

113TH CONGRESS  
1ST SESSION

# H. R. 3355

To increase the competitiveness of American manufacturing by reducing regulatory and other burdens, encouraging greater innovation and investment, and developing a stronger workforce for the twenty-first century, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 28, 2013

Mr. GUTHRIE introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Armed Services, Education and the Workforce, Natural Resources, House Administration, the Judiciary, Rules, Appropriations, Science, Space, and Technology, and Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To increase the competitiveness of American manufacturing by reducing regulatory and other burdens, encouraging greater innovation and investment, and developing a stronger workforce for the twenty-first century, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Reducing Employer  
3 Burdens, Unleashing Innovation, and Labor Development  
4 Act of 2013”.

5 **SEC. 2. TABLE OF CONTENTS.**

6 The table of contents for this Act is the following:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Findings; sense of the Congress.

TITLE I—INVESTING IN AMERICA’S WORKFORCE

- Sec. 101. Short title.
- Sec. 102. Industry-recognized and nationally portable credentials for job training programs.
- Sec. 103. Definitions.
- Sec. 104. Rule of construction.
- Sec. 105. Effective date.

TITLE II—RESEARCH AND DEVELOPMENT TAX CREDITS

- Sec. 201. Extension of research credit; alternative simplified research credit increased and made permanent.

TITLE III—COMPREHENSIVE TAX REFORM

- Sec. 301. Comprehensive reform of United States tax laws; expedited consideration.

TITLE IV—FEDERAL OIL AND GAS RESOURCES

Subtitle A—Expanding Offshore Energy Development

- Sec. 411. Outer Continental Shelf leasing program.
- Sec. 412. Domestic oil and natural gas production goal.

Subtitle B—Coastal Plain of Alaska

- Sec. 421. Short title.
- Sec. 422. Definitions.
- Sec. 423. Leasing program for lands within the Coastal Plain.
- Sec. 424. Lease sales.
- Sec. 425. Grant of leases by the Secretary.
- Sec. 426. Lease terms and conditions.
- Sec. 427. Coastal Plain environmental protection.
- Sec. 428. Expedited judicial review.
- Sec. 429. Treatment of revenues.
- Sec. 430. Rights-of-way across the Coastal Plain.
- Sec. 431. Conveyance.
- Sec. 432. ANWR Alternative Energy Trust Fund.

## TITLE V—ENERGY CONSUMERS RELIEF

- Sec. 501. Prohibition against finalizing certain energy-related rules that will cause significant adverse effects to the economy.
- Sec. 502. Reports and determinations prior to promulgating as final certain energy-related rules.
- Sec. 503. Definitions.
- Sec. 504. Prohibition on use of social cost of carbon in analysis.

## TITLE VI—REPEAL OF THE HEALTH CARE LAW AND HEALTH CARE-RELATED PROVISIONS IN THE HEALTH CARE AND EDUCATION RECONCILIATION ACT OF 2010

- Sec. 601. Short title.
- Sec. 602. Repeal of the health care law and health care-related provisions in the Health Care and Education Reconciliation Act of 2010.

## TITLE VII—COOPERATIVE GOVERNING OF INDIVIDUAL HEALTH INSURANCE COVERAGE

- Sec. 701. Cooperative governing of individual health insurance coverage.
- Sec. 702. Severability.

## TITLE VIII—RENEWAL OF TRADE PROMOTION AUTHORITY

- Sec. 801. Renewal of trade promotion authority.

## TITLE IX—REFORM OF EXPORT CONTROL POLICIES

- Sec. 901. Sense of Congress on reform of export control policies.

## TITLE X—EFFICIENT USE OF GOVERNMENT SPECTRUM

- Sec. 1001. Short title.
- Sec. 1002. Reallocation and auction of 1755–1780 MHz band.

**1 SEC. 3. FINDINGS; SENSE OF THE CONGRESS.**

2 (a) FINDINGS.—The Congress finds the following:

3 (1) Data indicate that manufacturing employees  
4 earn a higher average salary and receive greater  
5 benefits than workers in other industries.

6 (2) Recent data also show that United States  
7 manufacturing companies cannot fill as many as  
8 600,000 skilled positions, even as unemployment  
9 numbers hover at historically high levels.

1           (3) Postsecondary success and workforce readi-  
2           ness can be achieved through attainment of recog-  
3           nized postsecondary credentials.

4           (4) Data indicate that United States manufac-  
5           turers invest a far greater percentage of revenue in  
6           research and development than other industries.

7           (5) The United States has the highest corporate  
8           tax rate in the developed world.

9           (6) A recent report indicates that United States  
10          manufacturers face a 20 percent structural cost bur-  
11          den compared to companies from the Nation's 9  
12          largest trading partners.

13          (7) Excessive Federal regulations are placing a  
14          heavy burden on United States manufacturers.

15          (8) According to a recent report, it is estimated  
16          that pending and recently finalized Environmental  
17          Protection Agency regulations alone could cost man-  
18          ufacturers over \$100,000,000,000 per year in com-  
19          pliance, plus additional one-time costs of over  
20          \$500,000,000.

21          (9) Data indicate that regulatory costs could  
22          cut annual United States economic output by as  
23          much as \$630,000,000,000, or 4.2 percent of Gross  
24          Domestic Product, resulting in a net loss of  
25          9,000,000 jobs.

1           (10) Expanded domestic resource development  
2 would further reduce energy costs, increasing United  
3 States manufacturers' competitive advantage.

4           (11) Data show that United States manufactur-  
5 ers have reduced energy usage and emissions to  
6 below the 1990 levels.

7           (12) Reports indicate United States health care  
8 costs have increased over 80 percent in the past dec-  
9 ade, creating greater personnel costs for manufac-  
10 turers.

11           (13) Data show that United States manufactur-  
12 ers are responsible for 47 percent of total United  
13 States exports.

14           (14) A widening trade gap with major trade  
15 partners means that manufacturers are at risk of  
16 losing export market share.

17       (b) SENSE OF THE CONGRESS.—It is the sense of  
18 the Congress that increasing the competitiveness of United  
19 States manufacturers will strengthen the national econ-  
20 omy.

21           **TITLE I—INVESTING IN**  
22           **AMERICA'S WORKFORCE**

23       **SEC. 101. SHORT TITLE.**

24           This title may be cited as the "Investing in America's  
25 Workforce Act".

1 **SEC. 102. INDUSTRY-RECOGNIZED AND NATIONALLY PORT-**  
2 **ABLE CREDENTIALS FOR JOB TRAINING PRO-**  
3 **GRAMS.**

4 (a) WORKFORCE INVESTMENT ACT OF 1998.—

5 (1) YOUTH ACTIVITIES.—Section 129(c)(1)(C)  
6 of the Workforce Investment Act of 1998 (29 U.S.C.  
7 2854(c)(1)(C)) is amended—

8 (A) by redesignating clauses (ii) through  
9 (iv) as clauses (iii) through (v), respectively;  
10 and

11 (B) by inserting after clause (i) the fol-  
12 lowing:

13 “(ii) training (which may include pri-  
14 ority consideration for training programs  
15 that lead to recognized postsecondary cre-  
16 dentials (as defined in section 104 of the  
17 Investing in America’s Workforce Act) that  
18 are aligned with in-demand occupations or  
19 industries in the local area involved, if the  
20 local board determines that the programs  
21 meet the quality criteria described in sec-  
22 tion 123);”.

23 (2) GENERAL EMPLOYMENT AND TRAINING AC-  
24 TIVITIES.—Section 134(d)(4)(F) of the Workforce  
25 Investment Act of 1998 (29 U.S.C. 2864(d)(4)(F))  
26 is amended by adding at the end the following:

1                   “(iv) PROGRAMS THAT LEAD TO AN  
2                   INDUSTRY-RECOGNIZED AND NATIONALLY  
3                   PORTABLE CREDENTIAL.—In assisting in-  
4                   dividuals in selecting programs of training  
5                   services under this section, a one-stop op-  
6                   erator and employees of a one-stop center  
7                   referred to in subsection (c) may give pri-  
8                   ority consideration to programs (approved  
9                   in conjunction with eligibility decisions  
10                  made under section 122) that lead to rec-  
11                  ognized postsecondary credentials (as de-  
12                  fined in section 103 of the Investing in  
13                  America’s Workforce Act) that are aligned  
14                  with in-demand occupations or industries  
15                  in the local area involved.”.

16                  (3) CRITERIA.—

17                         (A) GENERAL EMPLOYMENT AND TRAIN-  
18                         ING ACTIVITIES.—Section 122(b)(2)(D) of the  
19                         Workforce Investment Act of 1998 (29 U.S.C.  
20                         2842(b)(2)(D)) is amended—

21                                 (i) in clause (ii), by striking “and” at  
22                                 the end;

23                                 (ii) in clause (iii), by striking the pe-  
24                                 riod and inserting “; and”; and

1 (iii) by adding at the end the fol-  
2 lowing:

3 “(iv) in the case of a provider of a  
4 program of training services that leads to  
5 a recognized postsecondary credential (as  
6 defined in section 103 of the Investing in  
7 America’s Workforce Act), that the pro-  
8 gram leading to the credential meets such  
9 quality criteria as the Governor shall es-  
10 tablish.”.

11 (B) YOUTH ACTIVITIES.—Section 123 of  
12 the Workforce Investment Act of 1998 (29  
13 U.S.C. 2843) by inserting “(including such  
14 quality criteria as the Governor shall establish  
15 for a training program that leads to a recog-  
16 nized postsecondary credential (as defined in  
17 section 103 of the Investing in America’s Work-  
18 force Act))” after “plan”.

19 (b) CAREER AND TECHNICAL EDUCATION.—

20 (1) STATE PLAN.—Section 122(c)(1)(B) of the  
21 Carl D. Perkins Career and Technical Education  
22 Act of 2006 (20 U.S.C. 2342(c)(1)(B)) is amend-  
23 ed—

24 (A) by striking “(B) how” and inserting  
25 “(B)(i) how”;



1 (B) by inserting “and” after the semicolon;  
2 and

3 (C) by adding at the end the following

4 “(ii) in the case of an eligible entity that,  
5 in developing and implementing programs of  
6 study leading to recognized postsecondary cre-  
7 dentials, desires to give a priority to such pro-  
8 grams that are aligned with in-demand occupa-  
9 tions or industries in the area served (as deter-  
10 mined by the eligible agency) and that may pro-  
11 vide a basis for additional credentials, certifi-  
12 cates, or degree, how the entity will do so;”.

13 (2) USE OF LOCAL FUNDS.—Section 134(b) of  
14 the Carl D. Perkins Career and Technical Education  
15 Act of 2006 (20 U.S.C. 2354(b)) is amended—

16 (A) in paragraph (11), by striking “; and”  
17 and inserting a semicolon;

18 (B) in paragraph (12)(B), by striking the  
19 period and inserting “; and”; and

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

21 “(13) describe the career and technical edu-  
22 cation activities supporting the attainment of recog-  
23 nized postsecondary credentials (as defined in sec-  
24 tion 103 of the Investing in America’s Workforce  
25 Act), and, in the case of an eligible recipient that de-

1 sires to provide priority consideration to certain pro-  
2 grams of study in accordance with the State plan  
3 under section 122(c)(1)(B), how the eligible recipi-  
4 ent will give priority consideration to such activi-  
5 ties.”.

6 (3) TECH-PREP PROGRAMS.—Section  
7 203(c)(2)(E) of the Carl D. Perkins Career and  
8 Technical Education Act of 2006 (20 U.S.C.  
9 2373(c)(2)(E)) is amended by striking “industry-  
10 recognized credential, a certificate,” and inserting  
11 “recognized postsecondary credential (as defined in  
12 section 103 of the Investing in America’s Workforce  
13 Act and approved by the eligible agency),”.

14 (c) TRAINING PROGRAMS UNDER TAA.—Section  
15 236(a) of the Trade Act of 1974 (19 U.S.C. 2296(a)) is  
16 amended by adding at the end the following:

17 “(12) In approving training programs for adversely  
18 affected workers and adversely affected incumbent work-  
19 ers under paragraph (1), the Secretary may give priority  
20 consideration to workers seeking training through pro-  
21 grams that are approved in conjunction with eligibility de-  
22 cisions made under section 122 of the Workforce Invest-  
23 ment Act of 1998 (29 U.S.C. 2842), and that lead to rec-  
24 ognized postsecondary credentials (as defined in section  
25 103 of the Investing in America’s Workforce Act) that are

1 aligned with in-demand occupations or industries in the  
2 local area (defined for purposes of title I of the Workforce  
3 Investment Act of 1998 (29 U.S.C. 2801 et seq.)) in-  
4 volved.”.

5 **SEC. 103. DEFINITIONS.**

6 In this title:

7 (1) **INDUSTRY-RECOGNIZED.**—The term “indus-  
8 try-recognized”, used with respect to a credential,  
9 means a credential that—

10 (A) is sought or accepted by employers  
11 within the industry sector involved as recog-  
12 nized, preferred, or required for recruitment,  
13 screening, hiring, or advancement; and

14 (B) is a nationally portable credential,  
15 meaning a credential that is sought or accepted  
16 across multiple States, as described in subpara-  
17 graph (A).

18 (2) **RECOGNIZED POSTSECONDARY CREDEN-**  
19 **TIAL.**—The term “recognized postsecondary creden-  
20 tial” means a credential consisting of an industry-  
21 recognized credential for postsecondary training, a  
22 certificate that meets the requirements of subpara-  
23 graphs (A) and (C) of paragraph (1) for postsec-  
24 ondary training, a certificate of completion of a post-  
25 secondary apprenticeship through a program de-

1 scribed in section 122(a)(2)(B) of the Workforce In-  
2 vestment Act of 1998 (29 U.S.C. 2842(a)(2)(B)), or  
3 an associate degree or baccalaureate degree awarded  
4 by an institution of higher education (as defined in  
5 section 102 of the Higher Education Act of 1965  
6 (20 U.S.C. 1002)).

7 **SEC. 104. RULE OF CONSTRUCTION.**

8 Nothing in this title shall be construed to require an  
9 entity with responsibility for selecting or approving an  
10 education, training, or workforce investment activities pro-  
11 gram with regard to a covered provision, to select a pro-  
12 gram with a recognized postsecondary credential or certifi-  
13 cate as defined by this title.

14 **SEC. 105. EFFECTIVE DATE.**

15 This title, and the amendments made by this title,  
16 take effect 120 days after the date of enactment of this  
17 Act.

18 **TITLE II—RESEARCH AND**  
19 **DEVELOPMENT TAX CREDITS**

20 **SEC. 201. EXTENSION OF RESEARCH CREDIT; ALTERNATIVE**  
21 **SIMPLIFIED RESEARCH CREDIT INCREASED**  
22 **AND MADE PERMANENT.**

23 (a) EXTENSION OF CREDIT.—

24 (1) IN GENERAL.—Subparagraph (B) of section  
25 41(h)(1) of the Internal Revenue Code of 1986 is

1 amended by striking “December 31, 2013” and in-  
2 sserting “December 31, 2014”.

3 (2) CONFORMING AMENDMENT.—Subparagraph  
4 (D) of section 45C(b)(1) of such Code is amended  
5 by striking “December 31, 2013” and inserting  
6 “December 31, 2014”.

7 (3) EFFECTIVE DATE.—The amendments made  
8 by this subsection shall apply to amounts paid or in-  
9 curred after December 31, 2013.

10 (b) ALTERNATIVE SIMPLIFIED RESEARCH CREDIT  
11 INCREASED AND MADE PERMANENT.—

12 (1) INCREASED CREDIT.—Subparagraph (A) of  
13 section 41(e)(5) of such Code (relating to election of  
14 alternative simplified credit) is amended by striking  
15 “14 percent (12 percent in the case of taxable years  
16 ending before January 1, 2009)” and inserting “20  
17 percent”.

18 (2) CREDIT MADE PERMANENT.—

19 (A) IN GENERAL.—Subsection (h) of sec-  
20 tion 41 of such Code is amended by redesign-  
21 ating the paragraph (2) relating to computa-  
22 tion of taxable year in which credit terminates  
23 as paragraph (4) and by inserting before such  
24 paragraph the following new paragraph:

1           “(3) TERMINATION NOT TO APPLY TO ALTER-  
2 NATIVE SIMPLIFIED CREDIT.—Paragraph (1) shall  
3 not apply to the credit determined under subsection  
4 (c)(5).”.

5           (B) CONFORMING AMENDMENT.—Para-  
6 graph (4) of section 41(h) of such Code, as re-  
7 designated by subparagraph (A), is amended to  
8 read as follows:

9           “(4) COMPUTATION FOR TAXABLE YEAR IN  
10 WHICH CREDIT TERMINATES.—In the case of any  
11 taxable year with respect to which this section ap-  
12 plies to a number of days which is less than the total  
13 number of days in such taxable year, the amount de-  
14 termined under subsection (c)(1)(B) with respect to  
15 such taxable year shall be the amount which bears  
16 the same ratio to such amount (determined without  
17 regard to this paragraph) as the number of days in  
18 such taxable year to which this section applies bears  
19 to the total number of days in such taxable year.”.

20           (3) EFFECTIVE DATE.—The amendments made  
21 by this subsection shall apply to taxable years end-  
22 ing after December 31, 2012.

1 **TITLE III—COMPREHENSIVE TAX**  
2 **REFORM**

3 **SEC. 301. COMPREHENSIVE REFORM OF UNITED STATES**  
4 **TAX LAWS; EXPEDITED CONSIDERATION.**

5 (a) DEFINITION.—For purposes of this section, the  
6 term “tax reform bill” means a bill of the 113th Con-  
7 gress—

8 (1) introduced in the House of Representatives  
9 by the chair of the Committee on Ways and Means  
10 not later than the end of the 113th Congress the  
11 title of which is as follows: “A bill to provide for  
12 comprehensive tax reform.”; and

13 (2) which is the subject of a certification under  
14 subsection (b).

15 (b) CERTIFICATION.—The chair of the Joint Com-  
16 mittee on Taxation shall notify the House and Senate in  
17 writing whenever the chair of the Joint Committee deter-  
18 mines that an introduced bill described in subsection  
19 (a)(1) contains at least each of the following proposals:

20 (1) A transition to a more globally competitive  
21 corporate tax code for United States businesses.

22 (2) A reduction in the complexity of the tax  
23 code.

24 (3) The elimination of special interest loopholes.

1 (c) EXPEDITED CONSIDERATION IN THE HOUSE OF  
2 REPRESENTATIVES.—

3 (1) Any committee of the House of Representa-  
4 tives to which the tax reform bill is referred shall re-  
5 port it to the House not later than 20 calendar days  
6 after the date of its introduction. If a committee  
7 fails to report the tax reform bill within that period,  
8 such committee shall be automatically discharged  
9 from further consideration of the bill.

10 (2) If the House has not otherwise proceeded to  
11 the consideration of the tax reform bill upon the ex-  
12 piration of 15 legislative days after the bill has been  
13 placed on the Union Calendar, it shall be in order  
14 for the Majority Leader or a designee (or, after the  
15 expiration of an additional 2 legislative days, any  
16 Member), to offer one motion that the House resolve  
17 into the Committee of the Whole House on the state  
18 of the Union for the consideration of the tax reform  
19 bill. The previous question shall be considered as or-  
20 dered on the motion to its adoption without inter-  
21 vening motion except 20 minutes of debate equally  
22 divided and controlled by the proponent and an op-  
23 ponent. If such a motion is adopted, consideration  
24 shall proceed in accordance with paragraph (3). A



1 motion to reconsider the vote by which the motion  
2 is disposed of shall not be in order.

3 (3) The first reading of the bill shall be dis-  
4 pensed with. General debate shall be confined to the  
5 bill and shall not exceed 4 hours, equally divided and  
6 controlled by the chair and ranking minority mem-  
7 ber of the Committee on Ways and Means. At the  
8 conclusion of general debate, the bill shall be read  
9 for amendment under the five-minute rule. Any com-  
10 mittee amendment shall be considered as read. At  
11 the conclusion of consideration of the bill for amend-  
12 ment the Committee shall rise and report the bill to  
13 the House with such amendments as may have been  
14 adopted. The previous question shall be considered  
15 as ordered on the bill and amendments thereto to  
16 final passage without intervening motion except one  
17 motion to recommit with or without instructions. A  
18 motion to reconsider the vote on passage of the bill  
19 shall not be in order.

20 (d) EXPEDITED CONSIDERATION IN THE SENATE.—

21 (1) COMMITTEE CONSIDERATION.—A tax re-  
22 form bill, as defined in subsection (a), received in  
23 the Senate shall be referred to the Committee on Fi-  
24 nance. The Committee shall report the bill not later  
25 than 15 calendar days after receipt of the bill in the

1 Senate. If the Committee fails to report the bill  
2 within that period, that committee shall be dis-  
3 charged from consideration of the bill, and the bill  
4 shall be placed on the calendar.

5 (2) MOTION TO PROCEED.—Notwithstanding  
6 rule XXII of the Standing Rules of the Senate, it is  
7 in order, not later than 2 days of session after the  
8 date on which the tax reform bill is reported or dis-  
9 charged from committee, for the majority leader of  
10 the Senate or the majority leader’s designee to move  
11 to proceed to the consideration of the tax reform  
12 bill. It shall also be in order for any Member of the  
13 Senate to move to proceed to the consideration of  
14 the tax reform bill at any time after the conclusion  
15 of such 2-day period. A motion to proceed is in order  
16 even though a previous motion to the same effect  
17 has been disagreed to. All points of order against  
18 the motion to proceed to the tax reform bill are  
19 waived. The motion to proceed is not debatable. The  
20 motion is not subject to a motion to postpone.

21 (3) CONSIDERATION.—No motion to recommit  
22 shall be in order and debate on any motion or appeal  
23 shall be limited to one hour, to be divided in the  
24 usual form.

1           (4) AMENDMENTS.—All amendments must be  
2 relevant to the bill and debate on any amendment  
3 shall be limited to 2 hours to be equally divided in  
4 the usual form between the opponents and pro-  
5 ponents of the amendment. Debate on any amend-  
6 ment to an amendment, debatable motion, or appeal  
7 shall be limited to 1 hour to be equally divided in  
8 the usual form between the opponents and pro-  
9 ponents of the amendment.

10           (5) VOTE ON PASSAGE.—If the Senate has pro-  
11 ceeded to the bill, and following the conclusion of all  
12 debate, the Senate shall proceed to a vote on pas-  
13 sage of the bill as amended, if amended.

14           (e) CONFERENCE IN THE HOUSE.—If the House re-  
15 ceives a message that the Senate has passed the tax re-  
16 form bill with an amendment or amendments, it shall be  
17 in order for the chair of the Committee on Ways and  
18 Means or a designee, without intervention of any point of  
19 order, to offer any motion specified in clause 1 of rule  
20 XXII.

21           (f) CONFERENCE IN THE SENATE.—If the Senate re-  
22 ceives from the House a message to accompany the tax  
23 reform bill, as defined in subsection (a), then no later than  
24 two session days after its receipt—

1           (1) the Chair shall lay the message before the  
2       Senate;

3           (2) the motion to insist on the Senate amend-  
4       ment or disagree to the House amendment or  
5       amendments to the Senate amendment, the request  
6       for a conference with the House or the motion to  
7       agree to the request of the House for a conference,  
8       and the motion to authorize the Chair to appoint  
9       conferees on the part of the Senate shall be agreed  
10      to; and

11          (3) the Chair shall then be authorized to ap-  
12      point conferees on the part of the Senate without in-  
13      tervening motion, with a ratio agreed to with the  
14      concurrence of both leaders.

15      (g) RULEMAKING.—This section is enacted by the  
16      Congress as an exercise of the rulemaking power of the  
17      House of Representatives and Senate, respectively, and as  
18      such is deemed a part of the rules of each House, respec-  
19      tively, or of that House to which they specifically apply,  
20      and such procedures supersede other rules only to the ex-  
21      tent that they are inconsistent with such rules; and with  
22      full recognition of the constitutional right of either House  
23      to change the rules (so far as relating to the procedures  
24      of that House) at any time, in the same manner, and to  
25      the same extent as any other rule of that House.

1       **TITLE IV—FEDERAL OIL AND**  
2                   **GAS RESOURCES**  
3       **Subtitle A—Expanding Offshore**  
4                   **Energy Development**

5       **SEC. 411. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

6           (a) IN GENERAL.—Section 18(a) of the Outer Conti-  
7       nental Shelf Lands Act (43 U.S.C. 1344(a)) is amended  
8       by adding at the end the following:

9                   “(5)(A) In each oil and gas leasing program  
10       under this section, the Secretary shall make avail-  
11       able for leasing and conduct lease sales including—

12                           “(i) at least 50 percent of the available un-  
13       leased acreage within each outer Continental  
14       Shelf planning area considered to have the larg-  
15       est undiscovered, technically recoverable oil and  
16       gas resources (on a total btu basis) based upon  
17       the most recent national geologic assessment of  
18       the outer Continental Shelf, with an emphasis  
19       on offering the most geologically prospective  
20       parts of the planning area; and

21                           “(ii) any State subdivision of an outer  
22       Continental Shelf planning area that the Gov-  
23       ernor of the State that represents that subdivi-  
24       sion requests be made available for leasing.

1           “(B) In this paragraph the term ‘available un-  
2 leased acreage’ means that portion of the outer Con-  
3 tinental Shelf that is not under lease at the time of  
4 a proposed lease sale, and that has not otherwise  
5 been made unavailable for leasing by law.

6           “(6)(A) In each 5-year oil and gas leasing pro-  
7 gram, the Secretary shall make available for leasing  
8 any outer Continental Shelf planning areas that—

9                   “(i) are estimated to contain more than  
10                   2,500,000,000 barrels of oil; or

11                   “(ii) are estimated to contain more than  
12                   7,500,000,000,000 cubic feet of natural gas.

13           “(B) To determine the planning areas described  
14 in subparagraph (A), the Secretary shall use the  
15 document entitled ‘Minerals Management Service  
16 Assessment of Undiscovered Technically Recoverable  
17 Oil and Gas Resources of the Nation’s Outer Conti-  
18 nental Shelf, 2006’.”.

19           (b) RELATIONSHIP TO EXISTING PLAN.—The  
20 amendments made by subsection (a) shall not affect the  
21 2012–2017 5-year oil and gas leasing program.

1 **SEC. 412. DOMESTIC OIL AND NATURAL GAS PRODUCTION**

2 **GOAL.**

3 (a) IN GENERAL.—Section 18(b) of the Outer Conti-  
4 nental Shelf Lands Act (43 U.S.C. 1344(b)) is amended  
5 to read as follows:

6 “(b) DOMESTIC OIL AND NATURAL GAS PRODUC-  
7 TION GOAL.—

8 “(1) IN GENERAL.—In developing a 5-year oil  
9 and gas leasing program, and subject to paragraph  
10 (2), the Secretary shall determine a domestic stra-  
11 tegic production goal for the development of oil and  
12 natural gas as a result of that program. Such goal  
13 shall be—

14 “(A) the best estimate of the possible in-  
15 crease in domestic production of oil and natural  
16 gas from the outer Continental Shelf;

17 “(B) focused on meeting domestic demand  
18 for oil and natural gas and reducing the de-  
19 pendence of the United States on foreign en-  
20 ergy; and

21 “(C) focused on the production increases  
22 achieved by the leasing program at the end of  
23 the 15-year period beginning on the effective  
24 date of the program.

25 “(2) PROGRAM GOAL.—For purposes of each 5-  
26 year oil and gas leasing program that applies before

1 2027, the production goal referred to in paragraph  
2 (1) shall be an increase by 2027, from the levels of  
3 oil and gas produced as of the date of enactment of  
4 this paragraph, of—

5 “(A) no less than 3,000,000 barrels in the  
6 amount of oil produced per day; and

7 “(B) no less than 10,000,000,000 cubic  
8 feet in the amount of natural gas produced per  
9 day.

10 “(3) REPORTING.—The Secretary shall report  
11 annually, beginning at the end of the 5-year period  
12 for which the program applies, to the Committee on  
13 Natural Resources of the House of Representatives  
14 and the Committee on Energy and Natural Re-  
15 sources of the Senate on the progress of the pro-  
16 gram in meeting the production goal. The Secretary  
17 shall identify in the report projections for production  
18 and any problems with leasing, permitting, or pro-  
19 duction that will prevent meeting the goal.”.

20 (b) RELATIONSHIP TO EXISTING PLAN.—The  
21 amendment made by subsection (a) shall not affect the  
22 2012–2017 5-year oil and gas leasing program.



## 1 **Subtitle B—Coastal Plain of Alaska**

### 2 **SEC. 421. SHORT TITLE.**

3 This subtitle may be cited as the “American Energy  
4 Independence and Price Reduction Act”.

### 5 **SEC. 422. DEFINITIONS.**

6 In this subtitle:

7 (1) **COASTAL PLAIN.**—The term “Coastal  
8 Plain” means that area described in appendix I to  
9 part 37 of title 50, Code of Federal Regulations.

10 (2) **SECRETARY.**—The term “Secretary”, except  
11 as otherwise provided, means the Secretary of the  
12 Interior or the Secretary’s designee.

### 13 **SEC. 423. LEASING PROGRAM FOR LANDS WITHIN THE** 14 **COASTAL PLAIN.**

15 (a) **IN GENERAL.**—The Secretary shall take such ac-  
16 tions as are necessary—

17 (1) to establish and implement, in accordance  
18 with this subtitle and acting through the Director of  
19 the Bureau of Land Management in consultation  
20 with the Director of the United States Fish and  
21 Wildlife Service, a competitive oil and gas leasing  
22 program that will result in an environmentally sound  
23 program for the exploration, development, and pro-  
24 duction of the oil and gas resources of the Coastal  
25 Plain; and

1           (2) to administer the provisions of this subtitle  
2 through regulations, lease terms, conditions, restric-  
3 tions, prohibitions, stipulations, and other provisions  
4 that ensure the oil and gas exploration, development,  
5 and production activities on the Coastal Plain will  
6 result in no significant adverse effect on fish and  
7 wildlife, their habitat, subsistence resources, and the  
8 environment, including, in furtherance of this goal,  
9 by requiring the application of the best commercially  
10 available technology for oil and gas exploration, de-  
11 velopment, and production to all exploration, devel-  
12 opment, and production operations under this sub-  
13 title in a manner that ensures the receipt of fair  
14 market value by the public for the mineral resources  
15 to be leased.

16 (b) REPEAL.—

17           (1) REPEAL.—Section 1003 of the Alaska Na-  
18 tional Interest Lands Conservation Act of 1980 (16  
19 U.S.C. 3143) is repealed.

20           (2) CONFORMING AMENDMENT.—The table of  
21 contents in section 1 of such Act is amended by  
22 striking the item relating to section 1003.

23 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-  
24 TAIN OTHER LAWS.—

1           (1) COMPATIBILITY.—For purposes of the Na-  
2           tional Wildlife Refuge System Administration Act of  
3           1966 (16 U.S.C. 668dd et seq.), the oil and gas  
4           leasing program and activities authorized by this  
5           section in the Coastal Plain are deemed to be com-  
6           patible with the purposes for which the Arctic Na-  
7           tional Wildlife Refuge was established, and no fur-  
8           ther findings or decisions are required to implement  
9           this determination.

10           (2) ADEQUACY OF THE DEPARTMENT OF THE  
11           INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT  
12           STATEMENT.—The “Final Legislative Environ-  
13           mental Impact Statement” (April 1987) on the  
14           Coastal Plain prepared pursuant to section 1002 of  
15           the Alaska National Interest Lands Conservation  
16           Act of 1980 (16 U.S.C. 3142) and section 102(2)(C)  
17           of the National Environmental Policy Act of 1969  
18           (42 U.S.C. 4332(2)(C)) is deemed to satisfy the re-  
19           quirements under the National Environmental Policy  
20           Act of 1969 that apply with respect to prelease ac-  
21           tivities, including actions authorized to be taken by  
22           the Secretary to develop and promulgate the regula-  
23           tions for the establishment of a leasing program au-  
24           thorized by this subtitle before the conduct of the  
25           first lease sale.

1           (3) COMPLIANCE WITH NEPA FOR OTHER AC-  
2           TIONS.—Before conducting the first lease sale under  
3           this subtitle, the Secretary shall prepare an environ-  
4           mental impact statement under the National Envi-  
5           ronmental Policy Act of 1969 with respect to the ac-  
6           tions authorized by this subtitle that are not re-  
7           ferred to in paragraph (2). Notwithstanding any  
8           other law, the Secretary is not required to identify  
9           nonleasing alternative courses of action or to analyze  
10          the environmental effects of such courses of action.  
11          The Secretary shall only identify a preferred action  
12          for such leasing and a single leasing alternative, and  
13          analyze the environmental effects and potential miti-  
14          gation measures for those two alternatives. The  
15          identification of the preferred action and related  
16          analysis for the first lease sale under this subtitle  
17          shall be completed within 18 months after the date  
18          of enactment of this subtitle. The Secretary shall  
19          only consider public comments that specifically ad-  
20          dress the Secretary’s preferred action and that are  
21          filed within 20 days after publication of an environ-  
22          mental analysis. Notwithstanding any other law,  
23          compliance with this paragraph is deemed to satisfy  
24          all requirements for the analysis and consideration

1 of the environmental effects of proposed leasing  
2 under this subtitle.

3 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-  
4 ITY.—Nothing in this subtitle shall be considered to ex-  
5 pand or limit State and local regulatory authority.

6 (e) SPECIAL AREAS.—

7 (1) IN GENERAL.—The Secretary, after con-  
8 sultation with the State of Alaska, the city of  
9 Kaktovik, and the North Slope Borough, may des-  
10 ignate up to a total of 45,000 acres of the Coastal  
11 Plain as a Special Area if the Secretary determines  
12 that the Special Area is of such unique character  
13 and interest so as to require special management  
14 and regulatory protection. The Secretary shall des-  
15 ignate as such a Special Area the Sadlerochit Spring  
16 area, comprising approximately 4,000 acres.

17 (2) MANAGEMENT.—Each such Special Area  
18 shall be managed so as to protect and preserve the  
19 area's unique and diverse character including its  
20 fish, wildlife, and subsistence resource values.

21 (3) EXCLUSION FROM LEASING OR SURFACE  
22 OCCUPANCY.—The Secretary may exclude any Spe-  
23 cial Area from leasing. If the Secretary leases a Spe-  
24 cial Area, or any part thereof, for purposes of oil  
25 and gas exploration, development, production, and

1 related activities, there shall be no surface occu-  
2 pancy of the lands comprising the Special Area.

3 (4) DIRECTIONAL DRILLING.—Notwithstanding  
4 the other provisions of this subsection, the Secretary  
5 may lease all or a portion of a Special Area under  
6 terms that permit the use of horizontal drilling tech-  
7 nology from sites on leases located outside the Spe-  
8 cial Area.

9 (f) LIMITATION ON CLOSED AREAS.—The Sec-  
10 retary's sole authority to close lands within the Coastal  
11 Plain to oil and gas leasing and to exploration, develop-  
12 ment, and production is that set forth in this subtitle.

13 (g) REGULATIONS.—

14 (1) IN GENERAL.—The Secretary shall pre-  
15 scribe such regulations as may be necessary to carry  
16 out this subtitle, including rules and regulations re-  
17 lating to protection of the fish and wildlife, their  
18 habitat, subsistence resources, and environment of  
19 the Coastal Plain, by no later than 15 months after  
20 the date of enactment of this subtitle.

21 (2) REVISION OF REGULATIONS.—The Sec-  
22 retary shall periodically review and, if appropriate,  
23 revise the rules and regulations issued under sub-  
24 section (a) to reflect any significant biological, envi-

1       ronmental, or engineering data that come to the Sec-  
2       retary's attention.

3 **SEC. 424. LEASE SALES.**

4       (a) **IN GENERAL.**—Lands may be leased pursuant to  
5 this subtitle to any person qualified to obtain a lease for  
6 deposits of oil and gas under the Mineral Leasing Act (30  
7 U.S.C. 181 et seq.).

8       (b) **PROCEDURES.**—The Secretary shall, by regula-  
9 tion, establish procedures for—

10           (1) receipt and consideration of sealed nomina-  
11 tions for any area in the Coastal Plain for inclusion  
12 in, or exclusion (as provided in subsection (c)) from,  
13 a lease sale;

14           (2) the holding of lease sales after such nomina-  
15 tion process; and

16           (3) public notice of and comment on designa-  
17 tion of areas to be included in, or excluded from, a  
18 lease sale.

19       (c) **LEASE SALE BIDS.**—

20           (1) **IN GENERAL.**—Bidding for leases under  
21 this subtitle shall be by sealed competitive cash  
22 bonus bids, except as provided in paragraph (2).

23           (2) **LEASE SALE BIDS.**—Lease sales under this  
24 subtitle may be conducted through an Internet leas-  
25 ing program, if the Secretary determines that such

1 a system will result in savings to the taxpayer, an  
2 increase in the number of bidders participating, and  
3 higher returns than oral bidding or a sealed bidding  
4 system.

5 (d) **ACREAGE MINIMUM IN FIRST SALE.**—In the first  
6 lease sale under this subtitle, the Secretary shall offer for  
7 lease those tracts the Secretary considers to have the  
8 greatest potential for the discovery of hydrocarbons, tak-  
9 ing into consideration nominations received pursuant to  
10 subsection (b)(1), but in no case less than 200,000 acres.

11 (e) **TIMING OF LEASE SALES.**—The Secretary  
12 shall—

13 (1) conduct the first lease sale under this sub-  
14 title within 22 months after the date of the enact-  
15 ment of this subtitle;

16 (2) evaluate the bids in such sale and issue  
17 leases resulting from such sale, within 90 days after  
18 the date of the completion of such sale; and

19 (3) conduct additional sales so long as sufficient  
20 interest in development exists to warrant, in the Sec-  
21 retary's judgment, the conduct of such sales.

22 **SEC. 425. GRANT OF LEASES BY THE SECRETARY.**

23 (a) **IN GENERAL.**—The Secretary may grant to the  
24 highest responsible qualified bidder in a lease sale con-  
25 ducted pursuant to section 424 any lands to be leased on



1 the Coastal Plain upon payment by the lessee of such  
2 bonus as may be accepted by the Secretary.

3 (b) SUBSEQUENT TRANSFERS.—No lease issued  
4 under this subtitle may be sold, exchanged, assigned, sub-  
5 let, or otherwise transferred except with the approval of  
6 the Secretary. Prior to any such approval the Secretary  
7 shall consult with, and give due consideration to the views  
8 of, the Attorney General.

9 **SEC. 426. LEASE TERMS AND CONDITIONS.**

10 (a) IN GENERAL.—An oil or gas lease issued pursu-  
11 ant to this subtitle shall—

12 (1) provide for the payment of a royalty of not  
13 less than 12½ percent in amount or value of the  
14 production removed or sold from the lease, as deter-  
15 mined by the Secretary under the regulations appli-  
16 cable to other Federal oil and gas leases;

17 (2) provide that the Secretary may close, on a  
18 seasonal basis, portions of the Coastal Plain to ex-  
19 ploratory drilling activities as necessary to protect  
20 caribou calving areas and other species of fish and  
21 wildlife;

22 (3) require that the lessee of lands within the  
23 Coastal Plain shall be fully responsible and liable for  
24 the reclamation of lands within the Coastal Plain  
25 and any other Federal lands that are adversely af-

1        fected in connection with exploration, development,  
2        production, or transportation activities conducted  
3        under the lease and within the Coastal Plain by the  
4        lessee or by any of the subcontractors or agents of  
5        the lessee;

6            (4) provide that the lessee may not delegate or  
7        convey, by contract or otherwise, the reclamation re-  
8        sponsibility and liability to another person without  
9        the express written approval of the Secretary;

10           (5) provide that the standard of reclamation for  
11        lands required to be reclaimed under this subtitle  
12        shall be, as nearly as practicable, a condition capable  
13        of supporting the uses which the lands were capable  
14        of supporting prior to any exploration, development,  
15        or production activities, or upon application by the  
16        lessee, to a higher or better use as approved by the  
17        Secretary;

18           (6) contain terms and conditions relating to  
19        protection of fish and wildlife, their habitat, subsist-  
20        ence resources, and the environment as required  
21        pursuant to section 423(a)(2);

22           (7) provide that the lessee, its agents, and its  
23        contractors use best efforts to provide a fair share,  
24        as determined by the level of obligation previously  
25        agreed to in the 1974 agreement implementing sec-

1       tion 29 of the Federal Agreement and Grant of  
2       Right of Way for the Operation of the Trans-Alaska  
3       Pipeline, of employment and contracting for Alaska  
4       Natives and Alaska Native Corporations from  
5       throughout the State;

6           (8) prohibit the export of oil produced under  
7       the lease; and

8           (9) contain such other provisions as the Sec-  
9       retary determines necessary to ensure compliance  
10      with the provisions of this subtitle and the regula-  
11      tions issued under this subtitle.

12      (b) PROJECT LABOR AGREEMENTS.—The Secretary,  
13      as a term and condition of each lease under this subtitle  
14      and in recognizing the Government's proprietary interest  
15      in labor stability and in the ability of construction labor  
16      and management to meet the particular needs and condi-  
17      tions of projects to be developed under the leases issued  
18      pursuant to this subtitle and the special concerns of the  
19      parties to such leases, shall require that the lessee and  
20      its agents and contractors negotiate to obtain a project  
21      labor agreement for the employment of laborers and me-  
22      chanics on production, maintenance, and construction  
23      under the lease.

1 **SEC. 427. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

2 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD  
3 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—

4 The Secretary shall, consistent with the requirements of  
5 section 423, administer the provisions of this subtitle  
6 through regulations, lease terms, conditions, restrictions,  
7 prohibitions, stipulations, and other provisions that—

8 (1) ensure the oil and gas exploration, develop-  
9 ment, and production activities on the Coastal Plain  
10 will result in no significant adverse effect on fish  
11 and wildlife, their habitat, and the environment;

12 (2) require the application of the best commer-  
13 cially available technology for oil and gas explo-  
14 ration, development, and production on all new ex-  
15 ploration, development, and production operations;  
16 and

17 (3) ensure that the maximum amount of sur-  
18 face acreage covered by production and support fa-  
19 cilities, including airstrips and any areas covered by  
20 gravel berms or piers for support of pipelines, does  
21 not exceed 2,000 acres on the Coastal Plain.

22 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—  
23 The Secretary shall also require, with respect to any pro-  
24 posed drilling and related activities, that—

25 (1) a site-specific analysis be made of the prob-  
26 able effects, if any, that the drilling or related activi-

1       ties will have on fish and wildlife, their habitat, sub-  
2       sistence resources, and the environment;

3           (2) a plan be implemented to avoid, minimize,  
4       and mitigate (in that order and to the extent prac-  
5       ticable) any significant adverse effect identified  
6       under paragraph (1); and

7           (3) the development of the plan shall occur  
8       after consultation with the agency or agencies hav-  
9       ing jurisdiction over matters mitigated by the plan.

10       (c) REGULATIONS TO PROTECT COASTAL PLAIN  
11 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,  
12 AND THE ENVIRONMENT.—Before implementing the leas-  
13 ing program authorized by this subtitle, the Secretary  
14 shall prepare and promulgate regulations, lease terms,  
15 conditions, restrictions, prohibitions, stipulations, and  
16 other measures designed to ensure that the activities un-  
17 dertaken on the Coastal Plain under this subtitle are con-  
18 ducted in a manner consistent with the purposes and envi-  
19 ronmental requirements of this subtitle.

20       (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-  
21 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The  
22 proposed regulations, lease terms, conditions, restrictions,  
23 prohibitions, and stipulations for the leasing program  
24 under this subtitle shall require compliance with all appli-

1 cable provisions of Federal and State environmental law,  
2 and shall also require the following:

3           (1) Standards at least as effective as the safety  
4           and environmental mitigation measures set forth in  
5           items 1 through 29 at pages 167 through 169 of the  
6           “Final Legislative Environmental Impact State-  
7           ment” (April 1987) on the Coastal Plain.

8           (2) Seasonal limitations on exploration, develop-  
9           ment, and related activities, where necessary, to  
10          avoid significant adverse effects during periods of  
11          concentrated fish and wildlife breeding, denning,  
12          nesting, spawning, and migration.

13          (3) That exploration activities, except for sur-  
14          face geological studies, be limited to the period be-  
15          tween approximately November 1 and May 1 each  
16          year and that exploration activities shall be sup-  
17          ported, if necessary, by ice roads, winter trails with  
18          adequate snow cover, ice pads, ice airstrips, and air  
19          transport methods, except that such exploration ac-  
20          tivities may occur at other times if the Secretary  
21          finds that such exploration will have no significant  
22          adverse effect on the fish and wildlife, their habitat,  
23          and the environment of the Coastal Plain.

1           (4) Design safety and construction standards  
2 for all pipelines and any access and service roads,  
3 that—

4           (A) minimize, to the maximum extent pos-  
5 sible, adverse effects upon the passage of mi-  
6 gratory species such as caribou; and

7           (B) minimize adverse effects upon the flow  
8 of surface water by requiring the use of cul-  
9 verts, bridges, and other structural devices.

10          (5) Prohibitions on general public access and  
11 use on all pipeline access and service roads.

12          (6) Stringent reclamation and rehabilitation re-  
13 quirements, consistent with the standards set forth  
14 in this subtitle, requiring the removal from the  
15 Coastal Plain of all oil and gas development and  
16 production facilities, structures, and equipment upon  
17 completion of oil and gas production operations, ex-  
18 cept that the Secretary may exempt from the re-  
19 quirements of this paragraph those facilities, struc-  
20 tures, or equipment that the Secretary determines  
21 would assist in the management of the Arctic Na-  
22 tional Wildlife Refuge and that are donated to the  
23 United States for that purpose.

24          (7) Appropriate prohibitions or restrictions on  
25 access by all modes of transportation.

1           (8) Appropriate prohibitions or restrictions on  
2 sand and gravel extraction.

3           (9) Consolidation of facility siting.

4           (10) Appropriate prohibitions or restrictions on  
5 use of explosives.

6           (11) Avoidance, to the extent practicable, of  
7 springs, streams, and river system; the protection of  
8 natural surface drainage patterns, wetlands, and ri-  
9 parian habitats; and the regulation of methods or  
10 techniques for developing or transporting adequate  
11 supplies of water for exploratory drilling.

12           (12) Avoidance or minimization of air traffic-re-  
13 lated disturbance to fish and wildlife.

14           (13) Treatment and disposal of hazardous and  
15 toxic wastes, solid wastes, reserve pit fluids, drilling  
16 muds and cuttings, and domestic wastewater, includ-  
17 ing an annual waste management report, a haz-  
18 ardous materials tracking system, and a prohibition  
19 on chlorinated solvents, in accordance with applica-  
20 ble Federal and State environmental law.

21           (14) Fuel storage and oil spill contingency plan-  
22 ning.

23           (15) Research, monitoring, and reporting re-  
24 quirements.

25           (16) Field crew environmental briefings.



1           (17) Avoidance of significant adverse effects  
2 upon subsistence hunting, fishing, and trapping by  
3 subsistence users.

4           (18) Compliance with applicable air and water  
5 quality standards.

6           (19) Appropriate seasonal and safety zone des-  
7 ignations around well sites, within which subsistence  
8 hunting and trapping shall be limited.

9           (20) Reasonable stipulations for protection of  
10 cultural and archeological resources.

11           (21) All other protective environmental stipula-  
12 tions, restrictions, terms, and conditions deemed  
13 necessary by the Secretary.

14       (e) CONSIDERATIONS.—In preparing and promul-  
15 gating regulations, lease terms, conditions, restrictions,  
16 prohibitions, and stipulations under this section, the Sec-  
17 retary shall consider the following:

18           (1) The stipulations and conditions that govern  
19 the National Petroleum Reserve-Alaska leasing pro-  
20 gram, as set forth in the 1999 Northeast National  
21 Petroleum Reserve-Alaska Final Integrated Activity  
22 Plan/Environmental Impact Statement.

23           (2) The environmental protection standards  
24 that governed the initial Coastal Plain seismic explo-

1 ration program under parts 37.31 to 37.33 of title  
2 50, Code of Federal Regulations.

3 (3) The land use stipulations for exploratory  
4 drilling on the KIC-ASRC private lands that are set  
5 forth in appendix 2 of the August 9, 1983, agree-  
6 ment between the Arctic Slope Regional Corporation  
7 and the United States.

8 (f) FACILITY CONSOLIDATION PLANNING.—

9 (1) IN GENERAL.—The Secretary shall, after  
10 providing for public notice and comment, prepare  
11 and update periodically a plan to govern, guide, and  
12 direct the siting and construction of facilities for the  
13 exploration, development, production, and transpor-  
14 tation of Coastal Plain oil and gas resources.

15 (2) OBJECTIVES.—The plan shall have the fol-  
16 lowing objectives:

17 (A) Avoiding unnecessary duplication of fa-  
18 cilities and activities.

19 (B) Encouraging consolidation of common  
20 facilities and activities.

21 (C) Locating or confining facilities and ac-  
22 tivities to areas that will minimize impact on  
23 fish and wildlife, their habitat, and the environ-  
24 ment.

1 (D) Utilizing existing facilities wherever  
2 practicable.

3 (E) Enhancing compatibility between wild-  
4 life values and development activities.

5 (g) ACCESS TO PUBLIC LANDS.—The Secretary  
6 shall—

7 (1) manage public lands in the Coastal Plain  
8 subject to subsections (a) and (b) of section 811 of  
9 the Alaska National Interest Lands Conservation  
10 Act (16 U.S.C. 3121); and

11 (2) ensure that local residents shall have rea-  
12 sonable access to public lands in the Coastal Plain  
13 for traditional uses.

14 **SEC. 428. EXPEDITED JUDICIAL REVIEW.**

15 (a) FILING OF COMPLAINT.—

16 (1) DEADLINE.—Subject to paragraph (2), any  
17 complaint seeking judicial review of any provision of  
18 this subtitle or any action of the Secretary under  
19 this subtitle shall be filed—

20 (A) except as provided in subparagraph  
21 (B), within the 90-day period beginning on the  
22 date of the action being challenged; or

23 (B) in the case of a complaint based solely  
24 on grounds arising after such period, within 90  
25 days after the complainant knew or reasonably

1           should have known of the grounds for the com-  
2           plaint.

3           (2) VENUE.—Any complaint seeking judicial re-  
4           view of any provision of this subtitle or any action  
5           of the Secretary under this subtitle may be filed only  
6           in the United States Court of Appeals for the Dis-  
7           trict of Columbia.

8           (3) LIMITATION ON SCOPE OF CERTAIN RE-  
9           VIEW.—Judicial review of a Secretarial decision to  
10          conduct a lease sale under this subtitle, including  
11          the environmental analysis thereof, shall be limited  
12          to whether the Secretary has complied with the  
13          terms of this subtitle and shall be based upon the  
14          administrative record of that decision. The Sec-  
15          retary's identification of a preferred course of action  
16          to enable leasing to proceed and the Secretary's  
17          analysis of environmental effects under this subtitle  
18          shall be presumed to be correct unless shown other-  
19          wise by clear and convincing evidence to the con-  
20          trary.

21          (b) LIMITATION ON OTHER REVIEW.—Actions of the  
22          Secretary with respect to which review could have been  
23          obtained under this section shall not be subject to judicial  
24          review in any civil or criminal proceeding for enforcement.

1 **SEC. 429. TREATMENT OF REVENUES.**

2 Notwithstanding any other provision of law, 50 per-  
3 cent of the amount of bonus, rental, and royalty revenues  
4 from Federal oil and gas leasing and operations author-  
5 ized under this subtitle shall be deposited in the ANWR  
6 Alternative Energy Trust Fund established by section  
7 432.

8 **SEC. 430. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

9 (a) IN GENERAL.—The Secretary shall issue rights-  
10 of-way and easements across the Coastal Plain for the  
11 transportation of oil and gas—

12 (1) except as provided in paragraph (2), under  
13 section 28 of the Mineral Leasing Act (30 U.S.C.  
14 185), without regard to title XI of the Alaska Na-  
15 tional Interest Lands Conservation Act (30 U.S.C.  
16 3161 et seq.); and

17 (2) under title XI of the Alaska National Inter-  
18 est Lands Conservation Act (30 U.S.C. 3161 et  
19 seq.), for access authorized by sections 1110 and  
20 1111 of that Act (16 U.S.C. 3170 and 3171).

21 (b) TERMS AND CONDITIONS.—The Secretary shall  
22 include in any right-of-way or easement issued under sub-  
23 section (a) such terms and conditions as may be necessary  
24 to ensure that transportation of oil and gas does not result  
25 in a significant adverse effect on the fish and wildlife, sub-  
26 sistence resources, their habitat, and the environment of

1 the Coastal Plain, including requirements that facilities be  
2 sited or designed so as to avoid unnecessary duplication  
3 of roads and pipelines.

4 (c) REGULATIONS.—The Secretary shall include in  
5 regulations under section 423(g) provisions granting  
6 rights-of-way and easements described in subsection (a)  
7 of this section.

8 **SEC. 431. CONVEYANCE.**

9 In order to maximize Federal revenues by removing  
10 clouds on title to lands and clarifying land ownership pat-  
11 terns within the Coastal Plain, the Secretary, notwith-  
12 standing the provisions of section 1302(h)(2) of the Alas-  
13 ka National Interest Lands Conservation Act (16 U.S.C.  
14 3192(h)(2)), shall convey—

15 (1) to the Kaktovik Inupiat Corporation the  
16 surface estate of the lands described in paragraph 1  
17 of Public Land Order 6959, to the extent necessary  
18 to fulfill the Corporation's entitlement under sec-  
19 tions 12 and 14 of the Alaska Native Claims Settle-  
20 ment Act (43 U.S.C. 1611 and 1613) in accordance  
21 with the terms and conditions of the Agreement be-  
22 tween the Department of the Interior, the United  
23 States Fish and Wildlife Service, the Bureau of  
24 Land Management, and the Kaktovik Inupiat Cor-  
25 poration effective January 22, 1993; and

1           (2) to the Arctic Slope Regional Corporation  
2           the remaining subsurface estate to which it is enti-  
3           tled pursuant to the August 9, 1983, agreement be-  
4           tween the Arctic Slope Regional Corporation and the  
5           United States of America.

6 **SEC. 432. ANWR ALTERNATIVE ENERGY TRUST FUND.**

7           (a) ESTABLISHMENT OF TRUST FUND.—There is es-  
8           tablished in the Treasury of the United States a trust fund  
9           to be known as the “ANWR Alternative Energy Trust  
10          Fund”, consisting of such amounts as may be transferred  
11          to the ANWR Alternative Energy Trust Fund as provided  
12          in section 429.

13          (b) EXPENDITURES FROM ANWR ALTERNATIVE  
14          ENERGY TRUST FUND.—

15               (1) IN GENERAL.—Amounts in the ANWR Al-  
16               ternative Energy Trust Fund shall be available with-  
17               out further appropriation to carry out specified pro-  
18               visions of the Energy Policy Act of 2005 (Public  
19               Law 109–58; in this section referred to as  
20               “EPAAct2005”) and the Energy Independence and  
21               Security Act of 2007 (Public Law 110–140; in this  
22               section referred to as “EISAct2007”), as follows:

<b>To carry out the provisions of:</b>	<b>The following percentage of annual receipts to the ANWR Alternative Energy Trust Fund, but not to exceed the limit on amount authorized, if any:</b>
EPAAct2005:	
Section 210 .....	1.5 percent
Section 242 .....	1.0 percent
Section 369 .....	2.0 percent
Section 401 .....	6.0 percent
Section 812 .....	6.0 percent
Section 931 .....	19.0 percent
Section 942 .....	1.5 percent
Section 962 .....	3.0 percent
Section 968 .....	1.5 percent
Section 1704 .....	6.0 percent
EISAct2007:	
Section 207 .....	15.0 percent
Section 607 .....	1.5 percent
Title VI, Subtitle B .....	3.0 percent
Title VI, Subtitle C .....	1.5 percent
Section 641 .....	9.0 percent
Title VII, Subtitle A .....	15.0 percent
Section 1112 .....	1.5 percent
Section 1304 .....	6.0 percent.

1           (2) APPORTIONMENT OF EXCESS AMOUNT.—

2           Notwithstanding paragraph (1), any amounts allo-

3           cated under paragraph (1) that are in excess of the

4           amounts authorized in the applicable cited section or

5           subtitle of EPAAct2005 and EISAct2007 shall be re-

6           allocated to the remaining sections and subtitles

7           cited in paragraph (1), up to the amounts otherwise

8           authorized by law to carry out such sections and

9           subtitles, in proportion to the amounts authorized by

10          law to be appropriated for such other sections and

11          subtitles.



1    **TITLE V—ENERGY CONSUMERS**  
2                                   **RELIEF**

3    **SEC. 501. PROHIBITION AGAINST FINALIZING CERTAIN EN-**  
4                                   **ERGY-RELATED RULES THAT WILL CAUSE**  
5                                   **SIGNIFICANT ADVERSE EFFECTS TO THE**  
6                                   **ECONOMY.**

7           Notwithstanding any other provision of law, the Ad-  
8    ministrators of the Environmental Protection Agency may  
9    not promulgate as final an energy-related rule that is esti-  
10   mated to cost more than \$1 billion if the Secretary of En-  
11   ergy determines under section 502(3) that the rule will  
12   cause significant adverse effects to the economy.

13   **SEC. 502. REPORTS AND DETERMINATIONS PRIOR TO PRO-**  
14                                   **MULGATING AS FINAL CERTAIN ENERGY-RE-**  
15                                   **LATED RULES.**

16           Before promulgating as final any energy-related rule  
17   that is estimated to cost more than \$1 billion:

18           (1) REPORT TO CONGRESS.—The Administrator  
19           of the Environmental Protection Agency shall sub-  
20           mit to Congress a report (and transmit a copy to the  
21           Secretary of Energy) containing—

22                                   (A) a copy of the rule;

23                                   (B) a concise general statement relating to  
24           the rule;

1 (C) an estimate of the total costs of the  
2 rule, including the direct costs and indirect  
3 costs of the rule;

4 (D)(i) an estimate of the total benefits of  
5 the rule and when such benefits are expected to  
6 be realized;

7 (ii) a description of the modeling, the cal-  
8 culations, the assumptions, and the limitations  
9 due to uncertainty, speculation, or lack of infor-  
10 mation associated with the estimates under this  
11 subparagraph; and

12 (iii) a certification that all data and docu-  
13 ments relied upon by the Agency in developing  
14 such estimates—

15 (I) have been preserved; and

16 (II) are available for review by the  
17 public on the Agency's Web site, except to  
18 the extent to which publication of such  
19 data and documents would constitute dis-  
20 closure of confidential information in viola-  
21 tion of applicable Federal law;

22 (E) an estimate of the increases in energy  
23 prices, including potential increases in gasoline  
24 or electricity prices for consumers, that may re-

1           sult from implementation or enforcement of the  
2           rule; and

3           (F) a detailed description of the employ-  
4           ment effects, including potential job losses and  
5           shifts in employment, that may result from im-  
6           plementation or enforcement of the rule.

7           (2) INITIAL DETERMINATION ON INCREASES  
8           AND IMPACTS.—The Secretary of Energy, in con-  
9           sultation with the Federal Energy Regulatory Com-  
10          mission and the Administrator of the Energy Infor-  
11          mation Administration, shall prepare an independent  
12          analysis to determine whether the rule will cause—

13           (A) any increase in energy prices for con-  
14           sumers, including low-income households, small  
15           businesses, and manufacturers;

16           (B) any impact on fuel diversity of the Na-  
17           tion’s electricity generation portfolio or on na-  
18           tional, regional, or local electric reliability;

19           (C) any adverse effect on energy supply,  
20           distribution, or use due to the economic or tech-  
21           nical infeasibility of implementing the rule; or

22           (D) any other adverse effect on energy  
23           supply, distribution, or use (including a short-  
24           fall in supply and increased use of foreign sup-  
25           plies).

1           (3) SUBSEQUENT DETERMINATION ON ADVERSE  
2           EFFECTS TO THE ECONOMY.—If the Secretary of  
3           Energy determines, under paragraph (2), that the  
4           rule will cause an increase, impact, or effect de-  
5           scribed in such paragraph, then the Secretary, in  
6           consultation with the Administrator of the Environ-  
7           mental Protection Agency, the Secretary of Com-  
8           merce, the Secretary of Labor, and the Adminis-  
9           trator of the Small Business Administration, shall—

10                   (A) determine whether the rule will cause  
11                   significant adverse effects to the economy, tak-  
12                   ing into consideration—

13                           (i) the costs and benefits of the rule  
14                           and limitations in calculating such costs  
15                           and benefits due to uncertainty, specula-  
16                           tion, or lack of information; and

17                           (ii) the positive and negative impacts  
18                           of the rule on economic indicators, includ-  
19                           ing those related to gross domestic prod-  
20                           uct, unemployment, wages, consumer  
21                           prices, and business and manufacturing ac-  
22                           tivity; and

23                   (B) publish the results of such determina-  
24                   tion in the Federal Register.

1 **SEC. 503. DEFINITIONS.**

2 In this title:

3 (1) The terms “direct costs” and “indirect  
4 costs” have the meanings given such terms in chap-  
5 ter 8 of the Environmental Protection Agency’s  
6 “Guidelines for Preparing Economic Analyses”  
7 dated December 17, 2010.

8 (2) The term “energy-related rule that is esti-  
9 mated to cost more than \$1 billion” means a rule of  
10 the Environmental Protection Agency that—

11 (A) regulates any aspect of the production,  
12 supply, distribution, or use of energy or pro-  
13 vides for such regulation by States or other gov-  
14 ernmental entities; and

15 (B) is estimated by the Administrator of  
16 the Environmental Protection Agency or the  
17 Director of the Office of Management and  
18 Budget to impose direct costs and indirect  
19 costs, in the aggregate, of more than  
20 \$1,000,000,000.

21 (3) The term “rule” has the meaning given to  
22 such term in section 551 of title 5, United States  
23 Code.

1 **SEC. 504. PROHIBITION ON USE OF SOCIAL COST OF CAR-**  
2 **BON IN ANALYSIS.**

3 (a) **IN GENERAL.**—Notwithstanding any other provi-  
4 sion of law or any Executive order, the Administrator of  
5 the Environmental Protection Agency may not use the so-  
6 cial cost of carbon in order to incorporate social benefits  
7 of reducing carbon dioxide emissions, or for any other rea-  
8 son, in any cost-benefit analysis relating to an energy-re-  
9 lated rule that is estimated to cost more than \$1 billion  
10 unless and until a Federal law is enacted authorizing such  
11 use.

12 (b) **DEFINITION.**—In this section, the term “social  
13 cost of carbon” means the social cost of carbon as de-  
14 scribed in the technical support document entitled “Tech-  
15 nical Support Document: Technical Update of the Social  
16 Cost of Carbon for Regulatory Impact Analysis Under Ex-  
17 ecutive Order 12866”, published by the Interagency  
18 Working Group on Social Cost of Carbon, United States  
19 Government, in May 2013, or any successor or substan-  
20 tially related document, or any other estimate of the mone-  
21 tized damages associated with an incremental increase in  
22 carbon dioxide emissions in a given year.

1 **TITLE VI—REPEAL OF THE**  
2 **HEALTH CARE LAW AND**  
3 **HEALTH CARE-RELATED PRO-**  
4 **VISIONS IN THE HEALTH**  
5 **CARE AND EDUCATION REC-**  
6 **ONCILIATION ACT OF 2010**

7 **SEC. 601. SHORT TITLE.**

8 This title may be cited as the “Repealing the Health  
9 Care Law Act”.

10 **SEC. 602. REPEAL OF THE HEALTH CARE LAW AND HEALTH**  
11 **CARE-RELATED PROVISIONS IN THE HEALTH**  
12 **CARE AND EDUCATION RECONCILIATION ACT**  
13 **OF 2010.**

14 (a) **HEALTH CARE LAW.**—Effective as of the enact-  
15 ment of Public Law 111–148, such Act is repealed, and  
16 the provisions of law amended or repealed by such Act  
17 are restored or revived as if such Act had not been en-  
18 acted.

19 (b) **HEALTH CARE-RELATED PROVISIONS IN THE**  
20 **HEALTH CARE AND EDUCATION RECONCILIATION ACT OF**  
21 **2010.**—Effective as of the enactment of the Health Care  
22 and Education Reconciliation Act of 2010 (Public Law  
23 111–152), title I and subtitle B of title II of such Act  
24 are repealed, and the provisions of law amended or re-  
25 pealed by such title or subtitle, respectively, are restored

1 or revived as if such title and subtitle had not been en-  
2 acted.

3 **TITLE VII—COOPERATIVE GOV-**  
4 **ERNING OF INDIVIDUAL**  
5 **HEALTH INSURANCE COV-**  
6 **ERAGE**

7 **SEC. 701. COOPERATIVE GOVERNING OF INDIVIDUAL**  
8 **HEALTH INSURANCE COVERAGE.**

9 (a) IN GENERAL.—Title XXVII of the Public Health  
10 Service Act (42 U.S.C. 300gg et seq.) is amended by add-  
11 ing at the end the following new part:

12 **“PART D—COOPERATIVE GOVERNING OF**  
13 **INDIVIDUAL HEALTH INSURANCE COVERAGE**

14 **“SEC. 2795. DEFINITIONS.**

15 “In this part:

16 “(1) PRIMARY STATE.—The term ‘primary  
17 State’ means, with respect to individual health insur-  
18 ance coverage offered by a health insurance issuer,  
19 the State designated by the issuer as the State  
20 whose covered laws shall govern the health insurance  
21 issuer in the sale of such coverage under this part.  
22 An issuer, with respect to a particular policy, may  
23 only designate one such State as its primary State  
24 with respect to all such coverage it offers. Such an  
25 issuer may not change the designated primary State



1 with respect to individual health insurance coverage  
2 once the policy is issued, except that such a change  
3 may be made upon renewal of the policy. With re-  
4 spect to such designated State, the issuer is deemed  
5 to be doing business in that State.

6 “(2) SECONDARY STATE.—The term ‘secondary  
7 State’ means, with respect to individual health insur-  
8 ance coverage offered by a health insurance issuer,  
9 any State that is not the primary State. In the case  
10 of a health insurance issuer that is selling a policy  
11 in, or to a resident of, a secondary State, the issuer  
12 is deemed to be doing business in that secondary  
13 State.

14 “(3) HEALTH INSURANCE ISSUER.—The term  
15 ‘health insurance issuer’ has the meaning given such  
16 term in section 2791(b)(2), except that such an  
17 issuer must be licensed in the primary State and be  
18 qualified to sell individual health insurance coverage  
19 in that State.

20 “(4) INDIVIDUAL HEALTH INSURANCE COV-  
21 ERAGE.—The term ‘individual health insurance cov-  
22 erage’ means health insurance coverage offered in  
23 the individual market, as defined in section  
24 2791(e)(1).

1           “(5) APPLICABLE STATE AUTHORITY.—The  
2 term ‘applicable State authority’ means, with respect  
3 to a health insurance issuer in a State, the State in-  
4 surance commissioner or official or officials des-  
5 ignated by the State to enforce the requirements of  
6 this title for the State with respect to the issuer.

7           “(6) HAZARDOUS FINANCIAL CONDITION.—The  
8 term ‘hazardous financial condition’ means that,  
9 based on its present or reasonably anticipated finan-  
10 cial condition, a health insurance issuer is unlikely  
11 to be able—

12                   “(A) to meet obligations to policyholders  
13 with respect to known claims and reasonably  
14 anticipated claims; or

15                   “(B) to pay other obligations in the normal  
16 course of business.

17           “(7) COVERED LAWS.—

18                   “(A) IN GENERAL.—The term ‘covered  
19 laws’ means the laws, rules, regulations, agree-  
20 ments, and orders governing the insurance busi-  
21 ness pertaining to—

22                           “(i) individual health insurance cov-  
23 erage issued by a health insurance issuer;

24                           “(ii) the offer, sale, rating (including  
25 medical underwriting), renewal, and

1 issuance of individual health insurance cov-  
2 erage to an individual;

3 “(iii) the provision to an individual in  
4 relation to individual health insurance cov-  
5 erage of health care and insurance related  
6 services;

7 “(iv) the provision to an individual in  
8 relation to individual health insurance cov-  
9 erage of management, operations, and in-  
10 vestment activities of a health insurance  
11 issuer; and

12 “(v) the provision to an individual in  
13 relation to individual health insurance cov-  
14 erage of loss control and claims adminis-  
15 tration for a health insurance issuer with  
16 respect to liability for which the issuer pro-  
17 vides insurance.

18 “(B) EXCEPTION.—Such term does not in-  
19 clude any law, rule, regulation, agreement, or  
20 order governing the use of care or cost manage-  
21 ment techniques, including any requirement re-  
22 lated to provider contracting, network access or  
23 adequacy, health care data collection, or quality  
24 assurance.

1           “(8) STATE.—The term ‘State’ means the 50  
2 States and includes the District of Columbia, Puerto  
3 Rico, the Virgin Islands, Guam, American Samoa,  
4 and the Northern Mariana Islands.

5           “(9) UNFAIR CLAIMS SETTLEMENT PRAC-  
6 TICES.—The term ‘unfair claims settlement prac-  
7 tices’ means only the following practices:

8           “(A) Knowingly misrepresenting to claim-  
9 ants and insured individuals relevant facts or  
10 policy provisions relating to coverage at issue.

11           “(B) Failing to acknowledge with reason-  
12 able promptness pertinent communications with  
13 respect to claims arising under policies.

14           “(C) Failing to adopt and implement rea-  
15 sonable standards for the prompt investigation  
16 and settlement of claims arising under policies.

17           “(D) Failing to effectuate prompt, fair,  
18 and equitable settlement of claims submitted in  
19 which liability has become reasonably clear.

20           “(E) Refusing to pay claims without con-  
21 ducting a reasonable investigation.

22           “(F) Failing to affirm or deny coverage of  
23 claims within a reasonable period of time after  
24 having completed an investigation related to  
25 those claims.

1           “(G) A pattern or practice of compelling  
2 insured individuals or their beneficiaries to in-  
3 stitute suits to recover amounts due under its  
4 policies by offering substantially less than the  
5 amounts ultimately recovered in suits brought  
6 by them.

7           “(H) A pattern or practice of attempting  
8 to settle or settling claims for less than the  
9 amount that a reasonable person would believe  
10 the insured individual or his or her beneficiary  
11 was entitled by reference to written or printed  
12 advertising material accompanying or made  
13 part of an application.

14           “(I) Attempting to settle or settling claims  
15 on the basis of an application that was materi-  
16 ally altered without notice to, or knowledge or  
17 consent of, the insured.

18           “(J) Failing to provide forms necessary to  
19 present claims within 15 calendar days of a re-  
20 quest with reasonable explanations regarding  
21 their use.

22           “(K) Attempting to cancel a policy in less  
23 time than that prescribed in the policy or by the  
24 law of the primary State.

1           “(10) FRAUD AND ABUSE.—The term ‘fraud  
2           and abuse’ means an act or omission committed by  
3           a person who, knowingly and with intent to defraud,  
4           commits, or conceals any material information con-  
5           cerning, one or more of the following:

6                   “(A) Presenting, causing to be presented  
7                   or preparing with knowledge or belief that it  
8                   will be presented to or by an insurer, a rein-  
9                   surer, broker or its agent, false information as  
10                  part of, in support of or concerning a fact ma-  
11                  terial to one or more of the following:

12                           “(i) An application for the issuance or  
13                           renewal of an insurance policy or reinsur-  
14                           ance contract.

15                           “(ii) The rating of an insurance policy  
16                           or reinsurance contract.

17                           “(iii) A claim for payment or benefit  
18                           pursuant to an insurance policy or reinsur-  
19                           ance contract.

20                           “(iv) Premiums paid on an insurance  
21                           policy or reinsurance contract.

22                           “(v) Payments made in accordance  
23                           with the terms of an insurance policy or  
24                           reinsurance contract.

1           “(vi) A document filed with the com-  
2           missioner or the chief insurance regulatory  
3           official of another jurisdiction.

4           “(vii) The financial condition of an in-  
5           surer or reinsurer.

6           “(viii) The formation, acquisition,  
7           merger, reconsolidation, dissolution or  
8           withdrawal from one or more lines of in-  
9           surance or reinsurance in all or part of a  
10          State by an insurer or reinsurer.

11          “(ix) The issuance of written evidence  
12          of insurance.

13          “(x) The reinstatement of an insur-  
14          ance policy.

15          “(B) Solicitation or acceptance of new or  
16          renewal insurance risks on behalf of an insurer  
17          reinsurer or other person engaged in the busi-  
18          ness of insurance by a person who knows or  
19          should know that the insurer or other person  
20          responsible for the risk is insolvent at the time  
21          of the transaction.

22          “(C) Transaction of the business of insur-  
23          ance in violation of laws requiring a license, cer-  
24          tificate of authority or other legal authority for  
25          the transaction of the business of insurance.

1           “(D) Attempt to commit, aiding or abet-  
2           ting in the commission of, or conspiracy to com-  
3           mit the acts or omissions specified in this para-  
4           graph.

5   **“SEC. 2796. APPLICATION OF LAW.**

6           “(a) IN GENERAL.—The covered laws of the primary  
7   State shall apply to individual health insurance coverage  
8   offered by a health insurance issuer in the primary State  
9   and in any secondary State, but only if the coverage and  
10  issuer comply with the conditions of this section with re-  
11  spect to the offering of coverage in any secondary State.

12          “(b) EXEMPTIONS FROM COVERED LAWS IN A SEC-  
13  ONDARY STATE.—Except as provided in this section, a  
14  health insurance issuer with respect to its offer, sale, rat-  
15  ing (including medical underwriting), renewal, and  
16  issuance of individual health insurance coverage in any  
17  secondary State is exempt from any covered laws of the  
18  secondary State (and any rules, regulations, agreements,  
19  or orders sought or issued by such State under or related  
20  to such covered laws) to the extent that such laws would—

21           “(1) make unlawful, or regulate, directly or in-  
22           directly, the operation of the health insurance issuer  
23           operating in the secondary State, except that any  
24           secondary State may require such an issuer—



1           “(A) to pay, on a nondiscriminatory basis,  
2           applicable premium and other taxes (including  
3           high risk pool assessments) which are levied on  
4           insurers and surplus lines insurers, brokers, or  
5           policyholders under the laws of the State;

6           “(B) to register with and designate the  
7           State insurance commissioner as its agent solely  
8           for the purpose of receiving service of legal doc-  
9           uments or process;

10          “(C) to submit to an examination of its fi-  
11          nancial condition by the State insurance com-  
12          missioner in any State in which the issuer is  
13          doing business to determine the issuer’s finan-  
14          cial condition, if—

15                 “(i) the State insurance commissioner  
16                 of the primary State has not done an ex-  
17                 amination within the period recommended  
18                 by the National Association of Insurance  
19                 Commissioners; and

20                 “(ii) any such examination is con-  
21                 ducted in accordance with the examiners’  
22                 handbook of the National Association of  
23                 Insurance Commissioners and is coordi-  
24                 nated to avoid unjustified duplication and  
25                 unjustified repetition;

1           “(D) to comply with a lawful order  
2 issued—

3           “(i) in a delinquency proceeding com-  
4 menced by the State insurance commis-  
5 sioner if there has been a finding of finan-  
6 cial impairment under subparagraph (C);  
7 or

8           “(ii) in a voluntary dissolution pro-  
9 ceeding;

10          “(E) to comply with an injunction issued  
11 by a court of competent jurisdiction, upon a pe-  
12 tition by the State insurance commissioner al-  
13 leging that the issuer is in hazardous financial  
14 condition;

15          “(F) to participate, on a nondiscriminatory  
16 basis, in any insurance insolvency guaranty as-  
17 sociation or similar association to which a  
18 health insurance issuer in the State is required  
19 to belong;

20          “(G) to comply with any State law regard-  
21 ing fraud and abuse (as defined in section  
22 2795(10)), except that if the State seeks an in-  
23 junction regarding the conduct described in this  
24 subparagraph, such injunction must be obtained  
25 from a court of competent jurisdiction;

1           “(H) to comply with any State law regard-  
2           ing unfair claims settlement practices (as de-  
3           fined in section 2795(9)); or

4           “(I) to comply with the applicable require-  
5           ments for independent review under section  
6           2798 with respect to coverage offered in the  
7           State;

8           “(2) require any individual health insurance  
9           coverage issued by the issuer to be countersigned by  
10          an insurance agent or broker residing in that Sec-  
11          ondary State; or

12          “(3) otherwise discriminate against the issuer  
13          issuing insurance in both the primary State and in  
14          any secondary State.

15          “(c) CLEAR AND CONSPICUOUS DISCLOSURE.—A  
16          health insurance issuer shall provide the following notice,  
17          in 12-point bold type, in any insurance coverage offered  
18          in a secondary State under this part by such a health in-  
19          surance issuer and at renewal of the policy, with the 5  
20          blank spaces therein being appropriately filled with the  
21          name of the health insurance issuer, the name of the pri-  
22          mary State, the name of the secondary State, the name  
23          of the secondary State, and the name of the secondary  
24          State, respectively, for the coverage concerned:

## “NOTICE

1  
2       ““This policy is issued by \_\_\_\_\_ and is gov-  
3 erned by the laws and regulations of the State of  
4 \_\_\_\_\_, and it has met all the laws of that State as  
5 determined by that State’s Department of Insurance. This  
6 policy may be less expensive than others because it is not  
7 subject to all of the insurance laws and regulations of the  
8 State of \_\_\_\_\_, including coverage of some services  
9 or benefits mandated by the law of the State of  
10 \_\_\_\_\_. Additionally, this policy is not subject to all  
11 of the consumer protection laws or restrictions on rate  
12 changes of the State of \_\_\_\_\_. As with all insurance  
13 products, before purchasing this policy, you should care-  
14 fully review the policy and determine what health care  
15 services the policy covers and what benefits it provides,  
16 including any exclusions, limitations, or conditions for  
17 such services or benefits.’.

18       “(d) PROHIBITION ON CERTAIN RECLASSIFICATIONS  
19 AND PREMIUM INCREASES.—

20               “(1) IN GENERAL.—For purposes of this sec-  
21 tion, a health insurance issuer that provides indi-  
22 vidual health insurance coverage to an individual  
23 under this part in a primary or secondary State may  
24 not upon renewal—

1           “(A) move or reclassify the individual in-  
2           sured under the health insurance coverage from  
3           the class such individual is in at the time of  
4           issue of the contract based on the health-status  
5           related factors of the individual; or

6           “(B) increase the premiums assessed the  
7           individual for such coverage based on a health  
8           status-related factor or change of a health sta-  
9           tus-related factor or the past or prospective  
10          claim experience of the insured individual.

11          “(2) CONSTRUCTION.—Nothing in paragraph  
12          (1) shall be construed to prohibit a health insurance  
13          issuer—

14               “(A) from terminating or discontinuing  
15               coverage or a class of coverage in accordance  
16               with subsections (b) and (c) of section 2742;

17               “(B) from raising premium rates for all  
18               policy holders within a class based on claims ex-  
19               perience;

20               “(C) from changing premiums or offering  
21               discounted premiums to individuals who engage  
22               in wellness activities at intervals prescribed by  
23               the issuer, if such premium changes or incen-  
24               tives—

1                   “(i) are disclosed to the consumer in  
2                   the insurance contract;

3                   “(ii) are based on specific wellness ac-  
4                   tivities that are not applicable to all indi-  
5                   viduals; and

6                   “(iii) are not obtainable by all individ-  
7                   uals to whom coverage is offered;

8                   “(D) from reinstating lapsed coverage; or

9                   “(E) from retroactively adjusting the rates  
10                  charged an insured individual if the initial rates  
11                  were set based on material misrepresentation by  
12                  the individual at the time of issue.

13               “(e) PRIOR OFFERING OF POLICY IN PRIMARY  
14 STATE.—A health insurance issuer may not offer for sale  
15 individual health insurance coverage in a secondary State  
16 unless that coverage is currently offered for sale in the  
17 primary State.

18               “(f) LICENSING OF AGENTS OR BROKERS FOR  
19 HEALTH INSURANCE ISSUERS.—Any State may require  
20 that a person acting, or offering to act, as an agent or  
21 broker for a health insurance issuer with respect to the  
22 offering of individual health insurance coverage obtain a  
23 license from that State, with commissions or other com-  
24 pensation subject to the provisions of the laws of that  
25 State, except that a State may not impose any qualifica-

1 tion or requirement which discriminates against a non-  
2 resident agent or broker.

3 “(g) DOCUMENTS FOR SUBMISSION TO STATE IN-  
4 SURANCE COMMISSIONER.—Each health insurance issuer  
5 issuing individual health insurance coverage in both pri-  
6 mary and secondary States shall submit—

7 “(1) to the insurance commissioner of each  
8 State in which it intends to offer such coverage, be-  
9 fore it may offer individual health insurance cov-  
10 erage in such State—

11 “(A) a copy of the plan of operation or fea-  
12 sibility study or any similar statement of the  
13 policy being offered and its coverage (which  
14 shall include the name of its primary State and  
15 its principal place of business);

16 “(B) written notice of any change in its  
17 designation of its primary State; and

18 “(C) written notice from the issuer of the  
19 issuer’s compliance with all the laws of the pri-  
20 mary State; and

21 “(2) to the insurance commissioner of each sec-  
22 ondary State in which it offers individual health in-  
23 surance coverage, a copy of the issuer’s quarterly fi-  
24 nancial statement submitted to the primary State,  
25 which statement shall be certified by an independent

1 public accountant and contain a statement of opin-  
2 ion on loss and loss adjustment expense reserves  
3 made by—

4 “(A) a member of the American Academy  
5 of Actuaries; or

6 “(B) a qualified loss reserve specialist.

7 “(h) POWER OF COURTS TO ENJOIN CONDUCT.—  
8 Nothing in this section shall be construed to affect the  
9 authority of any Federal or State court to enjoin—

10 “(1) the solicitation or sale of individual health  
11 insurance coverage by a health insurance issuer to  
12 any person or group who is not eligible for such in-  
13 surance; or

14 “(2) the solicitation or sale of individual health  
15 insurance coverage that violates the requirements of  
16 the law of a secondary State which are described in  
17 subparagraphs (A) through (H) of section  
18 2796(b)(1).

19 “(i) POWER OF SECONDARY STATES TO TAKE AD-  
20 MINISTRATIVE ACTION.—Nothing in this section shall be  
21 construed to affect the authority of any State to enjoin  
22 conduct in violation of that State’s laws described in sec-  
23 tion 2796(b)(1).

24 “(j) STATE POWERS TO ENFORCE STATE LAWS.—



1           “(1) IN GENERAL.—Subject to the provisions of  
2           subsection (b)(1)(G) (relating to injunctions) and  
3           paragraph (2), nothing in this section shall be con-  
4           strued to affect the authority of any State to make  
5           use of any of its powers to enforce the laws of such  
6           State with respect to which a health insurance issuer  
7           is not exempt under subsection (b).

8           “(2) COURTS OF COMPETENT JURISDICTION.—  
9           If a State seeks an injunction regarding the conduct  
10          described in paragraphs (1) and (2) of subsection  
11          (h), such injunction must be obtained from a Fed-  
12          eral or State court of competent jurisdiction.

13          “(k) STATES’ AUTHORITY TO SUE.—Nothing in this  
14          section shall affect the authority of any State to bring ac-  
15          tion in any Federal or State court.

16          “(l) GENERALLY APPLICABLE LAWS.—Nothing in  
17          this section shall be construed to affect the applicability  
18          of State laws generally applicable to persons or corpora-  
19          tions.

20          “(m) GUARANTEED AVAILABILITY OF COVERAGE TO  
21          HIPAA ELIGIBLE INDIVIDUALS.—To the extent that a  
22          health insurance issuer is offering coverage in a primary  
23          State that does not accommodate residents of secondary  
24          States or does not provide a working mechanism for resi-  
25          dents of a secondary State, and the issuer is offering cov-

1 erage under this part in such secondary State which has  
2 not adopted a qualified high risk pool as its acceptable  
3 alternative mechanism (as defined in section 2744(c)(2)),  
4 the issuer shall, with respect to any individual health in-  
5 surance coverage offered in a secondary State under this  
6 part, comply with the guaranteed availability requirements  
7 for eligible individuals in section 2741.

8 **“SEC. 2797. PRIMARY STATE MUST MEET FEDERAL FLOOR**  
9 **BEFORE ISSUER MAY SELL INTO SECONDARY**  
10 **STATES.**

11 “A health insurance issuer may not offer, sell, or  
12 issue individual health insurance coverage in a secondary  
13 State if the State insurance commissioner does not use  
14 a risk-based capital formula for the determination of cap-  
15 ital and surplus requirements for all health insurance  
16 issuers.

17 **“SEC. 2798. INDEPENDENT EXTERNAL APPEALS PROCE-**  
18 **DURES.**

19 “(a) **RIGHT TO EXTERNAL APPEAL.**—A health insur-  
20 ance issuer may not offer, sell, or issue individual health  
21 insurance coverage in a secondary State under the provi-  
22 sions of this title unless—

23 “(1) both the secondary State and the primary  
24 State have legislation or regulations in place estab-  
25 lishing an independent review process for individuals

1 who are covered by individual health insurance cov-  
2 erage, or

3 “(2) in any case in which the requirements of  
4 subparagraph (A) are not met with respect to the ei-  
5 ther of such States, the issuer provides an inde-  
6 pendent review mechanism substantially identical (as  
7 determined by the applicable State authority of such  
8 State) to that prescribed in the ‘Health Carrier Ex-  
9 ternal Review Model Act’ of the National Association  
10 of Insurance Commissioners for all individuals who  
11 purchase insurance coverage under the terms of this  
12 part, except that, under such mechanism, the review  
13 is conducted by an independent medical reviewer, or  
14 a panel of such reviewers, with respect to whom the  
15 requirements of subsection (b) are met.

16 “(b) QUALIFICATIONS OF INDEPENDENT MEDICAL  
17 REVIEWERS.—In the case of any independent review  
18 mechanism referred to in subsection (a)(2)—

19 “(1) IN GENERAL.—In referring a denial of a  
20 claim to an independent medical reviewer, or to any  
21 panel of such reviewers, to conduct independent  
22 medical review, the issuer shall ensure that—

23 “(A) each independent medical reviewer  
24 meets the qualifications described in paragraphs  
25 (2) and (3);

1           “(B) with respect to each review, each re-  
2           viewer meets the requirements of paragraph (4)  
3           and the reviewer, or at least 1 reviewer on the  
4           panel, meets the requirements described in  
5           paragraph (5); and

6           “(C) compensation provided by the issuer  
7           to each reviewer is consistent with paragraph  
8           (6).

9           “(2) LICENSURE AND EXPERTISE.—Each inde-  
10          pendent medical reviewer shall be a physician  
11          (allopathic or osteopathic) or health care profes-  
12          sional who—

13                 “(A) is appropriately credentialed or li-  
14                 censed in one or more States to deliver health  
15                 care services; and

16                 “(B) typically treats the condition, makes  
17                 the diagnosis, or provides the type of treatment  
18                 under review.

19           “(3) INDEPENDENCE.—

20                 “(A) IN GENERAL.—Subject to subpara-  
21                 graph (B), each independent medical reviewer  
22                 in a case shall—

23                         “(i) not be a related party (as defined  
24                         in paragraph (7));

1 “(ii) not have a material familial, fi-  
2 nancial, or professional relationship with  
3 such a party; and

4 “(iii) not otherwise have a conflict of  
5 interest with such a party (as determined  
6 under regulations).

7 “(B) EXCEPTION.—Nothing in subpara-  
8 graph (A) shall be construed to—

9 “(i) prohibit an individual, solely on  
10 the basis of affiliation with the issuer,  
11 from serving as an independent medical re-  
12 viewer if—

13 “(I) a non-affiliated individual is  
14 not reasonably available;

15 “(II) the affiliated individual is  
16 not involved in the provision of items  
17 or services in the case under review;

18 “(III) the fact of such an affili-  
19 ation is disclosed to the issuer and the  
20 enrollee (or authorized representative)  
21 and neither party objects; and

22 “(IV) the affiliated individual is  
23 not an employee of the issuer and  
24 does not provide services exclusively or  
25 primarily to or on behalf of the issuer;

1           “(ii) prohibit an individual who has  
2           staff privileges at the institution where the  
3           treatment involved takes place from serv-  
4           ing as an independent medical reviewer  
5           merely on the basis of such affiliation if  
6           the affiliation is disclosed to the issuer and  
7           the enrollee (or authorized representative),  
8           and neither party objects; or

9           “(iii) prohibit receipt of compensation  
10          by an independent medical reviewer from  
11          an entity if the compensation is provided  
12          consistent with paragraph (6).

13           “(4) PRACTICING HEALTH CARE PROFESSIONAL  
14          IN SAME FIELD.—

15           “(A) IN GENERAL.—In a case involving  
16          treatment, or the provision of items or serv-  
17          ices—

18           “(i) by a physician, a reviewer shall be  
19          a practicing physician (allopathic or osteo-  
20          pathic) of the same or similar specialty, as  
21          a physician who, acting within the appro-  
22          priate scope of practice within the State in  
23          which the service is provided or rendered,  
24          typically treats the condition, makes the

1 diagnosis, or provides the type of treat-  
2 ment under review; or

3 “(ii) by a non-physician health care  
4 professional, the reviewer, or at least 1  
5 member of the review panel, shall be a  
6 practicing non-physician health care pro-  
7 fessional of the same or similar specialty  
8 as the non-physician health care profes-  
9 sional who, acting within the appropriate  
10 scope of practice within the State in which  
11 the service is provided or rendered, typi-  
12 cally treats the condition, makes the diag-  
13 nosis, or provides the type of treatment  
14 under review.

15 “(B) PRACTICING DEFINED.—For pur-  
16 poses of this paragraph, the term ‘practicing’  
17 means, with respect to an individual who is a  
18 physician or other health care professional, that  
19 the individual provides health care services to  
20 individual patients on average at least 2 days  
21 per week.

22 “(5) PEDIATRIC EXPERTISE.—In the case of an  
23 external review relating to a child, a reviewer shall  
24 have expertise under paragraph (2) in pediatrics.

1           “(6) LIMITATIONS ON REVIEWER COMPENSA-  
2           TION.—Compensation provided by the issuer to an  
3           independent medical reviewer in connection with a  
4           review under this section shall—

5                   “(A) not exceed a reasonable level; and

6                   “(B) not be contingent on the decision ren-  
7           dered by the reviewer.

8           “(7) RELATED PARTY DEFINED.—For purposes  
9           of this section, the term ‘related party’ means, with  
10          respect to a denial of a claim under a coverage relat-  
11          ing to an enrollee, any of the following:

12                   “(A) The issuer involved, or any fiduciary,  
13          officer, director, or employee of the issuer.

14                   “(B) The enrollee (or authorized represent-  
15          ative).

16                   “(C) The health care professional that pro-  
17          vides the items or services involved in the de-  
18          nial.

19                   “(D) The institution at which the items or  
20          services (or treatment) involved in the denial  
21          are provided.

22                   “(E) The manufacturer of any drug or  
23          other item that is included in the items or serv-  
24          ices involved in the denial.



1           “(F) Any other party determined under  
2           any regulations to have a substantial interest in  
3           the denial involved.

4           “(8) DEFINITIONS.—For purposes of this sub-  
5           section:

6           “(A) ENROLLEE.—The term ‘enrollee’  
7           means, with respect to health insurance cov-  
8           erage offered by a health insurance issuer, an  
9           individual enrolled with the issuer to receive  
10          such coverage.

11          “(B) HEALTH CARE PROFESSIONAL.—The  
12          term ‘health care professional’ means an indi-  
13          vidual who is licensed, accredited, or certified  
14          under State law to provide specified health care  
15          services and who is operating within the scope  
16          of such licensure, accreditation, or certification.

17       **“SEC. 2799. ENFORCEMENT.**

18          “(a) IN GENERAL.—Subject to subsection (b), with  
19          respect to specific individual health insurance coverage the  
20          primary State for such coverage has sole jurisdiction to  
21          enforce the primary State’s covered laws in the primary  
22          State and any secondary State.

23          “(b) SECONDARY STATE’S AUTHORITY.—Nothing in  
24          subsection (a) shall be construed to affect the authority

1 of a secondary State to enforce its laws as set forth in  
2 the exception specified in section 2796(b)(1).

3 “(c) COURT INTERPRETATION.—In reviewing action  
4 initiated by the applicable secondary State authority, the  
5 court of competent jurisdiction shall apply the covered  
6 laws of the primary State.

7 “(d) NOTICE OF COMPLIANCE FAILURE.—In the case  
8 of individual health insurance coverage offered in a sec-  
9 ondary State that fails to comply with the covered laws  
10 of the primary State, the applicable State authority of the  
11 secondary State may notify the applicable State authority  
12 of the primary State.”.

13 (b) EFFECTIVE DATE.—The amendment made by  
14 subsection (a) shall apply to individual health insurance  
15 coverage offered, issued, or sold after the date that is one  
16 year after the date of the enactment of this Act.

17 (c) GAO ONGOING STUDY AND REPORTS.—

18 (1) STUDY.—The Comptroller General of the  
19 United States shall conduct an ongoing study con-  
20 cerning the effect of the amendment made by sub-  
21 section (a) on—

22 (A) the number of uninsured and under-in-  
23 sured;

1           (B) the availability and cost of health in-  
2           surance policies for individuals with pre-existing  
3           medical conditions;

4           (C) the availability and cost of health in-  
5           surance policies generally;

6           (D) the elimination or reduction of dif-  
7           ferent types of benefits under health insurance  
8           policies offered in different States; and

9           (E) cases of fraud or abuse relating to  
10          health insurance coverage offered under such  
11          amendment and the resolution of such cases.

12          (2) ANNUAL REPORTS.—The Comptroller Gen-  
13          eral shall submit to Congress an annual report, after  
14          the end of each of the 5 years following the effective  
15          date of the amendment made by subsection (a), on  
16          the ongoing study conducted under paragraph (1).

17 **SEC. 702. SEVERABILITY.**

18          If any provision of this title or the application of such  
19          provision to any person or circumstance is held to be un-  
20          constitutional, the remainder of this Act and the applica-  
21          tion of the provisions of such to any other person or cir-  
22          cumstance shall not be affected.

1 **TITLE VIII—RENEWAL OF TRADE**  
2 **PROMOTION AUTHORITY**

3 **SEC. 801. RENEWAL OF TRADE PROMOTION AUTHORITY.**

4 (a) IN GENERAL.—Section 2103 of the Bipartisan  
5 Trade Promotion Authority Act of 2002 (19 U.S.C. 3803)  
6 is amended—

7 (1) in subsection (a)(1), by striking subpara-  
8 graph (A) and inserting the following:

9 “(A) may enter into trade agreements with  
10 foreign countries—

11 “(i) on and after the date of the en-  
12 actment of the Reducing Employer Bur-  
13 dens, Unleashing Innovation, and Labor  
14 Development Act of 2013 and before July  
15 1, 2018; or

16 “(ii) on and after July 1, 2018, and  
17 before July 1, 2020, if trade authorities  
18 procedures are extended under subsection  
19 (c); and”;

20 (2) in subsection (b)(1), by striking subpara-  
21 graph (C) and inserting the following:

22 “(C) The President may enter into a trade  
23 agreement under this paragraph—

24 “(i) on and after the date of the enactment  
25 of the Reducing Employer Burdens, Unleashing

1 Innovation, and Labor Development Act of  
2 2013 and before July 1, 2018; or

3 “(ii) on and after July 1, 2018, and before  
4 July 1, 2020, if trade authorities procedures  
5 are extended under subsection (c).”; and

6 (3) in subsection (c)—

7 (A) in paragraph (1)—

8 (i) in subparagraph (A), by striking  
9 “before July 1, 2005” and inserting “on  
10 and after the date of the enactment of the  
11 Reducing Employer Burdens, Unleashing  
12 Innovation, and Labor Development Act of  
13 2013 and before July 1, 2018”; and

14 (ii) in subparagraph (B)—

15 (I) in the matter preceding clause  
16 (i), by striking “after June 30, 2005,  
17 and before July 1, 2007” and insert-  
18 ing “on or after July 1, 2018, and be-  
19 fore July 1, 2020”; and

20 (II) in clause (ii), by striking  
21 “July 1, 2005” and inserting “July 1,  
22 2018”;

23 (B) in paragraph (2), in the matter pre-  
24 ceding subparagraph (A), by striking “April 1,  
25 2005” and inserting “April 1, 2018”;

1 (C) in paragraph (3)—

2 (i) in subparagraph (A), in the matter  
3 preceding clause (i), by striking “June 1,  
4 2005” and inserting “June 1, 2018”; and

5 (ii) in subparagraph (B)—

6 (I) by striking “June 1, 2005”  
7 and inserting “June 1, 2018”; and

8 (II) by striking “the date of en-  
9 actment of this Act” and inserting  
10 “the date of the enactment of the Re-  
11 ducing Employer Burdens, Unleashing  
12 Innovation, and Labor Development  
13 Act of 2013”; and

14 (D) in paragraph (5), by striking “June  
15 30, 2005” each place it appears and inserting  
16 “June 30, 2018”.

17 (b) TREATMENT OF CERTAIN TRADE AGREEMENTS  
18 FOR WHICH NEGOTIATIONS HAVE ALREADY BEGUN.—

19 Section 2106(a) of the Bipartisan Trade Promotion Au-  
20 thority Act of 2002 (19 U.S.C. 3806(a)) is amended by  
21 striking “applies—” and all that follows through the end  
22 period and inserting “applies results from negotiations  
23 that were commenced before the date of the enactment  
24 of the Reducing Employer Burdens, Unleashing Innova-

1 tion, and Labor Development Act of 2013, subsection (b)  
2 shall apply.”.

3 **TITLE IX—REFORM OF EXPORT**  
4 **CONTROL POLICIES**

5 **SEC. 901. SENSE OF CONGRESS ON REFORM OF EXPORT**  
6 **CONTROL POLICIES.**

7 (a) FINDINGS.—Congress finds the following:

8 (1) The United States would benefit from pre-  
9 dictable, efficient, and transparent export control  
10 policies.

11 (2) Such export control policies should focus on  
12 the mutually reinforcing goals of—

13 (A) adequate national security; and

14 (B) increased global competitiveness and  
15 job growth.

16 (b) SENSE OF CONGRESS.—It is the sense of Con-  
17 gress that the Export Administration Act of 1979 (50  
18 U.S.C. App. 2401 et seq.), as continued in effect pursuant  
19 to the International Emergency Economic Powers Act (50  
20 U.S.C. 1701 et seq.), has become obsolete and should be  
21 reformed and reauthorized.

1           **TITLE X—EFFICIENT USE OF**  
2           **GOVERNMENT SPECTRUM**

3   **SEC. 1001. SHORT TITLE.**

4           This title may be cited as the “Efficient Use of Gov-  
5   ernment Spectrum Act of 2013”.

6   **SEC. 1002. REALLOCATION AND AUCTION OF 1755–1780 MHZ**  
7                           **BAND.**

8           (a)   IN GENERAL.—Notwithstanding paragraph  
9   (15)(A) of section 309(j) of the Communications Act of  
10   1934 (47 U.S.C. 309(j)), not later than 3 years after the  
11   date of the enactment of the Middle Class Tax Relief and  
12   Job Creation Act of 2012 (Public Law 112–96), the Com-  
13   mission shall—

14           (1) reallocate the electromagnetic spectrum de-  
15   scribed in subsection (d) for commercial use; and

16           (2) as part of the system of competitive bidding  
17   required by section 6401(b)(1)(B) of such Act (47  
18   U.S.C. 1451(b)(1)(B)), grant new initial licenses,  
19   subject to flexible-use service rules, for the use of  
20   such spectrum, paired with the spectrum between  
21   the frequencies from 2155 megahertz to 2180 mega-  
22   hertz, inclusive.

23           (b)   AUCTION PROCEEDS.—For purposes of depos-  
24   iting the proceeds from the competitive bidding described  
25   in subsection (a)(2) that are attributable to the electro-



1 magnetic spectrum described in subsection (d), such spec-  
2 trum shall be treated as spectrum that is required to be  
3 auctioned by section 6401(b)(1)(B) of the Middle Class  
4 Tax Relief and Job Creation Act of 2012 (47 U.S.C.  
5 1451(b)(1)(B)).

6 (c) RELOCATION OF AND SHARING BY FEDERAL  
7 GOVERNMENT STATIONS.—

8 (1) RELOCATION PRIORITIZED OVER SHAR-  
9 ING.—

10 (A) IN GENERAL.—Except as provided in  
11 paragraph (2), all Federal Government stations  
12 in the electromagnetic spectrum described in  
13 subsection (d) shall be relocated to other fre-  
14 quencies under the procedures implemented  
15 pursuant to section 113(g)(6) of the National  
16 Telecommunications and Information Adminis-  
17 tration Organization Act (47 U.S.C. 923(g)(6)).  
18 Such relocation procedures shall ensure max-  
19 imum cooperation and coordination between the  
20 affected Federal and commercial entities.

21 (B) DEPARTMENT OF DEFENSE STA-  
22 TIONS.—Section 1062(b) of the National De-  
23 fense Authorization Act for Fiscal Year 2000  
24 (Public Law 106–65; 113 Stat. 768) shall apply  
25 to the relocation of stations operated by the De-

1           partment of Defense in the electromagnetic  
2           spectrum described in subsection (d).

3           (2) SHARING WHERE RELOCATION NOT POS-  
4           SIBLE.—

5                   (A) IDENTIFICATION OF STATIONS.—If a  
6           Federal entity that operates a Federal Govern-  
7           ment station in the electromagnetic spectrum  
8           described in subsection (d) determines, based  
9           on an operational impact assessment, that such  
10          station cannot be relocated from such spectrum  
11          without jeopardizing essential military capa-  
12          bility, such entity shall identify such station in  
13          the transition plan of such entity required, by  
14          section 113(h)(1) of the National Telecommuni-  
15          cations and Information Administration Organi-  
16          zation Act (47 U.S.C. 923(h)(1)), to be sub-  
17          mitted not later than 240 days before the com-  
18          mencement of the competitive bidding described  
19          in subsection (a)(2).

20                   (B) REQUIRED ELEMENTS OF TRANSITION  
21          PLAN.—Each transition plan in which a station  
22          is identified pursuant to subparagraph (A) shall  
23          provide for non-Federal users to share with  
24          such station the electromagnetic spectrum de-  
25          scribed in subsection (d). Where exclusion zones

1           are necessary to avoid jeopardizing essential  
2           military capability, such plan shall provide for  
3           the smallest possible zones necessary for such  
4           purpose.

5           (3) WITHDRAWAL OR MODIFICATION OF AS-  
6           SIGNMENTS.—

7                   (A) WITHDRAWAL.—Upon relocation of a  
8           Federal Government station pursuant to para-  
9           graph (1), the President shall withdraw the as-  
10          signment to such station of the electromagnetic  
11          spectrum described in subsection (d).

12                   (B) MODIFICATION.—For each Federal  
13          Government station identified in a transition  
14          plan pursuant to paragraph (2)(A), the Presi-  
15          dent shall modify the assignment to such sta-  
16          tion of the electromagnetic spectrum described  
17          in subsection (d) to permit shared Federal and  
18          non-Federal use.

19          (d) SPECTRUM DESCRIBED.—The electromagnetic  
20          spectrum described in this subsection is the spectrum be-  
21          tween the frequencies from 1755 megahertz to 1780  
22          megahertz, inclusive.

1           (e) COMMISSION DEFINED.—In this section, the term  
2 “Commission” means the Federal Communications Com-  
3 mission.

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