

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—112th Cong., 2d Sess.

H. R. 8

To extend certain tax relief provisions enacted in 2001 and 2003, and to provide for expedited consideration of a bill providing for comprehensive tax reform, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. REID (for himself and Mr. McCONNELL)

Viz:

1 Strike all after the enacting clause and insert the fol-
2 lowing:

3 **SECTION 1. SHORT TITLE, ETC.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “American Taxpayer Relief Act of 2012”.

6 (b) AMENDMENT OF 1986 CODE.—Except as other-
7 wise expressly provided, whenever in this Act an amend-
8 ment or repeal is expressed in terms of an amendment
9 to, or repeal of, a section or other provision, the reference

1 shall be considered to be made to a section or other provi-
 2 sion of the Internal Revenue Code of 1986.

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

Sec. 1. Short title, etc.

TITLE I—GENERAL EXTENSIONS

Subtitle A—Tax Relief

- Sec. 101. Permanent extension and modification of 2001 tax relief.
- Sec. 102. Permanent extension and modification of 2003 tax relief.
- Sec. 103. Extension of 2009 tax relief.
- Sec. 104. Permanent alternative minimum tax relief.

TITLE II—INDIVIDUAL TAX EXTENDERS

- Sec. 201. Extension of deduction for certain expenses of elementary and secondary school teachers.
- Sec. 202. Extension of exclusion from gross income of discharge of qualified principal residence indebtedness.
- Sec. 203. Extension of parity for exclusion from income for employer-provided mass transit and parking benefits.
- Sec. 204. Extension of mortgage insurance premiums treated as qualified residence interest.
- Sec. 205. Extension of deduction of State and local general sales taxes.
- Sec. 206. Extension of special rule for contributions of capital gain real property made for conservation purposes.
- Sec. 207. Extension of above-the-line deduction for qualified tuition and related expenses.
- Sec. 208. Extension of tax-free distributions from individual retirement plans for charitable purposes.
- Sec. 209. Improve and make permanent the provision authorizing the Internal Revenue Service to disclose certain return and return information to certain prison officials.

TITLE III—BUSINESS TAX EXTENDERS

- Sec. 301. Extension and modification of research credit.
- Sec. 302. Extension of temporary minimum low-income tax credit rate for non-federally subsidized new buildings.
- Sec. 303. Extension of housing allowance exclusion for determining area median gross income for qualified residential rental project exempt facility bonds.
- Sec. 304. Extension of Indian employment tax credit.
- Sec. 305. Extension of new markets tax credit.
- Sec. 306. Extension of railroad track maintenance credit.
- Sec. 307. Extension of mine rescue team training credit.
- Sec. 308. Extension of employer wage credit for employees who are active duty members of the uniformed services.
- Sec. 309. Extension of work opportunity tax credit.
- Sec. 310. Extension of qualified zone academy bonds.

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- Sec. 311. Extension of 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements.
- Sec. 312. Extension of 7-year recovery period for motorsports entertainment complexes.
- Sec. 313. Extension of accelerated depreciation for business property on an Indian reservation.
- Sec. 314. Extension of enhanced charitable deduction for contributions of food inventory.
- Sec. 315. Extension of increased expensing limitations and treatment of certain real property as section 179 property.
- Sec. 316. Extension of election to expense mine safety equipment.
- Sec. 317. Extension of special expensing rules for certain film and television productions.
- Sec. 318. Extension of deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
- Sec. 319. Extension of modification of tax treatment of certain payments to controlling exempt organizations.
- Sec. 320. Extension of treatment of certain dividends of regulated investment companies.
- Sec. 321. Extension of RIC qualified investment entity treatment under FIRPTA.
- Sec. 322. Extension of subpart F exception for active financing income.
- Sec. 323. Extension of look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules.
- Sec. 324. Extension of temporary exclusion of 100 percent of gain on certain small business stock.
- Sec. 325. Extension of basis adjustment to stock of S corporations making charitable contributions of property.
- Sec. 326. Extension of reduction in S-corporation recognition period for built-in gains tax.
- Sec. 327. Extension of empowerment zone tax incentives.
- Sec. 328. Extension of tax-exempt financing for New York Liberty Zone.
- Sec. 329. Extension of temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands.
- Sec. 330. Modification and extension of American Samoa economic development credit.
- Sec. 331. Extension and modification of bonus depreciation.

TITLE IV—ENERGY TAX EXTENDERS

- Sec. 401. Extension of credit for energy-efficient existing homes.
- Sec. 402. Extension of credit for alternative fuel vehicle refueling property.
- Sec. 403. Extension of credit for 2- or 3-wheeled plug-in electric vehicles.
- Sec. 404. Extension and modification of cellulosic biofuel producer credit.
- Sec. 405. Extension of incentives for biodiesel and renewable diesel.
- Sec. 406. Extension of production credit for Indian coal facilities placed in service before 2009.
- Sec. 407. Extension and modification of credits with respect to facilities producing energy from certain renewable resources.
- Sec. 408. Extension of credit for energy-efficient new homes.
- Sec. 409. Extension of credit for energy-efficient appliances.
- Sec. 410. Extension and modification of special allowance for cellulosic biofuel plant property.

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- Sec. 411. Extension of special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.
- Sec. 412. Extension of alternative fuels excise tax credits.

TITLE V—UNEMPLOYMENT

- Sec. 501. Extension of emergency unemployment compensation program.
- Sec. 502. Temporary extension of extended benefit provisions.
- Sec. 503. Extension of funding for reemployment services and reemployment and eligibility assessment activities.
- Sec. 504. Additional extended unemployment benefits under the Railroad Unemployment Insurance Act.

TITLE VI—MEDICARE AND OTHER HEALTH EXTENSIONS

Subtitle A—Medicare Extensions

- Sec. 601. Medicare physician payment update.
- Sec. 602. Work geographic adjustment.
- Sec. 603. Payment for outpatient therapy services.
- Sec. 604. Ambulance add-on payments.
- Sec. 605. Extension of Medicare inpatient hospital payment adjustment for low-volume hospitals.
- Sec. 606. Extension of the Medicare-dependent hospital (MDH) program.
- Sec. 607. Extension for specialized Medicare Advantage plans for special needs individuals.
- Sec. 608. Extension of Medicare reasonable cost contracts.
- Sec. 609. Performance improvement.
- Sec. 610. Extension of funding outreach and assistance for low-income programs.

Subtitle B—Other Health Extensions

- Sec. 621. Extension of the qualifying individual (QI) program.
- Sec. 622. Extension of Transitional Medical Assistance (TMA).
- Sec. 623. Extension of Medicaid and CHIP Express Lane option.
- Sec. 624. Extension of family-to-family health information centers.
- Sec. 625. Extension of Special Diabetes Program for Type I diabetes and for Indians.

Subtitle C—Other Health Provisions

- Sec. 631. IPPS documentation and coding adjustment for implementation of MS-DRGs.
- Sec. 632. Revisions to the Medicare ESRD bundled payment system to reflect findings in the GAO report.
- Sec. 633. Treatment of multiple service payment policies for therapy services.
- Sec. 634. Payment for certain radiology services furnished under the Medicare hospital outpatient department prospective payment system.
- Sec. 635. Adjustment of equipment utilization rate for advanced imaging services.
- Sec. 636. Medicare payment of competitive prices for diabetic supplies and elimination of overpayment for diabetic supplies.
- Sec. 637. Medicare payment adjustment for non-emergency ambulance transports for ESRD beneficiaries.
- Sec. 638. Removing obstacles to collection of overpayments.

- Sec. 639. Medicare advantage coding intensity adjustment.
- Sec. 640. Elimination of all funding for the Medicare Improvement Fund.
- Sec. 641. Rebasing of State DSH allotments.
- Sec. 642. Repeal of CLASS program.
- Sec. 643. Commission on Long-Term Care.
- Sec. 644. Consumer Operated and Oriented Plan program contingency fund.

TITLE VII—EXTENSION OF AGRICULTURAL PROGRAMS

- Sec. 701. 1-year extension of agricultural programs.
- Sec. 702. Supplemental agricultural disaster assistance.

TITLE IX—MISCELLANEOUS PROVISIONS

- Sec. 901. Strategic delivery systems.
- Sec. 902. No cost of living adjustment in pay of members of congress.

TITLE X—BUDGET PROVISIONS

Subtitle A—Modifications of Sequestration

- Sec. 1001. Treatment of sequester.
- Sec. 1002. Amounts in applicable retirement plans may be transferred to designated Roth accounts without distribution.

Subtitle B—Budgetary Effects

- Sec. 1011. Budgetary effects.

1 **TITLE I—GENERAL EXTENSIONS**

2 **Subtitle A—Tax Relief**

3 **SEC. 101. PERMANENT EXTENSION AND MODIFICATION OF** 4 **2001 TAX RELIEF.**

5 (a) PERMANENT EXTENSION.—

6 (1) IN GENERAL.—The Economic Growth and
 7 Tax Relief Reconciliation Act of 2001 is amended by
 8 striking title IX.

9 (2) CONFORMING AMENDMENT.—The Tax Re-
 10 lief, Unemployment Insurance Reauthorization, and
 11 Job Creation Act of 2010 is amended by striking
 12 section 304.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply to taxable, plan, or
3 limitation years beginning after December 31, 2012,
4 and estates of decedents dying, gifts made, or gen-
5 eration skipping transfers after December 31, 2012.

6 (b) APPLICATION OF INCOME TAX TO CERTAIN
7 HIGH-INCOME TAXPAYERS.—

8 (1) INCOME TAX RATES.—

9 (A) TREATMENT OF 25-, 28-, AND 33-PER-
10 CENT RATE BRACKETS.—Paragraph (2) of sec-
11 tion 1(i) is amended to read as follows:

12 “(2) 25-, 28-, AND 33-PERCENT RATE BRACK-
13 ETS.—The tables under subsections (a), (b), (c), (d),
14 and (e) shall be applied—

15 “(A) by substituting ‘25%’ for ‘28%’ each
16 place it appears (before the application of sub-
17 paragraph (B)),

18 “(B) by substituting ‘28%’ for ‘31%’ each
19 place it appears, and

20 “(C) by substituting ‘33%’ for ‘36%’ each
21 place it appears.”.

22 (B) 35-PERCENT RATE BRACKET.—Sub-
23 section (i) of section 1 is amended by redesignig-
24 nating paragraph (3) as paragraph (4) and by

1 inserting after paragraph (2) the following new
2 paragraph:

3 “(3) MODIFICATIONS TO INCOME TAX BRACK-
4 ETS FOR HIGH-INCOME TAXPAYERS.—

5 “(A) 35-PERCENT RATE BRACKET.—In the
6 case of taxable years beginning after December
7 31, 2012—

8 “(i) the rate of tax under subsections
9 (a), (b), (c), and (d) on a taxpayer’s tax-
10 able income in the highest rate bracket
11 shall be 35 percent to the extent such in-
12 come does not exceed an amount equal to
13 the excess of—

14 “(I) the applicable threshold,
15 over

16 “(II) the dollar amount at which
17 such bracket begins, and

18 “(ii) the 39.6 percent rate of tax
19 under such subsections shall apply only to
20 the taxpayer’s taxable income in such
21 bracket in excess of the amount to which
22 clause (i) applies.

23 “(B) APPLICABLE THRESHOLD.—For pur-
24 poses of this paragraph, the term ‘applicable
25 threshold’ means—

1 “(i) \$450,000 in the case of sub-
2 section (a),

3 “(ii) \$425,000 in the case of sub-
4 section (b),

5 “(iii) \$400,000 in the case of sub-
6 section (c), and

7 “(iv) $\frac{1}{2}$ the amount applicable under
8 clause (i) (after adjustment, if any, under
9 subparagraph (C)) in the case of sub-
10 section (d).

11 “(C) INFLATION ADJUSTMENT.—For pur-
12 poses of this paragraph, with respect to taxable
13 years beginning in calendar years after 2013,
14 each of the dollar amounts under clauses (i),
15 (ii), and (iii) of subparagraph (B) shall be ad-
16 justed in the same manner as under paragraph
17 (1)(C)(i), except that subsection (f)(3)(B) shall
18 be applied by substituting ‘2012’ for ‘1992’.”.

19 (2) PHASEOUT OF PERSONAL EXEMPTIONS AND
20 ITEMIZED DEDUCTIONS.—

21 (A) OVERALL LIMITATION ON ITEMIZED
22 DEDUCTIONS.—Section 68 is amended—

23 (i) by striking subsection (b) and in-
24 serting the following:

25 “(b) APPLICABLE AMOUNT.—

1 “(1) IN GENERAL.—For purposes of this sec-
2 tion, the term ‘applicable amount’ means—

3 “(A) \$300,000 in the case of a joint return
4 or a surviving spouse (as defined in section
5 2(a)),

6 “(B) \$275,000 in the case of a head of
7 household (as defined in section 2(b)),

8 “(C) \$250,000 in the case of an individual
9 who is not married and who is not a surviving
10 spouse or head of household, and

11 “(D) $\frac{1}{2}$ the amount applicable under sub-
12 paragraph (A) (after adjustment, if any, under
13 paragraph (2)) in the case of a married indi-
14 vidual filing a separate return.

15 For purposes of this paragraph, marital status shall
16 be determined under section 7703.

17 “(2) INFLATION ADJUSTMENT.—In the case of
18 any taxable year beginning in calendar years after
19 2013, each of the dollar amounts under subpara-
20 graphs (A), (B), and (C) of paragraph (1) shall be
21 shall be increased by an amount equal to—

22 “(A) such dollar amount, multiplied by

23 “(B) the cost-of-living adjustment deter-
24 mined under section 1(f)(3) for the calendar
25 year in which the taxable year begins, except

1 paragraphs (A) and (B), respectively,
 2 and by indenting such subparagraphs
 3 (as so redesignated) accordingly, and
 4 (III) by striking all that precedes
 5 “in a calendar year after 1989,” and
 6 inserting the following:

7 “(4) INFLATION ADJUSTMENT.—In the case of
 8 any taxable year beginning”.

9 (3) EFFECTIVE DATE.—The amendments made
 10 by this subsection shall apply to taxable years begin-
 11 ning after December 31, 2012.

12 (c) MODIFICATIONS OF ESTATE TAX.—

13 (1) MAXIMUM ESTATE TAX RATE EQUAL TO 40
 14 PERCENT.—The table contained in subsection (c) of
 15 section 2001, as amended by section 302(a)(2) of
 16 the Tax Relief, Unemployment Insurance Reauthor-
 17 ization, and Job Creation Act of 2010, is amended
 18 by striking “Over \$500,000” and all that follows
 19 and inserting the following:

“Over \$500,000 but not over \$750,000	\$155,800, plus 37 percent of the excess of such amount over \$500,000.
Over \$750,000 but not over \$1,000,000.	\$248,300, plus 39 percent of the excess of such amount over \$750,000.
Over \$1,000,000	\$345,800, plus 40 percent of the excess of such amount over \$1,000,000.”.

20 (2) TECHNICAL CORRECTION.—Clause (i) of
 21 section 2010(c)(4)(B) is amended by striking “basic

1 exclusion amount” and inserting “applicable exclu-
2 sion amount”.

3 (3) EFFECTIVE DATES.—

4 (A) IN GENERAL.—Except as otherwise
5 provided by in this paragraph, the amendments
6 made by this subsection shall apply to estates
7 of decedents dying, generation-skipping trans-
8 fers, and gifts made, after December 31, 2012.

9 (B) TECHNICAL CORRECTION.—The
10 amendment made by paragraph (2) shall take
11 effect as if included in the amendments made
12 by section 303 of the Tax Relief, Unemploy-
13 ment Insurance Reauthorization, and Job Cre-
14 ation Act of 2010.

15 **SEC. 102. PERMANENT EXTENSION AND MODIFICATION OF**
16 **2003 TAX RELIEF.**

17 (a) PERMANENT EXTENSION.—The Jobs and Growth
18 Tax Relief Reconciliation Act of 2003 is amended by strik-
19 ing section 303.

20 (b) 20-PERCENT CAPITAL GAINS RATE FOR CERTAIN
21 HIGH INCOME INDIVIDUALS.—

22 (1) IN GENERAL.—Paragraph (1) of section
23 1(h) is amended by striking subparagraph (C), by
24 redesignating subparagraphs (D) and (E) as sub-

1 paragraphs (E) and (F) and by inserting after sub-
2 paragraph (B) the following new subparagraphs:

3 “(C) 15 percent of the lesser of—

4 “(i) so much of the adjusted net cap-
5 ital gain (or, if less, taxable income) as ex-
6 ceeds the amount on which a tax is deter-
7 mined under subparagraph (B), or

8 “(ii) the excess of—

9 “(I) the amount of taxable in-
10 come which would (without regard to
11 this paragraph) be taxed at a rate
12 below 39.6 percent, over

13 “(II) the sum of the amounts on
14 which a tax is determined under sub-
15 paragraphs (A) and (B),

16 “(D) 20 percent of the adjusted net capital
17 gain (or, if less, taxable income) in excess of the
18 sum of the amounts on which tax is determined
19 under subparagraphs (B) and (C),”.

20 (2) MINIMUM TAX.—Paragraph (3) of section
21 55(b) is amended by striking subparagraph (C), by
22 redesignating subparagraph (D) as subparagraph
23 (E), and by inserting after subparagraph (B) the
24 following new subparagraphs:

25 “(C) 15 percent of the lesser of—

1 “(i) so much of the adjusted net cap-
2 ital gain (or, if less, taxable excess) as ex-
3 ceeds the amount on which tax is deter-
4 mined under subparagraph (B), or

5 “(ii) the excess described in section
6 1(h)(1)(C)(ii), plus

7 “(D) 20 percent of the adjusted net capital
8 gain (or, if less, taxable excess) in excess of the
9 sum of the amounts on which tax is determined
10 under subparagraphs (B) and (C), plus”.

11 (c) CONFORMING AMENDMENTS.—

12 (1) The following provisions are each amended
13 by striking “15 percent” and inserting “20 per-
14 cent”:

15 (A) Section 531.

16 (B) Section 541.

17 (C) Section 1445(e)(1).

18 (D) The second sentence of section
19 7518(g)(6)(A).

20 (E) Section 53511(f)(2) of title 46, United
21 States Code.

22 (2) Sections 1(h)(1)(B) and 55(b)(3)(B) are
23 each amended by striking “5 percent (0 percent in
24 the case of taxable years beginning after 2007)” and
25 inserting “0 percent”.

1 (3) Section 1445(e)(6) is amended by striking
2 “15 percent (20 percent in the case of taxable years
3 beginning after December 31, 2010)” and inserting
4 “20 percent”.

5 (d) EFFECTIVE DATES.—

6 (1) IN GENERAL.—Except as otherwise pro-
7 vided, the amendments made by subsections (b) and
8 (c) shall apply to taxable years beginning after De-
9 cember 31, 2012.

10 (2) WITHHOLDING.—The amendments made by
11 paragraphs (1)(C) and (3) of subsection (c) shall
12 apply to amounts paid on or after January 1, 2013.

13 **SEC. 103. EXTENSION OF 2009 TAX RELIEF.**

14 (a) 5-YEAR EXTENSION OF AMERICAN OPPORTUNITY
15 TAX CREDIT.—

16 (1) IN GENERAL.—Section 25A(i) is amended
17 by striking “in 2009, 2010, 2011, or 2012” and in-
18 serting “after 2008 and before 2018”.

19 (2) TREATMENT OF POSSESSIONS.—Section
20 1004(e)(1) of division B of the American Recovery
21 and Reinvestment Tax Act of 2009 is amended by
22 striking “in 2009, 2010, 2011, and 2012” each
23 place it appears and inserting “after 2008 and be-
24 fore 2018”.

1 (b) 5-YEAR EXTENSION OF CHILD TAX CREDIT.—

2 Section 24(d)(4) is amended—

3 (1) by striking “2009, 2010, 2011, AND 2012” in
4 the heading and inserting “FOR CERTAIN YEARS”,
5 and

6 (2) by striking “in 2009, 2010, 2011, or 2012”
7 and inserting “after 2008 and before 2018”.

8 (c) 5-YEAR EXTENSION OF EARNED INCOME TAX
9 CREDIT.—Section 32(b)(3) is amended—

10 (1) by striking “2009, 2010, 2011, AND 2012” in
11 the heading and inserting “FOR CERTAIN YEARS”,
12 and

13 (2) by striking “in 2009, 2010, 2011, or 2012”
14 and inserting “after 2008 and before 2018”.

15 (d) PERMANENT EXTENSION OF RULE DIS-
16 REGARDING REFUNDS IN THE ADMINISTRATION OF FED-
17 ERAL PROGRAMS AND FEDERALLY ASSISTED PRO-
18 GRAMS.—Section 6409 is amended to read as follows:

19 **“SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRA-**
20 **TION OF FEDERAL PROGRAMS AND FEDER-**
21 **ALLY ASSISTED PROGRAMS.**

22 “Notwithstanding any other provision of law, any re-
23 fund (or advance payment with respect to a refundable
24 credit) made to any individual under this title shall not
25 be taken into account as income, and shall not be taken

1 into account as resources for a period of 12 months from
2 receipt, for purposes of determining the eligibility of such
3 individual (or any other individual) for benefits or assist-
4 ance (or the amount or extent of benefits or assistance)
5 under any Federal program or under any State or local
6 program financed in whole or in part with Federal
7 funds.”.

8 (e) EFFECTIVE DATES.—

9 (1) IN GENERAL.—Except as provided in para-
10 graph (2), the amendments made by this section
11 shall apply to taxable years beginning after Decem-
12 ber 31, 2012.

13 (2) RULE REGARDING DISREGARD OF RE-
14 FUNDS.—The amendment made by subsection (d)
15 shall apply to amounts received after December 31,
16 2012.

17 **SEC. 104. PERMANENT ALTERNATIVE MINIMUM TAX RE-**
18 **LIEF.**

19 (a) 2012 EXEMPTION AMOUNTS MADE PERMA-
20 NENT.—

21 (1) IN GENERAL.—Paragraph (1) of section
22 55(d) is amended—

23 (A) by striking “\$45,000” and all that fol-
24 lows through “2011)” in subparagraph (A) and
25 inserting “\$78,750”,

1 (B) by striking “\$33,750” and all that fol-
2 lows through “2011)” in subparagraph (B) and
3 inserting “\$50,600”, and

4 (C) by striking “paragraph (1)(A)” in sub-
5 paragraph (C) and inserting “subparagraph
6 (A)”.

7 (b) EXEMPTION AMOUNTS INDEXED FOR INFLA-
8 TION.—

9 (1) IN GENERAL.—Subsection (d) of section 55
10 is amended by adding at the end the following new
11 paragraph:

12 “(4) INFLATION ADJUSTMENT.—

13 “(A) IN GENERAL.—In the case of any
14 taxable year beginning in a calendar year after
15 2012, the amounts described in subparagraph
16 (B) shall each be increased by an amount equal
17 to—

18 “(i) such dollar amount, multiplied by

19 “(ii) the cost-of-living adjustment de-
20 termined under section 1(f)(3) for the cal-
21 endar year in which the taxable year be-
22 gins, determined by substituting ‘calendar
23 year 2011’ for ‘calendar year 1992’ in sub-
24 paragraph (B) thereof.

1 “(B) AMOUNTS DESCRIBED.—The
2 amounts described in this subparagraph are—

3 “(i) each of the dollar amounts con-
4 tained in subsection (b)(1)(A)(i),

5 “(ii) each of the dollar amounts con-
6 tained in paragraph (1), and

7 “(iii) each of the dollar amounts in
8 subparagraphs (A) and (B) of paragraph
9 (3).

10 “(C) ROUNDING.—Any increase deter-
11 mined under subparagraph (A) shall be rounded
12 to the nearest multiple of \$100.”.

13 (2) CONFORMING AMENDMENTS.—

14 (A) Clause (iii) of section 55(b)(1)(A) is
15 amended by striking “by substituting” and all
16 that follows through “appears.” and inserting
17 “by substituting 50 percent of the dollar
18 amount otherwise applicable under subclause
19 (I) and subclause (II) thereof.”.

20 (B) Paragraph (3) of section 55(d) is
21 amended—

22 (i) by striking “or (2)” in subpara-
23 graph (A),

24 (ii) by striking “and” at the end of
25 subparagraph (B), and

1 (iii) by striking subparagraph (C) and
2 inserting the following new subparagraphs:

3 “(C) 50 percent of the dollar amount ap-
4 plicable under subparagraph (A) in the case of
5 a taxpayer described in subparagraph (C) or
6 (D) of paragraph (1), and

7 “(D) \$150,000 in the case of a taxpayer
8 described in paragraph (2).”.

9 (c) ALTERNATIVE MINIMUM TAX RELIEF FOR NON-
10 REFUNDABLE CREDITS.—

11 (1) IN GENERAL.—Subsection (a) of section 26
12 is amended to read as follows:

13 “(a) LIMITATION BASED ON AMOUNT OF TAX.—The
14 aggregate amount of credits allowed by this subpart for
15 the taxable year shall not exceed the sum of—

16 “(1) the taxpayer’s regular tax liability for the
17 taxable year reduced by the foreign tax credit allow-
18 able under section 27(a), and

19 “(2) the tax imposed by section 55(a) for the
20 taxable year.”.

21 (2) CONFORMING AMENDMENTS.—

22 (A) ADOPTION CREDIT.—

23 (i) Section 23(b) is amended by strik-
24 ing paragraph (4).

1 (ii) Section 23(c) is amended by strik-
2 ing paragraphs (1) and (2) and inserting
3 the following:

4 “(1) IN GENERAL.—If the credit allowable
5 under subsection (a) for any taxable year exceeds
6 the limitation imposed by section 26(a) for such tax-
7 able year reduced by the sum of the credits allowable
8 under this subpart (other than this section and sec-
9 tions 25D and 1400C), such excess shall be carried
10 to the succeeding taxable year and added to the
11 credit allowable under subsection (a) for such tax-
12 able year.”.

13 (iii) Section 23(c) is amended by re-
14 designating paragraph (3) as paragraph
15 (2).

16 (B) CHILD TAX CREDIT.—

17 (i) Section 24(b) is amended by strik-
18 ing paragraph (3).

19 (ii) Section 24(d)(1) is amended—

20 (I) by striking “section 26(a)(2)
21 or subsection (b)(3), as the case may
22 be,” each place it appears in subpara-
23 graphs (A) and (B) and inserting
24 “section 26(a)”, and

1 (II) by striking “section 26(a)(2)
2 or subsection (b)(3), as the case may
3 be” in the second last sentence and
4 inserting “section 26(a)”.

5 (C) CREDIT FOR INTEREST ON CERTAIN
6 HOME MORTGAGES.—Section 25(e)(1)(C) is
7 amended to read as follows:

8 “(C) APPLICABLE TAX LIMIT.—For pur-
9 poses of this paragraph, the term ‘applicable
10 tax limit’ means the limitation imposed by sec-
11 tion 26(a) for the taxable year reduced by the
12 sum of the credits allowable under this subpart
13 (other than this section and sections 23, 25D,
14 and 1400C).”.

15 (D) HOPE AND LIFETIME LEARNING
16 CREDITS.—Section 25A(i) is amended—

17 (i) by striking paragraph (5) and by
18 redesignating paragraphs (6) and (7) as
19 paragraphs (5) and (6), respectively, and

20 (ii) by striking “section 26(a)(2) or
21 paragraph (5), as the case may be” in
22 paragraph (5), as redesignated by clause
23 (i), and inserting “section 26(a)”.

24 (E) SAVERS’ CREDIT.—Section 25B is
25 amended by striking subsection (g).

1 (F) RESIDENTIAL ENERGY EFFICIENT
2 PROPERTY.—Section 25D(c) is amended to read
3 as follows:

4 “(c) CARRYFORWARD OF UNUSED CREDIT.—If the
5 credit allowable under subsection (a) exceeds the limita-
6 tion imposed by section 26(a) for such taxable year re-
7 duced by the sum of the credits allowable under this sub-
8 part (other than this section), such excess shall be carried
9 to the succeeding taxable year and added to the credit al-
10 lowable under subsection (a) for such succeeding taxable
11 year.”.

12 (G) CERTAIN PLUG-IN ELECTRIC VEHI-
13 CLES.—Section 30(c)(2) is amended to read as
14 follows:

15 “(2) PERSONAL CREDIT.—For purposes of this
16 title, the credit allowed under subsection (a) for any
17 taxable year (determined after application of para-
18 graph (1)) shall be treated as a credit allowable
19 under subpart A for such taxable year.”.

20 (H) ALTERNATIVE MOTOR VEHICLE CRED-
21 IT.—Section 30B(g)(2) is amended to read as
22 follows:

23 “(2) PERSONAL CREDIT.—For purposes of this
24 title, the credit allowed under subsection (a) for any
25 taxable year (determined after application of para-

1 graph (1)) shall be treated as a credit allowable
2 under subpart A for such taxable year.”.

3 (I) NEW QUALIFIED PLUG-IN ELECTRIC
4 VEHICLE CREDIT.—Section 30D(c)(2) is
5 amended to read as follows:

6 “(2) PERSONAL CREDIT.—For purposes of this
7 title, the credit allowed under subsection (a) for any
8 taxable year (determined after application of para-
9 graph (1)) shall be treated as a credit allowable
10 under subpart A for such taxable year.”.

11 (J) CROSS REFERENCES.—Section
12 55(c)(3) is amended by striking “26(a),
13 30C(d)(2),” and inserting “30C(d)(2)”.

14 (K) FOREIGN TAX CREDIT.—Section 904
15 is amended by striking subsection (i) and by re-
16 designating subsections (j) , (k), and (l) as sub-
17 sections (i), (j), and (k), respectively.

18 (L) FIRST-TIME HOME BUYER CREDIT FOR
19 THE DISTRICT OF COLUMBIA.—Section
20 1400C(d) is amended to read as follows:

21 “(d) CARRYFORWARD OF UNUSED CREDIT.—If the
22 credit allowable under subsection (a) exceeds the limita-
23 tion imposed by section 26(a) for such taxable year re-
24 duced by the sum of the credits allowable under subpart
25 A of part IV of subchapter A (other than this section and

1 section 25D), such excess shall be carried to the suc-
2 ceeding taxable year and added to the credit allowable
3 under subsection (a) for such taxable year.”.

4 (d) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years beginning after
6 December 31, 2011.

7 **TITLE II—INDIVIDUAL TAX** 8 **EXTENDERS**

9 **SEC. 201. EXTENSION OF DEDUCTION FOR CERTAIN EX-** 10 **PENSES OF ELEMENTARY AND SECONDARY** 11 **SCHOOL TEACHERS.**

12 (a) IN GENERAL.—Subparagraph (D) of section
13 62(a)(2) is amended by striking “or 2011” and inserting
14 “2011, 2012, or 2013”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to taxable years beginning after
17 December 31, 2011.

18 **SEC. 202. EXTENSION OF EXCLUSION FROM GROSS INCOME** 19 **OF DISCHARGE OF QUALIFIED PRINCIPAL** 20 **RESIDENCE INDEBTEDNESS.**

21 (a) IN GENERAL.—Subparagraph (E) of section
22 108(a)(1) is amended by striking “January 1, 2013” and
23 inserting “January 1, 2014”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to indebtedness discharged after
3 December 31, 2012.

4 **SEC. 203. EXTENSION OF PARITY FOR EXCLUSION FROM IN-**
5 **COME FOR EMPLOYER-PROVIDED MASS**
6 **TRANSIT AND PARKING BENEFITS.**

7 (a) IN GENERAL.—Paragraph (2) of section 132(f)
8 is amended by striking “January 1, 2012” and inserting
9 “January 1, 2014”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to months after December 31,
12 2011.

13 **SEC. 204. EXTENSION OF MORTGAGE INSURANCE PRE-**
14 **MIUMS TREATED AS QUALIFIED RESIDENCE**
15 **INTEREST.**

16 (a) IN GENERAL.—Subclause (I) of section
17 163(h)(3)(E)(iv) is amended by striking “December 31,
18 2011” and inserting “December 31, 2013”.

19 (b) TECHNICAL AMENDMENTS.—Clause (i) of section
20 163(h)(4)(E) is amended—

21 (1) by striking “Veterans Administration” and
22 inserting “Department of Veterans Affairs”, and

23 (2) by striking “Rural Housing Administra-
24 tion” and inserting “Rural Housing Service”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to amounts paid or accrued after
3 December 31, 2011.

4 **SEC. 205. EXTENSION OF DEDUCTION OF STATE AND LOCAL**
5 **GENERAL SALES TAXES.**

6 (a) IN GENERAL.—Subparagraph (I) of section
7 164(b)(5) is amended by striking “January 1, 2012” and
8 inserting “January 1, 2014”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to taxable years beginning after
11 December 31, 2011.

12 **SEC. 206. EXTENSION OF SPECIAL RULE FOR CONTRIBU-**
13 **TIONS OF CAPITAL GAIN REAL PROPERTY**
14 **MADE FOR CONSERVATION PURPOSES.**

15 (a) IN GENERAL.—Clause (vi) of section
16 170(b)(1)(E) is amended by striking “December 31,
17 2011” and inserting “December 31, 2013”.

18 (b) CONTRIBUTIONS BY CERTAIN CORPORATE FARM-
19 ERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B)
20 is amended by striking “December 31, 2011” and insert-
21 ing “December 31, 2013”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to contributions made in taxable
24 years beginning after December 31, 2011.

1 **SEC. 207. EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR**
2 **QUALIFIED TUITION AND RELATED EX-**
3 **PENSES.**

4 (a) IN GENERAL.—Subsection (e) of section 222 is
5 amended by striking “December 31, 2011” and inserting
6 “December 31, 2013”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 this section shall apply to taxable years beginning after
9 December 31, 2011.

10 **SEC. 208. EXTENSION OF TAX-FREE DISTRIBUTIONS FROM**
11 **INDIVIDUAL RETIREMENT PLANS FOR CHARI-**
12 **TABLE PURPOSES.**

13 (a) IN GENERAL.—Subparagraph (F) of section
14 408(d)(8) is amended by striking “December 31, 2011”
15 and inserting “December 31, 2013”.

16 (b) EFFECTIVE DATE; SPECIAL RULE.—

17 (1) EFFECTIVE DATE.—The amendment made
18 by this section shall apply to distributions made in
19 taxable years beginning after December 31, 2011.

20 (2) SPECIAL RULES.—For purposes of sub-
21 sections (a)(6), (b)(3), and (d)(8) of section 408 of
22 the Internal Revenue Code of 1986, at the election
23 of the taxpayer (at such time and in such manner
24 as prescribed by the Secretary of the Treasury)—

25 (A) any qualified charitable distribution
26 made after December 31, 2012, and before

1 February 1, 2013, shall be deemed to have been
2 made on December 31, 2012, and

3 (B) any portion of a distribution from an
4 individual retirement account to the taxpayer
5 after November 30, 2012, and before January
6 1, 2013, may be treated as a qualified chari-
7 table distribution to the extent that—

8 (i) such portion is transferred in cash
9 after the distribution to an organization
10 described in section 408(d)(8)(B)(i) before
11 February 1, 2013, and

12 (ii) such portion is part of a distribu-
13 tion that would meet the requirements of
14 section 408(d)(8) but for the fact that the
15 distribution was not transferred directly to
16 an organization described in section
17 408(d)(8)(B)(i).

18 **SEC. 209. IMPROVE AND MAKE PERMANENT THE PROVI-**
19 **SION AUTHORIZING THE INTERNAL REVENUE**
20 **SERVICE TO DISCLOSE CERTAIN RETURN**
21 **AND RETURN INFORMATION TO CERTAIN**
22 **PRISON OFFICIALS.**

23 (a) IN GENERAL.—Paragraph (10) of section
24 6103(k) is amended to read as follows:

1 information received under this paragraph shall
2 be used only for the purposes of and to the ex-
3 tent necessary in taking administrative action
4 to prevent the filing of false and fraudulent re-
5 turns, including administrative actions to ad-
6 dress possible violations of administrative rules
7 and regulations of the prison facility and in ad-
8 ministrative and judicial proceedings arising
9 from such administrative actions.

10 “(D) RESTRICTIONS ON REDISCLOSURE
11 AND DISCLOSURE TO LEGAL REPRESENTA-
12 TIVES.—Notwithstanding subsection (h)—

13 “(i) RESTRICTIONS ON REDISCLO-
14 SURE.—Except as provided in clause (ii),
15 any officer, employee, or contractor of the
16 Federal Bureau of Prisons or of any State
17 agency charged with the responsibility for
18 administration of prisons shall not disclose
19 any information obtained under this para-
20 graph to any person other than an officer
21 or employee or contractor of such Bureau
22 or agency personally and directly engaged
23 in the administration of prison facilities on
24 behalf of such Bureau or agency.

1 “(ii) DISCLOSURE TO LEGAL REP-
2 REPRESENTATIVES.—The returns and return
3 information disclosed under this paragraph
4 may be disclosed to the duly authorized
5 legal representative of the Federal Bureau
6 of Prisons, State agency, or contractor
7 charged with the responsibility for admin-
8 istration of prisons, or of the incarcerated
9 individual accused of filing the false or
10 fraudulent return who is a party to an ac-
11 tion or proceeding described in subpara-
12 graph (C), solely in preparation for, or for
13 use in, such action or proceeding.”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) Paragraph (3) of section 6103(a) is amend-
16 ed by inserting “subsection (k)(10),” after “sub-
17 section (e)(1)(D)(iii),”.

18 (2) Paragraph (4) of section 6103(p) is amend-
19 ed—

20 (A) by inserting “subsection (k)(10),” be-
21 fore “subsection (l)(10),” in the matter pre-
22 ceding subparagraph (A),

23 (B) in subparagraph (F)(i)—

24 (i) by inserting “(k)(10),” before “or
25 (l)(6),” and

1 (ii) by inserting “subsection (k)(10)
2 or” before “subsection (l)(10),”, and
3 (C) by inserting “subsection (k)(10) or”
4 before “subsection (l)(10),” both places it ap-
5 pears in the matter following subparagraph
6 (F)(iii).

7 (3) Paragraph (2) of section 7213(a) is amend-
8 ed by inserting “(k)(10),” before “(l)(6),”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall take effect on the date of the enactment
11 of this Act.

12 **TITLE III—BUSINESS TAX** 13 **EXTENDERS**

14 **SEC. 301. EXTENSION AND MODIFICATION OF RESEARCH** 15 **CREDIT.**

16 (a) EXTENSION.—

17 (1) IN GENERAL.—Subparagraph (B) of section
18 41(h)(1) is amended by striking “December 31,
19 2011” and inserting “December 31, 2013”.

20 (2) CONFORMING AMENDMENT.—Subparagraph
21 (D) of section 45C(b)(1) is amended by striking
22 “December 31, 2011” and inserting “December 31,
23 2013”.

24 (b) INCLUSION OF QUALIFIED RESEARCH EXPENSES
25 AND GROSS RECEIPTS OF AN ACQUIRED PERSON.—

1 (1) PARTIAL INCLUSION OF PRE-ACQUISITION
2 QUALIFIED RESEARCH EXPENSES AND GROSS RE-
3 CEIPTS.—Subparagraph (A) of section 41(f)(3) is
4 amended to read as follows:

5 “(A) ACQUISITIONS.—

6 “(i) IN GENERAL.—If a person ac-
7 quires the major portion of either a trade
8 or business or a separate unit of a trade
9 or business (hereinafter in this paragraph
10 referred to as the ‘acquired business’) of
11 another person (hereinafter in this para-
12 graph referred to as the ‘predecessor’),
13 then the amount of qualified research ex-
14 penses paid or incurred by the acquiring
15 person during the measurement period
16 shall be increased by the amount deter-
17 mined under clause (ii), and the gross re-
18 ceipts of the acquiring person for such pe-
19 riod shall be increased by the amount de-
20 termined under clause (iii).

21 “(ii) AMOUNT DETERMINED WITH RE-
22 SPECT TO QUALIFIED RESEARCH EX-
23 PENSES.—The amount determined under
24 this clause is—

1 “(I) for purposes of applying this
2 section for the taxable year in which
3 such acquisition is made, the acqui-
4 sition year amount, and

5 “(II) for purposes of applying
6 this section for any taxable year after
7 the taxable year in which such acqui-
8 sition is made, the qualified research
9 expenses paid or incurred by the pred-
10 ecessor with respect to the acquired
11 business during the measurement pe-
12 riod.

13 “(iii) AMOUNT DETERMINED WITH
14 RESPECT TO GROSS RECEIPTS.—The
15 amount determined under this clause is the
16 amount which would be determined under
17 clause (ii) if ‘the gross receipts of’ were
18 substituted for ‘the qualified research ex-
19 penses paid or incurred by’ each place it
20 appears in clauses (ii) and (iv).

21 “(iv) ACQUISITION YEAR AMOUNT.—
22 For purposes of clause (ii), the acquisition
23 year amount is the amount equal to the
24 product of—

1 “(I) the qualified research ex-
2 penses paid or incurred by the prede-
3 cessor with respect to the acquired
4 business during the measurement pe-
5 riod, and

6 “(II) the number of days in the
7 period beginning on the date of the
8 acquisition and ending on the last day
9 of the taxable year in which the acqui-
10 sition is made,

11 divided by the number of days in the ac-
12 quiring person’s taxable year.

13 “(v) SPECIAL RULES FOR COORDI-
14 NATING TAXABLE YEARS.—In the case of
15 an acquiring person and a predecessor
16 whose taxable years do not begin on the
17 same date—

18 “(I) each reference to a taxable
19 year in clauses (ii) and (iv) shall refer
20 to the appropriate taxable year of the
21 acquiring person,

22 “(II) the qualified research ex-
23 penses paid or incurred by the prede-
24 cessor, and the gross receipts of the
25 predecessor, during each taxable year

1 of the predecessor any portion of
2 which is part of the measurement pe-
3 riod shall be allocated equally among
4 the days of such taxable year,

5 “(III) the amount of such quali-
6 fied research expenses taken into ac-
7 count under clauses (ii) and (iv) with
8 respect to a taxable year of the ac-
9 quiring person shall be equal to the
10 total of the expenses attributable
11 under subclause (II) to the days oc-
12 ccurring during such taxable year, and

13 “(IV) the amount of such gross
14 receipts taken into account under
15 clause (iii) with respect to a taxable
16 year of the acquiring person shall be
17 equal to the total of the gross receipts
18 attributable under subclause (II) to
19 the days occurring during such tax-
20 able year.

21 “(vi) MEASUREMENT PERIOD.—For
22 purposes of this subparagraph, the term
23 ‘measurement period’ means, with respect
24 to the taxable year of the acquiring person
25 for which the credit is determined, any pe-

1 riod of the acquiring person preceding such
2 taxable year which is taken into account
3 for purposes of determining the credit for
4 such year.”.

5 (2) EXPENSES AND GROSS RECEIPTS OF A
6 PREDECESSOR.—Subparagraph (B) of section
7 41(f)(3) is amended to read as follows:

8 “(B) DISPOSITIONS.—If the predecessor
9 furnished to the acquiring person such informa-
10 tion as is necessary for the application of sub-
11 paragraph (A), then, for purposes of applying
12 this section for any taxable year ending after
13 such disposition, the amount of qualified re-
14 search expenses paid or incurred by, and the
15 gross receipts of, the predecessor during the
16 measurement period (as defined in subpara-
17 graph (A)(vi), determined by substituting ‘pred-
18 ecessor’ for ‘acquiring person’ each place it ap-
19 pears) shall be reduced by—

20 “(i) in the case of the taxable year in
21 which such disposition is made, an amount
22 equal to the product of—

23 “(I) the qualified research ex-
24 penses paid or incurred by, or gross
25 receipts of, the predecessor with re-

1 spect to the acquired business during
2 the measurement period (as so defined
3 and so determined), and

4 “**(II)** the number of days in the
5 period beginning on the date of acqui-
6 sition (as determined for purposes of
7 subparagraph (A)(iv)(**II**)) and ending
8 on the last day of the taxable year of
9 the predecessor in which the disposi-
10 tion is made,

11 divided by the number of days in the tax-
12 able year of the predecessor, and

13 “(ii) in the case of any taxable year
14 ending after the taxable year in which such
15 disposition is made, the amount described
16 in clause (i)(**I**).”.

17 (c) **AGGREGATION OF EXPENDITURES.**—Paragraph
18 (1) of section 41(f) is amended—

19 (1) by striking “shall be its proportionate
20 shares of the qualified research expenses, basic re-
21 search payments, and amounts paid or incurred to
22 energy research consortiums, giving rise to the cred-
23 it” in subparagraph (A)(ii) and inserting “shall be
24 determined on a proportionate basis to its share of
25 the aggregate of the qualified research expenses,

1 basic research payments, and amounts paid or in-
2 curred to energy research consortiums, taken into
3 account by such controlled group for purposes of
4 this section”, and

5 (2) by striking “shall be its proportionate
6 shares of the qualified research expenses, basic re-
7 search payments, and amounts paid or incurred to
8 energy research consortiums, giving rise to the cred-
9 it” in subparagraph (B)(ii) and inserting “shall be
10 determined on a proportionate basis to its share of
11 the aggregate of the qualified research expenses,
12 basic research payments, and amounts paid or in-
13 curred to energy research consortiums, taken into
14 account by all such persons under common control
15 for purposes of this section”.

16 (d) EFFECTIVE DATE.—

17 (1) EXTENSION.—The amendments made by
18 subsection (a) shall apply to amounts paid or in-
19 curred after December 31, 2011.

20 (2) MODIFICATIONS.—The amendments made
21 by subsections (b) and (c) shall apply to taxable
22 years beginning after December 31, 2011.

1 **SEC. 302. EXTENSION OF TEMPORARY MINIMUM LOW-IN-**
2 **COME TAX CREDIT RATE FOR NON-FEDER-**
3 **ALLY SUBSIDIZED NEW BUILDINGS.**

4 (a) **IN GENERAL.**—Subparagraph (A) of section
5 42(b)(2) is amended by striking “and before December 31,
6 2013” and inserting “with respect to housing credit dollar
7 amount allocations made before January 1, 2014”.

8 (b) **EFFECTIVE DATE.**—The amendment made by
9 this section shall take effect on the date of the enactment
10 of this Act.

11 **SEC. 303. EXTENSION OF HOUSING ALLOWANCE EXCLU-**
12 **SION FOR DETERMINING AREA MEDIAN**
13 **GROSS INCOME FOR QUALIFIED RESIDEN-**
14 **TIAL RENTAL PROJECT EXEMPT FACILITY**
15 **BONDS.**

16 (a) **IN GENERAL.**—Subsection (b) of section 3005 of
17 the Housing Assistance Tax Act of 2008 is amended by
18 striking “January 1, 2012” each place it appears and in-
19 serting “January 1, 2014”.

20 (b) **EFFECTIVE DATE.**—The amendment made by
21 this section shall take effect as if included in the enact-
22 ment of section 3005 of the Housing Assistance Tax Act
23 of 2008.

1 **SEC. 304. EXTENSION OF INDIAN EMPLOYMENT TAX CRED-**
2 **IT.**

3 (a) IN GENERAL.—Subsection (f) of section 45A is
4 amended by striking “December 31, 2011” and inserting
5 “December 31, 2013”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to taxable years beginning after
8 December 31, 2011.

9 **SEC. 305. EXTENSION OF NEW MARKETS TAX CREDIT.**

10 (a) IN GENERAL.—Subparagraph (G) of section
11 45D(f)(1) is amended by striking “2010 and 2011” and
12 inserting “2010, 2011, 2012, and 2013”.

13 (b) CARRYOVER OF UNUSED LIMITATION.—Para-
14 graph (3) of section 45D(f) is amended by striking
15 “2016” and inserting “2018”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to calendar years beginning after
18 December 31, 2011.

19 **SEC. 306. EXTENSION OF RAILROAD TRACK MAINTENANCE**
20 **CREDIT.**

21 (a) IN GENERAL.—Subsection (f) of section 45G is
22 amended by striking “January 1, 2012” and inserting
23 “January 1, 2014”.

24 (b) EFFECTIVE DATE.—The amendment made by
25 this section shall apply to expenditures paid or incurred
26 in taxable years beginning after December 31, 2011.

1 **SEC. 307. EXTENSION OF MINE RESCUE TEAM TRAINING**
2 **CREDIT.**

3 (a) IN GENERAL.—Subsection (e) of section 45N is
4 amended by striking “December 31, 2011” and inserting
5 “December 31, 2013”.

6 (b) EFFECTIVE DATE.—The amendment made by
7 this section shall apply to taxable years beginning after
8 December 31, 2011.

9 **SEC. 308. EXTENSION OF EMPLOYER WAGE CREDIT FOR**
10 **EMPLOYEES WHO ARE ACTIVE DUTY MEM-**
11 **BERS OF THE UNIFORMED SERVICES.**

12 (a) IN GENERAL.—Subsection (f) of section 45P is
13 amended by striking “December 31, 2011” and inserting
14 “December 31, 2013”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to payments made after December
17 31, 2011.

18 **SEC. 309. EXTENSION OF WORK OPPORTUNITY TAX CREDIT.**

19 (a) IN GENERAL.—Subparagraph (B) of section
20 51(c)(4) is amended by striking “after” and all that fol-
21 lows and inserting “after December 31, 2013”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to individuals who begin work for
24 the employer after December 31, 2011.

1 **SEC. 310. EXTENSION OF QUALIFIED ZONE ACADEMY**
2 **BONDS.**

3 (a) IN GENERAL.—Paragraph (1) of section 54E(c)
4 is amended by inserting “, 2012, and 2013” after “for
5 2011”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall apply to obligations issued after Decem-
8 ber 31, 2011.

9 **SEC. 311. EXTENSION OF 15-YEAR STRAIGHT-LINE COST RE-**
10 **COVERY FOR QUALIFIED LEASEHOLD IM-**
11 **PROVEMENTS, QUALIFIED RESTAURANT**
12 **BUILDINGS AND IMPROVEMENTS, AND**
13 **QUALIFIED RETAIL IMPROVEMENTS.**

14 (a) IN GENERAL.—Clauses (iv), (v), and (ix) of sec-
15 tion 168(e)(3)(E) are each amended by striking “January
16 1, 2012” and inserting “January 1, 2014”.

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

20 **SEC. 312. EXTENSION OF 7-YEAR RECOVERY PERIOD FOR**
21 **MOTORSPORTS ENTERTAINMENT COM-**
22 **PLEXES.**

23 (a) IN GENERAL.—Subparagraph (D) of section
24 168(i)(15) is amended by striking “December 31, 2011”
25 and inserting “December 31, 2013”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to property placed in service after
3 December 31, 2011.

4 **SEC. 313. EXTENSION OF ACCELERATED DEPRECIATION**
5 **FOR BUSINESS PROPERTY ON AN INDIAN**
6 **RESERVATION.**

7 (a) IN GENERAL.—Paragraph (8) of section 168(j)
8 is amended by striking “December 31, 2011” and insert-
9 ing “December 31, 2013”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 this section shall apply to property placed in service after
12 December 31, 2011.

13 **SEC. 314. EXTENSION OF ENHANCED CHARITABLE DEDUC-**
14 **TION FOR CONTRIBUTIONS OF FOOD INVEN-**
15 **TORY.**

16 (a) IN GENERAL.—Clause (iv) of section
17 170(e)(3)(C) is amended by striking “December 31,
18 2011” and inserting “December 31, 2013”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to contributions made after De-
21 cember 31, 2011.

22 **SEC. 315. EXTENSION OF INCREASED EXPENSING LIMITA-**
23 **TIONS AND TREATMENT OF CERTAIN REAL**
24 **PROPERTY AS SECTION 179 PROPERTY.**

25 (a) IN GENERAL.—

1 (1) DOLLAR LIMITATION.—Section 179(b)(1) is
2 amended—

3 (A) by striking “2010 or 2011,” in sub-
4 paragraph (B) and inserting “2010, 2011,
5 2012, or 2013, and”,

6 (B) by striking subparagraph (C),

7 (C) by redesignating subparagraph (D) as
8 subparagraph (C), and

9 (D) in subparagraph (C), as so redesign-
10 nated, by striking “2012” and inserting
11 “2013”.

12 (2) REDUCTION IN LIMITATION.—Section
13 179(b)(2) is amended—

14 (A) by striking “2010 or 2011,” in sub-
15 paragraph (B) and inserting “2010, 2011,
16 2012, or 2013, and”,

17 (B) by striking subparagraph (C),

18 (C) by redesignating subparagraph (D) as
19 subparagraph (C), and

20 (D) in subparagraph (C), as so redesign-
21 nated, by striking “2012” and inserting
22 “2013”.

23 (3) CONFORMING AMENDMENT.—Subsection (b)
24 of section 179 is amended by striking paragraph (6).

1 (b) COMPUTER SOFTWARE.—Section
2 179(d)(1)(A)(ii) is amended by striking “2013” and in-
3 serting “2014”.

4 (c) ELECTION.—Section 179(c)(2) is amended by
5 striking “2013” and inserting “2014”.

6 (d) SPECIAL RULES FOR TREATMENT OF QUALIFIED
7 REAL PROPERTY.—

8 (1) IN GENERAL.—Section 179(f)(1) is amend-
9 ed by striking “2010 or 2011” and inserting “2010,
10 2011, 2012, or 2013”.

11 (2) CARRYOVER LIMITATION.—

12 (A) IN GENERAL.—Section 179(f)(4) is
13 amended by striking “2011” each place it ap-
14 pears and inserting “2013”.

15 (B) CONFORMING AMENDMENT.—Subpara-
16 graph (C) of section 179(f)(4) is amended—

17 (i) in the heading, by striking “2010”
18 and inserting “2010, 2011 AND 2012”,
19 and

20 (ii) by adding at the end the fol-
21 lowing: “For the last taxable year begin-
22 ning in 2013, the amount determined
23 under subsection (b)(3)(A) for such tax-
24 able year shall be determined without re-
25 gard to this paragraph.”.

1 (e) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2011.

4 **SEC. 316. EXTENSION OF ELECTION TO EXPENSE MINE**
5 **SAFETY EQUIPMENT.**

6 (a) IN GENERAL.—Subsection (g) of section 179E is
7 amended by striking “December 31, 2011” and inserting
8 “December 31, 2013”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to property placed in service after
11 December 31, 2011.

12 **SEC. 317. EXTENSION OF SPECIAL EXPENSING RULES FOR**
13 **CERTAIN FILM AND TELEVISION PRODUC-**
14 **TIONS.**

15 (a) IN GENERAL.—Subsection (f) of section 181 is
16 amended by striking “December 31, 2011” and inserting
17 “December 31, 2013”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to productions commencing after
20 December 31, 2011.

1 **SEC. 318. EXTENSION OF DEDUCTION ALLOWABLE WITH**
2 **RESPECT TO INCOME ATTRIBUTABLE TO DO-**
3 **MESTIC PRODUCTION ACTIVITIES IN PUERTO**
4 **RICO.**

5 (a) IN GENERAL.—Subparagraph (C) of section
6 199(d)(8) is amended—

7 (1) by striking “first 6 taxable years” and in-
8 serting “first 8 taxable years”, and

9 (2) by striking “January 1, 2012” and insert-
10 ing “January 1, 2014”.

11 (b) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2011.

14 **SEC. 319. EXTENSION OF MODIFICATION OF TAX TREAT-**
15 **MENT OF CERTAIN PAYMENTS TO CONTROL-**
16 **LING EXEMPT ORGANIZATIONS.**

17 (a) IN GENERAL.—Clause (iv) of section
18 512(b)(13)(E) is amended by striking “December 31,
19 2011” and inserting “December 31, 2013”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section shall apply to payments received or accrued
22 after December 31, 2011.

1 **SEC. 320. EXTENSION OF TREATMENT OF CERTAIN DIVI-**
2 **DENDS OF REGULATED INVESTMENT COMPA-**
3 **NIES.**

4 (a) IN GENERAL.—Paragraphs (1)(C)(v) and
5 (2)(C)(v) of section 871(k) are each amended by striking
6 “December 31, 2011” and inserting “December 31,
7 2013”.

8 (b) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2011.

11 **SEC. 321. EXTENSION OF RIC QUALIFIED INVESTMENT EN-**
12 **TITY TREATMENT UNDER FIRPTA.**

13 (a) IN GENERAL.—Clause (ii) of section
14 897(h)(4)(A) is amended by striking “December 31,
15 2011” and inserting “December 31, 2013”.

16 (b) EFFECTIVE DATE.—

17 (1) IN GENERAL.—The amendment made by
18 subsection (a) shall take effect on January 1, 2012.
19 Notwithstanding the preceding sentence, such
20 amendment shall not apply with respect to the with-
21 holding requirement under section 1445 of the Inter-
22 nal Revenue Code of 1986 for any payment made
23 before the date of the enactment of this Act.

24 (2) AMOUNTS WITHHELD ON OR BEFORE DATE
25 OF ENACTMENT.—In the case of a regulated invest-
26 ment company—

1 (A) which makes a distribution after De-
2 cember 31, 2011, and before the date of the en-
3 actment of this Act; and

4 (B) which would (but for the second sen-
5 tence of paragraph (1)) have been required to
6 withhold with respect to such distribution under
7 section 1445 of such Code,
8 such investment company shall not be liable to any
9 person to whom such distribution was made for any
10 amount so withheld and paid over to the Secretary
11 of the Treasury.

12 **SEC. 322. EXTENSION OF SUBPART F EXCEPTION FOR AC-**
13 **TIVE FINANCING INCOME.**

14 (a) EXEMPT INSURANCE INCOME.—Paragraph (10)
15 of section 953(e) is amended—

16 (1) by striking “January 1, 2012” and insert-
17 ing “January 1, 2014”, and

18 (2) by striking “December 31, 2011” and in-
19 serting “December 31, 2013”.

20 (b) SPECIAL RULE FOR INCOME DERIVED IN THE
21 ACTIVE CONDUCT OF BANKING, FINANCING, OR SIMILAR
22 BUSINESSES.—Paragraph (9) of section 954(h) is amend-
23 ed by striking “January 1, 2012” and inserting “January
24 1, 2014”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years of foreign corpora-
3 tions beginning after December 31, 2011, and to taxable
4 years of United States shareholders with or within which
5 any such taxable year of such foreign corporation ends.

6 **SEC. 323. EXTENSION OF LOOK-THRU TREATMENT OF PAY-**
7 **MENTS BETWEEN RELATED CONTROLLED**
8 **FOREIGN CORPORATIONS UNDER FOREIGN**
9 **PERSONAL HOLDING COMPANY RULES.**

10 (a) IN GENERAL.—Subparagraph (C) of section
11 954(c)(6) is amended by striking “January 1, 2012” and
12 inserting “January 1, 2014”.

13 (b) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to taxable years of foreign corpora-
15 tions beginning after December 31, 2011, and to taxable
16 years of United States shareholders with or within which
17 such taxable years of foreign corporations end.

18 **SEC. 324. EXTENSION OF TEMPORARY EXCLUSION OF 100**
19 **PERCENT OF GAIN ON CERTAIN SMALL BUSI-**
20 **NESS STOCK.**

21 (a) IN GENERAL.—Paragraph (4) of section 1202(a)
22 is amended—

23 (1) by striking “January 1, 2012” and insert-
24 ing “January 1, 2014”, and

1 (2) by striking “AND 2011” and inserting “,
2 2011, 2012, AND 2013” in the heading thereof.

3 (b) TECHNICAL AMENDMENTS.—

4 (1) SPECIAL RULE FOR 2009 AND CERTAIN PE-
5 RIOD IN 2010.—Paragraph (3) of section 1202(a) is
6 amended by adding at the end the following new
7 flush sentence:

8 “In the case of any stock which would be described
9 in the preceding sentence (but for this sentence), the
10 acquisition date for purposes of this subsection shall
11 be the first day on which such stock was held by the
12 taxpayer determined after the application of section
13 1223.”.

14 (2) 100 PERCENT EXCLUSION.—Paragraph (4)
15 of section 1202(a) is amended by adding at the end
16 the following new flush sentence:

17 “In the case of any stock which would be described
18 in the preceding sentence (but for this sentence), the
19 acquisition date for purposes of this subsection shall
20 be the first day on which such stock was held by the
21 taxpayer determined after the application of section
22 1223.”.

23 (c) EFFECTIVE DATES.—

1 (1) IN GENERAL.—The amendments made by
2 subsection (a) shall apply to stock acquired after De-
3 cember 31, 2011.

4 (2) SUBSECTION (b)(1).—The amendment
5 made by subsection (b)(1) shall take effect as if in-
6 cluded in section 1241(a) of division B of the Amer-
7 ican Recovery and Reinvestment Act of 2009.

8 (3) SUBSECTION (b)(2).—The amendment
9 made by subsection (b)(2) shall take effect as if in-
10 cluded in section 2011(a) of the Creating Small
11 Business Jobs Act of 2010.

12 **SEC. 325. EXTENSION OF BASIS ADJUSTMENT TO STOCK OF**
13 **S CORPORATIONS MAKING CHARITABLE CON-**
14 **TRIBUTIONS OF PROPERTY.**

15 (a) IN GENERAL.—Paragraph (2) of section 1367(a)
16 is amended by striking “December 31, 2011” and insert-
17 ing “December 31, 2013”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to contributions made in taxable
20 years beginning after December 31, 2011.

21 **SEC. 326. EXTENSION OF REDUCTION IN S-CORPORATION**
22 **RECOGNITION PERIOD FOR BUILT-IN GAINS**
23 **TAX.**

24 (a) IN GENERAL.—Paragraph (7) of section 1374(d)
25 is amended—

1 (1) by redesignating subparagraph (C) as sub-
2 paragraph (D), and

3 (2) by inserting after subparagraph (B) the fol-
4 lowing new subparagraph:

5 “(C) SPECIAL RULE FOR 2012 AND 2013.—
6 For purposes of determining the net recognized
7 built-in gain for taxable years beginning in
8 2012 or 2013, subparagraphs (A) and (D) shall
9 be applied by substituting ‘5-year’ for ‘10-
10 year’.”, and

11 (3) by adding at the end the following new sub-
12 paragraph:

13 “(E) INSTALLMENT SALES.—If an S cor-
14 poration sells an asset and reports the income
15 from the sale using the installment method
16 under section 453, the treatment of all pay-
17 ments received shall be governed by the provi-
18 sions of this paragraph applicable to the taxable
19 year in which such sale was made.”.

20 (b) TECHNICAL AMENDMENT.—Subparagraph (B) of
21 section 1374(d)(2) is amended by inserting “described in
22 subparagraph (A)” after “, for any taxable year”.

23 (c) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to taxable years beginning after
25 December 31, 2011.

1 **SEC. 327. EXTENSION OF EMPOWERMENT ZONE TAX INCEN-**
2 **TIVES.**

3 (a) IN GENERAL.—Clause (i) of section
4 1391(d)(1)(A) is amended by striking “December 31,
5 2011” and inserting “December 31, 2013”.

6 (b) INCREASED EXCLUSION OF GAIN ON STOCK OF
7 EMPOWERMENT ZONE BUSINESSES.—Subparagraph (C)
8 of section 1202(a)(2) is amended—

9 (1) by striking “December 31, 2016” and in-
10 sserting “December 31, 2018”; and

11 (2) by striking “2016” in the heading and in-
12 sserting “2018”.

13 (c) TREATMENT OF CERTAIN TERMINATION DATES
14 SPECIFIED IN NOMINATIONS.—In the case of a designa-
15 tion of an empowerment zone the nomination for which
16 included a termination date which is contemporaneous
17 with the date specified in subparagraph (A)(i) of section
18 1391(d)(1) of the Internal Revenue Code of 1986 (as in
19 effect before the enactment of this Act), subparagraph (B)
20 of such section shall not apply with respect to such des-
21 ignation if, after the date of the enactment of this section,
22 the entity which made such nomination amends the nomi-
23 nation to provide for a new termination date in such man-
24 ner as the Secretary of the Treasury (or the Secretary’s
25 designee) may provide.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to periods after December 31,
3 2011.

4 **SEC. 328. EXTENSION OF TAX-EXEMPT FINANCING FOR NEW**
5 **YORK LIBERTY ZONE.**

6 (a) IN GENERAL.—Subparagraph (D) of section
7 1400L(d)(2) is amended by striking “January 1, 2012”
8 and inserting “January 1, 2014”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to bonds issued after December
11 31, 2011.

12 **SEC. 329. EXTENSION OF TEMPORARY INCREASE IN LIMIT**
13 **ON COVER OVER OF RUM EXCISE TAXES TO**
14 **PUERTO RICO AND THE VIRGIN ISLANDS.**

15 (a) IN GENERAL.—Paragraph (1) of section 7652(f)
16 is amended by striking “January 1, 2012” and inserting
17 “January 1, 2014”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to distilled spirits brought into the
20 United States after December 31, 2011.

21 **SEC. 330. MODIFICATION AND EXTENSION OF AMERICAN**
22 **SAMOA ECONOMIC DEVELOPMENT CREDIT.**

23 (a) MODIFICATION.—

24 (1) IN GENERAL.—Subsection (a) of section
25 119 of division A of the Tax Relief and Health Care

1 Act of 2006 is amended by striking “if such cor-
2 poration” and all that follows and inserting “if—

3 “(1) in the case of a taxable year beginning be-
4 fore January 1, 2012, such corporation—

5 “(A) is an existing credit claimant with re-
6 spect to American Samoa, and

7 “(B) elected the application of section 936
8 of the Internal Revenue Code of 1986 for its
9 last taxable year beginning before January 1,
10 2006, and

11 “(2) in the case of a taxable year beginning
12 after December 31, 2011, such corporation meets
13 the requirements of subsection (e).”.

14 (2) REQUIREMENTS.—Section 119 of division A
15 of such Act is amended by adding at the end the fol-
16 lowing new subsection:

17 “(e) QUALIFIED PRODUCTION ACTIVITIES INCOME
18 REQUIREMENT.—A corporation meets the requirement of
19 this subsection if such corporation has qualified produc-
20 tion activities income, as defined in subsection (c) of sec-
21 tion 199 of the Internal Revenue Code of 1986, deter-
22 mined by substituting ‘American Samoa’ for ‘the United
23 States’ each place it appears in paragraphs (3), (4), and
24 (6) of such subsection (c), for the taxable year.”.

1 (b) EXTENSION.—Subsection (d) of section 119 of di-
2 vision A of the Tax Relief and Health Care Act of 2006
3 is amended by striking “shall apply” and all that follows
4 and inserting “shall apply—

5 “(1) in the case of a corporation that meets the
6 requirements of subparagraphs (A) and (B) of sub-
7 section (a)(1), to the first 8 taxable years of such
8 corporation which begin after December 31, 2006,
9 and before January 1, 2014, and

10 “(2) in the case of a corporation that does not
11 meet the requirements of subparagraphs (A) and
12 (B) of subsection (a)(1), to the first 2 taxable years
13 of such corporation which begin after December 31,
14 2011, and before January 1, 2014.”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to taxable years beginning after
17 December 31, 2011.

18 **SEC. 331. EXTENSION AND MODIFICATION OF BONUS DE-**
19 **PRECIATION.**

20 (a) IN GENERAL.—Paragraph (2) of section 168(k)
21 is amended—

22 (1) by striking “January 1, 2014” in subpara-
23 graph (A)(iv) and inserting “January 1, 2015”, and

24 (2) by striking “January 1, 2013” each place
25 it appears and inserting “January 1, 2014”.

1 (b) SPECIAL RULE FOR FEDERAL LONG-TERM CON-
2 TRACTS.—Clause (ii) of section 460(c)(6)(B) is amended
3 by inserting “, or after December 31, 2012, and before
4 January 1, 2014 (January 1, 2015, in the case of property
5 described in section 168(k)(2)(B))” before the period.

6 (c) EXTENSION OF ELECTION TO ACCELERATE THE
7 AMT CREDIT IN LIEU OF BONUS DEPRECIATION.—

8 (1) IN GENERAL.—Subclause (II) of section
9 168(k)(4)(D)(iii) is amended by striking “2013” and
10 inserting “2014”.

11 (2) ROUND 3 EXTENSION PROPERTY.—Para-
12 graph (4) of section 168(k) is amended by adding at
13 the end the following new subparagraph:

14 “(J) SPECIAL RULES FOR ROUND 3 EX-
15 TENSION PROPERTY.—

16 “(i) IN GENERAL.—In the case of
17 round 3 extension property, this paragraph
18 shall be applied without regard to—

19 “(I) the limitation described in
20 subparagraph (B)(i) thereof, and

21 “(II) the business credit increase
22 amount under subparagraph (E)(iii)
23 thereof.

24 “(ii) TAXPAYERS PREVIOUSLY ELECT-
25 ING ACCELERATION.—In the case of a tax-

1 payer who made the election under sub-
2 paragraph (A) for its first taxable year
3 ending after March 31, 2008, a taxpayer
4 who made the election under subparagraph
5 (H)(ii) for its first taxable year ending
6 after December 31, 2008, or a taxpayer
7 who made the election under subparagraph
8 (I)(iii) for its first taxable year ending
9 after December 31, 2010—

10 “(I) the taxpayer may elect not
11 to have this paragraph apply to round
12 3 extension property, but

13 “(II) if the taxpayer does not
14 make the election under subclause (I),
15 in applying this paragraph to the tax-
16 payer the bonus depreciation amount,
17 maximum amount, and maximum in-
18 crease amount shall be computed and
19 applied to eligible qualified property
20 which is round 3 extension property.

21 The amounts described in subclause (II)
22 shall be computed separately from any
23 amounts computed with respect to eligible
24 qualified property which is not round 3 ex-
25 tension property.

1 “(iii) TAXPAYERS NOT PREVIOUSLY
2 ELECTING ACCELERATION.—In the case of
3 a taxpayer who neither made the election
4 under subparagraph (A) for its first tax-
5 able year ending after March 31, 2008,
6 nor made the election under subparagraph
7 (H)(ii) for its first taxable year ending
8 after December 31, 2008, nor made the
9 election under subparagraph (I)(iii) for any
10 taxable year ending after December 31,
11 2010—

12 “(I) the taxpayer may elect to
13 have this paragraph apply to its first
14 taxable year ending after December
15 31, 2012, and each subsequent tax-
16 able year, and

17 “(II) if the taxpayer makes the
18 election under subclause (I), this
19 paragraph shall only apply to eligible
20 qualified property which is round 3
21 extension property.

22 “(iv) ROUND 3 EXTENSION PROP-
23 ERTY.—For purposes of this subpara-
24 graph, the term ‘round 3 extension prop-
25 erty’ means property which is eligible

1 qualified property solely by reason of the
2 extension of the application of the special
3 allowance under paragraph (1) pursuant to
4 the amendments made by section 331(a) of
5 the American Taxpayer Relief Act of 2012
6 (and the application of such extension to
7 this paragraph pursuant to the amendment
8 made by section 331(c)(1) of such Act).”.

9 (d) NORMALIZATION RULES AMENDMENT.—Clause
10 (ii) of section 168(i)(9)(A) is amended by inserting “(re-
11 specting all elections made by the taxpayer under this sec-
12 tion)” after “such property”.

13 (e) CONFORMING AMENDMENTS.—

14 (1) The heading for subsection (k) of section
15 168 is amended by striking “JANUARY 1, 2013” and
16 inserting “JANUARY 1, 2014”.

17 (2) The heading for clause (ii) of section
18 168(k)(2)(B) is amended by striking “PRE-JANUARY
19 1, 2013” and inserting “PRE-JANUARY 1, 2014”.

20 (3) Subparagraph (C) of section 168(n)(2) is
21 amended by striking “January 1, 2013” and insert-
22 ing “January 1, 2014”.

23 (4) Subparagraph (D) of section 1400L(b)(2) is
24 amended by striking “January 1, 2013” and insert-
25 ing “January 1, 2014”.

1 (5) Subparagraph (B) of section 1400N(d)(3)
2 is amended by striking “January 1, 2013” and in-
3 serting “January 1, 2014”.

4 (f) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to property placed in service after
6 December 31, 2012, in taxable years ending after such
7 date.

8 **TITLE IV—ENERGY TAX** 9 **EXTENDERS**

10 **SEC. 401. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT** 11 **EXISTING HOMES.**

12 (a) IN GENERAL.—Paragraph (2) of section 25C(g)
13 is amended by striking “December 31, 2011” and insert-
14 ing “December 31, 2013”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to property placed in service after
17 December 31, 2011.

18 **SEC. 402. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL** 19 **VEHICLE REFUELING PROPERTY.**

20 (a) IN GENERAL.—Paragraph (2) of section 30C(g)
21 is amended by striking “December 31, 2011.” and insert-
22 ing “December 31, 2013”.

23 (b) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to property placed in service after
25 December 31, 2011.

1 **SEC. 403. EXTENSION OF CREDIT FOR 2- OR 3-WHEELED**
2 **PLUG-IN ELECTRIC VEHICLES.**

3 (a) IN GENERAL.—Section 30D is amended by add-
4 ing at the end the following new subsection:

5 “(g) CREDIT ALLOWED FOR 2- AND 3-WHEELED
6 PLUG-IN ELECTRIC VEHICLES.—

7 “(1) IN GENERAL.—In the case of a qualified
8 2- or 3-wheeled plug-in electric vehicle—

9 “(A) there shall be allowed as a credit
10 against the tax imposed by this chapter for the
11 taxable year an amount equal to the sum of the
12 applicable amount with respect to each such
13 qualified 2- or 3-wheeled plug-in electric vehicle
14 placed in service by the taxpayer during the
15 taxable year, and

16 “(B) the amount of the credit allowed
17 under subparagraph (A) shall be treated as a
18 credit allowed under subsection (a).

19 “(2) APPLICABLE AMOUNT.—For purposes of
20 paragraph (1), the applicable amount is an amount
21 equal to the lesser of—

22 “(A) 10 percent of the cost of the qualified
23 2- or 3-wheeled plug-in electric vehicle, or

24 “(B) \$2,500.

25 “(3) QUALIFIED 2- OR 3-WHEELED PLUG-IN
26 ELECTRIC VEHICLE.—The term ‘qualified 2- or 3-

1 wheeled plug-in electric vehicle’ means any vehicle
2 which—

3 “(A) has 2 or 3 wheels,

4 “(B) meets the requirements of subpara-
5 graphs (A), (B), (C), (E), and (F) of subsection
6 (d)(1) (determined by substituting ‘2.5 kilowatt
7 hours’ for ‘4 kilowatt hours’ in subparagraph
8 (F)(i)),

9 “(C) is manufactured primarily for use on
10 public streets, roads, and highways,

11 “(D) is capable of achieving a speed of 45
12 miles per hour or greater, and

13 “(E) is acquired after December 31, 2011,
14 and before January 1, 2014.”.

15 (b) CONFORMING AMENDMENTS.—

16 (1) NO DOUBLE BENEFIT.—Paragraph (2) of
17 section 30D(f) is amended—

18 (A) by striking “new qualified plug-in elec-
19 tric drive motor vehicle” and inserting “vehicle
20 for which a credit is allowable under subsection
21 (a)”, and

22 (B) by striking “allowed under subsection
23 (a)” and inserting “allowed under such sub-
24 section”.

1 (2) AIR QUALITY AND SAFETY STANDARDS.—
2 Section 30D(f)(7) is amended by striking “motor ve-
3 hicle” and inserting “vehicle”.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to vehicles acquired after Decem-
6 ber 31, 2011.

7 **SEC. 404. EXTENSION AND MODIFICATION OF CELLULOSIC**
8 **BIOFUEL PRODUCER CREDIT.**

9 (a) EXTENSION.—

10 (1) IN GENERAL.—Subparagraph (H) of section
11 40(b)(6) is amended to read as follows:

12 “(H) APPLICATION OF PARAGRAPH.—

13 “(i) IN GENERAL.—This paragraph
14 shall apply with respect to qualified cellu-
15 losic biofuel production after December 31,
16 2008, and before January 1, 2014.

17 “(ii) NO CARRYOVER TO CERTAIN
18 YEARS AFTER EXPIRATION.—If this para-
19 graph ceases to apply for any period by
20 reason of clause (i), rules similar to the
21 rules of subsection (e)(2) shall apply.”.

22 (2) CONFORMING AMENDMENT.—Paragraph (2)
23 of section 40(e) is amended by striking “or sub-
24 section (b)(6)(H)”.

1 “(G) SPECIAL RULES FOR ALGAE.—In the
2 case of fuel which is derived by, or from, feed-
3 stock described in subparagraph (F)(ii) and
4 which is sold by the taxpayer to another person
5 for refining by such other person into a fuel
6 which meets the requirements of subparagraph
7 (E)(i)(II) and the refined fuel is not excluded
8 under subparagraph (E)(iii)—

9 “(i) such sale shall be treated as de-
10 scribed in subparagraph (C)(i),

11 “(ii) such fuel shall be treated as
12 meeting the requirements of subparagraph
13 (E)(i)(II) and as not being excluded under
14 subparagraph (E)(iii) in the hands of such
15 taxpayer, and

16 “(iii) except as provided in this sub-
17 paragraph, such fuel (and any fuel derived
18 from such fuel) shall not be taken into ac-
19 count under subparagraph (C) with respect
20 to the taxpayer or any other person.”.

21 (3) CONFORMING AMENDMENTS.—

22 (A) Section 40, as amended by paragraph
23 (2), is amended—

1 (i) by striking “cellulosic biofuel” each
2 place it appears in the text thereof and in-
3 sserting “second generation biofuel”,

4 (ii) by striking “CELLULOSIC” in the
5 headings of subsections (b)(6), (b)(6)(E),
6 and (d)(3)(D) and inserting “SECOND
7 GENERATION”, and

8 (iii) by striking “CELLULOSIC” in the
9 headings of subsections (b)(6)(C),
10 (b)(6)(D), (b)(6)(H), (d)(6), and (e)(3)
11 and inserting “SECOND GENERATION”.

12 (B) Clause (ii) of section 40(b)(6)(E) is
13 amended by striking “Such term shall not” and
14 inserting “The term ‘second generation biofuel’
15 shall not”.

16 (C) Paragraph (1) of section 4101(a) is
17 amended by striking “cellulosic biofuel” and in-
18 sserting “second generation biofuel”.

19 (4) EFFECTIVE DATE.—The amendments made
20 by this subsection shall apply to fuels sold or used
21 after the date of the enactment of this Act.

22 **SEC. 405. EXTENSION OF INCENTIVES FOR BIODIESEL AND**
23 **RENEWABLE DIESEL.**

24 (a) CREDITS FOR BIODIESEL AND RENEWABLE DIE-
25 SEL USED AS FUEL.—Subsection (g) of section 40A is

1 amended by striking “December 31, 2011” and inserting
2 “December 31, 2013”.

3 (b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS
4 FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIX-
5 TURES.—

6 (1) Paragraph (6) of section 6426(c) is amend-
7 ed by striking “December 31, 2011” and inserting
8 “December 31, 2013”.

9 (2) Subparagraph (B) of section 6427(e)(6) is
10 amended by striking “December 31, 2011” and in-
11 serting “December 31, 2013”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to fuel sold or used after December
14 31, 2011.

15 **SEC. 406. EXTENSION OF PRODUCTION CREDIT FOR INDIAN**
16 **COAL FACILITIES PLACED IN SERVICE BE-**
17 **FORE 2009.**

18 (a) IN GENERAL.—Subparagraph (A) of section
19 45(e)(10) is amended by striking “7-year period” each
20 place it appears and inserting “8-year period”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 this section shall apply to coal produced after December
23 31, 2012.

1 **SEC. 407. EXTENSION AND MODIFICATION OF CREDITS**
2 **WITH RESPECT TO FACILITIES PRODUCING**
3 **ENERGY FROM CERTAIN RENEWABLE RE-**
4 **SOURCES.**

5 (a) PRODUCTION TAX CREDIT.—

6 (1) EXTENSION FOR WIND FACILITIES.—Para-
7 graph (1) of section 45(d) is amended by striking
8 “January 1, 2013” and inserting “January 1,
9 2014”.

10 (2) EXCLUSION OF PAPER WHICH IS COMMONLY
11 RECYCLED FROM DEFINITION OF MUNICIPAL SOLID
12 WASTE.—Section 45(c)(6) is amended by inserting
13 “, except that such term does not include paper
14 which is commonly recycled and which has been seg-
15 regated from other solid waste (as so defined)” after
16 “(42 U.S.C. 6903)”.

17 (3) MODIFICATION TO DEFINITION OF QUALI-
18 FIED FACILITY.—

19 (A) IN GENERAL.—The following provi-
20 sions of section 45(d), as amended by para-
21 graph (1), are each amended by striking “be-
22 fore January 1, 2014” and inserting “the con-
23 struction of which begins before January 1,
24 2014”:

25 (i) Paragraph (1).

26 (ii) Paragraph (2)(A)(i).

1 (iii) Paragraph (3)(A)(i)(I).

2 (iv) Paragraph (6).

3 (v) Paragraph (7).

4 (vi) Paragraph (9)(B).

5 (vii) Paragraph (11)(B).

6 (B) CERTAIN CLOSED-LOOP BIOMASS FA-
7 CILITIES.—Subparagraph (A) of section
8 45(d)(2) is amended by adding at the end the
9 following new flush sentence:

10 “For purposes of clause (ii), a facility shall be
11 treated as modified before January 1, 2014, if
12 the construction of such modification begins be-
13 fore such date.”.

14 (C) CERTAIN OPEN-LOOP BIOMASS FACILI-
15 TIES.—Clause (ii) of section 45(d)(3)(A) is
16 amended by striking “is originally placed in
17 service” and inserting “the construction of
18 which begins”.

19 (D) GEOTHERMAL FACILITIES.—

20 (i) IN GENERAL.—Paragraph (4) of
21 section 45(d) is amended by striking “and
22 before January 1, 2014” and all that fol-
23 lows and inserting “and which—

1 “(A) in the case of a facility using solar
2 energy, is placed in service before January 1,
3 2006, or

4 “(B) in the case of a facility using geo-
5 thermal energy, the construction of which be-
6 gins before January 1, 2014.

7 Such term shall not include any property described
8 in section 48(a)(3) the basis of which is taken into
9 account by the taxpayer for purposes of determining
10 the energy credit under section 48.”.

11 (E) INCREMENTAL HYDROPOWER PRODUC-
12 TION.—Paragraph (9) of section 45(d) is
13 amended—

14 (i) by redesignating subparagraphs
15 (A) and (B), as amended by subparagraph
16 (A), as clauses (i) and (ii), respectively,
17 and by moving such clauses (as so redesign-
18 nated) 2 ems to the right,

19 (ii) by striking “In the case of a facil-
20 ity” and inserting the following:

21 “(A) IN GENERAL.—In the case of a facil-
22 ity”,

23 (iii) by redesignating subparagraph
24 (C) as subparagraph (B), and

1 (iv) by adding at the end the following
2 new subparagraph:

3 “(C) SPECIAL RULE.—For purposes of
4 subparagraph (A)(i), an efficiency improvement
5 or addition to capacity shall be treated as
6 placed in service before January 1, 2014, if the
7 construction of such improvement or addition
8 begins before such date.”.

9 (b) EXTENSION OF ELECTION TO TREAT QUALIFIED
10 FACILITIES AS ENERGY PROPERTY.—Subparagraph (C)
11 of section 48(a)(5) is amended to read as follows:

12 “(C) QUALIFIED INVESTMENT CREDIT FA-
13 CILITY.—For purposes of this paragraph, the
14 term ‘qualified investment credit facility’ means
15 any facility—

16 “(i) which is a qualified facility (with-
17 in the meaning of section 45) described in
18 paragraph (1), (2), (3), (4), (6), (7), (9),
19 or (11) of section 45(d),

20 “(ii) which is placed in service after
21 2008 and the construction of which begins
22 before January 1, 2014, and

23 “(iii) with respect to which—

24 “(I) no credit has been allowed
25 under section 45, and

1 “(II) the taxpayer makes an ir-
2 revocable election to have this para-
3 graph apply.”.

4 (c) TECHNICAL CORRECTIONS.—

5 (1) Subparagraph (D) of section 48(a)(5) is
6 amended—

7 (A) by striking “and” at the end of clause
8 (i)(II),

9 (B) by striking the period at the end of
10 clause (ii) and inserting a comma, and

11 (C) by adding at the end the following new
12 clauses:

13 “(iii) which is constructed, recon-
14 structed, erected, or acquired by the tax-
15 payer, and

16 “(iv) the original use of which com-
17 mences with the taxpayer.”.

18 (2) Paragraphs (1) and (2) of subsection (a) of
19 section 1603 of division B of the American Recovery
20 and Reinvestment Act of 2009 are each amended by
21 striking “placed in service” and inserting “originally
22 placed in service by such person”.

23 (d) EFFECTIVE DATES.—

24 (1) IN GENERAL.—Except as provided in para-
25 graphs (2) and (3), the amendments made by this

1 section shall take effect on the date of the enactment
2 of this Act.

3 (2) MODIFICATION TO DEFINITION OF MUNIC-
4 IPAL SOLID WASTE.—The amendments made by sub-
5 section (a)(2) shall apply to electricity produced and
6 sold after the date of the enactment of this Act, in
7 taxable years ending after such date.

8 (3) TECHNICAL CORRECTIONS.—The amend-
9 ments made by subsection (c) shall apply as if in-
10 cluded in the enactment of the provisions of the
11 American Recovery and Reinvestment Act of 2009
12 to which they relate.

13 **SEC. 408. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT**
14 **NEW HOMES.**

15 (a) IN GENERAL.—Subsection (g) of section 45L is
16 amended by striking “December 31, 2011” and inserting
17 “December 31, 2013”.

18 (b) ENERGY SAVINGS REQUIREMENTS.—Clause (i) of
19 section 45L(c)(1)(A) is amended by striking “2003 Inter-
20 national Energy Conservation Code, as such Code (includ-
21 ing supplements) is in effect on the date of the enactment
22 of this section” and inserting “2006 International Energy
23 Conservation Code, as such Code (including supplements)
24 is in effect on January 1, 2006”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to homes acquired after December
3 31, 2011.

4 **SEC. 409. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT**
5 **APPLIANCES.**

6 (a) IN GENERAL.—Section 45M(b) is amended by
7 striking “2011” each place it appears other than in the
8 provisions specified in subsection (b) and inserting “2011,
9 2012, or 2013”.

10 (b) PROVISIONS SPECIFIED.—The provisions of sec-
11 tion 45M(b) specified in this subsection are subparagraph
12 (C) of paragraph (1) and subparagraph (E) of paragraph
13 (2).

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to appliances produced after De-
16 cember 31, 2011.

17 **SEC. 410. EXTENSION AND MODIFICATION OF SPECIAL AL-**
18 **LOWANCE FOR CELLULOSIC BIOFUEL PLANT**
19 **PROPERTY.**

20 (a) EXTENSION.—

21 (1) IN GENERAL.—Subparagraph (D) of section
22 168(l)(2) is amended by striking “January 1, 2013”
23 and inserting “January 1, 2014”.

1 (2) EFFECTIVE DATE.—The amendment made
2 by this subsection shall apply to property placed in
3 service after December 31, 2012.

4 (b) ALGAE TREATED AS A QUALIFIED FEEDSTOCK
5 FOR PURPOSES OF BONUS DEPRECIATION FOR BIOFUEL
6 PLANT PROPERTY.—

7 (1) IN GENERAL.—Subparagraph (A) of section
8 168(l)(2) is amended by striking “solely to produce
9 cellulosic biofuel” and inserting “solely to produce
10 second generation biofuel (as defined in section
11 40(b)(6)(E))”.

12 (2) CONFORMING AMENDMENTS.—Subsection
13 (l) of section 168, as amended by subsection (a), is
14 amended—

15 (A) by striking “cellulosic biofuel” each
16 place it appears in the text thereof and insert-
17 ing “second generation biofuel”,

18 (B) by striking paragraph (3) and redesignig-
19 nating paragraphs (4) through (8) as para-
20 graphs (3) through (7), respectively,

21 (C) by striking “CELLULOSIC” in the
22 heading of such subsection and inserting “SEC-
23 OND GENERATION”, and

1 (D) by striking “CELLULOSIC” in the head-
2 ing of paragraph (2) and inserting “SECOND
3 GENERATION”.

4 (3) EFFECTIVE DATE.—The amendments made
5 by this subsection shall apply to property placed in
6 service after the date of the enactment of this Act.

7 **SEC. 411. EXTENSION OF SPECIAL RULE FOR SALES OR DIS-**
8 **POSITIONS TO IMPLEMENT FERC OR STATE**
9 **ELECTRIC RESTRUCTURING POLICY FOR**
10 **QUALIFIED ELECTRIC UTILITIES.**

11 (a) IN GENERAL.—Paragraph (3) of section 451(i)
12 is amended by striking “January 1, 2012” and inserting
13 “January 1, 2014”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 this section shall apply to dispositions after December 31,
16 2011.

17 **SEC. 412. EXTENSION OF ALTERNATIVE FUELS EXCISE TAX**
18 **CREDITS.**

19 (a) IN GENERAL.—Sections 6426(d)(5) and
20 6426(e)(3) are each amended by striking “December 31,
21 2011” and inserting “December 31, 2013”.

22 (b) OUTLAY PAYMENTS FOR ALTERNATIVE
23 FUELS.—Paragraph (6) of section 6427(e) is amended—
24 (1) in subparagraph (C)—

1 (A) by striking “or alternative fuel mixture
2 (as defined in subsection (d)(2) or (e)(3) of sec-
3 tion 6426)” and inserting “(as defined in sec-
4 tion 6426(d)(2))”, and

5 (B) by striking “December 31, 2011, and”
6 and inserting “December 31, 2013,”,
7 (2) in subparagraph (D)—

8 (A) by striking “or alternative fuel mix-
9 ture”, and

10 (B) by striking the period at the end and
11 inserting “, and”, and

12 (3) by adding at the end the following new sub-
13 paragraph:

14 “(E) any alternative fuel mixture (as de-
15 fined in section 6426(e)(2)) sold or used after
16 December 31, 2011.”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to fuel sold or used after December
19 31, 2011.

20 **TITLE V—UNEMPLOYMENT**

21 **SEC. 501. EXTENSION OF EMERGENCY UNEMPLOYMENT**

22 **COMPENSATION PROGRAM.**

23 (a) EXTENSION.—Section 4007(a)(2) of the Supple-
24 mental Appropriations Act, 2008 (Public Law 110–252;

1 26 U.S.C. 3304 note) is amended by striking “January
2 2, 2013” and inserting “January 1, 2014”.

3 (b) FUNDING.—Section 4004(e)(1) of the Supple-
4 mental Appropriations Act, 2008 (Public Law 110–252;
5 26 U.S.C. 3304 note) is amended—

6 (1) in subparagraph (H), by striking “and” at
7 the end; and

8 (2) by inserting after subparagraph (I) the fol-
9 lowing:

10 “(J) the amendments made by section
11 501(a) of the American Taxpayer Relief Act of
12 2012;”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall take effect as if included in the enact-
15 ment of the Unemployment Benefits Extension Act of
16 2012 (Public Law 112–96)

17 **SEC. 502. TEMPORARY EXTENSION OF EXTENDED BENEFIT**
18 **PROVISIONS.**

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

23 (1) by striking “December 31, 2012” each
24 place it appears and inserting “December 31,
25 2013”; and

1 (2) in subsection (c), by striking “June 30,
2 2013” and inserting “June 30, 2014”.

3 (b) **EXTENSION OF MATCHING FOR STATES WITH**
4 **NO WAITING WEEK.**—Section 5 of the Unemployment
5 Compensation Extension Act of 2008 (Public Law 110–
6 449; 26 U.S.C. 3304 note) is amended by striking “June
7 30, 2013” and inserting “June 30, 2014”.

8 (c) **EXTENSION OF MODIFICATION OF INDICATORS**
9 **UNDER THE EXTENDED BENEFIT PROGRAM.**—Section
10 203 of the Federal-State Extended Unemployment Com-
11 pensation Act of 1970 (26 U.S.C. 3304 note) is amend-
12 ed—

13 (1) in subsection (d), by striking “December
14 31, 2012” and inserting “December 31, 2013”; and

15 (2) in subsection (f)(2), by striking “December
16 31, 2012” and inserting “December 31, 2013”.

17 (d) **EFFECTIVE DATE.**—The amendments made by
18 this section shall take effect as if included in the enact-
19 ment of the Unemployment Benefits Extension Act of
20 2012 (Public Law 112–96).

21 **SEC. 503. EXTENSION OF FUNDING FOR REEMPLOYMENT**
22 **SERVICES AND REEMPLOYMENT AND ELIGI-**
23 **BILITY ASSESSMENT ACTIVITIES.**

24 (a) **IN GENERAL.**—Section 4004(c)(2)(A) of the Sup-
25 plemental Appropriations Act, 2008 (Public Law 110–

1 252; 26 U.S.C. 3304 note) is amended by striking
2 “through fiscal year 2013” and inserting “through fiscal
3 year 2014”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect as if included in the enact-
6 ment of the Unemployment Benefits Extension Act of
7 2012 (Public Law 112–96).

8 **SEC. 504. ADDITIONAL EXTENDED UNEMPLOYMENT BENE-**
9 **FITS UNDER THE RAILROAD UNEMPLOY-**
10 **MENT INSURANCE ACT.**

11 (a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Rail-
12 road Unemployment Insurance Act, as added by section
13 2006 of the American Recovery and Reinvestment Act of
14 2009 (Public Law 111–5) and as amended by section 9
15 of the Worker, Homeownership, and Business Assistance
16 Act of 2009 (Public Law 111–92), section 505 of the Tax
17 Relief, Unemployment Insurance Reauthorization, and
18 Job Creation Act of 2010 (Public Law 111–312), section
19 202 of the Temporary Payroll Tax Cut Continuation Act
20 of 2011 (Public Law 112–78), and section 2124 of the
21 Unemployment Benefits Extension Act of 2012 (Public
22 Law 112–96), is amended—

23 (1) by striking “June 30, 2012” and inserting
24 “June 30, 2013”; and

1 (2) by striking “December 31, 2012” and in-
2 serting “December 31, 2013”.

3 (b) CLARIFICATION ON AUTHORITY TO USE
4 FUNDS.—Funds appropriated under either the first or
5 second sentence of clause (iv) of section 2(c)(2)(D) of the
6 Railroad Unemployment Insurance Act shall be available
7 to cover the cost of additional extended unemployment
8 benefits provided under such section 2(c)(2)(D) by reason
9 of the amendments made by subsection (a) as well as to
10 cover the cost of such benefits provided under such section
11 2(c)(2)(D), as in effect on the day before the date of en-
12 actment of this Act.

13 (c) FUNDING FOR ADMINISTRATION.—Out of any
14 funds in the Treasury not otherwise appropriated, there
15 are appropriated to the Railroad Retirement Board
16 \$250,000 for administrative expenses associated with the
17 payment of additional extended unemployment benefits
18 provided under section 2(c)(2)(D) of the Railroad Unem-
19 ployment Insurance Act by reason of the amendments
20 made by subsection (a), to remain available until ex-
21 pended.

1 **TITLE VI—MEDICARE AND**
2 **OTHER HEALTH EXTENSIONS**
3 **Subtitle A—Medicare Extensions**

4 **SEC. 601. MEDICARE PHYSICIAN PAYMENT UPDATE.**

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

8 “(14) UPDATE FOR 2013.—

9 “(A) IN GENERAL.—Subject to paragraphs
10 (7)(B), (8)(B), (9)(B), (10)(B), (11)(B),
11 (12)(B), and (13)(B), in lieu of the update to
12 the single conversion factor established in para-
13 graph (1)(C) that would otherwise apply for
14 2013, the update to the single conversion factor
15 for such year shall be zero percent.

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

22 (b) ADVANCEMENT OF CLINICAL DATA REGISTRIES
23 TO IMPROVE THE QUALITY OF HEALTH CARE.—

1 (1) IN GENERAL.—Section 1848(m)(3) of the
2 Social Security Act (42 U.S.C. 1395w-4(m)(3)) is
3 amended—

4 (A) by redesignating subparagraph (D) as
5 subparagraph (F); and

6 (B) by inserting after subparagraph (C)
7 the following new subparagraphs:

8 “(D) SATISFACTORY REPORTING MEAS-
9 URES THROUGH PARTICIPATION IN A QUALI-
10 FIED CLINICAL DATA REGISTRY.—For 2014
11 and subsequent years, the Secretary shall treat
12 an eligible professional as satisfactorily submit-
13 ting data on quality measures under subpara-
14 graph (A) if, in lieu of reporting measures
15 under subsection (k)(2)(C), the eligible profes-
16 sional is satisfactorily participating, as deter-
17 mined by the Secretary, in a qualified clinical
18 data registry (as described in subparagraph
19 (E)) for the year.

20 “(E) QUALIFIED CLINICAL DATA REG-
21 ISTRY.—

22 “(i) IN GENERAL.—The Secretary
23 shall establish requirements for an entity
24 to be considered a qualified clinical data
25 registry. Such requirements shall include a

1 requirement that the entity provide the
2 Secretary with such information, at such
3 times, and in such manner, as the Sec-
4 retary determines necessary to carry out
5 this subsection.

6 “(ii) CONSIDERATIONS.—In estab-
7 lishing the requirements under clause (i),
8 the Secretary shall consider whether an en-
9 tity—

10 “(I) has in place mechanisms for
11 the transparency of data elements and
12 specifications, risk models, and meas-
13 ures;

14 “(II) requires the submission of
15 data from participants with respect to
16 multiple payers;

17 “(III) provides timely perform-
18 ance reports to participants at the in-
19 dividual participant level; and

20 “(IV) supports quality improve-
21 ment initiatives for participants.

22 “(iii) MEASURES.—With respect to
23 measures used by a qualified clinical data
24 registry—

1 “(I) sections 1890(b)(7) and
2 1890A(a) shall not apply; and

3 “(II) measures endorsed by the
4 entity with a contract with the Sec-
5 retary under section 1890(a) may be
6 used.

7 “(iv) CONSULTATION.—In carrying
8 out this subparagraph, the Secretary shall
9 consult with interested parties.

10 “(v) DETERMINATION.—The Sec-
11 retary shall establish a process to deter-
12 mine whether or not an entity meets the
13 requirements established under clause (i).
14 Such process may involve one or both of
15 the following:

16 “(I) A determination by the Sec-
17 retary.

18 “(II) A designation by the Sec-
19 retary of one or more independent or-
20 ganizations to make such determina-
21 tion.”.

22 (2) GAO STUDY AND REPORT ON INCOR-
23 PORATING REGISTRY DATA INTO THE MEDICARE
24 PROGRAM IN ORDER TO IMPROVE QUALITY AND EF-
25 FICIENCY.—

1 (A) STUDY.—The Comptroller General of
2 the United States shall conduct a study on the
3 potential of clinical data registries to improve
4 the quality and efficiency of care in the Medi-
5 care program, including through payment sys-
6 tem incentives. Such study shall include an
7 analysis of the role of health information tech-
8 nology in facilitating clinical data registries and
9 the use of data from such registries among pri-
10 vate health insurers as well as other entities the
11 Comptroller General determines appropriate.

12 (B) REPORT.—Not later than November
13 15, 2013, the Comptroller General of the
14 United States shall submit to Congress a report
15 on the study conducted under subparagraph
16 (A), together with recommendations for such
17 legislation and administrative action as the
18 Comptroller General determines appropriate.

19 **SEC. 602. WORK GEOGRAPHIC ADJUSTMENT.**

20 Section 1848(e)(1)(E) of the Social Security Act (42
21 U.S.C. 1395w-4(e)(1)(E)) is amended by striking “before
22 January 1, 2013” and inserting “before January 1,
23 2014”.

1 **SEC. 603. PAYMENT FOR OUTPATIENT THERAPY SERVICES.**

2 (a) EXTENSION.—Section 1833(g) of the Social Se-
3 curity Act (42 U.S.C. 1395l(g)) is amended—

4 (1) in paragraph (5)(A), in the first sentence,
5 by striking “December 31, 2012” and inserting
6 “December 31, 2013”; and

7 (2) in paragraph (6)—

8 (A) by striking “December 31, 2012” and
9 inserting “December 31, 2013”; and

10 (B) by inserting “or 2013” after “during
11 2012”.

12 (b) APPLICATION OF THERAPY CAP TO THERAPY
13 FURNISHED AS PART OF OUTPATIENT CRITICAL ACCESS
14 HOSPITAL SERVICES.—Section 1833(g)(6) of the Social
15 Security Act (42 U.S.C. 1395l(g)(6)), as amended by sub-
16 section (a), is amended—

17 (1) by striking “In applying” and inserting
18 “(A) In applying”; and

19 (2) by adding at the end the following new sub-
20 paragraph:

21 “(B)(i) With respect to outpatient therapy services
22 furnished beginning on or after January 1, 2013, and be-
23 fore January 1, 2014, for which payment is made under
24 section 1834(g), the Secretary shall count toward the uni-
25 form dollar limitations described in paragraphs (1) and
26 (3) and the threshold described in paragraph (5)(C) the

1 amount that would be payable under this part if such serv-
2 ices were paid under section 1834(k)(1)(B) instead of
3 being paid under section 1834(g).

4 “(ii) Nothing in clause (i) shall be construed as
5 changing the method of payment for outpatient therapy
6 services under section 1834(g).”.

7 (c) BENEFICIARY PROTECTIONS.—Section
8 1833(g)(5) of the Social Security Act (42 U.S.C.
9 1395l(g)(5)) is amended by adding at the end the fol-
10 lowing new subparagraph:

11 “(D) With respect to services furnished on or after
12 January 1, 2013, where payment may not be made as a
13 result of application of paragraphs (1) and (3), section
14 1879 shall apply in the same manner as such section ap-
15 plies to a denial that is made by reason of section
16 1862(a)(1).”.

17 (d) IMPLEMENTATION.—Notwithstanding any other
18 provision of law, the Secretary of Health and Human
19 Services may implement the provisions of, and the amend-
20 ments made by, this section by program instruction or oth-
21 erwise.

22 **SEC. 604. AMBULANCE ADD-ON PAYMENTS.**

23 (a) GROUND AMBULANCE.—Section 1834(l)(13)(A)
24 of the Social Security Act (42 U.S.C. 1395m(l)(13)(A))
25 is amended—

1 (1) in the matter preceding clause (i), by strik-
2 ing “January 1, 2013” and inserting “January 1,
3 2014”; and

4 (2) in each of clauses (i) and (ii), by striking
5 “January 1, 2013” and inserting “January 1,
6 2014” each place it appears.

7 (b) AIR AMBULANCE.—Section 146(b)(1) of the
8 Medicare Improvements for Patients and Providers Act of
9 2008 (Public Law 110–275), as amended by sections
10 3105(b) and 10311(b) of the Patient Protection and Af-
11 fordable Care Act (Public Law 111–148), section 106(b)
12 of the Medicare and Medicaid Extenders Act of 2010
13 (Public Law 111–309), section 306(b) of the Temporary
14 Payroll Tax Cut Continuation Act of 2011 (Public Law
15 112–78), and section 3007(b) of the Middle Class Tax Re-
16 lief and Job Creation Act of 2012 (Public Law 112–96),
17 is amended by striking “December 31, 2012” and insert-
18 ing “June 30, 2013”.

19 (c) SUPER RURAL AMBULANCE.—Section
20 1834(l)(12)(A) of the Social Security Act (42 U.S.C.
21 1395m(l)(12)(A)) is amended in the first sentence by
22 striking “January 1, 2013” and inserting “January 1,
23 2014”.

24 (d) STUDIES OF AMBULANCE COSTS.—

1 (1) IN GENERAL.—The Secretary of Health and
2 Health and Human Services (in this subsection re-
3 ferred to as the “Secretary”) shall conduct a study
4 of each of the following:

5 (A) A study that analyzes data on existing
6 cost reports for ambulance services furnished by
7 hospitals and critical access hospitals, including
8 variation by characteristics of such providers of
9 services.

10 (B) A study of the feasibility of obtaining
11 cost data on a periodic basis from all ambu-
12 lance providers of services and suppliers for po-
13 tential use in examining the appropriateness of
14 the Medicare add-on payments for ground am-
15 bulance services furnished under the fee sched-
16 ule under section 1834(l) of the Social Security
17 Act (42 U.S.C. 1395m(l)) and in preparing for
18 future reform of such payment system.

19 (2) COMPONENTS OF ONE OF THE STUDIES.—
20 In conducting the study under paragraph (1)(B), the
21 Secretary shall—

22 (A) consult with industry on the design of
23 such cost collection efforts;

1 (B) explore use of cost surveys and cost re-
2 ports to collect appropriate cost data and the
3 periodicity of such cost data collection;

4 (C) examine the feasibility of development
5 of a standard cost reporting tool for providers
6 of services and suppliers of ground ambulance
7 services; and

8 (D) examine the ability to furnish such
9 cost data by various types of ambulance pro-
10 viders of services and suppliers, especially by
11 rural and super-rural providers of services and
12 suppliers.

13 (3) REPORTS.—

14 (A) EXISTING COST REPORTS.—Not later
15 than October 1, 2013, the Secretary shall sub-
16 mit a report to Congress on the study con-
17 ducted under paragraph (1)(A), together with
18 recommendations for such legislation and ad-
19 ministrative action as the Secretary determines
20 appropriate.

21 (B) OBTAINING COST DATA.—Not later
22 than July 1, 2014, the Secretary shall submit
23 a report to Congress on the study conducted
24 under paragraph (1)(B), together with rec-
25 ommendations for such legislation and adminis-

1 trative action as the Secretary determines ap-
2 propriate.

3 **SEC. 605. EXTENSION OF MEDICARE INPATIENT HOSPITAL**
4 **PAYMENT ADJUSTMENT FOR LOW-VOLUME**
5 **HOSPITALS.**

6 Section 1886(d)(12) of the Social Security Act (42
7 U.S.C. 1395ww(d)(12)) is amended—

8 (1) in subparagraph (B), in the matter pre-
9 ceding clause (i), by striking “2013” and inserting
10 “2014”;

11 (2) in subparagraph (C)(i), by striking “and
12 2012” each place it appears and inserting “, 2012,
13 and 2013”; and

14 (3) in subparagraph (D), by striking “and
15 2012” and inserting “, 2012, and 2013”.

16 **SEC. 606. EXTENSION OF THE MEDICARE-DEPENDENT HOS-**
17 **PITAL (MDH) PROGRAM.**

18 (a) **EXTENSION OF PAYMENT METHODOLOGY.**—Sec-
19 tion 1886(d)(5)(G) of the Social Security Act (42 U.S.C.
20 1395ww(d)(5)(G)) is amended—

21 (1) in clause (i), by striking “October 1, 2012”
22 and inserting “October 1, 2013”; and

23 (2) in clause (ii)(II), by striking “October 1,
24 2012” and inserting “October 1, 2013”.

25 (b) **CONFORMING AMENDMENTS.**—

1 (1) EXTENSION OF TARGET AMOUNT.—Section
2 1886(b)(3)(D) of the Social Security Act (42 U.S.C.
3 1395ww(b)(3)(D)) is amended—

4 (A) in the matter preceding clause (i), by
5 striking “October 1, 2012” and inserting “Oc-
6 tober 1, 2013”; and

7 (B) in clause (iv), by striking “through fis-
8 cal year 2012” and inserting “through fiscal
9 year 2013”.

10 (2) PERMITTING HOSPITALS TO DECLINE RE-
11 CLASSIFICATION.—Section 13501(e)(2) of the Omni-
12 bus Budget Reconciliation Act of 1993 (42 U.S.C.
13 1395ww note) is amended by striking “through fis-
14 cal year 2012” and inserting “through fiscal year
15 2013”.

16 **SEC. 607. EXTENSION FOR SPECIALIZED MEDICARE ADVAN-**
17 **TAGE PLANS FOR SPECIAL NEEDS INDIVID-**
18 **UALS.**

19 Section 1859(f)(1) of the Social Security Act (42
20 U.S.C. 1395w-28(f)(1)) is amended by striking “2014”
21 and inserting “2015”.

22 **SEC. 608. EXTENSION OF MEDICARE REASONABLE COST**
23 **CONTRACTS.**

24 Section 1876(h)(5)(C)(ii) of the Social Security Act
25 (42 U.S.C. 1395mm(h)(5)(C)(ii)) is amended, in the mat-

1 ter preceding subclause (I), by striking “January 1, 2013”
2 and inserting “January 1, 2014”.

3 **SEC. 609. PERFORMANCE IMPROVEMENT.**

4 (a) EXTENSION OF FUNDING FOR CONTRACT WITH
5 CONSENSUS-BASED ENTITY REGARDING PERFORMANCE
6 MEASUREMENT.—

7 (1) IN GENERAL.—Section 1890(d) of the So-
8 cial Security Act (42 U.S.C. 1395aaa(d)) is amend-
9 ed by striking “fiscal years 2009 through 2012” and
10 inserting “fiscal years 2009 through 2013”.

11 (2) REVISION TO DUTIES.—Section 1890(b) of
12 the Social Security Act (42 U.S.C. 1395aaa(b)) is
13 amended by striking paragraph (4).

14 (b) PROVIDING DATA FOR PERFORMANCE IMPROVE-
15 MENT IN A TIMELY MANNER.—

16 (1) IN GENERAL.—The Secretary of Health and
17 Human Services (in this subsection referred to as
18 the “Secretary”) shall develop a strategy to provide
19 data for performance improvement in a timely man-
20 ner to applicable providers under the Medicare pro-
21 gram under title XVIII of the Social Security Act
22 (42 U.S.C. 1395 et seq.), including with respect to
23 the provision of the following:

1 (A) Utilization data, including such data
2 for items and services under parts A, B, and D
3 of the Medicare program.

4 (B) Feedback on quality data submitted by
5 the applicable provider under the Medicare pro-
6 gram.

7 (2) CONSIDERATIONS.—In developing the strat-
8 egy under paragraph (1), the Secretary shall con-
9 sider—

10 (A) the type of applicable provider receiv-
11 ing the data;

12 (B) the frequency of providing the data so
13 that it can be the most relevant in improving
14 provider performance;

15 (C) risk adjustment methods;

16 (D) presentation of the data in a meaning-
17 ful manner and easily understandable format;

18 (E) with respect to utilization data, the
19 provision of data that the Secretary determines
20 would be useful to improve the performance of
21 the type of applicable provider involved; and

22 (F) administrative costs involved with pro-
23 viding data.

1 (3) SUBMISSION AND AVAILABILITY OF INITIAL
2 STRATEGY.—Not later than 1 year after the date of
3 the enactment of this Act, the Secretary shall—

4 (A) submit to the relevant committees of
5 Congress the strategy described in paragraph
6 (1); and

7 (B) post such strategy on the website of
8 the Centers for Medicare & Medicaid Services.

9 (4) STRATEGY UPDATE.—

10 (A) FEEDBACK FROM STAKEHOLDERS.—
11 The Secretary shall seek feedback from stake-
12 holders on the initial strategy submitted under
13 paragraph (3).

14 (B) STRATEGY UPDATE.—The Secretary
15 shall—

16 (i) update the strategy described in
17 paragraph (1) based on the feedback sub-
18 mitted under subparagraph (A); and

19 (ii) not later than 18 months after the
20 date of the enactment of this Act—

21 (I) submit such updated strategy
22 to the relevant committees of Con-
23 gress; and

1 (II) post such updated strategy
2 on the website of the Centers for
3 Medicare & Medicaid Services.

4 (5) GAO STUDY AND REPORT ON PRIVATE SEC-
5 TOR INFORMATION SHARING ACTIVITIES.—

6 (A) STUDY.—The Comptroller General of
7 the United States (in this paragraph referred to
8 as the “Comptroller General”) shall conduct a
9 study on information sharing activities. Such
10 study shall include an analysis of—

11 (i) how private sector entities share
12 timely data with hospitals, physicians, and
13 other providers and what lessons can be
14 learned from those activities;

15 (ii) how the Medicare program cur-
16 rently shares data with providers, including
17 what data is provided and to which pro-
18 viders, and what divisions within the Cen-
19 ters for Medicare & Medicaid Services
20 oversee those efforts;

21 (iii) what, if any, differences there are
22 between the private sector and the Medi-
23 care program under title XVIII of the So-
24 cial Security Act (42 U.S.C. 1395 et seq.)
25 in terms of sharing data; and

1 (iv) what, if any, barriers there are
2 for the Centers for Medicare & Medicaid
3 Services to sharing timely data with appli-
4 cable providers and recommendations to
5 eliminate or reduce such barriers.

6 (B) REPORT.—Not later than 8 months
7 after the date of the enactment of this Act, the
8 Comptroller General shall submit to the rel-
9 evant committees of Congress a report con-
10 taining the results of the study conducted under
11 subparagraph (A), together with recommenda-
12 tions for such legislation and administrative ac-
13 tion as the Comptroller General determines ap-
14 propriate.

15 (6) DEFINITIONS.—In this subsection:

16 (A) APPLICABLE PROVIDER.—The term
17 “applicable provider” means the following:

18 (i) A critical access hospital (as de-
19 fined in section 1861(mm)(1) of the Social
20 Security Act (42 U.S.C. 1395xx(mm)(1))).

21 (ii) A hospital (as defined in section
22 1861(e) of such Act (42 U.S.C.
23 1395x(e))).

24 (iii) A physician (as defined in section
25 1861(r) of such Act (42 U.S.C. 1395x(r))).

1 (iv) Any other provider the Secretary
2 determines should receive the information
3 described in subsection (a).

4 (B) PERFORMANCE IMPROVEMENT.—The
5 term “performance improvement” means im-
6 provements in quality, reducing per capita
7 costs, and other criteria the Secretary deter-
8 mines appropriate.

9 **SEC. 610. EXTENSION OF FUNDING OUTREACH AND ASSIST-**
10 **ANCE FOR LOW-INCOME PROGRAMS.**

11 (a) ADDITIONAL FUNDING FOR STATE HEALTH IN-
12 SURANCE PROGRAMS.—Subsection (a)(1)(B) of section
13 119 of the Medicare Improvements for Patients and Pro-
14 viders Act of 2008 (42 U.S.C. 1395b–3 note), as amended
15 by section 3306 of the Patient Protection and Affordable
16 Care Act Public Law 111–148), is amended—

17 (1) in clause (i), by striking “and” at the end;

18 (2) in clause (ii), by striking the period at the
19 end and inserting “; and”; and

20 (3) by inserting after clause (ii) the following
21 new clause:

22 “(iii) for fiscal year 2013, of
23 \$7,500,000.”.

1 (b) ADDITIONAL FUNDING FOR AREA AGENCIES ON
2 AGING.—Subsection (b)(1)(B) of such section 119, as so
3 amended, is amended—

4 (1) in clause (i), by striking “and” at the end;

5 (2) in clause (ii), by striking the period at the
6 end and inserting “; and”; and

7 (3) by inserting after clause (ii) the following
8 new clause:

9 “(iii) for fiscal year 2013, of
10 \$7,500,000.”.

11 (c) ADDITIONAL FUNDING FOR AGING AND DIS-
12 ABILITY RESOURCE CENTERS.—Subsection (c)(1)(B) of
13 such section 119, as so amended, is amended—

14 (1) in clause (i), by striking “and” at the end;

15 (2) in clause (ii), by striking the period at the
16 end and inserting “; and”; and

17 (3) by inserting after clause (ii) the following
18 new clause:

19 “(iii) for fiscal year 2013, of
20 \$5,000,000.”.

21 (d) ADDITIONAL FUNDING FOR CONTRACT WITH
22 THE NATIONAL CENTER FOR BENEFITS AND OUTREACH
23 ENROLLMENT.—Subsection (d)(2) of such section 119, as
24 so amended, is amended—

25 (1) in clause (i), by striking “and” at the end;

1 (2) in clause (ii), by striking the period at the
2 end and inserting “; and”; and

3 (3) by inserting after clause (ii) the following
4 new clause:

5 “(iii) for fiscal year 2013, of
6 \$5,000,000.”.

7 **Subtitle B—Other Health** 8 **Extensions**

9 **SEC. 621. EXTENSION OF THE QUALIFYING INDIVIDUAL (QI)** 10 **PROGRAM.**

11 (a) EXTENSION.—Section 1902(a)(10)(E)(iv) of the
12 Social Security Act (42 U.S.C. 1396a(a)(10)(E)(iv)) is
13 amended by striking “2012” and inserting “2013”.

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

17 (1) in paragraph (2)—

18 (A) in subparagraph (Q), by striking
19 “and” after the semicolon;

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

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

1 “(S) for the period that begins on January
2 1, 2013, and ends on September 30, 2013, the
3 total allocation amount is \$485,000,000; and

4 “(T) for the period that begins on October
5 1, 2013, and ends on December 31, 2013, the
6 total allocation amount is \$300,000,000.”; and

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

10 **SEC. 622. EXTENSION OF TRANSITIONAL MEDICAL ASSIST-**
11 **ANCE (TMA).**

12 Sections 1902(e)(1)(B) and 1925(f) of the Social Se-
13 curity Act (42 U.S.C. 1396a(e)(1)(B), 1396r-6(f)) are
14 each amended by striking “2012” and inserting “2013”.

15 **SEC. 623. EXTENSION OF MEDICAID AND CHIP EXPRESS**
16 **LANE OPTION.**

17 Section 1902(e)(13)(I) of the Social Security Act (42
18 U.S.C. 1396a(e)(13)(I)) is amended by striking “2013”
19 and inserting “2014”.

20 **SEC. 624. EXTENSION OF FAMILY-TO-FAMILY HEALTH IN-**
21 **FORMATION CENTERS.**

22 Section 501(c)(1)(A)(iii) of the Social Security Act
23 (42 U.S.C. 701(c)(1)(A)(iii)) is amended by striking
24 “2012” and inserting “2013”.

1 **SEC. 625. EXTENSION OF SPECIAL DIABETES PROGRAM**
2 **FOR TYPE I DIABETES AND FOR INDIANS.**

3 (a) SPECIAL DIABETES PROGRAMS FOR TYPE I DIA-
4 BETES.—Section 330B(b)(2)(C) of the Public Health
5 Service Act (42 U.S.C. 254e-2(b)(2)(C)) is amended by
6 striking “2013” and inserting “2014”.

7 (b) SPECIAL DIABETES PROGRAMS FOR INDIANS.—
8 Section 330C(c)(2)(C) of the Public Health Service Act
9 (42 U.S.C. 254e-3(c)(2)(C)) is amended by striking
10 “2013” and inserting “2014”.

11 **Subtitle C—Other Health**
12 **Provisions**

13 **SEC. 631. IPPS DOCUMENTATION AND CODING ADJUST-**
14 **MENT FOR IMPLEMENTATION OF MS-DRGS.**

15 (a) RULE OF CONSTRUCTION AND CLARIFICATION.—

16 (1) RULE OF CONSTRUCTION.—Nothing in the
17 amendments made by subsection (b) shall be con-
18 strued as changing the existing authority under sec-
19 tion 1886(d) of the Social Security Act (42 U.S.C.
20 1395ww(d)) to make prospective documentation and
21 coding adjustments to the standardized amounts
22 under such section 1886(d) to correct for changes in
23 the coding or classification of discharges that do not
24 reflect real changes in case mix.

25 (2) CLARIFICATION.—Effective on the date of
26 the enactment of this section, except as provided in

1 section 7(b)(1)(B)(ii) of the TMA, Abstinence Edu-
2 cation, and QI Programs Extension Act of 2007, as
3 added by subsection (b)(2)(A)(ii)(IV) of this section,
4 the Secretary of Health and Human Services shall
5 not have authority to fully recoup past overpayments
6 related to documentation and coding changes from
7 fiscal years 2008 and 2009.

8 (b) ADJUSTMENT.—Section 7 of the TMA, Absti-
9 nence Education, and QI Programs Extension Act of 2007
10 (Public Law 110–90; 121 Stat. 986) is amended—

11 (1) in the heading, by striking “**LIMITATION**”
12 and all that follows through “**ADJUSTMENT**” and
13 inserting “**DOCUMENTATION AND CODING AD-**
14 **JUSTMENTS**”; and

15 (2) in subsection (b)—

16 (A) in paragraph (1)—

17 (i) in the matter before subparagraph

18 (A)—

19 (I) by striking “or 2009” and in-
20 serting “, 2009, or 2010”; and

21 (II) by inserting “or otherwise
22 applied for such year” after “applied
23 under subsection (a)”; and

24 (ii) in subparagraph (B)—

1 (I) by inserting “(i)” after
2 “(B)”;

3 (II) by striking “or decrease”;

4 (III) by striking the period at the
5 end and inserting “; and”; and

6 (IV) by adding at the end the fol-
7 lowing:

8 “(ii) make an additional adjustment to the
9 standardized amounts under such section
10 1886(d) based upon the Secretary’s estimates
11 for discharges occurring only during fiscal years
12 2014, 2015, 2016, and 2017 to fully offset
13 \$11,000,000,000 (which represents the amount
14 of the increase in aggregate payments from fis-
15 cal years 2008 through 2013 for which an ad-
16 justment was not previously applied).”; and

17 (B) in paragraph (3)—

18 (i) in subparagraph (A), by inserting
19 before the semicolon the following: “or af-
20 fecting the Secretary’s authority under
21 such paragraph to apply a prospective ad-
22 justment to offset aggregate additional
23 payments related to documentation and
24 coding improvements made with respect to
25 discharges during fiscal year 2010”; and

1 (ii) in subparagraph (B), by striking
2 “and 2012” and inserting “2012, 2014,
3 2015, 2016, and 2017”.

4 **SEC. 632. REVISIONS TO THE MEDICARE ESRD BUNDLED**
5 **PAYMENT SYSTEM TO REFLECT FINDINGS IN**
6 **THE GAO REPORT.**

7 (a) ADJUSTMENT TO ESRD BUNDLED PAYMENT
8 RATE TO ACCOUNT FOR CHANGES IN THE UTILIZATION
9 OF CERTAIN DRUGS AND BIOLOGICALS.—Section
10 1881(b)(14) of the Social Security Act (42 U.S.C.
11 1395rr(b)(14)) is amended by adding at the end the fol-
12 lowing new subparagraph:

13 “(I) For services furnished on or after January 1,
14 2014, the Secretary shall, by comparing per patient utili-
15 zation data from 2007 with such data from 2012, make
16 reductions to the single payment that would otherwise
17 apply under this paragraph for renal dialysis services to
18 reflect the Secretary’s estimate of the change in the utili-
19 zation of drugs and biologicals described in clauses (ii),
20 (iii), and (iv) of subparagraph (B) (other than oral-only
21 ESRD-related drugs, as such term is used in the final rule
22 promulgated by the Secretary in the Federal Register on
23 August 12, 2010 (75 Fed. Reg. 49030)). In making reduc-
24 tions under the preceding sentence, the Secretary shall
25 take into account the most recently available data on aver-

1 age sales prices and changes in prices for drugs and bio-
2 logical reflected in the ESRD market basket percentage
3 increase factor under subparagraph (F).”.

4 (b) TWO-YEAR DELAY OF IMPLEMENTATION OF
5 ORAL-ONLY ESRD-RELATED DRUGS IN THE ESRD PRO-
6 SPECTIVE PAYMENT SYSTEM; MONITORING.—

7 (1) DELAY.—The Secretary of Health and
8 Human Services may not implement the policy
9 under section 413.174(f)(6) of title 42, Code of Fed-
10 eral Regulations (relating to oral-only ESRD-related
11 drugs in the ESRD prospective payment system),
12 prior to January 1, 2016.

13 (2) MONITORING.—With respect to the imple-
14 mentation of oral-only ESRD-related drugs in the
15 ESRD prospective payment system under subsection
16 (b)(14) of section 1881 of the Social Security Act
17 (42 U.S.C. 1395rr(b)(14)), the Secretary of Health
18 and Human Services shall monitor the bone and
19 mineral metabolism of individuals with end stage
20 renal disease.

21 (c) ANALYSIS OF CASE MIX PAYMENT ADJUST-
22 MENTS.—By not later than January 1, 2016, the Sec-
23 retary of Health and Human Services shall—

24 (1) conduct an analysis of the case mix pay-
25 ment adjustments being used under section

1 1881(b)(14)(D)(i) of the Social Security Act (42
2 U.S.C. 1395rr(b)(14)(D)(i)); and

3 (2) make appropriate revisions to such case mix
4 payment adjustments.

5 (d) UPDATED GAO REPORT.—Not later than De-
6 cember 31, 2015, the Comptroller General of the United
7 States shall submit to Congress a report that updates the
8 report submitted to Congress under section 10336 of the
9 Patient Protection and Affordable Care Act (Public Law
10 111–148; 124 Stat. 974). The updated report shall include
11 an analysis of how the Secretary of Health and Human
12 Services has addressed points raised in the report sub-
13 mitted under such section 10336 with respect to the Sec-
14 retary’s preparations to implement payment for oral-only
15 ESRD-related drugs in the bundled prospective payment
16 system under section 1881(b)(14) of the Social Security
17 Act (42 U.S.C. 1395rr(b)(14)).

18 **SEC. 633. TREATMENT OF MULTIPLE SERVICE PAYMENT**

19 **POLICIES FOR THERAPY SERVICES.**

20 (a) SERVICES FURNISHED BY PHYSICIANS AND CER-
21 TAIN OTHER PROVIDERS.—Section 1848(b)(7) of the So-
22 cial Security Act (42 U.S.C. 1395w–4(b)(7)) is amend-
23 ed—

24 (1) by striking “2011,” and inserting “2011,
25 and before April 1, 2013,”; and

1 (2) by adding at the end the following new sen-
2 tence: “In the case of such services furnished on or
3 after April 1, 2013, and for which payment is made
4 under such fee schedules, instead of the 25 percent
5 multiple procedure payment reduction specified in
6 such final rule, the reduction percentage shall be 50
7 percent.”.

8 (b) SERVICES FURNISHED BY OTHER PROVIDERS.—
9 Section 1834(k) of the Social Security Act (42 U.S.C.
10 1395m(k)) is amended by adding at the end the following
11 new paragraph:

12 “(7) ADJUSTMENT IN DISCOUNT FOR CERTAIN
13 MULTIPLE THERAPY SERVICES.—In the case of ther-
14 apy services furnished on or after April 1, 2013, and
15 for which payment is made under this subsection
16 pursuant to the applicable fee schedule amount (as
17 defined in paragraph (3)), instead of the 25 percent
18 multiple procedure payment reduction specified in
19 the final rule published by the Secretary in the Fed-
20 eral Register on November 29, 2010, the reduction
21 percentage shall be 50 percent.”.

1 **SEC. 634. PAYMENT FOR CERTAIN RADIOLOGY SERVICES**
2 **FURNISHED UNDER THE MEDICARE HOS-**
3 **PITAL OUTPATIENT DEPARTMENT PROSPEC-**
4 **TIVE PAYMENT SYSTEM.**

5 Section 1833(t)(16) of the Social Security Act (42
6 U.S.C. 1395l(t)(16)) is amended by adding at the end the
7 following new subparagraph:

8 “(D) SPECIAL PAYMENT RULE.—

9 “(i) IN GENERAL.—In the case of cov-
10 ered OPD services furnished on or after
11 April 1, 2013, in a hospital described in
12 clause (ii), if—

13 “(I) the payment rate that would
14 otherwise apply under this subsection
15 for stereotactic radiosurgery, complete
16 course of treatment of cranial le-
17 sion(s) consisting of 1 session that is
18 multi-source Cobalt 60 based (identi-
19 fied as of January 1, 2013, by
20 HCPCS code 77371 (and any suc-
21 ceeding code) and reimbursed as of
22 such date under APC 0127 (and any
23 succeeding classification group)); ex-
24 ceeds

25 “(II) the payment rate that
26 would otherwise apply under this sub-

1 section for linear accelerator based
2 stereotactic radiosurgery, complete
3 course of therapy in one session (iden-
4 tified as of January 1, 2013, by
5 HCPCS code G0173 (and any suc-
6 ceeding code) and reimbursed as of
7 such date under APC 0067 (and any
8 succeeding classification group)),
9 the payment rate for the service described
10 in subclause (I) shall be reduced to an
11 amount equal to the payment rate for the
12 service described in subclause (II).

13 “(ii) HOSPITAL DESCRIBED.—A hos-
14 pital described in this clause is a hospital
15 that is not—

16 “(I) located in a rural area (as
17 defined in section 1886(d)(2)(D));

18 “(II) classified as a rural referral
19 center under section 1886(d)(5)(C);

20 or

21 “(III) a sole community hospital
22 (as defined in section
23 1886(d)(5)(D)(iii)).

24 “(iii) NOT BUDGET NEUTRAL.—In
25 making any budget neutrality adjustments

1 under this subsection for 2013 (with re-
2 spect to covered OPD services furnished on
3 or after April 1, 2013, and before January
4 1, 2014) or a subsequent year, the Sec-
5 retary shall not take into account the re-
6 duced expenditures that result from the
7 application of this subparagraph.”.

8 **SEC. 635. ADJUSTMENT OF EQUIPMENT UTILIZATION RATE**
9 **FOR ADVANCED IMAGING SERVICES.**

10 Section 1848 of the Social Security Act (42 U.S.C.
11 1395w-4) is amended—

12 (1) in subsection (b)(4)(C)—

13 (A) by striking “and subsequent years”
14 and inserting “, 2012, and 2013”; and

15 (B) by adding at the end the following new
16 sentence: “With respect to fee schedules estab-
17 lished for 2014 and subsequent years, in such
18 methodology, the Secretary shall use a 90 per-
19 cent utilization rate.”; and

20 (2) in subsection (e)(2)(B)(v)(III), by striking
21 “change in the utilization rate applicable to 2011, as
22 described in” and inserting “changes in the utiliza-
23 tion rate applicable to 2011 and 2014, as described
24 in the first and second sentence, respectively, of”.

1 **SEC. 636. MEDICARE PAYMENT OF COMPETITIVE PRICES**
2 **FOR DIABETIC SUPPLIES AND ELIMINATION**
3 **OF OVERPAYMENT FOR DIABETIC SUPPLIES.**

4 (a) APPLICATION OF COMPETITIVE BIDDING PRICES
5 FOR DIABETIC SUPPLIES.—Section 1834(a)(1) of the So-
6 cial Security Act (42 U.S.C. 1395m(a)(1)) is amended—

7 (1) in subparagraph (F), in the matter pre-
8 ceding clause (i), by striking “subparagraph (G)”
9 and inserting “subparagraphs (G) and (H)”; and

10 (2) by adding at the end the following new sub-
11 paragraph:

12 “(H) DIABETIC SUPPLIES.—

13 “(i) IN GENERAL.—On or after the
14 date described in clause (ii), the payment
15 amount under this part for diabetic sup-
16 plies, including testing strips, that are non-
17 mail order items (as defined by the Sec-
18 retary) shall be equal to the single pay-
19 ment amounts established under the na-
20 tional mail order competition for diabetic
21 supplies under section 1847.

22 “(ii) DATE DESCRIBED.—The date de-
23 scribed in this clause is the date of the im-
24 plementation of the single payment
25 amounts under the national mail order

1 competition for diabetic supplies under sec-
2 tion 1847.”.

3 (b) OVERPAYMENT ELIMINATION FOR DIABETIC
4 SUPPLIES.—Section 1834(a) of the Social Security Act
5 (42 U.S.C. 1395m(a)) is amended by adding at the end
6 the following new paragraph:

7 “(22) SPECIAL PAYMENT RULE FOR DIABETIC
8 SUPPLIES.—Notwithstanding the preceding provi-
9 sions of this subsection, for purposes of determining
10 the payment amount under this subsection for dia-
11 betic supplies furnished on or after the first day of
12 the calendar quarter during 2013 that is at least 30
13 days after the date of the enactment of this para-
14 graph and before the date described in paragraph
15 (1)(H)(ii), the Secretary shall recalculate and apply
16 the covered item update under paragraph (14) as if
17 subparagraph (J)(i) of such paragraph was amended
18 by striking ‘but only if furnished through mail
19 order’.”.

20 **SEC. 637. MEDICARE PAYMENT ADJUSTMENT FOR NON-**
21 **EMERGENCY AMBULANCE TRANSPORTS FOR**
22 **ESRD BENEFICIARIES.**

23 Section 1834(l) of the Social Security Act (42 U.S.C.
24 1395m(l)) is amended by adding at the end the following
25 new paragraph:

1 **SEC. 639. MEDICARE ADVANTAGE CODING INTENSITY AD-**
2 **JUSTMENT.**

3 Section 1853(a)(1)(C)(ii)(III) of the Social Security
4 Act (42 U.S.C. 1395w-23(a)(1)(C)(ii)(III)) is amended—

5 (1) by striking “1.3 percentage points” and in-
6 serting “1.5 percentage points”; and

7 (2) by striking “5.7 percent” and inserting “5.9
8 percent”.

9 **SEC. 640. ELIMINATION OF ALL FUNDING FOR THE MEDI-**
10 **CARE IMPROVEMENT FUND.**

11 Section 1898(b)(1) of the Social Security Act (42
12 U.S.C. 1395iii(b)(1)) is amended by striking subpara-
13 graphs (A), (B), and (C) and inserting the following new
14 subparagraphs:

15 “(A) fiscal year 2014, \$0; and

16 “(B) fiscal year 2015, \$0.”.

17 **SEC. 641. REBASING OF STATE DSH ALLOTMENTS.**

18 Section 1923(f)(8) of the Social Security Act (42
19 U.S.C. 1396r-4(f)(8)) is amended to read as follows:

20 “(8) SPECIAL RULES FOR CALCULATING DSH
21 ALLOTMENTS FOR CERTAIN FISCAL YEARS.—

22 “(A) FISCAL YEAR 2021.—Only with re-
23 spect to fiscal year 2021, the DSH allotment
24 for a State, in lieu of the amount determined
25 under paragraph (3) for the State for that year,
26 shall be equal to the DSH allotment for the

1 State as reduced under paragraph (7) for fiscal
2 year 2020, increased, subject to subparagraphs
3 (B) and (C) of paragraph (3), and paragraph
4 (5), by the percentage change in the consumer
5 price index for all urban consumers (all items;
6 U.S. city average), for fiscal year 2020.

7 “(B) FISCAL YEAR 2022.—Only with re-
8 spect to fiscal year 2022, the DSH allotment
9 for a State, in lieu of the amount determined
10 under paragraph (3) for the State for that year,
11 shall be equal to the DSH allotment for the
12 State for fiscal year 2021, as determined under
13 subparagraph (A), increased, subject to sub-
14 paragraphs (B) and (C) of paragraph (3), and
15 paragraph (5), by the percentage change in the
16 consumer price index for all urban consumers
17 (all items; U.S. city average), for fiscal year
18 2021.

19 “(C) SUBSEQUENT FISCAL YEARS.—The
20 DSH allotment for a State for fiscal years after
21 fiscal year 2022 shall be calculated under para-
22 graph (3) without regard to this paragraph and
23 paragraph (7).”.

1 **SEC. 642. REPEAL OF CLASS PROGRAM.**

2 (a) REPEAL.—Title XXXII of the Public Health
3 Service Act (42 U.S.C. 300ll et seq.; relating to the
4 CLASS program) is repealed.

5 (b) CONFORMING CHANGES.—

6 (1) Title VIII of the Patient Protection and Af-
7 fordable Care Act (Public Law 111–148; 124 Stat.
8 119, 846–847) is repealed.

9 (2) Section 1902(a) of the Social Security Act
10 (42 U.S.C. 1396a(a)) is amended—

11 (A) by striking paragraphs (81) and (82);

12 (B) in paragraph (80), by inserting “and”
13 at the end; and

14 (C) by redesignating paragraph (83) as
15 paragraph (81).

16 (3) Paragraphs (2) and (3) of section 6021(d)
17 of the Deficit Reduction Act of 2005 (42 U.S.C.
18 1396p note) are amended to read as such para-
19 graphs were in effect on the day before the date of
20 the enactment of section 8002(d) of the Patient Pro-
21 tection and Affordable Care Act (Public Law 111–
22 148). Of the funds appropriated by paragraph (3) of
23 such section 6021(d), as amended by the Patient
24 Protection and Affordable Care Act, the unobligated
25 balance is rescinded.

1 **SEC. 643. COMMISSION ON LONG-TERM CARE.**

2 (a) ESTABLISHMENT.—There is established a com-
3 mission to be known as the Commission on Long-Term
4 Care (referred to in this section as the “Commission”).

5 (b) DUTIES.—

6 (1) IN GENERAL.—The Commission shall de-
7 velop a plan for the establishment, implementation,
8 and financing of a comprehensive, coordinated, and
9 high-quality system that ensures the availability of
10 long-term services and supports for individuals in
11 need of such services and supports, including elderly
12 individuals, individuals with substantial cognitive or
13 functional limitations, other individuals who require
14 assistance to perform activities of daily living, and
15 individuals desiring to plan for future long-term care
16 needs.

17 (2) EXISTING HEALTH CARE PROGRAMS.—For
18 purposes of developing the plan described in para-
19 graph (1), the Commission shall provide rec-
20 ommendations for—

21 (A) addressing the interaction of a long-
22 term services and support system with existing
23 programs for long-term services and supports,
24 including the Medicare program under title
25 XVIII of the Social Security Act (42 U.S.C.
26 1395 et seq.) and the Medicaid program under

1 title XIX of the Social Security Act (42 U.S.C.
2 1396 et seq.), and private long-term care insur-
3 ance;

4 (B) improvements to such health care pro-
5 grams that are necessary for ensuring the avail-
6 ability of long-term services and supports; and

7 (C) issues related to workers who provide
8 long-term services and supports, including—

9 (i) whether the number of such work-
10 ers is adequate to provide long-term serv-
11 ices and supports to individuals with long-
12 term care needs;

13 (ii) workforce development necessary
14 to deliver high-quality services to such in-
15 dividuals;

16 (iii) development of entities that have
17 the capacity to serve as employers and fis-
18 cal agents for workers who provide long-
19 term services and supports in the homes of
20 such individuals; and

21 (iv) addressing gaps in Federal and
22 State infrastructure that prevent delivery
23 of high-quality long term services and sup-
24 ports to such individuals.

1 (3) ADDITIONAL CONSIDERATIONS.—For pur-
2 poses of developing the plan described in paragraph
3 (1), the Commission shall take into account pro-
4 jected demographic changes and trends in the popu-
5 lation of the United States, as well as the potential
6 for development of new technologies, delivery sys-
7 tems, or other mechanisms to improve the avail-
8 ability and quality of long-term services and sup-
9 ports.

10 (4) CONSULTATION.—For purposes of devel-
11 oping the plan described in paragraph (1), the Com-
12 mission shall consult with the Medicare Payment
13 Advisory Commission, the Medicaid and CHIP Pay-
14 ment and Access Commission, the National Council
15 on Disability, and relevant consumer groups.

16 (c) MEMBERSHIP.—

17 (1) IN GENERAL.—The Commission shall be
18 composed of 15 members, to be appointed not later
19 than 30 days after the date of enactment of this
20 Act, as follows:

21 (A) The President of the United States
22 shall appoint 3 members.

23 (B) The majority leader of the Senate shall
24 appoint 3 members.

1 (C) The minority leader of the Senate shall
2 appoint 3 members.

3 (D) The Speaker of the House of Rep-
4 resentatives shall appoint 3 members.

5 (E) The minority leader of the House of
6 Representatives shall appoint 3 members.

7 (2) REPRESENTATION.—The membership of the
8 Commission shall include individuals who—

9 (A) represent the interests of—

10 (i) consumers of long-term services
11 and supports and related insurance prod-
12 ucts, as well as their representatives;

13 (ii) older adults;

14 (iii) individuals with cognitive or func-
15 tional limitations;

16 (iv) family caregivers for individuals
17 described in clause (i), (ii), or (iii);

18 (v) the health care workforce who di-
19 rectly provide long-term services and sup-
20 ports;

21 (vi) private long-term care insurance
22 providers;

23 (vii) employers;

24 (viii) State insurance departments;

25 and

1 (ix) State Medicaid agencies;

2 (B) have demonstrated experience in deal-
3 ing with issues related to long-term services and
4 supports, health care policy, and public and pri-
5 vate insurance; and

6 (C) represent the health care interests and
7 needs of a variety of geographic areas and de-
8 mographic groups.

9 (3) CHAIRMAN AND VICE-CHAIRMAN.—The
10 Commission shall elect a chairman and vice chair-
11 man from among its members.

12 (4) VACANCIES.—Any vacancy in the member-
13 ship of the Commission shall be filled in the manner
14 in which the original appointment was made and
15 shall not affect the power of the remaining members
16 to execute the duties of the Commission.

17 (5) QUORUM.—A quorum shall consist of 8
18 members of the Commission, except that 4 members
19 may conduct a hearing under subsection (e)(1).

20 (6) MEETINGS.—The Commission shall meet at
21 the call of its chairman or a majority of its mem-
22 bers.

23 (7) COMPENSATION AND REIMBURSEMENT OF
24 EXPENSES.—

1 (A) IN GENERAL.—To enable the Commis-
2 sion to exercise its powers, functions, and du-
3 ties, there are authorized to be disbursed by the
4 Senate the actual and necessary expenses of the
5 Commission approved by the chairman and vice
6 chairman, subject to subparagraph (B) and the
7 rules and regulations of the Senate.

8 (B) MEMBERS.—Members of the Commis-
9 sion are not entitled to receive compensation for
10 service on the Commission. Members may be re-
11 imbursed for travel, subsistence, and other nec-
12 essary expenses incurred in carrying out the du-
13 ties of the Commission.

14 (d) STAFF AND ETHICAL STANDARDS.—

15 (1) STAFF.—The chairman and vice chairman
16 of the Commission may jointly appoint and fix the
17 compensation of staff as they deem necessary, within
18 the guidelines for employees of the Senate and fol-
19 lowing all applicable rules and employment require-
20 ments of the Senate.

21 (2) ETHICAL STANDARDS.—Members of the
22 Commission who serve in the House of Representa-
23 tives shall be governed by the ethics rules and re-
24 quirements of the House. Members of the Senate
25 who serve on the Commission and staff of the Com-

1 mission shall comply with the ethics rules of the
2 Senate.

3 (e) POWERS.—

4 (1) HEARINGS AND OTHER ACTIVITIES.—For
5 the purpose of carrying out its duties, the Commis-
6 sion may hold such hearings and undertake such
7 other activities as the Commission determines to be
8 necessary to carry out its duties.

9 (2) STUDIES BY GENERAL ACCOUNTING OF-
10 FICE.—Upon the request of the Commission, the
11 Comptroller General of the United States shall con-
12 duct such studies or investigations as the Commis-
13 sion determines to be necessary to carry out its du-
14 ties.

15 (3) COST ESTIMATES BY CONGRESSIONAL
16 BUDGET OFFICE.—Upon the request of the Commis-
17 sion, the Director of the Congressional Budget Of-
18 fice shall provide to the Commission such cost esti-
19 mates as the Commission determines to be necessary
20 to carry out its duties.

21 (4) DETAIL OF FEDERAL EMPLOYEES.—Upon
22 the request of the Commission, the head of any Fed-
23 eral agency is authorized to detail, without reim-
24 bursement, any of the personnel of such agency to
25 the Commission to assist the Commission in car-

1 rying out its duties. Any such detail shall not inter-
2 rupt or otherwise affect the civil service status or
3 privileges of the Federal employee.

4 (5) TECHNICAL ASSISTANCE.—Upon the re-
5 quest of the Commission, the head of a Federal
6 agency shall provide such technical assistance to the
7 Commission as the Commission determines to be
8 necessary to carry out its duties.

9 (6) USE OF MAILS.—The Commission may use
10 the United States mails in the same manner and
11 under the same conditions as Federal agencies.

12 (7) OBTAINING INFORMATION.—The Commis-
13 sion may secure directly from any Federal agency
14 information necessary to enable it to carry out its
15 duties, if the information may be disclosed under
16 section 552 of title 5, United States Code. Upon re-
17 quest of the Chairman of the Commission, the head
18 of such agency shall furnish such information to the
19 Commission.

20 (8) ADMINISTRATIVE SUPPORT SERVICES.—
21 Upon the request of the Commission, the Adminis-
22 trator of General Services shall provide to the Com-
23 mission on a reimbursable basis such administrative
24 support services as the Commission may request.

25 (f) COMMISSION CONSIDERATION.—

1 (1) APPROVAL OF REPORT AND LEGISLATIVE
2 LANGUAGE.—

3 (A) IN GENERAL.—Not later than 6
4 months after appointment of the members of
5 the Commission (as described in subsection
6 (c)(1)), the Commission shall vote on a com-
7 prehensive and detailed report based on the
8 long-term care plan described in subsection
9 (b)(1) that contains any recommendations or
10 proposals for legislative or administrative action
11 as the Commission deems appropriate, includ-
12 ing proposed legislative language to carry out
13 the recommendations or proposals (referred to
14 in this section as the “Commission bill”).

15 (B) APPROVAL BY MAJORITY OF MEM-
16 BERS.—The Commission bill shall require the
17 approval of a majority of the members of the
18 Commission.

19 (2) TRANSMISSION OF COMMISSION BILL.—

20 (A) IN GENERAL.—If the Commission bill
21 is approved by the Commission pursuant to
22 paragraph (1), then not later than 10 days
23 after such approval, the Commission shall sub-
24 mit the Commission bill to the President, the
25 Vice President, the Speaker of the House of

1 Representatives, and the majority and minority
2 Leaders of each House on Congress.

3 (B) COMMISSION BILL TO BE MADE PUB-
4 LIC.—Upon the approval or disapproval of the
5 Commission bill pursuant to paragraph (1), the
6 Commission shall promptly make such proposal,
7 and a record of the vote, available to the public.

8 (g) TERMINATION.—The Commission shall terminate
9 30 days after the vote described in subsection (f)(1).

10 (h) CONSIDERATION OF COMMISSION RECOMMENDA-
11 TIONS.—If approved by the majority required by sub-
12 section (f)(1), the Commission bill that has been sub-
13 mitted pursuant to subsection (f)(2)(A) shall be intro-
14 duced in the Senate (by request) on the next day on which
15 the Senate is in session by the majority leader of the Sen-
16 ate or by a Member of the Senate designated by the major-
17 ity leader of the Senate and shall be introduced in the
18 House of Representatives (by request) on the next legisla-
19 tive day by the majority leader of the House or by a mem-
20 ber of the House designated by the majority leader of the
21 House.

22 **SEC. 644. CONSUMER OPERATED AND ORIENTED PLAN**
23 **PROGRAM CONTINGENCY FUND.**

24 (a) ESTABLISHMENT.—The Secretary of Health and
25 Human Services shall establish a fund to be used to pro-

1 vide assistance and oversight to qualified nonprofit health
2 insurance issuers that have been awarded loans or grants
3 under section 1322 of the Patient Protection and Afford-
4 able Care Act (42 U.S.C. 18042) prior to the date of en-
5 actment of this Act.

6 (b) TRANSFER AND RESCISSION.—

7 (1) TRANSFER.—From the unobligated balance
8 of funds appropriated under section 1322(g) of the
9 Patient Protection and Affordable Care Act (42
10 U.S.C. 18042(g)), 10 percent of such sums are here-
11 by transferred to the fund established under sub-
12 section (a) to remain available until expended.

13 (2) RESCISSION.—Except as provided for in
14 paragraph (1), amounts appropriated under section
15 1322(g) of the Patient Protection and Affordable
16 Care Act (42 U.S.C. 18042(g)) that are unobligated
17 as of the date of enactment of this Act are re-
18 scinded.

19 **TITLE VII—EXTENSION OF** 20 **AGRICULTURAL PROGRAMS**

21 **SEC. 701. 1-YEAR EXTENSION OF AGRICULTURAL PRO-** 22 **GRAMS.**

23 (a) EXTENSION.—Except as otherwise provided in
24 this section and amendments made by this section and
25 notwithstanding any other provision of law, the authorities

1 provided by each provision of the Food, Conservation, and
2 Energy Act of 2008 (Public Law 110–246; 122 Stat.
3 1651) and each amendment made by that Act (and for
4 mandatory programs at such funding levels), as in effect
5 on September 30, 2012, shall continue, and the Secretary
6 of Agriculture shall carry out the authorities, until the
7 later of—

- 8 (1) September 30, 2013; or
- 9 (2) the date specified in the provision of that
10 Act or amendment made by that Act.

11 (b) COMMODITY PROGRAMS.—

12 (1) IN GENERAL.—The terms and conditions
13 applicable to a covered commodity or loan com-
14 modity (as those terms are defined in section 1001
15 of the Food, Conservation, and Energy Act of 2008
16 (7 U.S.C. 8702)) or to peanuts, sugarcane, or sugar
17 beets for the 2012 crop year pursuant to title I of
18 that Act (7 U.S.C. 8702 et seq.) and each amend-
19 ment made by that title shall be applicable to the
20 2013 crop year for that covered commodity, loan
21 commodity, peanuts, sugarcane, or sugar beets.

22 (2) MILK.—

23 (A) IN GENERAL.—Notwithstanding sub-
24 section (a), the Secretary of Agriculture shall
25 carry out the dairy product price support pro-

1 gram under section 1501 of the Food, Con-
2 servation, and Energy Act of 2008 (7 U.S.C.
3 8771) through December 31, 2013.

4 (B) MILK INCOME LOSS CONTRACT PRO-
5 GRAM.—Section 1506 of the Food, Conserva-
6 tion, and Energy Act of 2008 (7 U.S.C. 8773)
7 is amended by striking “2012” each place it ap-
8 pears in subsections (c)(3), (d)(1), (d)(2),
9 (e)(2)(A), (g), and (h)(1) and inserting “2013”.

10 (3) SUSPENSION OF PERMANENT PRICE SUP-
11 PORT AUTHORITIES.—The provisions of law specified
12 in subsections (a) through (c) of section 1602 of the
13 Food, Conservation, and Energy Act of 2008 (7
14 U.S.C. 8782) shall be suspended—

15 (A) for the 2013 crop or production year
16 of a covered commodity (as that term is defined
17 in section 1001 of that Act (7 U.S.C. 8702)),
18 peanuts, sugarcane, and sugar, as appropriate;
19 and

20 (B) in the case of milk, through December
21 31, 2013.

22 (c) CONSERVATION PROGRAMS.—

23 (1) CONSERVATION RESERVE.—Section 1231(d)
24 of the Food Security Act of 1985 (16 U.S.C.

1 3831(d)) is amended in the second sentence by strik-
2 ing “and 2012” and inserting “2012, and 2013”.

3 (2) VOLUNTARY PUBLIC ACCESS.—Section
4 1240R of the Food Security Act of 1985 (16 U.S.C.
5 3839bb–5) is amended by striking subsection (f) and
6 inserting the following:

7 “(f) FUNDING.—

8 “(1) FISCAL YEARS 2009 THROUGH 2012.—Of
9 the funds of the Commodity Credit Corporation, the
10 Secretary shall use to carry out this section, to the
11 maximum extent practicable, \$50,000,000 for the
12 period of fiscal years 2009 through 2012.

13 “(2) AUTHORIZATION OF APPROPRIATIONS.—
14 There is authorized to be appropriated to carry out
15 this section \$10,000,000 for fiscal year 2013.”.

16 (d) SUPPLEMENTAL NUTRITION ASSISTANCE PRO-
17 GRAM.—

18 (1) EMPLOYMENT AND TRAINING PROGRAM.—
19 Section 16(h)(1)(A) of the Food and Nutrition Act
20 of 2008 (7 U.S.C. 2025(h)(1)(A)) is amended by in-
21 sserting “, except that for fiscal year 2013, the
22 amount shall be \$79,000,000” before the period at
23 the end.

1 (2) NUTRITION EDUCATION.—Section 28(d)(1)
2 of the Food and Nutrition Act of 2008 (7 U.S.C.
3 2036a(d)(1)) is amended—

4 (A) in subparagraph (A), by striking
5 “and” after the semicolon at the end; and

6 (B) by striking subparagraph (B) and in-
7 serting the following:

8 “(B) for fiscal year 2012, \$388,000,000;

9 “(C) for fiscal year 2013, \$285,000,000;

10 “(D) for fiscal year 2014, \$401,000,000;

11 “(E) for fiscal year 2015, \$407,000,000;

12 and

13 “(F) for fiscal year 2016 and each subse-
14 quent fiscal year, the applicable amount during
15 the preceding fiscal year, as adjusted to reflect
16 any increases for the 12-month period ending
17 the preceding June 30 in the Consumer Price
18 Index for All Urban Consumers published by
19 the Bureau of Labor Statistics of the Depart-
20 ment of Labor.”.

21 (e) RESEARCH PROGRAMS.—

22 (1) ORGANIC AGRICULTURE RESEARCH AND EX-
23 TENSION INITIATIVE.—Section 1672B(f) of the
24 Food, Agriculture, Conservation, and Trade Act of
25 1990 (7 U.S.C. 5925b(f)) is amended—

1 (A) in the heading of paragraph (1), by
2 striking “IN GENERAL” and inserting “MANDA-
3 TORY FUNDING FOR FISCAL YEARS 2009
4 THROUGH 2012”;

5 (B) in the heading of paragraph (2), by
6 striking “ADDITIONAL FUNDING” and inserting
7 “DISCRETIONARY FUNDING FOR FISCAL YEARS
8 2009 THROUGH 2012”; and

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

10 “(3) FISCAL YEAR 2013.—There is authorized
11 to be appropriated to carry out this section
12 \$25,000,000 for fiscal year 2013.”.

13 (2) SPECIALTY CROP RESEARCH INITIATIVE.—
14 Section 412(h) of the Agricultural Research, Exten-
15 sion, and Education Reform Act of 1998 (7 U.S.C.
16 7632(h)) is amended—

17 (A) in the heading of paragraph (1), by
18 striking “IN GENERAL” and inserting “MANDA-
19 TORY FUNDING FOR FISCAL YEARS 2008
20 THROUGH 2012”;

21 (B) in the heading of paragraph (2), by in-
22 sserting “FOR FISCAL YEARS 2008 THROUGH
23 2012” after “APPROPRIATIONS”;

24 (C) by redesignating paragraphs (3) and
25 (4) as paragraphs (4) and (5), respectively; and

1 (D) by inserting after paragraph (2) the
2 following:

3 “(3) FISCAL YEAR 2013.—There is authorized
4 to be appropriated to carry out this section
5 \$100,000,000 for fiscal year 2013.”.

6 (3) BEGINNING FARMER AND RANCHER DEVEL-
7 OPMENT PROGRAM.—Section 7405(h) of the Farm
8 Security and Rural Investment Act of 2002 (7
9 U.S.C. 3319f(h)) is amended—

10 (A) in the heading of paragraph (1), by
11 striking “IN GENERAL” and inserting “MANDA-
12 TORY FUNDING FOR FISCAL YEARS 2009
13 THROUGH 2012”;

14 (B) in the heading of paragraph (2), by in-
15 sserting “FOR FISCAL YEARS 2008 THROUGH
16 2012” after “APPROPRIATIONS”; and

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

18 “(3) FISCAL YEAR 2013.—There is authorized
19 to be appropriated to carry out this section
20 \$30,000,000 for fiscal year 2013.”.

21 (f) ENERGY PROGRAMS.—

22 (1) BIOBASED MARKETS PROGRAM.—Section
23 9002(h) of the Farm Security and Rural Investment
24 Act of 2002 (7 U.S.C. 8102(h)) is amended in para-
25 graph (2) by striking “2012” and inserting “2013”.

1 (2) BIOREFINERY ASSISTANCE.—Section
2 9003(h)(2) of the Farm Security and Rural Invest-
3 ment Act of 2002 (7 U.S.C. 8103(h)(2)) is amended
4 by striking “2012” and inserting “2013”.

5 (3) REPOWERING ASSISTANCE.—Section
6 9004(d)(2) of the Farm Security and Rural Invest-
7 ment Act of 2002 (7 U.S.C. 8104(d)(2)) is amended
8 by striking “2012” and inserting “2013”.

9 (4) BIOENERGY PROGRAM FOR ADVANCED
10 BIOFUELS.—Section 9005(g)(2) of the Farm Secu-
11 rity and Rural Investment Act of 2002 (7 U.S.C.
12 8105(g)(2)) is amended by striking “2012” and in-
13 serting “2013”.

14 (5) BIODIESEL FUEL EDUCATION PROGRAM.—
15 Section 9006 of the Farm Security and Rural In-
16 vestment Act of 2002 (7 U.S.C. 8106) is amended
17 by striking subsection (d) and inserting the fol-
18 lowing:

19 “(d) FUNDING.—

20 “(1) FISCAL YEARS 2009 THROUGH 2012.—Of
21 the funds of the Commodity Credit Corporation, the
22 Secretary shall use to carry out this section
23 \$1,000,000 for each of fiscal years 2008 through
24 2012.

1 “(2) AUTHORIZATION OF APPROPRIATIONS.—
2 There is authorized to be appropriated to carry out
3 this section \$1,000,000 for fiscal year 2013.”.

4 (6) RURAL ENERGY FOR AMERICA PROGRAM.—
5 Section 9007(g)(3) of the Farm Security and Rural
6 Investment Act of 2002 (7 U.S.C. 8107(g)(3)) is
7 amended by striking “2012” and inserting “2013”.

8 (7) BIOMASS RESEARCH AND DEVELOPMENT.—
9 Section 9008(h)(2) of the Farm Security and Rural
10 Investment Act of 2002 (7 U.S.C. 8108(h)(2)) is
11 amended by striking “2012” and inserting “2013”.

12 (8) RURAL ENERGY SELF-SUFFICIENCY INITIA-
13 TIVE.—Section 9009(d) of the Farm Security and
14 Rural Investment Act of 2002 (7 U.S.C. 8109(d)) is
15 amended by striking “2012” and inserting “2013”.

16 (9) FEEDSTOCK FLEXIBILITY PROGRAM FOR
17 BIOENERGY PRODUCERS.—Section 9010(b) of the
18 Farm Security and Rural Investment Act of 2002 (7
19 U.S.C. 8110(b)) is amended in paragraphs (1)(A)
20 and (2)(A) by striking “2012” each place it appears
21 and inserting “2013”.

22 (10) BIOMASS CROP ASSISTANCE PROGRAM.—
23 Section 9011(f) of the Farm Security and Rural In-
24 vestment Act of 2002 (7 U.S.C. 8111(f)) is amend-
25 ed—

1 (A) by striking “(f) FUNDING.—Of the
2 funds” and inserting “(f) FUNDING.—

3 “(1) FISCAL YEARS 2008 THROUGH 2012.—Of
4 the funds”; and

5 (B) adding at the end the following:

6 “(2) FISCAL YEAR 2013.—

7 “(A) IN GENERAL.—There is authorized to
8 be appropriated to carry out this section
9 \$20,000,000 for fiscal year 2013.

10 “(B) MULTIYEAR CONTRACTS.—For each
11 multiyear contract entered into by the Secretary
12 during a fiscal year under this paragraph, the
13 Secretary shall ensure that sufficient funds are
14 obligated from the amounts appropriated for
15 that fiscal year to fully cover all payments re-
16 quired by the contract for all years of the con-
17 tract.”.

18 (11) FOREST BIOMASS FOR ENERGY.—Section
19 9012(d) of the Farm Security and Rural Investment
20 Act of 2002 (7 U.S.C. 8112(d)) is amended by strik-
21 ing “2012” and inserting “2013”.

22 (12) COMMUNITY WOOD ENERGY PROGRAM.—
23 Section 9013(e) of the Farm Security and Rural In-
24 vestment Act of 2002 (7 U.S.C. 8113(e)) is amend-
25 ed by striking “2012” and inserting “2013”.

1 (g) HORTICULTURE AND ORGANIC AGRICULTURE
2 PROGRAMS.—

3 (1) FARMERS MARKET PROMOTION PROGRAM.—

4 Section 6(e) of the Farmer-to-Consumer Direct Mar-
5 keting Act of 1976 (7 U.S.C. 3005(e)) is amended—

6 (A) in the heading of paragraph (1), by
7 striking “IN GENERAL” and inserting “FISCAL
8 YEARS 2008 THROUGH 2012”;

9 (B) by redesignating paragraphs (2), (3),
10 and (4) as paragraphs (3), (4), and (5), respec-
11 tively;

12 (C) by inserting after paragraph (1) the
13 following:

14 “(2) FISCAL YEAR 2013.—There is authorized
15 to be appropriated to carry out this section
16 \$10,000,000 for fiscal year 2013.”;

17 (D) in paragraph (3) (as so redesignated),
18 by striking “paragraph (1)” and inserting
19 “paragraph (1) or (2)”; and

20 (E) in paragraph (5) (as so redesignated),
21 by striking “paragraph (2)” and inserting
22 “paragraph (3)”.

23 (2) NATIONAL CLEAN PLANT NETWORK.—Sec-
24 tion 10202(e) of the Food, Conservation, and En-
25 ergy Act of 2008 (7 U.S.C. 7761(e)) is amended—

1 (A) by striking “Of the funds” and insert-
2 ing the following:

3 “(1) FISCAL YEARS 2009 THROUGH 2012.—Of
4 the funds”; and

5 (B) by adding at the end the following:

6 “(2) FISCAL YEAR 2013.—There is authorized
7 to be appropriated to carry out the Program
8 \$5,000,000 for fiscal year 2013.”.

9 (3) NATIONAL ORGANIC CERTIFICATION COST-
10 SHARE PROGRAM.—Section 10606 of the Farm Se-
11 curity and Rural Investment Act of 2002 (7 U.S.C.
12 6523) is amended—

13 (A) in subsection (a), by striking “Of
14 funds of the Commodity Credit Corporation, the
15 Secretary of Agriculture (acting through the
16 Agricultural Marketing Service) shall use
17 \$22,000,000 for fiscal year 2008, to remain
18 available until expended, to” and inserting
19 “The Secretary of Agriculture (acting through
20 the Agricultural Marketing Service) shall”; and

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

22 “(d) FUNDING.—

23 “(1) MANDATORY FUNDING FOR FISCAL YEARS
24 2008 THROUGH 2012.—Of the funds of the Com-
25 modity Credit Corporation, the Secretary shall make

1 available to carry out this section \$22,000,000 for
2 the period of fiscal years 2008 through 2012.

3 “(2) FISCAL YEAR 2013.—There is authorized
4 to be appropriated to carry out this section
5 \$22,000,000 for fiscal year 2013, to remain avail-
6 able until expended.”.

7 (4) ORGANIC PRODUCTION AND MARKET DATA
8 INITIATIVES.—Section 7407(d) of the Farm Security
9 and Rural Investment Act of 2002 (7 U.S.C.
10 5925c(d)) is amended—

11 (A) in the heading of paragraph (1), by
12 striking “IN GENERAL” and inserting “MANDA-
13 TORY FUNDING THROUGH FISCAL YEAR 2012”;

14 (B) in the heading of paragraph (2), by
15 striking “ADDITIONAL FUNDING” and inserting
16 “DISCRETIONARY FUNDING FOR FISCAL YEARS
17 2008 THROUGH 2012”; and

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

19 “(3) FISCAL YEAR 2013.—There is authorized
20 to be appropriated to carry out this section
21 \$5,000,000, to remain available until expended.”.

22 (h) OUTREACH AND TECHNICAL ASSISTANCE FOR
23 SOCIALLY DISADVANTAGED FARMERS OR RANCHERS.—
24 Section 2501(a)(4) of the Food, Agriculture, Conserva-

1 tion, and Trade Act of 1990 (7 U.S.C. 2279(a)(4)) is
2 amended—

3 (1) in the heading of subparagraph (A), by
4 striking “IN GENERAL” and inserting “FISCAL
5 YEARS 2009 THROUGH 2012”;

6 (2) by redesignating subparagraphs (B) and
7 (C) as subparagraphs (C) and (D), respectively;

8 (3) by inserting after subparagraph (A) the fol-
9 lowing:

10 “(B) FISCAL YEAR 2013.—There is author-
11 ized to be appropriated to carry out this section
12 \$20,000,000 for fiscal year 2013.”;

13 (4) in subparagraph (C) (as so redesignated),
14 by striking “subparagraph (A)” and inserting “sub-
15 paragraph (A) or (B)”;

16 (5) in subparagraph (D) (as so redesignated),
17 by striking “subparagraph (A)” and inserting “sub-
18 paragraph (A) or (B)”.

19 (i) EXCEPTIONS.—

20 (1) IN GENERAL.—Subsection (a) does not
21 apply with respect to mandatory funding provided by
22 programs authorized by provisions of law amended
23 by subsections (d) through (h).

24 (2) CONSERVATION.—Subsection (a) does not
25 apply with respect to the programs specified in para-

1 graphs (3)(B), (4), (6), and (7) of section 1241(a)
2 of the Food Security Act of 1985 (16 U.S.C.
3 3841(a)), relating to the conservation stewardship
4 program, farmland protection program, environ-
5 mental quality incentives program, and wildlife habi-
6 tat incentives program, for which program authority
7 was extended through fiscal year 2014 by section
8 716 of Public Law 112–55 (125 Stat. 582).

9 (3) TRADE.—Subsection (a) does not apply
10 with respect to the following provisions of law:

11 (A) Section 3206 of the Food, Conserva-
12 tion, and Energy Act of 2008 (7 U.S.C. 1726c)
13 relating to the use of Commodity Credit Cor-
14 poration funds to support local and regional
15 food aid procurement projects.

16 (B) Section 3107(l)(1) of the Farm Secu-
17 rity and Rural Investment Act of 2002 (7
18 U.S.C. 1736o–1(l)(1)) relating to the use of
19 Commodity Credit Corporation funds to carry
20 out the McGovern-Dole International Food for
21 Education and Child Nutrition Program.

22 (4) SURVEY OF FOODS PURCHASED BY SCHOOL
23 FOOD AUTHORITIES.—Subsection (a) does not apply
24 with respect to section 4307 of the Food, Conserva-
25 tion, and Energy Act of 2008 (Public Law 110–246;

1 122 Stat. 1893) relating to the use of Commodity
2 Credit Corporation funds for a survey and report re-
3 garding foods purchased by school food authorities.

4 (5) RURAL DEVELOPMENT.—Subsection (a)
5 does not apply with respect to the following provi-
6 sions of law:

7 (A) Section 379E(d)(1) of the Consoli-
8 dated Farm and Rural Development Act (7
9 U.S.C. 2008s(d)(1)), relating to funding of the
10 rural microentrepreneur assistance program.

11 (B) Section 6029 of the Food, Conserva-
12 tion, and Energy Act of 2008 (Public Law
13 110–246; 122 Stat. 1955) relating to funding
14 of pending rural development loan and grant
15 applications.

16 (C) Section 231(b)(7)(A) of the Agricul-
17 tural Risk Protection Act of 2000 (7 U.S.C.
18 1632a(b)(7)(A)), relating to funding of value-
19 added agricultural market development program
20 grants.

21 (D) Section 375(e)(6)(B) of the Consoli-
22 dated Farm and Rural Development Act (7
23 U.S.C. 2008j(e)(6)(B)) relating to the use of
24 Commodity Credit Corporation funds for the
25 National Sheep Industry Improvement Center.

1 (6) MARKET LOSS ASSISTANCE FOR ASPARAGUS
2 PRODUCERS.—Subsection (a) does not apply with re-
3 spect to section 10404(d) of the Food, Conservation,
4 and Energy Act of 2008 (Public Law 110–246; 122
5 Stat. 2112).

6 (7) SUPPLEMENTAL AGRICULTURAL DISASTER
7 ASSISTANCE.—Subsection (a) does not apply with re-
8 spect to section 531 of the Federal Crop Insurance
9 Act (7 U.S.C. 1531) and title IX of the Trade Act
10 of 1974 (19 U.S.C. 2497 et seq.) relating to the pro-
11 vision of supplemental agricultural disaster assist-
12 ance.

13 (8) PIGFORD CLAIMS.—Subsection (a) does not
14 apply with respect to section 14012 of the Food,
15 Conservation, and Energy Act of 2008 (Public Law
16 110–246; 122 Stat. 2209) relating to determination
17 on the merits of Pigford claims.

18 (9) HEARTLAND, HABITAT, HARVEST, AND
19 HORTICULTURE ACT OF 2008.—Subsection (a) does
20 not apply with respect to title XV of the Food, Con-
21 servation, and Energy Act of 2008 (Public Law
22 110–246; 122 Stat. 2246), and amendments made
23 by that title, relating to the provision of supple-
24 mental agricultural disaster assistance under title IX
25 of the Trade Act of 1974 (19 U.S.C. 2497 et seq.),

1 certain revenue and tax provisions, and certain trade
2 benefits and other matters.

3 (j) **EFFECTIVE DATE.**—Except as otherwise provided
4 in this section, this section and the amendments made by
5 this section take effect on the earlier of—

6 (1) the date of the enactment of this Act; or

7 (2) September 30, 2012.

8 **SEC. 702. SUPPLEMENTAL AGRICULTURAL DISASTER AS-**
9 **SISTANCE.**

10 (a) **IN GENERAL.**—Section 531 of the Federal Crop
11 Insurance Act (7 U.S.C. 1531) is amended—

12 (1) in subsection (a)(5)—

13 (A) in the matter preceding clause (i), by
14 striking the first “under”; and

15 (B) by redesignating clauses (i) through
16 (iii) as subparagraphs (A), (B), and (C), re-
17 spectively, and indenting appropriately;

18 (2) in subsection (c)—

19 (A) in paragraph (1), by striking “use
20 such sums as are necessary from the Trust
21 Fund to”; and

22 (B) by adding at the end the following:

23 “(3) **AUTHORIZATION OF APPROPRIATIONS.**—

24 There is authorized to be appropriated to carry out

1 this subsection \$80,000,000 for each of fiscal years
2 2012 and 2013.”;

3 (3) in subsection (d)—

4 (A) in paragraph (2), by striking “use
5 such sums as are necessary from the Trust
6 Fund to”; and

7 (B) by adding at the end the following:

8 “(7) AUTHORIZATION OF APPROPRIATIONS.—
9 There is authorized to be appropriated to carry out
10 this subsection \$400,000,000 for each of fiscal years
11 2012 and 2013.”;

12 (4) in subsection (e)—

13 (A) in paragraph (1), by striking “use up
14 to \$50,000,000 per year from the Trust Fund
15 to”; and

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

17 “(4) AUTHORIZATION OF APPROPRIATIONS.—
18 There is authorized to be appropriated to carry out
19 this subsection \$50,000,000 for each of fiscal years
20 2012 and 2013.”;

21 (5) in subsection (f)—

22 (A) in paragraph (2)(A), by striking “use
23 such sums as are necessary from the Trust
24 Fund to”; and

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

1 “(5) AUTHORIZATION OF APPROPRIATIONS.—

2 There is authorized to be appropriated to carry out
3 this subsection \$20,000,000 for each of fiscal years
4 2012 and 2013.”; and

5 (6) in subsection (i), by inserting “or, in the
6 case of subsections (c) through (f), September 30,
7 2013” after “2011,”.

8 (b) EFFECTIVE DATE.—The amendments made by
9 subsection (a) shall take effect on October 1, 2012.

10 **TITLE VIII—MISCELLANEOUS**
11 **PROVISIONS**

12 **SEC. 901. STRATEGIC DELIVERY SYSTEMS.**

13 (a) IN GENERAL.—Paragraph 3 of section 495(c) of
14 title 10, United States Code,, as added by section 1035
15 of the National Defense Authorization Act for Fiscal Year
16 2013, is amended—

17 (1) by striking “that” before “the Russian Fed-
18 eration” and inserting “whether”; and

19 (2) by inserting “strategic” before “arms con-
20 trol obligations”.

21 (b) EFFECTIVE DATE.—The amendments made by
22 subsection (a) shall take effect as if included in the enact-
23 ment of the National Defense Authorization Act for Fiscal
24 Year 2013.

1 **SEC. 902. NO COST OF LIVING ADJUSTMENT IN PAY OF**
2 **MEMBERS OF CONGRESS.**

3 Notwithstanding any other provision of law, no ad-
4 justment shall be made under section 601(a) of the Legis-
5 lative Reorganization Act of 1946 (2 U.S.C. 31) (relating
6 to cost of living adjustments for Members of Congress)
7 during fiscal year 2013.

8 **TITLE IX—BUDGET PROVISIONS**
9 **Subtitle A—Modifications of**
10 **Sequestration**

11 **SEC. 1001. TREATMENT OF SEQUESTER.**

12 (a) **ADJUSTMENT.**—Section 251A(3) of the Balanced
13 Budget and Emergency Deficit Control Act of 1985 is
14 amended—

15 (1) in subparagraph (C), by striking “and”
16 after the semicolon;

17 (2) in subparagraph (D), by striking the period
18 and inserting“ ; and”; and

19 (3) by inserting at the end the following:

20 “(E) for fiscal year 2013, reducing the
21 amount calculated under subparagraphs (A)
22 through (D) by \$24,000,000,000.”.

23 (b) **AFTER SESSION SEQUESTER.**—Notwithstanding
24 any other provision of law, the fiscal year 2013 spending
25 reductions required by section 251(a)(1) of the Balanced

1 Budget and Emergency Deficit Control Act of 1985 shall
2 be evaluated and implemented on March 27, 2013.

3 (c) POSTPONEMENT OF BUDGET CONTROL ACT SE-
4 QUESTER FOR FISCAL YEAR 2013.—Section 251A of the
5 Balanced Budget and Emergency Deficit Control Act of
6 1985 is amended—

7 (1) in paragraph (4), by striking “January 2,
8 2013” and inserting “March 1, 2013”; and

9 (2) in paragraph (7)(A), by striking “January
10 2, 2013” and inserting “March 1, 2013”.

11 (d) ADDITIONAL ADJUSTMENTS.—

12 (1) SECTION 251.—Paragraphs (2) and (3) of
13 section 251(c) of the Balanced Budget and Emer-
14 gency Deficit Control Act of 1985 are amended to
15 read as follows:

16 “(2) for fiscal year 2013—

17 “(A) for the security category, as defined
18 in section 250(c)(4)(B), \$684,000,000,000 in
19 budget authority; and

20 “(B) for the nonsecurity category, as de-
21 fined in section 250(c)(4)(A),
22 \$359,000,000,000 in budget authority;

23 “(3) for fiscal year 2014—

24 “(A) for the security category,
25 \$552,000,000,000 in budget authority; and

1 “(B) for the nonsecurity category,
2 \$506,000,000,000 in budget authority;”.

3 (e) 2013 SEQUESTER.—On March 1, 2013, the
4 President shall order a sequestration for fiscal year 2013
5 pursuant to section 251A of the Balanced Budget and
6 Emergency Deficit Control Act of 1985, as amended by
7 this section, pursuant to which, only for the purposes of
8 the calculation in sections 251A(5)(A), 251A(6)(A), and
9 251A(7)(A), section 251(c)(2) shall be applied as if it read
10 as follows:

11 “(2) For fiscal year 2013—

12 “(A) for the security category,
13 \$544,000,000,000 in budget authority; and

14 “(B) for the nonsecurity category,
15 \$499,000,000,000 in budget authority;”.

16 **SEC. 1002. AMOUNTS IN APPLICABLE RETIREMENT PLANS**
17 **MAY BE TRANSFERRED TO DESIGNATED**
18 **ROTH ACCOUNTS WITHOUT DISTRIBUTION.**

19 (a) IN GENERAL.—Section 402A(c)(4) is amended by
20 adding at the end the following:

21 “(E) SPECIAL RULE FOR CERTAIN TRANS-
22 FERS.—In the case of an applicable retirement
23 plan which includes a qualified Roth contribu-
24 tion program—

1 “(i) the plan may allow an individual
2 to elect to have the plan transfer any
3 amount not otherwise distributable under
4 the plan to a designated Roth account
5 maintained for the benefit of the indi-
6 vidual,

7 “(ii) such transfer shall be treated as
8 a distribution to which this paragraph ap-
9 plies which was contributed in a qualified
10 rollover contribution (within the meaning
11 of section 408A(e)) to such account, and

12 “(iii) the plan shall not be treated as
13 violating the provisions of section
14 401(k)(2)(B)(i), 403(b)(7)(A)(i),
15 403(b)(11), or 457(d)(1)(A), or of section
16 8433 of title 5, United States Code, solely
17 by reason of such transfer.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to transfers after December 31,
20 2012, in taxable years ending after such date.

21 **Subtitle B—Budgetary Effects**

22 **SEC. 1011. BUDGETARY EFFECTS.**

23 (a) PAYGO SCORECARD.—The budgetary effects of
24 this Act shall not be entered on either PAYGO scorecard

1 maintained pursuant to section 4(d) of the Statutory Pay-
2 As-You-Go Act of 2010.

3 (b) SENATE PAYGO SCORECARD.—The budgetary
4 effects of this Act shall not be entered on any PAYGO
5 scorecard maintained for purposes of section 201 of S.
6 Con. Res. 21 (110th Congress).