC. 4002. DEFINITIONS.**

16 In this title:

17 (1) 700 MHZ D BLOCK SPECTRUM.—The term
18 “700 MHz D block spectrum” means the portion of
19 the electromagnetic spectrum between the fre-
20 quencies from 758 megahertz to 763 megahertz and
21 between the frequencies from 788 megahertz to 793
22 megahertz.

23 (2) 700 MHZ PUBLIC SAFETY GUARD BAND
24 SPECTRUM.—The term “700 MHz public safety
25 guard band spectrum” means the portion of the

1 electromagnetic spectrum between the frequencies
2 from 768 megahertz to 769 megahertz and between
3 the frequencies from 798 megahertz to 799 mega-
4 hertz.

5 (3) 700 MHZ PUBLIC SAFETY NARROWBAND
6 SPECTRUM.—The term “700 MHz public safety
7 narrowband spectrum” means the portion of the
8 electromagnetic spectrum between the frequencies
9 from 769 megahertz to 775 megahertz and between
10 the frequencies from 799 megahertz to 805 mega-
11 hertz.

12 (4) ADMINISTRATOR.—The term “Adminis-
13 trator” means the entity selected under section
14 4203(a) to serve as Administrator of the National
15 Public Safety Communications Plan.

16 (5) ASSISTANT SECRETARY.—The term “Assist-
17 ant Secretary” means the Assistant Secretary of
18 Commerce for Communications and Information.

19 (6) BOARD.—The term “Board” means the
20 Public Safety Communications Planning Board es-
21 tablished under section 4202(a)(1).

22 (7) BROADCAST TELEVISION LICENSEE.—The
23 term “broadcast television licensee” means the li-
24 censee of—

25 (A) a full-power television station; or

1 (B) a low-power television station that has
2 been accorded primary status as a Class A tele-
3 vision licensee under section 73.6001(a) of title
4 47, Code of Federal Regulations.

5 (8) BROADCAST TELEVISION SPECTRUM.—The
6 term “broadcast television spectrum” means the por-
7 tions of the electromagnetic spectrum between the
8 frequencies from 54 megahertz to 72 megahertz,
9 from 76 megahertz to 88 megahertz, from 174
10 megahertz to 216 megahertz, and from 470 mega-
11 hertz to 698 megahertz.

12 (9) COMMERCIAL MOBILE DATA SERVICE.—The
13 term “commercial mobile data service” means any
14 mobile service (as defined in section 3 of the Com-
15 munications Act of 1934 (47 U.S.C. 153)) that is—

16 (A) a data service;

17 (B) provided for profit; and

18 (C) available to the public or such classes
19 of eligible users as to be effectively available to
20 a substantial portion of the public, as specified
21 by regulation by the Commission.

22 (10) COMMERCIAL MOBILE SERVICE.—The
23 term “commercial mobile service” has the meaning
24 given such term in section 332 of the Communica-
25 tions Act of 1934 (47 U.S.C. 332).

1 (11) COMMERCIAL STANDARDS.—The term
2 “commercial standards” means the technical stand-
3 ards followed by the commercial mobile service and
4 commercial mobile data service industries for net-
5 work, device, and Internet Protocol connectivity.
6 Such term includes standards developed by the
7 Third Generation Partnership Project (3GPP), the
8 Institute of Electrical and Electronics Engineers
9 (IEEE), the Alliance for Telecommunications Indus-
10 try Solutions (ATIS), the Internet Engineering Task
11 Force (IETF), and the International Telecommuni-
12 cation Union (ITU).

13 (12) COMMISSION.—The term “Commission”
14 means the Federal Communications Commission.

15 (13) EMERGENCY CALL.—The term “emergency
16 call” means any real-time communication with a
17 public safety answering point or other emergency
18 management or response agency, including—

19 (A) through voice, text, or video and re-
20 lated data; and

21 (B) nonhuman-initiated automatic event
22 alerts, such as alarms, telematics, or sensor
23 data, which may also include real-time voice,
24 text, or video communications.

1 (14) FORWARD AUCTION.—The term “forward
2 auction” means the portion of an incentive auction
3 of broadcast television spectrum under section
4 4104(c).

5 (15) INCENTIVE AUCTION.—The term “incen-
6 tive auction” means a system of competitive bidding
7 under subparagraph (G) of section 309(j)(8) of the
8 Communications Act of 1934, as added by section
9 4103.

10 (16) MULTICHANNEL VIDEO PROGRAMMING
11 DISTRIBUTOR.—The term “multichannel video pro-
12 gramming distributor” has the meaning given such
13 term in section 602 of the Communications Act of
14 1934 (47 U.S.C. 522).

15 (17) NATIONAL PUBLIC SAFETY COMMUNICA-
16 TIONS PLAN.—The term “National Public Safety
17 Communications Plan” or “Plan” means the plan
18 adopted under section 4202(c).

19 (18) NEXT GENERATION 9–1–1 SERVICES.—The
20 term “Next Generation 9–1–1 services” means an
21 IP-based system comprised of hardware, software,
22 data, and operational policies and procedures that—
23 (A) provides standardized interfaces from
24 emergency call and message services to support
25 emergency communications;

1 (B) processes all types of emergency calls,
2 including voice, text, data, and multimedia in-
3 formation;

4 (C) acquires and integrates additional
5 emergency call data useful to call routing and
6 handling;

7 (D) delivers the emergency calls, messages,
8 and data to the appropriate public safety an-
9 swering point and other appropriate emergency
10 entities;

11 (E) supports data or video communications
12 needs for coordinated incident response and
13 management; and

14 (F) provides broadband service to public
15 safety answering points or other first responder
16 entities.

17 (19) NTIA.—The term “NTIA” means the Na-
18 tional Telecommunications and Information Admin-
19 istration.

20 (20) PUBLIC SAFETY ANSWERING POINT.—The
21 term “public safety answering point” has the mean-
22 ing given such term in section 222 of the Commu-
23 nications Act of 1934 (47 U.S.C. 222).

24 (21) PUBLIC SAFETY BROADBAND SPEC-
25 TRUM.—The term “public safety broadband spec-

1 trum” means the portion of the electromagnetic
2 spectrum between the frequencies from 763 mega-
3 hertz to 768 megahertz and between the frequencies
4 from 793 megahertz to 798 megahertz.

5 (22) PUBLIC SAFETY COMMUNICATIONS.—The
6 term “public safety communications” means commu-
7 nications by providers of public safety services.

8 (23) PUBLIC SAFETY SERVICES.—The term
9 “public safety services” has the meaning given such
10 term in section 337 of the Communications Act of
11 1934 (47 U.S.C. 337).

12 (24) REVERSE AUCTION.—The term “reverse
13 auction” means the portion of an incentive auction
14 of broadcast television spectrum under section
15 4104(a), in which a broadcast television licensee may
16 submit bids stating the amount it would accept for
17 voluntarily relinquishing some or all of its broadcast
18 television spectrum usage rights.

19 (25) SPECTRUM LICENSED TO THE ADMINIS-
20 TRATOR.—The term “spectrum licensed to the Ad-
21 ministrator” means the portion of the electro-
22 magnetic spectrum that the Administrator is li-
23 censed to use under section 4201(a).

1 (26) STATE.—The term “State” has the mean-
2 ing given such term in section 3 of the Communica-
3 tions Act of 1934 (47 U.S.C. 153).

4 (27) STATE PUBLIC SAFETY BROADBAND COM-
5 MUNICATIONS NETWORK.—The term “State public
6 safety broadband communications network” means a
7 broadband network for public safety communications
8 established by a State Public Safety Broadband Of-
9 fice, in accordance with the National Public Safety
10 Communications Plan, using the spectrum licensed
11 to the Administrator.

12 (28) STATE PUBLIC SAFETY BROADBAND OF-
13 FICE.—The term “State Public Safety Broadband
14 Office” means an office established or designated
15 under section 4221(a).

16 (29) ULTRA HIGH FREQUENCY.—The term
17 “ultra high frequency” means, with respect to a tele-
18 vision channel, that the channel is located in the
19 portion of the electromagnetic spectrum between the
20 frequencies from 470 megahertz to 698 megahertz.

21 (30) VERY HIGH FREQUENCY.—The term “very
22 high frequency” means, with respect to a television
23 channel, that the channel is located in the portion of
24 the electromagnetic spectrum between the fre-
25 quencies from 54 megahertz to 72 megahertz, from

1 76 megahertz to 88 megahertz, or from 174 mega-
2 hertz to 216 megahertz.

3 **SEC. 4003. RULE OF CONSTRUCTION.**

4 Each range of frequencies described in this title shall
5 be construed to be inclusive of the upper and lower fre-
6 quencies in the range.

7 **SEC. 4004. ENFORCEMENT.**

8 (a) IN GENERAL.—The Commission shall implement
9 and enforce this title as if this title is a part of the Com-
10 munications Act of 1934 (47 U.S.C. 151 et seq.). A viola-
11 tion of this title, or a regulation promulgated under this
12 title, shall be considered to be a violation of the Commu-
13 nications Act of 1934, or a regulation promulgated under
14 such Act, respectively.

15 (b) EXCEPTIONS.—

16 (1) OTHER AGENCIES.—Subsection (a) does not
17 apply in the case of a provision of this title that is
18 expressly required to be carried out by an agency (as
19 defined in section 551 of title 5, United States
20 Code) other than the Commission.

21 (2) NTIA REGULATIONS.—The Assistant Sec-
22 retary may promulgate such regulations as are nec-
23 essary to implement and enforce any provision of
24 this title that is expressly required to be carried out
25 by the Assistant Secretary.

1 **SEC. 4005. NATIONAL SECURITY RESTRICTIONS ON USE OF**
 2 **FUNDS AND AUCTION PARTICIPATION.**

3 (a) USE OF FUNDS.—No funds made available by
 4 section 4102 or subtitle B may be used to make payments
 5 under a contract to a person described in subsection (c).

6 (b) AUCTION PARTICIPATION.—A person described in
 7 subsection (c) may not participate in a system of competi-
 8 tive bidding under section 309(j) of the Communications
 9 Act of 1934 (47 U.S.C. 309(j))—

10 (1) that is required to be conducted by this
 11 title; or

12 (2) in which any spectrum usage rights for
 13 which licenses are being assigned were made avail-
 14 able under clause (i) of subparagraph (G) of para-
 15 graph (8) of such section, as added by section 4103.

16 (c) PERSON DESCRIBED.—A person described in this
 17 subsection is a person who has been, for reasons of na-
 18 tional security, barred by any agency of the Federal Gov-
 19 ernment from bidding on a contract, participating in an
 20 auction, or receiving a grant.

21 **Subtitle A—Spectrum Auction**
 22 **Authority**

23 **SEC. 4101. DEADLINES FOR AUCTION OF CERTAIN SPEC-**
 24 **TRUM.**

25 (a) CLEARING CERTAIN FEDERAL SPECTRUM.—

26 (1) IN GENERAL.—The President shall—

1 (A) not later than 3 years after the date
2 of the enactment of this Act, begin the process
3 of withdrawing or modifying the assignment to
4 a Federal Government station of the electro-
5 magnetic spectrum described in paragraph (2);
6 and

7 (B) not later than 30 days after com-
8 pleting the withdrawal or modification, notify
9 the Commission that the withdrawal or modi-
10 fication is complete.

11 (2) SPECTRUM DESCRIBED.—The electro-
12 magnetic spectrum described in this paragraph is
13 the following:

14 (A) The frequencies between 1755 mega-
15 hertz and 1780 megahertz, except that if—

16 (i) the Secretary of Commerce—

17 (I) determines that such fre-
18 quencies cannot be reallocated for
19 non-Federal use because incumbent
20 Federal operations cannot be elimi-
21 nated, relocated to other spectrum, or
22 accommodated through other means;

23 (II) identifies other spectrum for
24 reallocation for non-Federal use that
25 the Secretary of Commerce deter-

1 mines can reasonably be expected to
2 produce a comparable amount of net
3 auction proceeds; and

4 (III) submits to the Committee
5 on Commerce, Science, and Transpor-
6 tation of the Senate and the Com-
7 mittee on Energy and Commerce of
8 the House of Representatives a report
9 that identifies such spectrum and ex-
10 plains the determinations under sub-
11 clauses (I) and (II); and

12 (ii) not later than 1 year after the
13 date of the submission of such report,
14 there is enacted a law approving the sub-
15 stitution of the spectrum identified under
16 clause (i)(II) for the frequencies between
17 1755 megahertz and 1780 megahertz;

18 the spectrum described in this subparagraph
19 shall be the spectrum identified under such
20 clause.

21 (B) The 15 megahertz of spectrum be-
22 tween 1675 megahertz and 1710 megahertz
23 identified under paragraph (3).

24 (C) The frequencies between 3550 mega-
25 hertz and 3650 megahertz, except for the geo-

1 graphic exclusion zones (as such zones may be
2 amended) identified in the report of the NTIA
3 published in October 2010 and entitled “An As-
4 sessment of Near-Term Viability of Accommo-
5 dating Wireless Broadband Systems in 1675–
6 1710 MHz, 1755–1780 MHz, 3500–3650 MHz,
7 and 4200–4220 MHz, 4380–4400 MHz
8 Bands”.

9 (3) IDENTIFICATION BY SECRETARY OF COM-
10 MERCE.—Not later than 1 year after the date of the
11 enactment of this Act, the Secretary of Commerce
12 shall submit to the President a report identifying 15
13 megahertz of spectrum between 1675 megahertz and
14 1710 megahertz for reallocation from Federal use to
15 non-Federal use.

16 (b) REALLOCATION AND AUCTION.—

17 (1) IN GENERAL.—Notwithstanding paragraph
18 (15)(A) of section 309(j) of the Communications Act
19 of 1934 (47 U.S.C. 309(j)), not later than 3 years
20 after the date of the enactment of this Act, the
21 Commission shall, except as provided in paragraph
22 (4)—

23 (A) allocate the spectrum described in
24 paragraph (2) for commercial use; and

1 (B) through a system of competitive bid-
2 ding under such section, grant new initial li-
3 censes for the use of such spectrum, subject to
4 flexible-use service rules.

5 (2) SPECTRUM DESCRIBED.—The spectrum de-
6 scribed in this paragraph is the following:

7 (A) The frequencies between 1915 mega-
8 hertz and 1920 megahertz, paired with the fre-
9 quencies between 1995 megahertz and 2000
10 megahertz.

11 (B) The frequencies described in sub-
12 section (a)(2)(A).

13 (C) The frequencies between 2155 mega-
14 hertz and 2180 megahertz.

15 (D) The 15 megahertz of spectrum identi-
16 fied under subsection (a)(3), paired with 15
17 megahertz of contiguous spectrum to be identi-
18 fied by the Commission.

19 (E) The frequencies described in sub-
20 section (a)(2)(C).

21 (3) PROCEEDS TO COVER 110 PERCENT OF FED-
22 ERAL RELOCATION OR SHARING COSTS.—Nothing in
23 paragraph (1) shall be construed to relieve the Com-
24 mission from the requirements of section

1 309(j)(16)(B) of the Communications Act of 1934
2 (47 U.S.C. 309(j)(16)(B)).

3 (4) DETERMINATION BY COMMISSION.—If the
4 Commission determines that either band of fre-
5 quencies described in paragraph (2)(A) cannot be
6 used without causing harmful interference to com-
7 mercial mobile service licensees in the frequencies
8 between 1930 megahertz and 1995 megahertz, the
9 Commission may not—

10 (A) allocate for commercial use under
11 paragraph (1)(A) either band described in para-
12 graph (2)(A); or

13 (B) grant licenses under paragraph (1)(B)
14 for the use of either band described in para-
15 graph (2)(A).

16 (c) AUCTION PROCEEDS.—Section 309(j)(8) of the
17 Communications Act of 1934 (47 U.S.C. 309(j)(8)) is
18 amended—

19 (1) in subparagraph (A), by striking “(D), and
20 (E),” and inserting “(D), (E), (F), and (G),”;

21 (2) in subparagraph (C)(i), by striking “sub-
22 paragraph (E)(ii)” and inserting “subparagraphs
23 (D)(ii), (E)(ii), (F), and (G)”;

24 (3) in subparagraph (D)—

1 (A) by striking the heading and inserting
2 “PROCEEDS FROM REALLOCATED FEDERAL
3 SPECTRUM”;

4 (B) by striking “Cash” and inserting the
5 following:

6 “(i) IN GENERAL.—Except as pro-
7 vided in clause (ii), cash”; and

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

9 “(ii) CERTAIN OTHER PROCEEDS.—
10 Notwithstanding subparagraph (A) and ex-
11 cept as provided in subparagraph (B), in
12 the case of proceeds (including deposits
13 and upfront payments from successful bid-
14 ders) attributable to the auction of eligible
15 frequencies described in paragraph (2) of
16 section 113(g) of the National Tele-
17 communications and Information Adminis-
18 tration Organization Act that are required
19 to be auctioned by section 4101(b)(1)(B)
20 of the Jumpstarting Opportunity with
21 Broadband Spectrum Act of 2011, such
22 portion of such proceeds as is necessary to
23 cover the relocation or sharing costs (as
24 defined in paragraph (3) of such section
25 113(g)) of Federal entities relocated from

1 such eligible frequencies shall be deposited
2 in the Spectrum Relocation Fund. The re-
3 mainder of such proceeds shall be depos-
4 ited in the Public Safety Trust Fund es-
5 tablished by section 4241(a)(1) of the
6 Jumpstarting Opportunity with Broadband
7 Spectrum Act of 2011.”; and

8 (4) by adding at the end the following:

9 “(F) CERTAIN PROCEEDS DESIGNATED
10 FOR PUBLIC SAFETY TRUST FUND.—Notwith-
11 standing subparagraph (A) and except as pro-
12 vided in subparagraphs (B) and (D)(ii), the
13 proceeds (including deposits and upfront pay-
14 ments from successful bidders) from the use of
15 a system of competitive bidding under this sub-
16 section pursuant to section 4101(b)(1)(B) of
17 the Jumpstarting Opportunity with Broadband
18 Spectrum Act of 2011 shall be deposited in the
19 Public Safety Trust Fund established by section
20 4241(a)(1) of such Act.”.

21 **SEC. 4102. 700 MHZ PUBLIC SAFETY NARROWBAND SPEC-**
22 **TRUM AND GUARD BAND SPECTRUM.**

23 (a) REALLOCATION AND AUCTION.—

24 (1) IN GENERAL.—On the date that is 5 years
25 after a certification by the Administrator to the

1 Commission of the availability of standards for pub-
2 lic safety voice over broadband, the Commission
3 shall, notwithstanding paragraph (15)(A) of section
4 309(j) of the Communications Act of 1934 (47
5 U.S.C. 309(j))—

6 (A) reallocate the 700 MHz public safety
7 narrowband spectrum and the 700 MHz public
8 safety guard band spectrum for commercial use;
9 and

10 (B) begin a system of competitive bidding
11 under such section to grant new initial licenses
12 for the use of such spectrum.

13 (2) AUCTION PROCEEDS.—Notwithstanding
14 subparagraphs (A) and (C)(i) of paragraph (8) of
15 such section, not more than \$1,000,000,000 of the
16 proceeds (including deposits and upfront payments
17 from successful bidders) from the use of a system of
18 competitive bidding pursuant to paragraph (1)(B)
19 shall be available to the Assistant Secretary to carry
20 out subsection (b) and shall remain available until
21 expended.

22 (b) GRANTS FOR PUBLIC SAFETY RADIO EQUIP-
23 MENT.—

24 (1) IN GENERAL.—From amounts made avail-
25 able under subsection (a)(2), the Assistant Secretary

1 shall make grants to States for the acquisition of
2 public safety radio equipment.

3 (2) APPLICATION.—The Assistant Secretary
4 may only make a grant under this subsection to a
5 State that submits an application at such time, in
6 such form, and containing such information and as-
7 surances as the Assistant Secretary may require.

8 (3) QUARTERLY REPORTS.—

9 (A) FROM GRANTEES TO NTIA.—A State
10 receiving grant funds under this subsection
11 shall, not later than 3 months after receiving
12 such funds and not less frequently than quar-
13 terly thereafter until the date that is 1 year
14 after all such funds have been expended, submit
15 to the Assistant Secretary a report on the use
16 of grant funds by such State.

17 (B) FROM NTIA TO CONGRESS.—Not later
18 than 6 months after making the first grant
19 under this subsection and not less frequently
20 than quarterly thereafter until the date that is
21 18 months after all such funds have been ex-
22 pended by the grantees, the Assistant Secretary
23 shall submit to the Committee on Commerce,
24 Science, and Transportation of the Senate and

1 the Committee on Energy and Commerce of the
2 House of Representatives a report that—

3 (i) summarizes the reports submitted
4 by grantees under subparagraph (A); and

5 (ii) describes and evaluates the use of
6 grant funds disbursed under this sub-
7 section.

8 (c) CONFORMING AMENDMENTS.—Section 337(a) of
9 the Communications Act of 1934 (47 U.S.C. 337(a)) is
10 amended—

11 (1) in the matter preceding paragraph (1)—

12 (A) by striking “Not later than January 1,
13 1998, the” and inserting “The”; and

14 (B) by inserting “for either public safety
15 services or commercial use,” after “inclusive,”;

16 (2) in paragraph (1)—

17 (A) by striking “24 megahertz” and insert-
18 ing “Not more than 34 megahertz”; and

19 (B) by striking “, in consultation with the
20 Secretary of Commerce and the Attorney Gen-
21 eral; and” and inserting a period; and

22 (3) in paragraph (2), by striking “36 mega-
23 hertz” and inserting “Not more than 40 mega-
24 hertz”.

1 **SEC. 4103. GENERAL AUTHORITY FOR INCENTIVE AUC-**
2 **TIONS.**

3 Section 309(j)(8) of the Communications Act of
4 1934, as amended by section 4101(c), is further amended
5 by adding at the end the following:

6 “(G) INCENTIVE AUCTIONS.—

7 “(i) IN GENERAL.—Notwithstanding
8 subparagraph (A) and except as provided
9 in subparagraph (B), the Commission may
10 encourage a licensee to relinquish volun-
11 tarily some or all of its licensed spectrum
12 usage rights in order to permit the assign-
13 ment of new initial licenses subject to flexi-
14 ble-use service rules by sharing with such
15 licensee a portion, based on the value of
16 the relinquished rights as determined in
17 the reverse auction required by clause
18 (ii)(I), of the proceeds (including deposits
19 and upfront payments from successful bid-
20 ders) from the use of a competitive bidding
21 system under this subsection.

22 “(ii) LIMITATIONS.—The Commission
23 may not enter into an agreement for a li-
24 censee to relinquish spectrum usage rights
25 in exchange for a share of auction proceeds
26 under clause (i) unless—

1 “(I) the Commission conducts a
2 reverse auction to determine the
3 amount of compensation that licensees
4 would accept in return for voluntarily
5 relinquishing spectrum usage rights;
6 and

7 “(II) at least two competing li-
8 censees participate in the reverse auc-
9 tion.

10 “(iii) TREATMENT OF REVENUES.—
11 Notwithstanding subparagraph (A) and ex-
12 cept as provided in subparagraph (B), the
13 proceeds (including deposits and upfront
14 payments from successful bidders) from
15 any auction, prior to the end of fiscal year
16 2021, of spectrum usage rights made avail-
17 able under clause (i) that are not shared
18 with licensees under such clause shall be
19 deposited as follows:

20 “(I) \$3,000,000,000 of the pro-
21 ceeds from the incentive auction of
22 broadcast television spectrum required
23 by section 4104 of the Jumpstarting
24 Opportunity with Broadband Spec-
25 trum Act of 2011 shall be deposited

1 in the TV Broadcaster Relocation
2 Fund established by subsection (d)(1)
3 of such section.

4 “(II) All other proceeds shall be
5 deposited—

6 “(aa) prior to the end of fis-
7 cal year 2021, in the Public Safe-
8 ty Trust Fund established by sec-
9 tion 4241(a)(1) of such Act; and

10 “(bb) after the end of fiscal
11 year 2021, in the general fund of
12 the Treasury, where such pro-
13 ceeds shall be dedicated for the
14 sole purpose of deficit reduction.

15 “(iv) CONGRESSIONAL NOTIFICA-
16 TION.—At least 3 months before any in-
17 centive auction conducted under this sub-
18 paragraph, the Chairman of the Commis-
19 sion, in consultation with the Director of
20 the Office of Management and Budget,
21 shall notify the appropriate committees of
22 Congress of the methodology for calcu-
23 lating the amounts that will be shared with
24 licensees under clause (i).

1 “(v) DEFINITION.—In this subpara-
2 graph, the term ‘appropriate committees of
3 Congress’ means—

4 “(I) the Committee on Com-
5 merce, Science, and Transportation of
6 the Senate;

7 “(II) the Committee on Appro-
8 priations of the Senate;

9 “(III) the Committee on Energy
10 and Commerce of the House of Rep-
11 resentatives; and

12 “(IV) the Committee on Appro-
13 priations of the House of Representa-
14 tives.”.

15 **SEC. 4104. SPECIAL REQUIREMENTS FOR INCENTIVE AUC-**
16 **TION OF BROADCAST TV SPECTRUM.**

17 (a) REVERSE AUCTION TO IDENTIFY INCENTIVE
18 AMOUNT.—

19 (1) IN GENERAL.—The Commission shall con-
20 duct a reverse auction to determine the amount of
21 compensation that each broadcast television licensee
22 would accept in return for voluntarily relinquishing
23 some or all of its broadcast television spectrum
24 usage rights in order to make spectrum available for
25 assignment through a system of competitive bidding

1 under subparagraph (G) of section 309(j)(8) of the
2 Communications Act of 1934, as added by section
3 4103.

4 (2) ELIGIBLE RELINQUISHMENTS.—A relin-
5 quishment of usage rights for purposes of paragraph
6 (1) shall include the following:

7 (A) Relinquishing all usage rights with re-
8 spect to a particular television channel without
9 receiving in return any usage rights with re-
10 spect to another television channel.

11 (B) Relinquishing all usage rights with re-
12 spect to an ultra high frequency television chan-
13 nel in return for receiving usage rights with re-
14 spect to a very high frequency television chan-
15 nel.

16 (C) Relinquishing usage rights in order to
17 share a television channel with another licensee.

18 (3) CONFIDENTIALITY.—The Commission shall
19 take all reasonable steps necessary to protect the
20 confidentiality of Commission-held data of a licensee
21 participating in the reverse auction under paragraph
22 (1), including withholding the identity of such li-
23 censee until the reassignments and reallocations (if
24 any) under subsection (b)(1)(B) become effective, as
25 described in subsection (f)(2).

1 (4) PROTECTION OF CARRIAGE RIGHTS OF LI-
2 CENSEES SHARING A CHANNEL.—A broadcast tele-
3 vision station that voluntarily relinquishes spectrum
4 usage rights under this subsection in order to share
5 a television channel and that possessed carriage
6 rights under section 338, 614, or 615 of the Com-
7 munications Act of 1934 (47 U.S.C. 338; 534; 535)
8 on November 30, 2010, shall have, at its shared lo-
9 cation, the carriage rights under such section that
10 would apply to such station at such location if it
11 were not sharing a channel.

12 (b) REORGANIZATION OF BROADCAST TV SPEC-
13 TRUM.—

14 (1) IN GENERAL.—For purposes of making
15 available spectrum to carry out the forward auction
16 under subsection (c)(1), the Commission—

17 (A) shall evaluate the broadcast television
18 spectrum (including spectrum made available
19 through the reverse auction under subsection
20 (a)(1)); and

21 (B) may, subject to international coordina-
22 tion along the border with Mexico and Can-
23 ada—

1 (i) make such reassignments of tele-
2 vision channels as the Commission con-
3 siders appropriate; and

4 (ii) reallocate such portions of such
5 spectrum as the Commission determines
6 are available for reallocation.

7 (2) FACTORS FOR CONSIDERATION.—In making
8 any reassignments or reallocations under paragraph
9 (1)(B), the Commission shall make all reasonable ef-
10 forts to preserve, as of the date of the enactment of
11 this Act, the coverage area and population served of
12 each broadcast television licensee, as determined
13 using the methodology described in OET Bulletin 69
14 of the Office of Engineering and Technology of the
15 Commission.

16 (3) NO INVOLUNTARY RELOCATION FROM UHF
17 TO VHF.—In making any reassignments under para-
18 graph (1)(B)(i), the Commission may not involun-
19 tarily reassign a broadcast television licensee—

20 (A) from an ultra high frequency television
21 channel to a very high frequency television
22 channel; or

23 (B) from a television channel between the
24 frequencies from 174 megahertz to 216 mega-

hertz 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);

1 (II) voluntarily relinquishes spec-
2 trum usage rights under subsection
3 (a) with respect to an ultra high fre-
4 quency television channel in return for
5 receiving usage rights with respect to
6 a very high frequency television chan-
7 nel; or

8 (III) voluntarily relinquishes
9 spectrum usage rights under sub-
10 section (a) to share a television chan-
11 nel with another licensee.

12 (B) REGULATORY RELIEF.—In lieu of re-
13 imbursement for relocation costs under sub-
14 paragraph (A), a broadcast television licensee
15 may accept, and the Commission may grant as
16 it considers appropriate, a waiver of the service
17 rules of the Commission to permit the licensee,
18 subject to interference protections, to make
19 flexible use of the spectrum assigned to the li-
20 censee to provide services other than broadcast
21 television services. Such waiver shall only re-
22 main in effect while the licensee provides at
23 least 1 broadcast television program stream on
24 such spectrum at no charge to the public.

1 (C) LIMITATION.—The Commission may
2 not make reimbursements under subparagraph
3 (A) for lost revenues.

4 (D) DEADLINE.—The Commission shall
5 make all reimbursements required by subpara-
6 graph (A) not later than the date that is 3
7 years after the completion of the forward auc-
8 tion under subsection (c)(1).

9 (5) LOW-POWER TELEVISION USAGE RIGHTS.—
10 Nothing in this subsection shall be construed to alter
11 the spectrum usage rights of low-power television
12 stations.

13 (c) FORWARD AUCTION.—

14 (1) AUCTION REQUIRED.—The Commission
15 shall conduct a forward auction in which—

16 (A) the Commission assigns licenses for
17 the use of the spectrum that the Commission
18 reallocates under subsection (b)(1)(B)(ii); and

19 (B) the amount of the proceeds that the
20 Commission shares under clause (i) of section
21 309(j)(8)(G) of the Communications Act of
22 1934 with each licensee whose bid the Commis-
23 sion accepts in the reverse auction under sub-
24 section (a)(1) is not less than the amount of
25 such bid.

1 (2) MINIMUM PROCEEDS.—

2 (A) IN GENERAL.—If the amount of the
3 proceeds from the forward auction under para-
4 graph (1) is not greater than the sum described
5 in subparagraph (B), no licenses shall be as-
6 signed through such forward auction, no re-
7 assignments or reallocations under subsection
8 (b)(1)(B) shall become effective, and the Com-
9 mission may not revoke any spectrum usage
10 rights by reason of a bid that the Commission
11 accepts in the reverse auction under subsection
12 (a)(1).

13 (B) SUM DESCRIBED.—The sum described
14 in this subparagraph is the sum of—

15 (i) the total amount of compensation
16 that the Commission must pay successful
17 bidders in the reverse auction under sub-
18 section (a)(1);

19 (ii) the costs of conducting such for-
20 ward auction that the salaries and ex-
21 penses account of the Commission is re-
22 quired to retain under section 309(j)(8)(B)
23 of the Communications Act of 1934 (47
24 U.S.C. 309(j)(8)(B)); and

1 (iii) the estimated costs for which the
2 Commission is required to make reim-
3 bursements under subsection (b)(4)(A).

4 (C) ADMINISTRATIVE COSTS.—The amount
5 of the proceeds from the forward auction under
6 paragraph (1) that the salaries and expenses
7 account of the Commission is required to retain
8 under section 309(j)(8)(B) of the Communica-
9 tions Act of 1934 (47 U.S.C. 309(j)(8)(B))
10 shall be sufficient to cover the costs incurred by
11 the Commission in conducting the reverse auc-
12 tion under subsection (a)(1), conducting the
13 evaluation of the broadcast television spectrum
14 under subparagraph (A) of subsection (b)(1),
15 and making any reassignments or reallocations
16 under subparagraph (B) of such subsection, in
17 addition to the costs incurred by the Commis-
18 sion in conducting such forward auction.

19 (3) FACTOR FOR CONSIDERATION.—In con-
20 ducting the forward auction under paragraph (1),
21 the Commission shall consider assigning licenses
22 that cover geographic areas of a variety of different
23 sizes.

24 (d) TV BROADCASTER RELOCATION FUND.—

1 (1) ESTABLISHMENT.—There is established in
2 the Treasury of the United States a fund to be
3 known as the TV Broadcaster Relocation Fund.

4 (2) PAYMENT OF RELOCATION COSTS.—Any
5 amounts borrowed under paragraph (3)(A) and any
6 amounts in the TV Broadcaster Relocation Fund
7 that are not necessary for reimbursement of the gen-
8 eral fund of the Treasury for such borrowed
9 amounts shall be available to the Commission to
10 make the payments required by subsection (b)(4)(A).

11 (3) BORROWING AUTHORITY.—

12 (A) IN GENERAL.—Beginning on the date
13 when any reassignments or reallocations under
14 subsection (b)(1)(B) become effective, as pro-
15 vided in subsection (f)(2), and ending when
16 \$1,000,000,000 has been deposited in the TV
17 Broadcaster Relocation Fund, the Commission
18 may borrow from the Treasury of the United
19 States an amount not to exceed \$1,000,000,000
20 to use toward the payments required by sub-
21 section (b)(4)(A).

22 (B) REIMBURSEMENT.—The Commission
23 shall reimburse the general fund of the Treas-
24 ury, without interest, for any amounts borrowed

1 under subparagraph (A) as funds are deposited
2 into the TV Broadcaster Relocation Fund.

3 (4) TRANSFER OF UNUSED FUNDS.—If any
4 amounts remain in the TV Broadcaster Relocation
5 Fund after the date that is 3 years after the comple-
6 tion of the forward auction under subsection (c)(1),
7 the Secretary of the Treasury shall—

8 (A) prior to the end of fiscal year 2021,
9 transfer such amounts to the Public Safety
10 Trust Fund established by section 4241(a)(1);
11 and

12 (B) after the end of fiscal year 2021,
13 transfer such amounts to the general fund of
14 the Treasury, where such amounts shall be
15 dedicated for the sole purpose of deficit reduc-
16 tion.

17 (e) NUMERICAL LIMITATION ON AUCTIONS AND RE-
18 ORGANIZATION.—The Commission may not complete more
19 than one reverse auction under subsection (a)(1) or more
20 than one reorganization of the broadcast television spec-
21 trum under subsection (b).

22 (f) TIMING.—

23 (1) CONTEMPORANEOUS AUCTIONS AND REOR-
24 GANIZATION PERMITTED.—The Commission may
25 conduct the reverse auction under subsection (a)(1),

1 any reassignments or reallocations under subsection
2 (b)(1)(B), and the forward auction under subsection
3 (c)(1) on a contemporaneous basis.

4 (2) EFFECTIVENESS OF REASSIGNMENTS AND
5 REALLOCATIONS.—Notwithstanding paragraph (1),
6 no reassignments or reallocations under subsection
7 (b)(1)(B) shall become effective until the completion
8 of the reverse auction under subsection (a)(1) and
9 the forward auction under subsection (c)(1), and, to
10 the extent practicable, all such reassignments and
11 reallocations shall become effective simultaneously.

12 (3) DEADLINE.—The Commission may not con-
13 duct the reverse auction under subsection (a)(1) or
14 the forward auction under subsection (c)(1) after the
15 end of fiscal year 2021.

16 (4) LIMIT ON DISCRETION REGARDING AUCTION
17 TIMING.—Section 309(j)(15)(A) of the Communica-
18 tions Act of 1934 (47 U.S.C. 309(j)(15)(A)) shall
19 not apply in the case of an auction conducted under
20 this section.

21 (g) LIMITATION ON REORGANIZATION AUTHORITY.—

22 (1) IN GENERAL.—During the period described
23 in paragraph (2), the Commission may not—

24 (A) involuntarily modify the spectrum
25 usage rights of a broadcast television licensee or

1 reassign such a licensee to another television
2 channel except—

3 (i) in accordance with this section; or

4 (ii) in the case of a violation by such
5 licensee of the terms of its license or a spe-
6 cific provision of a statute administered by
7 the Commission, or a regulation of the
8 Commission promulgated under any such
9 provision; or

10 (B) reassign a broadcast television licensee
11 from a very high frequency television channel to
12 an ultra high frequency television channel, un-
13 less such a reassignment will not decrease the
14 total amount of ultra high frequency spectrum
15 made available for reallocation under this sec-
16 tion.

17 (2) PERIOD DESCRIBED.—The period described
18 in this paragraph is the period beginning on the date
19 of the enactment of this Act and ending on the ear-
20 liest of—

21 (A) the first date when the reverse auction
22 under subsection (a)(1), the reassignments and
23 reallocations (if any) under subsection
24 (b)(1)(B), and the forward auction under sub-
25 section (c)(1) have been completed;

1 (B) the date of a determination by the
2 Commission that the amount of the proceeds
3 from the forward auction under subsection
4 (c)(1) is not greater than the sum described in
5 subsection (c)(2)(B); or

6 (C) September 30, 2021.

7 (h) PROTEST RIGHT INAPPLICABLE.—The right of a
8 licensee to protest a proposed order of modification of its
9 license under section 316 of the Communications Act of
10 1934 (47 U.S.C. 316) shall not apply in the case of a
11 modification made under this section.

12 (i) COMMISSION AUTHORITY.—Nothing in subsection
13 (b) shall be construed to—

14 (1) expand or contract the authority of the
15 Commission, except as otherwise expressly provided;
16 or

17 (2) prevent the implementation of the Commis-
18 sion’s “White Spaces” Second Report and Order and
19 Memorandum Opinion and Order (FCC 08–260,
20 adopted November 4, 2008) in the spectrum that re-
21 mains allocated for broadcast television use after the
22 reorganization required by such subsection.

1 **SEC. 4105. ADMINISTRATION OF AUCTIONS BY COMMIS-**
2 **SION.**

3 Section 309(j) of the Communications Act of 1934
4 (47 U.S.C. 309(j)) is amended by adding at the end the
5 following new paragraphs:

6 “(17) CERTAIN CONDITIONS ON AUCTION PAR-
7 TICIPATION PROHIBITED.—Notwithstanding any
8 other provision of law, the Commission may not pre-
9 vent a person from participating in a system of com-
10 petitive bidding under this subsection if such per-
11 son—

12 “(A) meets the technical, financial, and
13 character qualifications required by sections
14 303(l)(1), 308(b), and 310 to hold a license; or

15 “(B) could meet such qualifications prior
16 to the grant of the license.

17 “(18) CERTAIN LICENSING CONDITIONS PRO-
18 HIBITED.—In assigning licenses through a system of
19 competitive bidding under this subsection, the Com-
20 mission may not impose any condition on the li-
21 censes assigned through such system that—

22 “(A) limits the ability of a licensee to man-
23 age the use of its network, including manage-
24 ment of the use of applications, services, or de-
25 vices on its network, or to prioritize the traffic
26 on its network as it chooses; or

1 “(B) requires a licensee to sell access to its
2 network on a wholesale basis.”.

3 **SEC. 4106. EXTENSION OF AUCTION AUTHORITY.**

4 Section 309(j)(11) of the Communications Act of
5 1934 (47 U.S.C. 309(j)(11)) is amended by striking
6 “2012” and inserting “2021”.

7 **SEC. 4107. UNLICENSED USE IN THE 5 GHZ BAND.**

8 (a) MODIFICATION OF COMMISSION REGULATIONS
9 TO ALLOW CERTAIN UNLICENSED USE.—

10 (1) IN GENERAL.—Subject to paragraph (2),
11 not later than 1 year after the date of the enactment
12 of this Act, the Commission shall begin a proceeding
13 to modify part 15 of title 47, Code of Federal Regu-
14 lations, to allow unlicensed U–NII devices to operate
15 in the 5350–5470 MHz band.

16 (2) REQUIRED DETERMINATIONS.—The Com-
17 mission may make the modification described in
18 paragraph (1) only if the Commission determines
19 that—

20 (A) licensed users will be protected by
21 technical solutions, including use of existing,
22 modified, or new spectrum-sharing technologies
23 and solutions, such as dynamic frequency selec-
24 tion; and

1 (B) the primary mission of Federal spec-
2 trum users in the 5350–5470 MHz band will
3 not be compromised by the introduction of unli-
4 censed devices.

5 (b) STUDY BY NTIA.—

6 (1) IN GENERAL.—The Assistant Secretary, in
7 consultation with the Commission, shall conduct a
8 study evaluating known and proposed spectrum-
9 sharing technologies and the risk to Federal users if
10 unlicensed U–NII devices were allowed to operate in
11 the 5350–5470 MHz band.

12 (2) SUBMISSION.—Not later than 8 months
13 after the date of the enactment of this Act, the As-
14 sistant Secretary shall submit the study required by
15 paragraph (1) to—

16 (A) the Commission; and

17 (B) the Committee on Energy and Com-
18 merce of the House of Representatives and the
19 Committee on Commerce, Science, and Trans-
20 portation of the Senate.

21 (c) 5350–5470 MHz BAND DEFINED.—In this sec-
22 tion, the term “5350–5470 MHz band” means the portion
23 of the electromagnetic spectrum between the frequencies
24 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-

1 cense that the Administrator is seeking to renew, the
2 Administrator has fulfilled its duties and obligations
3 under this title and the Communications Act of
4 1934 and has complied with all applicable Commis-
5 sion regulations. A renewal of the initial license
6 granted under subsection (a) or any renewal of such
7 license shall be for a term not to exceed 10 years.

8 (3) USE OF SPECTRUM.—Except as provided in
9 section 4221(d), the license assigned under sub-
10 section (a) and any renewal of such license shall pro-
11 hibit the Administrator from using the public safety
12 broadband spectrum or the 700 MHz D block spec-
13 trum for any purpose other than authorizing the op-
14 eration of State public safety broadband communica-
15 tions networks in accordance with the National Pub-
16 lic Safety Communications Plan.

17 (4) LIMITATION ON LICENSE CONDITIONS.—
18 The Commission may not place any conditions on
19 the license assigned under subsection (a) or any re-
20 newal of such license or, with respect to the spec-
21 trum governed by such license, otherwise prohibit
22 any action of the Administrator, a State Public
23 Safety Broadband Office, or an entity with which
24 such an Office has entered into a contract under
25 section 4221(b)(1)(D), except as necessary to—

1 (A) protect other users from harmful inter-
2 ference;

3 (B) ensure that such spectrum is used in
4 accordance with the National Public Safety
5 Communications Plan; or

6 (C) enforce a provision of this title or the
7 Communications Act of 1934 (47 U.S.C. 151 et
8 seq.) that governs the use of such spectrum.

9 (5) LICENSE CONDITIONED ON SERVICE AS AD-
10 MINISTRATOR.—If an entity ceases to serve as Ad-
11 ministrator, the Commission shall, as soon as prac-
12 ticable after the Assistant Secretary selects a dif-
13 ferent entity to serve as Administrator under section
14 4203(a)(2), transfer to such different entity the li-
15 cense assigned under subsection (a) or any renewal
16 of such license.

17 (c) ELIMINATION OF D BLOCK AUCTION REQUIRE-
18 MENT.—Notwithstanding section 309(j)(15)(C)(v) of the
19 Communications Act of 1934 (47 U.S.C.
20 309(j)(15)(C)(v)), the Commission may not assign a li-
21 cense for the use of the 700 MHz D block spectrum except
22 under subsection (a).

23 (d) DEFINITION OF PUBLIC SAFETY SERVICES.—
24 Section 337(f)(1) of the Communications Act of 1934 (47
25 U.S.C. 337(f)(1)) is amended—

1 (1) in subparagraph (A), by striking “to protect
2 the safety of life, health, or property” and inserting
3 “to provide law enforcement, fire and rescue re-
4 sponse, or emergency medical assistance (including
5 such assistance provided by ambulance services, hos-
6 pitals, and urgent care facilities)”;

7 (2) in subparagraph (B)—

8 (A) in clause (i), by inserting “or tribal or-
9 ganizations (as defined in section 4 of the In-
10 dian Self-Determination and Education Assist-
11 ance Act (25 U.S.C. 450b))” before the semi-
12 colon; and

13 (B) in clause (ii), by inserting “or a tribal
14 organization” after “a governmental entity”.

15 (e) CONFORMING AMENDMENTS.—Section 337(d)(3)
16 of the Communications Act of 1934 (47 U.S.C. 337(d)(3))
17 is amended—

18 (1) in the matter preceding subparagraph (A),
19 by striking “public safety services licensees and com-
20 mercial licensees”;

21 (2) in subparagraph (A), by inserting “public
22 safety services licensees and commercial licensees”
23 before “to aggregate”; and

24 (3) in subparagraph (B), by inserting “commer-
25 cial licensees” before “to disaggregate”.

1 **SEC. 4202. NATIONAL PUBLIC SAFETY COMMUNICATIONS**

2 **PLAN.**

3 (a) ESTABLISHMENT OF PUBLIC SAFETY COMMU-
4 NICATIONS PLANNING BOARD.—

5 (1) IN GENERAL.—Not later than 180 days
6 after the date of the enactment of this Act, the
7 Commission shall establish a board to be known as
8 the Public Safety Communications Planning Board.

9 (2) MEMBERSHIP.—The membership of the
10 Board shall be as follows:

11 (A) FEDERAL MEMBERS.—

12 (i) IN GENERAL.—Four Federal mem-
13 bers as follows:

14 (I) The Chairman of the Com-
15 mission, or a designee.

16 (II) The Assistant Secretary, or
17 a designee.

18 (III) The Director of the Office
19 of Emergency Communications in the
20 Department of Homeland Security, or
21 a designee.

22 (IV) The Director of the Na-
23 tional Institute of Standards and
24 Technology, or a designee.

25 (ii) DESIGNEES.—If a Federal official
26 designates a designee under clause (i),

1 such designee shall be an officer or em-
2 ployee of the agency of the official who is
3 subordinate to the official, except that the
4 Chairman of the Commission may des-
5 ignate another Commissioner of the Com-
6 mission or an officer or employee of the
7 Commission.

8 (B) NON-FEDERAL MEMBERS.—Nine non-
9 Federal members as follows:

10 (i) Two members who represent pro-
11 viders of commercial mobile data service,
12 with one representing providers that have
13 nationwide coverage areas and one rep-
14 resenting providers that have regional cov-
15 erage areas.

16 (ii) Two members who represent man-
17 ufacturers of mobile wireless network
18 equipment.

19 (iii) Five members who represent the
20 interests of State and local governments,
21 chosen to reflect geographic and population
22 density differences across the United
23 States, as follows:

1 (I) Two members who represent
2 the public safety interests of the
3 States.

4 (II) One member who represents
5 State and local public safety employ-
6 ees.

7 (III) Two members who rep-
8 resent other interests of State and
9 local governments, to be determined
10 by the Chairman of the Commission.

11 (3) SELECTION OF NON-FEDERAL MEMBERS.—

12 (A) NOMINATION.—For each non-Federal
13 member of the Board, the group that is rep-
14 resented by such member shall, by consensus,
15 nominate an individual to serve as such member
16 and submit the name of the nominee to the
17 Chairman of the Commission.

18 (B) APPOINTMENT.—The Chairman of the
19 Commission shall appoint the non-Federal
20 members of the Board from the nominations
21 submitted under subparagraph (A). If a group
22 fails to reach consensus on a nominee or to sub-
23 mit a nomination for a member that represents
24 such group, or if the nominee is not qualified

1 under subparagraph (C), the Chairman shall se-
2 lect a member to represent such group.

3 (C) QUALIFICATIONS.—Each non-Federal
4 member appointed under subparagraph (B)
5 shall meet at least 1 of the following criteria:

6 (i) PUBLIC SAFETY EXPERIENCE.—
7 Knowledge of and experience in Federal,
8 State, local, or tribal public safety or emer-
9 gency response.

10 (ii) TECHNICAL EXPERTISE.—Tech-
11 nical expertise regarding broadband com-
12 munications, including public safety com-
13 munications.

14 (iii) NETWORK EXPERTISE.—Exper-
15 tise in building, deploying, and operating
16 commercial telecommunications networks.

17 (iv) FINANCIAL EXPERTISE.—Exper-
18 tise in financing and funding telecommuni-
19 cations networks.

20 (4) TERMS OF APPOINTMENT.—

21 (A) LENGTH.—

22 (i) FEDERAL MEMBERS.—The term of
23 office of each Federal member of the
24 Board shall be 3 years, except that such
25 term shall end when such member no

1 longer holds the Federal office by reason of
2 which such member is a member of the
3 Board (or, in the case of a designee, the
4 Federal official who designated such des-
5 ignee no longer holds the office by reason
6 of which such designation was made or the
7 designee is no longer an officer, employee,
8 or Commissioner as described in paragraph
9 (2)(A)(ii)).

10 (ii) NON-FEDERAL MEMBERS.—The
11 term of office of each non-Federal member
12 of the Board shall be 3 years.

13 (B) STAGGERED TERMS.—With respect to
14 the initial non-Federal members of the Board—

15 (i) three members shall serve for a
16 term of 3 years;

17 (ii) three members shall serve for a
18 term of 2 years; and

19 (iii) three members shall serve for a
20 term of 1 year.

21 (C) VACANCIES.—

22 (i) EFFECT OF VACANCIES.—A va-
23 cancy in the membership of the Board
24 shall not affect the Board's powers, subject
25 to paragraph (8), and shall be filled in the

1 same manner as the original member was
2 appointed.

3 (ii) APPOINTMENT TO FILL VA-
4 CANCY.—A member of the Board ap-
5 pointed to fill a vacancy occurring prior to
6 the expiration of the term for which that
7 member's predecessor was appointed shall
8 be appointed for the remainder of the
9 predecessor's term.

10 (iii) EXPIRATION OF TERM.—A non-
11 Federal member of the Board whose term
12 has expired may serve until such member's
13 successor has taken office, or until the end
14 of the calendar year in which such mem-
15 ber's term has expired, whichever is ear-
16 lier.

17 (5) CHAIR.—

18 (A) SELECTION.—The Chair of the Board
19 shall be selected by the Board from among the
20 members of the Board.

21 (B) TERM.—The term of office of the
22 Chair of the Board shall run from the date
23 when the Chair is selected until the date when
24 the term of the Chair as a member of the
25 Board expires.

1 (6) REMOVAL OF CHAIR AND NON-FEDERAL
2 MEMBERS.—

3 (A) BY BOARD.—The members of the
4 Board may, by majority vote—

5 (i) remove the Chair of the Board
6 from the position of Chair for conduct de-
7 termined to be detrimental to the Board;
8 or

9 (ii) remove from the Board any non-
10 Federal member of the Board for conduct
11 determined to be detrimental to the Board.

12 (B) BY CHAIRMAN OF THE COMMISSION.—
13 The Chairman of the Commission may, for
14 good cause—

15 (i) remove the Chair of the Board
16 from the position of Chair; or

17 (ii) remove from the Board any non-
18 Federal member of the Board.

19 (7) ANNUAL MEETINGS.—In addition to any
20 other meetings necessary to carry out the duties of
21 the Board under this section, the Board shall
22 meet—

23 (A) subject to the call of the Chair; and

1 (B) annually to consider the most recent
2 report submitted by the Administrator under
3 section 4203(f)(1).

4 (8) QUORUM.—Seven members of the Board,
5 including not fewer than 6 non-Federal members,
6 shall constitute a quorum.

7 (9) RESOURCES.—The Commission shall pro-
8 vide the Board with the staff, administrative sup-
9 port, and facilities necessary to carry out the duties
10 of the Board under this section.

11 (10) PROHIBITION AGAINST COMPENSATION.—
12 A member of the Board shall serve without pay but
13 shall be allowed a per diem allowance for travel ex-
14 penses, at rates authorized for an employee of an
15 agency under subchapter I of chapter 57 of title 5,
16 United States Code, while away from the home or
17 regular place of business of the member in the per-
18 formance of the duties of the Board. Compensation
19 of a Federal member of the Board for service in the
20 Federal office or employment by reason of which
21 such member is a member of the Board shall not be
22 considered compensation under this paragraph.

23 (11) FEDERAL ADVISORY COMMITTEE ACT IN-
24 APPLICABLE.—The Federal Advisory Committee Act
25 (5 U.S.C. App.) shall not apply to the Board.

1 (b) DEVELOPMENT OF PLAN BY BOARD.—

2 (1) IN GENERAL.—Not later than 1 year after
3 the date on which the Board is established under
4 subsection (a)(1), the Board shall submit to the
5 Commission a detailed proposal for a National Pub-
6 lic Safety Communications Plan to govern the use of
7 the spectrum licensed to the Administrator in order
8 to meet long-term public safety communications
9 needs.

10 (2) LIMITATION ON RECOMMENDATIONS.—The
11 Board may not make any recommendations for re-
12 quirements generally applicable to providers of com-
13 mercial mobile service or private mobile service (as
14 defined in section 332 of the Communications Act of
15 1934 (47 U.S.C. 332)).

16 (c) CONSIDERATION OF PLAN BY COMMISSION.—

17 (1) IN GENERAL.—Not later than 90 days after
18 the date of the submission of the proposal by the
19 Board under subsection (b)(1), the Commission shall
20 complete a single proceeding to—

21 (A) adopt such proposal, without modifica-
22 tion, as the National Public Safety Communica-
23 tions Plan; or

24 (B) reject such proposal.

1 (2) PROCEDURES IF PLAN REJECTED.—If the
2 Commission rejects such proposal under paragraph
3 (1)(B), the Board shall, not later than 90 days
4 thereafter, submit to the Commission a revised pro-
5 posal. Such revised proposal shall be treated as a
6 proposal submitted by the Board under subsection
7 (b)(1).

8 (3) REVISIONS TO PLAN.—

9 (A) SUBMISSION.—The Board shall peri-
10 odically submit to the Commission proposals for
11 revisions to the Plan.

12 (B) CONSIDERATION BY COMMISSION.—
13 Not later than 90 days after the submission of
14 such a proposal, the Commission shall complete
15 a single proceeding to—

16 (i) revise the Plan in accordance with
17 such proposal, without modification of the
18 proposal; or

19 (ii) reject such proposal.

20 (d) REQUIREMENTS FOR PLAN.—The Plan shall in-
21 clude the following requirements:

22 (1) DEPLOYMENT STANDARDS.—The Plan
23 shall—

24 (A) require each State public safety
25 broadband communications network to be inter-

1 connected and interoperable with all other such
2 networks;

3 (B) require each State public safety
4 broadband communications network to be based
5 on a network architecture that evolves with
6 technological advancements;

7 (C) require all State public safety
8 broadband communications networks to be
9 based on the same commercial standards;

10 (D) require each State public safety
11 broadband communications network to be de-
12 ployed as networks are typically deployed by
13 providers of commercial mobile data service;

14 (E) promote competition in the public safe-
15 ty equipment market by requiring equipment
16 for use on the State public safety broadband
17 communications networks to be—

18 (i) built to open, nonproprietary, com-
19 mercial standards;

20 (ii) capable of being used by any pro-
21 vider of public safety services and accessed
22 by devices manufactured by multiple ven-
23 dors; and

24 (iii) backward-compatible with prior
25 generations of commercial mobile service

1 and commercial mobile data service net-
2 works to the extent typically deployed by
3 providers of commercial mobile service and
4 commercial mobile data service; and

5 (F) require each State public safety
6 broadband communications network to be inte-
7 grated with public safety answering points, or
8 the equivalent of public safety answering points,
9 and with networks for the provision of Next
10 Generation 9–1–1 services.

11 (2) STATE-SPECIFIC REQUIREMENTS.—The
12 Plan shall require each State Public Safety
13 Broadband Office to include in requests for pro-
14 posals for the construction, management, mainte-
15 nance, and operation of the State public safety
16 broadband communications network of such State—

17 (A) specifications for the construction and
18 deployment of such network, including—

19 (i) build timetables, which shall take
20 into consideration the time needed to build
21 out to rural areas;

22 (ii) required coverage areas, including
23 rural and nonurban areas;

24 (iii) minimum service levels; and

25 (iv) specific performance criteria;

1 (B) the technical and operational require-
2 ments for such network;

3 (C) the practices, procedures, and stand-
4 ards for the management and operation of such
5 network;

6 (D) the terms of service for the use of such
7 network; and

8 (E) specifications for ongoing compliance
9 review and monitoring of—

10 (i) the construction, management,
11 maintenance, and operation of such net-
12 work;

13 (ii) the practices and procedures of
14 the entities operating on such network; and

15 (iii) the necessary training needs of
16 network users.

17 (e) DEVELOPMENT OF BASELINE REQUEST FOR
18 PROPOSALS.—

19 (1) DEVELOPMENT BY BOARD.—Not later than
20 1 year after the date on which the Board is estab-
21 lished under subsection (a)(1), the Board shall sub-
22 mit to the Commission a draft baseline request for
23 proposals for each State to use in developing its re-
24 quest for proposals for the construction, manage-

1 ment, maintenance, and operation of a State public
2 safety broadband communications network.

3 (2) CONSIDERATION BY COMMISSION.—

4 (A) IN GENERAL.—Not later than 90 days
5 after the date of the submission of the draft
6 baseline request for proposals by the Board
7 under paragraph (1), the Commission shall
8 complete a single proceeding to—

9 (i) adopt such draft, without modifica-
10 tion; or

11 (ii) reject such draft.

12 (B) PROCEDURES IF DRAFT REJECTED.—

13 If the Commission rejects such draft under sub-
14 paragraph (A)(ii), the Board shall, not later
15 than 60 days thereafter, submit to the Commis-
16 sion a revised draft baseline request for pro-
17 posals. Such revised draft shall be treated as a
18 draft submitted by the Board under paragraph
19 (1).

20 (3) REVISIONS.—

21 (A) SUBMISSION.—The Board shall peri-
22 odically submit to the Commission draft revi-
23 sions to the baseline request for proposals
24 adopted under paragraph (2)(A)(i).

1 (B) CONSIDERATION BY COMMISSION.—

2 Not later than 90 days after the submission of
3 such a draft revision, the Commission shall
4 complete a single proceeding to—

5 (i) revise the baseline request for pro-
6 posals in accordance with such draft revi-
7 sion, without modification of such draft re-
8 vision; or

9 (ii) reject such draft revision.

10 **SEC. 4203. PLAN ADMINISTRATION.**

11 (a) SELECTION OF ADMINISTRATOR.—

12 (1) IN GENERAL.—The Assistant Secretary
13 shall, through an open, transparent request-for-pro-
14 posals process, select an entity to serve as the Ad-
15 ministrator of the Plan. The Assistant Secretary
16 shall commence such process not later than 120
17 days after the date of the adoption of the Plan by
18 the Commission under section 4202(c)(1)(A).

19 (2) REPLACEMENT.—If an entity ceases to
20 serve as Administrator under a contract awarded
21 under paragraph (1) or this paragraph, the Assist-
22 ant Secretary shall, through an open, transparent
23 request-for-proposals process, select another entity
24 to serve as Administrator.

1 (b) POWERS AND DUTIES OF ADMINISTRATOR.—The
2 Administrator shall—

3 (1) review and coordinate the implementation of
4 the Plan and the construction, management, maintenance,
5 and operation of the State public safety
6 broadband communications networks, in accordance
7 with the Plan, under contracts entered into by the
8 State Public Safety Broadband Offices;

9 (2) transmit to each State Public Safety
10 Broadband Office the baseline request for proposals
11 adopted by the Commission under section
12 4202(e)(2)(A)(i) and any revisions to such baseline
13 request for proposals adopted by the Commission
14 under section 4202(e)(3)(B)(i);

15 (3) review and approve or disapprove, in accordance
16 with section 4221(c), each contract proposed by a State Public Safety Broadband Office for
17 the construction, management, maintenance, and operation
18 of a State public safety broadband communications network;
19
20

21 (4) give public notice of each decision to approve
22 or disapprove such a contract and of any other
23 decision of the Administrator with respect to such a
24 contract, a State Public Safety Broadband Office, or

1 a State public safety broadband communications
2 network;

3 (5) in consultation with State Public Safety
4 Broadband Offices, conduct assessments for inclu-
5 sion in the annual report required by subsection
6 (f)(1) of—

7 (A) progress on construction and adoption
8 of the State public safety broadband commu-
9 nications networks; and

10 (B) the management, maintenance, and
11 operation of such networks; and

12 (6) conduct such audits as are necessary to en-
13 sure—

14 (A) with respect to contracts described in
15 paragraph (3), the integrity of the contracting
16 process and the adequate performance of such
17 contracts; and

18 (B) that the State public safety broadband
19 communications networks are constructed, man-
20 aged, maintained, and operated in accordance
21 with the Plan.

22 (c) LIMITATION ON POWERS OF ADMINISTRATOR.—
23 The Administrator may not—

24 (1) take any action unless this title expressly
25 confers on the Administrator the power to take such

1 action or such action is necessary to carry out a
2 power that this title expressly confers on the Admin-
3 istrator; or

4 (2) prohibit or refuse to approve any action of
5 a State Public Safety Broadband Office or with re-
6 spect to a State public safety broadband communica-
7 tions network unless such action would violate the
8 Plan or the license terms of the spectrum licensed
9 to the Administrator.

10 (d) REVIEW OF DECISIONS OF ADMINISTRATOR.—

11 (1) IN GENERAL.—The United States District
12 Court for the District of Columbia shall have exclu-
13 sive jurisdiction to review decisions of the Adminis-
14 trator.

15 (2) FILING OF PETITION.—Any party aggrieved
16 by a decision of the Administrator may seek review
17 of such decision by filing a petition for review with
18 the court not later than 30 days after the date on
19 which public notice is given of such decision.

20 (3) CONTENTS OF PETITION.—The petition
21 shall contain a concise statement of the following:

22 (A) The nature of the proceedings as to
23 which review is sought.

24 (B) The grounds on which relief is sought.

25 (C) The relief prayed.

1 (4) ATTACHMENT TO PETITION.—The peti-
2 tioner shall attach to the petition, as an exhibit, a
3 copy of the decision of the Administrator on which
4 review is sought.

5 (5) SERVICE.—The clerk shall serve a true copy
6 of the petition on the Administrator, the Assistant
7 Secretary, and the Commission by registered mail,
8 with request for a return receipt.

9 (6) STANDARD OF REVIEW.—The court may af-
10 firm or vacate a decision of the Administrator on re-
11 view. The court may vacate a decision of the Admin-
12 istrator only—

13 (A) where the decision was procured by
14 corruption, fraud, or undue means;

15 (B) where there was actual partiality or
16 corruption in the Administrator;

17 (C) where the Administrator was guilty of
18 misconduct in refusing to hear evidence perti-
19 nent and material to the decision or of any
20 other misbehavior by which the rights of any
21 party have been prejudiced; or

22 (D) where the Administrator exceeded the
23 powers conferred on it by this title or otherwise
24 did not arguably construe or apply the Plan in
25 making its decision.

1 (7) REVIEW BY NTIA PROHIBITED.—The As-
2 sistant Secretary shall take such action as is nec-
3 essary to ensure that the Administrator complies
4 with the requirements of this title, the Plan, and the
5 terms of the contract entered into under subsection
6 (a), but the Assistant Secretary may not vacate or
7 otherwise modify a decision by the Administrator
8 with respect to a third party.

9 (e) AUDITS OF USE OF FEDERAL FUNDS BY ADMIN-
10 ISTRATOR.—Not later than 1 year after entering into a
11 contract to serve as Administrator, and annually there-
12 after, the Administrator shall provide to the Assistant Sec-
13 retary a statement, audited by an independent auditor,
14 that details the use during the preceding fiscal year of any
15 Federal funds received by the Administrator in connection
16 with its service as Administrator.

17 (f) ANNUAL REPORT BY ADMINISTRATOR.—

18 (1) IN GENERAL.—Not later than 1 year after
19 entering into a contract to serve as Administrator,
20 and annually thereafter, the Administrator shall sub-
21 mit a report covering the preceding fiscal year to—

22 (A) the Committee on Energy and Com-
23 merce of the House of Representatives and the
24 Committee on Commerce, Science, and Trans-
25 portation of the Senate;

1 (B) the Assistant Secretary;

2 (C) the Commission; and

3 (D) the Board.

4 (2) REQUIRED CONTENT.—The report required
5 by paragraph (1) shall include—

6 (A) a comprehensive and detailed descrip-
7 tion of—

8 (i) the results of assessments con-
9 ducted under subsection (b)(5) and audits
10 conducted under subsection (b)(6);

11 (ii) the activities of the Administrator
12 in its capacity as Administrator; and

13 (iii) the financial condition of the Ad-
14 ministrator; and

15 (B) such recommendations or proposals for
16 legislative or administrative action as the Ad-
17 ministrator considers appropriate.

18 **SEC. 4204. INITIAL FUNDING FOR ADMINISTRATOR.**

19 (a) BORROWING AUTHORITY.—Prior to the end of
20 fiscal year 2021, the Assistant Secretary may borrow from
21 the general fund of the Treasury of the United States not
22 more than \$40,000,000 to enter into a contract with an
23 entity to serve as Administrator under section 4203(a).

24 (b) REIMBURSEMENT.—The Assistant Secretary
25 shall reimburse the general fund of the Treasury, without

1 interest, for any amounts borrowed under subsection (a)
2 from funds made available from the Public Safety Trust
3 Fund established by section 4241(a)(1), as such funds be-
4 come available.

5 **SEC. 4205. STUDY ON EMERGENCY COMMUNICATIONS BY**
6 **AMATEUR RADIO AND IMPEDIMENTS TO AMA-**
7 **TEUR RADIO COMMUNICATIONS.**

8 (a) IN GENERAL.—Not later than 180 days after the
9 date of the enactment of this Act, the Commission, in con-
10 sultation with the Office of Emergency Communications
11 in the Department of Homeland Security, shall—

12 (1) complete a study on the uses and capabili-
13 ties of amateur radio service communications in
14 emergencies and disaster relief; and

15 (2) submit to the Committee on Energy and
16 Commerce of the House of Representatives and the
17 Committee on Commerce, Science, and Transpor-
18 tation of the Senate a report on the findings of such
19 study.

20 (b) CONTENTS.—The study required by subsection
21 (a) shall include—

22 (1)(A) a review of the importance of emergency
23 amateur radio service communications relating to
24 disasters, severe weather, and other threats to lives
25 and property in the United States; and

1 (B) recommendations for—

2 (i) enhancements in the voluntary deploy-
3 ment of amateur radio operators in disaster and
4 emergency communications and disaster relief
5 efforts; and

6 (ii) improved integration of amateur radio
7 operators in the planning and furtherance of
8 initiatives of the Federal Government; and

9 (2)(A) an identification of impediments to en-
10 hanced amateur radio service communications, such
11 as the effects of unreasonable or unnecessary private
12 land use restrictions on residential antenna installa-
13 tions; and

14 (B) recommendations regarding the removal of
15 such impediments.

16 (c) EXPERTISE.—In conducting the study required
17 by subsection (a), the Commission shall use the expertise
18 of stakeholder entities and organizations, including the
19 amateur radio, emergency response, and disaster commu-
20 nications communities.

21 **PART 2—STATE IMPLEMENTATION**

22 **SEC. 4221. NEGOTIATION AND APPROVAL OF CONTRACTS.**

23 (a) STATE PUBLIC SAFETY BROADBAND OFFICES.—
24 Each State desiring to establish a State public safety

1 broadband communications network shall establish or des-
2 ignate a State Public Safety Broadband Office.

3 (b) NEGOTIATION BY STATES.—

4 (1) IN GENERAL.—Each State Public Safety
5 Broadband Office shall—

6 (A) use the baseline request for proposals
7 transmitted under section 4203(b)(2) to develop
8 a request for proposals for the construction,
9 management, maintenance, and operation of a
10 State public safety broadband communications
11 network;

12 (B) negotiate a contract with a private-sec-
13 tor entity for such construction, management,
14 maintenance, and operation;

15 (C) transmit such contract to the Adminis-
16 trator for approval; and

17 (D) if the Administrator approves such
18 contract, enter into such contract with such en-
19 tity.

20 (2) FACTORS FOR CONSIDERATION.—In devel-
21 oping a request for proposals under paragraph
22 (1)(A) and negotiating a proposed contract under
23 paragraph (1)(B), the State Public Safety
24 Broadband Office shall take into consideration the
25 following:

1 (A) The most efficient and effective use
2 and integration by State, local, and tribal pro-
3 viders of public safety services within such
4 State of the spectrum licensed to the Adminis-
5 trator and the infrastructure, equipment, and
6 other architecture associated with the State
7 public safety broadband communications net-
8 work to satisfy the wireless communications
9 and data services needs of such providers.

10 (B) The particular assets and specialized
11 needs of such providers. Such assets may in-
12 clude available towers and infrastructure. Such
13 needs may include the projected number of
14 users, preferred buildout timeframes, special
15 coverage needs, special hardening, reliability,
16 security, and resiliency needs, local user priority
17 assignments, and integration needs of public
18 safety answering points and emergency oper-
19 ations centers.

20 (C) Whether any entities that are not pro-
21 viders of public safety services should have
22 emergency access to the State public safety
23 broadband communications network, as de-
24 scribed in subsection (e).

1 (D) Whether the State public safety
2 broadband communications network provides
3 for the selection on a localized basis of network
4 options that remain consistent with the Plan.

5 (E) How to ensure the reliability, security,
6 and resiliency of the State public safety
7 broadband communications network, including
8 through measures for—

9 (i) protecting and monitoring the cy-
10 bersecurity of the network; and

11 (ii) managing supply chain risks to
12 the network.

13 (3) PARTNERSHIPS.—

14 (A) IN GENERAL.—In choosing from
15 among the entities that respond to the request
16 for proposals developed under paragraph
17 (1)(A), the State Public Safety Broadband Of-
18 fice shall—

19 (i) select a provider of commercial mo-
20 bile service or commercial mobile data
21 service; and

22 (ii) give additional consideration to
23 providers of commercial mobile service or
24 commercial mobile data service whose pro-

1 posals include a partnership with a utility
2 provider.

3 (B) JOINT VENTURES.—For purposes of
4 subparagraph (A), a joint venture that includes
5 a provider of commercial mobile service or com-
6 mercial mobile data service shall be considered
7 to be such a provider.

8 (c) REVIEW BY ADMINISTRATOR.—

9 (1) IN GENERAL.—Upon receiving from a State
10 Public Safety Broadband Office a contract nego-
11 tiated under subsection (b), the Administrator shall
12 either approve or disapprove such contract but may
13 not make any changes to its terms.

14 (2) DISAPPROVAL.—In the case of disapproval
15 under paragraph (1), the State Public Safety
16 Broadband Office may renegotiate the contract, ne-
17 gotiate a contract with another entity that re-
18 sponded to the Office’s request for proposals, or
19 issue a new request for proposals.

20 (d) PUBLIC-PRIVATE PARTNERSHIPS.—Notwith-
21 standing any limitation in section 337 of the Communica-
22 tions Act of 1934 (47 U.S.C. 337), a contract entered into
23 between a State Public Safety Broadband Office and a
24 private entity under subsection (b)(1)(D) may permit—

1 (1) such entity to obtain access to the spectrum
2 licensed to the Administrator in such State for serv-
3 ices that are not public safety services; or

4 (2) the State Public Safety Broadband Office to
5 share with such entity equipment or infrastructure
6 of the State public safety broadband communications
7 network, including antennas and towers.

8 (e) EMERGENCY ACCESS BY NON-PUBLIC SAFETY
9 ENTITIES.—

10 (1) IN GENERAL.—Notwithstanding any limita-
11 tion in section 337 of the Communications Act of
12 1934 (47 U.S.C. 337), as expressly permitted by the
13 terms of a contract entered into under subsection
14 (b)(1)(D) for the construction, management, mainte-
15 nance, and operation of a State public safety
16 broadband communications network, the Adminis-
17 trator may enter into agreements with entities in
18 such State that are not providers of public safety
19 services to permit such entities to obtain access on
20 a secondary, preemptible basis to the State public
21 safety broadband communications network of such
22 State in order to facilitate interoperability between
23 such entities and providers of public safety services
24 in protecting the safety of life, health, and property
25 during emergencies and during preparation for and

1 recovery from emergencies, including during emer-
2 gency drills, exercises, and tests.

3 (2) PREEMPTION.—The Administrator shall en-
4 sure that, under any agreement entered into under
5 paragraph (1), providers of public safety services
6 may preempt use of the State public safety
7 broadband communications network by an entity
8 with which the Administrator has entered into such
9 agreement.

10 (f) MULTI-STATE NEGOTIATION.—The State Public
11 Safety Broadband Offices of more than one State may
12 form a consortium for purposes of developing a request
13 for proposals and negotiating and entering into a contract
14 for the construction, management, maintenance, and oper-
15 ation of a State public safety broadband communications
16 network for such States. While such Offices remain in the
17 consortium, such States shall be treated as a single State,
18 such Offices shall be treated as a single Office of a single
19 State, and such network shall be treated as the State pub-
20 lic safety broadband communications network of a single
21 State.

22 **SEC. 4222. STATE IMPLEMENTATION GRANT PROGRAM.**

23 (a) IN GENERAL.—From amounts made available
24 under section 4223(b), the Assistant Secretary shall, in
25 consultation with the Administrator, make grants to State

1 Public Safety Broadband Offices to assist such Offices in
2 carrying out the duties of such Offices under this part,
3 except for making payments under contracts entered into
4 under section 4221(b)(1)(D).

5 (b) APPLICATION.—The Assistant Secretary may
6 only make a grant under this section to a State Public
7 Safety Broadband Office that submits an application at
8 such time, in such form, and containing such information
9 and assurances as the Assistant Secretary may require.

10 (c) MATCHING REQUIREMENTS; FEDERAL SHARE.—

11 (1) IN GENERAL.—The Federal share of the
12 cost of any activity carried out using a grant under
13 this section may not exceed 80 percent of the eligible
14 costs of carrying out that activity, as determined by
15 the Assistant Secretary.

16 (2) WAIVER.—The Assistant Secretary may
17 waive, in whole or in part, the requirements of para-
18 graph (1) if the State Public Safety Broadband Of-
19 fice has demonstrated financial hardship.

20 (d) PROGRAMMATIC REQUIREMENTS.—Not later
21 than 1 year after the date of the adoption of the Plan
22 by the Commission under section 4202(c)(1)(A), the As-
23 sistant Secretary, in consultation with the Board, shall es-
24 tablish requirements relating to the grant program to be
25 carried out under this section, including the following:

1 (1) Defining eligible costs for purposes of sub-
2 section (c)(1).

3 (2) Determining the scope of eligible activities
4 for grant funding under this section.

5 (3) Prioritizing grants for activities that ensure
6 coverage in rural as well as urban areas.

7 **SEC. 4223. STATE IMPLEMENTATION FUND.**

8 (a) ESTABLISHMENT.—There is established in the
9 Treasury of the United States a fund to be known as the
10 State Implementation Fund.

11 (b) AMOUNTS AVAILABLE FOR STATE IMPLEMENTA-
12 TION GRANT PROGRAM.—Any amounts borrowed under
13 subsection (c)(1) and any amounts in the State Implemen-
14 tation Fund that are not necessary to reimburse the gen-
15 eral fund of the Treasury for such borrowed amounts shall
16 be available to the Assistant Secretary to implement sec-
17 tion 4222.

18 (c) BORROWING AUTHORITY.—

19 (1) IN GENERAL.—Prior to the end of fiscal
20 year 2021, the Assistant Secretary may borrow from
21 the general fund of the Treasury such sums as may
22 be necessary, but not to exceed \$100,000,000, to im-
23 plement section 4222.

24 (2) REIMBURSEMENT.—The Assistant Sec-
25 retary shall reimburse the general fund of the Treas-

1 ury, without interest, for any amounts borrowed
2 under paragraph (1) as funds are deposited into the
3 State Implementation Fund.

4 (d) TRANSFER OF UNUSED FUNDS.—If there is a
5 balance remaining in the State Implementation Fund on
6 September 30, 2021, the Secretary of the Treasury shall
7 transfer such balance to the general fund of the Treasury,
8 where such balance shall be dedicated for the sole purpose
9 of deficit reduction.

10 **SEC. 4224. GRANTS TO STATES FOR NETWORK BUILDOUT.**

11 (a) ESTABLISHMENT.—From amounts made avail-
12 able from the Public Safety Trust Fund established by
13 section 4241(a)(1), the Assistant Secretary shall make
14 grants to State Public Safety Broadband Offices for pay-
15 ments under contracts entered into under section
16 4221(b)(1)(D).

17 (b) APPLICATION.—The Assistant Secretary may
18 only make a grant under this section to a State Public
19 Safety Broadband Office that submits an application at
20 such time, in such form, and containing such information
21 and assurances as the Assistant Secretary may require.

22 (c) QUARTERLY REPORTS.—

23 (1) FROM GRANTEEES TO NTIA.—Not later than
24 3 months after receiving a grant under this section
25 and not less frequently than quarterly thereafter

1 until the date that is 1 year after all such funds
2 have been expended, a State Public Safety
3 Broadband Office shall submit to the Assistant Sec-
4 retary a report on—

5 (A) the use of grant funds by such Office;

6 and

7 (B) the construction, management, mainte-
8 nance, and operation of the State public safety
9 broadband communications network of such
10 State.

11 (2) FROM NTIA TO CONGRESS.—Not later than
12 6 months after making the first grant under this
13 section and not less frequently than quarterly there-
14 after until the date that is 18 months after all such
15 funds have been expended by the grantees, the As-
16 sistant Secretary shall submit to the Committee on
17 Commerce, Science, and Transportation of the Sen-
18 ate and the Committee on Energy and Commerce of
19 the House of Representatives a report that—

20 (A) summarizes the reports submitted by
21 grantees under paragraph (1); and

22 (B) describes and evaluates—

23 (i) the use of grant funds disbursed
24 under this section; and

1 (ii) the construction, management,
2 maintenance, and operation of the State
3 public safety broadband communications
4 networks under the contracts under which
5 grantees make payments using grant
6 funds.

7 **SEC. 4225. WIRELESS FACILITIES DEPLOYMENT.**

8 (a) FACILITY MODIFICATIONS.—

9 (1) IN GENERAL.—Notwithstanding section 704
10 of the Telecommunications Act of 1996 (Public Law
11 104–104) or any other provision of law, a State or
12 local government may not deny, and shall approve,
13 any eligible facilities request for a modification of an
14 existing wireless tower or base station that does not
15 substantially change the physical dimensions of such
16 tower or base station.

17 (2) ELIGIBLE FACILITIES REQUEST.—For pur-
18 poses of this subsection, the term “eligible facilities
19 request” means any request for modification of an
20 existing wireless tower or base station that in-
21 volves—

22 (A) collocation of new transmission equip-
23 ment;

24 (B) removal of transmission equipment; or

1 (C) replacement of transmission equip-
2 ment.

3 (b) FEDERAL EASEMENTS AND RIGHTS-OF-WAY.—

4 (1) GRANT.—If an executive agency, a State, a
5 political subdivision or agency of a State, or a per-
6 son, firm, or organization applies for the grant of an
7 easement or right-of-way to, in, over, or on a build-
8 ing or other property owned by the Federal Govern-
9 ment for the right to install, construct, and maintain
10 wireless service antenna structures and equipment
11 and backhaul transmission equipment, the executive
12 agency having control of the building or other prop-
13 erty may grant to the applicant, on behalf of the
14 Federal Government, an easement or right-of-way to
15 perform such installation, construction, and mainte-
16 nance.

17 (2) APPLICATION.—The Administrator of Gen-
18 eral Services shall develop a common form for appli-
19 cations for easements and rights-of-way under para-
20 graph (1) for all executive agencies that shall be
21 used by applicants with respect to the buildings or
22 other property of each such agency.

23 (3) FEE.—

24 (A) IN GENERAL.—Notwithstanding any
25 other provision of law, the Administrator of

1 General Services shall establish a fee for the
2 grant of an easement or right-of-way pursuant
3 to paragraph (1) that is based on direct cost re-
4 covery.

5 (B) EXCEPTIONS.—The Administrator of
6 General Services may establish exceptions to
7 the fee amount required under subparagraph
8 (A)—

9 (i) in consideration of the public ben-
10 efit provided by a grant of an easement or
11 right-of-way; and

12 (ii) in the interest of expanding wire-
13 less and broadband coverage.

14 (4) USE OF FEES COLLECTED.—Any fee
15 amounts collected by an executive agency pursuant
16 to paragraph (3) may be made available, as provided
17 in appropriations Acts, to such agency to cover the
18 costs of granting the easement or right-of-way.

19 (c) MASTER CONTRACTS FOR WIRELESS FACILITY
20 SITINGS.—

21 (1) IN GENERAL.—Notwithstanding section 704
22 of the Telecommunications Act of 1996 or any other
23 provision of law, and not later than 60 days after
24 the date of the enactment of this Act, the Adminis-
25 trator of General Services shall—

1 (A) develop 1 or more master contracts
2 that shall govern the placement of wireless serv-
3 ice antenna structures on buildings and other
4 property owned by the Federal Government;
5 and

6 (B) in developing the master contract or
7 contracts, standardize the treatment of the
8 placement of wireless service antenna structures
9 on building rooftops or facades, the placement
10 of wireless service antenna equipment on roof-
11 tops or inside buildings, the technology used in
12 connection with wireless service antenna struc-
13 tures or equipment placed on Federal buildings
14 and other property, and any other key issues
15 the Administrator of General Services considers
16 appropriate.

17 (2) APPLICABILITY.—The master contract or
18 contracts developed by the Administrator of General
19 Services under paragraph (1) shall apply to all pub-
20 licly accessible buildings and other property owned
21 by the Federal Government, unless the Adminis-
22 trator of General Services decides that issues with
23 respect to the siting of a wireless service antenna
24 structure on a specific building or other property

1 warrant nonstandard treatment of such building or
2 other property.

3 (3) APPLICATION.—The Administrator of Gen-
4 eral Services shall develop a common form or set of
5 forms for wireless service antenna structure siting
6 applications under this subsection for all executive
7 agencies that shall be used by applicants with re-
8 spect to the buildings and other property of each
9 such agency.

10 (d) EXECUTIVE AGENCY DEFINED.—In this section,
11 the term “executive agency” has the meaning given such
12 term in section 102 of title 40, United States Code.

13 **PART 3—PUBLIC SAFETY TRUST FUND**

14 **SEC. 4241. PUBLIC SAFETY TRUST FUND.**

15 (a) ESTABLISHMENT OF PUBLIC SAFETY TRUST
16 FUND.—

17 (1) IN GENERAL.—There is established in the
18 Treasury of the United States a trust fund to be
19 known as the Public Safety Trust Fund.

20 (2) AVAILABILITY.—Amounts deposited in the
21 Public Safety Trust Fund shall remain available
22 through fiscal year 2021. Any amounts remaining in
23 the Fund after the end of such fiscal year shall be
24 deposited in the general fund of the Treasury, where

1 such amounts shall be dedicated for the sole purpose
2 of deficit reduction.

3 (b) USE OF FUND.—As amounts are deposited in the
4 Public Safety Trust Fund, such amounts shall be used to
5 make the following deposits or payments in the following
6 order of priority:

7 (1) REPAYMENT OF AMOUNT BORROWED FOR
8 ADMINISTRATION OF NATIONAL PUBLIC SAFETY
9 COMMUNICATIONS PLAN.—An amount not to exceed
10 \$40,000,000 shall be available to the Assistant Sec-
11 retary to reimburse the general fund of the Treasury
12 for any amounts borrowed under section 4204(a).

13 (2) STATE IMPLEMENTATION FUND.—
14 \$100,000,000 shall be deposited in the State Imple-
15 mentation Fund established by section 4223(a).

16 (3) BUILDOUT OF STATE PUBLIC SAFETY
17 BROADBAND COMMUNICATIONS NETWORKS.—
18 \$4,960,000,000 shall be available to the Assistant
19 Secretary to carry out section 4224.

20 (4) DEFICIT REDUCTION.—\$20,400,000,000
21 shall be deposited in the general fund of the Treas-
22 ury, where such amount shall be dedicated for the
23 sole purpose of deficit reduction.

24 (5) 9–1–1, E9–1–1, AND NEXT GENERATION 9–
25 1–1 IMPLEMENTATION GRANTS.—\$250,000,000 shall

1 be available to the Assistant Secretary and the Ad-
2 ministrator of the National Highway Traffic Safety
3 Administration to carry out the grant program
4 under section 158 of the National Telecommuni-
5 cations and Information Administration Organiza-
6 tion Act, as amended by section 4265 of this title.

7 (6) BUILDOUT OF STATE PUBLIC SAFETY
8 BROADBAND COMMUNICATIONS NETWORKS AND
9 DEFICIT REDUCTION.—Of the remaining amounts
10 deposited in the Fund—

11 (A) 10 percent of any such amounts, not
12 to exceed \$1,500,000,000, shall be available to
13 the Assistant Secretary to carry out section
14 4224; and

15 (B) 90 percent of any such amounts (or
16 100 percent of any such amounts after amounts
17 made available under subparagraph (A) exceed
18 \$1,500,000,000) shall be deposited in the gen-
19 eral fund of the Treasury, where such amounts
20 shall be dedicated for the sole purpose of deficit
21 reduction.

22 (c) INVESTMENT.—Amounts in the Public Safety
23 Trust Fund shall be invested in accordance with section
24 9702 of title 31, United States Code, and any interest on,

1 and proceeds from, any such investment shall be credited
2 to, and become a part of, the Fund.

3 **PART 4—NEXT GENERATION 9–1–1**

4 **ADVANCEMENT ACT OF 2011**

5 **SEC. 4261. SHORT TITLE.**

6 This part may be cited as the “Next Generation 9–
7 1–1 Advancement Act of 2011”.

8 **SEC. 4262. FINDINGS.**

9 Congress finds that—

10 (1) for the sake of the public safety of our Na-
11 tion, a universal emergency service number (9–1–1)
12 that is enhanced with the most modern and state-of-
13 the-art telecommunications capabilities possible, in-
14 cluding voice, data, and video communications,
15 should be available to all citizens wherever they live,
16 work, and travel;

17 (2) a successful migration to Next Generation
18 9–1–1 service communications systems will require
19 greater Federal, State, and local government re-
20 sources and coordination;

21 (3) any funds that are collected from fees im-
22 posed on consumer bills for the purposes of funding
23 9–1–1 services, enhanced 9–1–1 services, or Next
24 Generation 9–1–1 services should only be used for
25 the purposes for which the funds are collected;

1 (4) it is a national priority to foster the migra-
2 tion from analog, voice-centric 9-1-1 and current
3 generation emergency communications systems to a
4 21st century, Next Generation, IP-based emergency
5 services model that embraces a wide range of voice,
6 video, and data applications;

7 (5) ensuring 9-1-1 access for all citizens in-
8 cludes improving access to 9-1-1 systems for the
9 deaf, hard of hearing, deaf-blind, and individuals
10 with speech disabilities, who increasingly commu-
11 nicate with non-traditional text, video, and instant-
12 messaging communications services, and who expect
13 those services to be able to connect directly to 9-1-
14 1 systems;

15 (6) a coordinated public educational effort on
16 current and emerging 9-1-1 system capabilities and
17 proper use of the 9-1-1 system is essential to the
18 operation of effective 9-1-1 systems;

19 (7) Federal policies and funding should enable
20 the transition to Internet Protocol-based (IP-based)
21 Next Generation 9-1-1 systems, and Federal 9-1-
22 1 and emergency communications laws and regula-
23 tions must keep pace with rapidly changing tech-
24 nology to ensure an open and competitive 9-1-1 en-

1 vironment based on the most advanced technology
2 available; and

3 (8) Federal policies and grant programs should
4 reflect the growing convergence and integration of
5 emergency communications technology, such that
6 State interoperability plans and Federal funding in
7 support of such plans are made available for all as-
8 pects of Next Generation 9–1–1 service and emer-
9 gency communications systems.

10 **SEC. 4263. PURPOSES.**

11 The purposes of this part are—

12 (1) to focus Federal policies and funding pro-
13 grams to ensure a successful migration from voice-
14 centric 9–1–1 systems to IP-enabled, Next Genera-
15 tion 9–1–1 emergency response systems that use
16 voice, data, and video services to greatly enhance the
17 capability of 9–1–1 and emergency response services;

18 (2) to ensure that technologically advanced 9–
19 1–1 and emergency communications systems are
20 universally available and adequately funded to serve
21 all Americans; and

22 (3) to ensure that all 9–1–1 and emergency re-
23 sponse organizations have access to—

24 (A) high-speed broadband networks;

25 (B) interconnected IP backbones; and

1 (C) innovative services and applications.

2 **SEC. 4264. DEFINITIONS.**

3 In this part, the following definitions shall apply:

4 (1) 9–1–1 SERVICES AND E9–1–1 SERVICES.—

5 The terms “9–1–1 services” and “E9–1–1 services”
6 shall have the meaning given those terms in section
7 158 of the National Telecommunications and Infor-
8 mation Administration Organization Act (47 U.S.C.
9 942), as amended by this part.

10 (2) MULTI-LINE TELEPHONE SYSTEM.—The
11 term “multi-line telephone system” or “MLTS”
12 means a system comprised of common control units,
13 telephone sets, control hardware and software and
14 adjunct systems, including network and premises
15 based systems, such as Centrex and VoIP, as well as
16 PBX, Hybrid, and Key Telephone Systems (as clas-
17 sified by the Commission under part 68 of title 47,
18 Code of Federal Regulations), and includes systems
19 owned or leased by governmental agencies and non-
20 profit entities, as well as for profit businesses.

21 (3) OFFICE.—The term “Office” means the 9–
22 1–1 Implementation Coordination Office established
23 under section 158 of the National Telecommuni-
24 cations and Information Administration Organiza-
25 tion Act (47 U.S.C. 942), as amended by this part.

1 **SEC. 4265. COORDINATION OF 9-1-1 IMPLEMENTATION.**

2 Section 158 of the National Telecommunications and
3 Information Administration Organization Act (47 U.S.C.
4 942) is amended to read as follows:

5 **“SEC. 158. COORDINATION OF 9-1-1, E9-1-1, AND NEXT GEN-**
6 **ERATION 9-1-1 IMPLEMENTATION.**

7 “(a) 9-1-1 IMPLEMENTATION COORDINATION OF-
8 FICE.—

9 “(1) ESTABLISHMENT AND CONTINUATION.—

10 The Assistant Secretary and the Administrator of
11 the National Highway Traffic Safety Administration
12 shall—

13 “(A) establish and further a program to
14 facilitate coordination and communication be-
15 tween Federal, State, and local emergency com-
16 munications systems, emergency personnel,
17 public safety organizations, telecommunications
18 carriers, and telecommunications equipment
19 manufacturers and vendors involved in the im-
20 plementation of 9-1-1 services; and

21 “(B) establish a 9-1-1 Implementation
22 Coordination Office to implement the provisions
23 of this section.

24 “(2) MANAGEMENT PLAN.—

25 “(A) DEVELOPMENT.—The Assistant Sec-
26 retary and the Administrator shall develop a

1 management plan for the grant program estab-
2 lished under this section, including by devel-
3 oping—

4 “(i) plans related to the organiza-
5 tional structure of such program; and

6 “(ii) funding profiles for each fiscal
7 year of the duration of such program.

8 “(B) SUBMISSION TO CONGRESS.—Not
9 later than 90 days after the date of enactment
10 of the Next Generation 9–1–1 Advancement Act
11 of 2011, the Assistant Secretary and the Ad-
12 ministrator shall submit the management plan
13 developed under subparagraph (A) to—

14 “(i) the Committees on Commerce,
15 Science, and Transportation and Appro-
16 priations of the Senate; and

17 “(ii) the Committees on Energy and
18 Commerce and Appropriations of the
19 House of Representatives.

20 “(3) PURPOSE OF OFFICE.—The Office shall—

21 “(A) take actions, in concert with coordi-
22 nators designated in accordance with subsection
23 (b)(3)(A)(ii), to improve coordination and com-
24 munication with respect to the implementation

1 of 9–1–1 services, E9–1–1 services, and Next
2 Generation 9–1–1 services;

3 “(B) develop, collect, and disseminate in-
4 formation concerning practices, procedures, and
5 technology used in the implementation of 9–1–
6 1 services, E9–1–1 services, and Next Genera-
7 tion 9–1–1 services;

8 “(C) advise and assist eligible entities in
9 the preparation of implementation plans re-
10 quired under subsection (b)(3)(A)(iii);

11 “(D) receive, review, and recommend the
12 approval or disapproval of applications for
13 grants under subsection (b); and

14 “(E) oversee the use of funds provided by
15 such grants in fulfilling such implementation
16 plans.

17 “(4) REPORTS.—The Assistant Secretary and
18 the Administrator shall provide an annual report to
19 Congress by the first day of October of each year on
20 the activities of the Office to improve coordination
21 and communication with respect to the implementa-
22 tion of 9–1–1 services, E9–1–1 services, and Next
23 Generation 9–1–1 services.

24 “(b) 9–1–1, E9–1–1, AND NEXT GENERATION 9–1–
25 1 IMPLEMENTATION GRANTS.—

1 “(1) MATCHING GRANTS.—The Assistant Sec-
2 retary and the Administrator, acting through the Of-
3 fice, shall provide grants to eligible entities for—

4 “(A) the implementation and operation of
5 9–1–1 services, E9–1–1 services, migration to
6 an IP-enabled emergency network, and adoption
7 and operation of Next Generation 9–1–1 serv-
8 ices and applications;

9 “(B) the implementation of IP-enabled
10 emergency services and applications enabled by
11 Next Generation 9–1–1 services, including the
12 establishment of IP backbone networks and the
13 application layer software infrastructure needed
14 to interconnect the multitude of emergency re-
15 sponse organizations; and

16 “(C) training public safety personnel, in-
17 cluding call-takers, first responders, and other
18 individuals and organizations who are part of
19 the emergency response chain in 9–1–1 serv-
20 ices.

21 “(2) MATCHING REQUIREMENT.—The Federal
22 share of the cost of a project eligible for a grant
23 under this section shall not exceed 80 percent. The
24 non-Federal share of the cost shall be provided from

1 non-Federal sources unless waived by the Assistant
2 Secretary and the Administrator.

3 “(3) COORDINATION REQUIRED.—In providing
4 grants under paragraph (1), the Assistant Secretary
5 and the Administrator shall require an eligible entity
6 to certify in its application that—

7 “(A) in the case of an eligible entity that
8 is a State government, the entity—

9 “(i) has coordinated its application
10 with the public safety answering points lo-
11 cated within the jurisdiction of such entity;

12 “(ii) has designated a single officer or
13 governmental body of the entity to serve as
14 the coordinator of implementation of 9–1–
15 1 services, except that such designation
16 need not vest such coordinator with direct
17 legal authority to implement 9–1–1 serv-
18 ices, E9–1–1 services, or Next Generation
19 9–1–1 services or to manage emergency
20 communications operations;

21 “(iii) has established a plan for the
22 coordination and implementation of 9–1–1
23 services, E9–1–1 services, and Next Gen-
24 eration 9–1–1 services; and

1 “(iv) has integrated telecommuni-
2 cations services involved in the implemen-
3 tation and delivery of 9–1–1 services, E9–
4 1–1 services, and Next Generation 9–1–1
5 services; or

6 “(B) in the case of an eligible entity that
7 is not a State, the entity has complied with
8 clauses (i), (iii), and (iv) of subparagraph (A),
9 and the State in which it is located has com-
10 plied with clause (ii) of such subparagraph.

11 “(4) CRITERIA.—Not later than 120 days after
12 the date of enactment of the Next Generation 9–1–
13 1 Advancement Act of 2011, the Assistant Secretary
14 and the Administrator shall issue regulations, after
15 providing the public with notice and an opportunity
16 to comment, prescribing the criteria for selection for
17 grants under this section. The criteria shall include
18 performance requirements and a timeline for comple-
19 tion of any project to be financed by a grant under
20 this section. The Assistant Secretary and the Ad-
21 ministrator shall update such regulations as nec-
22 essary.

23 “(c) DIVERSION OF 9–1–1 CHARGES.—

24 “(1) DESIGNATED 9–1–1 CHARGES.—For the
25 purposes of this subsection, the term ‘designated 9–

1 1–1 charges’ means any taxes, fees, or other charges
2 imposed by a State or other taxing jurisdiction that
3 are designated or presented as dedicated to deliver
4 or improve 9–1–1 services, E9–1–1 services, or Next
5 Generation 9–1–1 services.

6 “(2) CERTIFICATION.—Each applicant for a
7 matching grant under this section shall certify to the
8 Assistant Secretary and the Administrator at the
9 time of application, and each applicant that receives
10 such a grant shall certify to the Assistant Secretary
11 and the Administrator annually thereafter during
12 any period of time during which the funds from the
13 grant are available to the applicant, that no portion
14 of any designated 9–1–1 charges imposed by a State
15 or other taxing jurisdiction within which the appli-
16 cant is located are being obligated or expended for
17 any purpose other than the purposes for which such
18 charges are designated or presented during the pe-
19 riod beginning 180 days immediately preceding the
20 date of the application and continuing through the
21 period of time during which the funds from the
22 grant are available to the applicant.

23 “(3) CONDITION OF GRANT.—Each applicant
24 for a grant under this section shall agree, as a con-
25 dition of receipt of the grant, that if the State or

1 other taxing jurisdiction within which the applicant
2 is located, during any period of time during which
3 the funds from the grant are available to the appli-
4 cant, obligates or expends designated 9–1–1 charges
5 for any purpose other than the purposes for which
6 such charges are designated or presented, eliminates
7 such charges, or redesignates such charges for pur-
8 poses other than the implementation or operation of
9 9–1–1 services, E9–1–1 services, or Next Generation
10 9–1–1 services, all of the funds from such grant
11 shall be returned to the Office.

12 “(4) PENALTY FOR PROVIDING FALSE INFOR-
13 MATION.—Any applicant that provides a certification
14 under paragraph (2) knowing that the information
15 provided in the certification was false shall—

16 “(A) not be eligible to receive the grant
17 under subsection (b);

18 “(B) return any grant awarded under sub-
19 section (b) during the time that the certification
20 was not valid; and

21 “(C) not be eligible to receive any subse-
22 quent grants under subsection (b).

23 “(d) FUNDING AND TERMINATION.—

24 “(1) IN GENERAL.—From the amounts made
25 available to the Assistant Secretary and the Admin-

1 istrator under section 4241(b)(5) of the
2 Jumpstarting Opportunity with Broadband Spec-
3 trum Act of 2011, the Assistant Secretary and the
4 Administrator are authorized to provide grants
5 under this section through the end of fiscal year
6 2021. Not more than 5 percent of such amounts
7 may be obligated or expended to cover the adminis-
8 trative costs of carrying out this section.

9 “(2) TERMINATION.—Effective on October 1,
10 2021, the authority provided by this section termi-
11 nates and this section shall have no effect.

12 “(e) DEFINITIONS.—In this section, the following
13 definitions shall apply:

14 “(1) 9–1–1 SERVICES.—The term ‘9–1–1 serv-
15 ices’ includes both E9–1–1 services and Next Gen-
16 eration 9–1–1 services.

17 “(2) E9–1–1 SERVICES.—The term ‘E9–1–1
18 services’ means both phase I and phase II enhanced
19 9–1–1 services, as described in section 20.18 of the
20 Commission’s regulations (47 CFR 20.18), as in ef-
21 fect on the date of enactment of the Next Genera-
22 tion 9–1–1 Advancement Act of 2011, or as subse-
23 quently revised by the Commission.

24 “(3) ELIGIBLE ENTITY.—

1 “(A) IN GENERAL.—The term ‘eligible en-
2 tity’ means a State or local government or a
3 tribal organization (as defined in section 4(l) of
4 the Indian Self-Determination and Education
5 Assistance Act (25 U.S.C. 450b(l))).

6 “(B) INSTRUMENTALITIES.—The term ‘eli-
7 gible entity’ includes public authorities, boards,
8 commissions, and similar bodies created by 1 or
9 more eligible entities described in subparagraph
10 (A) to provide 9–1–1 services, E9–1–1 services,
11 or Next Generation 9–1–1 services.

12 “(C) EXCEPTION.—The term ‘eligible enti-
13 ty’ does not include any entity that has failed
14 to submit the most recently required certifi-
15 cation under subsection (c) within 30 days after
16 the date on which such certification is due.

17 “(4) EMERGENCY CALL.—The term ‘emergency
18 call’ refers to any real-time communication with a
19 public safety answering point or other emergency
20 management or response agency, including—

21 “(A) through voice, text, or video and re-
22 lated data; and

23 “(B) nonhuman-initiated automatic event
24 alerts, such as alarms, telematics, or sensor

1 data, which may also include real-time voice,
2 text, or video communications.

3 “(5) NEXT GENERATION 9–1–1 SERVICES.—The
4 term ‘Next Generation 9–1–1 services’ means an IP-
5 based system comprised of hardware, software, data,
6 and operational policies and procedures that—

7 “(A) provides standardized interfaces from
8 emergency call and message services to support
9 emergency communications;

10 “(B) processes all types of emergency calls,
11 including voice, data, and multimedia informa-
12 tion;

13 “(C) acquires and integrates additional
14 emergency call data useful to call routing and
15 handling;

16 “(D) delivers the emergency calls, mes-
17 sages, and data to the appropriate public safety
18 answering point and other appropriate emer-
19 gency entities;

20 “(E) supports data or video communica-
21 tions needs for coordinated incident response
22 and management; and

23 “(F) provides broadband service to public
24 safety answering points or other first responder
25 entities.

1 “(6) OFFICE.—The term ‘Office’ means the 9–
2 1–1 Implementation Coordination Office.

3 “(7) PUBLIC SAFETY ANSWERING POINT.—The
4 term ‘public safety answering point’ has the meaning
5 given the term in section 222 of the Communica-
6 tions Act of 1934 (47 U.S.C. 222).

7 “(8) STATE.—The term ‘State’ means any
8 State of the United States, the District of Columbia,
9 Puerto Rico, American Samoa, Guam, the United
10 States Virgin Islands, the Northern Mariana Is-
11 lands, and any other territory or possession of the
12 United States.”.

13 **SEC. 4266. REQUIREMENTS FOR MULTI-LINE TELEPHONE**
14 **SYSTEMS.**

15 (a) IN GENERAL.—Not later than 270 days after the
16 date of the enactment of this Act, the Administrator of
17 General Services, in conjunction with the Office, shall
18 issue a report to Congress identifying the 9–1–1 capabili-
19 ties of the multi-line telephone system in use by all Fed-
20 eral agencies in all Federal buildings and properties.

21 (b) COMMISSION ACTION.—

22 (1) IN GENERAL.—Not later than 90 days after
23 the date of the enactment of this Act, the Commis-
24 sion shall issue a public notice seeking comment on
25 the feasibility of requiring MLTS manufacturers to

1 include within all such systems manufactured or sold
2 after a date certain, to be determined by the Com-
3 mission, one or more mechanisms to provide a suffi-
4 ciently precise indication of a 9–1–1 caller’s location,
5 while avoiding the imposition of undue burdens on
6 MLTS manufacturers, providers, and operators.

7 (2) SPECIFIC REQUIREMENT.—The public no-
8 tice under paragraph (1) shall seek comment on the
9 National Emergency Number Association’s “Tech-
10 nical Requirements Document On Model Legislation
11 E9–1–1 for Multi-Line Telephone Systems” (NENA
12 06–750, Version 2).

13 **SEC. 4267. GAO STUDY OF STATE AND LOCAL USE OF 9–1–1**
14 **SERVICE CHARGES.**

15 (a) IN GENERAL.—Not later than 60 days after the
16 date of the enactment of this Act, the Comptroller General
17 of the United States shall initiate a study of—

18 (1) the imposition of taxes, fees, or other
19 charges imposed by States or political subdivisions
20 of States that are designated or presented as dedi-
21 cated to improve emergency communications serv-
22 ices, including 9–1–1 services or enhanced 9–1–1
23 services, or related to emergency communications
24 services operations or improvements; and

1 (2) the use of revenues derived from such taxes,
2 fees, or charges.

3 (b) REPORT.—Not later than 18 months after initi-
4 ating the study required by subsection (a), the Comp-
5 troller General shall prepare and submit a report on the
6 results of the study to the Committee on Commerce,
7 Science, and Transportation of the Senate and the Com-
8 mittee on Energy and Commerce of the House of Rep-
9 resentatives setting forth the findings, conclusions, and
10 recommendations, if any, of the study, including—

11 (1) the identity of each State or political sub-
12 division that imposes such taxes, fees, or other
13 charges; and

14 (2) the amount of revenues obligated or ex-
15 pended by that State or political subdivision for any
16 purpose other than the purposes for which such
17 taxes, fees, or charges were designated or presented.

18 **SEC. 4268. PARITY OF PROTECTION FOR PROVISION OR**
19 **USE OF NEXT GENERATION 9-1-1 SERVICES.**

20 (a) IMMUNITY.—A provider or user of Next Genera-
21 tion 9-1-1 services, a public safety answering point, and
22 the officers, directors, employees, vendors, agents, and au-
23 thorizing government entity (if any) of such provider, user,
24 or public safety answering point, shall have immunity and

1 protection from liability under Federal and State law to
2 the extent provided in subsection (b) with respect to—

3 (1) the release of subscriber information related
4 to emergency calls or emergency services;

5 (2) the use or provision of 9–1–1 services, E9–
6 1–1 services, or Next Generation 9–1–1 services;
7 and

8 (3) other matters related to 9–1–1 services,
9 E9–1–1 services, or Next Generation 9–1–1 services.

10 (b) SCOPE OF IMMUNITY AND PROTECTION FROM LI-
11 ABILITY.—The scope and extent of the immunity and pro-
12 tection from liability afforded under subsection (a) shall
13 be the same as that provided under section 4 of the Wire-
14 less Communications and Public Safety Act of 1999 (47
15 U.S.C. 615a) to wireless carriers, public safety answering
16 points, and users of wireless 9–1–1 service (as defined in
17 paragraphs (4), (3), and (6), respectively, of section 6 of
18 that Act (47 U.S.C. 615b)) with respect to such release,
19 use, and other matters.

20 **SEC. 4269. COMMISSION PROCEEDING ON AUTODIALING.**

21 (a) IN GENERAL.—Not later than 90 days after the
22 date of the enactment of this Act, the Commission shall
23 initiate a proceeding to create a specialized Do-Not-Call
24 registry for public safety answering points.

1 (b) FEATURES OF THE REGISTRY.—The Commission
2 shall issue regulations, after providing the public with no-
3 tice and an opportunity to comment, that—

4 (1) permit verified public safety answering
5 point administrators or managers to register the
6 telephone numbers of all 9–1–1 trunks and other
7 lines used for the provision of emergency services to
8 the public or for communications between public
9 safety agencies;

10 (2) provide a process for verifying, no less fre-
11 quently than once every 7 years, that registered
12 numbers should continue to appear upon the reg-
13 istry;

14 (3) provide a process for granting and tracking
15 access to the registry by the operators of automatic
16 dialing equipment;

17 (4) protect the list of registered numbers from
18 disclosure or dissemination by parties granted access
19 to the registry; and

20 (5) prohibit the use of automatic dialing or
21 “robocall” equipment to establish contact with reg-
22 istered numbers.

23 (c) ENFORCEMENT.—The Commission shall—

24 (1) establish monetary penalties for violations
25 of the protective regulations established pursuant to

1 subsection (b)(4) of not less than \$100,000 per inci-
2 dent nor more than \$1,000,000 per incident;

3 (2) establish monetary penalties for violations
4 of the prohibition on automatically dialing registered
5 numbers established pursuant to subsection (b)(5) of
6 not less than \$10,000 per call nor more than
7 \$100,000 per call; and

8 (3) provide for the imposition of fines under
9 paragraphs (1) or (2) that vary depending upon
10 whether the conduct leading to the violation was
11 negligent, grossly negligent, reckless, or willful, and
12 depending on whether the violation was a first or
13 subsequent offence.

14 **SEC. 4270. NHTSA REPORT ON COSTS FOR REQUIREMENTS**
15 **AND SPECIFICATIONS OF NEXT GENERATION**
16 **9-1-1 SERVICES.**

17 (a) IN GENERAL.—Not later than 1 year after the
18 date of the enactment of this Act, the Administrator of
19 the National Highway Traffic Safety Administration, in
20 consultation with the Commission, the Secretary of Home-
21 land Security, and the Office, shall prepare and submit
22 a report to Congress that analyzes and determines detailed
23 costs for specific Next Generation 9-1-1 service require-
24 ments and specifications.

1 (b) PURPOSE OF REPORT.—The purpose of the re-
2 port required under subsection (a) is to serve as a resource
3 for Congress as it considers creating a coordinated, long-
4 term funding mechanism for the deployment and oper-
5 ation, accessibility, application development, equipment
6 procurement, and training of personnel for Next Genera-
7 tion 9–1–1 services.

8 (c) REQUIRED INCLUSIONS.—The report required
9 under subsection (a) shall include the following:

10 (1) How costs would be broken out geographi-
11 cally and/or allocated among public safety answering
12 points, broadband service providers, and third-party
13 providers of Next Generation 9–1–1 services.

14 (2) An assessment of the current state of Next
15 Generation 9–1–1 service readiness among public
16 safety answering points.

17 (3) How differences in public safety answering
18 points' access to broadband across the country may
19 affect costs.

20 (4) A technical analysis and cost study of dif-
21 ferent delivery platforms, such as wireline, wireless,
22 and satellite.

23 (5) An assessment of the architectural charac-
24 teristics, feasibility, and limitations of Next Genera-
25 tion 9–1–1 service delivery.

1 (6) An analysis of the needs for Next Genera-
2 tion 9–1–1 services of persons with disabilities.

3 (7) Standards and protocols for Next Genera-
4 tion 9–1–1 services and for incorporating Voice over
5 Internet Protocol and “Real-Time Text” standards.

6 **SEC. 4271. FCC RECOMMENDATIONS FOR LEGAL AND STAT-**
7 **UTORY FRAMEWORK FOR NEXT GENERATION**
8 **9–1–1 SERVICES.**

9 Not later than 1 year after the date of the enactment
10 of this Act, the Commission, in coordination with the Sec-
11 retary of Homeland Security, the Administrator of the Na-
12 tional Highway Traffic Safety Administration, and the Of-
13 fice, shall prepare and submit a report to Congress that
14 contains recommendations for the legal and statutory
15 framework for Next Generation 9–1–1 services, consistent
16 with recommendations in the National Broadband Plan
17 developed by the Commission pursuant to the American
18 Recovery and Reinvestment Act of 2009, including the fol-
19 lowing:

20 (1) A legal and regulatory framework for the
21 development of Next Generation 9–1–1 services and
22 the transition from legacy 9–1–1 to Next Generation
23 9–1–1 networks.

1 (2) Legal mechanisms to ensure efficient and
2 accurate transmission of 9–1–1 caller information to
3 emergency response agencies.

4 (3) Recommendations for removing jurisdic-
5 tional barriers and inconsistent legacy regulations
6 including—

7 (A) proposals that would require States to
8 remove regulatory roadblocks to Next Genera-
9 tion 9–1–1 services development, while recog-
10 nizing existing State authority over 9–1–1 serv-
11 ices;

12 (B) eliminating outdated 9–1–1 regula-
13 tions at the Federal level; and

14 (C) preempting inconsistent State regula-
15 tions.

16 **Subtitle C—Federal Spectrum**
17 **Relocation**

18 **SEC. 4301. RELOCATION OF AND SPECTRUM SHARING BY**
19 **FEDERAL GOVERNMENT STATIONS.**

20 (a) IN GENERAL.—Section 113 of the National Tele-
21 communications and Information Administration Organi-
22 zation Act (47 U.S.C. 923) is amended—

23 (1) in subsection (g)—

1 (A) by striking the heading and inserting
2 “RELOCATION OF AND SPECTRUM SHARING BY
3 FEDERAL GOVERNMENT STATIONS”;

4 (B) by amending paragraph (1) to read as
5 follows:

6 “(1) ELIGIBLE FEDERAL ENTITIES.—Any Fed-
7 eral entity that operates a Federal Government sta-
8 tion authorized to use a band of eligible frequencies
9 described in paragraph (2) and that incurs reloca-
10 tion or sharing costs because of planning for an auc-
11 tion of spectrum frequencies or the reallocation of
12 spectrum frequencies from Federal use to exclusive
13 non-Federal use or to shared use shall receive pay-
14 ment for such relocation or sharing costs from the
15 Spectrum Relocation Fund, in accordance with this
16 section and section 118. For purposes of this para-
17 graph, Federal power agencies exempted under sub-
18 section (c)(4) that choose to relocate from the fre-
19 quencies identified for reallocation pursuant to sub-
20 section (a) are eligible to receive payment under this
21 paragraph.”;

22 (C) by amending paragraph (2)(B) to read
23 as follows:

24 “(B) any other band of frequencies reallo-
25 cated from Federal use to exclusive non-Federal

1 use or to shared use after January 1, 2003,
2 that is assigned by competitive bidding pursu-
3 ant to section 309(j) of the Communications
4 Act of 1934 (47 U.S.C. 309(j)).”;

5 (D) by amending paragraph (3) to read as
6 follows:

7 “(3) RELOCATION OR SHARING COSTS DE-
8 FINED.—

9 “(A) IN GENERAL.—For purposes of this
10 section and section 118, the term ‘relocation or
11 sharing costs’ means the costs incurred by a
12 Federal entity in connection with the auction of
13 spectrum frequencies previously assigned to
14 such entity or the sharing of spectrum fre-
15 quencies assigned to such entity (including the
16 auction or a planned auction of the rights to
17 use spectrum frequencies on a shared basis with
18 such entity) in order to achieve comparable ca-
19 pability of systems as before the relocation or
20 sharing arrangement. Such term includes, with
21 respect to relocation or sharing, as the case
22 may be—

23 “(i) the costs of any modification or
24 replacement of equipment, spares, associ-
25 ated ancillary equipment, software, facili-

1 ties, operating manuals, training, or com-
2 pliance with regulations that are attrib-
3 utable to relocation or sharing;

4 “(ii) the costs of all engineering,
5 equipment, software, site acquisition, and
6 construction, as well as any legitimate and
7 prudent transaction expense, including
8 term-limited Federal civil servant and con-
9 tractor staff necessary to carry out the re-
10 location or sharing activities of a Federal
11 entity, and reasonable additional costs in-
12 curred by the Federal entity that are at-
13 tributable to relocation or sharing, includ-
14 ing increased recurring costs associated
15 with the replacement of facilities;

16 “(iii) the costs of research, engineer-
17 ing studies, economic analyses, or other ex-
18 penses reasonably incurred in connection
19 with—

20 “(I) calculating the estimated re-
21 location or sharing costs that are pro-
22 vided to the Commission pursuant to
23 paragraph (4)(A);

24 “(II) determining the technical or
25 operational feasibility of relocation to

1 1 or more potential relocation bands;
2 or

3 “(III) planning for or managing
4 a relocation or sharing arrangement
5 (including spectrum coordination with
6 auction winners);

7 “(iv) the one-time costs of any modi-
8 fication of equipment reasonably nec-
9 essary—

10 “(I) to accommodate non-Federal
11 use of shared frequencies; or

12 “(II) in the case of eligible fre-
13 quencies reallocated for exclusive non-
14 Federal use and assigned through a
15 system of competitive bidding under
16 section 309(j) of the Communications
17 Act of 1934 (47 U.S.C. 309(j)) but
18 with respect to which a Federal entity
19 retains primary allocation or protected
20 status for a period of time after the
21 completion of the competitive bidding
22 process, to accommodate shared Fed-
23 eral and non-Federal use of such fre-
24 quencies for such period; and

1 “(v) the costs associated with the ac-
2 celerated replacement of systems and
3 equipment if the acceleration is necessary
4 to ensure the timely relocation of systems
5 to a new frequency assignment or the time-
6 ly accommodation of sharing of Federal
7 frequencies.

8 “(B) COMPARABLE CAPABILITY OF SYS-
9 TEMS.—For purposes of subparagraph (A),
10 comparable capability of systems—

11 “(i) may be achieved by relocating a
12 Federal Government station to a new fre-
13 quency assignment, by relocating a Federal
14 Government station to a different geo-
15 graphic location, by modifying Federal
16 Government equipment to mitigate inter-
17 ference or use less spectrum, in terms of
18 bandwidth, geography, or time, and there-
19 by permitting spectrum sharing (including
20 sharing among relocated Federal entities
21 and incumbents to make spectrum avail-
22 able for non-Federal use) or relocation, or
23 by utilizing an alternative technology; and

24 “(ii) includes the acquisition of state-
25 of-the-art replacement systems intended to

1 meet comparable operational scope, which
2 may include incidental increases in
3 functionality.”;

4 (E) in paragraph (4)—

5 (i) in the heading, by striking “RELO-
6 CATIONS COSTS” and inserting “RELOCA-
7 TION OR SHARING COSTS”;

8 (ii) by striking “relocation costs” each
9 place it appears and inserting “relocation
10 or sharing costs”; and

11 (iii) in subparagraph (A), by inserting
12 “or sharing” after “such relocation”;

13 (F) in paragraph (5)—

14 (i) by striking “relocation costs” and
15 inserting “relocation or sharing costs”; and

16 (ii) by inserting “or sharing” after
17 “for relocation”; and

18 (G) by amending paragraph (6) to read as
19 follows:

20 “(6) IMPLEMENTATION OF PROCEDURES.—The
21 NTIA shall take such actions as necessary to ensure
22 the timely relocation of Federal entities’ spectrum-
23 related operations from frequencies described in
24 paragraph (2) to frequencies or facilities of com-
25 parable capability and to ensure the timely imple-

1 mentation of arrangements for the sharing of fre-
2 quencies described in such paragraph. Upon a find-
3 ing by the NTIA that a Federal entity has achieved
4 comparable capability of systems, the NTIA shall
5 terminate or limit the entity's authorization and no-
6 tify the Commission that the entity's relocation has
7 been completed or sharing arrangement has been im-
8 plemented. The NTIA shall also terminate such enti-
9 ty's authorization if the NTIA determines that the
10 entity has unreasonably failed to comply with the
11 timeline for relocation or sharing submitted by the
12 Director of the Office of Management and Budget
13 under section 118(d)(2)(C).”;

14 (2) by redesignating subsections (h) and (i) as
15 subsections (k) and (l), respectively; and

16 (3) by inserting after subsection (g) the fol-
17 lowing:

18 “(h) DEVELOPMENT AND PUBLICATION OF RELOCA-
19 TION OR SHARING TRANSITION PLANS.—

20 “(1) DEVELOPMENT OF TRANSITION PLAN BY
21 FEDERAL ENTITY.—Not later than 240 days before
22 the commencement of any auction of eligible fre-
23 quencies described in subsection (g)(2), a Federal
24 entity authorized to use any such frequency shall
25 submit to the NTIA and to the Technical Panel es-

1 tablished by paragraph (3) a transition plan for the
2 implementation by such entity of the relocation or
3 sharing arrangement. The NTIA shall specify, after
4 public input, a common format for all Federal enti-
5 ties to follow in preparing transition plans under
6 this paragraph.

7 “(2) CONTENTS OF TRANSITION PLAN.—The
8 transition plan required by paragraph (1) shall in-
9 clude the following information:

10 “(A) The use by the Federal entity of the
11 eligible frequencies to be auctioned, current as
12 of the date of the submission of the plan.

13 “(B) The geographic location of the facili-
14 ties or systems of the Federal entity that use
15 such frequencies.

16 “(C) The frequency bands used by such fa-
17 cilities or systems, described by geographic loca-
18 tion.

19 “(D) The steps to be taken by the Federal
20 entity to relocate its spectrum use from such
21 frequencies or to share such frequencies, includ-
22 ing timelines for specific geographic locations in
23 sufficient detail to indicate when use of such
24 frequencies at such locations will be discon-

1 tinued by the Federal entity or shared between
2 the Federal entity and non-Federal users.

3 “(E) The specific interactions between the
4 eligible Federal entity and the NTIA needed to
5 implement the transition plan.

6 “(F) The name of the officer or employee
7 of the Federal entity who is responsible for the
8 relocation or sharing efforts of the entity and
9 who is authorized to meet and negotiate with
10 non-Federal users regarding the transition.

11 “(G) The plans and timelines of the Fed-
12 eral entity for—

13 “(i) using funds received from the
14 Spectrum Relocation Fund established by
15 section 118;

16 “(ii) procuring new equipment and
17 additional personnel needed for relocation
18 or sharing;

19 “(iii) field-testing and deploying new
20 equipment needed for relocation or shar-
21 ing; and

22 “(iv) hiring and relying on contract
23 personnel, if any, needed for relocation or
24 sharing.

1 “(H) Factors that could hinder fulfillment
2 of the transition plan by the Federal entity.

3 “(3) TECHNICAL PANEL.—

4 “(A) ESTABLISHMENT.—There is estab-
5 lished within the NTIA a panel to be known as
6 the Technical Panel.

7 “(B) MEMBERSHIP.—

8 “(i) NUMBER AND APPOINTMENT.—

9 The Technical Panel shall be composed of
10 3 members, to be appointed as follows:

11 “(I) One member to be appointed
12 by the Director of the Office of Man-
13 agement and Budget (in this sub-
14 section referred to as ‘OMB’).

15 “(II) One member to be ap-
16 pointed by the Assistant Secretary.

17 “(III) One member to be ap-
18 pointed by the Chairman of the Com-
19 mission.

20 “(ii) QUALIFICATIONS.—Each mem-
21 ber of the Technical Panel shall be a radio
22 engineer or a technical expert.

23 “(iii) INITIAL APPOINTMENT.—The
24 initial members of the Technical Panel
25 shall be appointed not later than 180 days

1 after the date of the enactment of the
2 Jumpstarting Opportunity with Broadband
3 Spectrum Act of 2011.

4 “(iv) TERMS.—The term of a member
5 of the Technical Panel shall be 18 months,
6 and no individual may serve more than 1
7 consecutive term.

8 “(v) VACANCIES.—Any member ap-
9 pointed to fill a vacancy occurring before
10 the expiration of the term for which the
11 member’s predecessor was appointed shall
12 be appointed only for the remainder of that
13 term. A member may serve after the expi-
14 ration of that member’s term until a suc-
15 cesssor has taken office. A vacancy shall be
16 filled in the manner in which the original
17 appointment was made.

18 “(vi) NO COMPENSATION.—The mem-
19 bers of the Technical Panel shall not re-
20 ceive any compensation for service on the
21 Technical Panel. If any such member is an
22 employee of the agency of the official that
23 appointed such member to the Technical
24 Panel, compensation in the member’s ca-

1 pacity as such an employee shall not be
2 considered compensation under this clause.

3 “(C) ADMINISTRATIVE SUPPORT.—The
4 NTIA shall provide the Technical Panel with
5 the administrative support services necessary to
6 carry out its duties under this subsection and
7 subsection (i).

8 “(D) REGULATIONS.—Not later than 180
9 days after the date of the enactment of the
10 Jumpstarting Opportunity with Broadband
11 Spectrum Act of 2011, the NTIA shall, after
12 public notice and comment and subject to ap-
13 proval by the Director of OMB, adopt regula-
14 tions to govern the workings of the Technical
15 Panel.

16 “(E) CERTAIN REQUIREMENTS INAPPLI-
17 CABLE.—The Federal Advisory Committee Act
18 (5 U.S.C. App.) and sections 552 and 552b of
19 title 5, United States Code, shall not apply to
20 the Technical Panel.

21 “(4) REVIEW OF PLAN BY TECHNICAL
22 PANEL.—

23 “(A) IN GENERAL.—Not later than 30
24 days after the submission of the plan under
25 paragraph (1), the Technical Panel shall submit

1 to the NTIA and to the Federal entity a report
2 on the sufficiency of the plan, including whether
3 the plan includes the information required by
4 paragraph (2) and an assessment of the reason-
5 ableness of the proposed timelines and esti-
6 mated relocation or sharing costs, including the
7 costs of any proposed expansion of the capabili-
8 ties of a Federal system in connection with relo-
9 cation or sharing.

10 “(B) INSUFFICIENCY OF PLAN.—If the
11 Technical Panel finds the plan insufficient, the
12 Federal entity shall, not later than 90 days
13 after the submission of the report by the Tech-
14 nical panel under subparagraph (A), submit to
15 the Technical Panel a revised plan. Such re-
16 vised plan shall be treated as a plan submitted
17 under paragraph (1).

18 “(5) PUBLICATION OF TRANSITION PLAN.—Not
19 later than 120 days before the commencement of the
20 auction described in paragraph (1), the NTIA shall
21 make the transition plan publicly available on its
22 website.

23 “(6) UPDATES OF TRANSITION PLAN.—As the
24 Federal entity implements the transition plan, it
25 shall periodically update the plan to reflect any

1 changed circumstances, including changes in esti-
2 mated relocation or sharing costs or the timeline for
3 relocation or sharing. The NTIA shall make the up-
4 dates available on its website.

5 “(7) CLASSIFIED AND OTHER SENSITIVE IN-
6 FORMATION.—

7 “(A) CLASSIFIED INFORMATION.—If any
8 of the information required to be included in
9 the transition plan of a Federal entity is classi-
10 fied information (as defined in section 798(b) of
11 title 18, United States Code), the entity shall—

12 “(i) include in the plan—

13 “(I) an explanation of the exclu-
14 sion of any such information, which
15 shall be as specific as possible; and

16 “(II) all relevant non-classified
17 information that is available; and

18 “(ii) discuss as a factor under para-
19 graph (2)(H) the extent of the classified
20 information and the effect of such informa-
21 tion on the implementation of the reloca-
22 tion or sharing arrangement.

23 “(B) REGULATIONS.—Not later than 180
24 days after the date of the enactment of the
25 Jumpstarting Opportunity with Broadband

1 Spectrum Act of 2011, the NTIA, in consulta-
2 tion with the Director of OMB and the Sec-
3 retary of Defense, shall adopt regulations to en-
4 sure that the information publicly released
5 under paragraph (5) or (6) does not contain
6 classified information or other sensitive infor-
7 mation.

8 “(i) DISPUTE RESOLUTION PROCESS.—

9 “(1) IN GENERAL.—If a dispute arises between
10 a Federal entity and a non-Federal user regarding
11 the execution, timing, or cost of the transition plan
12 submitted by the Federal entity under subsection
13 (h)(1), the Federal entity or the non-Federal user
14 may request that the NTIA establish a dispute reso-
15 lution board to resolve the dispute.

16 “(2) ESTABLISHMENT OF BOARD.—

17 “(A) IN GENERAL.—If the NTIA receives
18 a request under paragraph (1), it shall establish
19 a dispute resolution board.

20 “(B) MEMBERSHIP AND APPOINTMENT.—

21 The dispute resolution board shall be composed
22 of 3 members, as follows:

23 “(i) A representative of the Office of
24 Management and Budget (in this sub-

1 section referred to as ‘OMB’), to be ap-
2 pointed by the Director of OMB.

3 “(ii) A representative of the NTIA, to
4 be appointed by the Assistant Secretary.

5 “(iii) A representative of the Commis-
6 sion, to be appointed by the Chairman of
7 the Commission.

8 “(C) CHAIR.—The representative of OMB
9 shall be the Chair of the dispute resolution
10 board.

11 “(D) VACANCIES.—Any vacancy in the dis-
12 pute resolution board shall be filled in the man-
13 ner in which the original appointment was
14 made.

15 “(E) NO COMPENSATION.—The members
16 of the dispute resolution board shall not receive
17 any compensation for service on the board. If
18 any such member is an employee of the agency
19 of the official that appointed such member to
20 the board, compensation in the member’s capac-
21 ity as such an employee shall not be considered
22 compensation under this subparagraph.

23 “(F) TERMINATION OF BOARD.—The dis-
24 pute resolution board shall be terminated after
25 it rules on the dispute that it was established

1 to resolve and the time for appeal of its decision
2 under paragraph (7) has expired, unless an ap-
3 peal has been taken under such paragraph. If
4 such an appeal has been taken, the board shall
5 continue to exist until the appeal process has
6 been exhausted and the board has completed
7 any action required by a court hearing the ap-
8 peal.

9 “(3) PROCEDURES.—The dispute resolution
10 board shall meet simultaneously with representatives
11 of the Federal entity and the non-Federal user to
12 discuss the dispute. The dispute resolution board
13 may require the parties to make written submissions
14 to it.

15 “(4) DEADLINE FOR DECISION.—The dispute
16 resolution board shall rule on the dispute not later
17 than 30 days after the request was made to the
18 NTIA under paragraph (1).

19 “(5) ASSISTANCE FROM TECHNICAL PANEL.—
20 The Technical Panel established under subsection
21 (h)(3) shall provide the dispute resolution board
22 with such technical assistance as the board requests.

23 “(6) ADMINISTRATIVE SUPPORT.—The NTIA
24 shall provide the dispute resolution board with the

1 administrative support services necessary to carry
2 out its duties under this subsection.

3 “(7) APPEALS.—A decision of the dispute reso-
4 lution board may be appealed to the United States
5 Court of Appeals for the District of Columbia Cir-
6 cuit by filing a notice of appeal with that court not
7 later than 30 days after the date of such decision.
8 Each party shall bear its own costs and expenses, in-
9 cluding attorneys’ fees, for any appeal under this
10 paragraph.

11 “(8) REGULATIONS.—Not later than 180 days
12 after the date of the enactment of the Jumpstarting
13 Opportunity with Broadband Spectrum Act of 2011,
14 the NTIA shall, after public notice and comment
15 and subject to approval by OMB, adopt regulations
16 to govern the working of any dispute resolution
17 boards established under paragraph (2)(A) and the
18 role of the Technical Panel in assisting any such
19 board.

20 “(9) CERTAIN REQUIREMENTS INAPPLI-
21 CABLE.—The Federal Advisory Committee Act (5
22 U.S.C. App.) and sections 552 and 552b of title 5,
23 United States Code, shall not apply to a dispute res-
24 olution board established under paragraph (2)(A).

25 “(j) RELOCATION PRIORITIZED OVER SHARING.—

1 “(1) IN GENERAL.—In evaluating a band of
2 frequencies for possible reallocation for exclusive
3 non-Federal use or shared use, the NTIA shall give
4 priority to options involving reallocation of the band
5 for exclusive non-Federal use and shall choose op-
6 tions involving shared use only when it determines,
7 in consultation with the Director of the Office of
8 Management and Budget, that relocation of a Fed-
9 eral entity from the band is not feasible because of
10 technical or cost constraints.

11 “(2) NOTIFICATION OF CONGRESS WHEN SHAR-
12 ING CHOSEN.—If the NTIA determines under para-
13 graph (1) that relocation of a Federal entity from
14 the band is not feasible, the NTIA shall notify the
15 Committee on Commerce, Science, and Transpor-
16 tation of the Senate and the Committee on Energy
17 and Commerce of the House of Representatives of
18 the determination, including the specific technical or
19 cost constraints on which the determination is
20 based.”.

21 (b) CONFORMING AMENDMENT.—Section 309(j) of
22 the Communications Act of 1934, as amended by section
23 4105, is further amended by striking “relocation costs”
24 each place it appears and inserting “relocation or sharing
25 costs”.

1 **SEC. 4302. SPECTRUM RELOCATION FUND.**

2 Section 118 of the National Telecommunications and
3 Information Administration Organization Act (47 U.S.C.
4 928) is amended—

5 (1) by striking “relocation costs” each place it
6 appears and inserting “relocation or sharing costs”;

7 (2) by amending subsection (c) to read as fol-
8 lows:

9 “(c) USE OF FUNDS.—The amounts in the Fund
10 from auctions of eligible frequencies are authorized to be
11 used to pay relocation or sharing costs of an eligible Fed-
12 eral entity incurring such costs with respect to relocation
13 from or sharing of those frequencies.”;

14 (3) in subsection (d)—

15 (A) in paragraph (2)—

16 (i) in subparagraph (A), by inserting
17 “or sharing” before the semicolon;

18 (ii) in subparagraph (B), by inserting
19 “or sharing” before the period at the end;

20 (iii) by redesignating subparagraphs
21 (A) and (B) as subparagraphs (B) and
22 (C), respectively; and

23 (iv) by inserting before subparagraph
24 (B), as so redesignated, the following:

25 “(A) unless the eligible Federal entity has
26 submitted a transition plan to the NTIA as re-

1 quired by paragraph (1) of section 113(h), the
2 Technical Panel has found such plan sufficient
3 under paragraph (4) of such section, and the
4 NTIA has made available such plan on its
5 website as required by paragraph (5) of such
6 section;”;

7 (B) by striking paragraph (3); and

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

9 “(3) TRANSFERS FOR PRE-AUCTION COSTS.—

10 “(A) IN GENERAL.—Subject to subpara-
11 graph (B), the Director of OMB may transfer
12 to an eligible Federal entity, at any time (in-
13 cluding prior to a scheduled auction), such
14 sums as may be available in the Fund to pay
15 relocation or sharing costs related to pre-auc-
16 tion estimates or research, as such costs are de-
17 scribed in section 113(g)(3)(A)(iii).

18 “(B) NOTIFICATION.—No funds may be
19 transferred pursuant to subparagraph (A) un-
20 less—

21 “(i) the notification provided under
22 paragraph (2)(C) includes a certification
23 from the Director of OMB that—

24 “(I) funds transferred before an
25 auction will likely allow for timely im-

1 plementation of relocation or sharing,
2 thereby increasing net expected auc-
3 tion proceeds by an amount not less
4 than the time value of the amount of
5 funds transferred; and

6 “(II) the auction is intended to
7 occur not later than 5 years after
8 transfer of funds; and

9 “(ii) the transition plan submitted by
10 the eligible Federal entity under section
11 113(h)(1) provides—

12 “(I) to the fullest extent possible,
13 for sharing and coordination of eligi-
14 ble frequencies with non-Federal
15 users, including reasonable accommo-
16 dation by the eligible Federal entity
17 for the use of eligible frequencies by
18 non-Federal users during the period
19 that the entity is relocating its spec-
20 trum uses (in this clause referred to
21 as the ‘transition period’);

22 “(II) for non-Federal users to be
23 able to use eligible frequencies during
24 the transition period in geographic

1 areas where the eligible Federal entity
2 does not use such frequencies;

3 “(III) that the eligible Federal
4 entity will, during the transition pe-
5 riod, make itself available for negotia-
6 tion and discussion with non-Federal
7 users not later than 30 days after a
8 written request therefor; and

9 “(IV) that the eligible Federal
10 entity will, during the transition pe-
11 riod, make available to a non-Federal
12 user with appropriate security clear-
13 ances any classified information (as
14 defined in section 798(b) of title 18,
15 United States Code) regarding the re-
16 location process, on a need-to-know
17 basis, to assist the non-Federal user
18 in the relocation process with such eli-
19 gible Federal entity or other eligible
20 Federal entities.

21 “(C) APPLICABILITY TO CERTAIN COSTS.—

22 “(i) IN GENERAL.—The Director of
23 OMB may transfer under subparagraph
24 (A) not more than \$10,000,000 for costs
25 incurred after June 28, 2010, but before

1 the date of the enactment of the
2 Jumpstarting Opportunity with Broadband
3 Spectrum Act of 2011.

4 “(ii) SUPPLEMENT NOT SUPPLANT.—
5 Any amounts transferred by the Director
6 of OMB pursuant to clause (i) shall be in
7 addition to any amounts that the Director
8 of OMB may transfer for costs incurred on
9 or after the date of the enactment of the
10 Jumpstarting Opportunity with Broadband
11 Spectrum Act of 2011.

12 “(4) REVERSION OF UNUSED FUNDS.—Any
13 amounts in the Fund that are remaining after the
14 payment of the relocation or sharing costs that are
15 payable from the Fund shall revert to and be depos-
16 ited in the general fund of the Treasury, for the sole
17 purpose of deficit reduction, not later than 8 years
18 after the date of the deposit of such proceeds to the
19 Fund, unless within 60 days in advance of the rever-
20 sion of such funds, the Director of OMB, in con-
21 sultation with the NTIA, notifies the congressional
22 committees described in paragraph (2)(C) that such
23 funds are needed to complete or to implement cur-
24 rent or future relocation or sharing arrangements.”;

25 (4) in subsection (e)—

1 (A) in paragraph (1)(B)—

2 (i) in clause (i), by striking “sub-
3 section (d)(2)(A)” and inserting “sub-
4 section (d)(2)(B)”;

5 (ii) in clause (ii), by striking “sub-
6 section (d)(2)(B)” and inserting “sub-
7 section (d)(2)(C)”;

8 (B) in paragraph (2)—

9 (i) by striking “entity’s relocation”
10 and inserting “relocation of the entity or
11 implementation of the sharing arrange-
12 ment by the entity”;

13 (ii) by inserting “or the implementa-
14 tion of such arrangement” after “such re-
15 location”;

16 (iii) by striking “subsection
17 (d)(2)(A)” and inserting “subsection
18 (d)(2)(B)”;

19 (5) by adding at the end the following:

20 “(f) ADDITIONAL PAYMENTS FROM FUND.—

21 “(1) AMOUNTS AVAILABLE.—Notwithstanding
22 subsections (c) through (e), after the date of the en-
23 actment of the Jumpstarting Opportunity with
24 Broadband Spectrum Act of 2011, there are appro-
25 priated from the Fund and available to the Director

1 of OMB for use in accordance with paragraph (2)
2 not more than 10 percent of the amounts deposited
3 in the Fund from auctions occurring after such date
4 of enactment of licenses for the use of spectrum va-
5 cated by eligible Federal entities.

6 “(2) USE OF AMOUNTS.—

7 “(A) IN GENERAL.—The Director of OMB,
8 in consultation with the NTIA, may use
9 amounts made available under paragraph (1) to
10 make payments to eligible Federal entities that
11 are implementing a transition plan submitted
12 under section 113(h)(1) in order to encourage
13 such entities to complete the implementation
14 more quickly, thereby encouraging timely access
15 to the eligible frequencies that are being reallo-
16 cated for exclusive non-Federal use or shared
17 use.

18 “(B) CONDITIONS.—In the case of any
19 payment by the Director of OMB under sub-
20 paragraph (A)—

21 “(i) such payment shall be based on
22 the market value of the eligible fre-
23 quencies, the timeliness with which the eli-
24 gible Federal entity clears its use of such
25 frequencies, and the need for such fre-

1 quencies in order for the entity to conduct
2 its essential missions;

3 “(ii) the eligible Federal entity shall
4 use such payment for the purposes speci-
5 fied in clauses (i) through (v) of section
6 113(g)(3)(A) to achieve comparable capa-
7 bility of systems affected by the realloca-
8 tion of eligible frequencies from Federal
9 use to exclusive non-Federal use or to
10 shared use;

11 “(iii) such payment may not be made
12 if the amount remaining in the Fund after
13 such payment will be less than 10 percent
14 of the winning bids in the auction of the
15 spectrum with respect to which the Federal
16 entity is incurring relocation or sharing
17 costs; and

18 “(iv) such payment may not be made
19 until 30 days after the Director of OMB
20 has notified the congressional committees
21 described in subsection (d)(2)(C).”.

22 **SEC. 4303. NATIONAL SECURITY AND OTHER SENSITIVE IN-**
23 **FORMATION.**

24 Part B of title I of the National Telecommunications
25 and Information Administration Organization Act (47

1 U.S.C. 921 et seq.) is amended by adding at the end the
2 following:

3 **“SEC. 119. NATIONAL SECURITY AND OTHER SENSITIVE IN-**
4 **FORMATION.**

5 “(a) DETERMINATION.—If the head of an Executive
6 agency (as defined in section 105 of title 5, United States
7 Code) determines that public disclosure of any information
8 contained in a notification or report required by section
9 113 or 118 would reveal classified national security infor-
10 mation, or other information for which there is a legal
11 basis for nondisclosure and the public disclosure of which
12 would be detrimental to national security, homeland secu-
13 rity, or public safety or would jeopardize a law enforce-
14 ment investigation, the head of the Executive agency shall
15 notify the Assistant Secretary of that determination prior
16 to the release of such information.

17 “(b) INCLUSION IN ANNEX.—The head of the Execu-
18 tive agency shall place the information with respect to
19 which a determination was made under subsection (a) in
20 a separate annex to the notification or report required by
21 section 113 or 118. The annex shall be provided to the
22 subcommittee of primary jurisdiction of the congressional
23 committee of primary jurisdiction in accordance with ap-
24 propriate national security stipulations but shall not be

1 disclosed to the public or provided to any unauthorized
2 person through any means.”.

3 **Subtitle D—Telecommunications**
4 **Development Fund**

5 **SEC. 4401. NO ADDITIONAL FEDERAL FUNDS.**

6 Section 309(j)(8)(C)(iii) of the Communications Act
7 of 1934 (47 U.S.C. 309(j)(8)(C)(iii)) is amended to read
8 as follows:

9 “(iii) the interest accrued to the ac-
10 count shall be deposited in the general
11 fund of the Treasury, where such amount
12 shall be dedicated for the sole purpose of
13 deficit reduction.”.

14 **SEC. 4402. INDEPENDENCE OF THE FUND.**

15 Section 714 of the Communications Act of 1934 (47
16 U.S.C. 614) is amended—

17 (1) by striking subsection (c) and inserting the
18 following:

19 “(c) INDEPENDENT BOARD OF DIRECTORS.—The
20 Fund shall have a Board of Directors consisting of 5 peo-
21 ple with experience in areas including finance, investment
22 banking, government banking, communications law and
23 administrative practice, and public policy. The Board of
24 Directors shall select annually a Chair from among the
25 directors. A nominating committee, comprised of the Chair

1 and 2 other directors selected by the Chair, shall appoint
 2 additional directors. The Fund’s bylaws shall regulate the
 3 other aspects of the Board of Directors, including provi-
 4 sions relating to meetings, quorums, committees, and
 5 other matters, all as typically contained in the bylaws of
 6 a similar private investment fund.”;

7 (2) in subsection (d)—

8 (A) by striking “(after consultation with
 9 the Commission and the Secretary of the Treas-
 10 ury)”;

11 (B) by striking paragraph (1); and

12 (C) by redesignating paragraphs (2)
 13 through (4) as paragraphs (1) through (3), re-
 14 spectively; and

15 (3) in subsection (g), by striking “subsection
 16 (d)(2)” and inserting “subsection (d)(1)”.

17 **TITLE V—OFFSETS**

18 **Subtitle A—Guarantee Fees**

19 **SEC. 5001. GUARANTEE FEES.**

20 Subpart A of part 2 of subtitle A of title XIII of the
 21 Housing and Community Development Act of 1992 is
 22 amended by adding after section 1326 (12 U.S.C. 4546)
 23 the following new section:

1 **“SEC. 1327. ENTERPRISE GUARANTEE FEES.**

2 “(a) DEFINITIONS.—For purposes of this section, the
3 following definitions shall apply:

4 “(1) GUARANTEE FEE.—The term ‘guarantee
5 fee’—

6 “(A) means a fee described in subsection
7 (b); and

8 “(B) includes—

9 “(i) the guaranty fee charged by the
10 Federal National Mortgage Association
11 with respect to mortgage-backed securities;
12 and

13 “(ii) the management and guarantee
14 fee charged by the Federal Home Loan
15 Mortgage Corporation with respect to par-
16 ticipation certificates.

17 “(2) AVERAGE FEES.—The term ‘average fees’
18 means the average contractual fee rate of single-
19 family guaranty arrangements by an enterprise en-
20 tered into during 2011, plus the recognition of any
21 up-front cash payments over an estimated average
22 life, expressed in terms of basis points. Such defini-
23 tion shall be interpreted in a manner consistent with
24 the annual report on guarantee fees by the Federal
25 Housing Finance Agency.

26 “(b) INCREASE.—

1 “(1) IN GENERAL.—

2 “(A) PHASED INCREASE REQUIRED.—Sub-
3 ject to subsection (c), the Director shall require
4 each enterprise to charge a guarantee fee in
5 connection with any guarantee of the timely
6 payment of principal and interest on securities,
7 notes, and other obligations based on or backed
8 by mortgages on residential real properties de-
9 signed principally for occupancy of from 1 to 4
10 families, consummated after the date of enact-
11 ment of this section.

12 “(B) AMOUNT.—The amount of the in-
13 crease required under this section shall be de-
14 termined by the Director to appropriately re-
15 flect the risk of loss, as well the cost of capital
16 allocated to similar assets held by other fully
17 private regulated financial institutions, but such
18 amount shall be not less than an average in-
19 crease of 10 basis points for each origination
20 year or book year above the average fees im-
21 posed in 2011 for such guarantees. The Direc-
22 tor shall prohibit an enterprise from offsetting
23 the cost of the fee to mortgage originators, bor-
24 rowers, and investors by decreasing other

1 charges, fees, or premiums, or in any other
2 manner.

3 “(2) AUTHORITY TO LIMIT OFFER OF GUAR-
4 ANTEE.—The Director shall prohibit an enterprise
5 from consummating any offer for a guarantee to a
6 lender for mortgage-backed securities, if—

7 “(A) the guarantee is inconsistent with the
8 requirements of this section; or

9 “(B) the risk of loss is allowed to increase,
10 through lowering of the underwriting standards
11 or other means, for the primary purpose of
12 meeting the requirements of this section.

13 “(3) DEPOSIT IN TREASURY.—To the extent
14 that amounts are received from fee increases im-
15 posed under this section that are necessary to com-
16 ply with the minimum increase required by this sub-
17 section, such amounts shall be deposited directly into
18 the United States Treasury, and shall be available
19 only to the extent provided in subsequent appropria-
20 tions Acts. Such fees shall not be considered a reim-
21 bursement to the Federal Government for the costs
22 or subsidy provided to an enterprise.

23 “(c) PHASE-IN.—

24 “(1) IN GENERAL.—The Director may provide
25 for compliance with subsection (b) by allowing each

1 enterprise to increase the guarantee fee charged by
2 the enterprise gradually over the 2-year period be-
3 ginning on the date of enactment of this section, in
4 a manner sufficient to comply with this section. In
5 determining a schedule for such increases, the Direc-
6 tor shall—

7 “(A) provide for uniform pricing among
8 lenders;

9 “(B) provide for adjustments in pricing
10 based on risk levels; and

11 “(C) take into consideration conditions in
12 financial markets.

13 “(2) RULE OF CONSTRUCTION.—Nothing in
14 this subsection shall be interpreted to undermine the
15 minimum increase required by subsection (b).

16 “(d) INFORMATION COLLECTION AND ANNUAL
17 ANALYSIS.—The Director shall require each enterprise to
18 provide to the Director, as part of its annual report sub-
19 mitted to Congress—

20 “(1) a description of—

21 “(A) changes made to up-front fees and
22 annual fees as part of the guarantee fees nego-
23 tiated with lenders; and

1 “(B) changes to the riskiness of the new
2 borrowers compared to previous origination
3 years or book years; and

4 “(2) an assessment of how the changes in the
5 guarantee fees described in paragraph (1) met the
6 requirements of subsection (b).

7 “(e) ENFORCEMENT.—

8 “(1) REQUIRED ADJUSTMENTS.—Based on the
9 information from subsection (d) and any other infor-
10 mation the Director deems necessary, the Director
11 shall require an enterprise to make adjustments in
12 its guarantee fee in order to be in compliance with
13 subsection (b).

14 “(2) NONCOMPLIANCE PENALTY.—An enter-
15 prise that has been found to be out of compliance
16 with subsection (b) for any 2 consecutive years shall
17 be precluded from providing any guarantee for a pe-
18 riod, determined by rule of the Director, but in no
19 case less than 1 year.

20 “(3) RULE OF CONSTRUCTION.—Nothing in
21 this subsection shall be interpreted as preventing the
22 Director from initiating and implementing an en-
23 forcement action against an enterprise, at a time the
24 Director deems necessary, under other existing en-
25 forcement authority.

1 “(f) AUTHORITY FOR OTHER INCREASES.—Nothing
 2 in this section may be construed to prohibiting, restricting,
 3 or limiting increases, other than pursuant to this section,
 4 in the guarantee fees charged by an enterprise.

5 “(g) EXPIRATION.—The provisions of this section
 6 shall expire on October 1, 2021.”.

7 **Subtitle B—Social Security** 8 **Provisions**

9 **SEC. 5101. INFORMATION FOR ADMINISTRATION OF SOCIAL** 10 **SECURITY PROVISIONS RELATED TO NON-** 11 **COVERED EMPLOYMENT.**

12 (a) COLLECTION.—Subsection (d) of section 6047 of
 13 the Internal Revenue Code of 1986 is amended by redesignig-
 14 nating paragraph (2) as paragraph (3) and by inserting
 15 after paragraph (1) the following new paragraph:

16 “(2) DEFERRED COMPENSATION PLANS OF A
 17 STATE.—

18 “(A) IN GENERAL.—In the case of any em-
 19 ployer deferred compensation plan (as defined
 20 in section 3405(e)(5)) of a State, a political
 21 subdivision thereof, or any agency or instru-
 22 mentality of any of the foregoing, the Secretary
 23 shall in such forms or regulations require, to
 24 the extent such information is known or should
 25 be known, the identification of any designated

1 distribution (as defined in section 3405(e)(1)) if
2 paid to any participant or beneficiary of such
3 plan based in whole or in part upon an individ-
4 ual's earnings for service in the employ of any
5 such governmental entity.

6 “(B) STATE.—For purposes of subpara-
7 graph (A), the term ‘State’ includes the District
8 of Columbia, the Commonwealth or Puerto
9 Rico, the Virgin Island, Guam, and American
10 Samoa.”.

11 (b) DISCLOSURE.—Paragraph (1) of section 6103(l)
12 of such Code is amended by striking “and” at the end
13 of subparagraph (B), by striking the period at the end
14 of subparagraph (C) and inserting “; and”, and by adding
15 at the end the following:

16 “(D) any designated distribution described
17 in section 6047(d)(2) to the Social Security Ad-
18 ministration for purposes of its administration
19 of the Social Security Act.”.

20 (c) EFFECTIVE DATES.—

21 (1) SUBSECTION (a).—The amendments made
22 by subsection (a) shall apply to distributions made
23 after December 31, 2012.

1 (2) SUBSECTION (b).—The amendment made
 2 by subsection (b) shall apply to disclosures made
 3 after December 31, 2012.

4 **Subtitle C—Child Tax Credit**

5 **SEC. 5201. SOCIAL SECURITY NUMBER REQUIRED TO** 6 **CLAIM THE REFUNDABLE PORTION OF THE** 7 **CHILD TAX CREDIT.**

8 (a) IN GENERAL.—Subsection (d) of section 24 of the
 9 Internal Revenue Code of 1986 is amended by adding at
 10 the end the following new paragraph:

11 “(5) IDENTIFICATION REQUIREMENT WITH RE-
 12 SPECT TO TAXPAYER.—

13 “(A) IN GENERAL.—Paragraph (1) shall
 14 not apply to any taxpayer for any taxable year
 15 unless the taxpayer includes the taxpayer’s So-
 16 cial Security number on the return of tax for
 17 such taxable year.

18 “(B) JOINT RETURNS.—In the case of a
 19 joint return, the requirement of subparagraph
 20 (A) shall be treated as met if the Social Secu-
 21 rity number of either spouse is included on such
 22 return.”.

23 (b) OMISSION TREATED AS MATHEMATICAL OR
 24 CLERICAL ERROR.—Subparagraph (I) of section
 25 6213(g)(2) of such Code is amended to read as follows:

1 “(I) an omission of a correct Social Secu-
 2 rity number required under section 24(d)(5)
 3 (relating to refundable portion of child tax cred-
 4 it), or a correct TIN under section 24(e) (relat-
 5 ing to child tax credit), to be included on a re-
 6 turn,”.

7 (c) CONFORMING AMENDMENT.—Subsection (e) of
 8 section 24 of such Code is amended by inserting “WITH
 9 RESPECT TO QUALIFYING CHILDREN” after “IDENTI-
 10 FICATION REQUIREMENT” in the heading thereof.

11 (d) EFFECTIVE DATE.—The amendments made by
 12 this section shall apply to taxable years beginning after
 13 the date of the enactment of this Act.

14 **Subtitle D—Eliminating Taxpayer**
 15 **Benefits for Millionaires**

16 **SEC. 5301. ENDING UNEMPLOYMENT AND SUPPLEMENTAL**
 17 **NUTRITION ASSISTANCE PROGRAM BENEFITS**
 18 **FOR MILLIONAIRES.**

19 (a) ENDING UNEMPLOYMENT BENEFITS FOR MIL-
 20 LIONAIRES.—

21 (1) IN GENERAL.—Subtitle E of the Internal
 22 Revenue Code of 1986 is amended by adding at the
 23 end the following new chapter:

1 **“CHAPTER 56—EXCESS UNEMPLOYMENT**
2 **COMPENSATION**

“Sec. 5895. Excess unemployment compensation.

3 **“SEC. 5895. EXCESS UNEMPLOYMENT COMPENSATION.**

4 “(a) IMPOSITION OF TAX.—There is hereby imposed
5 a tax equal to 100 percent of the excess unemployment
6 compensation received by a taxpayer in any taxable year.

7 “(b) EXCESS UNEMPLOYMENT COMPENSATION.—
8 For purposes of this section, the term ‘excess unemploy-
9 ment compensation’ means, with respect to any State, the
10 amount which bears the same ratio (not to exceed 1) to
11 the amount of unemployment compensation received by
12 the taxpayer from such State in the taxable year as—

13 “(1) the excess of—

14 “(A) the taxpayer’s adjusted gross income
15 for such taxable year, over

16 “(B) \$750,000 (\$1,500,000 in the case of
17 a joint return), bears to

18 “(2) \$250,000 (\$500,000 in the case of a joint
19 return).

20 “(c) ADDITIONAL DEFINITIONS.—For purposes of
21 this section—

22 “(1) ADJUSTED GROSS INCOME.—The term ‘ad-
23 justed gross income’ has the meaning given such
24 term by section 62.

1 “(2) UNEMPLOYMENT COMPENSATION.—The
2 term ‘unemployment compensation’ has the meaning
3 given such term by section 85(b).

4 “(d) ADMINISTRATIVE PROVISIONS.—For purposes
5 of the deficiency procedures of subtitle F, any tax imposed
6 by this section shall be treated as a tax imposed by subtitle
7 A.

8 “(e) TRANSFER OF TAX RECEIPTS.—With respect to
9 excess unemployment compensation received by any tax-
10 payer from a State, there is hereby appropriated to the
11 unemployment fund (as defined in section 3306(f)) of such
12 State, an amount equal to the amount of the tax imposed
13 under subsection (a) on such excess unemployment com-
14 pensation received in the Treasury.”.

15 (2) TAX NOT DEDUCTIBLE.—Section 275(a) of
16 the Internal Revenue Code of 1986 is amended by
17 inserting after paragraph (6) the following new
18 paragraph:

19 “(7) Tax imposed by section 5895.”.

20 (3) CLERICAL AMENDMENT.—The table of
21 chapters for subtitle E of the Internal Revenue Code
22 of 1986 is amended by adding at the end the fol-
23 lowing new item:

 “CHAPTER 56—EXCESS UNEMPLOYMENT COMPENSATION”.

24 (4) EFFECTIVE DATE.—The amendments made
25 by this subsection shall apply to unemployment com-

1 pensation received in taxable years beginning after
2 December 31, 2011.

3 (b) ENDING SUPPLEMENTAL NUTRITION ASSIST-
4 ANCE PROGRAM BENEFITS FOR MILLIONAIRES.—

5 (1) IN GENERAL.—Section 6 of the Food and
6 Nutrition Act of 2008 (7 U.S.C. 2015) is amended
7 by adding at the end the following:

8 “(r) DISQUALIFICATION FOR RECEIPT OF ASSETS OF
9 AT LEAST \$1,000,000.—Any household in which a mem-
10 ber receives income or assets with a fair market value of
11 at least \$1,000,000 shall, immediately on the receipt of
12 the assets, become ineligible for further participation in
13 the program until the date on which the household meets
14 the income eligibility and allowable financial resources
15 standards under section 5.”.

16 (2) CONFORMING AMENDMENTS.—Section 5(a)
17 of the Food and Nutrition Act of 2008 (7 U.S.C.
18 2014(a)) is amended in the second sentence by strik-
19 ing “sections 6(b), 6(d)(2), and 6(g)” and inserting
20 “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)).”.

1 (2) GOVERNMENT CONTRIBUTIONS.—Section
2 8334(a)(1)(B) of title 5, United States Code, is
3 amended—

4 (A) in clause (i), by striking “Except as
5 provided in clause (ii),” and inserting “Except
6 as provided in clause (ii) or (iii),”; and

7 (B) by adding at the end the following:

8 “(iii) The amount to be contributed under clause (i)
9 shall, with respect to a period in any calendar year speci-
10 fied in subparagraph (A)(ii), be equal to—

11 “(I) the amount that would otherwise apply
12 under clause (i), reduced by

13 “(II) the amount by which the withholding
14 under subparagraph (A) exceeds the amount which
15 would (but for clause (ii) of such subparagraph) oth-
16 erwise have been withheld under such subparagraph
17 from the basic pay of the employee or elected official
18 involved with respect to such period.”.

19 (3) OFFSET RULE.—Section 8334(k) of title 5,
20 United States Code, is amended by adding at the
21 end the following:

22 “(5) This subsection shall be applied in a manner
23 consistent with subsections (a)(1)(A)(ii) and (a)(1)(B)(iii)
24 of section 8334.”.

1 (b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—
2 Section 8422(a) of title 5, United States Code, is amend-
3 ed—

4 (1) in paragraph (1), by striking “paragraph
5 (2).” and inserting “this subsection.”; and

6 (2) by adding at the end the following:

7 “(4) Notwithstanding any other provision of this sub-
8 section, the percentage to be deducted and withheld under
9 this subsection shall—

10 “(A) for each of calendar years 2013, 2014,
11 and 2015, be equal to the percentage that applied in
12 the preceding calendar year under this subsection
13 (including this subparagraph, if applicable), plus an
14 additional 0.5 percentage point; and

15 “(B) for each calendar year after 2015, be
16 equal to the applicable percentage for calendar year
17 2015 (as determined under subparagraph (A)).”.

18 (c) FOREIGN SERVICE.—For provisions of law requir-
19 ing maintenance of existing conformity—

20 (1) between the Civil Service Retirement Sys-
21 tem and the Foreign Service Retirement System,
22 and

23 (2) between the Federal Employees' Retirement
24 System and the Foreign Service Pension System,

1 see section 827 of the Foreign Service Act of 1980 (22
2 U.S.C. 4067).

3 (d) CIARDS.—

4 (1) COMPATIBILITY WITH CSRS.—In order to
5 carry out the purposes of this section with respect
6 to the Central Intelligence Agency Retirement and
7 Disability System, the authority under section 292
8 of the Central Intelligence Agency Retirement Act
9 (50 U.S.C. 2141) shall be applied.

10 (2) APPLICABILITY OF FERS.—For provisions
11 of law providing for the application of the Federal
12 Employees' Retirement System with respect to em-
13 ployees of the Central Intelligence Agency, see title
14 III of the Central Intelligence Agency Retirement
15 Act (50 U.S.C. 2151 and following).

16 (e) TVA.—Section 3 of the Tennessee Valley Author-
17 ity Act of 1933 (16 U.S.C. 831b) is amended by adding
18 at the end the following:

19 “(c) The chief executive officer shall prescribe any
20 regulations which may be necessary in order to carry out
21 the purposes of the Securing Annuities for Federal Em-
22 ployees Act of 2011 with respect to any defined benefit
23 plan covering employees of the Tennessee Valley Author-
24 ity.”.

1 **SEC. 5403. AMENDMENTS RELATING TO SECURE ANNUITY**
2 **EMPLOYEES.**

3 (a) DEFINITION OF SECURE ANNUITY EMPLOYEE.—

4 Section 8401 of title 5, United States Code, is amended—

5 (1) in paragraph (35), by striking “and” at the
6 end;

7 (2) in paragraph (36), by striking the period
8 and inserting “; and”; and

9 (3) by adding at the end the following:

10 “(37) the term ‘secure annuity employee’ means
11 an employee or Member who—

12 “(A) first becomes subject to this chapter
13 after December 31, 2012; and

14 “(B) at the time of first becoming subject
15 to this chapter, does not have at least 5 years
16 of civilian service creditable under the Civil
17 Service Retirement System or any other retire-
18 ment system for Government employees.”.

19 (b) INDIVIDUAL CONTRIBUTIONS.—Section 8422(a)
20 of title 5, United States Code (as amended by section
21 2(b)) is further amended—

22 (1) in paragraph (4) (as added by section 2(b)),
23 in the matter before subparagraph (A), by inserting
24 “and except in the case of a secure annuity em-
25 ployee,” after “this subsection”; and

1 (2) by adding after paragraph (4) (as so added)
2 the following:

3 “(5) Notwithstanding any other provision of this sub-
4 section, in the case of a secure annuity employee, the per-
5 centage to be deducted and withheld shall be computed
6 under paragraphs (1) through (3), except that the applica-
7 ble percentage under paragraph (3) for civilian service
8 shall—

9 “(A) in the case of a secure annuity employee
10 who is an employee, be equal to 10.2 percent; and

11 “(B) in the case of a secure annuity employee
12 who is not subject to subparagraph (A), 10.7 per-
13 cent.”.

14 (c) AVERAGE PAY.—Section 8401(3) of title 5,
15 United States Code, is amended—

16 (1) by striking “(3)” and inserting “(3)(A)”;
17 and

18 (2) by adding “except that” after the semicolon;
19 and

20 (3) by adding at the end the following:

21 “(B) in the case of a secure annuity employee,
22 the term ‘average pay’ has the meaning determined
23 applying subparagraph (A)—

24 “(i) by substituting ‘5 consecutive years’
25 for ‘3 consecutive years’; and

1 “(ii) by substituting ‘5 years’ for ‘3
2 years’.”.

3 (d) COMPUTATION OF BASIC ANNUITY.—Section
4 8415 of title 5, United States Code, is amended—

5 (1) by striking subsections (a) through (e) and
6 inserting the following:

7 “(a) Except as otherwise provided in this section, the
8 annuity of an employee retiring under this subchapter is—

9 “(1) except as provided under paragraph (2), 1
10 percent of that individual’s average pay multiplied
11 by such individual’s total service; or

12 “(2) in the case of a secure annuity employee,
13 0.7 percent of that individual’s average pay multi-
14 plied by such individual’s total service.

15 “(b) The annuity of a Member, or former Member
16 with title to a Member annuity, retiring under this sub-
17 chapter is computed under subsection (a), except that if
18 the individual has had at least 5 years of service as a
19 Member or Congressional employee, or any combination
20 thereof, so much of the annuity as is computed with re-
21 spect to either such type of service (or a combination
22 thereof), not exceeding a total of 20 years, shall be com-
23 puted—

1 “(1) except as provided under paragraph (2),
2 by multiplying 1.7 percent of the individual’s aver-
3 age pay by the years of such service; or

4 “(2) in the case of an individual who is a secure
5 annuity employee, by multiplying 1.4 percent of the
6 individual’s average pay by the years of such service.

7 “(c) The annuity of a Congressional employee, or
8 former Congressional employee, retiring under this sub-
9 chapter is computed under subsection (a), except that if
10 the individual has had at least 5 years of service as a Con-
11 gressional employee or Member, or any combination there-
12 of, so much of the annuity as is computed with respect
13 to either such type of service (or a combination thereof),
14 not exceeding a total of 20 years, shall be computed—

15 “(1) except as provided under paragraph (2),
16 by multiplying 1.7 percent of the individual’s aver-
17 age pay by the years of such service; or

18 “(2) in the case of an individual who is a secure
19 annuity employee, by multiplying 1.4 percent of the
20 individual’s average pay by the years of such service.

21 “(d) The annuity of an employee retiring under sub-
22 section (d) or (e) of section 8412 or under subsection (a),
23 (b), or (c) of section 8425 is—

24 “(1) except as provided under paragraph (2)—

1 “(A) 1.7 percent of that individual’s aver-
2 age pay multiplied by so much of such individ-
3 ual’s total service as does not exceed 20 years;
4 plus

5 “(B) 1 percent of that individual’s average
6 pay multiplied by so much of such individual’s
7 total service as exceeds 20 years; or

8 “(2) in the case of an individual who is a secure
9 annuity employee—

10 “(A) 1.4 percent of that individual’s aver-
11 age pay multiplied by so much of such individ-
12 ual’s total service as does not exceed 20 years;
13 plus

14 “(B) 0.7 percent of that individual’s aver-
15 age pay multiplied by so much of such individ-
16 ual’s total service as exceeds 20 years.

17 “(e) The annuity of an air traffic controller or former
18 air traffic controller retiring under section 8412(a) is com-
19 puted under subsection (a), except that if the individual
20 has had at least 5 years of service as an air traffic con-
21 troller as defined by section 2109(1)(A)(i), so much of the
22 annuity as is computed with respect to such type of service
23 shall be computed—

1 “(1) except as provided under paragraph (2),
2 by multiplying 1.7 percent of the individual’s aver-
3 age pay by the years of such service; or

4 “(2) in the case of an individual who is a secure
5 annuity employee, by multiplying 1.4 percent of the
6 individual’s average pay by the years of such serv-
7 ice.”; and

8 (2) in subsection (h)—

9 (A) in paragraph (1), by striking “sub-
10 section (a)” and inserting “subsection (a)(1)”;
11 and

12 (B) in paragraph (2), in the matter fol-
13 lowing subparagraph (B), by striking “or cus-
14 toms and border protection officer” and insert-
15 ing “customs and border protection officer, or
16 secure annuity employee.”.

17 **SEC. 5404. ANNUITY SUPPLEMENT.**

18 Section 8421(a) of title 5, United States Code, is
19 amended—

20 (1) in paragraph (1), by striking “paragraph
21 (3)” and inserting “paragraphs (3) and (4)”;

22 (2) in paragraph (2), by striking “paragraph
23 (3)” and inserting “paragraphs (3) and (4)”; and

24 (3) by adding at the end the following:

1 “(4)(A) Except as provided in subparagraph (B), no
 2 annuity supplement under this section shall be payable in
 3 the case of an individual whose entitlement to annuity is
 4 based on such individual’s separation from service after
 5 December 31, 2012.

6 “(B) Nothing in this paragraph applies in the case
 7 of an individual separating under subsection (d) or (e) of
 8 section 8412.”.

9 **PART 2—FEDERAL WORKFORCE**

10 **SEC. 5421. EXTENSION OF PAY LIMITATION FOR FEDERAL**
 11 **EMPLOYEES.**

12 (a) IN GENERAL.—Section 147 of the Continuing
 13 Appropriations Act, 2011 (Public Law 111–242), as
 14 amended by section 1(a) of the Continuing Appropriations
 15 and Surface Transportation Extensions Act, 2011 (Public
 16 Law 111–322; 124 Stat. 3518), is further amended—

17 (1) in subsection (b)(1), by striking “December
 18 31, 2012” and inserting “December 31, 2013”; and

19 (2) in subsection (c), by striking “December 31,
 20 2012” and inserting “December 31, 2013”.

21 (b) APPLICATION TO LEGISLATIVE BRANCH.—

22 (1) MEMBERS OF CONGRESS.—The extension of
 23 the pay limit for Federal employees through Decem-
 24 ber 31, 2013, as established pursuant to the amend-
 25 ments made by subsection (a), shall apply to Mem-

1 bers of Congress in accordance with section 601(a)
2 of the Legislative Reorganization Act of 1946 (2
3 U.S.C. 31).

4 (2) OTHER LEGISLATIVE BRANCH EMPLOY-
5 EES.—

6 (A) LIMIT IN PAY.—Notwithstanding any
7 other provision of law, no cost of living adjust-
8 ment required by statute with respect to a legis-
9 lative branch employee which (but for this sub-
10 paragraph) would otherwise take effect during
11 the period beginning on the date of enactment
12 of this Act and ending on December 31, 2013,
13 shall be made.

14 (B) DEFINITION.—In this paragraph, the
15 term “legislative branch employee” means—

16 (i) an employee of the Federal Gov-
17 ernment whose pay is disbursed by the
18 Secretary of the Senate or the Chief Ad-
19 ministrative Officer of the House of Rep-
20 resentatives; and

21 (ii) an employee of any office of the
22 legislative branch who is not described in
23 clause (i).

1 **SEC. 5422. REDUCTION OF DISCRETIONARY SPENDING LIM-**
2 **ITS TO ACHIEVE SAVINGS FROM FEDERAL**
3 **EMPLOYEE PROVISIONS.**

4 Section 251(c) of the Balanced Budget and Emer-
5 gency Deficit Control Act of 1985 is amended to read as
6 follows:

7 “(c) DISCRETIONARY SPENDING LIMIT.—As used in
8 this part, the term ‘discretionary spending limit’ means—

9 “(1) with respect to fiscal year 2013—

10 “(A) for the security category,
11 \$685,000,000,000 in new budget authority; and

12 “(B) for the nonsecurity category,
13 \$359,000,000,000 in new budget authority;

14 “(2) with respect to fiscal year 2014, for the
15 discretionary category, \$1,063,000,000,000 in new
16 budget authority;

17 “(3) with respect to fiscal year 2015, for the
18 discretionary category, \$1,083,000,000,000 in new
19 budget authority;

20 “(4) with respect to fiscal year 2016, for the
21 discretionary category, \$1,104,000,000,000 in new
22 budget authority;

23 “(5) with respect to fiscal year 2017, for the
24 discretionary category, \$1,128,000,000,000 in new
25 budget authority;

1 “(6) with respect to fiscal year 2018, for the
2 discretionary category, \$1,153,000,000,000 in new
3 budget authority;

4 “(7) with respect to fiscal year 2019, for the
5 discretionary category, \$1,178,000,000,000 in new
6 budget authority;

7 “(8) with respect to fiscal year 2020, for the
8 discretionary category, \$1,204,000,000,000 in new
9 budget authority; and

10 “(9) with respect to fiscal year 2021, for the
11 discretionary category, \$1,230,000,000,000 in new
12 budget authority;

13 as adjusted in strict conformance with subsection (b).”.

14 **SEC. 5423. REDUCTION OF REVISED DISCRETIONARY**
15 **SPENDING LIMITS TO ACHIEVE SAVINGS**
16 **FROM FEDERAL EMPLOYEE PROVISIONS.**

17 Paragraph (2) of section 251A of the Balanced Budg-
18 et and Emergency Deficit Control Act of 1985 is amended
19 to read as follows:

20 “(2) REVISED DISCRETIONARY SPENDING LIM-
21 ITS.—The discretionary spending limits for fiscal
22 years 2013 through 2021 under section 251(c) shall
23 be replaced with the following:

24 “(A) For fiscal year 2013—

1 “(i) for the security category,
2 \$546,000,000,000 in budget authority; and

3 “(ii) for the nonsecurity category,
4 \$499,000,000,000 in budget authority.

5 “(B) For fiscal year 2014—

6 “(i) for the security category,
7 \$556,000,000,000 in budget authority; and

8 “(ii) for the nonsecurity category,
9 \$507,000,000,000 in budget authority.

10 “(C) For fiscal year 2015—

11 “(i) for the security category,
12 \$566,000,000,000 in budget authority; and

13 “(ii) for the nonsecurity category,
14 \$517,000,000,000 in budget authority.

15 “(D) For fiscal year 2016—

16 “(i) for the security category,
17 \$577,000,000,000 in budget authority; and

18 “(ii) for the nonsecurity category,
19 \$527,000,000,000 in budget authority.

20 “(E) For fiscal year 2017—

21 “(i) for the security category,
22 \$590,000,000,000 in budget authority; and

23 “(ii) for the nonsecurity category,
24 \$538,000,000,000 in budget authority.

25 “(F) For fiscal year 2018—

1 “(i) for the security category,
2 \$603,000,000,000 in budget authority; and

3 “(ii) for the nonsecurity category,
4 \$550,000,000,000 in budget authority.

5 “(G) For fiscal year 2019—

6 “(i) for the security category,
7 \$616,000,000,000 in budget authority; and

8 “(ii) for the nonsecurity category,
9 \$562,000,000,000 in budget authority.

10 “(H) For fiscal year 2020—

11 “(i) for the security category,
12 \$630,000,000,000 in budget authority; and

13 “(ii) for the nonsecurity category,
14 \$574,000,000,000 in budget authority.

15 “(I) For fiscal year 2021—

16 “(i) for the security category,
17 \$644,000,000,000 in budget authority; and

18 “(ii) for the nonsecurity category,
19 \$586,000,000,000 in budget authority.”.

1 **Subtitle F—Health Care Provisions**

2 **SEC. 5501. INCREASE IN APPLICABLE PERCENTAGE USED** 3 **TO CALCULATE MEDICARE PART B AND PART** 4 **D PREMIUMS FOR HIGH-INCOME BENE-** 5 **FICIARIES.**

6 (a) IN GENERAL.—Section 1839(i)(3)(C)(i) of the
7 Social Security Act (42 U.S.C. 1395r(i)(3)(C)(i)) is
8 amended—

9 (1) by striking “IN GENERAL.—” and inserting
10 “IN GENERAL.—(I) For calendar years prior to
11 2017:”; and

12 (2) by adding at the end the following new sub-
13 clause:

14 “(II) For calendar year 2017 and
15 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.”.

16 (b) CONFORMING AMENDMENT.—Section
17 1839(i)(3)(A)(i) of the Social Security Act (42 U.S.C.
18 1395r(i)(3)(A)(i)) is amended, by inserting “and year”
19 after “individual”.

1 **SEC. 5502. TEMPORARY ADJUSTMENT TO THE CALCULA-**
2 **TION OF MEDICARE PART B AND PART D PRE-**
3 **MIUMS.**

4 (a) IN GENERAL.—Section 1839(i)(6) of the Social
5 Security Act (42 U.S.C. 1395r(i)(6)) is amended in the
6 matter preceding subparagraph (A) by striking “Decem-
7 ber 31, 2019” and inserting “December 31 of the first
8 year after the year in which at least 25 percent of individ-
9 uals enrolled under this part are subject to a reduction
10 under this subsection to the monthly amount of the pre-
11 mium subsidy applicable to the premium under this sec-
12 tion.”.

13 (b) APPLICATION OF INFLATION ADJUSTMENT.—
14 Section 1839(i)(5) of the Social Security Act (42 U.S.C.
15 1395r(i)(5)) is amended—

16 (1) in subparagraph (A), by striking “In the
17 case” and inserting “Subject to subparagraph (C),
18 in the case”; and

19 (2) by adding at the end the following new sub-
20 paragraph:

21 “(C) TREATMENT OF YEARS AFTER TEM-
22 PORARY ADJUSTMENT PERIOD.—In applying
23 subparagraph (A) for the first year beginning
24 after the period described in paragraph (6) and
25 for each subsequent year, the 12-month period
26 ending with August 2006 described in clause

1 (ii) of such subparagraph shall be deemed to be
2 the 12-month period ending with August of the
3 last year of such period described in paragraph
4 (6).”.

5 **TITLE VI—MISCELLANEOUS**
6 **PROVISIONS**

7 **SEC. 6001. REPEAL OF CERTAIN SHIFTS IN THE TIMING OF**
8 **CORPORATE ESTIMATED TAX PAYMENTS.**

9 The following provisions of law (and any modification
10 of any such provision which is contained in any other pro-
11 vision of law) shall not apply with respect to any install-
12 ment of corporate estimated tax:

13 (1) Section 201(b) of the Corporate Estimated
14 Tax Shift Act of 2009.

15 (2) Section 561 of the Hiring Incentives to Re-
16 store Employment Act.

17 (3) Section 505 of the United States-Korea
18 Free Trade Agreement Implementation Act.

19 (4) Section 603 of the United States-Colombia
20 Trade Promotion Agreement Implementation Act.

21 (5) Section 502 of the United State-Panama
22 Trade Promotion Agreement Implementation Act.

1 **SEC. 6002. REPEAL OF REQUIREMENT RELATING TO TIME**
2 **FOR REMITTING CERTAIN MERCHANDISE**
3 **PROCESSING FEES.**

4 (a) REPEAL.—The Trade Adjustment Assistance Ex-
5 tension Act of 2011 (title II of Public Law 112–40; 125
6 Stat. 402) is amended by striking section 263.

7 (b) CLERICAL AMENDMENT.—The table of contents
8 for such Act is amended by striking the item relating to
9 section 263.

10 **SEC. 6003. POINTS OF ORDER IN THE SENATE.**

11 (a) POINT OF ORDER TO PROTECT THE SOCIAL SE-
12 CURITY TRUST FUND.—

13 (1) Notwithstanding any other provision of law,
14 it shall not be in order in the Senate to consider any
15 measure that extends the dates referenced in section
16 601(c) of the Tax Relief, Unemployment Insurance
17 Reauthorization, and Job Creation Act of 2010 (26
18 U.S.C. 1401 note).

19 (2) The provisions of this subsection may be
20 waived in the Senate only by the affirmative vote of
21 two-thirds of the Members, duly chosen and sworn.

22 (b) POINT OF ORDER AGAINST AN EMERGENCY DES-
23 IGNATION.—Section 314 of the Congressional Budget Act
24 of 1974 is amended by—

25 (1) redesignating subsection (e) as subsection
26 (f); and

1 (2) inserting after subsection (d) the following:

2 “(e) SENATE POINT OF ORDER AGAINST AN EMER-
3 GENCY DESIGNATION.—

4 “(1) IN GENERAL.—When the Senate is consid-
5 ering a bill, resolution, amendment, motion, amend-
6 ment between the Houses, or conference report, if a
7 point of order is made by a Senator against an
8 emergency designation in that measure, that provi-
9 sion making such a designation shall be stricken
10 from the measure and may not be offered as an
11 amendment from the floor.

12 “(2) SUPERMAJORITY WAIVER AND APPEALS.—

13 “(A) WAIVER.—Paragraph (1) may be
14 waived or suspended in the Senate only by an
15 affirmative vote of three-fifths of the Members,
16 duly chosen and sworn.

17 “(B) APPEALS.—Appeals in the Senate
18 from the decisions of the Chair relating to any
19 provision of this subsection shall be limited to
20 1 hour, to be equally divided between, and con-
21 trolled by, the appellant and the manager of the
22 bill or joint resolution, as the case may be. An
23 affirmative vote of three-fifths of the Members
24 of the Senate, duly chosen and sworn, shall be
25 required to sustain an appeal of the ruling of

1 the Chair on a point of order raised under this
2 subsection.

3 “(3) DEFINITION OF AN EMERGENCY DESIGNA-
4 TION.—For purposes of paragraph (1), a provision
5 shall be considered an emergency designation if it
6 designates any item pursuant to section
7 251(b)(2)(A)(i) of the Balanced Budget and Emer-
8 gency Deficit Control Act of 1985.

9 “(4) FORM OF THE POINT OF ORDER.—A point
10 of order under paragraph (1) may be raised by a
11 Senator as provided in section 313(e) of the Con-
12 gressional Budget Act of 1974.

13 “(5) CONFERENCE REPORTS.—When the Sen-
14 ate is considering a conference report on, or an
15 amendment between the Houses in relation to, a bill,
16 upon a point of order being made by any Senator
17 pursuant to this section, and such point of order
18 being sustained, such material contained in such
19 conference report shall be deemed stricken, and the
20 Senate shall proceed to consider the question of
21 whether the Senate shall recede from its amendment
22 and concur with a further amendment, or concur in
23 the House amendment with a further amendment,
24 as the case may be, which further amendment shall
25 consist of only that portion of the conference report

1 or House amendment, as the case may be, not so
2 stricken. Any such motion in the Senate shall be de-
3 batable. In any case in which such point of order is
4 sustained against a conference report (or Senate
5 amendment derived from such conference report by
6 operation of this subsection), no further amendment
7 shall be in order.”.

8 **SEC. 6004. PAYGO SCORECARD ESTIMATES.**

9 (a) BUDGETARY EFFECTS.—Neither scorecard main-
10 tained by the Office of Management and Budget pursuant
11 to section 4(d) of the Statutory Pay-As-You-Go Act of
12 2010 (2 U.S.C. 933) shall include the budgetary effects
13 of this Act if such budgetary effects do not increase the
14 deficit for the period of fiscal years 2012 through 2021
15 as determined by the estimate submitted for printing in
16 the Congressional Record pursuant to section 4(d) of such
17 Act.

18 (b) DEFICIT.—The increase or decrease in the deficit
19 in the estimate submitted for printing referred to in sub-
20 section (a) shall be determined on the basis of—

21 (1) the change in total outlays and total rev-
22 enue of the Federal Government, including off-budg-
23 et effects, that would result from this Act;

24 (2) the estimate of the effects of the changes to
25 the discretionary spending limits set forth in section

1 251 of the Balanced Budget and Emergency Deficit
2 Control Act of 1985 in this Act; and

3 (3) the estimate of the change in net income to
4 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