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Senate

The Senate met at 2 p.m. and was called to order by the Honorable MAX BAUCUS, a Senator from the State of Montana.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

God of might, You are our defender. Without Your protection, we are powerless. Hear our prayers as we lift our hearts toward Your throne. Lord, forgive us for our failures and defend us with Your mercy.

Today, bless our lawmakers. Guide and lead them as You have promised. Keep them safe from the traps that bring national ruin and shelter them from danger. Help them to find the common ground that will bring blessings to our Nation and world. Frustrate the purposes of all enemies of freedom.

We pray in Your faithful Name. Amen.

NOTICE

If the 111th Congress, 2d Session, adjourns sine die on or before December 23, 2010, a final issue of the *Congressional Record* for the 111th Congress, 2d Session, will be published on Wednesday, December 29, 2010, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–59 or S–123 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through Wednesday, December 29. The final issue will be dated Wednesday, December 29, 2010, and will be delivered on Thursday, December 30, 2010.

None of the material printed in the final issue of the *Congressional Record* may contain subject matter, or relate to any event that occurred after the sine die date.

Senators' statements should also be submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates at ''Record@Sec.Senate.gov''.

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By order of the Joint Committee on Printing.

CHARLES E. SCHUMER, *Chairman.*

PLEDGE OF ALLEGIANCE

The Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia, led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUYE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, December 13, 2010.

To the Senate:

Under the provisions of rule I, Paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MARK R. WARNER, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Mr. WARNER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will resume consideration of the House message with respect to H.R. 4853, the vehicle for the tax agreement, with the time until 3 p.m. equally divided and controlled between the two leaders or their designees. At 3 p.m. the Senate will proceed to a rollcall vote on the motion to invoke cloture on the motion to concur in the House amendment to the Senate amendment to H.R. 4853, with the Reid-McConnell amendment. The cloture vote will be held open until—we will close it as quickly as we can.

There is bad weather around the country. I just got a call from a Senator who is stuck in Minneapolis. But we will close it as early as we can. We started it earlier than normal because some people had to go places, but we will be as deliberate as we can in making sure people have the opportunity to vote.

ORDER FOR FILING

Mr. REID. Mr. President, I ask unanimous consent that the filing deadline for second-degree amendments with respect to the motion to concur with an amendment be at 2:30 p.m. today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LOUISVILLE OVER UNLV

Mr. REID. Mr. President, to be honest with you, I was hoping the Republican leader wouldn't be here at this time so I could avoid him because I didn't want to talk about the Saturday basketball game when Louisville beat UNLV. It was an upset. But I guess turnabout is fair play because for the last 2 years UNLV has beaten Louisville. But the good news as far as Louisville goes, from my perspective, is a young coach from UNLV, a soccer coach. There was some turmoil in the athletic department, and they didn't support him very well at all. So on a lark he went to Louisville. Louisville has never had any quality soccer teams, and this young man took this team and they played in the national finals yesterday. They lost 1 to nothing.

Mr. MCCONNELL. Yes, regretfully they lost 1 to nothing but made it all the way to the finals.

Mr. REID. I was sure pulling for Louisville.

Mr. MCCONNELL. But you weren't Saturday.

Mr. REID. No, I wasn't Saturday.

Mr. MCCONNELL. As my friend knows, as I mentioned to him, since the Senate was not in session Saturday, I was actually there. With 5 minutes into the second half, your Rebels were up by 9, and it looked pretty bleak. But all's well that ends well, and the Cardinals managed to win.

Mr. REID. Mr. President, as I said, I was hoping I wouldn't have to be here today while the Senator was here, but that is the way it is.

I have nothing further.

UPCOMING WEEKEND

Mr. MCCONNELL. Mr. President, since we are talking about weekends, I guess all of our Members should expect that we will press on this weekend.

Mr. REID. We need to stay here until we finish.

Mr. MCCONNELL. Yes.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

BIPARTISAN TAX CUT COMPROMISE

Mr. MCCONNELL. Mr. President, over the past few years, the American people have been engaged in a great national debate about the proper role of government. This debate is as old as our Nation itself, but it has reemerged with new intensity amidst a prolonged economic downturn that continues to affect millions of Americans.

On the one side are those who argue the solution to our present troubles lies in giving more to Washington. They say if only Washington had more power, we could have averted these challenges altogether; and the only way to get us out of this and to put us on stronger economic footing is to hand over more of our freedoms—and more of our paychecks—to Washington.

On the other side of this debate are those who say in order for individuals to prosper and move up the economic ladder, they must be free to take risks. They must be free to fail. They argue for government limits and restraint and for making as many decisions as possible close to home.

Now, it is no secret most Americans fall into the second group. Whenever asked, most Americans say they will take a system of free enterprise and limited government over the alternative any day. But, occasionally, people find the first group's message appealing, too, especially in times of distress. That is why 2 years ago, Americans chose what they viewed as the safer route. Yet since then many have come to regret that decision.

We have all seen the deep discontent with Washington spread over the last year and a half as lawmakers here assumed more and more authority and spent more and more taxpayer money on wasteful projects and dubious long-term programs which couldn't possibly deliver what Democratic leaders said they would. Early last month, we watched as Americans told Democratic leaders in Washington they had had enough of their 2-year experiment in big government. On election day, our debate about government took yet another turn, and the bipartisan compromise the White House agreed to last week on taxes is a clear sign that it has had an impact.

In some ways, it has shifted the debate entirely. Here is how: For 2 years, Democrats in Washington have argued that the solution to our Nation's economic problems is to give bureaucrats in Washington trillions of dollars and then have them spend it for us. But with this bipartisan compromise, we are taking a different approach. We are telling the American people to keep money that is rightfully theirs so they can spend it and invest it as they please. This is an important shift, and the White House should be applauded for agreeing to it.

There are parts of this agreement I don't like such as the Democrats' insistence that we borrow the money we need to pay for a further extension of unemployment insurance. In my view, if both parties agree the debt is a serious problem, we shouldn't be writing checks we don't have the money to cover.

Yet, in another way, this bipartisan compromise represents an essential first step in tackling the debt because in keeping taxes where they are, we are officially cutting off that spigot. Taxes are going to stay right where they are for the next 2 years, and until we did that, Democrats in Washington were never going to be serious about cutting spending or debt. As long as more revenue was coming in, they would always have an excuse to spend more. With this agreement, Members of Congress no longer have that excuse.

History is very clear on that point. From World War II through 2009, every dollar of new tax revenue that the government has collected has been associated with $1.17 in new spending. This means for decades, lawmakers in both parties have spent every dime of revenue that came in from taxpayers, then borrowed a little bit more on top of it to set a higher baseline for the next year.

But the American people have caught on to the game and they have had it. They know the root of our problem lies not in the fact that Washington taxes too little but that it spends too much. They want the wasteful spending to stop.

Mark my words, if Republicans had gone along with the Democratic plan on taxes, they would have done the same thing they have always done. They would have spent it all, and then some. They had no intention of using any new tax revenue to pay down the

debt. The President has already said he has better ways to spend the taxpayers' money than they do.

Nobody expected the same Democrats who more than tripled the deficit to suddenly get serious about cutting it if they expected more tax revenue to come in next year as a result of higher taxes. So it never made sense to take money from job creators in order to hand it over to politicians who would only waste it. Nobody ever created a job by punishing a job creator, and we simply had to turn off the spigot—not from some but from everyone—to remove the temptation to spend it.

For the past 2 years, Democrats in Washington worked hand in hand with the White House spending trillions we didn't have on programs Americans didn't want. They wrote future budgets presuming Americans would agree to a tax hike to pay for it all. They cashed the checks before Americans had even written them like an employee who demands a raise on the grounds that he and his wife had already budgeted for a speed boat and a three-car garage. But the American people have rebelled against this way of doing business, and now we are going to move in another direction.

Some may continue to deny that Washington has a spending problem. Those are the people who are still out there arguing for a tax hike. But the only argument they appear to be making is that it is only fair for certain people to be punished with higher taxes.

I have heard a lot of Democrats in recent days say this group or that group doesn't ''deserve'' to have their current tax rates extended. But, of course, that has always been a losing argument in America. You can count me among those who want everybody in this country to succeed, and I suspect most Americans agree with that.

There may be some in Washington who are only satisfied if somebody or some group loses out, which either means they think there is a finite amount of success to be had out there, which is nonsense, or they are looking for an excuse to spend more money on turtle tunnels or researching the drug preferences of monkeys. But either way, Americans aren't interested in that point of view.

Americans aren't interested in scapegoats. They are interested in regaining our prosperity. They have lost faith in government's ability to get us through with more and more government spending. With this bipartisan compromise, we are finally giving these people a voice in this debate.

So today's vote is a step in the right direction. But it is only a first step. Unless we use it to pivot to the deficit and the debt, we will have only pushed the larger problem down the road, and no one sent us here to do that. It is time to come together to cut the debt in the same way we have come together to prevent a tax hike. It won't be easy, but we have laid the groundwork. I will vote in favor of this bipartisan compromise, and I urge my colleagues in the Senate and in the House to do the same.

TRIBUTES TO RETIRING SENATORS

BOB BENNETT

Mr. MCCONNELL. Mr. President, we are losing through retirement a number of our most distinguished Members. None of them have I been closer to than the Senator from Utah, Senator BENNETT, and I am pleased he is here on the floor today. He made his farewell speech last week, and now I wish to speak about his farewell myself.

Over the last 18 years, I have come to rely on BOB's counsel, and today I wish to thank him publicly and personally for being so generous with his candid advice and unfailing good judgment. I simply would not be where I am today without the benefit of BOB's wisdom and friendship, and I am deeply grateful for it.

BOB has always been a pretty low-key guy, and he has always preferred working quietly in the background—both rarities in politics today. But as with most everything BOB does, there is a method behind his style. As BOB once put it:

> In Washington, there are two kinds of Senators . . . work horses and show horses. I decided I would be a work horse.

Then he went on to explain the difference. He said:

> Most of the show horses look in the mirror in the morning and see a President looking back at them . . . But we haven't elected a bald president in this country since [Dwight] Eisenhower [so] I look in the mirror and realize I don't have the qualifications.

What BOB failed to point out, of course, is that he has one of the longest resumes in the Senate. So I would like to take a moment today to go through just some of the things he has achieved in a very eventful life.

Born in Salt Lake City, BOB was the youngest of Francis and Wallace F. Bennett's five children. BOB learned the value of hard work from his dad and the importance of faith from both his parents. The product of public education, BOB graduated from East High School in Salt Lake City and then went on to attend the University of Utah, where he majored in political science and served as student body president.

After college, he served 3 years as Chaplain in the Utah Army National Guard. By then, BOB's father had already been a U.S. Senator for a number of years; and after his service BOB joined his dad's Senate reelection campaign in 1962. It was a close race, but BOB's father was able to win—and BOB himself was hooked on politics. After working on the campaign, he wasn't much interested in returning to Bennett Paint & Glass, so he packed his bags and moved to DC.

After bouncing around a little as a press secretary in Congress, a corporate researcher working on Federal pension law, and chief administrative assistant for his dad, he took a job as a lobbyist for J.C. Penney.

Now, in those days, lobbyists did not make as much money as they do today. But BOB enjoyed the work and the friendships he made, including his friendship with the legendary Bryce Harlow. Bryce ended up becoming more than a friend to BOB, he really became a mentor to him. And when Nixon won the Presidential election in 1968, Bryce pulled him aside and gave him some marching orders: ''If I have to give up my cushy corporate job to serve this administration,'' he said, ''so do you. Go get measured for a suit, go over to the Department of Transportation. Show up; you're going to be John Volpe's head of congressional relations.'' And that is exactly what BOB did. BOB will tell you he was proud of his work and experience he gained at DOT. He says no department was more successful. And he has all of the Presidential pens to prove it.

At the end of 1971, BOB was ready to leave government and start something new. So he bought the public relations firm Robert Mullen & Co. and soon unwittingly found himself right in the middle of the Watergate scandal. What BOB didn't know when he bought the firm is that it doubled as a CIA front and that one of its employees had organized the break-in at the center of the Watergate investigation. The unwanted attention ruined BOB's new business and completely changed the course of his career.

Howard Hughes was one of Mullen's clients at the time, and he asked BOB to work for him directly in California. Looking for a fresh start, he took the job, and left Washington for the west coast. After that, BOB found success running a company that made day planners and organizers. Under his leadership, the company went from 4 employees to 700 employees and $80 million in sales. And then, in 1992, with Utah Republican Jake Garn retiring from the Senate, BOB decided to fulfill his lifelong dream and follow in his father's footsteps by running for the Senate. After a tough primary, he beat his Democratic opponent and won the election by a 15-point margin. And since entering this Chamber, he has been a central player in some of the most significant legislative efforts the Senate has undertaken over the last two decades.

A staunch conservative with a track record of finding common ground on some of the toughest issues, BOB played a central role in the bailout of the Mexican government during the peso crisis in the 1990s. For his efforts, President Clinton praised him as ''a highly intelligent, old-fashioned conservative who quickly grasped the consequences of inaction and would stick with us throughout the crisis.'' Around the same time, he was also instrumental in the passage of legislation related to the confidentiality of medical records.

As someone who has always worked hard to build relationships with Democrats, I knew I could always rely on BOB to find out the pulse of Democrats on an issue. And Democrats could turn to him too. Here is what Senator REID once said about BOB: ''There is no more honorable Member of this body than BOB BENNETT.''

BOB and I have found common cause over the years, among other things, in our defense of the First Amendment. I remember being in the trenches together over the flag-burning amendment, which we both opposed. Both of us, of course, also strongly oppose any desecration of the flag. But we agreed that an amendment to the Constitution was not the way to go. And in the end, we prevailed. We thought it was worth the fight to ensure that Congress didn't place any qualifiers on the First Amendment.

Over this time, BOB became one of my most trusted colleagues, and that is why, when I was elected Republican leader, I asked him if he would serve as one of my advisers. He is smart and level-headed, a proven leader, a successful entrepreneur, and when he speaks everyone listens. In addition, he has a remarkable gift of persuasion. Far from the floor is where BOB does his best work. It is a trait he learned from his dad.

As BOB once put it, ''Building a consensus, building relationships where people will trust and do things for you is the hardest work of the Senate, and when it comes to fruition . . . it's also the most rewarding work in the Senate.''

BOB decided long ago to do his best to stay out of the nasty political fights that occur from time to time in Washington. That is one of the reasons you don't ever see him on the Sunday shows. BOB knows that most of the time the media is just looking for that gotcha moment. He is more interested in spending his time focusing on what is best for his constituents, whether it is in this Chamber, in committee, or back home.

In addition to BOB's role in leadership, he served as the ranking member of the Rules and Administration Committee, as the chairman of the Joint Economic Committee, as the senior member of the Senate Banking Committee, as the ranking member on the Subcommittee on Energy and Water Development and on the Senate Appropriations Committee. He has been involved in nearly every major issue that has come through this Chamber over the past two decades. He has worked hard to fix our economy and health care system, simplify the tax code, reform entitlement programs, and strengthen America's national security at home and abroad.

But BOB will tell you his most important job is being a husband. And of course today we also pay tribute to Joyce, who has played such an active role in the life of the Senate family over the years. We will miss them both. Together, they have raised six children and in nearly 50 years of marriage, they have certainly seen a lot.

When asked about his legacy, BOB has pointed out that it was always his hope to live up to his own father's example of integrity and hard work. And BOB, we know that if your dad were here today, he would be so proud of all you have accomplished not only in this Chamber and for our country, but also as a devoted husband, father and grandfather. So it is with a sense of gratitude for all that he has meant to the Senate and to me personally, that I pay tribute to BOB BENNETT. It has been an honor to serve with him, and most importantly to call him a friend. And on behalf of the entire Senate family, I want to thank BOB for his service. He will be missed, and we wish him all the best in the next chapter of his life.

Mr. BAUCUS. Mr. President, I too want to say a couple of words about BOB BENNETT. We are deeply impressed with his sense of integrity and his commitment to working for basic, sound principles. I might say he made a big impression on me when he came to my office—I think on his own, but maybe he was appointed to do so—to help find a way to make the Senate more relevant and to find ways to change the Senate rules to address some of the frustration a lot of Senators have. People who are watching may wonder, gosh, why do Senators think they are not relevant? I must say that a lot of Senators feel they want to get something done quickly and they are sometimes frustrated with the actions of another Senator who doesn't quite have the same idea. I was impressed with BOB's attitude. He talked to me and asked, ''What can be done, Max? What ideas do you have?'' It was very refreshing. I remember thinking at the time that this will be difficult, and I told him it would be difficult. I didn't tell him how difficult I thought it would be. But I was impressed with his freshness and his desire to help adjust the Senate rules.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

FEDERAL AVIATION ADMINISTRATION EXTENSION ACT OF 2010

The ACTING PRESIDENT pro tempore. The Senate will resume the consideration of House message to accompany H.R. 4853, which the clerk will report.

The legislative clerk read as follows:

Motion to concur in the House amendment to the Senate amendment to H.R. 4853, an act to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorization for the airport improvement program, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 3 p.m. will be equally divided between the two leaders or their designees.

Pending:

Reid motion to concur in the amendment of the House to the amendment of the Senate to the bill, with Reid/McConnell amendment No. 4753 (to the House amendment to the Senate amendment), in the nature of a substitute.

Reid amendment No. 4754 (to amendment No. 4753), to change the enactment date.

Reid motion to refer the message of the House on the bill to the Committee on Finance, with instructions.

Reid amendment No. 4755, to provide for a study.

Reid amendment No. 4756 (to (the instructions) amendment No. 4755), of a perfecting nature.

Reid amendment No. 4757 (to amendment No. 4756), of a perfecting nature.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

PRIVILEGES OF THE FLOOR

Mr. BAUCUS. Mr. President, I ask unanimous consent that the following staff be allowed on the floor for the duration of the debate on the tax bill: Michael Grant, Kane Ossorio, Jack McGillis, Nicole Marchman, Manishi Rodrigo, Will Kellogg, Danielle Dellerson, Mary Baker, Greg Sullivan, Andrew Fishburn, and James Baker.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, about 2 years ago, our economy was on the brink. One of the first things we did with our new President was to enact the American Recovery and Investment Act. We did so to jump-start our economy, and we did so to create jobs.

In the 2 years since, our economy has created and sustained more than 3.5 million jobs—3.5 million more than would have been available had we not taken that action. The economy is now starting to move in the right direction, but we still have a long way to go.

The positive momentum in the economy is fragile. We need to work tirelessly to protect it. Our first priority must be to create more jobs.

The lower tax rates enacted in 2001 and 2003, along with a number of other tax provisions, are set to expire at the end of this year. If we do not act, taxes will go up.

In addition, last month, the emergency Federal unemployment insurance programs expired. If we don't act, then by the end of next month 2 million Americans will be without the critical assistance they will need. That is help they will need to put food on the table and keep a roof over their head. The tax cuts and unemployment insurance both have a critical effect on the middle-class families, our economy, and on jobs.

A little more than a week ago, the Senate voted on two amendments that would have extended these tax cuts for the middle class and unemployment insurance. Our amendments would have

effective ways to create jobs. The amendments we voted on last Saturday would have given critical relief to middle-class families. They would have provided unemployment insurance to millions of Americans who lost their jobs through no fault of their own. These two amendments—the Baucus amendment and the Schumer amendment—would have extended tax cuts that would have benefited all taxpayers.

Those amendments would have extended critical tax cuts such as the college tuition tax deduction. They would have made the child tax credit permanent, and they would have cut taxes for employers, freeing up cash for them to expand and hire new workers.

Those amendments focused on providing middle-class families the tax relief they need. They focused on creating the jobs our economy needs, and they focused on getting the biggest bang for our buck in creating those jobs.

Cutting taxes for middle-class families and extending unemployment insurance stimulates our economy. They do so because the families who benefit from those policies are the families most likely to spend that extra money. Spending that money injects it directly back into our economy, and that helps the economy to grow and create jobs.

The best way to extend these expiring tax provisions is to focus on the middle class. That is what my amendment did, and that remains my strong preference.

There are some in this body, however, who want to extend tax breaks for the wealthiest as well. These folks have held tax cuts for the middle class hostage to get these tax breaks for millionaires and billionaires.

Tax breaks for millionaires and billionaires are not the best way to create jobs. The Nation's wealthiest are more likely to save their money, rather than spend it and put it back into the economy.

Permanently extending tax cuts for the richest Americans would cost our economy $700 billion over the next 10 years. That is too great a cost for a budget already burdened by deficits and debt. But despite this disagreement, creating jobs needs to be our first priority.

If we do not extend unemployment insurance, then by the end of the next month, 2 million Americans who lost their jobs through no fault of their own would lose their unemployment benefits. If we allow those benefits to expire, families who currently receive them would lose much of their income. Emergency unemployment insurance has benefitted about 40 million people. That has included, I might add, 10½ million children.

Emergency unemployment benefits particularly help middle-class families. Middle-class families receive 70 percent of total UI benefits. These are folks with a work history. They lost their jobs through no fault of their own. Unemployment benefits are the only lifeline many workers in Montana and across the Nation have left in this tough economy. These benefits support Americans who have worked, who are looking for work, and who will work again.

If we do not extend unemployment insurance, we take some of the most stimulative dollars out of the economy. That will just hurt the economy's ability to create jobs. The nonpartisan Congressional Budget Office says unemployment benefits have one of the largest effects of economic output in unemployment per dollar spent of any policy. The Department of Labor reports that for every $1 spent on unemployment insurance, $2 are reinvested in the economy. The Council of Economic Advisers estimates that as of September, emergency unemployment insurance benefits have increased the level of employment by nearly 800,000. That is just since September.

Unemployment insurance goes to people who will spend it immediately. That increases economic demand. It is critical to extend unemployment insurance to support a fragile economic recovery and to help create jobs.

If we don't extend lower tax rates enacted in 2001 and 2003 and the other tax provisions expiring, at the present, the end of this year, millions of middle-class families will pay higher taxes next year. Middle-class families are the backbone of our economy and this recession has hit middle-class families hardest. Too many middle-class folks who have worked hard all their lives have been knocked off their feet by this great recession. Too many middle-class families are still struggling. If we don't act, individual taxes will go up. If we don't act, the child tax credit will shrink and the college tuition tax deduction will end. So will the State and local property tax deduction and the property tax deduction itself and a host of other tax breaks critical to middle-class families. Now is certainly not the time to raise taxes on middle-class families.

If we don't act, taxes will go up on employers. Taxes will go up on employers engaged in critical research and development. That is R&D our economy needs to stay competitive in the global market, to grow and to create jobs. If we don't act, taxes will go up on employers working to develop new types of sustainable energy resources, such as wind power. Sustainable energy is the industry that could create hundreds of thousands of jobs. Now is not the time to raise taxes on employers with potential to create jobs we need.

So we must act, because if we fail to extend these critical provisions, we place our economy at risk. If we fail to act, we place middle-class families at risk. So while I strongly prefer acting in a way that focuses more on the middle class, that focuses on getting more jobs and gets us the biggest bang for our buck, inaction is clearly not an option. For that reason, I will support the bipartisan compromise the President has proposed.

Plain and simple, this bipartisan compromise is about creating jobs, extending middle-class tax cuts will help create jobs. Not extending them would cost jobs, and we cannot afford to lose jobs. Job creation needs to be our No. 1 priority. Our economy has come a long way in the last 2 years, but the growth is still fragile. Let us keep the focus on creating jobs, let us keep moving our economy forward, let us pass this important legislation.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the senior Senator from Arizona.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I think it is very clear the vote today will result in a significant majority vote for the pending legislation—the so-called tax extenders—and I will be one of those who will be voting for it as well. But I must say, in the brief time I have, there is almost an Orwellian experience on the floor of the Senate as compared with the rest of America. Here we are, about to pass these necessary tax extenders—necessary to give some kind of certainty to businesses across America, small and large, and to give tax breaks to people in these most difficult times, including my home State of Arizona. But rather than just extending the tax breaks, which is what a majority of Americans want, we have engaged in the continuing practice—a practice that has alienated the majority of American people—of loading up with unneeded, unnecessary, unwanted sweeteners in order to, I guess, get votes or satisfy special interests.

The Wall Street Journal, this morning, had an article entitled ''The Hawkeye Handouts,'' stating the tax bill is becoming a ''favor festival,'' starting with ethanol. It goes on to talk about the ethanol extension being the bipartisan handiwork of people who direct subsidies and trade protectionism plus mandates that force consumers to buy ethanol. This is a trifecta of government support and for an industry that is 30 years old and that even Al Gore now admits serves none of its advertised environmental purposes.

I would like to quote for my colleagues on this side of the aisle what the Wall Street Journal says:

> The greater political risk is for Republicans, who should worry that the tax bill is turning into a special interest spectacle. The bill revives a $1 a gallon biodiesel tax credit at a cost of nearly $2 billion, and there is $202 million for ''incentives for alternate fuel,'' $331 million for a 50 percent tax credit for maintaining railroad tracks, and so on. These credits are a form of special interest spending via the tax code, which is precisely the business-as-usual behavior that Republicans told tea party voters they wouldn't engage in. These business subsidies are grease for Senate votes in favor of the deal, so the only chance to remove them would be the kind of public outcry that attacked the Cornhusker Kickback and other ObamaCare

fiascoes. Call these ethanol favors the Hawkeye Handouts.

That is what this bill is all about. I say to my colleagues, I will vote for it, but it is not what the people said they wanted done on November 2.

I understand that unless online gaming, poker playing, gambling legalization comes up, we will probably go to an omnibus bill, and that omnibus bill will be loaded down with earmarks and porkbarrel spending, which is a direct—a direct—betrayal of the majority of the voters on November 2 who said stop the earmarking, stop the spending, stop the outrageous porkbarrel projects.

If this omnibus bill comes up loaded down with porkbarrel spending, we owe it to the American people to stop it. What we owe the American people is a clean continuing resolution, with no additional spending on it, that would be good for 45 days so the new Congress, in response to the American people, will act in a responsible fashion.

This bill we are going to pass contributes to the debt and the deficit, it contributes to the mortgaging of our children's futures. I say to my colleagues, we should rise against any Omnibus appropriations bill, and we should only enact a continuing resolution. To my colleagues on this side of the aisle who may not have gotten the message of November 2, vote to have a clean continuing resolution. That is what the American people have said they want and that is what they deserve. The American people deserve to be heard. Let us reconnect Washington and the American people.

I thank my colleague from Iowa for the time, and I yield whatever remaining time I have.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

Mr. UDALL of Colorado. Mr. President, I rise to speak in opposition to the bill in front of us today, and I wish to start out by saying that, in addition to all the many challenges facing our Nation, a massive budget deficit and a crippling debt may prove to be the most difficult challenge we face as a country.

A deep structural defect, such as the one our government has accumulated because of these debt levels, not only threatens our long-term economic stability, it darkens the horizon in a way that discourages the innovation investment we need to spur American jobs today.

Moreover, our apparent inability to squarely address the problem in a bipartisan way is a signal to the American people—as if they needed more proof—that our democracy is not working, and that is as dangerous as any attack on our country. It is a timebomb in our midst, the ticking of which we cannot ignore unless we are comfortable knowing it will eventually and inevitably blow up on our children.

Just last week, a bipartisan group appointed by the President confirmed the seriousness of a threat with a different metaphor but one equally apt. The President's fiscal commission called our national debt a cancer that is threatening our country from within. Whether a timebomb or a cancer, the threat is real, and the Commission confirmed it in the starkest possible terms.

The chairman's recommendations on how to respond were sobering. But in a way, they were also like a strong cup of coffee after a serious drinking binge. Americans sat up and listened, and for a few days between the release of the Commission's report and the vote of the full Commission the following Friday, it looked like we might be able to set aside the ideological differences that have poisoned our politics and address this problem. It looked like we might be able to follow the old adage when you are in a hole, stop digging.

However, the next week, the President announced a plan that he negotiated with Republican leaders to extend the Bush tax cuts across the board—a plan that would add $900 billion to our national debt over the next 2 years. What is staggering to me is, it took just 4 days to switch the conversation from reducing the debt to adding to it. Just 4 days after the most substantive conversation we have had about addressing the debt, we start arguing about the wisdom of extending tax breaks for millionaires and billionaires that alone will cost $700 billion over the next decade. That is $700 billion in additional debt the people of the United States will owe to China and our other creditors around the world. To paraphrase one of my colleagues, I feel like we are operating in some kind of a parallel universe.

Now, as the debate over the last several days has exhibited, Senators in this body—and the American people themselves—have a diverse set of views on tax policy and how to get our economy back on track.

Central to these questions about tax policy is how to find mechanisms that will get our skyrocketing national deficit and total debt under control. Despite disagreements—our disagreements here and in the other body—I believe we owe it to the American people and to one another to be pragmatic and truthful about the fiscal challenges confronting us. It's the way that Coloradans like to operate, and I believe it's the way that most Americans want their elected official to behave. So I respect and even applaud the President's efforts to reach a compromise based on political pragmatism. But what I respectfully disagree with is the notion this compromise is based on anything approaching fiscal reality or truth in accounting, which is the point I believe the chairmen of the President's fiscal commission—Erskine Bowles and Alan Simpson—were making.

If I might, I would remind my colleagues of the history of the Bush tax cuts for the wealthiest Americans. Those tax cuts were passed after we experienced one of the strongest economic environments in our history. Those who supported tax cuts for the wealthy believed that because we had begun to reduce our long-term debt, we could afford them. They believed those tax cuts would stimulate our economy further and create millions of new jobs. In the words of then-Vice President Cheney, it was a time when ''deficits don't matter.''

I did not support the tax cuts for the wealthy in 2001 or 2003, for much the same reason I don't support them today. I voted against them as a Member of the House of Representatives. In fact, I'll remind this body that the extension of the Bush tax cuts in 2003 was only possible because Republicans pushed them through on a reconciliation vote, which requires only a simple majority. It took Vice President Cheney to break the tie vote. I sincerely wish those tax cuts had effectively spurred sustained job growth. I do. But unfortunately, the next decade saw a decline in our economy such as we haven't seen since the Great Depression—banks failed, foreclosures reached a crisis point, we were forced to bail out financial institutions, an insurance giant, and the auto companies to keep the economy from crashing further. During that time, real income for average households decreased and the unemployment rate nearly doubled, as millions of workers were laid off.

If tax cuts for the wealthy among us were an efficient way to spur innovation and investment, I have to believe economists would be telling us to continue them. But here is what they are actually saying: Economists of all stripes are telling us extending tax cuts for the wealthy is one of the least effective ways to create jobs and build the economy. Even some of America's most successful businessmen, Bill Gates and Warren Buffett, among those who stand to gain dramatically from the bill before us, have urged us to prioritize seniors, long-term economic growth, and job creation instead. They know what recent history has shown—that tax cuts for millionaires and billionaires do not help our economy, and it certainly doesn't help our national debt.

Just over 1 week ago I stood here with all of my colleagues and voted to support a proposal that would have followed the advice of economists, Bill Gates, and Warren Buffett and extended relief to middle-class families. Most importantly, that plan would have heeded the overwhelming wishes of Coloradans—and Americans across our country, who do not believe it makes common sense to extend tax cuts for the rich. Americans understand, maybe better than many of us in Washington, DC, that middle-class tax relief is the way to spur our economy. To a family making $50,000 a year, an $800 tax cut could make the difference between paying for daycare or health insurance or a second car so both parents could work.

As more and more Americans become the first in their families to stand in an

unemployment line, I find it hard to explain or justify last week's filibuster preventing middle-class tax relief so millionaires and billionaires can get an extra six-figure check from the Federal Government.

We have heard all kinds of arguments for extending tax cuts for the wealthiest Americans, and we have been told this bill represents the best deal we could get in order to bring further tax relief to middle-class Americans. But, again, those arguments are based on political pragmatism not a truthful or objectively measured analysis of the actual impact on our budget deficit. That is why the cochair of the President's deficit commission, Erskine Bowles, a university president who knows the impact our budget crisis has had on our States, on education, and on families, has spoken out against this irresponsible tax deal for wealthy Americans. He said:

I'm deeply disappointed that we have this short-term deal and it's not linked to long-term fiscal restraint.

I think that hits the nail on the head.

I take no pleasure in opposing most of my colleagues today. I have long held the view that by working together, we can bridge divides and find solutions that are both pragmatic, collaborative and factually sound.

I regret that the bill before us speaks more to our failure as an institution than it does as an example of effective compromise. This deal is about politics and a President backed into a terrible corner by a looming deadline when this Congress must adjourn and a new one will take its place.

The bill we are considering today is where the negotiations should have started—not where they ended. We should be voting on a plan that would allow us to extend tax relief for working families and put the $700 billion we would save over a decade toward our deficit, unemployment insurance, tax credits for low-income Americans, and other ways to get our economy growing.

We should be voting on a plan—a compromise negotiated in good faith and based on the realities of our economy and not a date on the calendar—whose economic and fiscal impacts can be verified.

That is what I wish had been negotiated. And I would prefer to stay here in Washington, through the holidays if necessary, to work out a better deal for the Coloradans I represent, and for the American people.

Mr. President, I sincerely fear that the bad choices made in the last decade will haunt us through the next decade. For these reasons, the legislation before us today is a step too far, and that is why I oppose it.

I yield the floor.

Mr. DODD. Mr. President, I rise today to speak about the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act. I realize that this legislation has stoked intense passions both among Members of this body and the public at large, and I would like to take a few moments to explain my thoughts regarding this legislation and my vote here today.

I have served in this Chamber for nearly 30 years now. And during that time, I have frequently been confronted with the extremely difficult necessity of voting for legislation that, while deeply flawed, includes provisions that are incredibly important for the well-being of the American people. Today is no exception.

Indeed, to say that the tax legislation we are voting on today leaves much to be desired is a vast understatement. There is quite a bit about this legislation that I find extremely objectionable.

By extending tax cuts for the wealthiest Americans, including the top 3 percent in our country for 2 additional years, what we are ultimately doing is driving our country deeper into debt with foreign creditors, forcing damaging funding cuts during already tight budgetary times, and increasing the burden of paying for our excess on our children and grandchildren.

This legislation would also create generous new parameters for the estate tax, raising the exemption level to $10 million for couples and reducing the top tax rate to 35 percent—providing millions of dollars in tax breaks to the 39,000 wealthiest Americans. Indeed, in my own State, it is likely that fewer than 100 estates will actually be subject to any tax under the estate tax provision included in this bill.

And that is to say nothing of the fact that the agreement we are voting on today fails to extend numerous successful programs included in the American Recovery and Reinvestment Act, like the TANF emergency contingency fund and the COBRA premium subsidy, or that the provisions that will actually stimulate economic growth are only extended for a mere year.

But in spite of my strenuous objections to much of what is included in this bill, I believe it would be a grave mistake for us to defeat this measure today. Because while it would be incredibly easy to simply vote against this legislation and head home, the truth is that what is at stake here is far more than my opposition to tax breaks for our Nation's wealthiest families.

At the end of the day, this is about the well-being of the American people, far too many of whom are hurting during this period of continued economic turmoil and uncertainty. In Connecticut, nearly 9.1 percent of the State's workforce—some 172,400 men and women—were out of work in October alone. And nationally, the numbers are even worse.

So, while there is much in this legislation that merits indignation, the fact remains that there are many provisions that are far too important to all those Americans who have fallen on hard times over the last several years to warrant its defeat.

Besides extending tax breaks for the wealthiest Americans, this legislation will also extend tax cuts for middle class families making under $250,000 annually, putting additional cash in the pockets of working Americans and their families.

This legislation will also extend and expand two critically important tax credits for lower income families for 2 additional years—the $1,000 child tax credit and the earned-income tax credit. Together, these provisions will benefit millions of working families and their children at a time when they need these benefits the most.

And perhaps most importantly, this legislation renews Federal emergency unemployment insurance through the end of 2011, preventing nearly 7 million Americans who have lost their jobs in the current recession—including nearly 80,000 in the State of Connecticut from prematurely losing their benefits next year as they look for work.

So, while my decision to vote in favor of this legislation today was incredibly difficult to make, I nevertheless believe it is the right one. Simply put, while it is a difficult pill to swallow, the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act—the Middle Class Tax Relief Act—represents the best chance we have right now to extend some critically important benefits for working families in this country. These are the people who have been hit the hardest by the current recession, and as their representatives, I believe we owe it to them to provide some relief, even if it does come in the form of the flawed legislation before us today.

Mr. LEVIN. Mr. President, I believe that before this Congress adjourns we must extend unemployment benefits that are so vital to the economic survival of many American families and to our economic recovery. I also believe we must ensure that working families are not hit with a tax increase that endangers our recovery. But the legislation before us exacts a high price, and it should be amended to accomplish those goals without giving unwarranted benefits to the wealthiest Americans. Unfortunately, the procedure under which it is intended for us to consider it will apparently give us no opportunity to correct its shortcomings.

The tax cuts included in this bill, while they would benefit working families, are too skewed toward the well-off, and would exacerbate a growing trend of income inequality in our country. Today, the wealthiest 1 percent of Americans receive about one-quarter of total U.S. income. Thirty years ago, they earned only about 10 percent of total U.S. income. Not only have incomes for the wealthiest sector of the population continued to grow. Incomes for middle-class families have been stagnant and have actually fallen when adjusted for inflation.

This unconscionable inequality will only increase as a result of the estate

tax provisions in the bill before us. The pending legislation would exempt the first $5 million of estates from any tax, and tax remaining amounts at 35 percent. This is far more generous to the wealthy than the $3.5 million exemption and 45 percent tax that was law before this year. Just a few thousand Americans would benefit from this generous provision, but the cost to the treasury is huge.

Now, our Republican colleagues have argued that all of that inequality is a necessity, because only if we extend these enormous benefits for our wealthiest citizens will our economy continue its recovery. But, we know that this is not true. We know, in fact, that tax breaks for the wealthy have little impact on the economy as a whole.

As independent experts from the Congressional Budget Office and Congressional Research Service, from the Federal Reserve and the National Bureau of Economic Research, from academia and the private sector have all demonstrated, tax cuts for the wealthy do a great deal to add to their savings, but do not stimulate the economy. Economist Mark Zandi, who has advised members of both parties, estimates that in terms of bang for the buck, extending the tax cuts expiring at the end of this year will boost the economy by just 29 cents for every dollar they cost. Compare that to Mr. Zandi's estimate that we would get $1.64 worth of economic boost for every dollar of enhanced unemployment benefits.

In fact, there are few people other than our Republican colleagues who believe that tax cuts have a large positive effect on the economy. Bruce Bartlett, a conservative economist, summed up what is nearly a consensus view among economists this way:

> The truth is that there is virtually no evidence in support of the Bush tax cuts as an economic elixir. To the extent that they had any positive effect on growth, it was very, very modest. Their main effect was simply to reduce the government's revenue, thereby increasing the budget deficit, which all Republicans claim to abhor.

This legislation does include some very important measures that will help working American families, boost the economy and increase employment. First among them is the extension of unemployment benefits, which, I remind my colleagues, does not provide additional weeks of benefits beyond the current 99-week maximum, but does continue the current emergency benefits that have helped millions of families. As I mentioned before, these benefits are a valuable tool in building the economic recovery. As Congressional Budget Office Director Doug Elmendorf has testified:

> The largest effect on the economy per dollar of budgetary cost would arise from a temporary increase in aid to the unemployed.

But beyond the positive effect on the economy, extending these benefits is the right thing to do. The Americans who depend on these benefits to put food on the table and shelter overhead did not throw the economy into crisis. They did not profit from the recklessness that brought so much profit to so few. Helping the jobless is simply the right thing to do.

Indeed, it is outrageous that our Republican colleagues have insisted that we can only help those in great need if we also provide enormous benefits to the wealthiest among us. They hold hostage aid to those in need unless we include tax cuts for those who have no such need. I know there were some Republicans who objected when President Obama used this same language in describing their position on this issue. I would say to them that if people do not want to be called hostage takers, they should not take hostages.

And we cannot forget that the result of these tax cuts for the wealthiest among us is the addition of billions upon billions of dollars to the deficit. Our Republican colleagues, who have called so loudly for government to live within its means, seem to live in a world of magical accounting, where the impact on the deficit of tax cuts for the well-off can be ignored. Over the next two years, the measures in this legislation that Republicans have set as the price for tax cuts for the middle class and aid to the jobless will add more than $100 billion to the deficit. At a time when Washington is awash in deficit-reduction plans that would impose draconian cuts to important Federal programs, we simply cannot afford to do that.

Now, there is a traditional solution to the problems with this bill. That solution is debate and amendment. There is no reason why those of us who oppose portions of this legislation should not have the opportunity to air our objections, propose remedies to them and place them before the Senate. But the procedure under which the Senate will consider this bill will apparently not allow us to do so.

While the problems in this legislation are significant, the apparent inability for Senators to offer improvements amendments also affects my thinking on the cloture motion before us. Even an abbreviated amendment process would provide the chance to make the case for a more equitable bill. While efforts to amend the bill might not be successful, it is unacceptable to me that we would not even have the chance. Under those circumstances, I cannot agree to this motion. If we defeat this cloture motion, hopefully we would be able to take up a better bill and debate it. I believe we must fight harder and fight longer, to the end of December if necessary, for a bill that extends unemployment benefits and takes other steps that are essential to the hopes of working families, a bill that is more fiscally prudent, a bill that does not extract the high price that this bill extracts.

If given the chance to address its flaws, I believe the Senate can produce sounder legislation. I hope we will reject this motion for cloture so that we can consider legislation that provides tax relief to middle-income families and aid to those in need without handing billions in unneeded and deficit-increasing benefits to the wealthiest among us.

Mrs. FEINSTEIN. Mr. President, I rise today in support of the The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, which will prevent tax increases on middle-class Americans, provide targeted investments in American businesses, and continue much-needed relief for the unemployed.

After wrestling with my concerns about upper-class tax rates and the estate tax provision, I have come to the conclusion that this bill is necessary in order to preserve and promote our economic recovery.

Between the extension of tax rates for the middle class, the patch for the alternative minimum tax, and several extensions of previous tax policy, almost $500 billion goes toward preventing a substantial tax increase on working Americans.

A tax increase on that scale would significantly hamper the economy and place further strain on families struggling to stay afloat during uncertain economic times.

The words spoken by former President Clinton last week underscore a strong point made by a man who knows something about how to forge legislation necessary to move our Nation forward.

He said:

> The agreement taken as a whole is, I believe, the best bipartisan agreement we can reach to help the largest number of Americans, and to maximize the chances that the economic recovery will accelerate and create more jobs . . .

That is what we must do: focus as much effort as possible on creating jobs and supporting industry in the United States. We must adapt to the changing contours of the global economy and ensure we retain our competitive position as the world's greatest economic power.

I was very pleased to hear that the Treasury grant provision was included in this package. It illustrates the kind of policy necessary to encourage the industries of the future.

The Treasury grant program is responsible for $18.2 billion in renewable energy development in just the past 2 years. That is 1,465 projects around the country.

With the program extended, California alone could see at least 141 more projects break ground next year. That would mean an additional 27,000 megawatts of energy and tens of thousands of jobs in high-unemployment counties.

High-tech companies in California and across the country will also benefit from a 2-year extension of a key research-and-development tax credit.

And the president of the National Association of Manufacturers called this

provision ''key to manufacturers' competitiveness and ability to create jobs.''

In the end, that is the bottom line. Will the economy be substantially better off if this bill passes? If the answer is yes, then there is simply no other option.

In the past few days I have spoken to a number of prominent economists about what this bill would mean for our economic recovery. With unemployment levels at 9.8 percent nationally and 12.4 percent in California, it is crucial that the economy start growing at a fast enough rate to create more jobs.

The consensus is that the provisions before us will immediately hasten the pace of the recovery, creating enough momentum to get us to the point of self-sustaining economic growth.

However, we must follow this bill with measures that address tax reform in order to create a simplified system that addresses the inequalities that have become apparent over the last decade.

From 2003 to 2007, income for families in the top 5 percent of taxpayers increased by 7 percent, while 95 percent of taxpayers' incomes remained stagnant.

The average income of the top 1 percent of earners increased by 10 times as much as that for the bottom 90 percent.

During the expansion of 2002 to 2007, families saw their medium income drop by $2,000, the first time Americans have seen their incomes drop during a period of economic growth.

In 2007, the top 10 percent took home almost half of the country's total earnings, the highest level of income inequality in our Nation's history.

Clearly, our current Tax Code does not work for most Americans. As we get back on our feet, we must shift our focus to economic policies that promote opportunity and allow for the continued pursuit of the American dream.

The point today is that we have two options. We can swallow our distaste for a few of the provisions included in this package for the sake of struggling Americans everywhere.

Or we can take a big risk with the economic recovery by allowing tax rates to reset to 1990s levels. The people that would hurt the most are the very same people we are trying to help.

I choose to do what is absolutely necessary for the benefit of the Americans that need help most, and that is why I will support this bill.

Mr. FEINGOLD. Mr. President, while this proposal contains a number of provisions I support, including an extension of desperately needed unemployment benefits as well as a 2-year extension of the middle-class tax cuts, it fails in at least one critical respect. Rather than include a combination of responsible spending cuts and revenue increases to offset its projected cost of nearly $900 billion, the proposal instead just adds its cost to our already massive national debt. This measure adds more to our national debt than either the stimulus bill, which I supported, or the Wall Street bailout, which I opposed. There may be good arguments to postpone fully paying for these tax cuts or, alternatively, for offsetting their cost over a number of years to avoid undermining the fragile economic recovery. But, like the Baucus and Schumer proposals I opposed earlier this month, the measure before us fails to make even the most modest effort to pay for these tax cuts. Instead, it heaps $900 billion onto an already mountainous level of debt that we are asking our children and grandchildren to bear. And much of this money will go toward unjustified tax cuts for the wealthiest Americans.

The ACTING PRESIDENT pro tempore. The Senator from Iowa?

Mr. GRASSLEY. Mr. President, how much time is on our side?

The ACTING PRESIDENT pro tempore. The Senator has 12½ minutes.

Mr. GRASSLEY. Mr. President, this bill is about stopping the biggest tax increase in the history of the country that will happen if we do not pass something between now and the end of the year. That happens because the 2001 tax law, the present tax policy, was only good for 10 years, and it sunsets. So you go back to the big tax policy we had, the high tax policy we had in the year 2000.

We are passing this now because of a simple rule of economics: you should not increase taxes during an economic recession. With nearly 10 percent unemployment, we are still, obviously, in a recession.

Some on the other side supported the President's earlier proposal when he wanted to maintain the existing tax policy just for those below a $200,000-a-year income. The Senate did not support that proposal, and it is clear that proposal could not pass. I know that can be a difficult thing. Over the years I have seen proposals I thought were good and just and that I cared passionately about defeated in the Senate. But you just move on, so that is what our President has done. He has moved on in a pragmatic spirit. He has put forward another proposal to prevent the biggest tax increase in the history of the country from happening. He doesn't view it as ideal, and few on my side of the aisle do as well.

For all of us, it is a balancing act. We want to stay true to our ideals. We also want to deliver practical results to our constituents.

I submit this bill does not increase taxes, it does not cut anybody's taxes, and that happens to be the right balance for the vast majority of us. But it also happens to be what is right for the economy now that we are in a recession.

Just 10 days ago, the unemployment rate ticked up to 9.8 percent. In July it was at 9.5 percent. The trend is in the wrong direction. We are in a fragile situation. The economy is clearly telling Congress: handle with extreme care. The majority of the economists surveyed by CNN Money says preventing the 2011 tax hikes is the No. 1 thing that Congress can do right now to help the economy. The survey results are on a chart, showing that 60 percent of the economists said preventing tax hikes on every American was the best course of action to take at this particular time; that the economy is in a fragile situation.

We have the nonpartisan Congressional Budget Office saying GDP growth will be far less if we let the biggest tax increase in the history of the country happen without Congress intervening. If the tax relief doesn't maintain at the present level, the economy would grow .3 percent less than if we do it the way the President originally wanted to do it, just for those people under $200,000 a year income.

In other words, the economy will grow at 1.4 percent if we leave the tax policy of the last 10 years in place as opposed to taxing people who make over $200,000 a year at a higher level. Then the economy would only grow at 1.1 percent.

Given the recession, given the high unemployment rate, given business's reluctance to invest and grow, we need to be especially sensitive to GDP growth. If it were just a matter of either the government got the money or the private sector, that would be one thing, as the government does have a deficit problem. But in this case it is a matter of money simply not being there because of the hit to the gross domestic product. We are talking about dead-weight loss.

For those who think taxing people more will bring in more revenue, I would put up a chart that expresses tax policy and the result of it over the last 50 years. We can see the red line that says there is an average of about 18.2 percent of all the wealth. We can see the red line shows for a 50-year average, about 18.2 percent of the gross national product has come to the Congress to spend, regardless of what the high marginal tax rates were—going back to 1993 and the Eisenhower administration, going down to 70 in the Kennedy administration, going down to 50 in the Reagan administration, going down to 26 in the Reagan administration, back up 40—almost 40 percent in H.W. Bush's administration, and then down to 35 percent where they are now. They could go back up to 40 percent if we do not intervene right now.

What this ought to tell everybody is, marginal tax rates do not make a difference, a big difference, in how much money comes into the Federal Treasury. The people of this country decided about how much they are going to give to us in Congress to spend out of the entire national income. It is about 18.2 percent regardless of where the marginal tax rates are.

It tells me that people, if they do not want to work, if they do not want to

earn or if they want to hire people to legally avoid taxes, are going to do it, and we are only going to get so much.

Here is what the nonpartisan Joint Committee on Taxation says about this:

We anticipate that taxpayers would respond to the increased marginal rate by utilizing tax-planning and tax-avoidance strategies that will decrease the amount of income subject to taxation.

That chart proves exactly what the nonpartisan Joint Committee on Taxes has said.

We have known about these looming tax hikes for a decade now. We should have acted many years ago. Now we have only 19 days to go before the tax hikes take effect. We are down to the wire, and we need to act. We need to act because it is what it takes to turn this economy around. The time to dither is over. The National Federation of Independent Business, the voice of small business, had this to say recently. Because of no action on expiring tax rates there is a ''cloud of uncertainty, larger and darker. In response, consumer sentiment fell and owner optimism remained anchored solidly in recession territory. Thus, spending stayed in 'maintenance mode,' deterioration of jobs continues, and capital spending remains at historically low rates. Owners won't make spending commitments when sales prospects remain weak and important decisions such as tax rates and labor costs remain so uncertain.''

That is the end of the quote from small business.

Uncertainty is the issue we have to deal with here. Passing this bill so the biggest tax hike in the history of the country will not happen is one thing that will bring some certainty, and maybe more certainty than anything else, to our economy.

The bottom line, as evidenced by this chart, is stop the tax hikes. It is time to leave the tax policy of the last 10 years in place so at least for the next 2 years people know they can hire and expand this economy and expand theirs.

I reserve the remainder of my time.

How many minutes do I have?

The ACTING PRESIDENT pro tempore. The Senator has 2½ minutes.

Mr. GRASSLEY. I think, Mr. President, I am going to take 2½ minutes to address what the Senator from Arizona said about some of the provisions in this bill. We keep having ethanol referred to as a subsidy.

Let me tell you about some of the subsidies that are in this bill because you might think that ethanol is the only one. Think in terms of the research and development tax credit. That is subsidy for big business that has been around for 30 years. Think about the Indian employment tax credit, the subsidy for new market tax credits, the subsidy for railroad track maintenance credit, mine rescue team training credit, the subsidy for employer wage credit for employees who are on Active Duty in the uniformed services, the subsidy for 15-year straight line cost recovery for qualified leaseholder improvements, the subsidy for the 7-year recovery period for motor sports entertainment complexes.

I don't quite understand, when there are 72 provisions in this bill that expired on December 31, 2009, and they are just being continued as some of them have been for 30 years, how somebody today is going to say that is bad tax policy and they did not say it over the last 30 years, particularly when it comes to a time when we know we need a balanced alternative energy program—balanced for whatever can be alternative energy because God only made so much fossil fuel. Obviously, we ought to be using petroleum. But should we import more petroleum from the 10 percent of the fuel used in motor vehicles coming from ethanol? Do you believe we ought to have a good national security program that is less based upon the requirements of imported oil?

I think we ought to look at this balanced program as being one of fossil fuel, one of alternative energy, and one of conservation and ethanol and biodiesel and wind and solar and all that is part of a balanced program, and they all have tax incentives.

I yield the floor.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. Pursuant to rule XXII, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4853, the Middle Class Tax Relief Act, with an amendment No. 4753.

Max Baucus, Joseph I. Lieberman, John D. Rockefeller, IV, Byron L. Dorgan, John F. Kerry, Sheldon Whitehouse, Mark L. Pryor, Robert P. Casey, Jr., Richard J. Durbin, Mark R. Warner, Jeanne Shaheen, Ben Nelson, Evan Bayh, Christopher J. Dodd, Kent Conrad, Jim Webb, Bill Nelson, Amy Klobuchar.

The ACTING PRESIDENT pro tempore. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to concur in the House amendment to the Senate amendment to H.R. 4853, the Federal Aviation Administration Extension Act of 2010, with amendment No. 4753, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

(Mr. MANCHIN assumed the chair.)

Mr. DURBIN. I announce that the Senator from Oregon (Mr. MERKLEY) and the Senator from Oregon (Mr. WYDEN) are necessarily absent.

The PRESIDING OFFICER (Mrs. SHAHEEN). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 83, nays 15, as follows:

[Rollcall Vote No. 272 Leg.]

YEAS—83

Akaka	Durbin	McConnell
Alexander	Enzi	Menendez
Barrasso	Feinstein	Mikulski
Baucus	Franken	Murkowski
Bayh	Graham	Murray
Begich	Grassley	Nelson (NE)
Bennet	Gregg	Nelson (FL)
Bennett	Harkin	Pryor
Bond	Hatch	Reed
Boxer	Hutchison	Reid
Brown (MA)	Inhofe	Risch
Brownback	Inouye	Roberts
Bunning	Isakson	Rockefeller
Burr	Johanns	Schumer
Cantwell	Johnson	Shaheen
Cardin	Kerry	Shelby
Carper	Kirk	Snowe
Casey	Klobuchar	Specter
Chambliss	Kohl	Stabenow
Cochran	Kyl	Tester
Collins	Landrieu	Thune
Conrad	LeMieux	Udall (NM)
Coons	Lieberman	Vitter
Corker	Lincoln	Warner
Cornyn	Lugar	Webb
Crapo	Manchin	Whitehouse
Dodd	McCain	Wicker
Dorgan	McCaskill	

NAYS—15

Bingaman	Feingold	Levin
Brown (OH)	Gillibrand	Sanders
Coburn	Hagan	Sessions
DeMint	Lautenberg	Udall (CO)
Ensign	Leahy	Voinovich

NOT VOTING—2

Merkley	Wyden

The PRESIDING OFFICER. On this vote, the yeas are 83, the nays are 15. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. DORGAN. Madam President, I voted today to move forward with the tax package because I did not want to block the Senate from considering this legislation. But I do not support the bill in its current form, and I will not support it on final passage if there are not additional improvements made to it.

The PRESIDING OFFICER. The Senator from Illinois.

MODIFICATION OF AMENDMENT NO. 4753

Mr. DURBIN. Madam President, I ask unanimous consent that notwithstanding rule XXII, the Reid-McConnell amendment, No. 4753, in the motion to concur with respect to the House message on H.R. 4853, be modified with the technical change which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

donor died as of the end of the calendar year, reduced by''.

(2) Section 2631(c) is amended by striking ''the applicable exclusion amount'' and inserting ''the basic exclusion amount''.

(3) Section 6018(a)(1) is amended by striking ''applicable exclusion amount'' and inserting ''basic exclusion amount''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to estates of decedents dying and gifts made after December 31, 2010.

(2) CONFORMING AMENDMENT RELATING TO GENERATION-SKIPPING TRANSFERS.—The amendment made by subsection (b)(2) shall apply to generation-skipping transfers after December 31, 2010.

SEC. 304. APPLICATION OF EGTRRA SUNSET TO THIS TITLE.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall apply to the amendments made by this title.

MORNING BUSINESS

Mr. DURBIN. I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING RANDY SMITH

Mr. MCCONNELL. Madam President, I rise today to draw attention to the life and legacy of a good friend of mine, who sadly lost his battle with cancer. Randy Smith, the longtime executive director of the London-Laurel County Chamber of Commerce, died on November 19, 2010, at the age of 52 years old. For almost 17 years, Randy led the chamber and the entire community toward a stronger, fast-growing future. More than promoting the local businesses in the area, Randy dedicated his professional life to advancing the untapped potential and unique splendor of his community. He had the skills, personality, and intelligence to accomplish nearly everything he undertook—from creating some of the best civic events and festivals in the Commonwealth, to building a stronger chamber membership at a time when many small businesses are struggling.

There is no doubt that Randy's good humor will be deeply missed by all who knew him. But let there also be no doubt that Randy's record of accomplishment and legacy in Laurel County will never fade. The tenacity with which he fought his cancer for more than a year displayed the same trademark character that I have seen in him during our friendship of over a decade. No matter the issue, Randy Smith could be counted on to handle the challenge with the utmost integrity.

It is with a saddened heart that I ask my colleagues to join me in remembering the life and accomplishments of one of the Commonwealth's true unsung heroes. I would further ask that my colleagues join me in expressing our deepest sympathies to his wife Kim and their children Logan, Cameron, and Brianna. I would also like to share my sympathies with Randy's parents, Earl and Rosie Smith, as well as his brothers and sister, Phil and Eddie Smith and Sharon Benge.

The Sentinel Echo recently published a story remembering the life of Randy Smith and I ask unanimous consent that the text of that article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

[From the Sentinel Echo, Dec. 3, 2010]

RANDY SMITH LOSES BATTLE WITH CANCER

(By Nita Johnson/Staff Writer)

LAUREL COUNTY, Ky.—Long-time London-Laurel County Chamber of Commerce Executive Director Randy Smith lost his battle with cancer Friday morning, leaving a legacy of dedication to his community.

Ironically, Smith died the day of the 2010 Christmas on Main events—a celebration he was instrumental in starting in 1994, the first year he was named the Chamber's executive director.

According to his brother Phil, Smith died just after noon on Friday. He had been undergoing treatment for cancer at M.D. Anderson Cancer Center at the University of Texas in Houston since Nov. 2.

''There was a medical team there waiting for him to undergo radiation three days after we got here,'' Phil Smith said. ''The treatments were to be completed Nov. 18 and Randy did OK. He was getting around on a walker, went outside and was doing well.''

But on Nov. 17, things took a turn for the worse.

''Randy had a lung biopsy on Nov. 17 and it was very challenging to him physically,'' Phil added. ''We were going to come home on Nov. 18, with our reservations to fly out at 2:20 p.m. Randy was ready to roll but around lunchtime he started having some shortness of breath. By that afternoon he was in ICU (Intensive Care Unit) and diagnosed with aspiration pneumonia. He was really struggling. He spent two weeks and a day in ICU but his cancer was advanced and with the pneumonia and becoming septic while in ICU, it was more than his body could handle.''

Randy Smith's wife, Kim, children, parents, two brothers and their families were with him on Friday. Most of them had been there since Thanksgiving.

Randy Smith began having health complications in the spring of 2009. In August 2009 he was diagnosed with lung cancer and later on, with bone cancer. But his fighting spirit prevailed throughout his illness—a trait that Phil Smith said enabled his brother to fight the disease as long as he did.

''Randy was a battler with his condition. He's always been competitive and up for a challenge,'' Phil said. ''I guess he saw the finish line God offered more rewarding than the finish line here.''

His competitiveness is what many attribute to Smith's success with the Chamber of Commerce, said Holbert Hodges, who was president of the Chamber when Smith became a board member.

''I asked Randy to become a director and that's how he became involved with the Chamber, as a board member/director,'' Hodges said. ''He was the heart and soul of the Chamber. He did a lot of things for this community and for people, a lot that he didn't want people to know about. He was dedicated, a hard worker, a good family man. When help was needed, Randy was always the first in line. He had all the traits necessary to represent the Chamber and was the steadying force behind its success.''

Hodges said hearing of Smith's passing caused many memories to surface.

''I'm just sitting here having memories of Randy,'' Hodges said from his office on Friday afternoon. ''We worked together through many good and bad times and he was the steadying force. His energy level amazed me. He's going to be missed.''

Hodges said Smith was the driving force behind the annual Christmas on Main celebration.

''We wanted it to be more than just a parade and we came up with the idea to set up bleachers in front of the courthouse for choruses and choirs and to involve the schools and churches,'' Hodges said. ''We wanted it so kids and grandparents and parents and aunts and uncles could come out. It was very successful.''

Under Smith's leadership, the Chamber of Commerce sponsored many other events. The annual Red, White and Boom Independence Day celebration was instituted under Smith's helm at the Chamber. The annual Chamber banquet, which honored a local teacher from the elementary, middle and high school levels along with local business people, received great acclaim.

The Chamber also sponsored job fairs, career fairs, and most recently, the ''Women in Business'' awards. Though some of those programs have changed or are now under management by the Chamber's Ambassador Club and the London Downtown organization, Smith was the man who pushed these events to success.

Willie Sawyers, Sentinel-Echo publisher and Chamber of Commerce board member, knew Smith since elementary school and worked on various committees involved with the Chamber of Commerce.

''Randy and I are the same age. We went to school together, played basketball for many years and served on the Chamber together,'' Sawyers said. ''We had a lot of personal conversations about dreams and goals for our community. I will greatly miss those conversations with him.

''Many of the good things happening right now in London and Laurel County are directly attributable to Randy's dedication and enthusiasm.''

This sentiment was seconded by London City Mayor Troy Rudder, who tearfully praised Smith and his contributions to the city and county.

''We are extremely sad for the loss of Randy,'' Rudder said. ''He has been very influential in the growth and prosperity of this city. Randy was one who was always willing to work or volunteer. When it came to this community, Randy was always the first one in line.''

''My heart goes out to his family and this city is deeply saddened,'' he added.

Funeral arrangements are incomplete, and will be announced later.

RECOGNIZING UNIVERSITY OF LOUISVILLE MEN'S SOCCER TEAM

Mr. MCCONNELL. Madam President, I rise today to honor the remarkable accomplishments of the University of Louisville men's soccer team. Led by their coach, Ken Lolla, these young student athletes made it to the championship game of the NCAA Division I tournament. In a close competition against the University of Akron they suffered their first defeat by one goal as the score was one to zero. This team spent most of the season ranked number one over the rest of their opponents. Becoming NCAA men's soccer runners-up is an accomplishment that has brought a lot of positive energy to the university as well as the entire city of Louisville. The team has made their university, city, Commonwealth and this Senator very proud. The Louisville Courier-Journal recently published an article describing the team's accomplishments. I ask unanimous consent that the full article be printed in the RECORD.

There being no objection the material was ordered to be printed in the RECORD as follows:

NEAR-MISS A BIG HIT FOR UNIVERSITY OF LOUISVILLE, CITY

(Eric Crawford)

The game had ended in a flurry of breathtaking near-misses for the University of Louisville men's soccer team. Akron's players now were filling the TV screens at Molly Malone's in St. Matthews, celebrating their national title. Then the applause started. Fans at other locations reported something similar. The mood hardly matched the disappointment of the U of L players as they flashed onto the screen following their 1–0 loss to Akron.

''What a great season,'' said Silas Boyle, a former Louisville Thunder player and the goalie for the 1975 Kentucky Country Day state championship team. ''What a great job they did. There's no way not to be proud.'' No, there isn't. Not with Louisville sports bars turning their attention to another kind of football on an NFL Sunday.

Snow fell outside the bar for most of No.1-ranked and previously unbeaten U of L's loss, just as it did in the final home game. As the game clock wound down, you could see out the windows the wet reflection of traffic and streetlights in the middle of a busy holiday scene.

It was a nice reminder that while the experience of a national championship game is something that coaches and players earn, for fans and program and city, it is a gift. It's a gift U of L teams have given twice in the past three seasons.

And as with the run to the national title game in women's basketball in 2009, this soccer run was designed by a coach who's hard not to respect, one who manages to coach the team without becoming its focal point.

David Horne, player and general manager for the Louisville Lightning professional team, said U of L coach Ken Lolla's reach extends far beyond his program, that he has quietly become a mentor for local coaches—''I read every book he mentions,'' Horne said—and a resource for players and clubs.

''To me, he could become a [John] Wooden-like influence,'' Horne said. ''I know that's a big name, but that's how he carries himself and how he coaches. He's going to keep winning, and he does it the right way.''

Akron, after controlling possession in the first half, exerted itself still more in the second. By the time the Zips scored in the 79th minute, U of L keeper Andre Bordeaux already had put together a highlight reel of saves.

Still, the Cardinals had some golden opportunities in the end, the last when two-time last-minute hero Aaron Horton's strike into a goal whose keeper had strayed was deflected on the ground by a defender's leg.

Another foot or two higher, and the score would've been tied. But after Horton's last-minute game-winners in back-to-back NCAA games, how much magic does one player's foot possess?

Instead, U of L comes home with a runner-up trophy and a new profile in college soccer. If you know athletic director Tom Jurich, you can go ahead and put a soccer facility expansion or enhancement on the stopwatch.

For soccer in Louisville, there's added energy—and perhaps some momentum in building the kind of much-needed soccer complex that a city this size already should have, one that would keep local clubs from having to travel to Bowling Green and other places for big tournaments.

For U of L, it's another NCAA championship chance in a sport that not long ago wasn't anywhere on the national landscape. ''You just have to believe it's only the beginning for that program,'' Horne said as fans headed home Sunday night. ''It's a really exciting thing for the sport in this city.''

It's pretty rare around here for another kind of round ball to grab any part of the spotlight in December. For the local sports scene, it was a holiday gift. For Lolla and the Cardinals, the goal is to make it a holiday tradition.

NOTICE OF INTENT

Mr. DEMINT. Madam President, I submit the following notice in writing—''In accordance with rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend rule XXII for the purpose of proposing and considering the following amendment to the Senate amendment to the House amendment to H.R. 4853:

Strike all after the first word and insert the following:

1. SHORT TITLE.

This Act may be cited as the ''Tax Relief Certainty Act''.

TITLE I—PERMANENT TAX RELIEF

SEC. 101. REPEAL OF EGTRRA SUNSET.

(a) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(b) SUNSET MAINTAINED FOR EXPANSION OF ADOPTION BENEFITS UNDER THE PATIENT PROTECTION AND AFFORDABLE CARE ACT.—Subsection (c) of section 10909 of the Patient Protection and Affordable Care Act is amended to read as follows:

''(c) SUNSET PROVISION.—All provisions of, and amendments made by, this section shall not apply to taxable years beginning after December 31, 2011, and the Internal Revenue Code of 1986 shall be applied and administered to such years as if such provisions and amendments had never been enacted.''.

SEC. 102. REPEAL OF JGTRRA SUNSET.

Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is repealed.

SEC. 103. TECHNICAL AND CONFORMING AMENDMENTS.

The Secretary of the Treasury or the Secretary's delegate shall not later than 90 days after the date of the enactment of this Act, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a draft of any technical and conforming changes in the Internal Revenue Code of 1986 which are necessary to reflect throughout such Code the purposes of the provisions of, and amendments made by, this Act.

TITLE II—PERMANENT INDIVIDUAL AMT RELIEF

SEC. 201. PERMANENT INDIVIDUAL AMT RELIEF.

(a) MODIFICATION OF ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.—

(1) IN GENERAL.—Paragraph (1) of section 55(d) of the Internal Revenue Code of 1986 (relating to exemption amount) is amended to read as follows:

''(1) EXEMPTION AMOUNT FOR TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation, the term 'exemption amount' means—

''(A) the dollar amount for taxable years beginning in the calendar year as specified in the table contained in paragraph (4)(A) in the case of—

''(i) a joint return, or

''(ii) a surviving spouse,

''(B) the dollar amount for taxable years beginning in the calendar year as specified in the table contained in paragraph (4)(B) in the case of an individual who—

''(i) is not a married individual, and

''(ii) is not a surviving spouse,

''(C) 50 percent of the dollar amount applicable under paragraph (1)(A) in the case of a married individual who files a separate return, and

''(D) $22,500 in the case of an estate or trust.

For purposes of this paragraph, the term 'surviving spouse' has the meaning given to such term by section 2(a), and marital status shall be determined under section 7703.''.

(2) SPECIFIED EXEMPTION AMOUNTS.—Section 55(d) of such Code is amended by adding at the end the following new paragraph:

''(4) SPECIFIED EXEMPTION AMOUNTS.—

''(A) TAXPAYERS DESCRIBED IN PARAGRAPH (1)(A).—For purposes of paragraph (1))(A)—

''For taxable years beginning in—	The exemption amount is:
2010	$72,450
2011	$74,450
2012	$78,250
2013	$81,450
2014	$85,050
2015	$88,650
2016	$92,650
2017	$96,550
2018	$100,950
2019	$105,150
2020	$109,950.

''(B) TAXPAYERS DESCRIBED IN PARAGRAPH (1)(B).—For purposes of paragraph (1))(B)—

''For taxable years beginning in—	The exemption amount is:
2010	$47,450
2011	$48,450
2012	$50,350
2013	$51,950
2014	$53,750
2015	$55,550
2016	$57,550
2017	$59,500
2018	$61,700
2019	$63,800
2020	$66,200.''.

(b) ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE CREDITS.—

(1) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 is amended to read as follows:

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

''(1) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

''(2) the tax imposed by section 55(a) for the taxable year.''.

(2) CONFORMING AMENDMENTS.—

(A) ADOPTION CREDIT.—

(i) Section 23(b) of such Code, as in effect on December 31, 2009, is amended by striking paragraph (4).

(ii) Section 23(c) of such Code, as in effect on December 31, 2009, is amended by striking paragraphs (1) and (2) and inserting the following:

''(1) IN GENERAL.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section and sections 25D and 1400C), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.''.

(iii) Section 23(c) of such Code, as in effect on December 31, 2009 amended by redesignating paragraph (3) as paragraph (2).

(B) CHILD TAX CREDIT.—

(ii) Section 24(d)(1) of such Code is amended—

(I) by striking ''section 26(a)(2) or subsection (b)(3), as the case may be,'' each place it appears in subparagraphs (A) and (B) and inserting ''section 26(a)'', and

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

(C) CREDIT FOR INTEREST ON CERTAIN HOME MORTGAGES.—Section 25(e)(1)(C) of such Code is amended to read as follows:

''(C) APPLICABLE TAX LIMIT.—For purposes of this paragraph, the term 'applicable tax limit' means the limitation imposed by section 26(a) for the taxable year reduced by the sum of the credits allowable under this subpart (other than this section and sections 23, 25D, and 1400C).''.

(D) SAVERS' CREDIT.—Section 25B of such Code is amended by striking subsection (g).

(E) RESIDENTIAL ENERGY EFFICIENT PROPERTY.—Section 25D(c) of such Code is amended to read as follows:

''(c) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.''.

(F) CERTAIN PLUG-IN ELECTRIC VEHICLES.—Section 30(c)(2) of such Code is amended to read as follows:

''(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.''.

(G) ALTERNATIVE MOTOR VEHICLE CREDIT.—Section 30B(g)(2) of such Code is amended to read as follows:

''(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.''.

(H) NEW QUALIFIED PLUG-IN ELECTRIC VEHICLE CREDIT.—Section 30D(c)(2) of such Code is amended to read as follows:

''(2) PERSONAL CREDIT.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.''.

(I) CROSS REFERENCES.—Section 55(c)(3) of such Code is amended by striking ''26(a), 30C(d)(2),'' and inserting ''30C(d)(2)''.

(J) FOREIGN TAX CREDIT.—Section 904 of such Code is amended by striking subsection (i) and by redesignating subsections (j) , (k), and (l) as subsections (i), (j), and (k), respectively.

(K) FIRST-TIME HOME BUYER CREDIT FOR THE DISTRICT OF COLUMBIA.—Section 1400C(d) of such Code is amended to read as follows:

''(d) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under subpart A of part IV of subchapter A (other than this section and section 25D), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

UNSUSTAINABLE FISCAL PATH

Mr. VOINOVICH. Madam President, since I joined the Senate almost 12 years ago, I have worked to ensure that Congress deals with our country's unsustainable national debt and budgets that are not balanced as far as the eye can see; to do this, we must undertake tax, entitlement and spending reform. As most of my colleagues know, since 2006, I worked conscientiously to create a commission that would undertake this task. My partner in the House was Congressman FRANK WOLF, and we introduced legislation we called Saving America's Future Economy, SAFE, which got 118 House co-sponsors. In the 111th Congress, JOE LIEBERMAN and I introduced the Senate bill and were gathering co-sponsors, then later combined our efforts with Senators CONRAD and GREGG, chair and ranking member of the Senate Budget Committee, to introduce a similar debt and deficit commission bill, which eventually did receive a vote in the Senate.

The Conrad-Gregg bill stipulated that if its commission's recommendations were supported by 14 of its 18 members, it would be fast-tracked for an up-or-down vote in both the House and Senate. One of my biggest disappointments in the Senate is that the Conrad-Gregg bill failed. I believe the reasons for that failure are already known by my colleagues, so I won't revisit that vote. And in any event, as I look back, even if it had passed the Senate, I am not so sure it would have passed the House because many in the Democratic leadership opposed it. Thankfully, sometimes there is good that blows in an ill-wind, and the President created his own debt commission by Executive Order with promises from Speaker PELOSI and Majority Leader REID that they would allow a vote in Congress if 14 of the 18 commissioners supported this commission's recommendations.

As you know, the President's commission, chaired by Alan Simpson and Erskine Bowles, recently released its final report. I am supportive of the commission's proposal, understanding that there would have been a tremendous amount of negotiation if the report they released had been adopted and sent to Congress.

I am encouraged by the fact that 11 of 18 panelists endorsed the report, including my Senate colleagues TOM COBURN, MIKE CRAPO, JUDD GREGG, KENT CONRAD and DICK DURBIN. As far as I am concerned, they and the other commission members who voted in favor of the proposal are true patriots who had the courage to do what is right for our country, and for the future of our children and grandchildren.

As my colleague TOM COBURN said just before the commission's vote, ''The time for action is now. We can't afford to wait until the next election to begin this process. Long before the skyrocketing cost of entitlements cause our national debt to triple and tax rates to double, our economy may collapse under the weight of this burden. We are already near a precipice. In the near future, we could experience a collapse in the value of the dollar, hyperinflation or other consequences that would force Congress to face a set of choices far more painful than those proposed in this plan.'' Fast-tracking the commission's proposal for a vote during this lame-duck session would have shown Americans and the world that the Federal Government is, in fact, deeply concerned about the direction we are headed and is not oblivious.

The thing that is of grave concern to me is that in spite of the commission's hard work, it may be for naught. I think back to the Mack-Breaux Tax Overhaul Commission that President Bush created at my urging. I was pleased to see that many of their recommendations were incorporated by the President's current commission, and I urge my colleagues to look at the executive summary of the Mack-Breaux commission that was given to President Bush in 2005.

Frankly, I thought President Bush would review, tweak, and then send the Mack-Breaux recommendations to Congress. Unfortunately—and I have a great deal of respect for our former President—Congress never received a Presidential tax reform package for its consideration. I am anxious to read his book to see if he explains why he didn't do so. It was a missed opportunity for his administration, but more importantly it was a missed opportunity for the country. In my opinion, we would not be in the predicament we find ourselves in now had we addressed these issues in 2005 or 2006.

And so, here we are in a situation where we are on an unsustainable fiscal course caused by explosive and unchecked growth in spending and entitlement obligations without adequate funding. We have got an outdated tax code that does not sufficiently encourage saving and economic growth, and a skyrocketing national debt that puts our credit-rating in serious jeopardy and should give all of us great pause.

I believe that the American people get it. They recognize that our fiscal situation is in the intensive care unit—on life support.

When speaking, I always ask the audience two questions: First, ''Is your standard of living better than that of your parents?'' They answer yes. The second is, ''Do you believe your children's standard of living will be better than yours?'' The overwhelming answer is no. Sometimes, I also ask whether they think they will see their Social Security when they retire. Almost no one raises their hand, unless they have grey hair like me.

In all of my 74 years I have never seen such fear, uncertainty, and concern about the future. I would also point out that it is not only the American people who think we are oblivious to the looming fiscal crisis; just ask the Europeans, the Chinese, and others

around the globe who fund our spending addiction. Many Americans don't realize that foreign governments hold nearly 50 percent of our public debt, and we are going to ask them to keep on purchasing more. Moreover, many have failed to realize just how bad this spending addiction has gotten. I remember speaking at the Brussels Forum last year, and the Europeans were asking us for more money for NATO. When I pointed out to them that we were borrowing 41 cents for every dollar we spend, a hush fell over the room.

It is time for us to do what needs to be done to fix our country's looming fiscal crisis. So I would like to say to my colleagues that when we vote on the Obama bipartisan tax fix, my vote will be NO. I'm not for any of the compromises. I am not for borrowing another $800 billion dollars from China, Saudi Arabia, and other countries. To the contrary, I agree with David Walker, former Comptroller of the GAO and former President and CEO of the Peter G. Peterson Foundation, who said, ''This 'deal' is not reasonable from an economic, fiscal and social equity perspective. The compromise evidently was 'you give me my tax-cut extensions and more tax cuts, and I'll give you your spending increases.' The result is a bigger bill for our kids, grandkids and future generations of Americans. It's time for Washington to wake up and start dealing with our structural deficits.'' Maya MacGuineas, president of the Committee for a Responsible Federal Budget, had even stronger words: ''This feels more than a bit surreal. On the heels of the work of the White House Fiscal Commission last week on how to get control of the national debt, the White House and Members of Congress choose to engage in a negotiation that involves adding increasingly larger amounts to the debt? It's utterly exasperating.''

Madam President, I feel the exact same way. It's time to stop kicking the can down the road and let these tax provisions expire and, as a result, force Congress and the President to make the tough choices about not only these taxes, but the entire tax and entitlement crisis facing our country. Perhaps then we would have enough anger from our constituents that we would act to reform a tax system that is far too complicated and does not encourage the growth we need. I would like to remind my colleagues that since 1986, there have been over 15,000 changes to the Internal Revenue Code and it costs all of us $240 billion each year to prepare our tax returns. Think of it. If we could simplify the code and make it cheaper to comply even by 50 percent each year, we would save the American taxpayers $120 billion.

If these expiring cuts are not extended, you can count on it that everyone will take an interest in seeing that we finally deal with a broken tax and entitlement system. Then, perhaps, we will finally get the reforms that will get the floundering ship that is our country back on even keel. It will restore people's faith in the future of America as well as give comfort to the rest of the world—especially our creditors—that we are on the path to fiscal responsibility. It's time for us to face up to what needs to be done.

I will not, after working my butt off from the day I got here to address a broken tax and entitlement system, have one of my final votes as a U.S. Senator be to kick the can down the road by extending these tax provisions and assuming that our fiscal ills will be taken care of next year. Because, you know what, if the history of our recent Congress is any indication of what will happen, nothing will get done.

Just a few weeks ago, when the President's commission released its report, we started to gain momentum towards these long-overdue reforms. We need to take advantage of that momentum. I feel like we are coming to the last mile in a marathon, and rather than push through to the end, we are about to turn around and go back.

My 45-year experience in government has been that in the absence of a crisis, the tough, but necessary, measures that need to be taken are not taken. If the tax cuts and other provisions expire, you can count on it that everyone will take an interest in seeing that we finally all come to the table to work to address these fundamental issues. It will restore people's faith in the future of America as well as give comfort that we, our country's leaders, understand the need to put our country on a path to fiscal responsibility.

I have a modest proposal. The President should reconvene the same group of individuals that worked on the Bowles-Simpson commission and insist that they continue their dialogue and put a package together that the President can submit to the 112th Congress as soon as possible.

By the way, where is the President's leadership? The New York Times reported that the Obama administration is considering comprehensive reforms, but other reports indicate that, once again, it's more talk without action because no working groups are in the works, no Executive-Congressional meetings have been scheduled. The President needs to get his key folks back to the table with Congress to see if they can't come up with some sort of compromise based on the best commonsense, reasonable, and fiscally responsible proposals that we've heard from his Commission.

And so, to my friends that will remain in the Senate for the 112th Congress, and to those that will be new to this body, God bless you. You have the future of our Nation and the future of my children and grandchildren in your hands.

During my time in office, I have tried my best. I have tried my very best. I am pleased with some of the progress that we've made, but believe-you-me, for someone who's been in government service for 45 years, as I have already said, nothing happens unless you have a crisis. So that's what we need. A crisis that says now is the time to deal with tax and entitlement reform; now is the time to deal with budget reform; now is the time to curb our spending addiction and growing national debt; now is the time to balance our budgets.

Madam President, I pray that the Holy Spirit will inspire my colleagues to make the right decisions for our country's future. I pray that the results between now and the end of the year will not be another ''kick the can down the road-we'll take care of it later,'' scenario. Madam President, my time in public office has run out, and from my perspective, so has the country's. Our national debt is one of the most important problems we face. Our failure to begin to address this fiscal crisis now will damage our economy, our national and domestic security, and the kind of future we leave to our children and grandchildren.

NOMINATION OF DARRELL BELL

Mr. BAUCUS. Madam President, I rise today in strong support of President Obama's nominee Darrell Bell for U.S. Marshal for the District of Montana, and I call on my colleagues to support his confirmation. As the former police chief for the City of Billings—Montana's largest community—Darrell possesses the qualities necessary to lead Montana's U.S Marshal's Office. For the last 3½ decades, Darrell has served Montana's law enforcement community with passion and expertise. Since 2006, Darrell has served as a criminal investigator for the Montana Department of Justice, Gambling Control Division.

Darrell served over 30 years with the Billings Police Department, including 5 as the Deputy Chief of Police. Originally from Joliet, Darrell graduated from the Montana Law Enforcement Academy and began his career with the Billings Police Department as a patrolman in 1974. Working his way up the ranks, Darrell has served as a sergeant and then lieutenant of Operations Division as well as captain for the Investigations, Training, and Support Services Division. Upon the request of Billings city administrator in 2005, then-Deputy Chief of Police Bell stepped in to become the Interim Chief of Police. Darrell has served Montana and his community on the executive boards for high-intensity drug trafficking areas and the Montana chiefs of police.

Darrell has a proven track record of bringing folks together, working with local, State, and Federal law enforcement officials to provide a safe environment for Montana's communities. Darrell's experience and leadership in law enforcement will truly be an asset for Montana's U.S. Marshal's Office. Mr. President, I congratulate Darrell on his nomination, in recognition of his continued service to the State of Montana, and I urge the Senate to confirm Darrell Bell's nomination.

TRIBUTE TO MARY MAUGHAN

Mr. BENNETT. Madam President, as I leave the Senate, I want to recognize one staffer in particular, Ms. Mary Maughan. Mary has served for 18 years on my Utah staff. Mary also worked with me on my first campaign for the Senate in 1992. She was the second I person hired on that campaign and has been a loyal and trusted advisor ever since.

Mary brought to my office vast experience, which provided a solid foundation for her service on my staff during my time in the Senate. She was raised in a military family as an Air Force ''brat'' and consequently built a deep understanding of military culture and operations. Later, as a Foreign Service officer with the Department of State, she spent 18 months in Vietnam during the war and expanded her personal experience and expertise while working in civilian and military-support offices at both provincial and regional levels. She added to her resume with further experience in Washington, where she focused on Middle Eastern issues as the Iraqi desk officer at the Department of State. She also did temporary duty working on Israeli affairs at the Department of Commerce. Embassy duty in Europe and professional and personal travel in significant and volatile areas of the world helped expand her international credentials.

Mary put these credentials to work as part of my Senate staff. She specialize in military and veterans affairs, Department of State and other international issues, as well as homeland security, Department of Justice, and other related programs. Her expertise and fine performance eventually helped her to advance to the position of senior adviser.

I thank Mary for her tireless dedication to the people of Utah and her loyalty and honorable service as a member of my staff for almost two decades. It is with sincere appreciation and gratitude that I congratulate her on her retirement. I look forward to continuing our association in the years to come.

IOWA CITY WEST HIGH SCHOOL

Mr. GRASSLEY. Madam President, I would like to congratulate the students from Iowa City West High School who will participate in the We the People: The Citizen and the Constitution national finals in Washington, DC. More than 1,200 students from across the United States will visit Washington, DC to take part in the national finals of We the People: The Citizen and the Constitution, the most extensive educational program in the country developed specifically to educate young people about the U.S. Constitution and Bill of Rights. The We the People program run by the Center for Civic Education, with the help of Federal funding, provides an outstanding curriculum that promotes civic competence and responsibility among elementary and secondary students.

I am proud to announce that the students from Iowa City West High School, through their knowledge of the U.S. Constitution, won the State competition and thus were given the distinction of representing Iowa in the national finals.

While in Washington, the students will participate in a three-day academic competition that simulates a congressional hearing in which they ''testify'' before a panel of judges. Students demonstrate their knowledge and understanding of constitutional principles and have opportunities to evaluate, take, and defend positions on relevant historical and contemporary issues. In the end, students take away a solid understanding of the origin of American constitutional democracy as well as the contemporary relevance of our founding documents and ideals. In short, it produces better citizens.

I would like to personally recognize the Iowa City West students who are on the team that will represent Iowa in the national finals, Guo Chen, Jinny Guo, Yelena Shabelnik, John Alatalo, Cole Anderson, Bennett Mueller, Rebecca Wen, Elizabeth Wang, Evan Davis, Eleanor Marshall, Margaret Shultz, Katherine Yang, Trevor Clinkenbeard, Mark Mellecker, Brad Ockenfels, Ray Ockenfels, Nik Hlebotwitsh, Sara McAndrew, Jessica Sheldon, Asya Bergal, Joe Henderson, Hilah Kohen, Jacob Larson, Elizabeth Vandenberg, and teacher Gary Neuzil.

I wish these students the best of luck at the We the People national finals and applaud their outstanding achievement.

ADDITIONAL STATEMENTS

COLORADO KIDS' MEDAL OF HONOR RECIPIENTS

● Mr. BENNET. Madam President, today I wish to honor two young heroes from Colorado, who will receive the organization 9-1-1 for Kids' Medal of Honor this week. The medal is bestowed on a young person who distinguishes himself or herself by calling 9-1-1 in an emergency and helps save someone's life or report a crime. An award is also presented to the dispatcher who processed the call and provided the appropriate emergency response.

Earlier this year, Nathan Averhoff, a third grader at Leroy Drive Elementary School in Northglenn, and Abigail Vicioso, a third grader at Skyview Elementary School in Thornton, both found themselves in a difficult situation involving one of their parents.

Nathan, who is 9 years old, called the Thornton Communication Center on April 23 when his mom began having a seizure. Dispatcher Edward Coddington answered Nathan's call and stayed on the phone with him for 6 minutes as Nathan provided updates on his mom's condition. Nathan remained calm and said his dad had told him what to do in case of a medical emergency. Once the seizure began to subside, Nathan held his mom's head to avoid further injury. His quick actions meant that there was no delay in seeking medical attention for his mom.

On September 8, 9-year-old Abby called 9-1-1 on her cell phone when she found her mother on the bathroom floor, dizzy, weak and vomiting. Dispatcher Karen Salazar of the city of Thornton 9-1-1 Dispatch Center answered her call. Although Abby was scared and worried about her mom, she answered Karen's questions clearly and calmly, enabling Karen to get the proper emergency assistance to Abby's mom, who was eventually transported to a local hospital.

Both of these kids knew exactly what to do. They didn't panic, and they made sure their moms got the care they needed. They and the dispatchers who helped them serve as a great example of how important it is for kids to know what to do when trouble arises.

The organization 9-1-1 for Kids has made it its mission to ensure that kids of all ages understand the importance and proper use of 9–1–1. It does so by raising awareness through conferences, media outreach, training activities, school events, and by highlighting the stories of kids like Nathan and Abby.

I join all Coloradans in offering our gratitude to dispatchers Edward Coddington and Karen Salazar for their service to their communities and congratulate Nathan and Abby for this award as well as their bravery and calm in the face of an emergency.●

TRIBUTE TO McKENZIE HALEY

● Mr. THUNE. Madam President, today I recognize McKenzie Haley, Miss Rodeo America 2011. McKenzie, a native of my own home State of South Dakota, was crowned Miss Rodeo America on December 4, 2010, at the National Finals Rodeo in Las Vegas, NV. McKenzie holds a long history of rodeo titles including Junior Miss Rodeo South Dakota 2004, South Dakota High School Rodeo Queen 2005–2006, Miss Black Hills Stock Show and Rodeo 2009, before being crowned Miss Rodeo South Dakota in July of 2009.

McKenzie will spend the next year attending more than 100 rodeos across the United States promoting and serving as a spokesperson for the sport of rodeo. McKenzie is a true ambassador and shining example of South Dakota spirit and values. I wish her all the best and congratulate her on her accomplishments as she embarks on her exciting journey as Miss Rodeo America 2011.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Pate, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 4023. A bill to provide for the repeal of the Department of Defense policy concerning homosexuality in the Armed Forces known as ''Don't Ask, Don't Tell''.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–8453. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Bulk Solid Hazardous Materials: Harmonization with the International Maritime Solid Bulk Cargoes (IMSBC) Code'' ((RIN1625–AB47) (Docket No. USCG–2009–0091)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8454. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Regulated Navigation Area; Greenville Bridge Demolition, Lower Mississippi River Mile 531.3, AR, MS'' ((RIN1625–AA11) (Docket No. USCG–2010–0693)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8455. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Special Local Regulations for Marine Events; Wrightsville Channel, Wrightsville Beach, NC'' ((RIN1625–AA08) (Docket No. USCG–2010–0813)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8456. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Operation Regulation; Arkansas Waterway, Pine Bluff, AR'' ((RIN1625–AA09) (Docket No. USCG–2010–0441)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8457. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Vessel Traffic Service Lower Mississippi River'' ((RIN1625–AA58) (Docket No. USCG–1998–4399)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8458. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone: Passenger Vessels, Sector Southeastern New England Captain of the Port Zone'' ((RIN1625–AA87) (Docket No. USCG–2010–0864)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8459. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Great Mississippi Balloon Race and Fireworks Safety Zone; Lower Mississippi River, Mile Marker 365.5 to Mile Marker 363, Natchez, MS'' ((RIN1625–AA00) (Docket No. USCG–2010–0873)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8460. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Special Local Regulations for Marine Events; Patuxent River, Solomons, MD'' ((RIN1625–AA08) (Docket No. USCG–2010–0383)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8461. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Special Local Regulation; Monongahela River, Pittsburgh, PA'' ((RIN1625–AA08) (Docket No. USCG–2010–0534)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8462. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone; CLS Fall Championship Hydroplane Race, Lake Sammamish, WA'' ((RIN1625–AA00) (Docket No. USCG–2010–0842)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8463. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone; Fireworks for USS GRAVELY Commissioning Ceremony, Cape Fear River, Wilmington, NC'' ((RIN1625–AA00) (Docket No. USCG–2010–0917)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8464. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone: Epic Roasthouse Private Party Firework Display, San Francisco, CA'' ((RIN1625–AA00) (Docket No. USCG–2010–0901)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8465. A communication from the Attorney Advisor, U.S. Coast Guard, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Safety Zones; Temporary Change of Date for Recurring Fireworks Display within the Fifth Coast Guard District, Wrightsville Beach, NC'' ((RIN1625–AA00) (Docket No. USCG–2010–0927)) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8466. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the Commission's sixth annual report on ethanol market concentration; to the Committee on Commerce, Science, and Transportation.

EC–8467. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Oregon; Correction of Federal Authorization of the State's Hazardous Waste Management Program'' (FRL No. 9236–8) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Environment and Public Works.

EC–8468. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Delaware; Limiting Emissions of Volatile Organic Compounds from Portable Fuel Containers'' (FRL No. 9237–9) received in the Office of the President of the Senate on December 9, 2010; to the Committee on Environment and Public Works.

EC–8469. A communication from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the annual report of the Fish and Wildlife Service on reasonably identifiable expenditures for the conservation of endangered and threatened species for fiscal year 2009; to the Committee on Environment and Public Works.

EC–8470. A communication from the Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to revision of U.S. Munitions List Category VII; to the Committee on Foreign Relations.

EC–8471. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the Semi-Annual Report of the Inspector General for the period from April 1, 2010 through September 30, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8472. A communication from the Officer for Civil Rights and Civil Liberties, Department of Homeland Security, transmitting, pursuant to law, a report entitled ''Report to Congress on the Department of Homeland Security Office for Civil Rights and Civil Liberties Fiscal Year 2009 and Fourth Quarter 2009''; to the Committee on Homeland Security and Governmental Affairs.

EC–8473. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Technical Amendments'' (FAC 2005–47) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8474. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Limitation on Pass-Through Charges'' (RIN9000–AL27) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8475. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Uniform Suspension and Debarment Requirement'' (RIN9000–AL75) received in the Office of the President of the Senate on December 10, 2010; to the Committee on

Homeland Security and Governmental Affairs.

EC–8476. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Small Disadvantaged Business Self-Certification'' (RIN9000–AL77) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8477. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Preventing Abuse of Interagency Contracts'' (RIN9000–AL69) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8478. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; HUBZone Program Revisions'' (RIN9000–AL18) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8479. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Federal Acquisition Circular 2005–47; Small Entity Compliance Guide'' (FAC 2005–47) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8480. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Federal Acquisition Circular 2005–47; Introduction'' (FAC 2005–47) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8481. A communication from the Senior Procurement Executive, Office of Acquisition Policy, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Acquisition Regulation; Notification of Employee Rights under the National Labor Relations Act'' (RIN9000–AL76) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8482. A communication from the Secretary of Education, transmitting, pursuant to law, the Semiannual Report from the Office of the Inspector General for the period from April 1, 2010 through September 30, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8483. A communication from the Administrator of the Small Business Administration, transmitting, pursuant to law, the Semiannual Report from the Office of the Inspector General for the period from April 1, 2010 through September 30, 2010; to the Committee on Homeland Security and Governmental Affairs.

EC–8484. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the Semi-Annual Report of the Inspector General for the period from April 1, 2010 through September 30, 2010 and the Semi-Annual Report of the Treasury Inspector General for Tax Administration; to the Committee on Homeland Security and Governmental Affairs.

EC–8485. A communication from the Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Interim Final Rule for Reporting Pre-Enactment Swap Transactions'' ((17 CFR Part 44)(RIN3038–AD24)) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8486. A communication from the Chief Counsel of the Fiscal Service, Bureau of Public Debt, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Regulations Governing Book-Entry Treasury Bonds, Notes and Bills Held in Legacy Treasury Direct'' (31 CFR Part 363) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Banking, Housing, and Urban Affairs.

EC–8487. A communication from the Chief of Staff, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Implementation of Section 203 of the Satellite Television Extension and Localism Act of 2010 (STELA)'' (MB Docket No. 08–148 and 05–49) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Commerce, Science, and Transportation.

EC–8488. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Tier I Issue—Industry Director Directive No. 2 Proper Treatment of Upfront Fees, Milestone Payments, Royalties and Deferred Income upon entering into a Collaboration Agreement in the Biotech and Pharmaceutical Industries'' (Uniform List No. 263.13–02) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Finance.

EC–8489. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Update of Weighted Average Interest Rates, Yield Curves, and Segment Rates'' (Notice 2010–93) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Finance.

EC–8490. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Source of Income from Qualified Fails Charges'' (RIN1545–BJ85) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Finance.

EC–8491. A communication from the Director of the Policy Issuances Division, Food Safety and Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Uniform Compliance Date for Food Labeling Regulations'' (RIN0583–AD33) received in the Office of the President of the Senate on December 10, 2010; to the Committee on Health, Education, Labor, and Pensions.

ADDITIONAL COSPONSORS

S. 1709

At the request of Ms. STABENOW, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1709, a bill to amend the National Agricultural Research, Extension, and Teaching Policy Act of 1977 to establish a grant program to promote efforts to develop, implement, and sustain veterinary services, and for other purposes.

S. 3269

At the request of Mrs. GILLIBRAND, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 3269, a bill to provide driver safety grants to States with graduated driver licensing laws that meet certain minimum requirements.

S. 3819

At the request of Mrs. LINCOLN, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of S. 3819, a bill to amend the Internal Revenue Code of 1986 to reduce the mileage threshold for the deduction for National Guard and Reservists' overnight travel expenses.

S. 4023

At the request of Mr. LIEBERMAN, the names of the Senator from North Carolina (Mrs. HAGAN), the Senator from New York (Mr. SCHUMER), the Senator from Maryland (Ms. MIKULSKI), the Senator from Washington (Ms. CANTWELL), the Senator from Pennsylvania (Mr. CASEY), the Senator from Vermont (Mr. SANDERS), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Michigan (Ms. STABENOW), the Senator from Minnesota (Ms. KLOBUCHAR), the Senator from New Hampshire (Mrs. SHAHEEN), the Senator from Pennsylvania (Mr. SPECTER) and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 4023, a bill to provide for the repeal of the Department of Defense policy concerning homosexuality in the Armed Forces known as ''Don't Ask, Don't Tell''.

At the request of Mr. LEVIN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 4023, supra.

S. RES. 680

At the request of Mr. KERRY, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. Res. 680, a resolution supporting international tiger conservation efforts and the upcoming Global Tiger Summit in St. Petersburg, Russia.

AMENDMENT NO. 4761

At the request of Ms. LANDRIEU, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Alabama (Mr. SHELBY) were added as cosponsors of amendment No. 4761 intended to be proposed to H.R. 4853, a bill to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

AMENDMENT NO. 4763

At the request of Mr. BROWN of Ohio, the name of the Senator from Mississippi (Mr. WICKER) was added as a

cosponsor of amendment No. 4763 intended to be proposed to H.R. 4853, a bill to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4764. Mr. COBURN (for himself, Mr. BURR, Mr. CHAMBLISS, and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table.

SA 4765. Mr. COBURN (for himself, Mr. BURR, Mr. CHAMBLISS, and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4766. Mr. THUNE submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4767. Mrs. HUTCHISON (for herself and Mr. CORNYN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4768. Mr. BROWN of Ohio (for himself and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4769. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4770. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4771. Mr. CASEY submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4772. Mr. BEGICH submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4773. Ms. STABENOW (for herself, Mr. BEGICH, Mrs. SHAHEEN, and Mr. BROWN of Ohio) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4774. Ms. STABENOW submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4775. Ms. STABENOW (for herself, Mr. BINGAMAN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. CARPER, Mr. SCHUMER, Mr. COONS, Mrs. SHAHEEN, Mr. PRYOR, Mrs. BOXER, Ms. CANTWELL, Mr. LEVIN, Mr. DORGAN, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4776. Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4777. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4778. Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4779. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4780. Mr. WARNER (for himself and Mr. CHAMBLISS) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4781. Mrs. MURRAY (for herself and Ms. CANTWELL) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4782. Mr. MENENDEZ (for himself and Mr. BAYH) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4783. Mr. BINGAMAN (for himself and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4784. Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4785. Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4786. Mr. WYDEN (for himself, Mr. COONS, Ms. CANTWELL, Mr. BEGICH, Mr. CARDIN, Ms. STABENOW, Mr. MENENDEZ, and Mr. LAUTENBERG) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4787. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4788. Mr. NELSON of Florida submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4789. Mr. DORGAN (for himself and Mr. MERKLEY) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4790. Mrs. FEINSTEIN (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4791. Mrs. FEINSTEIN (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4792. Mrs. FEINSTEIN (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4793. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4794. Mr. MERKLEY (for himself, Mr. FRANKEN, Mr. LEVIN, Mr. UDALL of Colorado, Mr. AKAKA, and Mr. BEGICH) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4795. Mr. BROWN of Ohio submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4796. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4797. Mrs. LINCOLN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4798. Mrs. SHAHEEN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4799. Ms. COLLINS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4800. Mr. COONS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, supra; which was ordered to lie on the table.

SA 4801. Mr. DURBIN (for Mr. LEAHY (for himself and Mr. HATCH)) proposed an amendment to the bill H.R. 628, to establish a pilot program in certain United States district courts to encourage enhancement of expertise in patent cases among district judges.

SA 4802. Mr. Durbin (for Mr. AKAKA) proposed an amendment to the bill S. 3447, to amend title 38, United States Code, to improve educational assistance for veterans who served in the Armed Forces after September 11, 2001, and for other purposes.

SA 4803. Mr. ENSIGN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to

amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4764. Mr. COBURN (for himself, Mr. BURR, Mr. CHAMBLISS, and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE IX—RESCISSIONS

SEC. 900. TABLE OF CONTENTS OF TITLE.

The table of contents of this title is as follows:

SEC. 901. 15 PERCENT REDUCTION IN APPROPRIATIONS TO THE EXECUTIVE OFFICE OF THE PRESIDENT AND CONGRESS.

(a) RESCISSIONS.—

(1) IN GENERAL.—There is rescinded an amount equal to 15 percent of the budget authority provided for any discretionary account in appropriations to the Legislative Branch for fiscal year 2011.

(2) PROPORTIONATE APPLICATION.—Any rescission made by paragraph (1) shall be applied proportionately—

(A) to each discretionary account and each item of budget authority described in such paragraph; and

(B) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President's budget).

(3) EXCEPTION.—This subsection shall not apply to appropriations under the heading ''CAPITOL POLICE''.

(4) ADMINISTRATION OF ACROSS-THE-BOARD REDUCTIONS.—In the administration of paragraph (1), with respect to the budget authority provided under the heading ''SENATE'' in—

(A) the percentage rescissions under paragraph (1) shall apply to the total amount of all funds appropriated under that heading; and

(B) the rescissions may be applied without regard to paragraph (2).

(b) APPROPRIATIONS TO THE EXECUTIVE OFFICE OF THE PRESIDENT.—Notwithstanding any other provision of law, the total amount of funds appropriated to the appropriations account under the heading under the heading ''EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT'' for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated to that account for fiscal year 2011 after application of the rescission under subsection (a).

(c) APPROPRIATIONS TO CONGRESS.—Notwithstanding any other provision of law, the total amount of funds appropriated under the headings ''SENATE'' and ''HOUSE OF REPRESENTATIVES'' for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated under those headings for fiscal year 2011 after application of the rescission under subsection (a).

SEC. 902. NO COST OF LIVING ADJUSTMENT IN PAY OF MEMBERS OF CONGRESS.

Notwithstanding any other provision of law, no adjustment shall be made under section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) (relating to cost of living adjustments for Members of Congress) during fiscal years 2012, 2013, and 2014.

SEC. 903. FREEZE ON COST OF FEDERAL EMPLOYEES (INCLUDING CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE) SALARIES.

Notwithstanding any other provision of law, the total amount of funds expended on salaries for civilian employees of the Federal Government, including civilian employees of the Department of Defense, for fiscal year 2011, fiscal year 2012, and fiscal year 2013 shall not exceed the total costs for such salaries in fiscal year 2010: *Provided,* That the amounts spent on salaries of members of the armed forces are exempt from the provisions of this subsection: *Provided further,* That nothing in this subsection prohibits an employee from receiving an increase in salary or other compensation so long as such an increase does not increase an agency's net expenditures for employee salaries.

SEC. 904. REDUCTION IN THE NUMBER OF FEDERAL EMPLOYEES.

(a) DEFINITION.—In this section, the term ''agency'' means an executive agency as defined under section 105 of title 5, United States Code.

(b) DETERMINATION OF NUMBER OF EMPLOYEES.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall determine the number of full-time employees employed in each agency. The head of each agency shall cooperate with the Director of the Office of Management and Budget in making the determinations.

(c) REDUCTIONS.—Notwithstanding any other provision of law, the head of each agency shall take such actions as necessary, including a reduction in force under sections 3502 and 3595 of title 5, United States Code, to reduce the number of full-time employees employed in that agency as determined under subsection (b) by 10 percent not later than October 1, 2020.

(d) REPLACEMENT HIRE RATE.—In implementing subsection (c), the head of each agency may hire no more than 2 employees in that agency for every 3 employees who leave employment in that agency during any fiscal year.

SEC. 905. LIMITATION ON GOVERNMENT PRINTING COSTS.

Not later than 180 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall coordinate with the heads of Federal departments and independent agencies to—

(a) determine which Government publications could be available on Government websites and no longer printed and to devise a strategy to reduce overall Government

printing costs over the 10-year period beginning with fiscal year 2011, except that the Director shall ensure that essential printed documents prepared for social security recipients, medicare beneficiaries, and other populations in areas with limited internet access or use continue to remain available;

(b) establish government-wide Federal guidelines on employee printing;

(c) issue on the Office of Management and Budget's public website the results of a cost-benefit analysis on implementing a digital signature system and on establishing employee printing identification systems, such as the use of individual employee cards or codes, to monitor the amount of printing done by Federal employees; except that the Director of the Office of Management and Budget shall ensure that Federal employee printing costs unrelated to national defense, homeland security, border security, national disasters, and other emergencies do not exceed $860,000,000 annually; and

(d) issue guidelines requiring every department, agency, commission or office to list at a prominent place near the beginning of each publication distributed to the public and issued or paid for by the Federal Government—

(1) the name of the issuing agency, department, commission or office;

(2) the total number of copies of the document printed;

(3) the collective cost of producing and printing all of the copies of the document; and

(4) the name of the firm publishing the document.

SEC. 906. LIMITATION OF GOVERNMENT TRAVEL COSTS.

(a) IN GENERAL.—Within 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget, in consultation with the heads of the Federal departments and agencies, shall establish a definition of ''nonessential travel'' and criteria to determine if travel-related expenses and requests by Federal employees meet the definition of ''nonessential travel''. No travel expenses paid for, in whole or in part, with Federal funds shall be paid by the Federal Government unless a request is made prior to the travel and the requested travel meets the criteria established by this section. Any travel request that does not meet the definition and criteria shall be disallowed, including reimbursement for air flights, automobile rentals, train tickets, lodging, per diem, and other travel-related costs. The definition established by the Director of the Office of Management and Budget may include exemptions in the definition, including travel related to national defense, homeland security, border security, national disasters, and other emergencies. The Director of the Office of Management and Budget shall ensure that all travel costs paid for in part or whole by the Federal Government not related to national defense, homeland security, border security, national disasters, and other emergencies do not exceed $5,000,000,000 annually.

(b) RESCISSIONS.—

(1) DEFINITIONS.—In this subsection—

(A) the term ''agency''—

(i) means an executive agency as defined under section 105 of title 5, United States Code; and

(ii) does not include the Department of Defense; and

(B) the term ''travel expense amount'' means, with respect to each agency, an amount equal to 20 percent of all funds expended by that agency on travel expenses during fiscal year 2010.

(2) IN GENERAL.—There is rescinded a travel expense amount from appropriations made for fiscal year 2011 in each agency appropriations account providing for travel expenses.

(3) FREEZE.—Notwithstanding any other provision of law, the total amount of funds appropriated to the appropriations account providing for travel expenses for each agency for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated to that account for fiscal year 2011 after application of the rescission under paragraph (2).

SEC. 907. REDUCTION IN FEDERAL VEHICLE COSTS.

Notwithstanding any other provision of law—

(a) of the amounts made available to the General Services Administration for the acquisition of new vehicles for the Federal fleet for fiscal year 2011 and remaining unobligated as of the date of enactment of this Act, an amount equal to 20 percent of all such amounts is rescinded;

(b) for fiscal year 2012 and each fiscal year thereafter—

(1) the amount made available to the General Services Administration for the acquisition of new vehicles for the Federal fleet shall not exceed an amount equal to 80 percent of the amount made available for the acquisition of those vehicles for fiscal year 2011 (before application of subsection (a)); and

(2) the number of new vehicles acquired by the General Services Administration for the Federal fleet shall not exceed a number equal to 50 percent of the vehicles so acquired for fiscal year 2011; and

(c) any amounts made available under Public Law 111–5 for the acquisition of new vehicles for the Federal fleet shall be disregarded by for purposes of determining the baseline.

SEC. 908. SALE OF EXCESS FEDERAL PROPERTY.

(a) IN GENERAL.—Chapter 5 of subtitle I of title 40, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

''§ 621. Definitions

''In this subchapter:

''(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.

''(2) LANDHOLDING AGENCY.—The term 'landholding agency' means a landholding agency (as defined in section 501(i) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411(i))).

''(3) REAL PROPERTY.—

''(A) IN GENERAL.—The term 'real property' means—

''(i) a parcel of real property under the administrative jurisdiction of the Federal Government that is—

''(I) excess;

''(II) surplus;

''(III) underperforming; or

''(IV) otherwise not meeting the needs of the Federal Government, as determined by the Director; and

''(ii) a building or other structure located on real property described in clause (i).

''(B) EXCLUSION.—The term 'real property' excludes any parcel of real property, and any building or other structure located on real property, that is to be closed or realigned under the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note; Public Law 100–526).

''§ 622. Disposal program

''(a) IN GENERAL.—Except as provided in subsection (e), the Director shall, by sale or auction, dispose of a quantity of real property with an aggregate value of not less than $15,000,000,000 that, as determined by the Director, is not being used, and will not be used, to meet the needs of the Federal Government for the period of fiscal years 2010 through 2015.

''(b) RECOMMENDATIONS.—The head of each landholding agency shall recommend to the Director real property for disposal under subsection (a).

''(c) SELECTION OF PROPERTIES.—After receiving recommendations of candidate real property under subsection (b), the Director—

''(1) with the concurrence of the head of each landholding agency, may select the real property for disposal under subsection (a); and

''(2) shall notify the recommending landholding agency head of the selection of the real property.

''(d) WEBSITE.—The Director shall ensure that all real properties selected for disposal under this section are listed on a website that shall—

''(1) be updated routinely; and

''(2) include the functionality to allow any member of the public, at the option of the member, to receive updates of the list through electronic mail.

''(e) TRANSFER OF PROPERTY.—The Director may transfer real property selected for disposal under this section to the Department of Housing and Urban Development if the Secretary of Housing and Urban Development determines that the real property is suitable for use in assisting the homeless.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of subtitle I of title 40, United States Code, is amended by inserting after the item relating to section 611 the following:

''SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

''Sec. 621. Definitions.

''Sec. 622. Disposal program.''.

SEC. 909. TEN PERCENT REDUCTION IN VOLUNTARY CONTRIBUTIONS TO THE UNITED NATIONS.

Notwithstanding any other provision of law, of the funds appropriated or otherwise made available for fiscal year 2011, voluntary contributions to the United Nations paid by the United States shall not exceed an amount that is 10 percent less than the amount provided in fiscal year 2010.

SEC. 910. LOW-PRIORITY CONSTRUCTION PROJECTS OF CORPS OF ENGINEERS.

(a) TERMINATION OF AUTHORITY.—The authority to carry out low-priority construction projects of the Corps of Engineers is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for low-priority construction projects of the Corps of Engineers that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the projects referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects described in paragraph (1), as determined by the Secretary of the Army, in consultation with other appropriate Federal agencies.

SEC. 911. TEN PERCENT REDUCTION IN INTERNATIONAL DEVELOPMENT AND HUMANITARIAN ASSISTANCE FUNDING.

Notwithstanding any other provision of law, of the funds appropriated or otherwise made available for fiscal year 2011, international development and humanitarian assistance expenditures of the United States shall not exceed an amount that is 10 percent less than the amount provided in fiscal year 2010.

SEC. 912. ELIMINATION OF THE SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES PROGRAM.

(a) REPEAL.—Part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.) is repealed.

(b) RECISION OF FUNDS.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Safe and Drug-Free Schools and Communities Program under part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 913. RESCISSION OF AMOUNTS FOR ECONOMIC DEVELOPMENT ADMINISTRATION.

Notwithstanding any other provision of law—

(1) all amounts made available for programs, activities, and grants of the Economic Development Administration that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs, activities, and grants referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating such programs, activities, and grants, as determined by the Secretary of Commerce, in consultation with other appropriate Federal agencies.

SEC. 914. DEPARTMENT OF JUSTICE WASTEFUL ACTIVITIES.

Notwithstanding any other provision of law, 5 percent of all unobligated balances held by the Attorney General as of the date of enactment of this Act are rescinded to eliminate wasteful activities of the Department of Justice.

SEC. 915. RESCISSION OF AMOUNTS FOR HOLLINGS MANUFACTURING PARTNERSHIP PROGRAM AND BALDRIDGE PERFORMANCE EXCELLENCE PROGRAM.

Notwithstanding any other provision of law—

(1) all amounts made available for the Hollings Manufacturing Partnership Program and the Baldridge Performance Excellence Program that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under such programs, as determined by the Secretary of Commerce, in consultation with other appropriate Federal agencies.

SEC. 916. FOSSIL FUEL APPLIED RESEARCH.

(a) TERMINATION OF AUTHORITY.—The authority of the Secretary of Energy to carry out fossil fuel applied research is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for fossil fuel applied research described in subsection (a) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for research referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing research described in paragraph (1), as determined by the Secretary of Energy, in consultation with other appropriate Federal agencies.

SEC. 917. CORPORATION FOR PUBLIC BROADCASTING.

Notwithstanding any other provision of law, the portion of all unobligated balances held by the Corporation for Public Broadcasting that consists of Federal funds are rescinded and no Federal funds appropriated hereafter for the Corporation for Public Broadcasting shall be obligated or expended by such Corporation.

SEC. 918. FIFTEEN PERCENT REDUCTION IN FISCAL YEAR 2011 FUNDING FOR THE DEPARTMENT OF DEFENSE FOR PROCUREMENT.

Notwithstanding any other provision of law, the amount available to the Department of Defense for fiscal year 2011 for procurement is the amount equal to the aggregate amount otherwise authorized to be appropriated to the Department for that fiscal year for procurement minus an amount equal to 15 percent of such aggregate amount.

SEC. 919. TEN PERCENT REDUCTION IN FISCAL YEAR 2011 FUNDING FOR THE DEPARTMENT OF DEFENSE FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

Notwithstanding any other provision of law, the amount available to the Department of Defense for fiscal year 2011 for research, development, test, and evaluation is the amount equal to the aggregate amount otherwise authorized to be appropriated to the Department for that fiscal year for research, development, test, and evaluation minus an amount equal to 10 percent of such aggregate amount.

SEC. 920. REDUCTION IN DEPARTMENT OF DEFENSE SPENDING IN SUPPORT OF MILITARY INSTALLATIONS.

The Secretary of Defense shall reduce the amount obligated or expended in support of military installations through the reduction or elimination of waste, fraud, and abuse attributable to programs and activities related to such support.

SEC. 921. RESCISSION OF DIPLOMATIC AND CONSULAR PROGRAMS FUNDING.

Ten percent of the funds appropriated or otherwise made available to the Secretary of State for diplomatic and consular programs and available for obligation as of the date of the enactment of this Act is hereby rescinded.

SEC. 922. ELIMINATION OF PROGRAM TO PAY INSTITUTIONS OF HIGHER EDUCATION FOR ADMINISTRATIVE EXPENSES RELATING TO STUDENT AID PROGRAM.

(a) REPEAL.—Section 489 of the Higher Education Act of 1965 (20 U.S.C. 1096) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for payments to institutions of higher education under section 489 of the Higher Education Act of 1965 (20 U.S.C. 1096), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such payments shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 923. ELIMINATION OF GRANTS TO LARGE AND MEDIUM HUB AIRPORTS UNDER AIRPORT IMPROVEMENT PROGRAM.

Notwithstanding any provision of subchapter I of chapter 471 of title 49, United States Code, or any other provision of law—

(1) no large hub airport or medium hub airport (as those terms are defined in section 47102 of such title) may receive a grant under the airport improvement program under such subchapter;

(2) all amounts made available for grants to large hub airports or medium hub airports under the airport improvement program that remain unobligated as of the date of the enactment of this Act are rescinded; and

(3) no amounts made available after the date of the enactment of this Act for grants to large hub airports or medium hub airports under the airport improvement program shall be obligated or expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Transportation, in consultation with other appropriate Federal agencies.

SEC. 924. CONSOLIDATE ALL FEDERAL FIRE MANAGEMENT PROGRAMS AND REDUCING FUNDING BY 10 PERCENT.

(a) CONSOLIDATION.—Notwithstanding any other provision of law, the Secretary of Homeland Security shall consolidate all fire management programs carried out under laws administered by the Secretary.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) of amounts made available for programs consolidated under subsection (a), the lesser of 10 percent of such amounts, on the one hand, and the amount of such amounts that remain unobligated as of the date of enactment of this Act, on the other hand, are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating or reducing ongoing projects and activities under such programs, as determined by the Secretary of Homeland Security, in consultation with other appropriate Federal agencies.

SEC. 925. HIGH-ENERGY COST GRANT PROGRAM.

(a) REPEAL.—Section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the program carried out under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating the program described in paragraph (1), as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 926. RESOURCE CONSERVATION AND DEVELOPMENT PROGRAMS.

(a) TERMINATION OF AUTHORITY.—The authority to carry out the resource conservation and development program of the Natural Resources Conservation Service of the Department of Agriculture is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the resource conservation and development program of the Natural Resources Conservation Service of the Department of Agriculture (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 927. REPEAL OF LEAP.

(a) REPEAL OF LEAP.—Subpart 4 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Leveraging Educational Assistance Partnership Program under subpart 4 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such program shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 928. ELIMINATION OF THE B.J. STUPAK OLYMPIC SCHOLARSHIPS PROGRAM.

(a) REPEAL.—Section 1543 of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the B.J. Stupak Olympic Scholarships program under section 1543 of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 929. REPEAL OF ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.

(a) REPEAL OF LEAP.—Subpart 6 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Robert C. Byrd Honors Scholarship Program under subpart 6 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such program shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 930. ELIMINATION OF THE HISTORIC WHALING AND TRADING PARTNERS PROGRAM.

(a) REPEAL.—Subpart 12 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7265 et seq.) is repealed.

(b) RECISION OF FUNDS.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Educational, Cultural, Apprenticeship, and Exchange Programs for Alaska Natives, Native Hawaiians, and Their Historical Whaling and Trading Partners in Massachusetts under subpart 12 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7265 et seq.), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 931. ELIMINATION OF THE UNDERGROUND RAILROAD EDUCATIONAL AND CULTURAL PROGRAM.

(a) REPEAL.—Section 841 of the Higher Education Amendments of 1998 (20 U.S.C. 1153) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Underground Railroad educational and cultural program under section 841 of the Higher Education Amendments of 1998 (20 U.S.C. 1153), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 932. BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE.

(a) IN GENERAL.—Notwithstanding section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5309(q)) or any other provision of law, the Secretary of Housing and Urban Development may not make any competitive economic development grants, as otherwise authorized by section 108(q) of that Act, for Brownfields redevelopment projects.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for grants described in subsection (a) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for grants described in subsection (a) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those grants, as determined by the Secretary of Housing and Urban Development, in consultation with other appropriate Federal agencies.

SEC. 933. ELECTION REFORM GRANTS.

(a) TERMINATION OF AUTHORITY.—The authority to make requirements payments to States under part 1 of subtitle D of title II of the Help America Vote Act of 2002 (42 U.S.C. 15401 et seq.) is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for such requirements payments (as of the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for such requirements payments shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities using such requirements payments, as determined by the Administrator of General Services, in consultation with other appropriate Federal agencies.

SEC. 934. ELECTION ASSISTANCE COMMISSION.

(a) TERMINATION OF AUTHORITY.—The Election Assistance Commission established under section 201 of the Help America Vote Act of 2002 (42 U.S.C. 15321) is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Election Assistance Commission (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the Commission described in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities of the Commission, as determined by the Administrator of General Services, in consultation with other appropriate Federal agencies.

SEC. 935. EMERGENCY OPERATIONS CENTER GRANT PROGRAM.

(a) TERMINATION.—Section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Homeland Security for the emergency operations center grant program under section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by the Secretary of Homeland Security, in consultation with the appropriate Federal agencies.

SEC. 936. ELIMINATION OF HEALTH CARE FACILITIES AND CONSTRUCTION PROGRAM.

Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Health and Human Services for health care facilities and construction are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 937. HIGH PRIORITY SURFACE TRANSPORTATION PROJECTS.

(a) IN GENERAL.—Section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1256) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for high priority projects under section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1256) (before the amendment made by subsection (a)) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for high priority projects described in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those projects, as determined by the Secretary of Transportation, in consultation with other appropriate Federal agencies.

SEC. 938. SAVE AMERICA'S TREASURES PROGRAM; PRESERVE AMERICA PROGRAM.

(a) REPEALS.—Sections 7302 and 7303 of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 469n, 469o) are repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Save America's Treasures Program or Preserve America Program that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those programs, as determined by the Secretary of the Interior in consultation with other appropriate Federal agencies.

SEC. 939. TARGETED WATER INFRASTRUCTURE GRANTS.

(a) TERMINATION OF AUTHORITY.—The Targeted Watershed Grants Program and the U.S.–Mexico Border Water Infrastructure Program of the Environmental Protection Agency are terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Targeted Watershed Grants Program and the U.S.–Mexico Border Water Infrastructure Program of the Environmental Protection Agency (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) (as so in existence) shall be expended, other than such

amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those programs, as determined by the Administrator of the Environmental Protection Agency, in consultation with other appropriate Federal agencies.

SEC. 940. NATIONAL PARK SERVICE CHALLENGE COST SHARE PROGRAM.

(a) TERMINATION OF AUTHORITY.—The authority to provide Department of the Interior Challenge Cost Share Program grants is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Department of the Interior Challenge Cost Share Program (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the Department of the Interior Challenge Cost Share Program shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under the program, as determined by the Secretary of the Interior in consultation with other appropriate Federal agencies.

SEC. 941. TERMINATION OF THE CONSTELLATION PROGRAM OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.

(a) TERMINATION REQUIRED.—The Administrator of the National Aeronautics and Space Administration shall terminate the Constellation Program of the National Aeronautics and Space Administration.

(b) DISPOSITION OF UNOBLIGATED FUNDS.—

(1) RESCISSION.—Except as provided in paragraph (2), any funds available for obligation by the National Aeronautics and Space Administration as of the date of the enactment of this Act for the Constellation Program are hereby rescinded.

(2) AVAILABILITY FOR WIND-UP OF PROGRAM.—Funds described in paragraph (1) may be utilized by the National Aeronautics and Space Administration solely for costs related to the winding-up of the provision of the Constellation Program.

SEC. 942. DELTA HEALTH INITIATIVE.

Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Health and Human Services to carry out the Delta Health Initiative are rescinded and no funds appropriated hereafter for such Initiative shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 943. DEPARTMENT OF AGRICULTURE HEALTH CARE SERVICES GRANT PROGRAM.

(a) TERMINATION OF AUTHORITY.—The authority to carry out any health care services grant program of the Department of Agriculture is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for any health care services grant program of the Department of Agriculture (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 944. ELIMINATION OF LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

(a) REPEAL.—Section 428L of the Higher Education Act of 1965 (20 U.S.C. 1078–12) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Repayment for Civil Legal Assistance Attorneys program under section 428L of the Higher Education Act of 1965 (20 U.S.C. 1078–12), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 945. TARGETED AIR SHED GRANT PROGRAM.

(a) TERMINATION OF AUTHORITY.—The Targeted Air Shed Grant Program of the Environmental Protection Agency is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Targeted Air Shed Grant Program of the Environmental Protection Agency (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) (as so in existence) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Administrator of the Environmental Protection Agency, in consultation with other appropriate Federal agencies.

SA 4765. Mr. COBURN (for himself, Mr. BURR, Mr. CHAMBLISS, and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE IX—RESCISSIONS

SEC. 900. TABLE OF CONTENTS OF TITLE.

The table of contents of this title is as follows:

Subtitle A—Rescissions and Elimination of Wasteful Government Programs

SEC. 901. 15 PERCENT REDUCTION IN APPROPRIATIONS TO THE EXECUTIVE OFFICE OF THE PRESIDENT AND CONGRESS.

(a) RESCISSIONS.—

(1) IN GENERAL.—There is rescinded an amount equal to 15 percent of the budget authority provided for any discretionary account in appropriations to the Legislative Branch for fiscal year 2011.

(2) PROPORTIONATE APPLICATION.—Any rescission made by paragraph (1) shall be applied proportionately—

(A) to each discretionary account and each item of budget authority described in such paragraph; and

(B) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President's budget).

(3) EXCEPTION.—This subsection shall not apply to appropriations under the heading ''CAPITOL POLICE''.

(4) ADMINISTRATION OF ACROSS-THE-BOARD REDUCTIONS.—In the administration of paragraph (1), with respect to the budget authority provided under the heading ''SENATE'' in—

(A) the percentage rescissions under paragraph (1) shall apply to the total amount of all funds appropriated under that heading; and

(B) the rescissions may be applied without regard to paragraph (2).

(b) APPROPRIATIONS TO THE EXECUTIVE OFFICE OF THE PRESIDENT.—Notwithstanding any other provision of law, the total amount of funds appropriated to the appropriations account under the heading under the heading ''EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT'' for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated to that account for fiscal year 2011 after application of the rescission under subsection (a).

(c) APPROPRIATIONS TO CONGRESS.—Notwithstanding any other provision of law, the total amount of funds appropriated under the headings ''SENATE'' and ''HOUSE OF REPRESENTATIVES'' for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated under those headings for fiscal year 2011 after application of the rescission under subsection (a).

SEC. 902. NO COST OF LIVING ADJUSTMENT IN PAY OF MEMBERS OF CONGRESS.

Notwithstanding any other provision of law, no adjustment shall be made under section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) (relating to cost of living adjustments for Members of Congress) during fiscal years 2012, 2013, and 2014.

SEC. 903. FREEZE ON COST OF FEDERAL EMPLOYEES (INCLUDING CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE) SALARIES.

Notwithstanding any other provision of law, the total amount of funds expended on salaries for civilian employees of the Federal Government, including civilian employees of the Department of Defense, for fiscal year 2011, fiscal year 2012, and fiscal year 2013 shall not exceed the total costs for such salaries in fiscal year 2010: *Provided*, That the amounts spent on salaries of members of the armed forces are exempt from the provisions of this subsection: *Provided further*, That nothing in this subsection prohibits an employee from receiving an increase in salary or other compensation so long as such an increase does not increase an agency's net expenditures for employee salaries.

SEC. 904. REDUCTION IN THE NUMBER OF FEDERAL EMPLOYEES.

(a) DEFINITION.—In this section, the term ''agency'' means an executive agency as defined under section 105 of title 5, United States Code.

(b) DETERMINATION OF NUMBER OF EMPLOYEES.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall determine the number of full-time employees employed in each agency. The head of each agency shall cooperate with the Director of the Office of Management and Budget in making the determinations.

(c) REDUCTIONS.—Notwithstanding any other provision of law, the head of each agency shall take such actions as necessary, including a reduction in force under sections 3502 and 3595 of title 5, United States Code, to reduce the number of full-time employees employed in that agency as determined under subsection (b) by 10 percent not later than October 1, 2020.

(d) REPLACEMENT HIRE RATE.—In implementing subsection (c), the head of each agency may hire no more than 2 employees in that agency for every 3 employees who leave employment in that agency during any fiscal year.

SEC. 905. LIMITATION ON GOVERNMENT PRINTING COSTS.

Not later than 180 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall coordinate with the heads of Federal departments and independent agencies to—

(a) determine which Government publications could be available on Government websites and no longer printed and to devise a strategy to reduce overall Government printing costs over the 10-year period beginning with fiscal year 2011, except that the Director shall ensure that essential printed documents prepared for social security recipients, medicare beneficiaries, and other populations in areas with limited internet access or use continue to remain available;

(b) establish government-wide Federal guidelines on employee printing;

(c) issue on the Office of Management and Budget's public website the results of a cost-benefit analysis on implementing a digital signature system and on establishing employee printing identification systems, such as the use of individual employee cards or codes, to monitor the amount of printing done by Federal employees; except that the Director of the Office of Management and Budget shall ensure that Federal employee printing costs unrelated to national defense, homeland security, border security, national disasters, and other emergencies do not exceed $860,000,000 annually; and

(d) issue guidelines requiring every department, agency, commission or office to list at a prominent place near the beginning of each publication distributed to the public and issued or paid for by the Federal Government—

(1) the name of the issuing agency, department, commission or office;

(2) the total number of copies of the document printed;

(3) the collective cost of producing and printing all of the copies of the document; and

(4) the name of the firm publishing the document.

SEC. 906. LIMITATION OF GOVERNMENT TRAVEL COSTS.

(a) IN GENERAL.—Within 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget, in consultation with the heads of the Federal departments and agencies, shall establish a definition of ''nonessential travel'' and criteria to determine if travel-related expenses and requests by Federal employees meet the definition of ''nonessential travel''. No travel expenses paid for, in whole or in part, with Federal funds shall be paid by the Federal Government unless a request is made prior to the travel and the requested travel meets the criteria established by this section. Any travel request that does not meet the definition and criteria shall be disallowed, including reimbursement for air flights, automobile rentals, train tickets, lodging, per diem, and other travel-related costs. The definition established by the Director of the Office of Management and Budget may include exemptions in the definition, including travel related to national defense, homeland security, border security, national disasters, and other emergencies. The Director of the Office of Management and Budget shall ensure that all travel costs paid for in part or whole by the Federal Government not related to national defense, homeland security, border security, national disasters, and other emergencies do not exceed $5,000,000,000 annually.

(b) RESCISSIONS.—

(1) DEFINITIONS.—In this subsection—

(A) the term ''agency''—

(i) means an executive agency as defined under section 105 of title 5, United States Code; and

(ii) does not include the Department of Defense; and

(B) the term ''travel expense amount'' means, with respect to each agency, an amount equal to 20 percent of all funds expended by that agency on travel expenses during fiscal year 2010.

(2) IN GENERAL.—There is rescinded a travel expense amount from appropriations made for fiscal year 2011 in each agency appropriations account providing for travel expenses.

(3) FREEZE.—Notwithstanding any other provision of law, the total amount of funds appropriated to the appropriations account

providing for travel expenses for each agency for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated to that account for fiscal year 2011 after application of the rescission under paragraph (2).

SEC. 907. REDUCTION IN FEDERAL VEHICLE COSTS.

Notwithstanding any other provision of law—

(a) of the amounts made available to the General Services Administration for the acquisition of new vehicles for the Federal fleet for fiscal year 2011 and remaining unobligated as of the date of enactment of this Act, an amount equal to 20 percent of all such amounts is rescinded;

(b) for fiscal year 2012 and each fiscal year thereafter—

(1) the amount made available to the General Services Administration for the acquisition of new vehicles for the Federal fleet shall not exceed an amount equal to 80 percent of the amount made available for the acquisition of those vehicles for fiscal year 2011 (before application of subsection (a)); and

(2) the number of new vehicles acquired by the General Services Administration for the Federal fleet shall not exceed a number equal to 50 percent of the vehicles so acquired for fiscal year 2011; and

(c) any amounts made available under Public Law 111–5 for the acquisition of new vehicles for the Federal fleet shall be disregarded by for purposes of determining the baseline.

SEC. 908. SALE OF EXCESS FEDERAL PROPERTY.

(a) IN GENERAL.—Chapter 5 of subtitle I of title 40, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

''§ 621. Definitions

''In this subchapter:

''(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.

''(2) LANDHOLDING AGENCY.—The term 'landholding agency' means a landholding agency (as defined in section 501(i) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411(i))).

''(3) REAL PROPERTY.—

''(A) IN GENERAL.—The term 'real property' means—

''(i) a parcel of real property under the administrative jurisdiction of the Federal Government that is—

''(I) excess;

''(II) surplus;

''(III) underperforming; or

''(IV) otherwise not meeting the needs of the Federal Government, as determined by the Director; and

''(ii) a building or other structure located on real property described in clause (i).

''(B) EXCLUSION.—The term 'real property' excludes any parcel of real property, and any building or other structure located on real property, that is to be closed or realigned under the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note; Public Law 100–526).

''§ 622. Disposal program

''(a) IN GENERAL.—Except as provided in subsection (e), the Director shall, by sale or auction, dispose of a quantity of real property with an aggregate value of not less than $15,000,000,000 that, as determined by the Director, is not being used, and will not be used, to meet the needs of the Federal Government for the period of fiscal years 2010 through 2015.

''(b) RECOMMENDATIONS.—The head of each landholding agency shall recommend to the Director real property for disposal under subsection (a).

''(c) SELECTION OF PROPERTIES.—After receiving recommendations of candidate real property under subsection (b), the Director—

''(1) with the concurrence of the head of each landholding agency, may select the real property for disposal under subsection (a); and

''(2) shall notify the recommending landholding agency head of the selection of the real property.

''(d) WEBSITE.—The Director shall ensure that all real properties selected for disposal under this section are listed on a website that shall—

''(1) be updated routinely; and

''(2) include the functionality to allow any member of the public, at the option of the member, to receive updates of the list through electronic mail.

''(e) TRANSFER OF PROPERTY.—The Director may transfer real property selected for disposal under this section to the Department of Housing and Urban Development if the Secretary of Housing and Urban Development determines that the real property is suitable for use in assisting the homeless.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of subtitle I of title 40, United States Code, is amended by inserting after the item relating to section 611 the following:

''SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

''Sec. 621. Definitions.

''Sec. 622. Disposal program.''.

SEC. 909. PROHIBITION ON USE OF FEDERAL FUNDS TO PAY UNEMPLOYMENT COMPENSATION TO MILLIONAIRES.

(a) PROHIBITION.—Notwithstanding any other provision of law, no Federal funds may be used to make payments of unemployment compensation (including such compensation under the Federal-State Extended Compensation Act of 1970 and the emergency unemployment compensation program under title IV of the of the Supplemental Appropriations Act, 2008) in a year to an individual whose resources in the preceding year was equal to or greater than $1,000,000. For purposes of the preceding sentence, with respect to a year, an individual's resources shall be determined in the same manner as a subsidy eligible individual's resources are determined for the year for purposes of the Medicare part D drug benefit under section 1860D–14(a)(3)(E) of the Social Security Act (42 U.S.C. 1395w–114(a)(3)(E)).

(b) EFFECTIVE DATE.—The prohibition under subsection (a) shall apply to weeks of unemployment beginning on or after January 1, 2011.

SEC. 910. MANDATORY ELIMINATION OF DUPLICATIVE GOVERNMENT PROGRAMS.

(a) REDUCING DUPLICATION.—The Director of the Office of Management Budget and the Secretary of each Federal Government agency (and the head of each independent agency) shall work with the Chairman and ranking member of the relevant congressional appropriations subcommittees and the congressional authorizing committees and the Director of the Office of Management Budget to consolidate programs with duplicative goals, missions, and initiatives.

(b) OMB REPORT.—Within 120 days after the date of enactment of this section, the Director of the Office of Management and Budget shall submit to Congress a list of programs with duplicative goals, missions, and initiatives with recommendations for consolidation or elimination.

(c) FAILURE TO ACT.—If Congress takes no action to address the recommendations submitted in subsection (b) within 60 days, Secretary of each Federal Government agency and the head of each independent agency shall carry out the recommendations as submitted to Congress.

SEC. 911. COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT.

(a) IN GENERAL.—Chapter 73 of title 5, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VIII—COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT

''§ 7381. Collection of unpaid taxes from employees of the Federal Government

''(a) DEFINITIONS.—For purposes of this section—

''(1) the term 'seriously delinquent tax debt' means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

''(A) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code; and

''(B) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending; and

''(2) the term 'Federal employee' means—

''(A) an employee, as defined by section 2105; and

''(B) an employee of the United States Congress, including Members of the House of Representatives and Senators.

''(b) COLLECTION OF UNPAID TAXES.—The Internal Revenue Service shall coordinate with the Department of Treasury and the hiring agency of a Federal employee who has a seriously delinquent tax debt to collect such taxes by withholding a portion of the employee's salary over a period set by the hiring agency to ensure prompt payment.''.

(b) CLERICAL AMENDMENT.—The analysis for chapter 73 of title 5, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VIII—COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT

''Sec. 7381. Collection of unpaid taxes from employees of the Federal Government.''.

SEC. 912. TEN PERCENT REDUCTION IN VOLUNTARY CONTRIBUTIONS TO THE UNITED NATIONS.

Notwithstanding any other provision of law, of the funds appropriated or otherwise made available for fiscal year 2011, voluntary contributions to the United Nations paid by the United States shall not exceed an amount that is 10 percent less than the amount provided in fiscal year 2010.

SEC. 913. LOW-PRIORITY CONSTRUCTION PROJECTS OF CORPS OF ENGINEERS.

(a) TERMINATION OF AUTHORITY.—The authority to carry out low-priority construction projects of the Corps of Engineers is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for low-priority construction projects of the Corps of Engineers that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the projects referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects described in paragraph (1), as determined by the Secretary of the Army, in consultation with other appropriate Federal agencies.

SEC. 914. TEN PERCENT REDUCTION IN INTERNATIONAL DEVELOPMENT AND HUMANITARIAN ASSISTANCE FUNDING.

Notwithstanding any other provision of law, of the funds appropriated or otherwise made available for fiscal year 2011, international development and humanitarian assistance expenditures of the United States shall not exceed an amount that is 10 percent less than the amount provided in fiscal year 2010.

SEC. 915. ELIMINATION OF THE SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES PROGRAM.

(a) REPEAL.—Part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.) is repealed.

(b) RECISION OF FUNDS.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Safe and Drug-Free Schools and Communities Program under part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 916. RESCISSION OF AMOUNTS FOR ECONOMIC DEVELOPMENT ADMINISTRATION.

Notwithstanding any other provision of law—

(1) all amounts made available for programs, activities, and grants of the Economic Development Administration that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs, activities, and grants referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating such programs, activities, and grants, as determined by the Secretary of Commerce, in consultation with other appropriate Federal agencies.

SEC. 917. DEPARTMENT OF JUSTICE WASTEFUL ACTIVITIES.

Notwithstanding any other provision of law, 5 percent of all unobligated balances held by the Attorney General as of the date of enactment of this Act are rescinded to eliminate wasteful activities of the Department of Justice.

SEC. 918. RESCISSION OF AMOUNTS FOR HOLLINGS MANUFACTURING PARTNERSHIP PROGRAM AND BALDRIDGE PERFORMANCE EXCELLENCE PROGRAM.

Notwithstanding any other provision of law—

(1) all amounts made available for the Hollings Manufacturing Partnership Program and the Baldridge Performance Excellence Program that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under such programs, as determined by the Secretary of Commerce, in consultation with other appropriate Federal agencies.

SEC. 919. FOSSIL FUEL APPLIED RESEARCH.

(a) TERMINATION OF AUTHORITY.—The authority of the Secretary of Energy to carry out fossil fuel applied research is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for fossil fuel applied research described in subsection (a) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for research referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing research described in paragraph (1), as determined by the Secretary of Energy, in consultation with other appropriate Federal agencies.

SEC. 920. CORPORATION FOR PUBLIC BROADCASTING.

Notwithstanding any other provision of law, the portion of all unobligated balances held by the Corporation for Public Broadcasting that consists of Federal funds are rescinded and no Federal funds appropriated hereafter for the Corporation for Public Broadcasting shall be obligated or expended by such Corporation.

SEC. 921. FIFTEEN PERCENT REDUCTION IN FISCAL YEAR 2011 FUNDING FOR THE DEPARTMENT OF DEFENSE FOR PROCUREMENT.

Notwithstanding any other provision of law, the amount available to the Department of Defense for fiscal year 2011 for procurement is the amount equal to the aggregate amount otherwise authorized to be appropriated to the Department for that fiscal year for procurement minus an amount equal to 15 percent of such aggregate amount.

SEC. 922. TEN PERCENT REDUCTION IN FISCAL YEAR 2011 FUNDING FOR THE DEPARTMENT OF DEFENSE FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

Notwithstanding any other provision of law, the amount available to the Department of Defense for fiscal year 2011 for research, development, test, and evaluation is the amount equal to the aggregate amount otherwise authorized to be appropriated to the Department for that fiscal year for research, development, test, and evaluation minus an amount equal to 10 percent of such aggregate amount.

SEC. 923. REDUCTION IN DEPARTMENT OF DEFENSE SPENDING IN SUPPORT OF MILITARY INSTALLATIONS.

The Secretary of Defense shall reduce the amount obligated or expended in support of military installations through the reduction or elimination of waste, fraud, and abuse attributable to programs and activities related to such support.

SEC. 924. RESCISSION OF DIPLOMATIC AND CONSULAR PROGRAMS FUNDING.

Ten percent of the funds appropriated or otherwise made available to the Secretary of State for diplomatic and consular programs and available for obligation as of the date of the enactment of this Act is hereby rescinded.

SEC. 925. ELIMINATION OF PROGRAM TO PAY INSTITUTIONS OF HIGHER EDUCATION FOR ADMINISTRATIVE EXPENSES RELATING TO STUDENT AID PROGRAM.

(a) REPEAL.—Section 489 of the Higher Education Act of 1965 (20 U.S.C. 1096) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for payments to institutions of higher education under section 489 of the Higher Education Act of 1965 (20 U.S.C. 1096), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such payments shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 926. ELIMINATION OF GRANTS TO LARGE AND MEDIUM HUB AIRPORTS UNDER AIRPORT IMPROVEMENT PROGRAM.

Notwithstanding any provision of subchapter I of chapter 471 of title 49, United States Code, or any other provision of law—

(1) no large hub airport or medium hub airport (as those terms are defined in section 47102 of such title) may receive a grant under the airport improvement program under such subchapter;

(2) all amounts made available for grants to large hub airports or medium hub airports under the airport improvement program that remain unobligated as of the date of the enactment of this Act are rescinded; and

(3) no amounts made available after the date of the enactment of this Act for grants to large hub airports or medium hub airports under the airport improvement program shall be obligated or expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Transportation, in consultation with other appropriate Federal agencies.

SEC. 927. CONSOLIDATE ALL FEDERAL FIRE MANAGEMENT PROGRAMS AND REDUCING FUNDING BY 10 PERCENT.

(a) CONSOLIDATION.—Notwithstanding any other provision of law, the Secretary of Homeland Security shall consolidate all fire management programs carried out under laws administered by the Secretary.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) of amounts made available for programs consolidated under subsection (a), the lesser of 10 percent of such amounts, on the one hand, and the amount of such amounts that remain unobligated as of the date of enactment of this Act, on the other hand, are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating or reducing ongoing projects and activities under such programs, as determined by the Secretary of Homeland Security, in consultation with other appropriate Federal agencies.

SEC. 928. HIGH-ENERGY COST GRANT PROGRAM.

(a) REPEAL.—Section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the program carried out under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating the program described in paragraph (1), as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 929. RESOURCE CONSERVATION AND DEVELOPMENT PROGRAMS.

(a) TERMINATION OF AUTHORITY.—The authority to carry out the resource conservation and development program of the Natural Resources Conservation Service of the Department of Agriculture is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the resource conservation and development program of the Natural Resources Conservation

Service of the Department of Agriculture (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 930. REPEAL OF LEAP.

(a) REPEAL OF LEAP.—Subpart 4 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Leveraging Educational Assistance Partnership Program under subpart 4 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such program shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 931. ELIMINATION OF THE B.J. STUPAK OLYMPIC SCHOLARSHIPS PROGRAM.

(a) REPEAL.—Section 1543 of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the B.J. Stupak Olympic Scholarships program under section 1543 of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 932. REPEAL OF ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.

(a) REPEAL OF LEAP.—Subpart 6 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Robert C. Byrd Honors Scholarship Program under subpart 6 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such program shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 933. ELIMINATION OF THE HISTORIC WHALING AND TRADING PARTNERS PROGRAM.

(a) REPEAL.—Subpart 12 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7265 et seq.) is repealed.

(b) RECISION OF FUNDS.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Educational, Cultural, Apprenticeship, and Exchange Programs for Alaska Natives, Native Hawaiians, and Their Historical Whaling and Trading Partners in Massachusetts under subpart 12 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7265 et seq.), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 934. ELIMINATION OF THE UNDERGROUND RAILROAD EDUCATIONAL AND CULTURAL PROGRAM.

(a) REPEAL.—Section 841 of the Higher Education Amendments of 1998 (20 U.S.C. 1153) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Underground Railroad educational and cultural program under section 841 of the Higher Education Amendments of 1998 (20 U.S.C. 1153), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 935. BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE.

(a) IN GENERAL.—Notwithstanding section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5309(q)) or any other provision of law, the Secretary of Housing and Urban Development may not make any competitive economic development grants, as otherwise authorized by section 108(q) of that Act, for Brownfields redevelopment projects.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for grants described in subsection (a) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for grants described in subsection (a) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those grants, as determined by the Secretary of Housing and Urban Development, in consultation with other appropriate Federal agencies.

SEC. 936. ELECTION REFORM GRANTS.

(a) TERMINATION OF AUTHORITY.—The authority to make requirements payments to States under part 1 of subtitle D of title II of the Help America Vote Act of 2002 (42 U.S.C. 15401 et seq.) is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for such requirements payments (as of the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for such requirements payments shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities using such requirements payments, as determined by the Administrator of General Services, in consultation with other appropriate Federal agencies.

SEC. 937. ELECTION ASSISTANCE COMMISSION.

(a) TERMINATION OF AUTHORITY.—The Election Assistance Commission established under section 201 of the Help America Vote Act of 2002 (42 U.S.C. 15321) is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Election Assistance Commission (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the Commission described in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities of the Commission, as determined by the Administrator of General Services, in consultation with other appropriate Federal agencies.

SEC. 938. EMERGENCY OPERATIONS CENTER GRANT PROGRAM.

(a) TERMINATION.—Section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Homeland Security for the emergency operations center grant program under section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by the Secretary of Homeland Security, in consultation with the appropriate Federal agencies.

SEC. 939. ELIMINATION OF HEALTH CARE FACILITIES AND CONSTRUCTION PROGRAM.

Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Health and Human Services for health care facilities and construction are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 940. HIGH PRIORITY SURFACE TRANSPORTATION PROJECTS.

(a) IN GENERAL.—Section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1256) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for high priority projects under section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1256) (before the amendment made by subsection (a)) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for high priority projects described in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those projects, as determined by the Secretary of Transportation, in consultation with other appropriate Federal agencies.

SEC. 941. SAVE AMERICA'S TREASURES PROGRAM; PRESERVE AMERICA PROGRAM.

(a) REPEALS.—Sections 7302 and 7303 of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 469n, 469o) are repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Save America's Treasures Program or Preserve America Program that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those programs, as determined by the Secretary of the Interior in consultation with other appropriate Federal agencies.

SEC. 942. TARGETED WATER INFRASTRUCTURE GRANTS.

(a) TERMINATION OF AUTHORITY.—The Targeted Watershed Grants Program and the

U.S.–Mexico Border Water Infrastructure Program of the Environmental Protection Agency are terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Targeted Watershed Grants Program and the U.S.–Mexico Border Water Infrastructure Program of the Environmental Protection Agency (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) (as so in existence) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those programs, as determined by the Administrator of the Environmental Protection Agency, in consultation with other appropriate Federal agencies.

SEC. 943. NATIONAL PARK SERVICE CHALLENGE COST SHARE PROGRAM.

(a) TERMINATION OF AUTHORITY.—The authority to provide Department of the Interior Challenge Cost Share Program grants is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Department of the Interior Challenge Cost Share Program (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the Department of the Interior Challenge Cost Share Program shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under the program, as determined by the Secretary of the Interior in consultation with other appropriate Federal agencies.

SEC. 944. TERMINATION OF THE CONSTELLATION PROGRAM OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.

(a) TERMINATION REQUIRED.—The Administrator of the National Aeronautics and Space Administration shall terminate the Constellation Program of the National Aeronautics and Space Administration.

(b) DISPOSITION OF UNOBLIGATED FUNDS.—

(1) RESCISSION.—Except as provided in paragraph (2), any funds available for obligation by the National Aeronautics and Space Administration as of the date of the enactment of this Act for the Constellation Program are hereby rescinded.

(2) AVAILABILITY FOR WIND-UP OF PROGRAM.—Funds described in paragraph (1) may be utilized by the National Aeronautics and Space Administration solely for costs related to the winding-up of the provision of the Constellation Program.

SEC. 945. DELTA HEALTH INITIATIVE.

Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Health and Human Services to carry out the Delta Health Initiative are rescinded and no funds appropriated hereafter for such Initiative shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 946. DEPARTMENT OF AGRICULTURE HEALTH CARE SERVICES GRANT PROGRAM.

(a) TERMINATION OF AUTHORITY.—The authority to carry out any health care services grant program of the Department of Agriculture is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for any health care services grant program of the Department of Agriculture (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 947. ELIMINATION OF LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

(a) REPEAL.—Section 428L of the Higher Education Act of 1965 (20 U.S.C. 1078–12) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Repayment for Civil Legal Assistance Attorneys program under section 428L of the Higher Education Act of 1965 (20 U.S.C. 1078–12), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 948. TARGETED AIR SHED GRANT PROGRAM.

(a) TERMINATION OF AUTHORITY.—The Targeted Air Shed Grant Program of the Environmental Protection Agency is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Targeted Air Shed Grant Program of the Environmental Protection Agency (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) (as so in existence) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Administrator of the Environmental Protection Agency, in consultation with other appropriate Federal agencies.

SEC. 949. REQUIRING TRANSPARENCY AND ENSURING NO SPECIAL TREATMENT FOR THE AARP OR AMA.

(a) REQUIREMENT.—Notwithstanding any other provision of law, no Federal grants or contracts may be made available to the AARP or the American Medical Association (commonly referred to as the ''AMA'') for fiscal year 2011 or any fiscal year thereafter unless awarded by a competitive bidding process.

(b) DISCLOSURE CONDITIONS.—Any physician trade and lobbying organization partnering with the Federal Government by participating in technical reviews, making health care payment policy recommendations, representing physician interests on advisory panels, or otherwise representing physicians in matters being reviewed or examined by the Department of Health and Human Services shall disclose the following:

(1) The number of dues paying physician-members the organization currently represents.

(2) The professional status of such members, whether said physicians are currently practicing medicine, teaching, retired, or a medical student in residency.

(c) MEMBERSHIP REQUIREMENT.—No physician trade and lobbying organization shall be eligible to participate in activities listed in subsection (b) unless such organizations have a membership composed of at least 50 percent of currently-practicing physicians in the same calendar year. The requirement of the preceding sentence shall apply to all physician trade organizations, regardless of whether the organization is a State, regional, or national organization, and regardless of what specialty or practice areas said organizations represent.

(d) REQUIREMENT FOR CERTAIN MEDIGAP SELLERS OR ISSUERS.—Sellers or issuers of medicare supplemental policies under section 1882 of the Social Security Act (42 U.S.C. 1395ss) that constitute more than 20 percent of the market share of the previous fiscal year shall be required to spend at least 80 percent of their premium dollars on medical claims to ensure value for seniors.

Subtitle B—Fighting Fraud and Abuse to Save Taxpayers' Dollars

SEC. 960. FINDINGS.

Congress makes the following findings:

(1) The Medicare program loses an estimated $60,000,000,000 annually to wasted and fraudulent payments.

(2) The Medicaid program also suffers from rampant fraud. As the Office of the Inspector General of the Department of Health and Human Services noted in 2009, in an analysis of the only source of nationwide Medicaid claims and beneficiary eligibility information, the Medicaid Statistical Information System, the Federal Government does not have ''timely, accurate, or comprehensive information for fraud, waste, and abuse detection'' in the Medicaid program.

(3) Absent comprehensive estimates, the Medicaid program's improper payment rate may be the most objective measure of taxpayer dollars lost to fraud. The national average improper payment rate ranges between 8.7 percent and 10.5 percent, but many States have much higher improper payment rates.

(4) The new Federal health reform law substantially expands the Medicaid program, significantly changes the Medicare program, creates new mandates and regulations, and will send hundreds of billions of dollars to insurance companies.

(5) It is the duty of public officials and public servants in Congress and the Administration to protect the American public's taxpayer dollars. Congress and the Administration must continue to aggressively combat waste, fraud, and abuse in public health care programs.

(6) The Inspector General of the Department of Health and Human Services has stated that ''swift and effective detection of and response to waste, fraud, and abuse remain an essential program integrity strategy''. Furthermore, the Inspector General noted that ''effective use of Medicare and Medicaid data is critical to the success of the Government's efforts to reduce waste, fraud, and abuse''.

(7) The loss of taxpayer dollars due to waste and fraud under the Medicare and Medicaid programs not only threatens the financial viability of those programs, it erodes the public trust. American taxpayers should not be expected to tolerate rampant waste, fraud, and abuse in publicly funded health care programs.

(8) Congress supports the commitment of the Office of the Inspector General of the Department of Health and Human Services to ''enhancing existing data analysis and mining capabilities and employing advanced techniques such as predictive analytics and social network analysis, to counter new and existing fraud schemes''.

(9) Congress supports the use of predictive modeling and other smart technologies that can transform the current ''pay and chase''

payment cultures under the Medicare and Medicaid programs and prevent taxpayer dollars from being lost to waste, fraud, and abuse.

SEC. 961. TRACKING EXCLUDED PROVIDERS ACROSS STATE LINES.

(a) GREATER COORDINATION.—In order to ensure that providers of services and suppliers that have operated in one State and are excluded from participation in the Medicare program are unable to begin operation and participation in other Federal health care programs in another State, the Secretary shall provide for increased coordination between the following:

(1) The Administrator of the Centers for Medicare & Medicaid Services.

(2) Regional offices of the Centers for Medicare & Medicaid Services.

(3) Medicare administrative contractors, fiscal intermediaries, and carriers.

(4) State health agencies, State plans under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), State plans under title XXI of such Act (42 U.S.C. 1397aa et seq.), and entities that contract with such agencies and plans, as directed by the Secretary.

(5) The Federation of State Medical Boards.

(b) IMPROVED INFORMATION SYSTEMS.—

(1) IN GENERAL.—The Secretary shall improve information systems to allow greater integration between databases under the Medicare program so that—

(A) Medicare administrative contractors, fiscal intermediaries, and carriers have immediate access to information identifying providers and suppliers excluded from participation in the Medicare program, the Medicaid program under title XIX of the Social Security Act, the State Children's Health Insurance Program under title XXI of such Act, and other Federal health care programs; and

(B) such information can be shared on a real-time basis, in accordance with protocols established under subsection (g)(2)—

(i) across Federal health care programs and agencies, including between the Department of Health and Human Services, the Social Security Administration, the Department of Veterans Affairs, the Department of Defense, the Department of Justice, and the Office of Personnel Management; and

(ii) with State health agencies, State plans under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), State child health plans under title XXI of such Act (42 U.S.C. 1397aa et seq.), and entities that contract with such agencies and plans, as directed by the Secretary.

(2) SHARING OF INFORMATION IN ADDITION TO HEAT EFFORTS.—The information shared under paragraph (1) shall be in addition to, and shall not replace, activities of the Health Care Fraud Prevention and Enforcement Action Team (HEAT) established by the Attorney General and the Department of Health and Human Services.

(3) APPROPRIATE COORDINATION.—In implementing this subsection, the Secretary shall provide for the maximum appropriate coordination with the process established under section 6401(b)(2) of the Patient Protection and Affordable Care Act (Public Law 111–09148).

(c) ''ONE PI'' DATABASE FOR MEDICARE, MEDICAID, AND CHIP.—

(1) IN GENERAL.—The Secretary shall—

(A) continue to upload Medicare claims, provider, and beneficiary data into the Integrated Data Repository under section 1128J(a)(1) of the Social Security Act, as added by section 6402(a) of the Patient Protection and Affordable Care Act until such time as the Secretary determines that the Integrated Data Repository is completed; and

(B) fully implement the waste, fraud, and abuse detection solution of the Centers for Medicare & Medicaid Services, called the ''One PI project'' (in this subsection referred to as the ''project'') by not later than January 1, 2013.

(2) ACCESS.—The Secretary, in consultation with Inspector General of the Department of Health and Human Services, may allow stakeholders who combat, or could assist in combating, waste, fraud, and abuse under Federal health care programs to have access to the One PI system established under the project. Such stakeholders may include the Director of the Federal Bureau of Investigation, the Comptroller General of the United States, Medicare administrative contractors, fiscal intermediaries, and carriers.

(d) FEDERAL AND STATE AGENCY ACCESS TO NATIONAL PRACTITIONER DATA BANK.—For purposes of enhancing data sharing in order to identify programmatic weaknesses and improving the timeliness of analysis and actions to prevent waste, fraud, and abuse, relevant Federal and State agencies, including the Department of Health and Human Services, the Department of Justice, State departments of health, State Medicaid plans under title XIX of the Social Security Act, State child health plans under title XXI of such Act, and State medicaid fraud control units (as described in section 1903(q) of the Social Security Act (42 U.S.C. 1396b(q))), shall have real-time access to the National Practitioner Data Bank, as directed by the Secretary. The Secretary may, in consultation with the Inspector General of the Department of Health and Human Services, give such real-time access to State attorneys general and State and local law enforcement agencies.

(e) ACCESS TO CLAIMS AND PAYMENT DATABASES.—Section 1128J(a)(2) of the Social Security Act, as added by section 6402(a) of the Patient Protection and Affordable Care Act (Public Law 111–09148) is amended—

(1) by striking ''DATABASES.—For purposes'' and inserting ''DATABASES.—

''(A) ACCESS FOR THE CONDUCT OF LAW ENFORCEMENT AND OVERSIGHT ACTIVITIES.—For purposes'';

(2) in subparagraph (A), as added by paragraph (1), by inserting '', including the Integrated Data Repository under paragraph (1)'' before the period at the end; and

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

''(B) ACCESS TO REDUCE WASTE, FRAUD, AND ABUSE.—For purposes of reducing waste, fraud, and abuse, and to the extent consistent with applicable information, privacy, security, and disclosure laws, including the regulations promulgated under the Health Insurance Portability and Accountability Act of 1996 and section 552a of title 5, United States Code, and subject to any information systems security requirements under such laws or otherwise required by the Secretary, the Secretary, in consultation with the Inspector General of the Department of Health and Human Services, may allow State Medicaid fraud control units and State and local law enforcement officials to have access to claims and payment data of the Department of Health and Human Services and its contractors related to titles XVIII, XIX, and XXI, including the Integrated Data Repository under paragraph (1).''.

(f) ENSURING DATA IS UPLOADED TO THE IDR ON A DAILY BASIS.—Section 1128J(a)(1) of the Social Security Act, as added by section 6402(a) of the Patient Protection and Affordable Care Act (Public Law 111–09148) is amended by adding at the end the following new subparagraph:

''(C) UPLOADING OF MEDICARE CLAIMS DATA ON A DAILY BASIS.—All Medicare claims data shall be uploaded into the Integrated Data Repository on a daily basis.''.

(g) REAL-TIME ACCESS TO DATA.—

(1) IN GENERAL.—The Secretary shall ensure that any data provided to an entity or individual under the provisions of or amendments made by this section is provided to such entity or individual on a real-time basis, in accordance with protocols established by the Secretary under paragraph (2). The Secretary shall consult with the Inspector General of the Department of Health and Human Services prior to implementing this subsection.

(2) PROTOCOLS.—

(A) IN GENERAL.—The Secretary shall establish protocols to ensure the secure transfer and storage of any data provided to another entity or individual under the provisions of or amendments made by this section.

(B) CONSIDERATION OF HHS OIG RECOMMENDATIONS.—In establishing protocols under subparagraph (A), the Secretary shall take into account recommendations submitted to the Secretary by the Inspector General of the Department of Health and Human Services with respect to the secure transfer and storage of such data.

(h) GAO STUDY AND REPORT ON USE OF FEDERATION OF STATE MEDICAL BOARDS TO STRENGTHEN ENROLLMENT INTEGRITY PROCESSES.—

(1) STUDY.—The Comptroller General of the United States shall, in consultation with the Federation of State Medical Boards, conduct a study on whether and, if so, to what degree, such Federation may be useful to the Secretary in further strengthening the integrity of processes for enrolling providers of services and suppliers under Federal health care programs.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report containing the results of the study conducted under paragraph (1), together with recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

(i) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Centers for Medicare & Medicaid Services.

(2) CHIP.—The term ''CHIP'' means the State Children's Health Insurance Program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

(3) FEDERAL HEALTH CARE PROGRAM.—The term ''Federal health care program'' has the meaning given such term in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a–097b(f)).

(4) HHS OIG.—The term ''HHS OIG'' means the Inspector General of the Department of Health and Human Services.

(5) MEDICARE ADMINISTRATIVE CONTRACTORS, FISCAL INTERMEDIARIES, AND CARRIERS.—The term ''Medicare administrative contractors, fiscal intermediaries, and carriers'' includes zone program integrity contractors, program safeguard or integrity contractors, recovery audit contractors under section 1893(h) of the Social Security Act (42 U.S.C. 1395ddd(h)), and special investigative units at Medicare contractors (as defined in section 1889(g) of the Social Security Act (42 U.S.C. 1395zz(g))).

(6) MEDICARE PROGRAM.—The term ''Medicare program'' means the program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(7) PROVIDER OF SERVICES.—The term ''provider of services'' has the meaning given

such term in section 1861(u) of the Social Security Act (42 U.S.C. 1395x(u)).

(8) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(9) STATE.—The term ''State'' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(10) SUPPLIER.—The term ''supplier'' has the meaning given such term in section 1861(d) of the Social Security Act (42 U.S.C. 1395x(d)).

SEC. 962. ACCESS FOR PRIVATE SECTOR AND GOVERNMENTAL ENTITIES.

(a) IN GENERAL.—Title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 6402(a) of the Patient Protection and Affordable Care Act (Public Law 111–09148), is amended by inserting after section 1128J the following new section:

''EXPANDED ACCESS TO THE NATIONAL PRACTITIONER DATA BANK

''SEC. 1128K. (a) EXPANDED ACCESS.—

''(1) IN GENERAL.—The information in the National Practitioner Data Bank established pursuant to the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11101 et seq.) may be available on a real-time basis, in accordance with protocols established by the Secretary under subsection (b), to—

''(A) Federal and State government agencies and health plans, commercial health plans, and any health care provider, supplier, or practitioner entering an employment or contractual relationship with an individual or entity who has been subject to a final adverse action in the past 10 years, where the contract involves the furnishing of items or services reimbursed by 1 or more Federal health care programs (regardless of whether the individual or entity is paid by the programs directly, or whether the items or services are reimbursed directly or indirectly through the claims of a direct provider); and

''(B) utilization and quality control peer review organizations and accreditation entities as defined by the Secretary, including but not limited to organizations described in part B of this title and in section 1154(a)(4)(C).

''(2) NO EFFECT ON ACCESS UNDER OTHER APPLICABLE LAW; APPROPRIATE COORDINATION.—Nothing in this section shall affect the availability of information in the National Practitioner Data Bank under other applicable law, including the availability of such information to entities or individuals under part B of the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11131 et seq.). In implementing this section, the Secretary shall provide for the maximum appropriate coordination with such part.

''(b) PROTOCOLS.—The Secretary shall establish protocols to ensure the secure transfer and storage of data made available under this section. In establishing such protocols the Secretary shall take into account recommendations submitted to the Secretary by the Inspector General of the Department of Health and Human Services and the National Association of Insurance Commissioners with respect to the secure transfer and storage of such data, the establishment or approval of a fee structure under subsection (c), and the establishment of user access protocols.

''(c) FEES FOR DISCLOSURE.—

''(1) IN GENERAL.—

''(A) FEES.—Subject to paragraph (2), the Secretary may establish or approve reasonable fees for the disclosure of information under this section, including with respect to requests by Federal agencies or other entities, such as fiscal intermediaries and carriers, acting under contract on behalf of such agencies.

''(B) ESTABLISHMENT OR APPROVAL OF FEE AMOUNTS.—In establishing or approving the amount of such fees, the Secretary shall ensure that the total amount of the fees to be collected is equal to the total costs of processing the requests for disclosure and of providing such information. Such fees shall be available to the Secretary to cover such costs.

''(C) FOR-PROFIT ENTITIES.—The Secretary may allow for-profit entities to receive data under this section for a fee that is comparable to the fee charged to a Federal agency or other entity under subparagraph (A) with respect to a similar request.

''(2) FREE ACCESS TO CERTAIN DATA.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Fighting Fraud and Abuse to Save Taxpayers' Dollars Act, for purposes of identifying additional strategies and tools to combat waste, fraud, and abuse, the Secretary—

''(i) establish protocols to ensure the secure transmission of data under this section; and

''(ii) may ensure nonprofit academic, policy, and research institutions have access to data from the National Practitioner Data Bank.

''(B) ACCESS FREE OF CHARGE.—Data shall be provided under subparagraph (A)(ii) free of charge to academic, policy, and research institutions.

''(C) REQUIREMENT.—Any academic, policy, or research institution that is provided data under subparagraph (A)(ii) shall, as a condition of receiving such data, be required to share with the Secretary any findings using such data to combat waste, fraud, and abuse (in a form and manner of the academic, policy, or research institution's choosing).

''(d) ESTABLISHMENT OF APPEALS PROCESS.—

''(1) IN GENERAL.—The Secretary shall establish a transparent and responsive appeals process under which a provider of services or supplier may have their name removed from the National Practitioner Data Bank. Under such process, appeals shall be conducted in a timely manner (not more than 90 days after the earlier of the date of the listing in the National Practitioner Data Bank or the issuance of any penalty involved) in order to minimize the time that providers of services or suppliers who successfully appeal are excluded from participation under the programs under titles XVIII and XIX.

''(2) CONSULTATION.—The Secretary shall consult with major colleges of medical practice in the United States, commercial health plans, the Inspector General of the Department of Health and Human Services, the National Association of Insurance Commissioners, and the Federation of State Medical Boards in establishing the appeals process under paragraph (1).

''(e) DEFINITIONS.—In this section:

''(1) COMMERCIAL HEALTH PLAN.—The term 'commercial health plan' means health insurance coverage (as defined in section 2791 of the Public Health Service Act and including group health plans).

''(2) FINAL ADVERSE ACTION.—The term 'final adverse action' means one or more of the following actions:

''(A) A Medicare-imposed revocation of any Medicare billing privileges.

''(B) Suspension or revocation of a license to provide health care by any State licensing authority.

''(C) A conviction of a Federal or State felony offense within the last 10 years preceding enrollment, revalidation, or re-enrollment.

''(D) An exclusion or debarment from participation in a Federal or State health care program.''.

(b) CRIMINAL PENALTY FOR MISUSE OF INFORMATION DISCLOSED.—Section 1128B(b) of the Social Security Act (42 U.S.C. 1320a–097b(b)) is amended by adding at the end the following:

''(4) Whoever knowingly uses information disclosed from the National Practitioner Data Bank under section 1128K for a purpose other than those authorized under that section shall be imprisoned for not more than 3 years or fined under title 18, United States Code, or both.''.

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

SEC. 963. LIABILITY OF MEDICARE ADMINISTRATIVE CONTRACTORS FOR CLAIMS SUBMITTED BY EXCLUDED PROVIDERS.

(a) REIMBURSEMENT TO THE SECRETARY FOR AMOUNTS PAID TO EXCLUDED PROVIDERS.—Section 1874A(b) of the Social Security Act (42 U.S.C. 1395kk(b)) is amended by adding at the end the following new paragraph:

''(6) REIMBURSEMENTS TO SECRETARY FOR AMOUNTS PAID TO EXCLUDED PROVIDERS.—

''(A) LIMITATION.—

''(i) IN GENERAL.—Except as provided in clause (ii), the Secretary shall not enter into a contract with a Medicare administrative contractor under this section unless the contractor agrees to reimburse the Secretary for any amounts paid by the contractor for with respect to any item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) which is furnished—

''(I) by an individual or entity during the period when such individual or entity is excluded pursuant to section 1128, 1128A, 1156 or 1842(j)(2) from participation in the program under this title; or

''(II) at the medical direction or on the prescription of a physician during the period when he is excluded pursuant to section 1128, 1128A, 1156 or 1842(j)(2) from participation in the program under this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).

''(ii) EXCEPTION.—Where a Medicare administrative contractor pays a claim for payment for items or services furnished by an individual or entity excluded from participation in the programs under this title, pursuant to section 1128, 1128A, 1156, or 1866, and such Medicare administrative contractor did not know or have reason to know that such individual or entity was so excluded, then, to the extent permitted by this title, and notwithstanding such exclusion, the contractor shall not be required to reimburse the Secretary under clause (i) for any amounts paid with respect to such items or services. In each such case the Secretary shall notify the contractor of the exclusion of the individual or entity furnishing the items or services. A Medicare administrative contractor shall not make payment for items or services furnished by an excluded individual or entity to a beneficiary after a reasonable time (as determined by the Secretary in regulations) after the Secretary has notified the contractor of the exclusion of that individual or entity.

''(B) REQUIREMENT TO REVIEW CLAIMS.—A Medicare administrative contractor shall review claims submitted to the contractor for payment for services under this title in order to ensure that such services were not furnished by an individual or entity during any period for which the individual or entity is excluded from such participation (as described in subparagraph (A)).''.

(b) REPORT ON EFFECTIVENESS AND DEVELOPMENT OF SCORECARD AND MEASURABLE PERFORMANCE METRICS FOR MEDICARE CONTRACTORS.—

(1) REPORT.—

(A) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the overall effectiveness and potential of Medicare contractors.

(B) CONTENTS OF REPORT.—The report submitted under subparagraph (A) shall include the Secretary's recommendations for the development of measurable performance metrics and a scorecard for Medicare contractors (or, in the case of Medicare administrative contractors, updated and revised measurable performance metrics and a revised scorecard), together with recommendations for such legislation and administrative action as the Secretary determines appropriate.

(2) CONSULTATION.—The Secretary shall consult with Medicare contractors, the Inspector General of the Department of Health and Human Services, private sector waste, fraud, and abuse experts, and entities with experience combating and preventing waste, fraud, and abuse, including through the review of Medicare claims, in preparing the report submitted under paragraph (1).

(3) MEDICARE CONTRACTORS DEFINED.—In this subsection, the term ''Medicare contractor'' means any of the following:

(A) A Medicare administrative contractor under section 1874A of the Social Security Act.

(B) A Medicare Program Safeguard Contractor.

(C) A Zone Program Integrity Contractor.

(D) A Medicare Drug Integrity Contractor.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to claims for reimbursement submitted on or after the date of enactment of this Act.

(2) CONTRACT MODIFICATION.—The Secretary of Health and Human Services shall take such steps as may be necessary to modify contracts entered into, renewed, or extended prior to the date of enactment of this Act to conform such contracts to the provisions of and amendments made by this section.

SEC. 964. LIMITING THE DISCHARGE OF DEBTS IN BANKRUPTCY PROCEEDINGS IN CASES WHERE A HEALTH CARE PROVIDER OR A SUPPLIER ENGAGES IN FRAUDULENT ACTIVITY.

(a) IN GENERAL.—

(1) CIVIL MONETARY PENALTIES.—Section 1128A(a) of the Social Security Act (42 U.S.C. 1320a–097a(a)) is amended by adding at the end the following: ''Notwithstanding any other provision of law, amounts made payable under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title.''.

(2) RECOVERY OF OVERPAYMENT TO PROVIDERS OF SERVICES UNDER PART A.—Section 1815(d) of the Social Security Act (42 U.S.C. 1395g(d)) is amended—

(A) by inserting ''(1)'' after ''(d)''; and

(B) by adding at the end the following:

''(2) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title if the overpayment was the result of fraudulent activity, as may be defined by the Secretary.''.

(3) RECOVERY OF OVERPAYMENT OF BENEFITS UNDER PART B.—Section 1833(j) of the Social Security Act (42 U.S.C. 1395l(j)) is amended—

(A) by inserting ''(1)'' after ''(j)''; and

(B) by adding at the end the following:

''(2) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title if the overpayment was the result of fraudulent activity, as may be defined by the Secretary.''.

(4) COLLECTION OF PAST-DUE OBLIGATIONS ARISING FROM BREACH OF SCHOLARSHIP AND LOAN CONTRACT.—Section 1892(a) of the Social Security Act (42 U.S.C. 1395ccc(a)) is amended by adding at the end the following:

''(5) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to bankruptcy petitions filed after the date of enactment of this Act.

SEC. 965. PREVENTION OF WASTE, FRAUD, AND ABUSE IN THE MEDICAID AND CHIP PROGRAMS.

(a) DETECTION OF FRAUDULENT IDENTIFICATION NUMBERS WITHIN THE MEDICAID AND CHIP PROGRAMS.—

(1) MEDICAID.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i)), as amended by section 2001(a)(2)(B) of the Patient Protection and Affordable Care Act (Public Law 111–09148), is amended—

(A) in paragraph (25), by striking ''or'' at the end;

(B) in paragraph (26), by striking the period and inserting ''; or''; and

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

''(27) with respect to amounts expended for an item or service for which medical assistance is provided under the State plan or under a waiver of such plan unless the claim for payment for such item or service contains—

''(A) a valid beneficiary identification number that, for purposes of the individual who received such item or service, has been determined by the State agency to correspond to an individual who is eligible to receive benefits under the State plan or waiver; and

''(B) a valid National Provider Identifier that, for purposes of the provider that furnished such item or service, has been determined by the State agency to correspond to a participating provider that is eligible to receive payment for furnishing such item or service under the State plan or waiver.''.

(2) CHIP.—Section 2107(e)(1)(I) of the Social Security Act (42 U.S.C. 1397gg(e)(1)(I)) is amended by striking ''and (17)'' and inserting ''(17), and (27)''.

(b) SCREENING REQUIREMENTS FOR MANAGED CARE ENTITIES.—

(1) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(A) by redesignating the second subsection (ii), as added by section 6401(b)(1)(B) of the Patient Protection and Affordable Care Act, as subsection (kk) of such section; and

(B) in subsection (kk), as so redesignated—

(i) by redesignating paragraph (8) as paragraph (9); and

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

''(8) MANAGED CARE ENTITIES.—The State establishes procedures to ensure that any managed care entity (as defined in section 1932(a)(1)(B)) under contract with the State complies with all applicable requirements under this subsection.''.

(2) MEDICAID MANAGED CARE ORGANIZATIONS.—Section 1903(m)(2)(A) of the Social Security Act (42 U.S.C. 1396b(m)(2)(A)) is amended—

(A) in clause (xii), by striking ''and'' at the end;

(B) in clause (xiii), by striking the period and inserting ''; and''; and

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

''(xiv) such contract requires that the entity comply with any applicable screening, oversight, and reporting requirements under section 1902(kk).''.

(3) MANAGED CARE ENTITIES.—Section 1932(d) of the Social Security Act (42 U.S.C. 1396u–092(d)) is amended by adding at the end the following new paragraph:

''(5) COMPLIANCE WITH SCREENING, OVERSIGHT, AND REPORTING REQUIREMENTS.—A managed care entity shall comply with any applicable screening, oversight, and reporting requirements under section 1902(kk).''.

(c) REQUIRED DATABASE CHECKS.—Clause (i) of section 1866(j)(2)(B) of the Social Security Act (42 U.S.C. 1395cc(j)(2)(B)) is amended to read as follows:

''(i) shall include—

''(I) a licensure check, which may include such checks across States; and

''(II) for purposes of the Medicaid program under title XIX—

''(aa) database checks (including such checks across States), which shall include—

''(AA) the Medicaid Statistical Information System (as described in section 1903(r)(1)(F)); and

''(BB) any relevant medical databases that are maintained by the State agencies, as determined by the Secretary in consultation with the directors of the State agencies; and

''(bb) coordination of excluded provider lists between the Secretary and the State agency, including exchanges of data regarding excluding providers between Federal and State databases; and''.

(d) TECHNICAL CORRECTIONS.—Section 1902 of the Social Security Act (42 U.S.C. 1396a), as amended by subsection (b)(1), is further amended—

(1) in subsection (a)—

(A) in paragraph (23), by striking ''subsection (ii)(4)'' and inserting ''subsection (kk)(4)''; and

(B) in paragraph (77), by striking ''subsection (ii)'' and inserting ''subsection (kk)''; and

(2) in subsection (kk), by striking ''section 1886'' each place it appears and inserting ''section 1866''.

SEC. 966. ILLEGAL DISTRIBUTION OF A MEDICARE, MEDICAID, OR CHIP BENEFICIARY IDENTIFICATION OR BILLING PRIVILEGES.

Section 1128B(b) of the Social Security Act (42 U.S.C. 1320a–097b(b)), as amended by section 962(b), is amended by adding at the end the following:

''(5) Whoever knowingly, intentionally, and with the intent to defraud purchases, sells or distributes, or arranges for the purchase, sale, or distribution of a Medicare, Medicaid, or CHIP beneficiary identification number or billing privileges under title XVIII, title XIX, or title XXI shall be imprisoned for not more than 10 years or fined not more than $500,000 ($1,000,000 in the case of a corporation), or both.''.

SEC. 967. PILOT PROGRAM FOR THE USE OF UNIVERSAL PRODUCT NUMBERS ON CLAIM FORMS FOR REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than January 1, 2013, the Secretary shall establish a pilot program under which claims for reimbursement under the Medicare program for UPN covered items contain the universal product number of the UPN covered item.

(2) DURATION.—The pilot program under this section shall be conducted for a 2-year period.

(3) CONSIDERATION OF GAO RECOMMENDATIONS.—The Secretary shall take into account the recommendations of the Comptroller General of the United States in establishing the pilot program under this section.

(b) DEVELOPMENT AND IMPLEMENTATION OF PROCEDURES.—

(1) INFORMATION INCLUDED IN UPN.—The Secretary, in consultation with manufacturers and entities with appropriate expertise, shall determine the relevant descriptive information appropriate for inclusion in a universal product number for a UPN covered item under the pilot program.

(2) REVIEW OF PROCEDURE.—The Secretary, in consultation with interested parties (which shall, at a minimum, include the Inspector General of the Department of Health and Human Services and private sector and health industry experts), shall use information obtained under the pilot program through the use of universal product numbers on claims for reimbursement under the Medicare program to periodically review the UPN covered items billed under the Health Care Financing Administration Common Procedure Coding System and adjust such coding system to ensure that functionally equivalent UPN covered items are billed and reimbursed under the same codes.

(c) GAO REPORTS TO CONGRESS ON EFFECTIVENESS OF IMPLEMENTATION OF PILOT PROGRAM.—

(1) INITIAL REPORT.—Not later than 6 months after the implementation of the pilot program under this section, the Comptroller General of the United States shall submit to Congress a report on the effectiveness of such implementation.

(2) FINAL REPORT.—Not later than 18 months after the completion of the pilot program under this section, the Comptroller General of the United States shall submit to Congress a report on the effectiveness of the pilot program, together with recommendations regarding the use of universal product numbers and the use of data obtained from the use of such numbers, and recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

(d) USE OF AVAILABLE FUNDING.—The Secretary shall use amounts available in the Centers for Medicare & Medicaid Services Program Management Account or in the Health Care Fraud and Abuse Control Account under section 1817(k) of the Social Security Act (42 U.S.C. 1395i(k)) to carry out the pilot program under this section.

(e) DEFINITIONS.—In this section:

(1) MEDICARE PROGRAM.—The term ''Medicare program'' means the program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(3) UNIVERSAL PRODUCT NUMBER.—The term ''universal product number'' means a number that is—

(A) affixed by the manufacturer to each individual UPN covered item that uniquely identifies the item at each packaging level; and

(B) based on commercially acceptable identification standards such as, but not limited to, standards established by the Uniform Code Council—International Article Numbering System or the Health Industry Business Communication Council.

(4) UPN COVERED ITEM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term ''UPN covered item'' means—

(i) a covered item as that term is defined in section 1834(a)(13) of the Social Security Act (42 U.S.C. 1395m(a)(13));

(ii) an item described in paragraph (8) or (9) of section 1861(s) of such Act (42 U.S.C. 1395x);

(iii) an item described in paragraph (5) of such section 1861(s); and

(iv) any other item for which payment is made under this title that the Secretary determines to be appropriate.

(B) EXCLUSION.—The term ''UPN covered item'' does not include a customized item for which payment is made under this title.

SEC. 968. PROHIBITION OF INCLUSION OF SOCIAL SECURITY ACCOUNT NUMBERS ON MEDICARE CARDS.

(a) IN GENERAL.—Section 205(c)(2)(C) of the Social Security Act (42 U.S.C. 405(c)(2)(C)), as amended by section 1414(a)(2) of the Patient Protection and Affordable Care Act (Public Law 111–09148), is amended by adding at the end the following new clause:

''(xi) The Secretary of Health and Human Services, in consultation with the Commissioner of Social Security, shall establish cost-effective procedures to ensure that a social security account number (or any derivative thereof) is not displayed, coded, or embedded on the Medicare card issued to an individual who is entitled to benefits under part A of title XVIII or enrolled under part B of title XVIII and that any other identifier displayed on such card is easily identifiable as not being the social security account number (or a derivative thereof).''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply with respect to Medicare cards issued on and after an effective date specified by the Secretary of Health and Human Services, but in no case shall such effective date be later than the date that is 24 months after the date adequate funding is provided pursuant to subsection (d)(2).

(2) REISSUANCE.—Subject to subsection (d)(2), in the case of individuals who have been issued such cards before such date, the Secretary of Health and Human Services—

(A) shall provide for the reissuance for such individuals of such a card that complies with such amendment not later than 3 years after the effective date specified under paragraph (1); and

(B) may permit such individuals to apply for the reissuance of such a card that complies with such amendment before the date of reissuance otherwise provided under subparagraph (A) in such exceptional circumstances as the Secretary may specify.

(c) OUTREACH PROGRAM.—Subject to subsection (d)(2), the Secretary of Health and Human Services, in consultation with the Commissioner of Social Security, shall conduct an outreach program to Medicare beneficiaries and providers about the new Medicare card provided under this section.

(d) REPORT TO CONGRESS AND LIMITATIONS ON EFFECTIVE DATE.—

(1) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services and in consultation with the Commissioner of Social Security, shall submit to Congress a report that includes detailed options regarding the implementation of this section, including line-item estimates of and justifications for the costs associated with such options and estimates of timeframes for each stage of implementation. In recommending such options, the Secretary shall take into consideration, among other factors, cost-effectiveness and beneficiary outreach and education.

(2) LIMITATION; MODIFICATION OF DEADLINES.—With respect to the amendment made by subsection (a), and the requirements of subsections (b) and (c)—

(A) such amendment and requirements shall not apply until adequate funding is transferred pursuant to section 11(b) to implement the provisions of this section, as determined by Congress; and

(B) any deadlines otherwise established under this section for such amendment and requirements are contingent upon the receipt of adequate funding (as determined in subparagraph (A)) for such implementation.

The previous sentence shall not affect the timely submission of the report required under paragraph (1).

SEC. 969. IMPLEMENTATION.

(a) EMPOWERING THE HHS OIG AND GAO.—Except as otherwise provided, to the extent practicable, the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall—

(1) carry out the provisions of and amendments made by this subtitle in consultation with the Inspector General of the Department of Health and Human Services; and

(2) take into consideration the findings and recommendations of the Comptroller General of the United States in carrying out such provisions and amendments.

(b) FUNDING.—The Secretary shall provide for the transfer, from the Health Care Fraud and Abuse Control Account under section 1817(k) of the Social Security Act (42 U.S.C. 1395i(k)), to the Centers for Medicare & Medicaid Services Program Management Account, of such sums, provided such sums are fully offset, as the Secretary determines are for necessary administrative expenses associated with carrying out the provisions of and amendments made by this subtitle (other than section 967). Amounts transferred under the preceding sentence shall remain available until expended.

(c) SAVINGS.—Any reduction in outlays under the Medicare program under title XVIII of the Social Security Act under the provisions of, and amendments made by, this subtitle may only be utilized to offset outlays under part A of title XVIII of the Social Security Act.

SA 4766. Mr. THUNE submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title V, insert the following:

SEC. 506. RESCISSION OF UNSPENT FEDERAL FUNDS TO OFFSET LOSS IN REVENUES.

(a) IN GENERAL.—Notwithstanding any other provision of law, of all available unobligated funds, $86,000,000,000 in appropriated discretionary funds are hereby permanently rescinded.

(b) IMPLEMENTATION.—The Director of the Office of Management and Budget shall determine and identify from which appropriation accounts the rescission under subsection (a) shall apply and the amount of such rescission that shall apply to each such account. Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Secretary of the Treasury and Congress of the accounts and amounts determined and identified for rescission under the preceding sentence.

(c) EXCEPTION.—This section shall not apply to the unobligated funds of the Department of Defense or the Department of Veterans Affairs.

SA 4767. Mrs. HUTCHISON (for herself and Mr. CORNYN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, after line 6, add the following:

TITLE IX—EDUCATION JOBS FUND

SEC. 901. ELIMINATION OF PROVISIONS RELATING TO TEXAS.

Section 101 of Public Law 111–226 (124 Stat. 2389) is amended by striking paragraph (11).

SA 4768. Mr. BROWN of Ohio (for himself and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, after line 26, insert the following:

TITLE VIII—CURRENCY VALUATION

SEC. 801. SHORT TITLE.

This title may be cited as the ''Currency Reform for Fair Trade Act''.

SEC. 802. CLARIFICATION REGARDING DEFINITION OF COUNTERVAILABLE SUBSIDY.

(a) BENEFIT CONFERRED.—Section 771(5)(E) of the Tariff Act of 1930 (19 U.S.C. 1677(5)(E)) is amended—

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

(2) in clause (iv), by striking the period at the end and inserting '', and''; and

(3) by inserting after clause (iv) the following new clause:

''(v) in the case in which the currency of a country in which the subject merchandise is produced is exchanged for foreign currency obtained from export transactions, and the currency of such country is a fundamentally undervalued currency, as defined in paragraph (37), the difference between the amount of the currency of such country provided and the amount of the currency of such country that would have been provided if the real effective exchange rate of the currency of such country were not undervalued, as determined pursuant to paragraph (38).''.

(b) EXPORT SUBSIDY.—Section 771(5A)(B) of the Tariff Act of 1930 (19 U.S.C. 1677(5A)(B)) is amended by adding at the end the following new sentence: ''In the case of a subsidy relating to a fundamentally undervalued currency, the fact that the subsidy may also be provided in circumstances not involving export shall not, for that reason alone, mean that the subsidy cannot be considered contingent upon export performance.''.

(c) DEFINITION OF FUNDAMENTALLY UNDERVALUED CURRENCY.—Section 771 of the Tariff Act of 1930 (19 U.S.C. 1677) is amended by adding at the end the following new paragraph:

''(37) FUNDAMENTALLY UNDERVALUED CURRENCY.—The administering authority shall determine that the currency of a country in which the subject merchandise is produced is a 'fundamentally undervalued currency' if—

''(A) the government of the country (including any public entity within the territory of the country) engages in protracted, large-scale intervention in one or more foreign exchange markets during part or all of the 18-month period that represents the most recent 18 months for which the information required under paragraph (38) is reasonably available, but that does not include any period of time later than the final month in the period of investigation or the period of review, as applicable;

''(B) the real effective exchange rate of the currency is undervalued by at least 5 percent, on average and as calculated under paragraph (38), relative to the equilibrium real effective exchange rate for the country's currency during the 18-month period;

''(C) during the 18-month period, the country has experienced significant and persistent global current account surpluses; and

''(D) during the 18-month period, the foreign asset reserves held by the government of the country exceed—

''(i) the amount necessary to repay all debt obligations of the government falling due within the coming 12 months;

''(ii) 20 percent of the country's money supply, using standard measures of M2; and

''(iii) the value of the country's imports during the previous 4 months.''.

(d) DEFINITION OF REAL EFFECTIVE EXCHANGE RATE UNDERVALUATION.—Section 771 of the Tariff Act of 1930 (19 U.S.C. 1677), as amended by subsection (c) of this section, is further amended by adding at the end the following new paragraph:

''(38) REAL EFFECTIVE EXCHANGE RATE UNDERVALUATION.—The calculation of real effective exchange rate undervaluation, for purposes of paragraph (5)(E)(v) and paragraph (37), shall—

''(A)(i) rely upon, and where appropriate be the simple average of, the results yielded from application of the approaches described in the guidelines of the International Monetary Fund's Consultative Group on Exchange Rate Issues; or

''(ii) if the guidelines of the International Monetary Fund's Consultative Group on Exchange Rate Issues are not available, be based on generally accepted economic and econometric techniques and methodologies to measure the level of undervaluation;

''(B) rely upon data that are publicly available, reliable, and compiled and maintained by the International Monetary Fund or, if the International Monetary Fund cannot provide the data, by other international organizations or by national governments; and

''(C) use inflation-adjusted, trade-weighted exchange rates.''.

SEC. 803. REPORT ON IMPLEMENTATION OF TITLE.

(a) IN GENERAL.—Not later than 9 months after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on the implementation of the amendments made by this title.

(b) MATTERS TO BE INCLUDED.—The report required by subsection (a) shall include a description of the extent to which United States industries that have been materially injured by reason of imports of subject merchandise produced in foreign countries with fundamentally undervalued currencies have received relief under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.), as amended by this title.

SA 4769. Mr. KOHL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, between lines 11 and 12, insert:

SEC. 712. ALTERNATIVE MOTOR VEHICLE CREDIT FOR NEW QUALIFIED HYBRID MOTOR VEHICLES OTHER THAN PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) IN GENERAL.—Paragraph (3) of section 30B(k) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property purchased after December 31, 2009.

SA 4770. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. _____. ROLLOVER OF AMOUNTS RECEIVED IN AIRLINE CARRIER BANKRUPTCY.

(a) GENERAL RULES.—

(1) ROLLOVER OF AIRLINE PAYMENT AMOUNT.—If a qualified airline employee receives any airline payment amount and transfers any portion of such amount to a traditional IRA within 180 days of receipt of such amount (or, if later, within 180 days of the date of the enactment of this Act), then such amount (to the extent so transferred) shall be treated as a rollover contribution described in section 402(c) of the Internal Revenue Code of 1986. A qualified airline employee making such a transfer may exclude from gross income the amount transferred, in the taxable year in which the airline payment amount was paid to the qualified airline employee by the commercial passenger airline carrier.

(2) TRANSFER OF AMOUNTS ATTRIBUTABLE TO AIRLINE PAYMENT AMOUNT FOLLOWING ROLLOVER TO ROTH IRA.—A qualified airline employee who made a rollover of an airline payment amount to a Roth IRA pursuant to section 125 of the Worker, Retiree, and Employer Recovery Act of 2008, may transfer to a traditional IRA all or any part of the Roth IRA attributable to such rollover, and the transfer to the traditional IRA will be deemed to have been made at the time of the rollover to the Roth IRA, if such transfer is made within 180 days of the date of the enactment of this Act. A qualified airline employee making such a transfer may exclude from gross income the airline payment amount previously rolled over to the Roth IRA, to the extent an amount attributable to the previous rollover was transferred to a traditional IRA, in the taxable year in which the airline payment amount was paid to the qualified airline employee by the commercial passenger airline carrier.

(3) EXTENSION OF TIME TO FILE CLAIM FOR REFUND.—A qualified airline employee who excludes an amount from gross income in a prior taxable year under paragraph (1) or (2) may reflect such exclusion in a claim for refund filed within the period of limitation under section 6511(a) (or, if later, April 15, 2011).

(b) TREATMENT OF AIRLINE PAYMENT AMOUNTS AND TRANSFERS FOR EMPLOYMENT TAXES.—For purposes of chapter 21 of the Internal Revenue Code of 1986 and section 209 of the Social Security Act, an airline payment amount shall not fail to be treated as a payment of wages by the commercial passenger airline carrier to the qualified airline employee in the taxable year of payment because such amount is excluded from the qualified airline employee's gross income under subsection (a).

(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) AIRLINE PAYMENT AMOUNT.—

(A) IN GENERAL.—The term ''airline payment amount'' means any payment of any money or other property which is payable by a commercial passenger airline carrier to a qualified airline employee—

(i) under the approval of an order of a Federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007, and

(ii) in respect of the qualified airline employee's interest in a bankruptcy claim against the carrier, any note of the carrier (or amount paid in lieu of a note being issued), or any other fixed obligation of the carrier to pay a lump sum amount.

The amount of such payment shall be determined without regard to any requirement to deduct and withhold tax from such payment under sections 3102(a) and 3402(a).

(B) EXCEPTION.—An airline payment amount shall not include any amount payable on the basis of the carrier's future earnings or profits.

(2) QUALIFIED AIRLINE EMPLOYEE.—The term ''qualified airline employee'' means an employee or former employee of a commercial passenger airline carrier who was a participant in a defined benefit plan maintained by the carrier which—

(A) is a plan described in section 401(a) of the Internal Revenue Code of 1986 which includes a trust exempt from tax under section 501(a) of such Code, and

(B) was terminated or became subject to the restrictions contained in paragraphs (2) and (3) of section 402(b) of the Pension Protection Act of 2006.

(3) TRADITIONAL IRA.—The term ''traditional IRA'' means an individual retirement plan (as defined in section 7701(a)(37) of the Internal Revenue Code of 1986) which is not a Roth IRA.

(4) ROTH IRA.—The term ''Roth IRA'' has the meaning given such term by section 408A(b) of such Code.

(d) SURVIVING SPOUSE.—If a qualified airline employee died after receiving an airline payment amount, or if an airline payment amount was paid to the surviving spouse of a qualified airline employee in respect of the qualified airline employee, the surviving spouse of the qualified airline employee may take all actions permitted under section 125 of the Worker, Retiree and Employer Recovery Act of 2008, or under this section, to the same extent that the qualified airline employee could have done had the qualified airline employee survived.

(e) EFFECTIVE DATE.—This section shall apply to transfers made after the date of the enactment of this Act with respect to airline payment amounts paid before, on, or after such date.

SA 4771. Mr. CASEY submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, after line 6, insert the following:

TITLE IX—ABLE ACT

SEC. 901. SHORT TITLE.

This title may be cited as the ''Achieving a Better Life Experience Act of 2010'' or the ''ABLE Act of 2010''.

SEC. 902. PURPOSES.

The purposes of this Act are as follows:

(1) To encourage and assist individuals and families in saving private funds for the purpose of supporting individuals with disabilities to maintain health, independence, and quality of life.

(2) To provide secure funding for disability-related expenses on behalf of designated beneficiaries with disabilities that will supplement, but not supplant, benefits provided through private insurance, the Medicaid program under title XIX of the Social Security Act, the supplemental security income program under title XVI of such Act, the beneficiary's employment, and other sources.

SEC. 903. ABLE ACCOUNTS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Subchapter F of chapter 1 is amended by inserting after part VIII the following new part:

''PART IX—SAVINGS FOR INDIVIDUALS WITH DISABILITIES

''Sec. 530A. ABLE Accounts.

''SEC. 530A. ABLE ACCOUNTS.

''(a) GENERAL RULE.—An ABLE account shall be exempt from taxation under this subtitle. Notwithstanding the preceding sentence, such account shall be subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable organizations).

''(b) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) ABLE ACCOUNTS.—The term 'ABLE account' means a trust created or organized in the United States (and designated as an ABLE account at the time created or organized) exclusively for the purpose of paying or reimbursing qualified disability expenses of an individual who is an individual with a disability and who is the designated beneficiary of the trust, but only if the written governing instrument creating the trust meets the following requirements:

''(A) No contribution will be accepted—

''(i) except in the case of rollover contributions described in subsection (c)(4) and sections 223(f)(5), 408(d)(3), 529(c)(3)(C)(i), and 530(d)(5), unless it is in cash or the equivalent thereof,

''(ii) if such contribution would result in aggregate contributions to all ABLE accounts for the same designated beneficiary for the taxable year and all preceding taxable years exceeding $500,000 plus the yearly inflation adjustment, and

''(iii) after the date on which the designated beneficiary attains the age of 65.

''(B) The trustee is—

''(i) a bank (as defined in section 408(n)),

''(ii) the designated beneficiary,

''(iii) a parent or guardian of the account holder, or

''(iv) a third-party appointed by the designated beneficiary or a parent or guardian of the designated beneficiary (including a family member of the designated beneficiary or an organization that administers pooled and special needs trusts) who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section.

''(C) No part of the trust assets will be invested in life insurance contracts.

''(D) The assets of the trust shall not be commingled with other property except in a common trust fund or common investment fund.

''(E) Except as provided in paragraph (4) or (5) of subsection (c) and for qualified disability expenses that are funeral and burial expenses, in the case that the designated beneficiary dies or ceases to be an individual with a disability, all amounts remaining in the trust not in excess of the amount equal to the total medical assistance paid for the designated beneficiary after the establishment of the trust, net of any premiums paid from the account or paid by or on behalf of the beneficiary to a Medicaid buy-in program, under any State Medicaid plan established under title XIX of the Social Security Act shall be distributed to such State upon filing of a claim for payment by such State within 90 days of the date of notification that the individual is deceased. For purposes of this subparagraph, the State shall be a creditor of an ABLE account and not a beneficiary.

''(2) QUALIFIED DISABILITY EXPENSES.—

''(A) IN GENERAL.—The term 'qualified disability expenses' means any expenses which—

''(i) are made for the benefit of an individual with a disability who is a designated beneficiary of the trust, and

''(ii) approved under regulations established by the Secretary.

''(B) EXPENSES INCLUDED.—The following expenses shall be qualified disability expenses if made for the benefit of an individual with a disability who is a designated beneficiary of the trust:

''(i) EDUCATION.—Expenses for education, including tuition for preschool thru post-secondary education, books, supplies, and educational materials related to such education, tutors, and special education services.

''(ii) HOUSING.—Expenses for housing, including the purchase of a home or interest in a home, rent, mortgage payments, home improvements and modifications, maintenance and repairs, real property taxes, and utility charges.

''(iii) TRANSPORTATION.—Expenses for transportation, including the use of mass transit, the purchase or modification of vehicles, and moving expenses.

''(iv) EMPLOYMENT SUPPORT.—Expenses related to obtaining and maintaining employment, including job-related training, assistive technology, and personal assistance supports.

''(v) HEALTH, PREVENTION, AND WELLNESS.—Expenses for the health and wellness, including premiums for health insurance, medical, vision, and dental expenses, habilitation and rehabilitation services, durable medical equipment, therapy, respite care, long term services and supports, and nutritional management.

''(vi) LIFE NECESSITIES.—Expenses for life necessities, including clothing, activities which are religious, cultural, or recreational, supplies and equipment for personal care, community-based supports, communication services and devices, adaptive equipment, assistive technology, personal assistance supports, financial management, legal fees, and

administrative services, expenses for oversight, monitoring, or advocacy, funeral and burial, and Medicaid payback.

''(vii) OTHER APPROVED EXPENSES.—Any other expenses which are approved by the Secretary under regulations and consistent with the purposes of this section.

''(viii) ASSISTIVE TECHNOLOGY AND PERSONAL SUPPORT SERVICES.—Expenses for assistive technology and personal support with respect to any item described in clauses (i) through (vii).

''(3) INDIVIDUAL WITH A DISABILITY.—An individual is an individual with a disability if such individual—

''(A) would be eligible to receive supplemental security income benefits due to blindness or disability under title XVI of the Social Security Act, or disability benefits under Title II of the Social Security Act, notwithstanding—

''(i) the income and assets tests and substantial gainful activity test required for eligibility for such benefits, and

''(ii) whether a determination has been made that such individual is blind or disabled, or

''(B) is eligible to receive or is deemed to be receiving supplemental security income benefits due to blindness or disability under title XVI of the Social Security Act, or disability benefits under title II of the Social Security Act.

''(4) RULES RELATING TO ESTATE AND GIFT TAX.—Rules similar to the rules of paragraphs (2), (4), and (5) of section 529(c) shall apply for purposes of this section.

''(c) TAX TREATMENT OF DISTRIBUTIONS.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, any amount paid or distributed out of an ABLE account shall be included in gross income by the payee or distributee, as the case may be, for the taxable year in which received in the manner as provided in section 72.

''(2) DISTRIBUTIONS FOR BENEFIT OF DESIGNATED BENEFICIARY.—

''(A) IN GENERAL.—No amount shall be includible in gross income under paragraph (1) if the qualified disability expenses of the designated beneficiary during the taxable year are not less than the aggregate distributions during the taxable year.

''(B) DISTRIBUTIONS IN EXCESS OF EXPENSES.—If such aggregate distributions exceed such expenses during the taxable year, the amount otherwise includible in gross income under paragraph (1) shall be reduced by the amount which bears the same ratio to the amount which would be includible in gross income under paragraph (1) (without regard to this subparagraph) as the qualified disability expenses bear to such aggregate distributions.

''(C) DISALLOWANCE OF EXCLUDED AMOUNTS AS DEDUCTION, CREDIT, OR EXCLUSION.—No deduction, credit, or exclusion shall be allowed to the taxpayer under any other section of this chapter for any qualified disability expenses to the extent taken into account in determining the amount of the exclusion under this paragraph.

''(3) ADDITIONAL TAX FOR DISTRIBUTIONS NOT USED FOR BENEFIT OF DESIGNATED BENEFICIARY.—

''(A) IN GENERAL.—The tax imposed by this chapter for any taxable year on any taxpayer who receives a payment or distribution from an ABLE account shall be increased by 10 percent of the amount thereof which is includible in gross income under paragraph (1).

''(B) EXCEPTION.—Subparagraph (A) shall not apply if the payment or distribution is made to a beneficiary (or to the estate of the designated beneficiary) on or after the death of the designated beneficiary.

''(C) CONTRIBUTIONS RETURNED BEFORE CERTAIN DATE.—Subparagraph (A) shall not apply to the distribution of any contribution made during a taxable year if—

''(i) such distribution is made before the 60th day after the date on which the contribution was made, and

''(ii) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in clause (ii) shall be included in gross income for the taxable year in which such excess contribution was made.

''(4) ROLLOVERS.—Paragraph (1) shall not apply to any amount paid or distributed from an ABLE account to the extent that the amount received is paid, not later than the 60th day after the date of such payment or distribution, into—

''(A) another ABLE account for the benefit of—

''(i) the same beneficiary, or

''(ii) an individual who—

''(I) is the spouse of such individual with a disability, or bears a relationship to such individual with a disability which is described in section 152(d)(2), and

''(II) is also an individual with a disability, or

''(B) any trust which is described in subparagraph (A) or (C) of section 1917(d)(4) of the Social Security Act and which is for the benefit of an individual described in clause (i) or (ii) of subparagraph (A).

The preceding sentence shall not apply to any payment or distribution if it applied to any prior payment or distribution during the 12-month period ending on the date of the payment or distribution.

''(5) CHANGE IN BENEFICIARY.—Any change in the beneficiary of an ABLE account shall not be treated as a distribution for purposes of paragraph (1) if the new beneficiary is an individual described in paragraph (4)(A)(ii) as of the date of the change.

''(d) TAX TREATMENT OF ACCOUNTS.—Rules similar to the rules of paragraphs (2) and (4) of section 408(e) shall apply to any ABLE account.

''(e) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

''(f) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if—

''(1) the assets of such account are held by a bank (as defined in section 408(n)), a broker dealer (as defined in section 15 of the Securities Exchange Act of 1934), an investment company registered under the Investment Company Act of 1940, an investment advisor registered under the Investment Advisors Act of 1940, or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which he will administer the account will be consistent with the requirements of this section,

''(2) the custodial account would, except for the fact that it is not a trust, constitute an account described in subsection (b)(1), and

''(3) the custodial account holder is a person described in subsection (b)(1)(B)(ii), (iii), or (iv).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the bank or other custodian of such account shall be treated as the trustee thereof. Such bank or other custodian shall be entitled to rely, without further duty of inquiry or liability to any person, upon the signed written statement (which may be included on a check or withdrawal slip) of the custodial account holder that a payment or distribution from such account is made solely to pay, or to reimburse a payment for, a qualified disability expense.

''(g) REPORTS.—The trustee, custodian, and account holder of an ABLE account shall make such reports regarding such account to the Secretary and to the beneficiary of the account with respect to contributions, distributions, and such other matters as the Secretary may require. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required.

''(h) INFLATION ADJUSTMENT.—

''(1) IN GENERAL.—In the case of any taxable year beginning after 2010, the $500,000 dollar amount under subsection (b)(1)(A)(i)(II) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost of living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any amount as adjusted under paragraph (1) is not a multiple of $1,000, such amount shall be rounded to the next lowest multiple of $1,000.

''(i) REGULATIONS.—The Secretary shall prescribe temporary or final regulations or other published guidance to carry out the purposes of this section within six months of the date of enactment, including regulations to prevent fraud and abuse with respect to amounts claimed as qualified disability expenses.''.

(2) CONFORMING AMENDMENTS.—

(A) TAX ON EXCESS CONTRIBUTIONS.—

(i) IN GENERAL.—Subsection (a) of section 4973 is amended by striking ''or'' at the end of paragraph (4), by inserting ''or'' at the end of paragraph (5), and by inserting after paragraph (5) the following new paragraph:

''(6) an ABLE account (within the meaning of section 530A),''.

(ii) EXCESS CONTRIBUTIONS.—Section 4973 is amended by adding at the end the following new subsection:

''(h) EXCESS CONTRIBUTIONS TO ABLE ACCOUNTS.—For purposes of this section, in the case of an ABLE account (within the meaning of section 530A), the term 'excess contributions' means the sum of—

''(1) the amount by which the sum of the amount contributed for the same designated beneficiary for the taxable year to such accounts plus such amounts contributed for all preceding taxable years exceeds the amount described in section 530A(b)(1)(A)(ii), and

''(2) the amount determined under this section for the preceding taxable year, reduced by the distributions from such account which were includible in gross income under section 530A(c)(1).

For purposes of this section, an amount which is distributed out of an ABLE account in a distribution to which section 530A(c)(3)(C) applies shall be treated as an amount not contributed.''.

(B) TAX ON PROHIBITED TRANSACTIONS.—

(i) IN GENERAL.—Paragraph (1) of section 4975(e) is amended by redesignating subparagraph (G) as subparagraph (H), by striking ''or'' at the end of subparagraph (F), and by adding after subparagraph (F) the following:

''(G) an ABLE account described in section 530A, or''.

(ii) EXEMPTION.—Subsection (d) of section 4975 is amended by striking ''or'' at the end of paragraph (22), by striking the period at the end of paragraph (23) and inserting ''; or'', and by inserting after paragraph (23) the following:

''(24) in the case of an ABLE account, any transaction to provide housing or other services by a family member to or for the designated beneficiary of the trust to the extent that such transaction does not exceed the fair market value of the housing or service (as the case may be) provided.''.

(iii) SPECIAL RULE.—Subsection (c) of section 4975 is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULE FOR ABLE ACCOUNTS.—An individual for whose benefit an ABLE account is established and any contributor to such account shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if section 530A(d) applies with respect to such transaction.''.

(C) ROLLOVERS FROM CERTAIN OTHER TAX FAVORED ACCOUNTS.—

(i) QUALIFIED TUITION PROGRAMS.—Paragraph (3) of section 529(c) is amended by adding at the end the following new subparagraph:

''(E) CONTRIBUTIONS TO ABLE ACCOUNT.—Subparagraph (A) shall not apply to that portion of any distribution which, within 60 days of such distribution, is contributed to an ABLE account for the benefit of the designated beneficiary.''.

(ii) EDUCATION SAVINGS ACCOUNTS.—Subsection (d) of section 530 is amended by adding at the end the following new paragraph:

''(10) CONTRIBUTIONS TO ABLE ACCOUNT.—Paragraph (1) shall not apply to any amount paid or distributed from a Coverdell education savings account to the extent that the amount received is paid, not later than the 60th day after the date of such payment or distribution, into an ABLE account for the benefit of the same beneficiary.''.

(iii) HEALTH SAVINGS ACCOUNTS.—Subparagraph (A) of section 223(f)(5) is amended—

(I) by inserting ''(i)'' before ''into a health savings account'', and

(II) by inserting ''or (ii) into an ABLE account for the benefit of such beneficiary'' before ''not later than the 60th day''.

(iv) CERTAIN IRAS.—Subparagraph (A) of section 408(d)(3) is amended by striking ''or'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting ''; or'', and by inserting after clause (ii) the following new clause:

''(iii) the entire amount received (including money and other property) is paid into an ABLE account for the benefit of the child or grandchild of such individual not later than the 60th day after the day on which the payment or distribution is received.''.

(D) REPORTS.—Paragraph (2) of section 6693(a) is amended by striking ''and'' at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting ''and'', and by inserting after subparagraph (E) the following new subparagraph:

''(F) section 530A(g) (relating to ABLE accounts).''.

(E) EXCLUSION FROM INCOME UNDER SSI.—Subsection (b) of section 1612 of the Social Security Act (42 U.S.C. 1382a) is amended by striking ''and'' at the end of paragraph (24), by striking the period at the end of paragraph (25) and inserting ''; and'', and by inserting after paragraph (25) the following:

''(26) any contribution to an ABLE account.''.

(F) CLERICAL AMENDMENT.—The table of parts for subchapter F of chapter 1 is amended by inserting after the item relating to part VIII the following new item:

''PART IX. SAVINGS FOR INDIVIDUALS WITH DISABILITIES.''.

(b) ANNUAL REPORTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall report annually to Congress on the usage of ABLE accounts under section 530A of the Internal Revenue Code of 1986.

(2) CONTENTS OF REPORT.—Any report under paragraph (1) shall include—

(A) the number of people with ABLE accounts,

(B) the total amount of contributions to such accounts,

(C) the total amount and nature of distributions from such accounts,

(D) issues relating to the abuse of such accounts, if any, and

(E) the amounts repaid from such accounts to State Medicaid programs established under title XIX of the Social Security Act.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 904. STUDY ON THE USE OF ABLE ACCOUNTS.

(a) IN GENERAL.—The Secretary of the Treasury (or the Secretary's delegate), in consultation with the Secretary of Health and Human Services, shall conduct a study on the use of ABLE accounts (as defined by section 530A(a) of the Internal Revenue Code). Such study shall consider the effect that a tax credit or a refundable matching tax credit would have on the use of and contributions to such accounts.

(b) REPORT.—Not later than 5 years after the date of the enactment of this Act, the Secretary of the Treasury shall report to Congress on the study conducted under subsection (a).

SEC. 905. TREATMENT OF ABLE ACCOUNTS UNDER CERTAIN FEDERAL PROGRAMS.

(a) TREATMENT AS A MEDICAID EXCEPTED TRUST.—Paragraph (4) of section 1917(d) of the Social Security Act (42 U.S.C. 1396p(d)(4)) is amended by adding at the end the following new subparagraph:

''(D) An ABLE account described in section 530A(b)(1) of the Internal Revenue Code of 1986.''.

(b) ACCOUNT FUNDS DISREGARDED FOR PURPOSES OF CERTAIN OTHER MEANS-TESTED FEDERAL PROGRAMS.—Notwithstanding any other provision of Federal law that requires consideration of 1 or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such provision to be provided to or for the benefit of such individual, any amount (including earnings thereon) in any ABLE account of such individual, and any distribution for qualified disability expenses (as defined in section 530A(b)(2)) shall be disregarded for such purpose with respect to any period during which such individual maintains, makes contributions to, or receives distributions from such ABLE account.

SA 4772. Mr. BEGICH submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, after line 26, add the following:

TITLE ____—OTHER PROVISIONS

SEC. __01. ENCOURAGEMENT OF CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES BY NATIVE CORPORATIONS.

(a) IN GENERAL.—Paragraph (2) of section 170(b) of the Internal Revenue Code of 1986 is amended by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

''(C) QUALIFIED CONSERVATION CONTRIBUTIONS BY CERTAIN NATIVE CORPORATIONS.—

''(i) IN GENERAL.—Any qualified conservation contribution (as defined in subsection (h)(1)) which—

''(I) is made by a Native Corporation, and

''(II) is a contribution of property which was land conveyed under the Alaska Native Claims Settlement Act,

shall be allowed to the extent that the aggregate amount of such contributions does not exceed the excess of the taxpayer's taxable income over the amount of charitable contributions allowable under subparagraph (A).

''(ii) LIMITATION.—This subparagraph shall not apply to any contribution of property described in clause (i)(II) which, by itself or when aggregated to any other property to which this subparagraph applies, is a contribution of more than 10 percent of the land conveyed to the Native Corporation described in clause (i)(I) under the Alaska Native Claims Settlement Act.

''(iii) CARRYOVER.—If the aggregate amount of contributions described in clause (i) exceeds the limitation of clause (i), such excess shall be treated (in a manner consistent with the rules of subsection (d)(2)) as a charitable contribution to which clause (i) applies in each of the 5 succeeding years in order of time.

''(iv) DEFINITION.—For purposes of this subparagraph, the term 'Native Corporation' has the meaning given such term by section 3(m) of the Alaska Native Claims Settlement Act.

''(v) TERMINATION.—This subparagraph shall not apply to any contribution in any taxable year beginning after December 31, 2011.''.

(b) CONFORMING AMENDMENT.—Section 170(b)(2)(A) of such Code is amended by striking ''subparagraph (B) applies'' and inserting ''subparagraphs (B) or (C) apply''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of the enactment of this Act.

(d) RULE OF CONSTRUCTION.—Nothing in this section or the amendments made by this section shall be construed to modify any existing property rights conveyed to Native Corporations (withing the meaning of section 3(m) of the Alaska Native Claims Settlement Act) under such Act.

SEC. __02. INCREASE IN PENALTY FOR FAILURE TO FILE A PARTNERSHIP OR S CORPORATION RETURN.

(a) IN GENERAL.—Sections 6698(b)(1) and 6699(b)(1) of the Internal Revenue Code of 1986 are each amended by striking ''$195'' and inserting ''$205''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns for taxable years beginning after December 31, 2010.

SA 4773. Ms. STABENOW (for herself, Mr. BEGICH, Mrs. SHAHEEN, and Mr. BROWN of Ohio) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, after line 26, add the following:

TITLE __—REPEAL OF EXPANSION OF INFORMATION REPORTING REQUIREMENTS

SEC. __01. REPEAL OF EXPANSION OF INFORMATION REPORTING REQUIREMENTS.

(a) REPEAL OF PAYMENTS FOR PROPERTY AND OTHER GROSS PROCEEDS.—Subsection (b) of section 9006 of the Patient Protection and Affordable Care Act, and the amendments made thereby, are hereby repealed; and the Internal Revenue Code of 1986 shall be applied as if such subsection, and amendments, had never been enacted.

(b) REPEAL OF APPLICATION TO CORPORATIONS; APPLICATION OF REGULATORY AUTHORITY.—

(1) IN GENERAL.—Section 6041, as amended by section 9006(a) of the Patient Protection and Affordable Care Act and section 2101 of the Small Business Jobs Act of 2010, is amended by striking subsections (i) and (j) and inserting the following new subsection:

''(i) REGULATIONS.—The Secretary may prescribe such regulations and other guidance as may be appropriate or necessary to carry out the purposes of this section, including rules to prevent duplicative reporting of transactions.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to payments made after December 31, 2010.

SA 4774. Ms. STABENOW submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 28, between lines 3 and 4, insert:

SEC. 403. EXTENSION AND ADDITIONAL ALLOCATIONS OF RECOVERY ZONE BOND AUTHORITY.

(a) EXTENSION OF RECOVERY ZONE BOND AUTHORITY.—Section 1400U–2(b)(1) and section 1400U–3(b)(1)(B) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) ADDITIONAL ALLOCATIONS OF RECOVERY ZONE BOND AUTHORITY BASED ON UNEMPLOYMENT.—Section 1400U–1 is amended by adding at the end the following new subsection:

''(c) ALLOCATION OF 2010 RECOVERY ZONE BOND LIMITATIONS BASED ON UNEMPLOYMENT.—

''(1) IN GENERAL.—The Secretary shall allocate the 2010 national recovery zone economic development bond limitation and the 2010 national recovery zone facility bond limitation among the States in the proportion that each such State's 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

''(2) MINIMUM ALLOCATION.—The Secretary shall adjust the allocations under paragraph (1) for each State to the extent necessary to ensure that no State (prior to any reduction under paragraph (3)) receives less than 0.9 percent of the 2010 national recovery zone economic development bond limitation and 0.9 percent of the 2010 national recovery zone facility bond limitation.

''(3) ALLOCATIONS BY STATES.—

''(A) IN GENERAL.—Each State with respect to which an allocation is made under paragraph (1) shall reallocate such allocation among the counties and large municipalities (as defined in subsection (a)(3)(B)) in such State in the proportion that each such county's or municipality's 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all the counties and large municipalities (as so defined) in such State.

''(B) 2010 ALLOCATION REDUCED BY AMOUNT OF PREVIOUS ALLOCATION.—Each State shall reduce (but not below zero)—

''(i) the amount of the 2010 national recovery zone economic development bond limitation allocated to each county or large municipality (as so defined) in such State by the amount of the national recovery zone economic development bond limitation allocated to such county or large municipality under subsection (a)(3)(A) (determined without regard to any waiver thereof), and

''(ii) the amount of the 2010 national recovery zone facility bond limitation allocated to each county or large municipality (as so defined) in such State by the amount of the national recovery zone facility bond limitation allocated to such county or large municipality under subsection (a)(3)(A) (determined without regard to any waiver thereof).

''(C) WAIVER OF SUBALLOCATIONS.—A county or municipality may waive any portion of an allocation made under this paragraph. A county or municipality shall be treated as having waived any portion of an allocation made under this paragraph which has not been allocated to a bond issued before May 1, 2011. Any allocation waived (or treated as waived) under this subparagraph may be used or reallocated by the State.

''(D) SPECIAL RULE FOR A MUNICIPALITY IN A COUNTY.—In the case of any large municipality any portion of which is in a county, such portion shall be treated as part of such municipality and not part of such county.

''(4) 2009 UNEMPLOYMENT NUMBER.—For purposes of this subsection, the term '2009 unemployment number' means, with respect to any State, county or municipality, the number of individuals in such State, county, or municipality who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

''(5) 2010 NATIONAL LIMITATIONS.—

''(A) RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS.—The 2010 national recovery zone economic development bond limitation is $10,000,000,000. Any allocation of such limitation under this subsection shall be treated for purposes of section 1400U–2 in the same manner as an allocation of national recovery zone economic development bond limitation.

''(B) RECOVERY ZONE FACILITY BONDS.—The 2010 national recovery zone facility bond limitation is $15,000,000,000. Any allocation of such limitation under this subsection shall be treated for purposes of section 1400U–3 in the same manner as an allocation of national recovery zone facility bond limitation.''.

(c) AUTHORITY OF STATE TO WAIVE CERTAIN 2009 ALLOCATIONS.—Subparagraph (A) of section 1400U–1(a)(3) is amended by adding at the end the following: ''A county or municipality shall be treated as having waived any portion of an allocation made under this subparagraph which has not been allocated to a bond issued before May 1, 2011. Any allocation waived (or treated as waived) under this subparagraph may be used or reallocated by the State.''.

SA 4775. Ms. STABENOW (for herself, Mr. BINGAMAN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. CARPER, Mr. SCHUMER, Mr. COONS, Mrs. SHAHEEN, Mr. PRYOR, Mrs. BOXER, Ms. CANTWELL, Mr. LEVIN, Mr. DORGAN, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, between lines 3 and 4, insert:

SEC. 712. EXPANSION OF QUALIFYING ADVANCED ENERGY PROJECT CREDIT.

(a) IN GENERAL.—Section 48C(d)(1)(B) is amended by striking ''$2,300,000,000'' and inserting ''$4,800,000,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to allocations for applications submitted after December 31, 2010.

SA 4776. Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, between lines 11 and 12, insert:

SEC. _____. EXTENSION AND EXPANSION OF NEW CLEAN RENEWABLE ENERGY BONDS.

(a) INCREASED LIMITATION ON ISSUANCE OF NEW CLEAN RENEWABLE ENERGY BONDS.—

(1) IN GENERAL.—Subsection (c) of section 54C is amended by adding at the end the following new paragraph:

''(5) 2010 ADDITIONAL LIMITATION.—The national new clean renewable bond limitation shall be increased by $1,600,000,000. Such increase shall be allocated by the Secretary as provided in paragraph (3), except that—

''(A) 60 percent thereof shall be allocated to qualified projects of public power providers, and

''(B) 40 percent thereof shall be allocated to qualified projects of cooperative electric companies.''.

(2) CONFORMING AMENDMENT.—Paragraph (4) of section 54C(c) is amended by striking ''ADDITIONAL'' in the heading thereof and inserting ''2009 ADDITIONAL''.

(b) EFFECTIVE DATE.—The amendments made by this subsection shall apply to obligations issued after the date of the enactment of this Act.

SA 4777. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 71, between lines 3 and 4, insert the following:

SEC. 7___. TIMBER REIT MODERNIZATION.

(a) IN GENERAL.—Paragraph (8) of section 856(c) is amended by striking ''means'' and all that follows and inserting ''means December 31, 2011.''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (I) of section 856(c)(2) is amended by striking ''the first taxable year beginning after the date of the enactment of this subparagraph'' and inserting ''a taxable year beginning on or before the termination date''.

(2) Clause (iii) of section 856(c)(5)(H) is amended by inserting ''in taxable years beginning'' after ''dispositions''.

(3) Clause (v) of section 857(b)(6)(D) is amended by inserting ''in a taxable year beginning'' after ''sale''.

(4) Subparagraph (G) of section 857(b)(6) is amended by inserting ''in a taxable year beginning'' after ''In the case of a sale''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after May 22, 2009.

SA 4778. Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 28, between lines 3 and 4, insert:

SEC. _____. RENEWAL COMMUNITY TAX INCENTIVES.

(a) IN GENERAL.—Subsection (b) of section 1400E is amended—

(1) by striking ''December 31, 2009'' in paragraphs (1)(A) and (3) and inserting ''December 31, 2011''; and

(2) by striking ''January 1, 2010'' in paragraph (3) and inserting ''January 1, 2012''.

(b) ZERO-PERCENT CAPITAL GAINS RATE.—

(1) ACQUISITION DATE.—Paragraphs (2)(A)(i), (3)(A), (4)(A)(i), and (4)(B)(i) of section 1400F(b) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(2) LIMITATION ON PERIOD OF GAINS.—Paragraph (2) of section 1400F(c) is amended—

(A) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(B) by striking ''2014'' in the heading and inserting ''2016''.

(3) CLERICAL AMENDMENT.—Subsection (d) of section 1400F is amended by striking ''and 'December 31, 2014' for 'December 31, 2014'''.

(c) COMMERCIAL REVITALIZATION DEDUCTION.—

(1) IN GENERAL.—Subsection (g) of section 1400I is amended by striking ''December 31, 2009'' and inserting ''December 31, 2010''.

(2) CONFORMING AMENDMENT.—Subparagraph (A) of section 1400I(d)(2) is amended by striking ''after 2001 and before 2010'' and inserting ''which begins after 2001 and before the date referred to in subsection (g)''.

(d) INCREASED EXPENSING UNDER SECTION 179.—Subparagraph (A) of section 1400J(b)(1) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(e) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of a renewal community the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A) of section 1400E(b)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation unless, after the date of the enactment of this section, the entity which made such nomination reconfirms such termination date, or amends the nomination to provide for a new termination date, in such manner as the Secretary of the Treasury (or the Secretary's designee) may provide.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to periods after December 31, 2009.

(2) ACQUISITIONS.—The amendments made by subsections (b)(1) and (d) shall apply to acquisitions after December 31, 2009.

(3) COMMERCIAL REVITALIZATION DEDUCTION.—

(A) IN GENERAL.—The amendment made by subsection (c)(1) shall apply to buildings placed in service after December 31, 2009.

(B) CONFORMING AMENDMENT.—The amendment made by subsection (c)(2) shall apply to calendar years beginning after December 31, 2009.

SA 4779. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 28, between lines 3 and 4, insert:

SEC. _____. EXTENSION OF BUILD AMERICA BONDS.

(a) IN GENERAL.—Subparagraph (B) of section 54AA(d)(1) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EXTENSION OF PAYMENTS TO ISSUERS.—

(1) IN GENERAL.—Section 6431 is amended—

(A) by striking ''January 1, 2011'' in subsection (a) and inserting ''January 1, 2012''; and

(B) by striking ''January 1, 2011'' in subsection (f)(1)(B) and inserting ''a particular date''.

(2) CONFORMING AMENDMENTS.—Subsection (g) of section 54AA is amended—

(A) by striking ''January 1, 2011'' and inserting ''January 1, 2012''; and

(B) by striking ''QUALIFIED BONDS ISSUED BEFORE 2011'' in the heading and inserting ''CERTAIN QUALIFIED BONDS''.

(c) REDUCTION IN PERCENTAGE OF PAYMENTS TO ISSUERS.—Subsection (b) of section 6431 is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'';

(2) by striking ''35 percent'' and inserting ''the applicable percentage''; and

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

''(2) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term 'applicable percentage' means the percentage determined in accordance with the following table:

''In the case of a qualified bond issued during calendar year:	The applicable percentage is:
2009 or 2010	35 percent
2011	32 percent.''.

(d) CURRENT REFUNDINGS PERMITTED.—Subsection (g) of section 54AA is amended by adding at the end the following new paragraph:

''(3) TREATMENT OF CURRENT REFUNDING BONDS.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'qualified bond' includes any bond (or series of bonds) issued to refund a qualified bond if—

''(i) the average maturity date of the issue of which the refunding bond is a part is not later than the average maturity date of the bonds to be refunded by such issue,

''(ii) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(iii) the refunded bond is redeemed not later than 90 days after the date of the issuance of the refunding bond.

''(B) APPLICABLE PERCENTAGE.—In the case of a refunding bond referred to in subparagraph (A), the applicable percentage with respect to such bond under section 6431(b) shall be the lowest percentage specified in paragraph (2) of such section.

''(C) DETERMINATION OF AVERAGE MATURITY.—For purposes of subparagraph (A)(i), average maturity shall be determined in accordance with section 147(b)(2)(A).''.

SA 4780. Mr. WARNER (for himself and Mr. CHAMBLISS) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, after line 6, add:

SEC. 803. SENSE OF THE SENATE REGARDING THE FEDERAL DEBT AND BUDGET DEFICIT.

(a) FINDINGS.—The Senate finds that:

(1) The Federal tax code is in need of significant and comprehensive reform.

(2) The way forward to overcome the challenges to strengthen our economy for future generations is in a bi-partisan manner.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that:

(1) The American people want Congress and the Executive Branch to address the issue of unsustainable deficits and debt in a bi-partisan way, focusing on a civil policy-oriented discussion.

(2) A comprehensive plan for addressing the fiscal concerns facing our Nation should be considered by the United States Senate by the end of calendar year 2011.

(3) The fundamental cornerstones of this plan will be tax reform, spending restraint, and debt and deficit reduction.

SA 4781. Mrs. MURRAY (for herself and Ms. CANTWELL) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 41, between lines 15 and 16, insert the following:

(c) APPLICATION OF GRANTS FOR SPECIFIED ENERGY PROPERTY TO CERTAIN REGULATED COMPANIES.—

(1) IN GENERAL.—The first sentence of section 1603(f) of division B of the American Recovery and Reinvestment Act of 2009 is amended by inserting ''(other than subsection (d)(2) thereof)'' after ''section 50 of the Internal Revenue Code of 1986''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in section 1603 of division B the American Recovery and Reinvestment Act of 2009.

SA 4782. Mr. MENENDEZ (for himself and Mr. BAYH) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, between lines 21 and 22, insert the following:

SEC. 722. ADDITIONAL STANDARD DEDUCTION FOR REAL PROPERTY TAXES FOR NONITEMIZERS.

(a) IN GENERAL.—Subparagraph (C) of section 63(c)(1) is amended by striking ''2008 or 2009'' and inserting ''2008, 2009, or 2010''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SA 4783. Mr. BINGAMAN (for himself and Ms. SNOWE) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, after line 6, insert the following:

TITLE IX—ADVANCED ENERGY TAX INCENTIVES ACT OF 2010

SECTION 901. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Advanced Energy Tax Incentives Act of 2010''.

Subtitle A—Industrial and Building Energy Efficiency

PART I—EXPANSION OF BUILDING EFFICIENCY INCENTIVES

SEC. 911. INCREASE IN, AND EXTENSION OF, NEW ENERGY EFFICIENT HOME CREDIT.

(a) NEW TIER; CREDIT AMOUNT FOR NEW TIER.—

(1) NEW TIER.—Subsection (c) of section 45L is amended to read as follows:

''(c) ENERGY SAVINGS REQUIREMENTS.—

''(1) IN GENERAL.—A dwelling unit meets the energy saving requirements of this subsection if such unit is—

''(A) described in paragraph (2),

''(B) described in paragraph (3),

''(C) a manufactured home described in paragraph (4), or

''(D) a manufactured home described in paragraph (5).

''(2) DWELLING UNIT DESCRIBED IN PARAGRAPH (2).—A dwelling unit is described in this paragraph if such unit is certified—

''(A) to have a level of annual heating and cooling energy consumption which is at least 50 percent below the annual level of heating and cooling energy consumption of a comparable dwelling unit—

''(i) which is constructed in accordance with the standards of chapter 4 of the 2003 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the Energy Tax Incentives Act of 2005, and

''(ii) for which the heating and cooling equipment efficiencies correspond to the minimum allowed under the regulations established by the Department of Energy pursuant to the National Appliance Energy Conservation Act of 1987 and in effect at the time of completion of construction, and

''(B) to have building envelope component improvements account for at least ⅕ of such 50 percent.

The Secretary, in consultation with the Secretary of Energy shall provide by regulation for the application of this paragraph in the case of a dwelling unit in a multifamily building that is more than 3 stories above grade, or in any other building that is not within the scope of such chapter 4. If, upon the acquisition of such unit by any person described in subsection (a)(1)(A)(ii)(I), the amount of the credit allowed under this section with respect to such unit shall be disclosed to such person.

''(3) DWELLING UNIT DESCRIBED IN PARAGRAPH (3).—A dwelling unit is described in this paragraph if such unit is certified—

''(A) to have a level of annual total energy consumption (including heating, cooling, water heating, lighting, and appliance energy use) which is at least 50 percent below the annual level of total energy consumption of a comparable dwelling unit which is constructed in accordance with the 2004 Supplement of the 2003 International Energy Conservation Code, and

''(B) to have building envelope component improvements account for at least ⅕ of such 50 percent.

''(4) MANUFACTURED HOME DESCRIBED IN PARAGRAPH (4).—A manufactured home is described in this paragraph if such manufactured home conforms to Federal Manufactured Home Construction and Safety Standards (part 3280 of title 24, Code of Federal Regulations) and meets the requirements of a dwelling unit described in paragraph (2).

''(5) MANUFACTURED HOME DESCRIBED IN PARAGRAPH (5).—A manufactured home is described in this paragraph if such manufactured home conforms to Federal Manufactured Home Construction and Safety Standards (part 3280 of title 24, Code of Federal Regulations) and—

''(A) meets the requirements of—

''(i) a dwelling unit described in paragraph (2), applied by substituting '30 percent' for '50 percent' both places it appears therein and by substituting '⅓' for '⅕' in subparagraph (B) thereof, or

''(ii) a dwelling unit described in paragraph (3), or

''(B) meets the requirements established by the Administrator of the Environmental Protection Agency under the Energy Star Labeled Homes program as in effect on the date of the enactment of the Advanced Energy Tax Incentives Act of 2010, or

''(C) meets the requirements under the Energy Star Labeled Homes program established after the date of the enactment of the Advanced Energy Tax Incentives Act of 2010.''.

(2) CREDIT AMOUNT FOR NEW TIER.—Paragraph (2) of section 45L(a) is amended to read as follows:

''(2) APPLICABLE AMOUNT.—For purposes of paragraph (1), the applicable amount is an amount equal to—

''(A) in the case of a dwelling unit described in paragraph (2) or (4) of subsection (c), $2,000,

''(B) in the case of a dwelling unit described in paragraph (3) of subsection (c), $5,000,

''(C) in the case of a manufactured home described in paragraph (5)(A)(i) or (5)(B) of subsection (c), $1,500, and

''(D) in the case of a manufactured home described in paragraph (5)(A)(ii) or (5)(C) of subsection (c), $2,500.

Nothing in this section shall permit the same dwelling unit or manufactured home to qualify for more than one applicable amount.''.

(b) CREDIT AVAILABLE FOR RENTAL UNITS, OWNER-BUILDERS, AND QUALIFIED LOW-INCOME BUILDINGS; CREDIT AMOUNT FOR QUALIFIED LOW-INCOME BUILDINGS.—

(1) IN GENERAL.—Paragraph (1) of section 45L(a) is amended to read as follows:

''(1) IN GENERAL.—For purposes of section 38—

''(A) in the case of an eligible contractor, the new energy efficient home credit for the taxable year is the applicable amount for each qualified new energy efficient home which is—

''(i) constructed by the eligible contractor, and

''(ii)(I) acquired by a person from such eligible contractor and used by any person as a residence during the taxable year, or

''(II) used by such eligible contractor as a residence during the taxable year, and

''(B) in the case of a taxpayer, the new energy efficient home credit for the taxable year is the applicable amount for each qualified new energy efficient home which is in a qualified low-income building (as defined in section 42(c)(2))—

''(i) placed in service by the taxpayer during the taxable year, and

''(ii) for which such taxpayer is allowed a credit under section 42 or a subaward under section 1602(c) of the American Recovery and Reinvestment Tax Act of 2009.''.

(2) CREDIT AMOUNT.—Paragraph (2) of section 45L(a), as amended by this section, is amended by adding at the end the following new flush sentence:

''In the case of a dwelling unit in a qualified low-income building (as so defined), the applicable dollar amount for such a dwelling unit described in 1 of the preceding subparagraphs shall be equal to 150 percent of the dollar amount otherwise specified in such preceding subparagraph, except that if the credit under section 42 with respect to such unit is determined by applying section 42(d)(5)(B), then the applicable dollar amount shall be 115 percent of such dollar amount so specified.''.

(3) NO BASIS ADJUSTMENT.—Section 45L(e) is amended by inserting ''(other than a qualified low-income building)'' after ''any property''.

(c) CERTIFICATION METHOD FOR HIGH RISE MULTIFAMILY AND MIXED USE BUILDINGS.—Section 45L(d)(1) is amended by inserting '', and in the case of high rise multifamily and mixed use buildings, after examining the methods required for such buildings under section 179D'' after ''the Secretary of Energy''.

(d) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—Subparagraph (B) of section 38(c)(4) is amended—

(1) by redesignating clauses (vi), (vii), and (viii) as clauses (vii), (viii), and (ix), respectively, and

(2) by inserting after clause (v) the following new clause:

''(vi) the credit determined under section 45L,''.

(e) EXTENSION.—Subsection (g) of section 45L is amended to read as follows:

''(g) TERMINATION.—This section shall not apply to the acquisition of any qualified new energy efficient home—

''(1) described in subsection (a)(2)(A) after December 31, 2012,

''(2) described in subsection (a)(2)(B) after December 31, 2013,

''(3) described in subsection (a)(2)(C) after December 31, 2010, and

''(4) described in subsection (a)(2)(D) after December 31, 2013.''.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to homes constructed and acquired or placed in service after December 31, 2008.

(2) AMT.—The amendments made by subsection (d) shall apply to credits determined under section 45L of the Internal Revenue Code of 1986 in taxable years beginning after December 31, 2008, and to carrybacks of such credits.

SEC. 912. MODIFICATION OF DEDUCTION FOR ENERGY EFFICIENT COMMERCIAL BUILDINGS.

(a) INCREASE IN MAXIMUM AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Subparagraph (A) of section 179D(b)(1) is amended by striking ''$1.80'' and inserting ''$3.00''.

(2) PARTIAL ALLOWANCE.—Paragraph (1) of section 179D(d) is amended to read as follows:

''(1) PARTIAL ALLOWANCE.—

''(A) IN GENERAL.—Except as provided in subsection (f), if—

''(i) the requirement of subsection (c)(1)(D) is not met, but

''(ii) there is a certification in accordance with paragraph (6) that—

''(I) any system referred to in subsection (c)(1)(C) satisfies the energy-savings targets established by the Secretary under subparagraph (B) with respect to such system, or

''(II) the systems referred to in subsection (c)(1)(C)(ii) and subsection (c)(1)(C)(iii) together satisfy the energy-savings targets established by the Secretary under subparagraph (B) with respect to such systems,

then the requirement of subsection (c)(1)(D) shall be treated as met with respect to such system or systems, and the deduction under subsection (a) shall be allowed with respect to energy efficient commercial building property installed as part of such system and as part of a plan to meet such targets, except that subsection (b) shall be applied to such property described in clause (ii)(I) by substituting '$1.00' for '$3.00' and to such property described in clause (ii)(II) by substituting '$2.20' for '$3.00'.

''(B) REGULATIONS.—

''(i) IN GENERAL.—The Secretary, after consultation with the Secretary of Energy, shall establish a target for each system described in subsection (c)(1)(C) which, if such targets were met for all such systems, the building would meet the requirements of subsection (c)(1)(D).

''(ii) COMBINED SYSTEMS.—The Secretary, after consultation with the Secretary of Energy, shall establish not later than 6 months after the date of the enactment of the Advanced Energy Tax Incentives Act of 2010 a prescriptive partial compliance pathway for combined envelope and mechanical system performance that details the appropriate components, efficiency levels, or other relevant information for which the required level of combined savings in both categories can be deemed to have been achieved.''.

(b) DENIAL OF DOUBLE BENEFIT.—Section 179D is amended by redesignating subsections (g) and (h) as subsections (h) and (i), respectively, and by inserting after subsection (f) the following new subsection:

''(g) COORDINATION WITH NEW ENERGY EFFICIENT HOME CREDIT.—No deduction shall be allowed under this section with respect to any building or dwelling unit with respect to which a credit under section 45L was allowed.''.

(c) EARNINGS AND PROFITS CONFORMITY FOR REAL ESTATE INVESTMENT TRUSTS.—Subparagraph (B) of section 312(k)(3) is amended—

(1) by striking ''.—For purposes of'' and inserting ''.—

''(1) IN GENERAL.—Except as provided in paragraph (2), for purposes of'', and

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

''(2) EXCEPTION.—

''(A) IN GENERAL.—For purposes of computing the earnings and profits of a real estate investment trust (other than a captive real estate investment trust), the entire amount deductible under section 179D shall be allowed as a deduction in the taxable year for which such amount is deductible under section 179D.

''(B) CAPTIVE REAL ESTATE INVESTMENT TRUST.—

''(i) IN GENERAL.—For purposes of subparagraph (A), the term 'captive real estate investment trust' means any real estate investment trust more than 50 percent of the voting power or value of the beneficial interests or shares of which are owned or controlled by a single entity that is treated as an association taxable as a corporation.

''(ii) ASSOCIATION TAXABLE AS A CORPORATION.—For purposes of clause (i), the term 'association taxable as a corporation' shall not include a real estate investment trust.

''(iii) ATTRIBUTION RULES.—For purposes of clause (i), the attribution rules of section 856(d)(5) shall apply in determining ownership.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service in taxable years beginning after the date of the enactment of this Act.

SEC. 913. ENERGY RATINGS OF NON-BUSINESS PROPERTY.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1, as amended by section 915, is amended by inserting after section 25E the following new section:

''SEC. 25F. ENERGY RATINGS OF NON-BUSINESS PROPERTY.

''(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the amount paid or incurred by the taxpayer for a qualified home energy rating conducted during such taxable year.

''(b) LIMITATION.—The amount allowed as a credit under subsection (a) with respect to any taxpayer for any taxable year shall not exceed $200.

''(c) QUALIFIED HOME ENERGY RATING.—For purposes of this section, the term 'qualified home energy rating' means a home energy rating conducted with respect to any residence of the taxpayer by a home performance auditor certified by a provider accredited by the Building Performance Institute (BPI), the Residential Energy Services Network (RESNET), or equivalent rating system as determined by the Secretary of Energy.

''(d) TERMINATION.—This section shall not apply with respect to any rating conducted after December 31, 2011.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A chapter 1, as amended by section 915, is amended by inserting after the item relating to section 25E the following new item:

''Sec. 25F. Energy ratings of non-business property.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after the date of the enactment of this Act.

SEC. 914. CREDIT FOR HOME PERFORMANCE AUDITOR CERTIFICATIONS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

''SEC. 45S. HOME PERFORMANCE AUDITOR CERTIFICATION CREDIT.

''(a) IN GENERAL.—For purposes of section 38, the home performance auditor certification credit determined under this section for any taxable year is an amount equal to the qualified training and certification costs paid or incurred by the taxpayer which may be taken into account for such taxable year.

''(b) QUALIFIED TRAINING AND CERTIFICATION COSTS.—

''(1) IN GENERAL.—The term 'qualified training and certification costs' means costs paid or incurred for training which is required for the taxpayer or employees of the taxpayer to be certified as home performance auditors for purposes of providing qualified home energy ratings under section 25F(c).

''(2) LIMITATION.—The qualified training and certification costs taken into account under subsection (a)(1) for the taxable year with respect to any individual shall not exceed $500 reduced by the amount of the credit allowed under subsection (a)(1) to the taxpayer (or any predecessor) with respect to such individual for all prior taxable years.

''(3) YEAR COSTS TAKEN INTO ACCOUNT.—Qualified training and certifications costs with respect to any individual shall not be taken into account under subsection (a)(1) before the taxable year in which the individual with respect to whom such costs are paid or incurred has performed 25 qualified home energy ratings under section 25F(c).

''(c) SPECIAL RULES.—

''(1) AGGREGATION RULES.—For purposes of this section, all persons treated as a single employer under subsections (a) and (b) of section 52 shall be treated as 1 person.

''(2) DENIAL OF DOUBLE BENEFIT.—

''(A) IN GENERAL.—No deduction shall be allowed for that portion of the expenses otherwise allowable as a deduction for the taxable year which is equal to the amount taken into account under subsection (a) for such taxable year.

''(B) AMOUNT PREVIOUSLY DEDUCTED.—No credit shall be allowed under subsection (a) with respect to any amount for which a deduction has been allowed in any preceding taxable year.''.

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking ''plus'' at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting ''plus'', and by adding at the end the following new paragraph:

''(37) the home performance auditor certification credit determined under section 45S(a).''.

(c) CONFORMING AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45S. Home performance auditor certification credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 915. PERFORMANCE BASED ENERGY IMPROVEMENTS FOR NON-BUSINESS PROPERTY.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 is amended by inserting after section 25D the following new section:

''SEC. 25E. PERFORMANCE BASED ENERGY IMPROVEMENTS.

''(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the amount of qualified home energy efficiency expenditures paid or incurred by the taxpayer during the taxable year.

''(b) LIMITATIONS.—

''(1) DOLLAR LIMITATION.—

''(A) IN GENERAL.—The amount of the credit allowed under subsection (a) with respect to any individual for any taxable year shall not exceed the amount determined under subparagraph (B) with respect to the principal residence of such individual.

''(B) AMOUNT DETERMINED.—

''(i) IN GENERAL.—Subject to clause (iv), the amount determined under this subparagraph is the base amount increased by the amount determined under clause (iii).

''(ii) BASE AMOUNT.—For purposes of this subparagraph, the base amount is—

''(I) $3,000, in the case of a residence the construction of which is completed before January 1, 1940, and

''(II) $2,000, in the case of a residence the construction of which is completed after December 31, 1939.

''(iii) INCREASE AMOUNT.—The amount determined under this clause is—

''(I) in the case of a residence described in clause (ii)(I) which has a rating system score lower than or equal to the rating system score which corresponds to the IECC Standard Reference Design for a home of the size and in the climate zone of such residence, $1,000, and

''(II) in the case of any residence with a rating system score which is lower than that which corresponds to such IECC Standard Reference Design by not less than 5 points, $500 for each 5 points by which the rating system score which corresponds to such IECC Standard Reference Design exceeds the rating system score of such residence (in addition to the amount provided under clause (i), if applicable).

''(iv) LIMITATION.—In no event shall the amount determined under this subparagraph exceed $8,000 with respect to any individual.

''(2) LIMITATION BASED ON AMOUNT OF TAX.—In the case of taxable years to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under this subpart (other than this section and sections 23, 24, and 25B) and section 27 for the taxable year.

''(c) QUALIFIED HOME ENERGY EFFICIENCY EXPENDITURES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified home energy efficiency expenditures' means any amount paid or incurred for a qualified whole home energy efficiency retrofit, including the cost of audit diagnostic procedures, of a principal residence of the taxpayer which is located in the United States.

''(2) QUALIFIED WHOLE HOME ENERGY EFFICIENCY RETROFIT.—

''(A) IN GENERAL.—The term 'qualified whole home energy efficiency retrofit' means a retrofit of an existing residence if, after such retrofit, such residence—

''(i) has a rating system score of not greater than—

''(I) 100, determined under the HERS Index, in the case of a residence the construction of which is completed before January 1, 1940, and

''(II) the rating system score which corresponds to the most current IECC Standard Reference Design for a home of the size and in the climate zone of such residence, in the case of a residence the construction of which is completed after December 31, 1939, or

''(ii) achieves an energy efficiency level which is equivalent to the standard applicable to such residence under clause (i), as determined by—

''(I) a State-certified equivalent rating network, as specified by IRS Notice 2008–35, which is also a HERS rating system required by State law, or

''(II) the Secretary.

For purposes of the preceding sentence, the HERS Index is the HERS Index established by the Residential Energy Services Network, as in effect on January 1, 2011.

''(B) ACCREDITATION RULE.—A retrofit shall not be treated as a qualified whole home energy efficiency retrofit unless such retrofit is conducted by a company which is accredited by the Building Performance Institute, or which fulfills an equivalent standard as determined by the Secretary.

''(C) DETERMINATION OF RATING SYSTEM SCORE OR EQUIVALENT.—

''(i) IN GENERAL.—Subject to clause (ii), the rating system score of a residence, or the equivalent described in subparagraph (A)(ii), shall be determined by an auditor or rater certified by—

''(I) the Residential Energy Services Network,

''(II) the Building Performance Institute, or

''(III) a State-certified equivalent rating network, as specified by IRS Notice 2008–35, which is also a HERS rating system required by State law.

''(ii) SECRETARIAL DETERMINATION.—At the discretion of the Secretary, the Secretary may, in consultation with the Secretary of Energy, determine an alternative standard for certification of an auditor or rater for purposes of determining the rating system score (or equivalent described in subparagraph (A)(ii)) of a residence. If the Secretary establishes such an alternative standard, clause (i) shall cease to apply unless the Secretary determines otherwise.

''(D) REGULATIONS.—

''(i) COSTS.—Not later than December 31, 2011, in consultation with the Secretary, the Secretary of Energy shall prescribe regulations which specify the costs with respect to energy improvements which may be taken into account under this paragraph as part of a qualified whole home energy efficiency retrofit.

''(ii) DOCUMENTATION.—The Secretary of the Treasury may prescribe regulations directing what specific documentation is required for claiming the credit under this section, which may include a certified form completed by the qualified whole home energy efficiency retrofit and signed by the individual taxpayer.

''(3) EXPANSION OF BUILDING ENVELOPE INELIGIBLE.—The term 'qualified home energy efficiency expenditures' shall not include any amount which is paid or incurred in connection with any expansion of the building envelope of a principal residence.

''(4) SPECIAL RULE FOR EXPENDITURES RELATING TO RENEWABLE ENERGY SYSTEMS.—In the case of any qualified home energy efficiency expenditures relating to a renewable energy system, subsection (a) shall be applied with respect to the expenditures relating to such system by substituting '30 percent' for '50 percent'.

''(5) NO DOUBLE BENEFIT.—

''(A) IN GENERAL.—No credit shall be allowed under this section for any taxable year in which the taxpayer elects the credit under section 25C.

''(B) NO DOUBLE BENEFIT FOR CERTAIN EXPENDITURES.—The term 'qualified home energy efficiency expenditures' shall not include any expenditure for which a deduction or credit is otherwise allowed to the taxpayer under this chapter for the taxable year or with respect to which the taxpayer receives any Federal rebate.

''(6) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 121, except that—

''(A) no ownership requirement shall be imposed, and

''(B) the period for which a building is treated as used as a principal residence shall also include the 60-day period ending on the 1st day on which it would (but for this subparagraph) first be treated as used as a principal residence.

''(d) RATING SYSTEM SCORE.—For purposes of this section—

''(1) IN GENERAL.—Subject to paragraph (2), the rating system score shall be the score assigned under—

''(A) the HERS Index established by the Residential Energy Services Network, or

''(B) an equivalent described in subparagraph (c)(2)(A)(ii) by a State-certified equivalent rating network, as specified by IRS Notice 2008–35, which is also a HERS rating system required by State law.

''(2) SECRETARIAL DETERMINATION.—At the discretion of the Secretary, the Secretary may, in consultation with the Secretary of Energy, determine an alternative rating system (including an alternative system based on the HERS Index established by the Residential Energy Services Network). If the Secretary establishes such an alternative rating system, the rating system score with respect to any residence shall be the score assigned under such alternative rating system.

''(e) IECC STANDARD REFERENCE DESIGN.—

''(1) IN GENERAL.—The term 'IECC Standard Reference Design' means the Standard Reference Design determined under the International Energy Conservation Code in effect for the taxable year in which the credit under this section is determined.

''(2) LIMITATION TO RESIDENCES CONSTRUCTED AFTER EFFECTIVE DATE OF MOST RECENT CODE.—No credit shall be allowed under this section with respect to a principal residence the construction of which is completed after the effective date of the International Energy Conservation Code in effect for the taxable year for which such credit would otherwise be determined.

''(f) SPECIAL RULES.—For purposes of this section, rules similar to the rules under paragraphs (4), (5), (6), (7), and (8) of section 25D(e) and section 25C(e)(2) shall apply.

''(g) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section with respect to any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

''(h) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.

''(i) TERMINATION.—This section shall not apply with respect to any costs paid or incurred after December 31, 2013.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 26(a)(1) is amended by inserting ''25E,'' after ''25D,''.

(2) Section 1016(a) is amended—

(A) by striking ''and'' at the end of paragraph (36),

(B) by striking the period at the end of paragraph (37) and inserting '', and'', and

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

''(38) to the extent provided in section 25E(g), in the case of amounts with respect to which a credit has been allowed under section 25E.''.

(3) Section 6501(m) is amended by inserting ''25E(h),'' after ''section''.

(4) The table of sections for subpart A of part IV of subchapter A chapter 1 is amended

by inserting after the item relating to section 25D the following new item:

''Sec. 25E. Performance based energy improvements.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning on or after January 1, 2011.

SEC. 916. CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION.—

(1) IN GENERAL.—Section 25C(g)(2) is amended by striking ''2010'' and inserting ''2011''.

(2) LIMITATION.—Section 25C(b) is amended by striking ''2009 and 2010'' and inserting ''2011''.

(b) LIMITATION ON EXPENSES RELATING TO WINDOWS.—Section 25C(c)(2)(B) is amended by inserting ''(but only to the extent the amount paid or incurred for such windows does not exceed $500)'' before the comma.

(c) LABOR COSTS FOR INSULATION INSTALLATION.—Section 25C(c)(1) is amended by adding at the end the following flush text:

''In the case of a building envelope component described in paragraph (2)(A), the amount taken into account as paid or incurred for qualified energy efficiency improvements shall include expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of such component.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2010.

PART II—EXPANSION OF INDUSTRIAL ENERGY EFFICIENCY INCENTIVES

SEC. 921. QUALIFYING EFFICIENT INDUSTRIAL PROCESS WATER USE PROJECT CREDIT.

(a) IN GENERAL.—Section 46 is amended by striking ''and'' at the end of paragraph (5), by striking the period at the end of paragraph (6), and by adding at the end the following new paragraph:

''(7) the qualifying efficient industrial process water use project credit.''.

(b) AMOUNT OF CREDIT.—Subpart E of part IV of subchapter A of chapter 1 is amended by inserting after section 48D the following new section:

''SEC. 48E. QUALIFYING EFFICIENT INDUSTRIAL PROCESS WATER USE PROJECT CREDIT.

''(a) IN GENERAL.—

''(1) ALLOWANCE OF CREDIT.—For purposes of section 46, the qualifying efficient industrial process water use project credit for any taxable year is an amount equal to the applicable percentage of the qualified investment for such taxable year with respect to any qualifying efficient industrial process water use project of the taxpayer.

''(2) APPLICABLE PERCENTAGE.—For purposes of subsection (a), the applicable percentage is—

''(A) 10 percent in the case of a qualifying efficient industrial process water use project which achieves a net energy consumption of less than 3,000 kilowatt hours per million gallons of water, and is placed in service before January 1, 2013,

''(B) 20 percent in the case of a qualifying efficient industrial process water use project which achieves a net energy consumption of less than 2,000 kilowatt hours per million gallons of water, and

''(C) 30 percent in the case of a qualifying efficient industrial process water use project which achieves a net energy consumption of less than 1,000 kilowatt hours per million gallons of water.

''(b) QUALIFIED INVESTMENT.—

''(1) IN GENERAL.—For purposes of subsection (a), the qualified investment for any taxable year is the basis of eligible property placed in service by the taxpayer during such taxable year which is part of a qualifying efficient industrial process water use project.

''(2) EXCEPTIONS.—Such term shall not include any portion of the basis related to—

''(A) permitting,

''(B) land acquisition, or

''(C) infrastructure associated with sourcing or water discharge.

''(3) CERTAIN QUALIFIED PROGRESS EXPENDITURES RULES MADE APPLICABLE.—Rules similar to the rules of subsections (c)(4) and (d) of section 46 (as in effect on the day before the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of this section.

''(4) SPECIAL RULE FOR SUBSIDIZED ENERGY FINANCING.—Rules similar to the rules of section 48(a)(4) (without regard to subparagraph (D) thereof) shall apply for purposes of this section.

''(5) LIMITATION.—The amount which is treated for all taxable years with respect to any qualifying efficient industrial process water use project with respect to any site shall not exceed $10,000,000.

''(c) DEFINITIONS.—

''(1) QUALIFYING EFFICIENT INDUSTRIAL PROCESS WATER USE PROJECT.—The term 'qualifying efficient industrial process water use project' means, with respect to any site, a project—

''(A) which replaces or modifies a system for the use of water or steam in the production of goods in the trade or business of manufacturing (including any system for the use of water derived from blow-down from cooling towers and steam systems in the generation of electric power at a site also used for the production of goods in the trade or business of manufacturing), and

''(B) which is designed to achieve—

''(i) a reduction of not less than 20 percent in water withdrawal and a reduction of not less than 10 percent of water discharge when compared to the existing water use at the site, or

''(ii) a reduction of not less than 10 percent in water withdrawal and a reduction of not less than 20 percent of water discharge when compared to the existing water use at the site.

''(2) ELIGIBLE PROPERTY.—The term 'eligible property' means any property—

''(A) which is part of a qualifying efficient industrial process water use project and which is necessary for the reduction in withdrawals or discharge described in paragraph (1)(B),

''(B)(i) the construction, reconstruction, or erection of which is completed by the taxpayer, or

''(ii) which is acquired by the taxpayer if the original use of such property commences with the taxpayer, and

''(C) with respect to which depreciation (or amortization in lieu of depreciation) is allowable.

''(3) NET ENERGY CONSUMPTION.—The term 'net energy consumption' means the energy consumed, both on-site and off-site, with respect to the water described in paragraph (1)(A). Net energy consumption shall be normalized per unit of industrial output and measured under rules and procedures established by the Secretary, in consultation with the Administrator of the Environmental Protection Agency.

''(4) WATER DISCHARGE.—The term 'water discharge' means all water leaving the site via permitted or unpermitted surface water discharges, discharges to publicly owned treatment works, and shallow- or deep-injection (whether on-site or off-site).

''(5) WATER WITHDRAWAL.—The term 'water withdrawal' means all water taken for use at the site from on-site ground and surface water sources together with any water supplied to the site by a public water system.

''(d) TERMINATION.—This section shall not apply to periods after December 31, 2014, under rules similar to the rules of section 48(m) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 49(a)(1)(C) is amended by striking ''and'' at the end of clause (v), by striking the period at the end of clause (vi) and inserting '', and'', and by adding after clause (vi) the following new clause:

''(vii) the basis of any property which is part of a qualifying efficient industrial use water project under section 48E.''.

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 48D the following new item:

''Sec. 48E. Qualifying efficient industrial process water use project credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after January 1, 2011, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 922. MOTOR ENERGY EFFICIENCY IMPROVEMENT TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1, as amended by section 914, is amended by adding at the end the following new section:

''SEC. 45T. MOTOR ENERGY EFFICIENCY IMPROVEMENT TAX CREDIT.

''(a) IN GENERAL.—For purposes of section 38, the motor energy efficiency improvement tax credit determined under this section for the taxable year is an amount equal to $120 multiplied by the motor horsepower of an appliance, machine, or equipment—

''(1) manufactured in such taxable year by a manufacturer which incorporates an advanced motor system into a newly designed appliance, machine, or equipment or into a redesigned appliance, machine, or equipment which did not previously make use of the advanced motor system, or

''(2) placed back into service in such taxable year by an end user which upgrades an existing appliance, machine, or equipment with an advanced motor system.

For any advanced motor system with a total horsepower of less than 10, such motor energy efficiency improvement tax credit is an amount which bears the same ratio to $120 as such total horsepower bears to 1 horsepower.

''(b) ADVANCED MOTOR SYSTEM.—For purposes of this section, the term 'advanced motor system' means a motor and any required associated electronic control which—

''(1) offers variable or multiple speed operation, and

''(2) uses permanent magnet technology, electronically commutated motor technology, switched reluctance motor technology, or such other motor systems technologies as determined by the Secretary of Energy.

''(c) AGGREGATE PER TAXPAYER LIMITATION.—

''(1) IN GENERAL.—The amount of the credit determined under this section for any taxpayer for any taxable year shall not exceed the excess (if any) of $2,000,000 over the aggregate credits allowed under this section with respect to such taxpayer for all prior taxable years.

''(2) AGGREGATION RULES.—For purposes of this section, all persons treated as a single employer under subsections (a) and (b) of section 52 shall be treated as 1 taxpayer.

''(d) SPECIAL RULES.—

''(1) BASIS REDUCTION.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed.

''(2) NO DOUBLE BENEFIT.—No other credit shall be allowable under this chapter for property with respect to which a credit is allowed under this section.

''(3) PROPERTY USED OUTSIDE UNITED STATES NOT QUALIFIED.—No credit shall be allowable under subsection (a) with respect to any property referred to in section 50(b)(1).

''(e) APPLICATION.—This section shall not apply to property manufactured or placed back into service before the date which is 6 months after the date of the enactment of this section or after December 31, 2013.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b), as amended by section 914, is amended by striking ''plus'' at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting '', plus'', and by adding at the end the following new paragraph:

''(38) the motor energy efficiency improvement tax credit determined under section 45T.''.

(2) Section 1016(a), as amended by section 915, is amended by striking ''and'' at the end of paragraph (37), by striking the period at the end of paragraph (38) and inserting '', and'', and by adding at the end the following new paragraph:

''(39) to the extent provided in section 45T(d)(1).''.

(3) The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 914, is amended by adding at the end the following new item:

''Sec. 45T. Motor energy efficiency improvement tax credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property manufactured or placed back into service after the date which is 6 months after the date of the enactment of this Act.

SEC. 923. CREDIT FOR REPLACEMENT OF CFC REFRIGERANT CHILLER.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1, as amended by section 922, is amended by adding at the end the following new section:

''SEC. 45U. CFC CHILLER REPLACEMENT CREDIT.

''(a) IN GENERAL.—For purposes of section 38, the CFC chiller replacement credit determined under this section for the taxable year is an amount equal to—

''(1) $150 multiplied by the tonnage rating of a CFC chiller replaced with a new efficient chiller that is placed in service by the taxpayer during the taxable year, plus

''(2) if all chilled water distribution pumps connected to the new efficient chiller include variable frequency drives, $100 multiplied by any tonnage downsizing.

''(b) CFC CHILLER.—For purposes of this section, the term 'CFC chiller' includes property which—

''(1) was installed after 1980 and before 1993,

''(2) utilizes chlorofluorocarbon refrigerant, and

''(3) until replaced by a new efficient chiller, has remained in operation and utilized for cooling a commercial building.

''(c) NEW EFFICIENT CHILLER.—For purposes of this section, the term 'new efficient chiller' includes a water-cooled chiller which is certified to meet efficiency standards effective on January 1, 2010, as defined in table 6.8.1c in Addendum M to Standard 90.1–2007 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers.

''(d) TONNAGE DOWNSIZING.—For purposes of this section, the term 'tonnage downsizing' means the amount by which the tonnage rating of the CFC chiller exceeds the tonnage rating of the new efficient chiller.

''(e) ENERGY AUDIT.—As a condition of receiving a tax credit under this section, an energy audit shall be performed on the building prior to installation of the new efficient chiller, identifying cost-effective energy-saving measures, particularly measures that could contribute to chiller downsizing. The audit shall satisfy criteria that shall be issued by the Secretary of Energy.

''(f) PROPERTY USED BY TAX-EXEMPT ENTITY.—In the case of a CFC chiller replaced by a new efficient chiller the use of which is described in paragraph (3) or (4) of section 50(b), the person who sold such new efficient chiller to the entity shall be treated as the taxpayer that placed in service the new efficient chiller that replaced the CFC chiller, but only if such person clearly discloses to such entity in a document the amount of any credit allowable under subsection (a) and the person certifies to the Secretary that the person reduced the price the entity paid for such new efficient chiller by the entire amount of such credit.

''(g) TERMINATION.—This section shall not apply to replacements made after December 31, 2012.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b), as amended by section 922, is amended by striking ''plus'' at the end of paragraph (37), by striking the period at the end of paragraph (38) and inserting '', plus'', and by adding at the end the following new paragraph:

''(39) the CFC chiller replacement credit determined under section 45U.''.

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 922, is amended by adding at the end the following new item:

''Sec. 45U. CFC chiller replacement credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to replacements made after the date of the enactment of this Act.

SEC. 924. MODIFICATIONS IN CREDIT FOR COMBINED HEAT AND POWER SYSTEM PROPERTY.

(a) MODIFICATION OF CERTAIN CAPACITY LIMITATIONS.—Section 48(c)(3)(B) is amended—

(1) by striking ''15 megawatts'' in clause (ii) and inserting ''25 megawatts'',

(2) by striking ''20,000 horsepower'' in clause (ii) and inserting ''34,000 horsepower'', and

(3) by striking clause (iii).

(b) NONAPPLICATION OF CERTAIN RULES.—Section 48(c)(3)(C) is amended by adding at the end the following new clause:

''(iv) NONAPPLICATION OF CERTAIN RULES.—For purposes of determining if the term 'combined heat and power system property' includes technologies which generate electricity or mechanical power using back-pressure steam turbines in place of existing pressure-reducing valves or which make use of waste heat from industrial processes such as by using organic rankine, stirling, or kalina heat engine systems, subparagraph (A) shall be applied without regard to clause (ii).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

PART III—THERMAL ENERGY EFFICIENCY

SEC. 931. BONUS DEPRECIATION FOR QUALIFYING ENERGY PROPERTY.

(a) IN GENERAL.—Section 168 is amended by adding at the end the following new subsection:

''(o) SPECIAL ALLOWANCE FOR QUALIFYING ENERGY PROPERTY.—

''(1) IN GENERAL.—In the case of any efficient commercial energy property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of the efficient commercial energy property, and

''(B) the adjusted basis of the efficient commercial energy property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) EFFICIENT COMMERCIAL ENERGY PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'efficient commercial energy property' means any property placed in service before January 1, 2012, which is used in a qualifying heating conversion.

''(B) TREATMENT OF CERTAIN EXPENDITURES.—Such term shall include fuel service connection installation costs specifically related to fuel service to the qualified energy property described in clause (ii) of subparagraph (C) used in such conversion, but does not include expenditures for soil cleanup.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 932. EXTENSION OF REDUCED DEPRECIATION PERIOD FOR NATURAL GAS DISTRIBUTION FACILITIES.

(a) IN GENERAL.—Clause (viii) of section 168(e)(3)(E) is amended to read as follows:

''(viii) any natural gas distribution facility the original use of which commences with the taxpayer after April 11, 2005, and which is placed in service before January 1, 2013, and''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made section 1325(a) of the Energy Tax Incentives Act of 2005.

Subtitle B—Vehicle Efficiency

SEC. 941. IDLING REDUCTION TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1, as amended by section 923, is amended by adding at the end the following new section:

''SEC. 45V. IDLING REDUCTION CREDIT.

''(a) GENERAL RULE.—For purposes of section 38, the idling reduction tax credit determined under this section for the taxable year is an amount equal to the applicable percentage of the amount paid or incurred for each qualifying idling reduction device placed in service by the taxpayer during the taxable year.

''(b) LIMITATION.—The maximum amount allowed as a credit under subsection (a) for each qualifying idling reduction device shall not exceed the applicable credit amount for such device.

''(c) APPLICABLE PERCENTAGE; APPLICABLE CREDIT AMOUNT.—

''(1) DEVICES WITH COOLING CAPABILITY.—In the case of any qualifying idling reduction device with cooling capability for the vehicle passenger compartment, the applicable percentage and applicable credit amount shall be determined in accordance with the following table:

''Device consumption of diesel gallon equivalent per hour	Applicable percentage	Applicable credit amount
Not more than 0.10	50	$5,000
More than 0.10 but not more than 0.15	40	$4,000
More than 0.15 but not more than 0.25	30	$3,000
More than 0.25	0	$0.

''(2) DEVICES WITH NO COOLING CAPABILITY.—In the case of any qualifying idling reduction device without any cooling capability, the applicable percentage and applicable credit amount shall be determined in accordance with the following table:

''Device consumption of diesel gallon equivalent per hour	Applicable percentage	Applicable credit amount
Not more than 0.04	50	$1,000
More than 0.04 but not more than 0.06	50	$800
More than 0.06	0	$0.

''(3) MODIFICATION AUTHORITY.—The Administrator of the Environmental Protection Agency, in consultation with the Secretary, may modify the consumption thresholds categories specified in the tables under paragraphs (1) and (2) by not more than 0.05 diesel gallon equivalent per hour, but only if testing procedures do not prove accurate enough to discern between such specified categories.

''(d) QUALIFYING IDLING REDUCTION DEVICE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying idling reduction device' means any on-board device or system of devices which—

''(A) is installed on a heavy-duty diesel-powered on-highway vehicle in conformance with safety regulations under section 393 of title 49 of the Code of Federal Regulations,

''(B) is designed to provide to such vehicle those services (such as heat, air conditioning, or electricity) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary,

''(C) is capable of providing power continuously for such services for at least 8 consecutive hours,

''(D) emits fewer oxides of nitrogen (NOx) and particulate matter (PM) on a cumulative basis than would be emitted by a 2010-compliant engine running for the same amount of time (as determined under Environmental Protection Agency emission standards and supplemental requirements for 2007 and later model year diesel heavy-duty engines and vehicles (40 C.F.R. 86.007–11)),

''(E) the original use of which commences with the taxpayer,

''(F) is acquired for use by the taxpayer and not for resale, and

''(G) has had its average hourly fuel consumption in diesel equivalent gallons verified by the Secretary, in consultation with the Administrator of the Environmental Protection Agency.

''(2) HEAVY-DUTY DIESEL-POWERED ON-HIGHWAY VEHICLE.—The term 'heavy-duty diesel-powered on-highway vehicle' means any diesel-powered commercial motor vehicle with a gross vehicle registered weight of at least 26,000 pounds (as defined by the Secretary of Transportation) which is propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property.

''(3) DETERMINATION OF VERIFICATION STANDARDS.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall establish testing methodology and standards for verifying qualifying idling reduction devices.

''(e) NO DOUBLE BENEFIT.—For purposes of this section—

''(1) REDUCTION IN BASIS.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (a), the basis of such property shall be reduced by the amount of the credit so determined.

''(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section.

''(f) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.

''(g) TERMINATION.—This section shall not apply to any device placed in service after December 31, 2014.''.

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38, as amended by section 941, is amended by striking ''plus'' at the end of paragraph (39), by striking the period at the end of paragraph (40) and inserting '', plus'', and by adding at the end the following new paragraph:

''(41) the idling reduction tax credit determined under section 45V(a).''.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 923, is amended by adding at the end the following new item:

''Sec. 45V. Idling reduction credit.''.

(2) Section 1016(a), as amended by section 941, is amended by striking ''and'' at the end of paragraph (39), by striking the period at the end of paragraph (40) and inserting '', and'', and by adding at the end the following:

''(41) in the case of a facility with respect to which a credit was allowed under section 45V, to the extent provided in section 45V(e)(A).''.

(3) Section 6501(m), as amended by section 941, is amended by inserting ''45V(f)'' after ''45H(g)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to devices placed in service after the date of the enactment of this Act.

Subtitle C—Promotion of Domestic Manufacturing

SEC. 951. EXPANSION AND MODIFICATION OF QUALIFYING ADVANCED ENERGY PROJECT CREDIT.

(a) CREDIT RATE.—Section 48C(a) is amended by striking ''equal to 30 percent'' and inserting ''the percentage determined by the Secretary (not to exceed 30 percent)''.

(b) DOLLAR LIMITATION.—Section 48C(d)(1)(B) is amended by striking ''$2,300,000,000'' and inserting ''$4,800,000,000''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to allocations for applications submitted after December 31, 2009.

SEC. 952. QUALIFYING INDUSTRIAL ENERGY EFFICIENCY PROJECT CREDIT.

(a) IN GENERAL.—Section 46 of the Internal Revenue Code of 1986, as amended by section 921, is amended by striking ''and'' at the end of paragraph (6), by striking the period at the end of paragraph (7), and by adding at the end the following new paragraph:

''(8) the qualifying industrial energy efficiency project credit.''.

(b) AMOUNT OF CREDIT.—Subpart E of part IV of subchapter A of chapter 1, as amended by section 921, is amended by inserting after section 48E the following new section:

''SEC. 48F. CREDIT FOR INDUSTRIAL ENERGY EFFICIENCY PROJECTS.

''(a) IN GENERAL.—For purposes of section 46, the qualifying industrial energy efficiency project credit for any taxable year is an amount equal to 30 percent of the qualified investment for such taxable year with respect to any qualifying industrial energy efficiency project of an eligible taxpayer.

''(b) ELIGIBLE TAXPAYER.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible taxpayer' means, with respect to any taxable year, any taxpayer which is an industrial source.

''(2) INDUSTRIAL SOURCE.—The term 'industrial source' means any stationary source which—

''(A) is not primarily an electricity source, and

''(B) is in—

''(i) the manufacturing sector (as defined in North American Industrial Classification System codes 31, 32, and 33), or

''(ii) the natural gas processing or natural gas pipeline transportation sector (as defined in North American Industrial Classification System code 211112 or 486210).

''(c) QUALIFIED INVESTMENT.—

''(1) IN GENERAL.—For purposes of subsection (a), the qualified investment for any taxable year is the basis of eligible property placed in service by the taxpayer during such taxable year which is part of a qualifying industrial energy efficiency project.

''(2) CERTAIN QUALIFIED PROGRESS EXPENDITURES RULES MADE APPLICABLE.—Rules similar to the rules of subsections (c)(4) and (d) of section 46 (as in effect on the day before the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of this section.

''(3) LIMITATION.—The amount which is treated for all taxable years with respect to any qualifying industrial energy efficiency project shall not exceed the amount designated by the Secretary as eligible for the credit under this section.

''(d) DEFINITIONS.—

''(1) QUALIFYING INDUSTRIAL ENERGY EFFICIENCY PROJECT.—The term 'qualifying industrial energy efficiency project' means a

project which reduces energy inputs for a given level of production by capital expenditures.

''(2) ELIGIBLE PROPERTY.—The term 'eligible property' means any property—

''(A) which is necessary for the energy efficiency improvement described in paragraph (1),

''(B) which is—

''(i) tangible personal property, or

''(ii) other tangible property (not including a building or its structural components), but only if such property is used as an integral part of the qualifying industrial energy efficiency project, and

''(C) with respect to which depreciation (or amortization in lieu of depreciation) is allowable.

''(e) QUALIFYING CREDIT FOR INDUSTRIAL ENERGY EFFICIENCY PROGRAM.—

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this section, the Secretary, in consultation with the Secretary of Energy, shall establish a qualifying credit for industrial energy efficiency program to consider and award certifications for qualified investments eligible for credits under this section to qualifying industrial energy efficiency project sponsors.

''(B) LIMITATION.—The total amount of credits that may be allocated under the program shall not exceed $1,000,000,000.

''(2) CERTIFICATION.—

''(A) APPLICATION PERIOD.—Each applicant for certification under this paragraph shall submit an application containing such information as the Secretary may require during the 2-year period beginning on the date the Secretary establishes the program under paragraph (1).

''(B) TIME TO MEET CRITERIA FOR CERTIFICATION.—Each applicant for certification shall have 1 year from the date of acceptance by the Secretary of the application during which to provide to the Secretary evidence that the requirements of the certification have been met.

''(C) PERIOD OF ISSUANCE.—An applicant which receives a certification shall have 3 years from the date of issuance of the certification in order to place the project in service and if such project is not placed in service by that time period, then the certification shall no longer be valid.

''(3) SELECTION CRITERIA.—In determining which qualifying industrial energy efficiency projects to certify under this section, the Secretary—

''(A) shall take into consideration which projects—

''(i) will provide the greatest domestic job retention and creation (both direct and indirect) during the credit period,

''(ii) will provide the greatest net impact in avoiding or reducing greenhouse gas emissions, and

''(iii) will provide the greatest net reduction of pollutants.

''(4) REVIEW AND REDISTRIBUTION.—

''(A) REVIEW.—Not later than 4 years after the date of the enactment of this section, the Secretary shall review the credits allocated under this section as of such date.

''(B) REDISTRIBUTION.—The Secretary may reallocate credits awarded under this section if the Secretary determines that—

''(i) there is an insufficient quantity of qualifying applications for certification pending at the time of the review, or

''(ii) any certification made pursuant to paragraph (2) has been revoked pursuant to paragraph (2)(B) because the project subject to the certification has been delayed as a result of third party opposition or litigation to the proposed project.

''(C) REALLOCATION.—If the Secretary determines that credits under this section are available for reallocation pursuant to the requirements set forth in paragraph (2), the Secretary is authorized to conduct an additional program for applications for certification.

''(5) DISCLOSURE OF ALLOCATIONS.—The Secretary shall, upon making a certification under this subsection, publicly disclose the identity of the applicant, the location of the project which is the subject of the application, and the amount of the credit with respect to such applicant.

''(f) DENIAL OF DOUBLE BENEFIT.—A credit shall not be allowed under this section for any qualified investment for which a credit is allowed under section 48, 48A, 48B, or 48C.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 49(a)(1)(C), as amended by section 921, is amended—

(A) by striking ''and'' at the end of clause (vi),

(B) by striking the period at the end of clause (vii) and inserting '', and''; and

(C) by adding after clause (vii) the following new clause:

''(viii) the basis of any property which is part of a qualifying industrial energy efficiency project under section 48F.''.

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1, as amended by section 921, is amended by inserting after the item relating to section 48E the following new item:

''48F. Credit for industrial energy efficiency projects.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

Subtitle D—Grid Efficiency and Reliability

SEC. 961. ENERGY INVESTMENT CREDIT FOR ENERGY STORAGE PROPERTY CONNECTED TO THE GRID.

(a) UP TO 20 PERCENT CREDIT ALLOWED.—Subparagraph (A) of section 48(a)(2) is amended—

(1) by striking ''and'' at the end of subclause (IV) of clause (i),

(2) by striking ''clause (i)'' in clause (ii) and inserting ''clause (i) or (ii)'',

(3) by redesignating clause (ii) as clause (iii), and

(4) by inserting after clause (i) the following new clause:

''(ii) as provided in subsection (c)(5)(D), the percentage determined by the Secretary (not to excced 20 percent) in the case of qualified energy storage property, and''.

(b) QUALIFIED ENERGY STORAGE PROPERTY.—Subsection (c) of section 48 is amended by adding at the end the following new paragraph:

''(5) QUALIFIED ENERGY STORAGE PROPERTY.—

''(A) IN GENERAL.—The term 'qualified energy storage property' means property—

''(i) which is directly connected to the electrical grid, and

''(ii) which is designed to receive electrical energy, to store such energy, and—

''(I) to convert such energy to electricity and deliver such electricity for sale, or

''(II) to use such energy to provide improved reliability or economic benefits to the grid.

Such term may include hydroelectric pumped storage and compressed air energy storage, regenerative fuel cells, batteries, superconducting magnetic energy storage, flywheels, thermal energy storage systems, and hydrogen storage, or combination thereof, or any other technologies as the Secretary, in consultation with the Secretary of Energy, shall determine.

''(B) MINIMUM CAPACITY.—The term 'qualified energy storage property' shall not include any property unless such property in aggregate has the ability to sustain a power rating of at least 1 megawatt for a minimum of 1 hour.

''(C) ELECTRICAL GRID.—The term 'electrical grid' means the system of generators, transmission lines, and distribution facilities which—

''(i) are under the jurisdiction of the Federal Energy Regulatory Commission or State public utility commissions, or

''(ii) are owned by—

''(I) the Federal government,

''(II) a State or any political subdivision of a State,

''(III) an electric cooperative that receives financing under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.) or that sells less than 4,000,000 megawatt hours of electricity per year, or

''(IV) any agency, authority, or instrumentality of any one or more of the entities described in subclause (I) or (II), or any corporation which is wholly owned, directly or indirectly, by any one or more of such entities.

''(D) ALLOCATION OF CREDITS.—

''(i) IN GENERAL.—In the case of qualified energy storage property placed in service during the taxable year, the credit otherwise determined under subsection (a) for such year with respect to such property shall not exceed the amount allocated to such project under clause (ii).

''(ii) NATIONAL LIMITATION AND ALLOCATION.—There is a qualified energy storage property investment credit limitation of $1,500,000,000. Such limitation shall be allocated by the Secretary among qualified energy storage property projects selected by the Secretary, in consultation with the Secretary of Energy, for taxable years beginning after the date of the enactment of the Advanced Energy Tax Incentives Act of 2010, except that not more than $30,000,000 shall be allocated to any project for all such taxable years.

''(iii) SELECTION CRITERIA.—In making allocations under clause (ii), the Secretary, in consultation with the Secretary of Energy, shall select only those projects which have a reasonable expectation of commercial viability, select projects representing a variety of technologies, applications, and project sizes, and give priority to projects which—

''(I) provide the greatest increase in reliability or the greatest economic benefit,

''(II) enable the greatest improvement in integration of renewable resources into the grid, or

''(III) enable the greatest increase in efficiency in operation of the grid.

''(iv) DEADLINES.—

''(I) IN GENERAL.—If a project which receives an allocation under clause (ii) is not placed in service within 2 years after the date of such allocation, such allocation shall be invalid.

''(II) SPECIAL RULE FOR HYDROELECTRIC PUMPED STORAGE.—Notwithstanding subclause (I), in the case of a hydroelectric pumped storage project, if such project has not received such permits or licenses as are determined necessary by the Secretary, in consultation with the Secretary of Energy, within 3 years after the date of such allocation, begun construction within 5 years after the date of such allocation, and been placed in service within 8 years after the date of such allocation, such allocation shall be invalid.

''(III) SPECIAL RULE FOR COMPRESSED AIR ENERGY STORAGE.—Notwithstanding subclause (I), in the case of a compressed air energy storage project, if such project has not begun construction within 3 years after the date of the allocation and been placed in service within 5 years after the date of such allocation, such allocation shall be invalid.

''(IV) EXCEPTIONS.—The Secretary may extend the 2-year period in subclause (I) or the periods described in subclauses (II) and (III) on a project-by-project basis if the Secretary, in consultation with the Secretary of Energy, determines that there has been a good faith effort to begin construction or to place the project in service, whichever is applicable, and that any delay is caused by factors not in the taxpayer's control.

''(E) REVIEW AND REDISTRIBUTION.—

''(i) REVIEW.—Not later than 4 years after the date of the enactment of the Advanced Energy Tax Incentives Act of 2010, the Secretary shall review the credits allocated under subparagraph (D) as of the date of such review.

''(ii) REDISTRIBUTION.—Upon the review described in clause (i), the Secretary may reallocate credits allocated under subparagraph (D) if the Secretary determines that—

''(I) there is an insufficient quantity of qualifying applications for certification pending at the time of the review, or

''(II) any allocation made under subparagraph (D)(ii) has been revoked pursuant to subparagraph (D)(iv) because the project subject to such allocation has been delayed.

''(F) DISCLOSURE OF ALLOCATIONS.—The Secretary shall, upon making an allocation under subparagraph (D)(ii), publicly disclose the identity of the applicant, the location of the project, and the amount of the credit with respect to such applicant.

''(G) TERMINATION.—No credit shall be allocated under subparagraph (D) for any period ending after December 31, 2020.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 962. ENERGY STORAGE PROPERTY CONNECTED TO THE GRID ELIGIBLE FOR NEW CLEAN RENEWABLE ENERGY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 54C(d) is amended to read as follows:

''(1) QUALIFIED RENEWABLE ENERGY FACILITY.—The term 'qualified renewable energy facility' means a facility which is—

''(A)(i) a qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and to any placed in service date), or

''(ii) a qualified energy storage property (as defined in section 48(c)(5)), and

''(B) owned by a public power provider, a governmental body, or a cooperative electric company.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 963. ENERGY INVESTMENT CREDIT FOR ONSITE ENERGY STORAGE.

(a) CREDIT ALLOWED.—Clause (i) of section 48(a)(2)(A), as amended by section 961, is amended—

(1) by striking ''and'' at the end of subclause (III),

(2) by inserting ''and'' at the end of subclause (IV), and

(3) by adding at the end the following new subclause:

''(V) qualified onsite energy storage property,''.

(b) QUALIFIED ONSITE ENERGY STORAGE PROPERTY.—Subsection (c) of section 48, as amended by section 961, is amended by adding at the end the following new paragraph:

''(6) QUALIFIED ONSITE ENERGY STORAGE PROPERTY.—

''(A) IN GENERAL.—The term 'qualified onsite energy storage property' means property which—

''(i) provides supplemental energy to reduce peak energy requirements primarily on the same site where the storage is located, or

''(ii) is designed and used primarily to receive and store intermittent renewable energy generated onsite and to deliver such energy primarily for onsite consumption.

Such term may include thermal energy storage systems and property used to charge plug-in and hybrid electric vehicles if such property or vehicles are equipped with smart grid services which control time-of-day charging and discharging of such vehicles. Such term shall not include any property for which any other credit is allowed under this chapter.

''(B) MINIMUM CAPACITY.—The term 'qualified onsite energy storage property' shall not include any property unless such property in aggregate—

''(i) has the ability to store the energy equivalent of at least 20 kilowatt hours of energy,

''(ii) has the ability to have an output of the energy equivalent of 5 kilowatts of electricity for a period of 4 hours, and

''(iii) has a roundtrip energy storage efficiency of not less than 70 percent.

''(C) LIMITATION.—In the case of qualified onsite energy storage property placed in service during the taxable year, the credit otherwise determined under subsection (a) for such year with respect to such property shall not exceed $1,000,000.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 964. CREDIT FOR RESIDENTIAL ENERGY STORAGE EQUIPMENT.

(a) CREDIT ALLOWED.—Subsection (a) of section 25C is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and

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

''(2) 30 percent of the amount paid or incurred by the taxpayer for qualified residential energy storage equipment installed during such taxable year,''.

(b) QUALIFIED RESIDENTIAL ENERGY STORAGE EQUIPMENT.—

(1) IN GENERAL.—Section 25C, as amended by section 916, is amended—

(A) by redesignating subsections (e), (f), and (g) subsections (f), (g), and (h), respectively, and

(B) by inserting after subsection (d) the following new subsection:

''(d) QUALIFIED RESIDENTIAL ENERGY STORAGE EQUIPMENT.—For purposes of this section, the term 'qualified residential energy storage equipment' means property—

''(1) which is installed in or on a dwelling unit located in the United States and owned and used by the taxpayer as the taxpayer's principal residence (within the meaning of section 121), or on property owned by the taxpayer on which such a dwelling unit is located,

''(2) which—

''(A) provides supplemental energy to reduce peak energy requirements primarily on the same site where the storage is located, or

''(B) is designed and used primarily to receive and store intermittent renewable energy generated onsite and to deliver such energy primarily for onsite consumption,

''(3) which has a roundtrip energy storage efficiency of not less than 70 percent, and

''(4) which—

''(A) has the ability to store the energy equivalent of at least 2 kilowatt hours of energy, and

''(B) has the ability to have an output of the energy equivalent of 500 watts of electricity for a period of 4 hours.

Such term may include thermal energy storage systems and property used to charge plug-in and hybrid electric vehicles if such property or vehicles are equipped with smart grid services which control time-of-day charging and discharging of such vehicles. Such term shall not include any property for which any other credit is allowed under this chapter.''.

(2) CONFORMING AMENDMENT.—Section 1016(a)(33) is amended by striking ''section 25C(f)'' and inserting ''section 25C(g)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 965. CLARIFICATION OF TYPES OF ENERGY CONSERVATION SUBSIDIES PROVIDED BY PUBLIC UTILITIES ELIGIBLE FOR INCOME EXCLUSION.

(a) IN GENERAL.—Section 136 is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

''(d) NET METERING OR NET BILLING PROGRAMS; RENEWABLE ENERGY CREDITS.—

''(1) IN GENERAL.—For purposes of this section, the term 'subsidy' includes amounts received by a customer from a public utility—

''(A) to pay for electricity generated from an energy conservation measure under a net metering or net billing program, or

''(B) to pay for renewable energy credits attributable to an energy conservation measure.

''(2) LIMITATION.—The amount treated as a subsidy for any taxable year by reason of paragraph (1)(B) shall not exceed an amount equal to—

''(A) $2,000, multiplied by

''(B) the whole number of years worth of renewable energy credits that are sold by the customer.

''(3) NO BASIS REDUCTION.—Subsection (b) shall not apply with respect to property any portion of the basis of which is attributable to an amount described in paragraph (1).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after the date of the enactment of this Act.

SEC. 966. EXTENSION OF CREDITS RELATED TO THE PRODUCTION OF ELECTRICITY FROM OFFSHORE WIND.

(a) EXTENSION FOR PRODUCTION CREDIT.—

(1) IN GENERAL.—Paragraph (1) of section 45(d) is amended by inserting ''(January 1, 2016, in the case of any offshore facility)'' after ''and before January 1, 2013''.

(2) OFFSHORE FACILITY.—Section 45(e) is amended by adding at the end the following new paragraph:

''(12) OFFSHORE FACILITY.—The term 'offshore facility' means any facility located in the inland navigable waters of the United States, including the Great Lakes, or in the coastal waters of the United States, including the territorial seas of the United States, the exclusive economic zone of the United States, and the outer Continental Shelf of the United States.''.

(b) EXTENSION FOR INVESTMENT CREDIT.—Clause (i) of section 48(a)(5)(C) is amended—

(1) by striking ''is placed in service in'' and inserting ''is—

''(I) except as provided in subclause (II), placed in service in'',

(2) by striking the period at the end and inserting '', and'', and

(3) by adding at the end the following new subclause:

''(II) in the case of an offshore facility (as defined in section 45(e)(12)), such facility is placed in service after 2008 and before 2016.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

Subtitle E—Carbon Capture and Sequestration

SEC. 971. IMPROVED AVAILABILITY OF THE CREDIT FOR CARBON DIOXIDE SEQUESTRATION.

(a) INCREASE IN TOTAL CREDIT AVAILABLE.—Section 45Q(e) is amended by striking ''75,000,000 metric tons'' and inserting ''100,000,000 metric tons''.

(b) AMOUNT OF CREDIT PER PROJECT.—Section 45Q(a) is amended by adding at the end the following new flush sentence:

''The amount which is treated as a carbon dioxide sequestration credit for all taxable years with respect to any qualified facility shall not exceed the amount designated by the Secretary, in consultation with the Secretary of Energy, as eligible for the credit under this section, but in no event shall such designated credit result in more than 10,000,000 metric tons of qualified carbon dioxide being taken into account under this subsection.''.

(c) INCREASE IN CREDIT AMOUNT FOR PERMANENT SEQUESTRATION.—Section 45Q(a)(1) is amended by striking ''$20'' and inserting ''$35''.

(d) MODIFICATION OF QUALIFIED FACILITY ELIGIBILITY.—Section 45Q(c) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end the following new paragraph:

''(4) with respect to which such taxpayer shows contractual intent to inject and permanently sequester the full amount of captured carbon dioxide.''.

(e) CREDIT ALLOCATION PROGRAM.—Section 45Q is amended by adding at the end the following new subsection:

''(f) CARBON DIOXIDE SEQUESTRATION PROGRAM.—

''(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this section, the Secretary, in consultation with the Secretary of Energy, shall establish a carbon dioxide sequestration program to consider and award certifications for carbon dioxide sequestration credits under this section to qualified facility sponsors.

''(2) CERTIFICATION.—

''(A) APPLICATION PERIOD.—Each applicant for certification under this paragraph shall submit an application containing such information as the Secretary, in consultation with the Secretary of Energy, may require during 1 or more application periods. Each application period shall be announced at least 6 months in advance of the application due dates, along with the evaluation criteria that will be used to assess applications.

''(B) SCOPE AND REVIEW OF APPLICATIONS.—Applicants may apply to the Secretary for an allocation of tax credits under this section for a period of 10 years based on expected carbon dioxide injection rates once the sponsor of the qualified facility has received air permits necessary to commence construction under the Clean Air Act. The Secretary, in consultation with the Secretary of Energy, shall notify each qualified applicant for such credits that the applicant has met the requirements for an allocation of the anticipated metric tons of carbon dioxide injected from the qualified facility within 180 days of receipt of an application.

''(C) CONTENTS OF APPLICATION.—Each application shall include the following:

''(i) Identification of facility, location, and ownership.

''(ii) Status and outlook for any State or Federal regulatory approvals required.

''(iii) The total amount of metric tons of carbon dioxide requested for a tax credit under this section.

''(iv) The total dollar value of the requested tax credit under this section.

''(D) PERIOD OF ISSUANCE; REALLOCATION.—An applicant which receives a certification shall have 18 months from the date of issuance of the certification in order to commence construction of the qualified facility within the meaning of the Clean Air Act. If such construction is not begun within such time period, or if the sponsor fails as determined by the Secretary, in consultation with the Secretary of Energy, to commence operation within the meaning of the Clean Air Act or establish carbon dioxide injection of at least 50 percent of the annualized pre-certified carbon dioxide injection metric tons for such facility within 72 months of such issuance, the certification shall no longer be valid and the credits shall be forfeited and reallocated by the Secretary, in consultation with the Secretary of Energy.

''(3) SELECTION CRITERIA.—

''(A) IN GENERAL.—In determining which facilities to certify under this section, the Secretary, in consultation with the Secretary of Energy, shall take into consideration—

''(i) which facilities—

''(I) participate in a public-private partnership,

''(II) achieve commercial scale and a reasonable expectation of economic viability, and

''(III) achieve the highest percentage of carbon dioxide captured and sequestered from the facility's nameplate capacity, and

''(ii) to the extent that it does not compromise facility quality or environmental benefits of the total program, awarding credits to facilities in a variety of geographic locations and geologic sequestration formations.

''(B) PUBLIC-PRIVATE PARTNERSHIP.—For purposes of subparagraph (A)(i)(I), the term 'public-private partnership' means a contract between a public sector authority and a private party, in which the private party provides a public service or facility and assumes substantial financial, technical, and operational risk in the facility. The public sector authority may also bear financial, technical, or operational risk in the form of grants, loans, or tax incentives.

''(4) DISCLOSURE OF ALLOCATIONS.—The Secretary shall, upon making a certification under this subsection, publicly disclose the identity of the applicant, the location of the relevant project, and the amount of the credit with respect to such applicant.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to allocations after the date of the enactment of this Act.

Subtitle F—Promotion of Clean Domestic Fuels

SEC. 981. ALGAE TREATED AS A QUALIFIED FEEDSTOCK FOR PURPOSES OF THE CELLULOSIC BIOFUEL PRODUCER CREDIT, ETC.

(a) IN GENERAL.—Subclause (I) of section 40(b)(6)(E)(i) is amended to read as follows:

''(I) is derived solely from qualified feedstocks, and''.

(b) QUALIFIED FEEDSTOCK; SPECIAL RULES FOR ALGAE.—Paragraph (6) of section 40(b) is amended by redesignating subparagraphs (F), (G), and (H) as subparagraphs (H), (I), and (J), respectively, and by inserting after subparagraph (E) the following new subparagraphs:

''(F) QUALIFIED FEEDSTOCK.—For purposes of this paragraph, the term 'qualified feedstock' means—

''(i) any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, or

''(ii) any cultivated algae, cyanobacteria, or lemna.

''(G) SPECIAL RULES FOR ALGAE.—In the case of fuel which is derived from feedstock described in subparagraph (F)(ii) and which is sold by the taxpayer to another person for refining by such other person into a fuel which meets the requirements of subparagraph (E)(i)(II)—

''(i) such sale shall be treated as described in subparagraph (C)(i),

''(ii) such fuel shall be treated as meeting the requirements of subparagraph (E)(i)(II) in the hands of such taxpayer, and

''(iii) except as provided in this subparagraph, such fuel (and any fuel derived from such fuel) shall not be taken into account under subparagraph (C) with respect to the taxpayer or any other person.''.

(c) ALGAE TREATED AS A QUALIFIED FEEDSTOCK FOR PURPOSES OF BONUS DEPRECIATION FOR BIOFUEL PLANT PROPERTY.—

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

(2) CONFORMING AMENDMENTS.—Subsection (l) of section 168 is amended—

(A) by striking ''cellulosic biofuel'' each place it appears in the text thereof and inserting ''second generation biofuel'',

(B) by striking paragraph (3) and redesignating paragraphs (4) through (8) as paragraphs (3) through (7), respectively,

(C) by striking ''CELLULOSIC'' in the heading of such subsection and inserting ''SECOND GENERATION'', and

(D) by striking ''CELLULOSIC'' in the heading of paragraph (2) and inserting ''SECOND GENERATION''.

(d) CONFORMING AMENDMENTS.—

(1) Section 40, as amended by subsection (b), is amended—

(A) by striking ''cellulosic biofuel'' each place it appears in the text thereof and inserting ''second generation biofuel'',

(B) by striking ''CELLULOSIC'' in the headings of subsections (b)(6), (b)(6)(E), and (d)(3)(D) and inserting ''SECOND GENERATION'', and

(C) by striking ''CELLULOSIC'' in the headings of subsections (b)(6)(C), (b)(6)(D), (b)(6)(H), (d)(6), and (e)(3) and inserting ''SECOND GENERATION''.

(2) Clause (ii) of section 40(b)(6)(E) is amended by striking ''Such term shall not'' and inserting ''The term 'second generation biofuel' shall not''.

(3) Paragraph (1) of section 4101(a) is amended by striking ''cellulosic biofuel'' and inserting ''second generation biofuel''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to fuels sold or used after the date of the enactment of this Act.

(2) APPLICATION TO BONUS DEPRECIATION.—The amendments made by subsection (c) shall apply to property placed in service after the date of the enactment of this Act.

SEC. 982. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended—

(A) by striking ''2010'' in paragraph (1) and inserting ''2011'', and

(B) by striking the period at the end of the table contained in paragraph (2) and adding the following new item:

''2011	36 cents	26.66 cents.''.

(3) REDUCED RATE FOR SMALL ETHANOL PRODUCERS.—Section 40(b)(4)(A) is amended by striking ''10 cents'' and inserting ''8 cents''.

(4) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to periods after December 31, 2010.

(B) RATE FOR SMALL ETHANOL PRODUCERS.—The amendment made by paragraph (3) shall apply to the sale or use of alcohol after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) REDUCED APPLICABLE AMOUNT FOR ETHANOL.—Subparagraph (A) of section 6426(b)(2) is amended—

(A) by striking ''and'' at the end of clause (i),

(B) in clause (ii)—

(i) by inserting ''and before 2011'' after ''after 2008'', and

(ii) by striking the period and inserting '', and'', and

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

''(iii) in the case of calendar years beginning after 2010, 36 cents.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) ETHANOL TAX PARITY.—Not later than 30 days after the date of the enactment of this Act, and semiannually thereafter, the President shall reduce the temporary duty imposed on ethanol under subheading 9901.00.50 of the Harmonized Tariff Schedule of the United States by an amount equal to the reduction in any Federal income or excise tax credit under section 40(h), 6426(b), or 6427(e)(1) of the Internal Revenue Code of 1986 and take any other action necessary to ensure that the combined temporary duty imposed on ethanol under such subheading 9901.00.50 and any other duty imposed under the Harmonized Tariff Schedule of the United States is equal to, or lower than, any Federal income or excise tax credit applicable to ethanol under the Internal Revenue Code of 1986.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

Subtitle G—Applicability of Sections

SEC. 991. APPLICABILITY OF SECTIONS.

The provisions of, and amendments made by, sections 703 and 710 of this Act are hereby deemed null, void, and of no effect.

SA 4784. Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, after line 6, insert the following:

TITLE IX—SURETY BONDS

SEC. 901. SURETY BONDS.

(a) MAXIMUM BOND AMOUNT.—Section 411(a)(1) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(1)) is amended by striking ''(1)'' and all that follows and inserting the following: ''(1)(A) The Administration may, upon such terms and conditions as it may prescribe, guarantee and enter into commitments to guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by a principal on any total work order or contract amount at the time of bond execution that does not exceed $5,000,000.

''(B) The Administrator may guarantee a surety under subparagraph (A) for a total work order or contract amount that does not exceed $10,000,000, if a contracting officer of a Federal agency certifies that such a guarantee is necessary.''.

(b) DENIAL OF LIABILITY.—Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is amended—

(1) by striking subsection (e) and inserting the following:

''(e) REIMBURSEMENT OF SURETY; CONDITIONS.—Pursuant to any such guarantee or agreement, the Administration shall reimburse the surety, as provided in subsection (c) of this section, except that the Administration shall be relieved of liability (in whole or in part within the discretion of the Administration) if—

''(1) the surety obtained such guarantee or agreement, or applied for such reimbursement, by fraud or material misrepresentation;

''(2) the total contract amount at the time of execution of the bond or bonds exceeds $5,000,000;

''(3) the surety has breached a material term or condition of such guarantee agreement; or

''(4) the surety has substantially violated the regulations promulgated by the Administration pursuant to subsection (d).'';

(2) by striking subsection (k); and

(3) by adding after subsection (i) the following:

''(j) DENIAL OF LIABILITY.—For bonds made or executed with the prior approval of the Administration, the Administration shall not deny liability to a surety based upon material information that was provided as part of the guaranty application.''.

(c) SIZE STANDARDS.—Section 410 of the Small Business Investment Act of 1958 (15 U.S.C. 694a) is amended—

(1) by striking paragraph (9); and

(2) adding after paragraph (8) the following:

''(9) Notwithstanding any other provision of law or any rule, regulation, or order of the Administration, for purposes of sections 410, 411, and 412 the term 'small business concern' means a business concern that meets the size standard for the primary industry in which such business concern, and the affiliates of such business concern, is engaged, as determined by the Administrator in accordance with the North American Industry Classification System.''.

(d) CONFORMING AMENDMENT.—Section 508(f) of division A of the American Recovery and Reinvestment Act of 2009 (15 U.S.C. 694a note) is repealed.

SA 4785. Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 41, after line 15, insert the following:

(c) ELIMINATION OF REIT RATABLE SHARE LIMITATION FOR ARRA GRANTS WITH RESPECT TO SPECIFIED ENERGY PROPERTY.—

(1) IN GENERAL.—Subsection (f) of section 1603 of the American Recovery and Reinvestment Tax Act of 2009 is amended by inserting after ''Code of 1986'' the following: '', except that subsection (d)(1) thereof shall not apply in the case of a real estate investment trust (as defined in section 856 of such Code)''.

(2) EFFECTIVE DATE.—The amendment made by this section shall apply to grants made after the date of the enactment of this Act.

SA 4786. Mr. WYDEN (for himself, Mr. COONS, Ms. CANTWELL, Mr. BEGICH, Mr. CARDIN, Ms. STABENOW, Mr. MENENDEZ, and Mr. LAUTENBERG) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 28, between lines 3 and 4, insert:

SEC. _____. EXTENSION OF BUILD AMERICA BONDS.

(a) IN GENERAL.—Subparagraph (B) of section 54AA(d)(1) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EXTENSION OF PAYMENTS TO ISSUERS.—

(1) IN GENERAL.—Section 6431 is amended—

(A) by striking ''January 1, 2011'' in subsection (a) and inserting ''January 1, 2012''; and

(B) by striking ''January 1, 2011'' in subsection (f)(1)(B) and inserting ''a particular date''.

(2) CONFORMING AMENDMENTS.—Subsection (g) of section 54AA is amended—

(A) by striking ''January 1, 2011'' and inserting ''January 1, 2012''; and

(B) by striking ''QUALIFIED BONDS ISSUED BEFORE 2011'' in the heading and inserting ''CERTAIN QUALIFIED BONDS''.

(c) REDUCTION IN PERCENTAGE OF PAYMENTS TO ISSUERS.—Subsection (b) of section 6431 is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'';

(2) by striking ''35 percent'' and inserting ''the applicable percentage''; and

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

''(2) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term 'applicable percentage' means the percentage determined in accordance with the following table:

''In the case of a qualified bond issued during calendar year:	The applicable percentage is:
2009 or 2010	35 percent
2011	32 percent''.

(d) CURRENT REFUNDINGS PERMITTED.—Subsection (g) of section 54AA is amended by adding at the end the following new paragraph:

''(3) TREATMENT OF CURRENT REFUNDING BONDS.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'qualified bond' includes any bond (or series of bonds) issued to refund a qualified bond if—

''(i) the average maturity date of the issue of which the refunding bond is a part is not later than the average maturity date of the bonds to be refunded by such issue,

''(ii) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(iii) the refunded bond is redeemed not later than 90 days after the date of the issuance of the refunding bond.

''(B) APPLICABLE PERCENTAGE.—In the case of a refunding bond referred to in subparagraph (A), the applicable percentage with respect to such bond under section 6431(b) shall be the lowest percentage specified in paragraph (2) of such section.

''(C) DETERMINATION OF AVERAGE MATURITY.—For purposes of subparagraph (A)(i), average maturity shall be determined in accordance with section 147(b)(2)(A).''.

(e) CLARIFICATION RELATED TO LEVEES AND FLOOD CONTROL PROJECTS.—Subparagraph (A) of section 54AA(g)(2) is amended by inserting ''(including capital expenditures for levees and other flood control projects)'' after ''capital expenditures''.

SA 4787. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. 302. MODIFICATIONS TO ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES.

(a) MODIFICATIONS TO ESTATE TAX.—

(1) $3,500,000 APPLICABLE EXCLUSION AMOUNT.—Subsection (c) of section 2010 is amended to read as follows:

''(c) APPLICABLE CREDIT AMOUNT.—

''(1) IN GENERAL.—For purposes of this section, the applicable credit amount is the amount of the tentative tax which would be determined under section 2001(c) if the amount with respect to which such tentative tax is to be computed were equal to the applicable exclusion amount.

''(2) APPLICABLE EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the applicable exclusion amount is $3,500,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2010, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(2) MAXIMUM ESTATE TAX RATE EQUAL TO 45 PERCENT.—Subsection (c) of section 2001 is amended—

(A) by striking ''but not over $2,000,000'' in the table contained in paragraph (1),

(B) by striking the last 2 items in such table,

(C) by striking ''(1) IN GENERAL.—'', and

(D) by striking paragraph (2).

(b) MODIFICATIONS TO GIFT TAX.—

(1) RESTORATION OF UNIFIED CREDIT AGAINST GIFT TAX.—

(A) IN GENERAL.—Paragraph (1) of section 2505(a), after the application of section 301(b), is amended by striking ''(determined as if the applicable exclusion amount were $1,000,000)''.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to gifts made after December 31, 2010.

(2) MODIFICATION OF GIFT TAX RATE.—On and after January 1, 2011, subsection (a) of section 2502 is amended to read as such subsection would read if section 511(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) MODIFICATION OF GENERATION-SKIPPING TRANSFER TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before January 1, 2011, the applicable rate determined under section 2641(a) of the Internal Revenue Code of 1986 shall be zero.

(d) MODIFICATIONS OF ESTATE AND GIFT TAXES TO REFLECT DIFFERENCES IN CREDIT RESULTING FROM DIFFERENT TAX RATES.—

(1) ESTATE TAX.—

(A) IN GENERAL.—Section 2001(b)(2) is amended by striking ''if the provisions of subsection (c) (as in effect at the decedent's death)'' and inserting ''if the modifications described in subsection (g)''.

(B) MODIFICATIONS.—Section 2001 is amended by adding at the end the following new subsection:

''(g) MODIFICATIONS TO GIFT TAX PAYABLE TO REFLECT DIFFERENT TAX RATES.—For purposes of applying subsection (b)(2) with respect to 1 or more gifts, the rates of tax under subsection (c) in effect at the decedent's death shall, in lieu of the rates of tax in effect at the time of such gifts, be used both to compute—

''(1) the tax imposed by chapter 12 with respect to such gifts, and

''(2) the credit allowed against such tax under section 2505, including in computing—

''(A) the applicable credit amount under section 2505(a)(1), and

''(B) the sum of the amounts allowed as a credit for all preceding periods under section 2505(a)(2).''.

(2) GIFT TAX.—Section 2505(a) is amended by adding at the end the following new flush sentence:

''For purposes of applying paragraph (2) for any calendar year, the rates of tax in effect under section 2502(a)(2) for such calendar year shall, in lieu of the rates of tax in effect for preceding calendar periods, be used in determining the amounts allowable as a credit under this section for all preceding calendar periods.''.

(e) CONFORMING AMENDMENT.—Section 2511 is amended by striking subsection (c).

(f) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, generation-skipping transfers, and gifts made, after December 31, 2009.

SEC. 303. APPLICABLE EXCLUSION AMOUNT INCREASED BY UNUSED EXCLUSION AMOUNT OF DECEASED SPOUSE.

(a) IN GENERAL.—Section 2010(c), as amended by section 302(a), is amended by striking paragraph (2) and inserting the following new paragraphs:

''(2) APPLICABLE EXCLUSION AMOUNT.—For purposes of this subsection, the applicable exclusion amount is the sum of—

''(A) the basic exclusion amount, and

''(B) in the case of a surviving spouse, the deceased spousal unused exclusion amount.

''(3) BASIC EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the basic exclusion amount is $3,500,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2010, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.

''(4) DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—For purposes of this subsection, with respect to a surviving spouse of a deceased spouse dying after December 31, 2010, the term 'deceased spousal unused exclusion amount' means the lesser of—

''(A) the basic exclusion amount, or

''(B) the excess of—

''(i) the basic exclusion amount of the last such deceased spouse of such surviving spouse, over

''(ii) the amount with respect to which the tentative tax is determined under section 2001(b)(1) on the estate of such deceased spouse.

''(5) SPECIAL RULES.—

''(A) ELECTION REQUIRED.—A deceased spousal unused exclusion amount may not be taken into account by a surviving spouse under paragraph (2) unless the executor of the estate of the deceased spouse files an estate tax return on which such amount is computed and makes an election on such return that such amount may be so taken into account. Such election, once made, shall be irrevocable. No election may be made under this subparagraph if such return is filed after the time prescribed by law (including extensions) for filing such return.

''(B) EXAMINATION OF PRIOR RETURNS AFTER EXPIRATION OF PERIOD OF LIMITATIONS WITH RESPECT TO DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—Notwithstanding any period of limitation in section 6501, after the time has expired under section 6501 within which a tax may be assessed under chapter 11 or 12 with respect to a deceased spousal unused exclusion amount, the Secretary may examine a return of the deceased spouse to make determinations with respect to such

amount for purposes of carrying out this subsection.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this subsection.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 2505(a), as amended by section 302(b)(1), is amended to read as follows:

''(1) the applicable credit amount in effect under section 2010(c) which would apply if the donor died as of the end of the calendar year, reduced by''.

(2) Section 2631(c) is amended by striking ''the applicable exclusion amount'' and inserting ''the basic exclusion amount''.

(3) Section 6018(a)(1) is amended by striking ''applicable exclusion amount'' and inserting ''basic exclusion amount''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to estates of decedents dying and gifts made after December 31, 2010.

(2) CONFORMING AMENDMENT RELATING TO GENERATION-SKIPPING TRANSFERS.—The amendment made by subsection (b)(2) shall apply to generation-skipping transfers after December 31, 2010.

SEC. 304. APPLICATION OF EGTRRA SUNSET TO THIS TITLE.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall apply to the amendments made by this title.

SA 4788. Mr. NELSON of Florida submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, between lines 11 and 12, insert the following:

SEC. 712. CREDIT FOR ELECTRICITY PRODUCED AT CERTAIN OPEN-LOOP BIOMASS FACILITIES.

(a) IN GENERAL.—Clause (ii) of section 45(b)(4)(B) is amended—

(1) by striking ''5-year period'' and inserting ''7-year period''; and

(2) by adding at the end the following: ''In the case of the next-to-last year of the 7-year period described in the preceding sentence, the credit determined under subsection (a) with respect to electricity produced during such year shall not exceed 80 percent of such credit determined without regard to this sentence. In the case of the last year of such 7-year period, the credit determined under subsection (a) with respect to electricity produced during such year shall not exceed 60 percent of such credit determined without regard to this sentence.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to electricity produced and sold after December 31, 2009.

SA 4789. Mr. DORGAN (for himself and Mr. MERKLEY) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, between lines 11 and 12, insert:

SEC. 712. ALTERNATIVE MOTOR VEHICLE CREDIT FOR NEW QUALIFIED HYBRID MOTOR VEHICLES OTHER THAN PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) IN GENERAL.—Paragraph (3) of section 30B(k) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property purchased after December 31, 2009.

SA 4790. Mrs. FEINSTEIN (for herself, and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 41, line 16, strike all through page 43, line 13, and insert:

SEC. 708. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended—

(A) by striking ''2010'' in paragraph (1) and inserting ''2011'', and

(B) by striking the period at the end of the table contained in paragraph (2) and adding the following new item:

''2011	36 cents	26.66 cents.''.

(3) REDUCED RATE FOR SMALL ETHANOL PRODUCERS.—Section 40(b)(4)(A) is amended by striking ''10 cents'' and inserting ''8 cents''.

(4) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to periods after December 31, 2010.

(B) RATE FOR SMALL ETHANOL PRODUCERS.—The amendment made by paragraph (3) shall apply to the sale or use of alcohol after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) REDUCED APPLICABLE AMOUNT FOR ETHANOL.—Subparagraph (A) of section 6426(b)(2) is amended—

(A) by striking ''and'' at the end of clause (i),

(B) in clause (ii)—

(i) by inserting ''and before 2011'' after ''after 2008'', and

(ii) by striking the period and inserting '', and'', and

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

''(iii) in the case of calendar years beginning after 2010, 36 cents.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) ETHANOL TAX PARITY.—Not later than 30 days after the date of the enactment of this Act, and semiannually thereafter, the President shall reduce the temporary duty imposed on ethanol under subheading 9901.00.50 of the Harmonized Tariff Schedule of the United States by an amount equal to the reduction in any Federal income or excise tax credit under section 40(h), 6426(b), or 6427(e)(1) of the Internal Revenue Code of 1986 and take any other action necessary to ensure that the combined temporary duty imposed on ethanol under such subheading 9901.00.50 and any other duty imposed under the Harmonized Tariff Schedule of the United States is equal to, or lower than, any Federal income or excise tax credit applicable to ethanol under the Internal Revenue Code of 1986.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

SEC. 708A. EXPANSION OF QUALIFYING ADVANCED ENERGY PROJECT CREDIT.

(a) IN GENERAL.—Section 48C(d)(1)(B) is amended by striking ''$2,300,000,000'' and inserting ''$3,300,000,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to allocations for applications submitted after December 31, 2010.

SA 4791. Mrs. FEINSTEIN (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 41, line 16, strike all through page 43, line 13, and insert:

SEC. 708. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended—

(A) by striking ''2010'' in paragraph (1) and inserting ''2011'', and

(B) by striking the period at the end of the table contained in paragraph (2) and adding the following new item:

''2011	36 cents	26.66 cents.''.

(3) REDUCED RATE FOR SMALL ETHANOL PRODUCERS.—Section 40(b)(4)(A) is amended by striking ''10 cents'' and inserting ''8 cents''.

(4) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to periods after December 31, 2010.

(B) RATE FOR SMALL ETHANOL PRODUCERS.—The amendment made by paragraph (3) shall apply to the sale or use of alcohol after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) REDUCED APPLICABLE AMOUNT FOR ETHANOL.—Subparagraph (A) of section 6426(b)(2) is amended—

(A) by striking ''and'' at the end of clause (i),

(B) in clause (ii)—

(i) by inserting ''and before 2011'' after ''after 2008'', and

(ii) by striking the period and inserting '', and'', and

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

''(iii) in the case of calendar years beginning after 2010, 36 cents.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) ETHANOL TAX PARITY.—Not later than 30 days after the date of the enactment of this Act, and semiannually thereafter, the President shall reduce the temporary duty imposed on ethanol under subheading 9901.00.50 of the Harmonized Tariff Schedule of the United States by an amount equal to the reduction in any Federal income or excise tax credit under section 40(h), 6426(b), or 6427(e)(1) of the Internal Revenue Code of 1986 and take any other action necessary to ensure that the combined temporary duty imposed on ethanol under such subheading 9901.00.50 and any other duty imposed under the Harmonized Tariff Schedule of the United States is equal to, or lower than, any Federal income or excise tax credit applicable to ethanol under the Internal Revenue Code of 1986.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

SEC. 708A. EXPANSION OF QUALIFYING ADVANCED ENERGY PROJECT CREDIT.

(a) IN GENERAL.—Section 48C(d)(1)(B) is amended by inserting ''plus the amount of revenues resulting from 50 percent of the reductions in various rates made by the amendments contained in section 708 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010'' after ''$2,300,000,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to allocations for applications submitted after December 31, 2010.

SA 4792. Mrs. FEINSTEIN (for herself and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 41, line 16, strike all through page 43, line 13, and insert:

SEC. 708. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended—

(A) by striking ''2010'' in paragraph (1) and inserting ''2011'', and

(B) by striking the period at the end of the table contained in paragraph (2) and adding the following new item:

''2011	36 cents	26.66 cents.''.

(3) REDUCED RATE FOR SMALL ETHANOL PRODUCERS.—Section 40(b)(4)(A) is amended by striking ''10 cents'' and inserting ''8 cents''.

(4) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to periods after December 31, 2010.

(B) RATE FOR SMALL ETHANOL PRODUCERS.—The amendment made by paragraph (3) shall apply to the sale or use of alcohol after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) REDUCED APPLICABLE AMOUNT FOR ETHANOL.—Subparagraph (A) of section 6426(b)(2) is amended—

(A) by striking ''and'' at the end of clause (i),

(B) in clause (ii)—

(i) by inserting ''and before 2011'' after ''after 2008'', and

(ii) by striking the period and inserting '', and'', and

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

''(iii) in the case of calendar years beginning after 2010, 36 cents.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) ETHANOL TAX PARITY.—Not later than 30 days after the date of the enactment of this Act, and semiannually thereafter, the President shall reduce the temporary duty imposed on ethanol under subheading 9901.00.50 of the Harmonized Tariff Schedule of the United States by an amount equal to the reduction in any Federal income or excise tax credit under section 40(h), 6426(b), or 6427(e)(1) of the Internal Revenue Code of 1986 and take any other action necessary to ensure that the combined temporary duty imposed on ethanol under such subheading 9901.00.50 and any other duty imposed under the Harmonized Tariff Schedule of the United States is equal to, or lower than, any Federal income or excise tax credit applicable to ethanol under the Internal Revenue Code of 1986.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

SA 4793. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2010'' both places it appears and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) APPLICATION TO TAXPAYERS WITH INCOME OF $250,000 OR MORE.—

(1) INCOME TAX RATES.—

(A) 25- AND 28- PERCENT RATE BRACKETS MADE PERMANENT.—Paragraph (2) of section 1(i) is amended to read as follows:

''(2) 25- AND 28- PERCENT RATE BRACKETS.—The tables under subsections (a), (b), (c), (d), and (e) shall be applied—

''(A) by substituting '25%' for '28%' each place it appears (before the application of subparagraph (B)), and

''(B) by substituting '28%' for '31%' each place it appears.''.

(B) 33-PERCENT RATE BRACKET.—Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) 33-PERCENT RATE BRACKET.—

''(A) IN GENERAL.—In the case of taxable years beginning after December 31, 2010—

''(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer's taxable income in the fourth rate bracket shall be 33 percent to the extent such income does not exceed an amount equal to the excess of—

''(I) the applicable amount, over

''(II) the dollar amount at which such bracket begins, and

''(ii) the 36 percent rate of tax under such subsections shall apply only to the taxpayer's taxable income in such bracket in excess of the amount to which clause (i) applies.

''(B) APPLICABLE AMOUNT.—For purposes of this paragraph, the term 'applicable amount' means the excess of—

''(i) the applicable threshold, over

''(ii) the sum of the following amounts in effect for the taxable year:

''(I) the basic standard deduction (within the meaning of section 63(c)(2)), and

''(II) the exemption amount (within the meaning of section 151(d)(1) (or, in the case of subsection (a), 2 such exemption amounts).

''(C) APPLICABLE THRESHOLD.—For purposes of this paragraph, the term 'applicable threshold' means—

''(i) $250,000 in the case of subsection (a),

''(ii) $200,000 in the case of subsections (b) and (c), and

''(iii) ½ the amount applicable under clause (i) (after adjustment, if any, under subparagraph (E)) in the case of subsection (d).

''(D) FOURTH RATE BRACKET.—For purposes of this paragraph, the term 'fourth rate bracket' means the bracket which would (determined without regard to this paragraph) be the 36-percent rate bracket.

''(E) INFLATION ADJUSTMENT.—For purposes of this paragraph, a rule similar to the rule of paragraph (1)(C) shall apply with respect to taxable years beginning in calendar years after 2010, applied by substituting '2008' for '1992' in subsection (f)(3)(B).''.

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

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

(i) by striking ''the applicable amount'' the first place it appears in subsection (a) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(ii) by striking ''the applicable amount'' in subsection (a)(1) and inserting ''such applicable threshold'',

(iii) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively, and

(iv) by striking subsections (f) and (g).

(B) PHASEOUT OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.—

(i) IN GENERAL.—Paragraph (3) of section 151(d) is amended—

(I) by striking ''the threshold amount'' in subparagraphs (A) and (B) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(II) by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and

(III) by striking subparagraphs (E) and (F).

(ii) CONFORMING AMENDMENTS.—Paragraph (4) of section 151(d) is amended—

(I) by striking subparagraph (B),

(II) by redesignating clauses (i) and (ii) of subparagraph (A) as subparagraphs (A) and (B), respectively, and by indenting such subparagraphs (as so redesignated) accordingly, and

(III) by striking all that precedes ''in a calendar year after 1989,'' and inserting the following:

''(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning''.

(c) EFFECTIVE DATE.—Except as otherwise provided, the amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) EXTENSION.—

(1) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2010'' and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

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

(1) IN GENERAL.—Paragraph (1) of section 1(h) is amended by striking subparagraph (C), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) and by inserting after subparagraph (B) the following new subparagraphs:

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable income) as exceeds the amount on which a tax is determined under subparagraph (B), or

''(ii) the excess (if any) of—

''(I) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 36 percent, over

''(II) the sum of the amounts on which a tax is determined under subparagraphs (A) and (B),

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

(2) DIVIDENDS.—Subparagraph (A) of section 1(h)(11) is amended by striking ''qualified dividend income'' and inserting ''so much of the qualified dividend income as does not exceed the excess (if any) of—

''(i) the amount of taxable income which would (without regard to this subsection) be taxed at a rate below 36 percent, over

''(ii) taxable income reduced by qualified dividend income.''.

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

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable excess) as exceeds the amount on which tax is determined under subparagraph (B), or

''(ii) the excess described in section 1(h)(1)(C)(ii), plus

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

(c) CONFORMING AMENDMENTS.—

(1) The following provisions are each amended by striking ''15 percent'' and inserting ''20 percent'':

(A) Section 1445(e)(1).

(B) The second sentence of section 7518(g)(6)(A).

(C) Section 53511(f)(2) of title 46, United States Code.

(2) Sections 531 and 541 are each amended by striking ''15 percent of'' and inserting ''the produce of the highest rate of tax under section 1(c) and''.

(3) Sections 1(h)(1)(B) and 55(b)(3)(B) are each amended by striking ''5 percent (0 percent in the case of taxable years beginning after 2007)'' and inserting ''0 percent''.

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

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in otherwise provided, the amendments made by subsections (b) and (c) shall apply to taxable years beginning after December 31, 2010.

(2) WITHHOLDING.—The amendments made by paragraphs (1)(C) and (3) of subsection (c) shall apply to amounts paid on or after January 1, 2011.

SEC. 103. TEMPORARY EXTENSION OF 2009 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''and 2010'' each place it appears and inserting '', 2010, 2011, and 2012''.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE II—TEMPORARY EXTENSION OF INDIVIDUAL AMT RELIEF

SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

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

(1) by striking ''$70,950'' and all that follows through ''2009'' in subparagraph (A) and inserting ''$72,450 in the case of taxable years beginning in 2010 and $74,450 in the case of taxable years beginning in 2011'', and

(2) by striking ''$46,700'' and all that follows through ''2009'' in subparagraph (B) and inserting ''$47,450 in the case of taxable years beginning in 2010 and $48,450 in the case of taxable years beginning in 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

(c) REPEAL OF EGTRRA SUNSET.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset of provisions of such Act) shall not apply to title VII of such Act (relating to alternative minimum tax).

SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''or 2009'' and inserting ''2009, 2010, or 2011'', and

(2) by striking ''2009'' in the heading thereof and inserting ''2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

TITLE III—RESPONSIBLE ESTATE TAX REFORM

SEC. 301. SHORT TITLE.

This title may be cited as the ''Responsible Estate Tax Act''.

SEC. 302. REINSTATEMENT OF ESTATE TAX; REPEAL OF CARRYOVER BASIS.

(a) IN GENERAL.—Each provision of law amended by subtitle A or E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as such provision would read if such subtitle had never been enacted.

(b) CONFORMING AMENDMENT.—On and after January 1, 2011, paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as such paragraph would read if section 521(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) SPECIAL ELECTION WITH RESPECT TO ESTATES OF DECEDENTS DYING IN 2010.—Notwithstanding subsection (a), in the case of an estate of a decedent dying after December 31, 2009, and before January 1, 2011, the executor (within the meaning of section 2203 of the Internal Revenue Code of 1986) may elect to apply such Code as though the amendments

made by subsection (a) do not apply with respect to chapter 11 of such Code and with respect to property acquired or passing from such decedent (within the meaning of section 1014(b) of such Code). Such election shall be made at such time and in such manner as the Secretary of the Treasury or the Secretary's delegate shall provide. Such an election once made shall be revocable only with the consent of the Secretary of the Treasury or the Secretary's delegate. For purposes of section 2652(a)(1) of such Code, the determination of whether any property is subject to the tax imposed by such chapter 11 shall be made without regard to any election made under this subsection.

(d) EXTENSION OF TIME FOR PERFORMING CERTAIN ACTS.—

(1) ESTATE TAX.—In the case of the estate of a decedent dying after December 31, 2009, and before the date of the enactment of this Act, the due date for—

(A) filing any return under section 6018 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) as such section is in effect after the date of the enactment of this Act without regard to any election under subsection (c),

(B) making any payment of tax under chapter 11 of such Code, and

(C) making any disclaimer described in section 2518(b) of such Code of an interest in property passing by reason of the death of such decedent,

shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(2) GENERATION-SKIPPING TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before the date of the enactment of this Act, the due date for filing any return under section 2662 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, and transfers made, after December 31, 2009.

SEC. 303. MODIFICATION OF RATES AND MAINTENANCE OF UNIFIED CREDIT AGAINST THE ESTATE TAX.

(a) MODIFICATION OF RATES.—

(1) IN GENERAL.—The table in paragraph (1) of section 2001(c) is amended by striking the last 6 rows and inserting the following:

''Over $750,000 but not over $3,500,000.	$248,300 plus 39 percent of the excess of such amount over $750,000.
Over $3,500,000 but not over $10,000,000.	$1,320,800 plus 45 percent of the excess of such amount over $3,500,000.
Over $10,000,000 but not over $50,000,000.	$4,245,800 plus 50 percent of the excess of such amount over $10,000,000.
Over $50,000,000.	$24,245,800 plus 55 percent of the excess of such amount over $50,000,000''.

(2) SURTAX ON WEALTHY ESTATES.—Paragraph (2) of section 2001(c) is amended to read as follows:

''(2) SURTAX ON ESTATES OVER $500,000,000.—Notwithstanding paragraph (1), if the amount with respect to which the tentative tax to be computed is over $500,000,000, the rate of tax otherwise in effect under this subsection with respect to the amount in excess of $500,000,000 shall be increased by 10 percentage points.''.

(b) EXTENSION OF 2009 APPLICABLE CREDIT AMOUNT.—The table in subsection (c) of section 2010 (relating to applicable credit amount) is amended by inserting ''and thereafter'' after ''2009''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2009.

SEC. 304. MODIFICATION OF RULES FOR VALUE OF CERTAIN FARM, ETC., REAL PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 2032A(a) is amended by striking ''$750,000'' and inserting ''$3,000,000''.

(b) INFLATION ADJUSTMENT.—Paragraph (3) of section 2032A(a) is amended—

(1) by striking ''1998'' and inserting ''2009'',

(2) by striking ''$750,000'' and inserting ''$3,000,000'' in subparagraph (A), and

(3) by striking ''calendar year 1997'' and inserting ''calendar year 2008'' in subparagraph (B).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2009.

SEC. 305. MODIFICATION OF ESTATE TAX RULES WITH RESPECT TO LAND SUBJECT TO CONSERVATION EASEMENTS.

(a) MODIFICATION OF EXCLUSION LIMITATION.—The table in paragraph (3) of section 2031(c) is amended—

(1) by striking ''or thereafter'' in the last row and inserting ''through 2009'', and

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

''2010 and thereafter ..... $2,000,000''.

(b) MODIFICATION OF APPLICABLE PERCENTAGE.—Paragraph (2) of section 2031(c) is amended by striking ''40 percent'' and inserting ''60 percent''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after December 31, 2009.

SEC. 306. CONSISTENT BASIS REPORTING BETWEEN ESTATE AND PERSON ACQUIRING PROPERTY FROM DECEDENT.

(a) CONSISTENT USE OF BASIS.—

(1) PROPERTY ACQUIRED FROM A DECEDENT.—Section 1014 is amended by adding at the end the following new subsection:

''(f) BASIS MUST BE CONSISTENT WITH ESTATE TAX VALUE.—

''(1) IN GENERAL.—For purposes of this section, the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the value of such interest as finally determined for purposes of chapter 11.

''(2) SPECIAL RULE WHERE NO FINAL DETERMINATION.—In any case in which the value of property has not been finally determined under chapter 11 and there has been a statement furnished under section 6035(a), the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the amount reported on the statement furnished under section 6035(a).

''(3) REGULATIONS.—The Secretary may by regulations provide exceptions to the application of this subsection.''.

(2) PROPERTY ACQUIRED BY GIFTS AND TRANSFERS IN TRUST.—Section 1015 is amended by adding at the end the following new subsection:

''(f) BASIS MUST BE CONSISTENT WITH GIFT TAX VALUE.—

''(1) IN GENERAL.—For purposes of this section, the fair market value of any interest in property at the time of the gift of that interest shall not exceed the value of such interest as finally determined for purposes of chapter 12.

''(2) SPECIAL RULE WHERE NO FINAL DETERMINATION.—In any case in which the value of property has not been finally determined under chapter 12 and there has been a statement furnished under section 6035(b), the fair market value of any interest in property at the time of the gift of that interest shall not exceed the amount reported on the statement furnished under section 6035(b).

''(3) REGULATIONS.—The Secretary may by regulations provide exceptions to the application of this subsection.''.

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 is amended by inserting after section 6034A the following new section:

''SEC. 6035. BASIS INFORMATION TO PERSONS ACQUIRING PROPERTY FROM DECEDENT OR BY GIFT.

''(a) INFORMATION WITH RESPECT TO PROPERTY ACQUIRED FROM DECEDENTS.—

''(1) IN GENERAL.—The executor of any estate required to file a return under section 6018(a) shall furnish to the Secretary and to each person acquiring any interest in property included in the decedent's gross estate for Federal estate tax purposes a statement identifying the value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

''(2) STATEMENTS BY BENEFICIARIES.—Each person required to file a return under section 6018(b) shall furnish to the Secretary and to each other person who holds a legal or beneficial interest in the property to which such return relates a statement identifying the information described in paragraph (1).

''(3) TIME FOR FURNISHING STATEMENT.—

''(A) IN GENERAL.—Each statement required to be furnished under paragraph (1) or (2) shall be furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of—

''(i) the date which is 30 days after the date on which the return under section 6018 was required to be filed (including extensions, if any), or

''(ii) the date which is 30 days after the date such return is filed.

''(B) ADJUSTMENTS.—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) or (2) after such statement has been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

''(b) INFORMATION WITH RESPECT TO PROPERTY ACQUIRED BY GIFT.—

''(1) IN GENERAL.—Each person making a transfer by gift who is required to file a return under section 6019 with respect to such transfer shall furnish to the Secretary and to each person acquiring any interest in property by reason of such transfer a statement identifying the fair market value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

''(2) TIME FOR FURNISHING STATEMENT.—

''(A) IN GENERAL.—Each statement required to be furnished under paragraph (1) shall be furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of—

''(i) the date which is 30 days after the date on which the return under section 6019 was required to be filed (including extensions, if any), or

''(ii) the date which is 30 days after the date such return is filed.

''(B) ADJUSTMENTS.—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) after such statement has

been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

''(c) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out this section, including regulations relating to—

''(1) applying this section to property with regard to which no estate or gift tax return is required to be filed, and

''(2) situations in which the surviving joint tenant or other recipient may have better information than the executor regarding the basis or fair market value of the property.''.

(2) PENALTY FOR FAILURE TO FILE.—

(A) RETURN.—Section 6724(d)(1) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) any statement required to be filed with the Secretary under section 6035.''.

(B) STATEMENT.—Section 6724(d)(2) is amended by striking ''or'' at the end of subparagraph (GG), by striking the period at the end of subparagraph (HH) and inserting '', or'', and by adding at the end the following new subparagraph:

''(II) section 6035 (other than a statement described in paragraph (1)(D)).''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6034A the following new item:

''Sec. 6035. Basis information to persons acquiring property from decedent or by gift.''.

(c) PENALTY FOR INCONSISTENT REPORTING.—

(1) IN GENERAL.—Subsection (b) of section 6662 is amended by inserting after paragraph (7) the following new paragraph:

''(8) Any inconsistent estate or gift basis.''.

(2) INCONSISTENT BASIS REPORTING.—Section 6662 is amended by adding at the end the following new subsection:

''(k) INCONSISTENT ESTATE OR GIFT BASIS REPORTING.—For purposes of this section, the term 'inconsistent estate or gift basis' means—

''(1) in the case of property acquired from a decedent, a basis determination with respect to such property which is not consistent with the requirements of section 1014(f), and

''(2) in the case of property acquired by gift, a basis determination with respect to such property which is not consistent with the requirements of section 1015(f).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers for which returns are filed after the date of the enactment of this Act.

SEC. 307. VALUATION RULES FOR CERTAIN TRANSFERS OF NONBUSINESS ASSETS; LIMITATION ON MINORITY DISCOUNTS.

(a) IN GENERAL.—Section 2031 (relating to definition of gross estate) is amended by redesignating subsection (d) as subsection (f) and by inserting after subsection (c) the following new subsections:

''(d) VALUATION RULES FOR CERTAIN TRANSFERS OF NONBUSINESS ASSETS.—For purposes of this chapter and chapter 12—

''(1) IN GENERAL.—In the case of the transfer of any interest in an entity other than an interest which is actively traded (within the meaning of section 1092)—

''(A) the value of any nonbusiness assets held by the entity with respect to such interest shall be determined as if the transferor had transferred such assets directly to the transferee (and no valuation discount shall be allowed with respect to such nonbusiness assets), and

''(B) such nonbusiness assets shall not be taken into account in determining the value of the interest in the entity.

''(2) NONBUSINESS ASSETS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'nonbusiness asset' means any asset which is not used in the active conduct of 1 or more trades or businesses.

''(B) TREATMENT OF CERTAIN PASSIVE ASSETS.—Except as provided in subparagraph (C), a passive asset shall not be treated for purposes of subparagraph (A) as used in the active conduct of a trade or business unless—

''(i) the asset is property described in paragraph (1) or (4) of section 1221(a) or is a hedge with respect to such property, or

''(ii) the asset is real property used in the active conduct of 1 or more real property trades or businesses (within the meaning of section 469(c)(7)(C)) in which the transferor materially participates and with respect to which the transferor meets the requirements of section 469(c)(7)(B)(ii).

For purposes of clause (ii), material participation shall be determined under the rules of section 469(h), except that section 469(h)(3) shall be applied without regard to the limitation to farming activity.

''(C) EXCEPTION FOR WORKING CAPITAL.—Any asset (including a passive asset) which is held as a part of the reasonably required working capital needs of a trade or business shall be treated as used in the active conduct of a trade or business.

''(3) PASSIVE ASSET.—For purposes of this subsection, the term 'passive asset' means any—

''(A) cash or cash equivalents,

''(B) except to the extent provided by the Secretary, stock in a corporation or any other equity, profits, or capital interest in any entity,

''(C) evidence of indebtedness, option, forward or futures contract, notional principal contract, or derivative,

''(D) asset described in clause (iii), (iv), or (v) of section 351(e)(1)(B),

''(E) annuity,

''(F) real property used in 1 or more real property trades or businesses (as defined in section 469(c)(7)(C)),

''(G) asset (other than a patent, trademark, or copyright) which produces royalty income,

''(H) commodity,

''(I) collectible (within the meaning of section 401(m)), or

''(J) any other asset specified in regulations prescribed by the Secretary.

''(4) LOOK-THRU RULES.—

''(A) IN GENERAL.—If a nonbusiness asset of an entity consists of a 10-percent interest in any other entity, this subsection shall be applied by disregarding the 10-percent interest and by treating the entity as holding directly its ratable share of the assets of the other entity. This subparagraph shall be applied successively to any 10-percent interest of such other entity in any other entity.

''(B) 10-PERCENT INTEREST.—The term '10-percent interest' means—

''(i) in the case of an interest in a corporation, ownership of at least 10 percent (by vote or value) of the stock in such corporation,

''(ii) in the case of an interest in a partnership, ownership of at least 10 percent of the capital or profits interest in the partnership, and

''(iii) in any other case, ownership of at least 10 percent of the beneficial interests in the entity.

''(5) COORDINATION WITH SUBSECTION (b).—Subsection (b) shall apply after the application of this subsection.

''(e) LIMITATION ON MINORITY DISCOUNTS.—For purposes of this chapter and chapter 12, in the case of the transfer of any interest in an entity other than an interest which is actively traded (within the meaning of section 1092), no discount shall be allowed by reason of the fact that the transferee does not have control of such entity if the transferee and members of the family (as defined in section 2032A(e)(2)) of the transferee have control of such entity.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after the date of the enactment of this Act.

SEC. 308. REQUIRED MINIMUM 10-YEAR TERM, ETC., FOR GRANTOR RETAINED ANNUITY TRUSTS.

(a) IN GENERAL.—Subsection (b) of section 2702 is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and by moving such subparagraphs (as so redesignated) 2 ems to the right;

(2) by striking ''For purposes of'' and inserting the following:

''(1) IN GENERAL.—For purposes of'';

(3) by striking ''paragraph (1) or (2)'' in paragraph (1)(C) (as so redesignated) and inserting ''subparagraph (A) or (B)''; and

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

''(2) ADDITIONAL REQUIREMENTS WITH RESPECT TO GRANTOR RETAINED ANNUITIES.—For purposes of subsection (a), in the case of an interest described in paragraph (1)(A) (determined without regard to this paragraph) which is retained by the transferor, such interest shall be treated as described in such paragraph only if—

''(A) the right to receive the fixed amounts referred to in such paragraph is for a term of not less than 10 years,

''(B) such fixed amounts, when determined on an annual basis, do not decrease relative to any prior year during the first 10 years of the term referred to in subparagraph (A), and

''(C) the remainder interest has a value greater than zero determined as of the time of the transfer.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers made after the date of the enactment of this Act.

TITLE IV—TEMPORARY EXTENSION OF INVESTMENT INCENTIVES

SEC. 401. TEMPORARY EXTENSION OF INCREASED SMALL BUSINESS EXPENSING.

(a) DOLLAR LIMITATION.—Section 179(b)(1) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $125,000 in the case of taxable years beginning in 2012, and

''(D) $25,000 in the case of taxable years beginning after 2012.''.

(b) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $500,000 in the case of taxable years beginning in 2012, and

''(D) $200,000 in the case of taxable years beginning after 2012.''.

(c) INFLATION ADJUSTMENT.—Subsection (b) of section 179 is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning in calendar year 2012, the $125,000 and $500,000 amounts in paragraphs (1)(C) and (2)(C) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by

substituting 'calendar year 2006' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—

''(i) DOLLAR LIMITATION.—If the amount in paragraph (1) as increased under subparagraph (A) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(ii) PHASEOUT AMOUNT.—If the amount in paragraph (2) as increased under subparagraph (A) is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(d) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2012'' and inserting ''2013''.

(e) CONFORMING AMENDMENT.—Section 179(c)(2) is amended by striking ''2012'' and inserting ''2013''.

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

TITLE V—TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE AND RELATED MATTERS

SEC. 501. TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(A) by striking ''November 30, 2010'' each place it appears and inserting ''January 3, 2012'';

(B) in the heading for subsection (b)(2), by striking ''NOVEMBER 30, 2010'' and inserting ''JANUARY 3, 2012''; and

(C) in subsection (b)(3), by striking ''April 30, 2011'' and inserting ''June 9, 2012''.

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111–5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking ''December 1, 2010'' each place it appears and inserting ''January 4, 2012''; and

(B) in subsection (c), by striking ''May 1, 2011'' and inserting ''June 11, 2012''.

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110–449; 26 U.S.C. 3304 note) is amended by striking ''April 30, 2011'' and inserting ''June 10, 2012''.

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

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

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

''(G) the amendments made by section 501(a)(1) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010; and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Unemployment Compensation Extension Act of 2010 (Public Law 111–205).

SEC. 502. TEMPORARY MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.

(a) INDICATOR.—Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended, in the flush matter following paragraph (2), by inserting after the first sentence the following sentence: ''Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'two' were 'three' in subparagraph (1)(A).''.

(b) ALTERNATIVE TRIGGER.—Section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

''(2) Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'either' were 'any', the word ''both'' were 'all', and the figure '2' were '3' in clause (1)(A)(ii).''.

SEC. 503. TECHNICAL AMENDMENT RELATING TO COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.

(a) IN GENERAL.—Section 6402(f)(3)(C), as amended by section 801 of the Claims Resolution Act of 2010, is amended by striking ''is not a covered unemployment compensation debt'' and inserting ''is a covered unemployment compensation debt''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 801 of the Claims Resolution Act of 2010.

SEC. 504. TECHNICAL CORRECTION RELATING TO REPEAL OF CONTINUED DUMPING AND SUBSIDY OFFSET.

(a) IN GENERAL.—Section 822(2)(A) of the Claims Resolution Act of 2010 is amended by striking ''or'' and inserting ''and''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Claims Resolution Act of 2010.

SEC. 505. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

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

(1) by striking ''June 30, 2010'' and inserting ''June 30, 2011''; and

(2) by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

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

TITLE VI—EXTENSION OF MAKING WORK PAY CREDIT

SEC. 601. MAKING WORK PAY CREDIT.

(a) IN GENERAL.—Section 36A(e) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) TREATMENT OF POSSESSIONS.—Section 1001(b)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''2009 and 2010'' both places it appears and inserting ''2009, 2010, and 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE VII—TEMPORARY EXTENSION OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Energy

SEC. 701. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 702. NEW ENERGY EFFICIENT HOME CREDIT.

(a) IN GENERAL.—Subsection (g) of section 45L is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to homes acquired after December 31, 2009.

SEC. 703. SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.

(a) IN GENERAL.—Paragraph (3) of section 451(i) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to dispositions after December 31, 2009.

SEC. 704. EXTENSION OF GRANTS FOR SPECIFIED ENERGY PROPERTY IN LIEU OF TAX CREDITS.

(a) IN GENERAL.—Subsection (a) of section 1603 of division B of the American Recovery and Reinvestment Act of 2009 is amended—

(1) in paragraph (1), by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011'', and

(2) in paragraph (2)—

(A) by striking ''after 2010'' and inserting ''after 2011'', and

(B) by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011''.

(b) CONFORMING AMENDMENT.—Subsection (j) of section 1603 of division B of such Act is

amended by striking ''2011'' and inserting ''2012''.

SEC. 705. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended by striking ''2010'' both places it appears and inserting ''2011''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

SEC. 706. ENERGY EFFICIENT APPLIANCE CREDIT.

(a) DISHWASHERS.—Paragraph (1) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting a comma, and by adding at the end the following new subparagraphs:

''(C) $25 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings),

''(D) $50 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 295 kilowatt hours per year and 4.25 gallons per cycle (4.75 gallons per cycle for dishwashers designed for greater than 12 place settings), and

''(E) $75 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 280 kilowatt hours per year and 4 gallons per cycle (4.5 gallons per cycle for dishwashers designed for greater than 12 place settings).''.

(b) CLOTHES WASHERS.—Paragraph (2) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $175 in the case of a top-loading clothes washer manufactured in calendar year 2011 which meets or exceeds a 2.2 modified energy factor and does not exceed a 4.5 water consumption factor, and

''(F) $225 in the case of a clothes washer manufactured in calendar year 2011—

''(i) which is a top-loading clothes washer and which meets or exceeds a 2.4 modified energy factor and does not exceed a 4.2 water consumption factor, or

''(ii) which is a front-loading clothes washer and which meets or exceeds a 2.8 modified energy factor and does not exceed a 3.5 water consumption factor.''.

(c) REFRIGERATORS.—Paragraph (3) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $150 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 30 percent less energy than the 2001 energy conservation standards, and

''(F) $200 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 35 percent less energy than the 2001 energy conservation standards.''.

(d) REBASING OF LIMITATIONS.—

(1) IN GENERAL.—Paragraph (1) of section 45M(e) is amended—

(A) by striking ''$75,000,000'' and inserting ''$25,000,000'', and

(B) by striking ''December 31, 2007'' and inserting ''December 31, 2010''.

(2) EXCEPTION FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended—

(A) by striking ''subsection (b)(3)(D)'' and inserting ''subsection (b)(3)(F)'', and

(B) by striking ''subsection (b)(2)(D)'' and inserting ''subsection (b)(2)(F)''.

(3) GROSS RECEIPTS LIMITATION.—Paragraph (3) of section 45M(e) is amended by striking ''2 percent'' and inserting ''4 percent''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (c) shall apply to appliances produced after December 31, 2010.

(2) LIMITATIONS.—The amendments made by subsection (d) shall apply to taxable years beginning after December 31, 2010.

SEC. 707. CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION.—Section 25C(g)(2) is amended by striking ''2010'' and inserting ''2011''.

(b) RETURN TO PRE-ARRA LIMITATIONS AND STANDARDS.—

(1) IN GENERAL.—Subsections (a) and (b) of section 25C are amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

''(1) 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year, and

''(2) the amount of the residential energy property expenditures paid or incurred by the taxpayer during such taxable year.

''(b) LIMITATIONS.—

''(1) LIFETIME LIMITATION.—The credit allowed under this section with respect to any taxpayer for any taxable year shall not exceed the excess (if any) of $500 over the aggregate credits allowed under this section with respect to such taxpayer for all prior taxable years ending after December 31, 2005.

''(2) WINDOWS.—In the case of amounts paid or incurred for components described in subsection (c)(2)(B) by any taxpayer for any taxable year, the credit allowed under this section with respect to such amounts for such year shall not exceed the excess (if any) of $200 over the aggregate credits allowed under this section with respect to such amounts for all prior taxable years ending after December 31, 2005.

''(3) LIMITATION ON RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—The amount of the credit allowed under this section by reason of subsection (a)(2) shall not exceed—

''(A) $50 for any advanced main air circulating fan,

''(B) $150 for any qualified natural gas, propane, or oil furnace or hot water boiler, and

''(C) $300 for any item of energy-efficient building property.''.

(2) MODIFICATION OF STANDARDS.—

(A) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by striking ''2000'' and all that follows through ''this section'' and inserting ''2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(B) WOOD STOVES.—Subparagraph (E) of section 25C(d)(3) is amended by striking '', as measured using a lower heating value''.

(C) OIL FURNACES AND HOT WATER BOILERS.—

(i) IN GENERAL.—Paragraph (4) of section 25C(d) is amended to read as follows:

''(4) QUALIFIED NATURAL GAS, PROPANE, OR OIL FURNACE OR HOT WATER BOILER.—The term 'qualified natural gas, propane, or oil furnace or hot water boiler' means a natural gas, propane, or oil furnace or hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 95.''.

(ii) CONFORMING AMENDMENT.—Clause (ii) of section 25C(d)(2)(A) is amended to read as follows:

''(ii) a qualified natural gas, propane, or oil furnace or hot water boiler, or''.

(D) EXTERIOR WINDOWS, DOORS, AND SKYLIGHTS.—

(i) IN GENERAL.—Subsection (c) of section 25C is amended by striking paragraph (4).

(ii) APPLICATION OF ENERGY STAR STANDARDS.—Paragraph (1) of section 25C(c) is amended by inserting ''an exterior window, a skylight, an exterior door,'' after ''in the case of'' in the matter preceding subparagraph (A).

(E) INSULATION.—Subparagraph (A) of section 25C(c)(2) is amended by striking ''and meets the prescriptive criteria for such material or system established by the 2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(3) SUBSIDIZED ENERGY FINANCING.—Subsection (e) of section 25C is amended by adding at the end the following new paragraph:

''(3) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures made by any individual with respect to any property, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 48(a)(4)(C)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2010.

SEC. 708. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) EXTENSION OF CREDIT.—Paragraph (2) of section 30C(g) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2010.

Subtitle B—Individual Tax Relief

SEC. 721. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking ''or 2009'' and inserting ''2009, 2010, or 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 722. DEDUCTION OF STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 723. CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 724. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 725. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2009.

(2) SPECIAL RULE.—For purposes of subsections (a)(6), (b)(3), and (d)(8) of section 408 of the Internal Revenue Code of 1986, at the election of the taxpayer (at such time and in such manner as prescribed by the Secretary of the Treasury) any qualified charitable distribution made after December 31, 2010, and before February 1, 2011, shall be deemed to have been made on December 31, 2010.

SEC. 726. PARITY FOR EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.

(a) IN GENERAL.—Paragraph (2) of section 132(f) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months after December 31, 2010.

SEC. 727. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

(a) IN GENERAL.—Subchapter A of chapter 65 is amended by adding at the end the following new section:

''SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.

''(b) TERMINATION.—Subsection (a) shall not apply to any amount received after December 31, 2012.''.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by adding at the end the following new item:

''Sec. 6409. Refunds disregarded in the administration of Federal programs and federally assisted programs.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 2009.

Subtitle C—Business Tax Relief

SEC. 731. RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 732. INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 733. NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Paragraph (1) of section 45D(f) is amended—

(1) by striking ''and'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F), and

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

''(G) $3,500,000,000 for 2010 and 2011.''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 45D(f) is amended by striking ''2014'' and inserting ''2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after 2009.

SEC. 734. RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45G is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2009.

SEC. 735. MINE RESCUE TEAM TRAINING CREDIT.

(a) IN GENERAL.—Subsection (e) of section 45N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 736. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subsection (f) of section 45P is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2009.

SEC. 737. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON AN INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 738. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 739. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORIES TO PUBLIC SCHOOLS.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(D) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 740. ENHANCED CHARITABLE DEDUCTION FOR CORPORATE CONTRIBUTIONS OF COMPUTER INVENTORY FOR EDUCATIONAL PURPOSES.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 741. ELECTION TO EXPENSE MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Subsection (g) of section 179E is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 742. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2009.

SEC. 743. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2009.

SEC. 744. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraphs (1)(C) and (2)(C) of section 871(k) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 745. RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 2010. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2009, and before the date of the enactment of this Act; and

(B) which would (but for the second sentence of paragraph (1)) have been required to

withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

SEC. 746. EXCEPTIONS FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENT.—Section 953(e)(10) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 747. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Subparagraph (C) of section 954(c)(6) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 748. BASIS ADJUSTMENT TO STOCK OF S CORPS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 749. EMPOWERMENT ZONE TAX INCENTIVES.

(a) IN GENERAL.—Section 1391 is amended—

(1) by striking ''December 31, 2009'' in subsection (d)(1)(A)(i) and inserting ''December 31, 2011''; and

(2) by striking the last sentence of subsection (h)(2).

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

(1) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(2) by striking ''2014'' in the heading and inserting ''2016''.

(c) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary's designee) may provide.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2009.

SEC. 750. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''December 31, 2009'' each place it appears and inserting ''December 31, 2011''.

(b) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—Subsection (b) of section 1400A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) ZERO-PERCENT CAPITAL GAINS RATE.—

(1) ACQUISITION DATE.—Paragraphs (2)(A)(i), (3)(A), (4)(A)(i), and (4)(B)(i)(I) of section 1400B(b) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(2) LIMITATION ON PERIOD OF GAINS.—

(A) IN GENERAL.—Paragraph (2) of section 1400B(e) is amended—

(i) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(ii) by striking ''2014'' in the heading and inserting ''2016''.

(B) PARTNERSHIPS AND S-CORPS.—Paragraph (2) of section 1400B(g) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2016''.

(d) FIRST-TIME HOMEBUYER CREDIT.—Subsection (i) of section 1400C is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to periods after December 31, 2009.

(2) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—The amendment made by subsection (b) shall apply to bonds issued after December 31, 2009.

(3) ACQUISITION DATES FOR ZERO-PERCENT CAPITAL GAINS RATE.—The amendments made by subsection (c) shall apply to property acquired or substantially improved after December 31, 2009.

(4) HOMEBUYER CREDIT.—The amendment made by subsection (d) shall apply to homes purchased after December 31, 2009.

SEC. 751. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''August 31, 2011'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 752. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Section 54E(c)(1) is amended—

(1) by striking ''2008 and'' and inserting ''2008,'', and

(2) by inserting ''and $400,000,000 for 2011'' after ''2010,''.

(b) REPEAL OF REFUNDABLE CREDIT FOR QZABS.—Paragraph (3) of section 6431(f) is amended by inserting ''determined without regard to any allocation relating to the national zone academy bond limitation for 2011 or any carryforward of such allocation'' after ''54E)'' in subparagraph (A)(iii).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

SEC. 753. MORTGAGE INSURANCE PREMIUMS.

(a) IN GENERAL.—Clause (iv) of section 163(h)(3)(E) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2010.

SEC. 754. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

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

(1) by striking ''January 1, 2011'' and inserting ''January 1, 2012'', and

(2) by inserting ''AND 2011'' after ''2010'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after December 31, 2010.

Subtitle D—Temporary Disaster Relief Provisions

PART

Subpart A—New York Liberty Zone

SEC. 761. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Subparagraph (D) of section 1400L(d)(2) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2009.

Subpart B—GO Zone

SEC. 762. INCREASE IN REHABILITATION CREDIT.

(a) IN GENERAL.—Subsection (h) of section 1400N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 763. LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.

Section 1400N(c)(5) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

SEC. 764. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Paragraphs (2)(D) and (7)(C) of section 1400N(a) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—Sections 702(d)(1) and 704(a) of the Heartland Disaster Tax Relief Act of 2008 are each amended by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2012''.

SEC. 765. BONUS DEPRECIATION DEDUCTION APPLICABLE TO THE GO ZONE.

(a) IN GENERAL.—Paragraph (6) of section 1400N(d) is amended—

(1) by striking ''December 31, 2010'' both places it appears in subparagraph (B) and inserting ''December 31, 2011'', and

(2) by striking ''January 1, 2010'' in the heading and the text of subparagraph (D) and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

TITLE VIII—SENIOR CITIZENS RELIEF

SEC. 801. SHORT TITLE.

This Act may be cited as the ''Emergency Senior Citizens Relief Act of 2010''.

SEC. 802. EXTENSION AND MODIFICATION OF CERTAIN ECONOMIC RECOVERY PAYMENTS.

(a) EXTENSION AND MODIFICATION OF PAYMENTS.—Section 2201 of the American Recovery and Reinvestment Tax Act of 2009 is amended—

(1) in subsection (a)(1)(A)—

(A) by inserting ''for each of calendar years 2009 and 2011'' after ''shall disburse'',

(B) by inserting ''(for purposes of payments made for calendar year 2009), or the 3-month period ending with December 2010 (for purposes of payments made for calendar year 2011)'' after ''the date of the enactment of this Act'', and

(C) by adding at the end the following new sentence: ''In the case of an individual who is eligible for a payment under the preceding sentence by reason of entitlement to a benefit described in subparagraph (B)(i), no such payment shall be made to such individual for calendar year 2011 unless such individual was paid a benefit described in such subparagraph (B)(i) for any month in the 12-month period ending with December 2010.'',

(2) in subsection (a)(1)(B)(iii), by inserting ''(for purposes of payments made under this paragraph for calendar year 2009), or the 3-month period ending with December 2010 (for purposes of payments made under this paragraph for calendar year 2011)'' before the period at the end,

(3) in subsection (a)(2)—

(A) by inserting '', or who are utilizing a foreign or domestic Army Post Office, Fleet Post Office, or Diplomatic Post Office address'' after ''Northern Mariana Islands'', and

(B) by striking ''current address of record'' and inserting ''address of record, as of the date of certification under subsection (b) for a payment under this section'',

(4) in subsection (a)(3)—

(A) by inserting ''per calendar year (determined with respect to the calendar year for which the payment is made, and without regard to the date such payment is actually paid to such individual)'' after ''only 1 payment under this section'', and

(B) by inserting ''FOR THE SAME YEAR'' after ''PAYMENTS'' in the heading thereof,

(5) in subsection (a)(4)—

(A) by inserting ''(or, in the case of subparagraph (D), shall not be due)'' after ''made'' in the matter preceding subparagraph (A),

(B) by striking subparagraph (A) and inserting the following:

''(A) in the case of an individual entitled to a benefit specified in paragraph (1)(B)(i) or paragraph (1)(B)(ii)(VIII) if —

''(i) for the most recent month of such individual's entitlement in the applicable 3-month period described in paragraph (1); or

''(ii) for any month thereafter which is before the month after the month of the payment;

such individual's benefit under such paragraph was not payable by reason of subsection (x) or (y) of section 202 of the Social Security Act (42 U.S.C. 402) or section 1129A of such Act (42 U.S.C. 1320a–8a);'',

(C) in subparagraph (B), by striking ''3 month period'' and inserting ''applicable 3-month period'',

(D) by striking subparagraph (C) and inserting the following:

''(C) in the case of an individual entitled to a benefit specified in paragraph (1)(C) if—

''(i) for the most recent month of such individual's eligibility in the applicable 3-month period described in paragraph (1); or

''(ii) for any month thereafter which is before the month after the month of the payment;

such individual's benefit under such paragraph was not able by reason of subsection (e)(1)(A) or (e)(4) of section 1611 (42 U.S.C. 1382) or section 1129A of such Act (42 U.S.C. 1320a–8a); or''

(E) by striking subparagraph (D) and inserting the following:

''(D) in the case of any individual whose date of death occurs—

''(i) before the date of receipt of the payment; or

''(ii) in the case of a direct deposit, before the date on which such payment is deposited into such individual's account.'',

(F) by adding at the end the following flush sentence:

''In the case of any individual whose date of death occurs before a payment is negotiated (in the case of a check) or deposited (in the case of a direct deposit), such payment shall not be due and shall not be reissued to the estate of such individual or to any other person.'', and

(G) by adding at the end, as amended by subparagraph (F), the following new sentence: ''Subparagraphs (A)(ii) and (C)(ii) shall apply only in the case of certifications under subsection (b) which are, or but for this paragraph would be, made after the date of the enactment of Emergency Senior Citizens Relief Act of 2010, and shall apply to such certifications without regard to the calendar year of the payments to which such certifications apply.''.

(6) in subsection (a)(5)—

(A) by inserting '', in the case of payments for calendar year 2009, and no later than April 30, 2011, in the case of payments for calendar year 2011'' before the period at the end of the first sentence of subparagraph (A), and

(B) by striking subparagraph (B) and inserting the following:

''(B) DEADLINE.—No payment for calendar year 2009 shall be disbursed under this section after December 31, 2010, and no payment for calendar year 2011 shall be disbursed under this section after December 31, 2012, regardless of any determinations of entitlement to, or eligibility for, such payment made after whichever of such dates is applicable to such payment.'',

(7) in subsection (b), by inserting ''(except that such certification shall be affected by a determination that an individual is an individual described in subparagraph (A), (B), (C), or (D) of subsection (a)(4) during a period described in such subparagraphs), and no individual shall be certified to receive a payment under this section for a calendar year if such individual has at any time been denied certification for such a payment for such calendar year by reason of subparagraph (A)(ii) or (C)(ii) of subsection (a)(4) (unless such individual is subsequently determined not to have been an individual described in either such subparagraph at the time of such denial)'' before the period at the end of the last sentence,

(8) in subsection (c), by striking paragraph (4) and inserting the following:

''(4) PAYMENTS SUBJECT TO OFFSET AND RECLAMATION.—Notwithstanding paragraph (3), any payment made under this section—

''(A) shall, in the case of a payment by direct deposit which is made after the date of the enactment of the Emergency Senior Citizens Relief Act of 2010, be subject to the reclamation provisions under subpart B of part 210 of title 31, Code of Federal Regulations (relating to reclamation of benefit payments); and

''(B) shall not, for purposes of section 3716 of title 31, United States Code, be considered a benefit payment or cash benefit made under the applicable program described in subparagraph (B) or (C) of subsection (a)(1), and all amounts paid shall be subject to offset under such section 3716 to collect delinquent debts.'',

(9) in subsection (e)—

(A) by striking ''2011'' and inserting ''2013'',

(B) by inserting ''section 2(b) of the Emergency Senior Citizens Relief Act of 2010,'' after ''section 2202,'' in paragraph (1), and

(C) by adding at the following new paragraph:

''(5)(A) For the Secretary of the Treasury, an additional $5,200,000 for purposes described in paragraph (1).

''(B) For the Commissioner of Social Security, an additional $5,000,000 for the purposes described in paragraph (2)(B).

''(C) For the Railroad Retirement Board, an additional $600,000 for the purposes described in paragraph (3)(B).

''(D) For the Secretary of Veterans Affairs, an additional $625,000 for the Information Systems Technology account''.

(b) EXTENSION OF SPECIAL CREDIT FOR CERTAIN GOVERNMENT RETIREES.—

(1) IN GENERAL.—In the case of an eligible individual (as defined in section 2202(b) of the American Recovery and Reinvestment Tax Act of 2009, applied by substituting ''2011'' for ''2009''), with respect to the first taxable year of such individual beginning in 2011, section 2202 of the American Recovery and Reinvestment Tax Act of 2009 shall be applied by substituting ''2011'' for ''2009'' each place it appears.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 36A of the Internal Revenue Code of 1986 is amended by inserting '', and any credit allowed to the taxpayer under section 2(b)(1) of the Emergency Senior Citizens Relief Act of 2010'' after ''the American Recovery and Reinvestment Tax Act of 2009''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) APPLICATION OF RULE RELATING TO DECEASED INDIVIDUALS.—The amendment made by subsection (a)(5)(F) shall take effect as if included in section 2201 of the American Recovery and Reinvestment Tax Act of 2009.

TITLE IX—INFRASTRUCTURE, ENERGY, AND WATER PROVISIONS

Subtitle A—TIGER Discretionary Grants

SEC. 901. TIGER DISCRETIONARY GRANTS.

There are appropriated, out of any money in the Treasury not otherwise appropriated, $5,000,000,000 for each of fiscal years 2011 and 2012, for the discretionary grant program established under the heading ''NATIONAL INFRASTRUCTURE INVESTMENTS'' under the heading ''OFFICE OF THE SECRETARY'' under the heading ''DEPARTMENT OF TRANSPORTATION'' of title I of division A of the Consolidated Appropriations Act, 2010 (Public Law 111–117; 123 Stat. 3036), commonly referred to as the ''TIGER II Discretionary Grant Program'': *Provided, That the amount of a grant under this section may not exceed $400,000,000: Provided further, That not less than 20 percent of the funds made available under this section for each fiscal year may be awarded to projects located in rural areas: Provided further, That not less than 1 percent of the funds made available under this section for each fiscal year may be used for the planning, preparation, or design of projects eligible for funding under the TIGER II Discretionary Grant Program: Provided further, That not more than 15 percent of the funds made available under this section for a fiscal year may be awarded to projects in a single State: Provided further, That the Secretary may award a grant of less than $10,000,000 to fund a significant project in a smaller city, region, or State: Provided further, That the Federal share of the cost of a significant project in a smaller city, region, or State may exceed 80 percent: Provided further, That, of the amounts made available under this section for a fiscal year, the Secretary may use an amount not to exceed $750,000,000 for the purpose of paying the subsidy and administrative costs of projects eligible for Federal credit assistance under chapter 6 of title 23, United States Code, if the Secretary finds that such use of the funds would advance the purposes of this section.*

Subtitle B—National Infrastructure Bank

SEC. 911. FINDINGS.

Congress finds the following:

(1) According to the American Society of Civil Engineers, the current condition of the infrastructure in the United States earns a grade point average of D, and an estimated $2,200,000,000,000 investment is needed over the next 5 years to meet adequate conditions.

(2) According to the National Surface Transportation Policy and Revenue Study Commission, $225,000,000,000 is needed annually from all sources for the next 50 years to upgrade our surface transportation system to a state of good repair and create a more advanced system.

(3) According to the Federal Highway Administration up to $131,700,000,000 must be invested annually for a 20-year period to improve bridge efficiencies and the physical condition and operational performance of the highway system of the United States.

(4) According to the Federal Transit Administration, up to $21,800,000,000 must be invested annually for a 20-year period to improve conditions and performance of the major transit systems of the United States.

(5) The Environmental Protection Agency projects that—

(A) $183,600,000,000 is needed for installation and maintenance of drinking water transmission and distribution systems through 2022; and

(B) $202,500,000,000 is needed for publicly owned wastewater systems-related infrastructure needs through 2024.

(6) According to the Edison Electric Institute, to maintain current levels of service given expected growth in demand, electric utilities need to invest an annual average of—

(A) $28,000,000,000 for generation;

(B) $12,000,000,000 for transmission; and

(C) $34,000,000,000 for distribution of electricity.

(7) According to the American Council on Renewable Energy, renewable energy could provide up to 635 gigawatts of new electricity generating capacity by 2025—a substantial contribution and potentially more than the Nation's need for new capacity, according to the United States Energy Information Administration.

(8) According to the United States Green Building Council, United States buildings account for 38.9 percent of primary energy use, 38 percent of carbon emissions, and 72 percent of electricity consumption.

(9) There are over 1,200,000 units of public housing nationwide, with an accumulated capital needs backlog of approximately $18,000,000,000, with an additional $2,000,000,000 accruing each year.

(10) According to the Organization for Economic Cooperation and Development (OECD), the United States ranks 15th among OECD nations in broadband access per 100 inhabitants.

(11) Although grant programs of the Government must continue to play a central role in financing the transportation, environment, energy, and telecommunications infrastructure needs of the United States, current and foreseeable demands on existing Federal, State, and local funding for infrastructure expansion exceed the resources to support these programs by margins wide enough to prompt serious concerns about the United States' ability to sustain long-term economic development, productivity, and international competitiveness.

(12) The capital markets, including central banks, pension funds, financial institutions, sovereign wealth funds and insurance companies, have a growing interest in infrastructure investment. The establishment of a United States Government-owned institution that would provide this investment opportunity through high quality bond issues that would be used to finance qualifying infrastructure projects would attract needed capital for United States infrastructure development.

SEC. 912. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply, unless the context requires otherwise:

(1) BANK.—The term ''Bank'' means the National Infrastructure Development Bank established under section 913(a) of this subtitle.

(2) BOARD.—The term ''Board'' means the National Infrastructure Development Bank Board.

(3) CHIEF ASSET AND LIABILITY MANAGEMENT OFFICER.—The term ''chief asset and liability management officer'' means the chief individual responsible for coordinating the management of assets and liabilities of the Bank.

(4) CHIEF COMPLIANCE OFFICER.—The term ''chief compliance officer or CCO'' means the chief individual responsible for overseeing and managing the compliance and regulatory affairs issues of the Bank.

(5) CHIEF FINANCIAL OFFICER.—The term ''chief financial officer or CFO'' means the chief individual responsible for managing the financial risks, planning, and reporting of the Bank.

(6) CHIEF LOAN ORIGINATION OFFICER.—The term ''chief loan origination officer'' means the chief individual responsible for the processing of new loans provided by the Bank.

(7) CHIEF OPERATIONS OFFICER.—The term ''chief operations officer or COO'' means the chief individual responsible for information technology and the day to day operations of the Bank.

(8) CHIEF RISK OFFICER.—The term ''chief risk officer or CRO'' means the chief individual responsible for managing operational and compliance-related risks of the Bank.

(9) CHIEF TREASURY OFFICER.—The term ''chief treasury officer'' means the chief individual responsible for managing the Bank's treasury operations.

(10) DEVELOPMENT.—The terms ''development'' and ''develop'' mean, with respect to an infrastructure project, any—

(A) preconstruction planning, feasibility review, permitting, design work, and other preconstruction activities; and

(B) construction, reconstruction, rehabilitation, replacement, or expansion.

(11) DISADVANTAGED COMMUNITY.—The term ''disadvantaged community'' means a community with a median household income of less than 80 percent of the statewide median household income for the State in which the community is located.

(12) ENERGY INFRASTRUCTURE PROJECT.—The term ''energy infrastructure project'' means any project for energy transmission, energy efficiency enhancement for buildings, public housing, and schools, renewable energy, and energy storage.

(13) ENTITY.—The term ''entity'' means an individual, corporation, partnership (including a public-private partnership), joint venture, trust, and a State or other governmental entity, including a political subdivision or any other instrumentality of a State or a revolving fund.

(14) ENVIRONMENTAL INFRASTRUCTURE PROJECT.—The term ''environmental infrastructure project'' means any project for the establishment, maintenance, or enhancement of any drinking water and wastewater treatment facility, storm water management system, dam, levee, open space management system, solid waste disposal facility, hazardous waste facility, or industrial site cleanup.

(15) EXECUTIVE DIRECTOR.—The term ''executive director'' means the individual serving as the chief executive officer of the Bank.

(16) GENERAL COUNSEL.—The term ''general counsel'' means the individual who serves as the chief lawyer for the Bank.

(17) INFRASTRUCTURE PROJECT.—The term ''infrastructure project'' means any energy, environmental, telecommunications, or transportation infrastructure project.

(18) PUBLIC BENEFIT BOND.—The term ''public benefit bond'' means a bond issued with respect to an infrastructure project in accordance with this subtitle if—

(A) the net spendable proceeds from the sale of the issue may be used for expenditures incurred after the date of issuance with respect to the project, subject to the rules of the Bank;

(B) the bond issued by the Bank is in registered form and meets the requirements of this subtitle and otherwise applicable law;

(C) the term of each bond which is part of the issue is greater than 30 years; and

(D) the payment of principal with respect to the bond is the obligation of the Bank.

(19) PUBLIC-PRIVATE PARTNERSHIP.—The term ''public-private partnership'' means any entity—

(A)(i) which is undertaking the development of all or part of an infrastructure project, which will have a public benefit, pursuant to requirements established in one or more contracts between the entity and a State or an instrumentality of a State; or

(ii) the activities of which, with respect to such an infrastructure project, are subject to regulation by a State or any instrumentality of a State; and

(B) which owns, leases, or operates, or will own, lease, or operate, the project in whole or in part, and at least one of the participants in the entity is a nongovernmental entity.

(20) REVOLVING FUND.—The term ''revolving fund'' means a fund or program established by a State or a political subdivision or other instrumentality of a State, the principal activity of which is to make loans, commitments, or other financial accommodation available for the development of one or more categories of infrastructure projects.

(21) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury or the designee of the Secretary.

(22) SMART GRID.—The term ''smart grid'' means a system that provides for any of the smart grid functions set forth in section 1306(d) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17386(d)).

(23) SMART GROWTH.—The term ''smart growth'' means growth in the center of a city to avoid urban sprawl.

(24) STATE.—The term ''State'' includes the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of Northern Mariana Islands, and any other territory of the United States.

(25) TELECOMMUNICATIONS INFRASTRUCTURE PROJECT.—The term ''telecommunications infrastructure project'' means any project involving infrastructure required to provide communications by wire or radio.

(26) TRANSPORTATION INFRASTRUCTURE PROJECT.—The term ''transportation infrastructure project'' means any project for the construction, maintenance, or enhancement of highways, roads, bridges, transit and intermodal systems, inland waterways, commercial ports, airports, high speed rail and freight rail systems.

SEC. 913. ESTABLISHMENT OF NATIONAL INFRASTRUCTURE DEVELOPMENT BANK.

(a) ESTABLISHMENT OF NATIONAL INFRASTRUCTURE DEVELOPMENT BANK.—The National Infrastructure Development Bank is established as a wholly owned Government corporation subject to chapter 91 of title 31, United States Code (commonly known as the ''Government Corporation Control Act''), except as otherwise provided in this subtitle.

(b) RESPONSIBILITY OF THE SECRETARY.—The Secretary shall take such action as may be necessary to assist in implementing the establishment of the Bank in accordance with this subtitle.

(c) CONFORMING AMENDMENT.—Section 9101(3) of title 31, United States Code, is amended by inserting after subparagraph (N) the following:

''(O) the National Infrastructure Development Bank.''.

SEC. 914. BOARD OF DIRECTORS.

(a) IN GENERAL.—The Bank shall have a Board of Directors consisting of 5 members appointed by the President by and with the advice and consent of the Senate.

(b) QUALIFICATIONS.—The directors of the Board shall include individuals representing different regions of the United States and—

(1) 2 of the directors shall have public sector experience; and

(2) 3 of the directors shall have private sector experience.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—As designated at the time of appointment, one of the directors of the Board shall be designated chairperson of the Board by the President and one shall be designated as vice chairperson of the Board by the President.

(d) TERMS.—

(1) IN GENERAL.—Except as provided in paragraph (2) and subsection (f), each director shall be appointed for a term of 6 years.

(2) INITIAL STAGGERED TERMS.—Of the initial members of the Board—

(A) the chairperson and vice chairperson shall be appointed for terms of 6 years;

(B) 1 shall be appointed for a term of 5 years;

(C) 1 shall be appointed for a term of 4 years; and

(D) 1 shall be appointed for a term of 3 years.

(e) DATE OF INITIAL NOMINATIONS.—The initial nominations by the President for appointment of directors to the Board shall be made not later than 60 days after the date of enactment of this Act.

(f) VACANCIES.—

(1) IN GENERAL.—A vacancy on the Board shall be filled in the manner in which the original appointment was made.

(2) APPOINTMENT TO REPLACE DURING TERM.—Any director appointed to fill a vacancy occurring before the expiration of the term for which the director's predecessor was appointed shall be appointed only for the remainder of the term.

(3) DURATION.—A director may serve after the expiration of that director's term until a successor has taken office.

(g) QUORUM.—Three directors shall constitute a quorum.

(h) REAPPOINTMENT.—A director of the Board appointed by the President may be reappointed by the President in accordance with this section.

(i) PER DIEM REIMBURSEMENT.—Directors of the Board shall serve on a part-time basis and shall receive a per diem when engaged in the actual performance of Bank business, plus reasonable reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

(j) LIMITATIONS.—A director of the Board may not participate in any review or decision affecting a project under consideration for assistance under this subtitle if the director has or is affiliated with a person who has an interest in such project.

(k) POWERS AND LIMITATIONS OF THE BOARD.—

(1) POWERS.—In order to carry out the purposes of the Bank as set forth in this subtitle, the Board shall be responsible for monitoring and overseeing infrastructure projects and have the following powers:

(A) To make senior and subordinated loans and purchase senior and subordinated debt securities and enter into a binding commitment to make any such loan or purchase any such security, on such terms as the Board may determine, in the Board's discretion, to be appropriate, the proceeds of which are to be used to finance or refinance the development of one or more infrastructure projects.

(B) To issue and sell debt securities of the Bank on such terms as the Board shall determine from time to time.

(C) To issue public benefit bonds and to provide direct subsidies to infrastructure projects from amounts made available from the issuance of such bonds.

(D) To make loan guarantees.

(E) To make agreements and contracts with any entity in furtherance of the business of the Bank.

(F) To borrow on the global capital market and lend to regional, State, and local entities, and commercial banks for the purpose of funding infrastructure projects.

(G) To purchase, pool, and sell infrastructure-related loans and securities on the global capital market.

(H) To purchase in the open market any of the Bank's outstanding obligations at any time and at any price.

(I) To monitor and oversee infrastructure projects financed, in whole or in part, by the Bank.

(J) To acquire, lease, pledge, exchange, and dispose of real and personal property and otherwise exercise all the usual incidents of ownership of property to the extent the exercise of such powers are appropriate to and consistent with the purposes of the Bank.

(K) To sue and be sued in the Bank's corporate capacity in any court of competent jurisdiction, except that no attachment, injunction, or similar process, may be issued against the property of the Bank or against the Bank with respect to such property.

(L) To indemnify the directors and officers of the Bank for liabilities arising out of the actions of the directors and officers in such capacity, in accordance with, and subject to the limitations contained in, this subtitle.

(M) To serve as the primary liaison between the Bank, Congress, the executive branch, and State and local governments and to represent the Bank's interests.

(N) To exercise all other lawful powers which are necessary or appropriate to carry out, and are consistent with, the purposes of the Bank.

(2) LIMITATIONS.—

(A) ISSUANCE OF DEBT SECURITY.—The Board may not issue any debt security without the prior consent of the Secretary.

(B) ISSUANCE OF VOTING SECURITY.—The Board may not issue any voting security in the Bank to any entity other than the Secretary.

(3) ACTIONS CONSISTENT WITH SELF-SUPPORTING ENTITY STATUS.—The Board shall conduct its business in a manner consistent with the requirements of this section.

(4) COORDINATION WITH STATE AND LOCAL REGULATORY AUTHORITY.—The provision of financial assistance by the Board pursuant to this subtitle shall not be construed as—

(A) limiting the right of any State or political subdivision or other instrumentality of a State to approve or regulate rates of return on private equity invested in a project; or

(B) otherwise superseding any State law or regulation applicable to a project.

(5) FEDERAL PERSONNEL REQUESTS.—The Board shall have the power to request the detail, on a reimbursable basis, of personnel from other Federal agencies with specific expertise not available from within the Bank or elsewhere. The head of any Federal agency may detail, on a reimbursable basis, any personnel of such agency requested by the Board and shall not withhold unreasonably the detail of any personnel requested by the Board.

(l) MEETINGS.—

(1) OPEN TO THE PUBLIC; NOTICE.—All meetings of the Board held to conduct the business of the Bank shall be open to the public and shall be preceded by reasonable notice.

(2) INITIAL MEETING.—The Board shall meet not later than 90 days after the date on which all directors of the Board are first appointed and otherwise at the call of the Chairperson.

(3) EXCEPTION FOR CLOSED MEETINGS.—Pursuant to such rules as the Board may establish through their bylaws, the directors may close a meeting of the Board if, at the meeting, there is likely to be disclosed information which could adversely affect or lead to speculation relating to an infrastructure project under consideration for assistance under this subtitle or in financial or securities or commodities markets or institutions, utilities, or real estate. The determination to close any meeting of the Board shall be made in a meeting of the Board, open to the public, and preceded by reasonable notice. The Board shall prepare minutes of any meeting which is closed to the public and make such minutes available as soon as the considerations necessitating closing such meeting no longer apply.

SEC. 915. EXECUTIVE COMMITTEE.

(a) IN GENERAL.—The Board shall have an executive committee consisting of 9 members, headed by the executive director of the Bank.

(b) EXECUTIVE DIRECTOR.—A majority of the Board shall have the authority to appoint and reappoint the executive director.

(c) CEO.—The executive director shall be the chief executive officer of the Bank, with such executive functions, powers, and duties as may be prescribed by this subtitle, the bylaws of the Bank, or the Board.

(d) OTHER EXECUTIVE OFFICERS.—The Board shall appoint, remove, fix the compensation, and define duties of 8 other executive officers to serve on the Executive Committee as the—

(1) chief compliance officer;

(2) chief financial officer;

(3) chief asset and liability management officer;

(4) chief loan origination officer;

(5) chief operations officer;

(6) chief risk officer;

(7) chief treasury officer; and

(8) general counsel.

(e) QUALIFICATIONS.—The executive director and other executive officers shall have demonstrated experience and expertise in one or more of the following:

(1) Transportation infrastructure.

(2) Environmental infrastructure.

(3) Energy infrastructure.

(4) Telecommunications infrastructure.

(5) Economic development.

(6) Workforce development.

(7) Public health.

(8) Private or public finance.

(f) DUTIES.—In order to carry out the purposes of the Bank as set forth in this subtitle, the executive committee shall—

(1) establish disclosure and application procedures for entities nominating projects for assistance under this subtitle;

(2) accept, for consideration, project proposals relating to the development of infrastructure projects, which meet the basic criteria established by the Board, and which are submitted by an entity;

(3) provide recommendations to the Board and place project proposals accepted by the executive committee on a list for consideration for financial assistance from the Board;

(4) provide technical assistance to entities receiving financing from the Bank and otherwise implement decisions of the Board.

(g) VACANCY.—A vacancy in the position of executive director shall be filled in the manner in which the original appointment was made.

(h) COMPENSATION.—The compensation of the executive director and other executive officers of the executive committee shall be determined by the Board.

(i) REMOVAL.—The executive director and other executive officers may be removed at the discretion of a majority of the Board.

(j) TERM.—The executive director and other executive officers shall serve a 6-year term and may be reappointed in accordance with this section.

(k) LIMITATIONS.—The executive director and other executive officers shall not—

(1) hold any other public office;

(2) have any interest in an infrastructure project considered by the Board;

(3) have any interest in an investment institution, commercial bank, or other entity seeking financial assistance for any infrastructure project from the Bank; and

(4) have any such interest during the 2-year period beginning on the date such officer ceases to serve in such capacity.

SEC. 916. RISK MANAGEMENT COMMITTEE.

(a) ESTABLISHMENT OF RISK MANAGEMENT COMMITTEE.—The Bank shall establish a risk management committee consisting of 5 members, headed by the chief risk officer.

(b) APPOINTMENTS.—A majority of the Board shall have the authority to appoint and reappoint the CRO of the Bank.

(c) FUNCTIONS; DUTIES.—

(1) IN GENERAL.—The CRO shall have such functions, powers, and duties as may be prescribed by one or more of the following: this subtitle, the bylaws of the Bank, and the Board. The CRO shall report directly to the Board.

(2) RISK MANAGEMENT DUTIES.—In order to carry out the purposes of this subtitle, the risk management committee shall—

(A) create financial, credit, and operational risk management guidelines and policies to be adhered to by the Bank;

(B) set guidelines to ensure diversification of lending activities by both region and infrastructure project type;

(C) create conforming standards for infrastructure finance securities;

(D) monitor financial, credit and operational exposure of the Bank; and

(E) provide financial recommendations to the Board.

(d) OTHER RISK MANAGEMENT OFFICERS.—The Board shall appoint, remove, fix the compensation, and define the duties of 4 other risk management officers to serve on the risk management committee.

(e) QUALIFICATIONS.—The CRO and other risk management officers shall have demonstrated experience and expertise in one or more of the following:

(1) Treasury and asset and liability management.

(2) Investment regulations.

(3) Insurance.

(4) Credit risk management and credit evaluations.

(5) Related disciplines.

(f) VACANCY.—A vacancy in the position of CRO or any other risk management officer shall be filled in the manner in which the original appointment was made.

(g) COMPENSATION.—The compensation of the CRO and other risk management officers shall be determined by the Board.

(h) REMOVAL.—The CRO and any other risk management officers may be removed at the discretion of a majority of the Board.

(i) TERM.—The CRO and other risk management officers shall serve a 6-year term and may be reappointed in accordance with this section.

(j) LIMITATIONS.—The CRO and other risk management officers shall not—

(1) hold any other public office;

(2) have any interest in an infrastructure project considered by the Board;

(3) have any interest in an investment institution, commercial bank, or other entity seeking financial assistance for any infrastructure project from the Bank; and

(4) have any such interest during the 2-year period beginning on the date such officer ceases to serve in such capacity.

SEC. 917. AUDIT COMMITTEE.

(a) IN GENERAL.—The Bank shall have an audit committee consisting of 5 members, headed by the chief compliance officer of the Bank.

(b) APPOINTMENTS.—A majority of the Board shall have the authority to appoint and reappoint the CCO of the Bank.

(c) FUNCTIONS; DUTIES.—The CCO shall have such functions, powers, and duties as may be prescribed by one or more of the following: this subtitle, the bylaws of the Bank, and the Board. The CCO shall report directly to the Board.

(d) AUDIT DUTIES.—In order to carry out the purposes of the Bank under this subtitle, the audit committee shall—

(1) provide internal controls and internal auditing activities for the Bank;

(2) maintain responsibility for the accounting activities of the Bank;

(3) issue financial reports of the Bank; and

(4) complete reports with outside auditors and public accountants appointed by the Board.

(e) OTHER AUDIT OFFICERS.—The Board shall appoint, remove, fix the compensation, and define the duties of 4 other audit officers to serve on the audit committee.

(f) QUALIFICATIONS.—The CCO and other audit officers shall have demonstrated experience and expertise in one or more of the following:

(1) Internal auditing.

(2) Internal investigations.

(3) Accounting practices.

(4) Financing practices.

(g) VACANCY.—A vacancy in the position of CCO or any other audit officer shall be filled in the manner in which the original appointment was made.

(h) COMPENSATION.—The compensation of the CCO and other audit officers shall be determined by the Board.

(i) REMOVAL.—The CCO and other audit officers may be removed at the discretion of a majority of the Board.

(j) TERM.—The CCO and other audit officers shall serve a 6-year term and may be reappointed in accordance with this section.

(k) LIMITATIONS.—The CCO and other audit officers shall not—

(1) hold any other public office;

(2) have any interest in an infrastructure project considered by the Board;

(3) have any interest in an investment institution, commercial bank, or other entity seeking financial assistance for any infrastructure project from the Bank; and

(4) have any such interest during the 2-year period beginning on the date such officer ceases to serve in such capacity.

SEC. 918. PERSONNEL.

The chairperson of the Board, executive director, chief risk officer, and chief compliance officer shall appoint, remove, fix the compensation of, and define the duties of such qualified personnel to serve under the Board, executive committee, risk management committee, or audit committee, as the case may be, as necessary and prescribed by one or more of the following: this subtitle, the bylaws of the Bank, and the Board.

SEC. 919. ELIGIBILITY CRITERIA FOR ASSISTANCE FROM BANK.

(a) IN GENERAL.—No financial assistance shall be available under this subtitle from the Bank unless the applicant for such assistance has demonstrated to the satisfaction of the Board that the project for which such assistance is being sought meets—

(1) the requirements of this subtitle; and

(2) any criteria established in accordance with this subtitle by the Board.

(b) ESTABLISHMENT OF PROJECT CRITERIA.—

(1) IN GENERAL.—Consistent with the requirements of subsections (c) and (d), the Board shall establish—

(A) criteria for determining eligibility for financial assistance under this subtitle;

(B) disclosure and application procedures to be followed by entities to nominate projects for assistance under this subtitle; and

(C) such other criteria as the Board may consider to be appropriate for purposes of carrying out this subtitle.

(2) FACTORS TO BE TAKEN INTO ACCOUNT.—

(A) IN GENERAL.—The Bank shall conduct an analysis that takes into account the economic, environmental, social benefits, and costs of each project under consideration for financial assistance under this subtitle, prioritizing projects that contribute to economic growth, lead to job creation, and are of regional or national significance.

(B) CRITERIA.—The criteria established pursuant to paragraph (1)(A) shall provide for the consideration of the following factors in considering eligibility for financial assistance under this subtitle:

(i) The means by which development of the infrastructure project under consideration is being financed, including—

(I) the terms and conditions and financial structure of the proposed financing; and

(II) the financial assumptions and projections on which the project is based.

(ii) The likelihood that the provision of assistance by the Bank will cause such development to proceed more promptly and with lower costs for financing than would be the case without such assistance.

(iii) The extent to which the provision of assistance by the Bank maximizes the level of private investment in the infrastructure project while providing a public benefit.

(c) FACTORS FOR SPECIFIC TYPES OF PROJECTS.—

(1) TRANSPORTATION INFRASTRUCTURE PROJECTS.—For any transportation infrastructure project, the Board shall consider the following:

(A) Job creation, including workforce development for women and minorities, responsible employment practices, and quality job training opportunities.

(B) Reduction in carbon emissions.

(C) Reduction in surface and air traffic congestion.

(D) Smart growth in urban areas.

(E) Poverty and inequality reduction through targeted training and employment opportunities for low-income workers.

(F) Use of smart tolling, such as vehicle miles traveled and congestion pricing, for highway, road, and bridge projects.

(G) Public health benefits.

(2) ENVIRONMENTAL INFRASTRUCTURE PROJECT.—For any environmental infrastructure project, the Board shall consider the following:

(A) Public health benefits.

(B) Pollution reductions.

(C) Job creation, including workforce development for women and minorities, responsible employment practices, and quality job training opportunities.

(D) Poverty and inequality reduction through targeted training and employment opportunities for low-income workers.

(3) ENERGY INFRASTRUCTURE PROJECT.—For any energy infrastructure project, the Board shall consider the following:

(A) Job creation, including workforce development for women and minorities, responsible employment practices, and quality job training opportunities.

(B) Poverty and inequality reduction through targeted training and employment opportunities for low-income workers.

(C) Reduction in carbon emissions.

(D) Smart growth in urban areas.

(E) Expanded use of renewable energy, including hydroelectric, solar, and wind.

(F) Development of a smart grid.

(G) Energy efficient building, housing, and school modernization.

(H) In any case in which the project is also a public housing project—

(i) improvement of the physical shape and layout;

(ii) environmental improvement; and

(iii) mobility improvements for residents.

(I) Public health benefits.

(4) TELECOMMUNICATIONS.—For any telecommunications project, the Board shall consider the following:

(A) The extent to which assistance expands or improves broadband and wireless services in rural and disadvantaged communities.

(B) Poverty and inequality reduction through targeted training and employment opportunities for low-income workers.

(C) Job creation, including work force development for women and minorities, responsible employment practices, and quality job training opportunities.

(d) CONSIDERATION OF PROJECT PROPOSALS.—

(1) PARTICIPATION BY OTHER AGENCY PERSONNEL.—Consideration of projects by the executive committee and the Board shall be conducted with personnel on detail to the Bank from relevant Federal agencies from among individuals who are familiar with and experienced in the selection criteria for competitive projects.

(2) FEES.—A fee may be charged for the review of any project proposal in such amount as maybe considered appropriate by the executive committee to cover the cost of such review.

(e) DISCRETION OF BOARD.—Consistent with other provisions of this subtitle, any determination of the Board to provide assistance to any project, and the manner in which such assistance is provided, including the terms, conditions, fees, and charges shall be at the sole discretion of the Board.

(f) STATE AND LOCAL PERMITS REQUIRED.—The provision of assistance by the Board in accordance with this subtitle shall not be deemed to relieve any recipient of assistance or the related project of any obligation to obtain required State and local permits and approvals.

(g) ANNUAL REPORT.—An entity receiving assistance from the Board shall make annual reports to the Board on the use of any such assistance, compliance with the criteria set forth in this section, and a disclosure of all entities with a development, ownership, or operational interest in a project assisted or proposed to be assisted under this subtitle.

SEC. 920. EXEMPTION FROM LOCAL TAXATION.

All notes, debentures, bonds or other such obligations issued by the Bank, and the interest on or credits with respect to such bonds or other obligations, shall not be subject to taxation by any State, county, municipality, or local taxing authority.

SEC. 921. STATUS AND APPLICABILITY OF CERTAIN FEDERAL LAWS; FULL FAITH AND CREDIT.

(a) BUDGETING AND AUDITORS PRACTICES.—The Bank shall comply with all Federal laws regulating the budgetary and auditing practices of a government corporation, except as otherwise provided in this subtitle.

(b) FULL FAITH AND CREDIT.—Any bond or other obligation issued by the Bank under this subtitle shall be an obligation supported by the full faith and credit of the United States.

(c) EFFECT OF AND EXEMPTIONS FROM OTHER LAWS.—

(1) EXEMPT SECURITIES.—All debt securities and other obligations issued by the Bank pursuant to this subtitle shall be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission to the same extent as securities which are direct obligations of, or obligations fully guaranteed as to principal or interest by, the United States.

(2) OPEN MARKET OPERATIONS AND STATE TAX EXEMPT STATUS.—The obligations of the Bank shall be deemed to be obligations of the United States for the purposes of the provision designated as (b)(2) of the 2nd undesignated paragraph of section 14 of the Federal Reserve Act (12 U.S.C. 355) and section 3124 of title 31, United States Code.

(3) NO PRIORITY AS A FEDERAL CLAIM.—The priority established in favor of the United States by section 3713 of title 31, United States Code, shall not apply with respect to any indebtedness of the Bank.

(d) FEDERAL RESERVE BANKS AS DEPOSITORIES, CUSTODIANS, AND FISCAL AGENTS.—The Federal reserve banks may act as depositories for, or custodians or fiscal agents of, the Bank.

(e) ACCESS TO BOOK-ENTRY SYSTEM.—The Secretary may authorize the Bank to use the book-entry system of the Federal reserve system.

SEC. 922. COMPLIANCE WITH DAVIS-BACON ACT.

All laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Bank pursuant to this subtitle shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of part A of title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code.

SEC. 923. APPLICABILITY OF CERTAIN STATE LAWS.

The receipt by any entity of any assistance under this subtitle, directly or indirectly, and any financial assistance provided by any governmental entity in connection with such assistance under this subtitle shall be valid and lawful notwithstanding any State or local restrictions regarding extensions of credit or other benefits to private persons or entities, or other similar restrictions.

SEC. 924. AUDITS; REPORTS TO PRESIDENT AND CONGRESS.

(a) ACCOUNTING.—The books of account of the Bank shall be maintained in accordance with generally accepted accounting principles and shall be subject to an annual audit by independent public accountants appointed by the Board and of nationally recognized standing.

(b) REPORTS.—

(1) BOARD.—The Board shall submit to the President and Congress, within 90 days after the last day of each fiscal year, a complete and detailed report with respect to the preceding fiscal year, setting forth—

(A) a summary of the Bank's operations, for such preceding fiscal year;

(B) a schedule of the Bank's obligations and capital securities outstanding at the end of such preceding fiscal year, with a statement of the amounts issued and redeemed or paid during such preceding fiscal year; and

(C) the status of projects receiving funding or other assistance pursuant to this subtitle, including disclosure of all entities with a development, ownership, or operational interest in such projects.

(2) GAO.—Not later than 5 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report evaluating activities of the Bank for the fiscal years covered by the report that includes an assessment of the impact and benefits of each funded project, including a review of how effectively each project accomplished the goals prioritized by the Bank's project criteria.

(c) BOOKS AND RECORDS.—

(1) IN GENERAL.—The Bank shall maintain adequate books and records to support the financial transactions of the Bank with a description of financial transactions and infrastructure projects receiving funding, and the amount of funding for each project maintained on a publically accessible database.

(2) AUDITS BY THE SECRETARY AND GAO.—The books and records of the Bank shall be maintained in accordance with recommended accounting practices and shall be open to inspection by the Secretary and the Comptroller General of the United States.

SEC. 925. CAPITALIZATION OF BANK.

(a) AUTHORIZATION OF APPROPRIATION.—Subject to subsection (b), there is authorized to be appropriated to the Secretary for purchase of the shares of the Bank $15,000,000,000 for each of fiscal years 2011 and 2012, with the aggregate representing 10 percent of the total subscribed capital of the Bank.

(b) RESERVATION FOR RURAL AREAS.—For each fiscal year, not less than 20 percent of any amounts appropriated to carry out this subtitle shall be used to finance projects in rural areas.

(c) CALLABLE CAPITAL.—Of the total subscribed capital of the Bank, 90 percent shall be callable capital subject to call from the Secretary only as and when required by the Bank to meet its obligations on borrowing of funds for inclusion in its ordinary capital resources or guarantees chargeable to such resources.

(d) OUTSTANDING LOANS.—At any time, the aggregate amount outstanding of bonds issued by the Bank shall not exceed 250 percent of its total subscribed capital.

SEC. 926. SUNSET.

The Bank shall cease to exist 15 years after the date of enactment of this Act.

Subtitle C—Energy and Water Programs

SEC. 931. ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM.

In addition to the amounts made available under section 548(a)(1) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17158(a)(1)), there is authorized to be appropriated to carry out the Energy Efficiency and Conservation Block Grant Program established under 542(a) of that Act (42 U.S.C. 17152(a)) $3,000,000,000 for each of fiscal years 2011 and 2012, to remain available until expended.

SEC. 932. STATE WATER POLLUTION CONTROL REVOLVING FUNDS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Subject to subsections (b) through (j), there is authorized to be appropriated to carry out title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) $2,500,000,000 for each of fiscal years 2011 and 2012, to remain available until expended.

(b) MANAGEMENT AND OVERSIGHT.—Of the amounts made available under subsection (a), the Administrator of the Environmental Protection Agency (referred to in this subtitle as the ''Administrator'') may reserve not more than 1 percent for management and oversight purposes.

(c) NON-FEDERAL SHARE.—A capitalization grant provided using the funds made available under subsection (a) shall not be subject to the non-Federal share requirements of section 202 of the Federal Water Pollution Control Act (33 U.S.C. 1282) or paragraph (2) or (3) of section 602(b) of that Act (33 U.S.C. 1382(b)).

(d) REALLOCATION.—The Administrator shall reallocate the funds made available under subsection (a) for eligible projects that are not under contract or construction during the 1-year period beginning on the date of enactment of this Act.

(e) PRIORITY.—Notwithstanding the priority rankings a project would otherwise receive under the program under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.), priority for the funds made available under subsection (a) shall be given to projects that—

(1) are included on a State priority list; and

(2) are ready to proceed to construction during the 1-year period beginning on the date of enactment of this Act.

(f) FORMS OF ASSISTANCE.—Notwithstanding section 603(d) of the Federal Water Pollution Control Act (33 U.S.C. 1383(d)), of the amount of a capitalization grant provided using the funds made available under subsection (a), a State shall use not less than 50 percent to provide additional subsidization to eligible recipients in the form of—

(1) forgiveness of principal;

(2) negative interest loans;

(3) grants; or

(4) any combination of those forms.

(g) GREEN ENERGY.—To the extent that sufficient eligible project applications exist, not less than 20 percent of the funds made available under subsection (a) shall be used for projects to address—

(1) green infrastructure;

(2) water or energy efficiency improvements; or

(3) other environmentally innovative activities.

(h) INDIAN TRIBES.—

(1) IN GENERAL.—Notwithstanding the limitation specified in subsection (c) of section 518 of the Federal Water Pollution Control Act (33 U.S.C. 1377), the Administrator may reserve not more than 1.5 percent of the funds made available under subsection (a) for grants to Indian tribes under that section.

(2) INDIAN HEALTH SERVICE.—Of the amount reserved under paragraph (1), the Administrator may transfer to the Indian Health Service not more than 4 percent to support management and oversight of tribal projects.

(i) PROHIBITION.—No funds made available under subsection (a) shall be available for the purchase of any land or easement pursuant to section 603(c) of the Federal Water Pollution Control Act (33 U.S.C. 1383(c)).

(j) DEBT OBLIGATIONS.—Notwithstanding section 603(d)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1383(d)(2)), the funds made available under subsection (a) may be used to purchase, refinance, or restructure the debt obligation of an eligible recipient only in a case in which the debt obligation was incurred on or after October 1, 2008.

SEC. 933. STATE DRINKING WATER REVOLVING LOAN FUNDS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Subject to subsections (b) through (j), there is authorized to be appropriated to carry out section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j–12) $2,500,000,000 for each of fiscal years 2011 and 2012, to remain available until expended.

(b) MANAGEMENT AND OVERSIGHT.—Of the amounts made available under subsection (a), the Administrator of the Environmental Protection Agency (referred to in this subtitle as the ''Administrator'') may reserve not more than 1 percent for management and oversight purposes.

(c) NON-FEDERAL SHARE.—A capitalization grant provided using the funds made available under subsection (a) shall not be subject to the non-Federal share requirements of section 1452(e) of the Safe Drinking Water Act (42 U.S.C. 300j–12(e)).

(d) REALLOCATION.—The Administrator shall reallocate the funds made available under subsection (a) for eligible projects that are not under contract or construction during the 1-year period beginning on the date of enactment of this Act.

(e) PRIORITY.—Notwithstanding the priority rankings a project would otherwise receive under the program under section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j–12), priority for the funds made available under subsection (a) shall be given to projects that—

(1) are included on a State priority list; and

(2) are ready to proceed to construction during the 1-year period beginning on the date of enactment of this Act.

(f) FORMS OF ASSISTANCE.—Notwithstanding section 1452(f) of the Safe Drinking Water Act (42 U.S.C. 300j–12(f)), of the amount of a capitalization grant provided using the funds made available under subsection (a), a State shall use not less than 50 percent to provide additional subsidization to eligible recipients in the form of—

(1) forgiveness of principal;

(2) negative interest loans;

(3) grants; or

(4) any combination of those forms.

(g) GREEN ENERGY.—To the extent that sufficient eligible project applications exist, not less than 20 percent of the funds made available under subsection (a) shall be used for projects to address—

(1) green infrastructure;

(2) water or energy efficiency improvements; or

(3) other environmentally innovative activities.

(h) INDIAN HEALTH SERVICE.—Of the amounts made available under subsection (a) that are reserved under for allocation to Indian tribes and Alaska Native villages under section 1452(i) of the Safe Drinking Water Act (42 U.S.C. 300j–12(i)), the Administrator may transfer to the Indian Health Service not more than 4 percent to support management and oversight of tribal projects.

(i) PROHIBITION.—No funds made available under subsection (a) shall be available for any activity authorized under section 1452(k) of the Safe Drinking Water Act (42 U.S.C. 300j–12(k)).

(j) DEBT OBLIGATIONS.—Notwithstanding section 1452(f)(2) of the Safe Drinking Water Act (42 U.S.C. 300j–12(f)(2)), the funds made available under subsection (a) may be used to purchase, refinance, or restructure the debt obligation of an eligible recipient only in a case in which the debt obligation was incurred on or after October 1, 2008.

SEC. 934. STATE ENERGY CONSERVATION PLANS.

There is authorized to be appropriated to the Secretary of Energy to provide grants for State renewable energy and efficiency projects under part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.) $2,000,000,000 for each of fiscal years 2011 and 2012, to remain available until expended.

SEC. 935. TEMPORARY PROGRAM FOR RAPID DEPLOYMENT OF RENEWABLE ENERGY AND ELECTRIC POWER TRANSMISSION PROJECTS.

There is authorized to be appropriated to the Secretary of Energy to make loan guarantees under section 1705 of the Energy Policy Act of 2005 (42 U.S.C. 16516) for renewable energy, biofuel, and electric grid projects $1,000,000,000 for each of fiscal years 2011 and 2012.

SEC. 936. EXTENSION OF QUALIFYING ADVANCED ENERGY PROJECT CREDIT.

(a) IN GENERAL.—Section 48C of the Internal Revenue Code of 1986 is amended—

(1) by striking ''shall not exceed $2,300,000,000.'' in subsection (d)(1)(B) and inserting ''shall not exceed—

''(i) $2,300,000,000 in the case of taxable years beginning during the 2-year period beginning on the date the Secretary establishes the program under this paragraph,

''(ii) $1,000,000,000 in the case of taxable years beginning during the 1-year period immediately following such 2-year period, and

''(iii) $1,000,000,000 in the case of taxable years beginning during the 1-year period immediately following the 1-year period described in clause (ii).'', and

(2) by striking ''2-year period'' in subsection (d)(2)(A) and inserting ''4-year period''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply as if included in the amendments made by section 1302 of the American Recovery and Reinvestment Tax Act of 2009.

SEC. 937. LAND AND WATER CONSERVATION FUND.

(a) PURPOSES.—The purposes of the amendments made by subsection (b) are—

(1) to provide consistent and reliable authority for, and for the funding of, the land and water conservation fund established under section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–5); and

(2) to maximize the effectiveness of the fund for future generations.

(b) AMENDMENTS.—

(1) PERMANENT AUTHORIZATION.—Section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–5) is amended—

(A) in the matter preceding subsection (a), by striking ''During the period ending September 30, 2015, there'' and inserting ''There''; and

(B) in subsection (c)(1), by striking ''through September 30, 2015''.

(2) FULL FUNDING.—Section 3 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6) is amended to read as follows:

''SEC. 3. AVAILABILITY OF FUNDS.

''Monies covered into the fund under section 2 shall be available for expenditure to carry out the purposes of this Act, without further appropriation.''.

SEC. 938. FLOOD CONTROL PROJECTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of the Army, acting through the Chief of Engineers, for the purposes described in subsection (b), $1,000,000,000 for each of fiscal years 2011 and 2012.

(b) USE OF AMOUNTS.—

(1) IN GENERAL.—Subject to paragraph (2), amounts appropriated under subsection (a) shall be used to carry out Corps of Engineer projects relating to navigable channels, including projects that—

(A) reduce flood and storm damage;

(B) restore aquatic ecosystems; or

(C) relate to municipal water or wastewater.

(2) ALLOCATION OF AMOUNTS.—For each project funded under this section—

(A) 50 percent of the amount allocated to carry out the project shall be used for construction; and

(B) 50 percent of the amount allocated to carry out the project shall be used for operations and maintenance.

Subtitle D—Housing Programs

SEC. 941. NATIONAL HOUSING TRUST FUND.

There is appropriated, out of any money in the Treasury not otherwise appropriated, for the Housing Trust Fund established pursuant to section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4568), $1,500,000,000 to the Secretary of Housing and Urban Development to provide grants to States to build, preserve, and rehabilitate rental homes that are affordable for very low-income families: Provided, That notwithstanding the limitations set forth in subsection (c) of such section 1338, each State shall be entitled to receive a minimum allocation of amounts made available under this heading equal to the greater of $3,000,000 or 0.5 percent of the total amount of funds made available in that fiscal year.

SEC. 942. GREEN RETROFIT PROGRAM.

There is appropriated, out of any money in the Treasury not otherwise appropriated, for

energy retrofit and green investments under the grant program established under the subheading ''Assisted Housing Stability And Energy And Green Retrofit Investments'' under the heading ''Housing Programs'' under title XII of division A of the American Recovery and Reinvestment Act of 2009, $500,000,000: Provided, That in addition to the assisted housing deemed eligible to receive grants under such heading, that such grant amounts may be made available to housing that is receiving or has received assistance pursuant to the HOME Investment Partnerships program under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.), the community development block grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), or the low-income housing tax credit allocated pursuant to section 42 of the Internal Revenue Code of 1986: Provided further, That grant amounts made available under this heading shall be awarded on a competitive basis nationwide: Provided further, That grant amounts made available under this heading shall be available for housing of not less than 20 units: Provided further, That in allocating grants under this heading, the Secretary of Housing and Urban Development shall (1) ensure that such grants are made in a manner that balances the needs of rural and urban communities, and (2) ensure an equitable geographic distribution of funds.

TITLE X—BUDGETARY PROVISIONS

SEC. 1001. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

SEC. 1002. EMERGENCY DESIGNATIONS.

(a) STATUTORY PAYGO.—This Act is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)) except to the extent that the budgetary effects of this Act are determined to be subject to the current policy adjustments under sections 4(c) and 7 of the Statutory Pay-As-You-Go Act.

(b) SENATE.—In the Senate, this Act is designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

(c) HOUSE OF REPRESENTATIVES.—In the House of Representatives, every provision of this Act is expressly designated as an emergency for purposes of pay-as-you-go principles except to the extent that any such provision is subject to the current policy adjustments under section 4(c) of the Statutory Pay-As-You-Go Act of 2010.

SA 4794. Mr. MERKLEY (for himself, Mr. FRANKEN, Mr. LEVIN, Mr. UDALL of Colorado, Mr. AKAKA, and Mr. BEGICH) submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 101 and insert the following:

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2010'' both places it appears and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) EXCEPTION FOR INCOME TAX RATES OF TAXPAYERS WITH INCOME OF $1,000,000 OR MORE DURING 2011 AND 2012.—Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) 35-PERCENT RATE BRACKET.—

''(A) IN GENERAL.—In the case of taxable years beginning after December 31, 2010, and before January 1, 2013—

''(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer's taxable income in the fifth rate bracket shall be 35 percent to the extent such income does not exceed an amount equal to the excess of—

''(I) the applicable amount, over

''(II) the dollar amount at which such bracket begins, and

''(ii) the 39.6 percent rate of tax under such subsections shall apply only to the taxpayer's taxable income in such bracket in excess of the amount to which clause (i) applies.

''(B) APPLICABLE AMOUNT.—For purposes of this paragraph, the term 'applicable amount' means the excess of—

''(i) the applicable threshold, over

''(ii) the sum of the following amounts in effect for the taxable year:

''(I) the basic standard deduction (within the meaning of section 63(c)(2)), and

''(II) the exemption amount (within the meaning of section 151(d)(1) (or, in the case of subsection (a), 2 such exemption amounts).

''(C) APPLICABLE THRESHOLD.—For purposes of this paragraph, the term 'applicable threshold' means—

''(i) $1,000,000 in the case of subsections (a), (b), and (c), and

''(ii) ½ the amount applicable under clause (i) (after adjustment, if any, under subparagraph (E)) in the case of subsection (d).

''(D) FIFTH RATE BRACKET.—For purposes of this paragraph, the term 'fifth rate bracket' means the bracket which would (determined without regard to this paragraph) be the 36-percent rate bracket.

''(E) INFLATION ADJUSTMENT.—For purposes of this paragraph, a rule similar to the rule of paragraph (1)(C) shall apply with respect to taxable years beginning in calendar years after 2011, applied by substituting '2009' for '1992' in subsection (f)(3)(B).''.

(c) TRANSFERS OF FUNDS.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the increase in revenues to the Treasury by reason of the application of subsection (b). The Secretary of the Treasury shall transfer such funds from the general fund at such times and in such manner as the Secretary determines appropriate and shall transfer amounts to each such trust fund in the same proportion as taxes under chapter 21 of the Internal Revenue Code of 1986 are transferred to such fund.

(d) EFFECTIVE DATE.—Except as otherwise provided, the amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SA 4795. Mr. BROWN of Ohio submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

TITLE I—MIDDLE CLASS TAX RELIEF

SEC. 101. REPEAL OF SUNSET ON CERTAIN INDIVIDUAL INCOME TAX RATE RELIEF.

(a) INDIVIDUAL INCOME TAX RATES.—

(1) REPEAL OF SUNSET.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to the amendments made by section 101 of such Act.

(2) 25- AND 28- PERCENT RATE BRACKETS MADE PERMANENT.—Paragraph (2) of section 1(i) is amended to read as follows:

''(2) 25- AND 28- PERCENT RATE BRACKETS.—The tables under subsections (a), (b), (c), (d), and (e) shall be applied—

''(A) by substituting '25%' for '28%' each place it appears (before the application of subparagraph (B)), and

''(B) by substituting '28%' for '31%' each place it appears.''.

(3) 33-PERCENT RATE BRACKET.—Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) 33-PERCENT RATE BRACKET.—

''(A) IN GENERAL.—In the case of taxable years beginning after December 31, 2010—

''(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer's taxable income in the fourth rate bracket shall be 33 percent to the extent such income does not exceed an amount equal to the excess of—

''(I) the applicable amount, over

''(II) the dollar amount at which such bracket begins, and

''(ii) the 36 percent rate of tax under such subsections shall apply only to the taxpayer's taxable income in such bracket in excess of the amount to which clause (i) applies.

''(B) APPLICABLE AMOUNT.—For purposes of this paragraph, the term 'applicable amount' means the excess of—

''(i) the applicable threshold, over

''(ii) the sum of the following amounts in effect for the taxable year:

''(I) the basic standard deduction (within the meaning of section 63(c)(2)), and

''(II) the exemption amount (within the meaning of section 151(d)(1) (or, in the case of subsection (a), 2 such exemption amounts).

''(C) APPLICABLE THRESHOLD.—For purposes of this paragraph, the term 'applicable threshold' means—

''(i) $250,000 in the case of subsection (a),

''(ii) $200,000 in the case of subsections (b) and (c), and

''(iii) ½ the amount applicable under clause (i) (after adjustment, if any, under subparagraph (E)) in the case of subsection (d).

''(D) FOURTH RATE BRACKET.—For purposes of this paragraph, the term 'fourth rate bracket' means the bracket which would (determined without regard to this paragraph) be the 36-percent rate bracket.

''(E) INFLATION ADJUSTMENT.—For purposes of this paragraph, a rule similar to the rule of paragraph (1)(C) shall apply with respect to taxable years beginning in calendar years after 2010, applied by substituting '2008' for '1992' in subsection (f)(3)(B).''.

(b) PHASEOUT OF PERSONAL EXEMPTIONS AND ITEMIZED DEDUCTIONS.—

(1) OVERALL LIMITATION ON ITEMIZED DEDUCTIONS.—Section 68 is amended—

(A) by striking ''the applicable amount'' the first place it appears in subsection (a) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(B) by striking ''the applicable amount'' in subsection (a)(1) and inserting ''such applicable threshold'',

(C) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively, and

(D) by striking subsections (f) and (g).

(2) PHASEOUT OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.—

(A) IN GENERAL.—Paragraph (3) of section 151(d) is amended—

(i) by striking ''the threshold amount'' in subparagraphs (A) and (B) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(ii) by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and

(iii) by striking subparagraphs (E) and (F).

(B) CONFORMING AMENDMENTS.—Paragraph (4) of section 151(d) is amended—

(i) by striking subparagraph (B),

(ii) by redesignating clauses (i) and (ii) of subparagraph (A) as subparagraphs (A) and (B), respectively, and by indenting such subparagraphs (as so redesignated) accordingly, and

(iii) by striking all that precedes ''in a calendar year after 1989,'' and inserting the following:

''(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning''.

(3) NONAPPLICATION OF EGTRRA SUNSET.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to any amendment made by section 102 or 103 of such Act.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SEC. 102. REDUCED RATES ON CAPITAL GAINS AND DIVIDENDS MADE PERMANENT.

(a) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (relating to sunset of title) is hereby repealed.

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

(1) IN GENERAL.—Paragraph (1) of section 1(h) is amended by striking subparagraph (C), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) and by inserting after subparagraph (B) the following new subparagraphs:

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable income) as exceeds the amount on which a tax is determined under subparagraph (B), or

''(ii) the excess (if any) of—

''(I) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 36 percent, over

''(II) the sum of the amounts on which a tax is determined under subparagraphs (A) and (B),

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

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

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable excess) as exceeds the amount on which tax is determined under subparagraph (B), or

''(ii) the excess described in section 1(h)(1)(C)(ii), plus

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

(c) CONFORMING AMENDMENTS.—

(1) The following provisions are each amended by striking ''15 percent'' and inserting ''20 percent'':

(A) Section 531.

(B) Section 541.

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

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

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

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

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

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsections (b) and (c) shall apply to taxable years beginning after December 31, 2010.

(2) WITHHOLDING.—The amendments made by paragraphs (1)(C) and (3) of subsection (c) shall apply to amounts paid on or after January 1, 2011.

SEC. 103. TEMPORARY EXTENSION OF OTHER 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2010'' both places it appears and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) SEPARATE SUNSET FOR EXPANSION OF ADOPTION BENEFITS UNDER THE PATIENT PROTECTION AND AFFORDABLE CARE ACT.—

(1) IN GENERAL.—Subsection (c) of section 10909 of the Patient Protection and Affordable Care Act is amended to read as follows:

''(c) SUNSET PROVISION.—Each provision of law amended by this section is amended to read as such provision would read if this section had never been enacted. The amendments made by the preceding sentence shall apply to taxable years beginning after December 31, 2011.''.

(2) CONFORMING AMENDMENT.—Subsection (d) of section 10909 of such Act is amended by striking ''The amendments'' and inserting ''Except as provided in subsection (c), the amendments''.

SEC. 104. TEMPORARY EXTENSION OF 2009 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''and 2010'' each place it appears and inserting '', 2010, 2011, and 2012''.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE II—TEMPORARY EXTENSION OF INDIVIDUAL AMT RELIEF

SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

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

(1) by striking ''$70,950'' and all that follows through ''2009'' in subparagraph (A) and inserting ''$72,450 in the case of taxable years beginning in 2010 and $74,450 in the case of taxable years beginning in 2011'', and

(2) by striking ''$46,700'' and all that follows through ''2009'' in subparagraph (B) and inserting ''$47,450 in the case of taxable years

beginning in 2010 and $48,450 in the case of taxable years beginning in 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

(c) REPEAL OF EGTRRA SUNSET.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset of provisions of such Act) shall not apply to title VII of such Act (relating to alternative minimum tax).

SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''or 2009'' and inserting ''2009, 2010, or 2011'', and

(2) by striking ''2009'' in the heading thereof and inserting ''2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

TITLE III—ESTATE TAX RELIEF

SEC. 301. REPEAL OF EGTRRA SUNSET.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to title V of such Act.

SEC. 302. REINSTATEMENT OF ESTATE TAX; REPEAL OF CARRYOVER BASIS.

(a) IN GENERAL.—Each provision of law amended by subtitle A or E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as such provision would read if such subtitle had never been enacted.

(b) CONFORMING AMENDMENT.—On and after January 1, 2011, paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as such paragraph would read if section 521(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) SPECIAL ELECTION WITH RESPECT TO ESTATES OF DECEDENTS DYING IN 2010.—Notwithstanding subsection (a), in the case of an estate of a decedent dying after December 31, 2009, and before January 1, 2011, the executor (within the meaning of section 2203 of the Internal Revenue Code of 1986) may elect to apply such Code as though the amendments made by subsection (a) do not apply with respect to chapter 11 of such Code and with respect to property acquired or passing from such decedent (within the meaning of section 1014(b) of such Code). Such election shall be made at such time and in such manner as the Secretary of the Treasury or the Secretary's delegate shall provide. Such an election once made shall be revocable only with the consent of the Secretary of the Treasury or the Secretary's delegate. For purposes of section 2652(a)(1) of such Code, the determination of whether any property is subject to the tax imposed by such chapter 11 shall be made without regard to any election made under this subsection.

(d) EXTENSION OF TIME FOR PERFORMING CERTAIN ACTS.—

(1) ESTATE TAX.—In the case of the estate of a decedent dying after December 31, 2009, and before the date of the enactment of this Act, the due date for—

(A) filing any return under section 6018 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) as such section is in effect after the date of the enactment of this Act without regard to any election under subsection (c),

(B) making any payment of tax under chapter 11 of such Code, and

(C) making any disclaimer described in section 2518(b) of such Code of an interest in property passing by reason of the death of such decedent,

shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(2) GENERATION-SKIPPING TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before the date of the enactment of this Act, the due date for filing any return under section 2662 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, and transfers made, after December 31, 2009.

SEC. 303. MODIFICATIONS TO ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES.

(a) MODIFICATIONS TO ESTATE TAX.—

(1) $3,500,000 APPLICABLE EXCLUSION AMOUNT.—Subsection (c) of section 2010 is amended to read as follows:

''(c) APPLICABLE CREDIT AMOUNT.—

''(1) IN GENERAL.—For purposes of this section, the applicable credit amount is the amount of the tentative tax which would be determined under section 2001(c) if the amount with respect to which such tentative tax is to be computed were equal to the applicable exclusion amount.

''(2) APPLICABLE EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the applicable exclusion amount is $3,500,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2010, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(2) MAXIMUM ESTATE TAX RATE EQUAL TO 45 PERCENT.—Subsection (c) of section 2001 is amended—

(A) by striking ''but not over $2,000,000'' in the table contained in paragraph (1),

(B) by striking the last 2 items in such table,

(C) by striking ''(1) IN GENERAL.—'', and

(D) by striking paragraph (2).

(b) MODIFICATIONS TO GIFT TAX.—

(1) RESTORATION OF UNIFIED CREDIT AGAINST GIFT TAX.—

(A) IN GENERAL.—Paragraph (1) of section 2505(a), after the application of section 301(b), is amended by striking ''(determined as if the applicable exclusion amount were $1,000,000)''.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to gifts made after December 31, 2010.

(2) MODIFICATION OF GIFT TAX RATE.—On and after January 1, 2011, subsection (a) of section 2502 is amended to read as such subsection would read if section 511(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) MODIFICATION OF GENERATION-SKIPPING TRANSFER TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before January 1, 2011, the applicable rate determined under section 2641(a) of the Internal Revenue Code of 1986 shall be zero.

(d) MODIFICATIONS OF ESTATE AND GIFT TAXES TO REFLECT DIFFERENCES IN CREDIT RESULTING FROM DIFFERENT TAX RATES.—

(1) ESTATE TAX.—

(A) IN GENERAL.—Section 2001(b)(2) is amended by striking ''if the provisions of subsection (c) (as in effect at the decedent's death)'' and inserting ''if the modifications described in subsection (g)''.

(B) MODIFICATIONS.—Section 2001 is amended by adding at the end the following new subsection:

''(g) MODIFICATIONS TO GIFT TAX PAYABLE TO REFLECT DIFFERENT TAX RATES.—For purposes of applying subsection (b)(2) with respect to 1 or more gifts, the rates of tax under subsection (c) in effect at the decedent's death shall, in lieu of the rates of tax in effect at the time of such gifts, be used both to compute—

''(1) the tax imposed by chapter 12 with respect to such gifts, and

''(2) the credit allowed against such tax under section 2505, including in computing—

''(A) the applicable credit amount under section 2505(a)(1), and

''(B) the sum of the amounts allowed as a credit for all preceding periods under section 2505(a)(2).''.

(2) GIFT TAX.—Section 2505(a) is amended by adding at the end the following new flush sentence:

''For purposes of applying paragraph (2) for any calendar year, the rates of tax in effect under section 2502(a)(2) for such calendar year shall, in lieu of the rates of tax in effect for preceding calendar periods, be used in determining the amounts allowable as a credit under this section for all preceding calendar periods.''.

(e) CONFORMING AMENDMENT.—Section 2511 is amended by striking subsection (c).

(f) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, generation-skipping transfers, and gifts made, after December 31, 2009.

SEC. 304. APPLICABLE EXCLUSION AMOUNT INCREASED BY UNUSED EXCLUSION AMOUNT OF DECEASED SPOUSE.

(a) IN GENERAL.—Section 2010(c), as amended by section 302(a), is amended by striking paragraph (2) and inserting the following new paragraphs:

''(2) APPLICABLE EXCLUSION AMOUNT.—For purposes of this subsection, the applicable exclusion amount is the sum of—

''(A) the basic exclusion amount, and

''(B) in the case of a surviving spouse, the deceased spousal unused exclusion amount.

''(3) BASIC EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the basic exclusion amount is $3,500,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2010, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.

''(4) DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—For purposes of this subsection, with respect to a surviving spouse of a deceased spouse dying after December 31, 2010, the term 'deceased spousal unused exclusion amount' means the lesser of—

''(A) the basic exclusion amount, or

''(B) the excess of—

''(i) the basic exclusion amount of the last such deceased spouse of such surviving spouse, over

''(ii) the amount with respect to which the tentative tax is determined under section 2001(b)(1) on the estate of such deceased spouse.

''(5) SPECIAL RULES.—

''(A) ELECTION REQUIRED.—A deceased spousal unused exclusion amount may not be taken into account by a surviving spouse under paragraph (2) unless the executor of the estate of the deceased spouse files an estate tax return on which such amount is computed and makes an election on such return that such amount may be so taken into account. Such election, once made, shall be irrevocable. No election may be made under this subparagraph if such return is filed after the time prescribed by law (including extensions) for filing such return.

''(B) EXAMINATION OF PRIOR RETURNS AFTER EXPIRATION OF PERIOD OF LIMITATIONS WITH RESPECT TO DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—Notwithstanding any period of limitation in section 6501, after the time has expired under section 6501 within which a tax may be assessed under chapter 11 or 12 with respect to a deceased spousal unused exclusion amount, the Secretary may examine a return of the deceased spouse to make determinations with respect to such amount for purposes of carrying out this subsection.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this subsection.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 2505(a), as amended by section 302(b)(1), is amended to read as follows:

''(1) the applicable credit amount in effect under section 2010(c) which would apply if the donor died as of the end of the calendar year, reduced by''.

(2) Section 2631(c) is amended by striking ''the applicable exclusion amount'' and inserting ''the basic exclusion amount''.

(3) Section 6018(a)(1) is amended by striking ''applicable exclusion amount'' and inserting ''basic exclusion amount''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to estates of decedents dying and gifts made after December 31, 2010.

(2) CONFORMING AMENDMENT RELATING TO GENERATION-SKIPPING TRANSFERS.—The amendment made by subsection (b)(2) shall apply to generation-skipping transfers after December 31, 2010.

SEC. 305. EXCLUSION FROM GROSS ESTATE OF CERTAIN FARMLAND SO LONG AS FARMLAND USE BY FAMILY CONTINUES.

(a) IN GENERAL.—Part III of subchapter A of chapter 11 is amended by inserting after section 2033 the following new section:

''SEC. 2033A. EXCLUSION OF CERTAIN FARMLAND SO LONG AS FARMLAND USE BY FAMILY CONTINUES.

''(a) IN GENERAL.—In the case of an estate of a decedent to which this section applies, the value of the gross estate shall not include the adjusted value of qualified farmland included in the estate.

''(b) ESTATES TO WHICH SECTION APPLIES.—This section shall apply to an estate if—

''(1) the executor—

''(A) elects the application of this section,

''(B) files an agreement referred to in section 2032A(d)(2), and

''(C) obtains a qualified appraisal (as defined in section 170(f)(11)(E)(i)) of the qualified farmland to which the election applies and attaches such appraisal to the return of the tax imposed by section 2001,

''(2) the decedent was (at the date of the decedent's death) a citizen or resident of the United States,

''(3) the decedent for the 3-taxable-year period (10-taxable-year period in the case of any qualified farmland which is qualified woodland described in section 2032A(c)(2)(F)(i)) preceding the date of the decedent's death had an average modified adjusted gross income (as defined in section 86(b)(2)) not exceeding $750,000,

''(4) 60 percent or more of the adjusted value of the gross estate at the date of the decedent's death consists of the adjusted value of real or personal property which is used as a farm for farming purposes (within the meaning of section 2032A(e)),

''(5) 50 percent or more of the adjusted value of the gross estate consists of the adjusted value of qualified farmland which is real property, and

''(6) during the 10-year period ending on the date of the decedent's death—

''(A) the qualified farmland which is such real property was owned by the decedent or a member of the decedent's family, and

''(B) there was material participation (within the meaning of section 469(h)) by the decedent or a member of the decedent's family in the operation of such farmland.

''(c) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED FARMLAND.—The term 'qualified farmland' means any real property—

''(A) which is located in the United States,

''(B) which is used as a farm for farming purposes (within the meaning of section 2032A(e)),

''(C) such use of which is not an activity not engaged in for profit (within the meaning of section 183),

''(D) which was acquired from or passed from the decedent to a qualified heir of the decedent and which, on the date of the decedent's death, was being so used by the decedent or a member of the decedent's family, and

''(E) which is property designated in the agreement filed under subsection (b)(1).

''(2) ADJUSTED VALUE.—The term 'adjusted value' means the value of farmland for purposes of this chapter (determined without regard to this section), reduced by any amounts allowable as a deduction in respect to such farmland under paragraph (3) or (4) of section 2053(a).

''(3) OTHER TERMS.—Any other term used in this section which is also used in section 2032A shall have the same meaning given such term by section 2032A.

''(d) ANNUAL INFORMATION RETURN TO THE SECRETARY.—

''(1) IN GENERAL.—The qualified heir of any qualified farmland shall file an information return (at such time and in such form and manner as the Secretary prescribes) for each calendar year.

''(2) CONTENTS OF RETURN.—The information return required under paragraph (1) shall set forth any disposition of any interest in such farmland or any cessation of use of such farmland as a farm for farming purposes and such other information as the Secretary may require.

''(e) IMPOSITION OF RECAPTURE TAX.—

''(1) IN GENERAL.—If—

''(A) at any time after the decedent's death and before the death of the qualified heir—

''(i) the qualified heir disposes of any interest in qualified farmland (other than by a disposition to a member of the qualified heir's family),

''(ii) the qualified heir or member ceases to use the qualified farmland as a farm for farming purposes,

''(iii) the qualified heir or member incurs a nonrecourse indebtedness secured in whole or in part by a portion of the qualified farmland, or

''(iv) the qualified heir or member fails to file the information return with respect to the qualified farmland required under subsection (d) for 3 successive calendar years, or

''(B) upon the death of the qualified heir or member, the executor of the estate of such heir or member does not elect the application of this section with respect to the qualified farmland,

then, there is hereby imposed a recapture tax with respect to such qualified farmland or such interest in or portion of such qualified farmland.

''(2) APPLICATION OF RECAPTURE TAX TO EARLIER GENERATIONS.—Upon the imposition of a recapture tax under paragraph (1) with respect to such qualified farmland or such interest in or portion of such qualified farmland, there is also imposed an aggregate amount of any recapture tax which would have been determined under this subsection with respect to such farmland, interest, or portion if the such tax had been imposed and paid on the date of death of the decedent and on the date of death of any qualified heir (or member) of such farmland, interest, or portion in any intervening generation.

''(3) AMOUNT OF RECAPTURE TAX, ETC.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), rules similar to the rules of section 2032A(c) (other than paragraphs (1) and (2)(E) thereof) with respect to the additional estate tax shall apply for purposes of this subsection with respect to each recapture tax.

''(B) ADJUSTMENTS TO RECAPTURE TAX.—

''(i) ADJUSTMENT TO REFLECT INCREASE IN VALUE OF INTEREST.—Subject to clause (ii), the amount of the recapture tax otherwise determined under rules described in subparagraph (A) shall be increased by the percentage (if any) by which the value of the interest in the qualified farmland at the time of the imposition of such tax is greater than the adjusted value of such farmland at the time such farmland would have been included in the estate if no election under this section had been made.

''(ii) ADJUSTMENTS TO VALUE OF INTEREST AT TIME OF TAX IMPOSITION.—For purposes of determining the value of the interest in the qualified farmland at the time of the imposition of such tax, such value shall be reduced (under rules prescribed by the Secretary) by—

''(I) the basis of any substantial improvements made with respect to such interest by the qualified heir or member, and

''(II) the aggregate amount of any recapture tax imposed under paragraph (2).

''(f) APPLICATION OF OTHER RULES.—Rules similar to the rules of subsections (d), (e) (other than paragraphs (6) and (13) thereof), (f), (g), (h), and (i) of section 2032A shall apply for purposes of this section.

''(g) REGULATIONS.—The Secretary may issue such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including the application of this section in the case of multiple interests in qualified farmland, and to prevent fraud and abuse under this section.''.

(b) BASIS OF QUALIFIED FARMLAND FOR PURPOSES OF DEPRECIATION OR DEPLETION BY QUALIFIED HEIR.—Section 1014 is amended by adding at the end the following new subsection:

''(f) BASIS OF QUALIFIED FARMLAND FOR PURPOSES OF DEPRECIATION OR DEPLETION BY QUALIFIED HEIR.—For purposes of the allowance to any qualified heir of any depreciation or depletion deduction with respect to any interest in property acquired from a decedent and subject to an election under section 2033A, the basis of such property in the hands of such qualified heir (or member of the qualified heir's family after a disposition described in section 2033A(e)(1)(A)(i)) shall be the adjusted basis of such property in the hands of the decedent immediately before the death of such decedent.''.

(c) PENALTY FOR FAILURE TO FILE ANNUAL INFORMATION RETURN.—Section 6652 is amended by redesignating subsection (m) as subsection (n) and by adding at the end the following new subsection:

''(m) FAILURE TO FILE ANNUAL INFORMATION RETURN.—In the case of each failure to provide an information return as required under section 2033A(d) at the time prescribed therefor, unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall be paid, on notice and demand of the Secretary and in the same manner as tax, by the person failing to provide such return, an amount equal to $250 for each such failure.''.

(d) WOODLANDS SUBJECT TO MANAGEMENT PLAN.—Paragraph (2) of section 2032A(c) is amended by adding at the end the following new subparagraph:

''(F) EXCEPTION FOR WOODLANDS SUBJECT TO FOREST STEWARDSHIP PLAN.—

''(i) IN GENERAL.—Subparagraph (E) shall not apply to any disposition or severance of standing timber on a qualified woodland that is made pursuant to a forest stewardship plan developed under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103a) or an equivalent plan approved by the State Forester.

''(ii) COMPLIANCE WITH FOREST STEWARDSHIP PLAN.—Clause (i) shall not apply if, during the 10-year period under paragraph (1), the qualified heir fails to comply with such forest stewardship plan or equivalent plan.''.

(e) CERTAIN CONSERVATION TRANSACTIONS NOT TREATED AS DISPOSITIONS.—Paragraph (8) of section 2032A(c) is amended to read as follows:

''(8) CERTAIN CONSERVATION TRANSACTIONS NOT TREATED AS DISPOSITIONS.—

''(A) QUALIFIED CONSERVATION CONTRIBUTIONS.—A qualified conservation contribution by gift or otherwise shall not be deemed a disposition under subsection (c)(1)(A).

''(B) QUALIFIED CONSERVATION EASEMENT SOLD TO QUALIFIED ORGANIZATION.—A sale of a qualified conservation easement to a qualified organization shall not be deemed a disposition under subsection (c)(1)(A).

''(C) DEFINITIONS.—For purposes of this paragraph—

''(i) the terms 'qualified conservation contribution' and 'qualified organization' have the meanings given such terms by section 170(h), and

''(ii) the term 'qualified conservation easement' has the meaning given such term by section 2031(c)(8).''.

(f) CLERICAL AMENDMENT.—The table of sections for part III of subchapter A of chapter 11 is amended by inserting after the item relating to section 2033 the following new item:

''Sec. 2033A. Exclusion of certain farmland so long as use as farmland continues.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after the date of the enactment of this Act.

SEC. 306. INCREASE IN LIMITATIONS ON THE AMOUNT EXCLUDED FROM THE GROSS ESTATE WITH RESPECT TO LAND SUBJECT TO A QUALIFIED CONSERVATION EASEMENT.

(a) INCREASE IN DOLLAR LIMITATION ON EXCLUSION.—Paragraph (3) of section 2031(c) is amended by striking ''the exclusion limitation is'' and all that follows and inserting ''the exclusion limitation is $5,000,000.''.

(b) INCREASE IN PERCENTAGE OF VALUE OF LAND WHICH IS EXCLUDABLE.—Paragraph (2) of section 2031(c) is amended—

(1) by striking ''40 percent'' and inserting ''50 percent'', and

(2) by striking ''2 percentage points'' and inserting ''2.5 percentage points''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying after the date of the enactment of this Act.

SEC. 307. MODIFICATION OF RULES FOR VALUE OF CERTAIN FARM, ETC., REAL PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 2032A(a) is amended by striking ''$750,000'' and inserting ''$3,500,000''.

(b) INFLATION ADJUSTMENT.—Paragraph (3) of section 2032A(a) is amended—

(1) by striking ''1998'' and inserting ''2010'',

(2) by striking ''$750,000'' and inserting ''$3,500,000'' in subparagraph (A), and

(3) by striking ''calendar year 1997'' and inserting ''calendar year 2009'' in subparagraph (B).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2009.

SEC. 308. REQUIRED MINIMUM 10-YEAR TERM, ETC., FOR GRANTOR RETAINED ANNUITY TRUSTS.

(a) IN GENERAL.—Subsection (b) of section 2702 is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and by moving such subparagraphs (as so redesignated) 2 ems to the right;

(2) by striking ''For purposes of'' and inserting the following:

''(1) IN GENERAL.—For purposes of'';

(3) by striking ''paragraph (1) or (2)'' in paragraph (1)(C) (as so redesignated) and inserting ''subparagraph (A) or (B)''; and

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

''(2) ADDITIONAL REQUIREMENTS WITH RESPECT TO GRANTOR RETAINED ANNUITIES.—For purposes of subsection (a), in the case of an interest described in paragraph (1)(A) (determined without regard to this paragraph) which is retained by the transferor, such interest shall be treated as described in such paragraph only if—

''(A) the right to receive the fixed amounts referred to in such paragraph is for a term of not less than 10 years,

''(B) such fixed amounts, when determined on an annual basis, do not decrease relative to any prior year during the first 10 years of the term referred to in subparagraph (A), and

''(C) the remainder interest has a value greater than zero determined as of the time of the transfer.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers made after the date of the enactment of this Act.

SEC. 309. CONSISTENT BASIS REPORTING BETWEEN ESTATE AND PERSON ACQUIRING PROPERTY FROM DECEDENT.

(a) CONSISTENT USE OF BASIS.—

(1) PROPERTY ACQUIRED FROM A DECEDENT.—Section 1014 is amended by adding at the end the following new subsection:

''(f) BASIS MUST BE CONSISTENT WITH ESTATE TAX VALUE.—

''(1) IN GENERAL.—For purposes of this section, the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the value of such interest as finally determined for purposes of chapter 11.

''(2) SPECIAL RULE WHERE NO FINAL DETERMINATION.—In any case in which the value of property has not been finally determined under chapter 11 and there has been a statement furnished under section 6035(a), the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the amount reported on the statement furnished under section 6035(a).

''(3) REGULATIONS.—The Secretary may by regulations provide exceptions to the application of this subsection.''.

(2) PROPERTY ACQUIRED BY GIFTS AND TRANSFERS IN TRUST.—Section 1015 is amended by adding at the end the following new subsection:

''(f) BASIS MUST BE CONSISTENT WITH GIFT TAX VALUE.—

''(1) IN GENERAL.—For purposes of this section, the fair market value of any interest in property at the time of the gift of that interest shall not exceed the value of such interest as finally determined for purposes of chapter 12.

''(2) SPECIAL RULE WHERE NO FINAL DETERMINATION.—In any case in which the value of property has not been finally determined under chapter 12 and there has been a statement furnished under section 6035(b), the fair market value of any interest in property at the time of the gift of that interest shall not exceed the amount reported on the statement furnished under section 6035(b).

''(3) REGULATIONS.—The Secretary may by regulations provide exceptions to the application of this subsection.''.

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 is amended by inserting after section 6034A the following new section:

''SEC. 6035. BASIS INFORMATION TO PERSONS ACQUIRING PROPERTY FROM DECEDENT OR BY GIFT.

''(a) INFORMATION WITH RESPECT TO PROPERTY ACQUIRED FROM DECEDENTS.—

''(1) IN GENERAL.—The executor of any estate required to file a return under section 6018(a) shall furnish to the Secretary and to each person acquiring any interest in property included in the decedent's gross estate for Federal estate tax purposes a statement identifying the value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

''(2) STATEMENTS BY BENEFICIARIES.—Each person required to file a return under section 6018(b) shall furnish to the Secretary and to each other person who holds a legal or beneficial interest in the property to which such return relates a statement identifying the information described in paragraph (1).

''(3) TIME FOR FURNISHING STATEMENT.—

''(A) IN GENERAL.—Each statement required to be furnished under paragraph (1) or (2) shall be furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of—

''(i) the date which is 30 days after the date on which the return under section 6018 was required to be filed (including extensions, if any), or

''(ii) the date which is 30 days after the date such return is filed.

''(B) ADJUSTMENTS.—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) or (2) after such statement has been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

''(b) INFORMATION WITH RESPECT TO PROPERTY ACQUIRED BY GIFT.—

''(1) IN GENERAL.—Each person making a transfer by gift who is required to file a return under section 6019 with respect to such transfer shall furnish to the Secretary and to each person acquiring any interest in property by reason of such transfer a statement identifying the fair market value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

''(2) TIME FOR FURNISHING STATEMENT.—

''(A) IN GENERAL.—Each statement required to be furnished under paragraph (1) shall be furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of—

''(i) the date which is 30 days after the date on which the return under section 6019 was required to be filed (including extensions, if any), or

''(ii) the date which is 30 days after the date such return is filed.

''(B) ADJUSTMENTS.—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) after such statement has been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

''(c) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out this section, including regulations relating to—

''(1) applying this section to property with regard to which no estate or gift tax return is required to be filed, and

''(2) situations in which the surviving joint tenant or other recipient may have better information than the executor regarding the basis or fair market value of the property.''.

(2) PENALTY FOR FAILURE TO FILE.—

(A) RETURN.—Section 6724(d)(1) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) any statement required to be filed with the Secretary under section 6035.''.

(B) STATEMENT.—Section 6724(d)(2) is amended by striking ''or'' at the end of subparagraph (GG), by striking the period at the end of subparagraph (HH) and inserting '', or'', and by adding at the end the following new subparagraph:

''(II) section 6035 (other than a statement described in paragraph (1)(D)).''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6034A the following new item:

''Sec. 6035. Basis information to persons acquiring property from decedent or by gift.''.

(c) PENALTY FOR INCONSISTENT REPORTING.—

(1) IN GENERAL.—Subsection (b) of section 6662 is amended by inserting after paragraph (7) the following new paragraph:

''(8) Any inconsistent estate or gift basis.''.

(2) INCONSISTENT BASIS REPORTING.—Section 6662 is amended by adding at the end the following new subsection:

''(k) INCONSISTENT ESTATE OR GIFT BASIS REPORTING.—For purposes of this section, the term 'inconsistent estate or gift basis' means—

''(1) in the case of property acquired from a decedent, a basis determination with respect to such property which is not consistent with the requirements of section 1014(f), and

''(2) in the case of property acquired by gift, a basis determination with respect to such property which is not consistent with the requirements of section 1015(f).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers for which returns are filed after the date of the enactment of this Act.

TITLE IV—REPEAL OF INFORMATION REPORTING REQUIREMENTS

SEC. 401. REPEAL OF EXPANSION OF INFORMATION REPORTING REQUIREMENTS.

(a) REPEAL OF PAYMENTS FOR PROPERTY AND OTHER GROSS PROCEEDS.—Subsection (b) of section 9006 of the Patient Protection and Affordable Care Act, and the amendments made thereby, are hereby repealed; and the Internal Revenue Code of 1986 shall be applied as if such subsection, and amendments, had never been enacted.

(b) REPEAL OF APPLICATION TO CORPORATIONS; APPLICATION OF REGULATORY AUTHORITY.—

(1) IN GENERAL.—Section 6041 of the Internal Revenue Code of 1986, as amended by section 9006(a) of the Patient Protection and Affordable Care Act and section 2101 of the Small Business Jobs Act of 2010, is amended by striking subsections (i) and (j) and inserting the following new subsection:

''(i) REGULATIONS.—The Secretary may prescribe such regulations and other guidance as may be appropriate or necessary to carry out the purposes of this section, including rules to prevent duplicative reporting of transactions.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to payments made after December 31, 2010.

TITLE V—TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE AND RELATED MATTERS

SEC. 501. TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(A) by striking ''November 30, 2010'' each place it appears and inserting ''January 3, 2013'';

(B) in the heading for subsection (b)(2), by striking ''NOVEMBER 30, 2010'' and inserting ''JANUARY 3, 2013''; and

(C) in subsection (b)(3), by striking ''April 30, 2011'' and inserting ''June 8, 2013''.

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111–5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking ''December 1, 2010'' each place it appears and inserting ''January 2, 2013''; and

(B) in subsection (c), by striking ''May 1, 2011'' and inserting ''June 10, 2013''.

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110–449; 26 U.S.C. 3304 note) is amended by striking ''April 30, 2011'' and inserting ''June 9, 2013''.

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

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

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

''(G) the amendments made by section 501(a)(1) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010; and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Unemployment Compensation Extension Act of 2010 (Public Law 111–205).

SEC. 502. TEMPORARY MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.

(a) INDICATOR.—Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended, in the flush matter following paragraph (2), by inserting after the first sentence the following sentence: ''Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'two' were 'three' in subparagraph (1)(A).''.

(b) ALTERNATIVE TRIGGER.—Section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

''(2) Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'either' were 'any', the word ''both'' were 'all', and the figure '2' were '3' in clause (1)(A)(ii).''.

SEC. 503. TECHNICAL AMENDMENT RELATING TO COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.

(a) IN GENERAL.—Section 6402(f)(3)(C), as amended by section 801 of the Claims Resolution Act of 2010, is amended by striking ''is not a covered unemployment compensation debt'' and inserting ''is a covered unemployment compensation debt''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 801 of the Claims Resolution Act of 2010.

SEC. 504. TECHNICAL CORRECTION RELATING TO REPEAL OF CONTINUED DUMPING AND SUBSIDY OFFSET.

(a) IN GENERAL.—Section 822(2)(A) of the Claims Resolution Act of 2010 is amended by striking ''or'' and inserting ''and''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Claims Resolution Act of 2010.

SEC. 505. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

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

(1) by striking ''June 30, 2010'' and inserting ''June 30, 2011''; and

(2) by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

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

TITLE VI—MAKING WORK PAY

SEC. 601. MAKING WORK PAY CREDIT.

(a) IN GENERAL.—Section 36A(e) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2012''.

(b) TREATMENT OF POSSESSIONS.—Section 1001(b)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''2009 and 2010'' both places it appears and inserting ''2009, 2010, 2011, and 2012''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE VII—TEMPORARY EXTENSION OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Energy

SEC. 701. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR ALTERNATIVE FUEL AND ALTERNATIVE FUEL MIXTURES.—

(1) ALTERNATIVE FUEL CREDIT.—Paragraph (5) of section 6426(d) is amended by striking ''after December 31, 2009'' and all that follows and inserting ''after—

''(A) September 30, 2014, in the case of liquefied hydrogen,

''(B) December 31, 2010, in the case of fuels described in subparagraph (A), (C), (F), or (G) of paragraph (2), and

''(C) December 31, 2009, in any other case.''.

(2) ALTERNATIVE FUEL MIXTURE CREDIT.—Paragraph (3) of section 6426(e) is amended by striking ''after December 31, 2009'' and all that follows and inserting ''after—

''(A) September 30, 2014, in the case of liquefied hydrogen,

''(B) December 31, 2010, in the case of fuels described in subparagraph (A), (C), (F), or (G) of subsection (d)(2), and

''(C) December 31, 2009, in any other case.''.

(3) PAYMENT AUTHORITY.—

(A) IN GENERAL.—Paragraph (6) of section 6427(e) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end the following new subparagraph:

''(E) any alternative fuel or alternative fuel mixture (as so defined) involving fuel described in subparagraph (A), (C), (F), or (G) of section 6426(d)(2) sold or used after December 31, 2010.''.

(B) CONFORMING AMENDMENT.—Subparagraph (C) of section 6427(e)(6) is amended by inserting ''or (E)'' after ''subparagraph (D)''.

(c) EXCLUSION OF BLACK LIQUOR FROM CREDIT ELIGIBILITY.—The last sentence of section 6426(d)(2) is amended by striking ''or biodiesel'' and inserting ''biodiesel, or any fuel (including lignin, wood residues, or spent pulping liquors) derived from the production of paper or pulp''.

(d) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 702. CREDIT FOR REFINED COAL FACILITIES.

(a) IN GENERAL.—Subparagraph (B) of section 45(d)(8) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to facilities placed in service after December 31, 2009.

SEC. 703. NEW ENERGY EFFICIENT HOME CREDIT.

(a) IN GENERAL.—Subsection (g) of section 45L is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to homes acquired after December 31, 2009.

SEC. 704. EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR ALTERNATIVE FUEL AND ALTERNATIVE FUEL MIXTURES.

(a) IN GENERAL.—Sections 6426(d)(5), 6426(e)(3), and 6427(e)(6)(C) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCLUSION OF BLACK LIQUOR FROM CREDIT ELIGIBILITY.—The last sentence of section 6426(d)(2) is amended by striking ''or biodiesel'' and inserting ''biodiesel, or any fuel (including lignin, wood residues, or spent pulping liquors) derived from the production of paper or pulp''.

(c) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any alternative fuel credit or any alternative fuel mixture credit properly determined under subsection (d) or (e) of section 6426 of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 705. SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.

(a) IN GENERAL.—Paragraph (3) of section 451(i) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to dispositions after December 31, 2009.

SEC. 706. SUSPENSION OF LIMITATION ON PERCENTAGE DEPLETION FOR OIL AND GAS FROM MARGINAL WELLS.

(a) IN GENERAL.—Clause (ii) of section 613A(c)(6)(H) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 707. EXTENSION OF GRANTS FOR SPECIFIED ENERGY PROPERTY IN LIEU OF TAX CREDITS.

(a) IN GENERAL.—Subsection (a) of section 1603 of division B of the American Recovery and Reinvestment Act of 2009 is amended—

(1) in paragraph (1), by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011'', and

(2) in paragraph (2)—

(A) by striking ''after 2010'' and inserting ''after 2011'', and

(B) by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011''.

(b) CONFORMING AMENDMENT.—Subsection (j) of section 1603 of division B of such Act is amended by striking ''2011'' and inserting ''2012''.

SEC. 708. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended by striking ''2010'' both places it appears and inserting ''2011''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

SEC. 709. ENERGY EFFICIENT APPLIANCE CREDIT.

(a) DISHWASHERS.—Paragraph (1) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting a comma, and by adding at the end the following new subparagraphs:

''(C) $25 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings),

''(D) $50 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 295 kilowatt hours per year and 4.25 gallons per cycle (4.75 gallons per cycle for dishwashers designed for greater than 12 place settings), and

''(E) $75 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 280 kilowatt hours per year and 4 gallons per cycle (4.5 gallons per cycle for dishwashers designed for greater than 12 place settings).''.

(b) CLOTHES WASHERS.—Paragraph (2) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $175 in the case of a top-loading clothes washer manufactured in calendar year 2011 which meets or exceeds a 2.2 modified energy factor and does not exceed a 4.5 water consumption factor, and

''(F) $225 in the case of a clothes washer manufactured in calendar year 2011—

''(i) which is a top-loading clothes washer and which meets or exceeds a 2.4 modified energy factor and does not exceed a 4.2 water consumption factor, or

''(ii) which is a front-loading clothes washer and which meets or exceeds a 2.8 modified energy factor and does not exceed a 3.5 water consumption factor.''.

(c) REFRIGERATORS.—Paragraph (3) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $150 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 30 percent less energy than the 2001 energy conservation standards, and

''(F) $200 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 35 percent less energy than the 2001 energy conservation standards.''.

(d) REBASING OF LIMITATIONS.—

(1) IN GENERAL.—Paragraph (1) of section 45M(e) is amended—

(A) by striking ''$75,000,000'' and inserting ''$25,000,000'', and

(B) by striking ''December 31, 2007'' and inserting ''December 31, 2010''.

(2) EXCEPTION FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended—

(A) by striking ''subsection (b)(3)(D)'' and inserting ''subsection (b)(3)(F)'', and

(B) by striking ''subsection (b)(2)(D)'' and inserting ''subsection (b)(2)(F)''.

(3) GROSS RECEIPTS LIMITATION.—Paragraph (3) of section 45M(e) is amended by striking ''2 percent'' and inserting ''4 percent''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (c) shall apply to appliances produced after December 31, 2010.

(2) LIMITATIONS.—The amendments made by subsection (d) shall apply to taxable years beginning after December 31, 2010.

SEC. 710. CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION.—Section 25C(g)(2) is amended by striking ''2010'' and inserting ''2011''.

(b) RETURN TO PRE-ARRA LIMITATIONS AND STANDARDS.—

(1) IN GENERAL.—Subsections (a) and (b) of section 25C are amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

''(1) 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year, and

''(2) the amount of the residential energy property expenditures paid or incurred by the taxpayer during such taxable year.

''(b) LIMITATIONS.—

''(1) LIFETIME LIMITATION.—The credit allowed under this section with respect to any taxpayer for any taxable year shall not exceed the excess (if any) of $500 over the aggregate credits allowed under this section with respect to such taxpayer for all prior taxable years ending after December 31, 2005.

''(2) WINDOWS.—In the case of amounts paid or incurred for components described in subsection (c)(2)(B) by any taxpayer for any taxable year, the credit allowed under this section with respect to such amounts for such year shall not exceed the excess (if any) of $200 over the aggregate credits allowed under this section with respect to such amounts for all prior taxable years ending after December 31, 2005.

''(3) LIMITATION ON RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—The amount of the credit allowed under this section by reason of subsection (a)(2) shall not exceed—

''(A) $50 for any advanced main air circulating fan,

''(B) $150 for any qualified natural gas, propane, or oil furnace or hot water boiler, and

''(C) $300 for any item of energy-efficient building property.''.

(2) MODIFICATION OF STANDARDS.—

(A) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by striking ''2000'' and all that follows through ''this section'' and inserting ''2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(B) WOOD STOVES.—Subparagraph (E) of section 25C(d)(3) is amended by striking '', as measured using a lower heating value''.

(C) OIL FURNACES AND HOT WATER BOILERS.—

(i) IN GENERAL.—Paragraph (4) of section 25C(d) is amended to read as follows:

''(4) QUALIFIED NATURAL GAS, PROPANE, OR OIL FURNACE OR HOT WATER BOILER.—The term 'qualified natural gas, propane, or oil furnace or hot water boiler' means a natural gas, propane, or oil furnace or hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 95.''.

(ii) CONFORMING AMENDMENT.—Clause (ii) of section 25C(d)(2)(A) is amended to read as follows:

''(ii) a qualified natural gas, propane, or oil furnace or hot water boiler, or''.

(D) EXTERIOR WINDOWS, DOORS, AND SKYLIGHTS.—

(i) IN GENERAL.—Subsection (c) of section 25C is amended by striking paragraph (4).

(ii) APPLICATION OF ENERGY STAR STANDARDS.—Paragraph (1) of section 25C(c) is amended by inserting ''an exterior window, a skylight, an exterior door,'' after ''in the case of'' in the matter preceding subparagraph (A).

(E) INSULATION.—Subparagraph (A) of section 25C(c)(2) is amended by striking ''and meets the prescriptive criteria for such material or system established by the 2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(3) SUBSIDIZED ENERGY FINANCING.—Subsection (e) of section 25C is amended by adding at the end the following new paragraph:

''(3) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures made by any individual with respect to any property, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 48(a)(4)(C)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2010.

SEC. 711. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) EXTENSION OF CREDIT.—Paragraph (2) of section 30C(g) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2010.

SEC. 712. EXTENSION OF THE ADVANCED ENERGY PROJECT CREDIT.

(a) IN GENERAL.—Subsection (d) of section 48C is amended by adding at the end the following new paragraph:

''(6) ADDITIONAL 2010 ALLOCATIONS.—

''(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this paragraph, the Secretary, in consultation with the Secretary of Energy, shall establish a program to consider and award certifications for qualified investments eligible for credits under this section to qualifying advanced energy project sponsors with respect to applications received on or after the date of the enactment of this paragraph.

''(B) LIMITATION.—The total amount of credits that may be allocated under the program described in subparagraph (A) shall not exceed the 2010 allocation amount reduced by so much of the 2010 allocation amount as is taken into account as an increase in the limitation described in paragraph (1)(B).

''(C) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of paragraphs (2), (3), (4), and (5) shall apply for purposes of the program described in subparagraph (A), except that—

''(i) CERTIFICATION.—Applicants shall have 2 years from the date that the Secretary establishes such program to submit applications.

''(ii) SELECTION CRITERIA.—For purposes of paragraph (3)(B)(i), the term 'domestic job creation (both direct and indirect)' means the creation of direct jobs in the United States producing the property manufactured at the manufacturing facility described under subsection (c)(1)(A)(i), and the creation of indirect jobs in the manufacturing supply chain for such property in the United States.

''(iii) REVIEW AND REDISTRIBUTION.—The Secretary shall conduct a separate review and redistribution under paragraph (5) with respect to such program not later than 4 years after the date of the enactment of this paragraph.

''(D) 2010 ALLOCATION AMOUNT.—For purposes of this subsection, the term '2010 allocation amount' means $5,000,000,000.

''(E) DIRECT PAYMENTS.—In lieu of any qualifying advanced energy project credit which would otherwise be determined under this section with respect to an allocation to a taxpayer under this paragraph, the Secretary shall, upon the election of the taxpayer, make a grant to the taxpayer in the amount of such credit as so determined. Rules similar to the rules of section 50 shall apply with respect to any grant made under this subparagraph.''.

(b) PORTION OF 2010 ALLOCATION ALLOCATED TOWARD PENDING APPLICATIONS UNDER ORIGINAL PROGRAM.—Subparagraph (B) of section 48C(d)(1) is amended by inserting ''(increased by so much of the 2010 allocation amount (not in excess of $1,500,000,000) as the Secretary determines necessary to make allocations to qualified investments with respect to which qualifying applications were submitted before the date of the enactment of paragraph (6))'' after ''$2,300,000,000''.

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting ''48C(d)(6)(E),'' after ''36C,''.

Subtitle B—Individual Tax Relief

SEC. 721. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking ''or 2009'' and inserting ''2009, 2010, or 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 722. DEDUCTION OF STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 723. CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 724. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 725. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2009.

(2) SPECIAL RULE.—For purposes of subsections (a)(6), (b)(3), and (d)(8) of section 408 of the Internal Revenue Code of 1986, at the election of the taxpayer (at such time and in such manner as prescribed by the Secretary of the Treasury) any qualified charitable distribution made after December 31, 2010, and before February 1, 2011, shall be deemed to have been made on December 31, 2010.

SEC. 726. LOOK-THRU OF CERTAIN REGULATED INVESTMENT COMPANY STOCK IN DETERMINING GROSS ESTATE OF NONRESIDENTS.

(a) IN GENERAL.—Paragraph (3) of section 2105(d) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to estates of decedents dying after December 31, 2009.

SEC. 727. PARITY FOR EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.

(a) IN GENERAL.—Paragraph (2) of section 132(f) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months after December 31, 2010.

SEC. 728. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

(a) IN GENERAL.—Subchapter A of chapter 65 is amended by adding at the end the following new section:

''SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.

''(b) TERMINATION.—Subsection (a) shall not apply to any amount received after December 31, 2012.''.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by adding at the end the following new item:

''Sec. 6409. Refunds disregarded in the administration of Federal programs and federally assisted programs.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 2009.

Subtitle C—Business Tax Relief

SEC. 731. RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 732. INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 733. NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Paragraph (1) of section 45D(f) is amended—

(1) by striking ''and'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F), and

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

''(G) $3,500,000,000 for 2010 and 2011.''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 45D(f) is amended by striking ''2014'' and inserting ''2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after 2009.

SEC. 734. RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45G is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2009.

SEC. 735. MINE RESCUE TEAM TRAINING CREDIT.

(a) IN GENERAL.—Subsection (e) of section 45N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 736. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subsection (f) of section 45P is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2009.

SEC. 737. 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS, QUALIFIED RESTAURANT BUILDINGS AND IMPROVEMENTS, AND QUALIFIED RETAIL IMPROVEMENTS.

(a) IN GENERAL.—Clauses (iv), (v), and (ix) of section 168(e)(3)(E) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 168(e)(7)(A) is amended by striking ''if such building is placed in service after December 31, 2008, and before January 1, 2010,''.

(2) Paragraph (8) of section 168(e) is amended by striking subparagraph (E).

(3) Section 179(f)(2) is amended—

(A) by striking ''(without regard to the dates specified in subparagraph (A)(i) thereof)'' in subparagraph (B), and

(B) by striking ''(without regard to subparagraph (E) thereof)'' in subparagraph (C).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009.

SEC. 738. 7-YEAR RECOVERY PERIOD FOR MOTORSPORTS ENTERTAINMENT COMPLEXES.

(a) IN GENERAL.—Subparagraph (D) of section 168(i)(15) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 739. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON AN INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 740. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 741. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORIES TO PUBLIC SCHOOLS.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(D) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 742. ENHANCED CHARITABLE DEDUCTION FOR CORPORATE CONTRIBUTIONS OF COMPUTER INVENTORY FOR EDUCATIONAL PURPOSES.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 743. ELECTION TO EXPENSE MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Subsection (g) of section 179E is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 744. SPECIAL EXPENSING RULES FOR CERTAIN FILM AND TELEVISION PRODUCTIONS.

(a) IN GENERAL.—Subsection (f) of section 181 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to productions commencing after December 31, 2009.

SEC. 745. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2009.

SEC. 746. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

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

(1) by striking ''first 4 taxable years'' and inserting ''first 6 taxable years''; and

(2) by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 747. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2009.

SEC. 748. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraphs (1)(C) and (2)(C) of section 871(k) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 749. RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 2010. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2009, and before the date of the enactment of this Act; and

(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

SEC. 750. EXCEPTIONS FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENT.—Section 953(e)(10) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 751. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Subparagraph (C) of section 954(c)(6) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 752. BASIS ADJUSTMENT TO STOCK OF S CORPS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 753. EMPOWERMENT ZONE TAX INCENTIVES.

(a) IN GENERAL.—Section 1391 is amended—

(1) by striking ''December 31, 2009'' in subsection (d)(1)(A)(i) and inserting ''December 31, 2011''; and

(2) by striking the last sentence of subsection (h)(2).

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

(1) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(2) by striking ''2014'' in the heading and inserting ''2016''.

(c) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary's designee) may provide.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2009.

SEC. 754. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''December 31, 2009'' each place it appears and inserting ''December 31, 2011''.

(b) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—Subsection (b) of section 1400A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) ZERO-PERCENT CAPITAL GAINS RATE.—

(1) ACQUISITION DATE.—Paragraphs (2)(A)(i), (3)(A), (4)(A)(i), and (4)(B)(i)(I) of section 1400B(b) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(2) LIMITATION ON PERIOD OF GAINS.—

(A) IN GENERAL.—Paragraph (2) of section 1400B(e) is amended—

(i) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(ii) by striking ''2014'' in the heading and inserting ''2016''.

(B) PARTNERSHIPS AND S-CORPS.—Paragraph (2) of section 1400B(g) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2016''.

(d) FIRST-TIME HOMEBUYER CREDIT.—Subsection (i) of section 1400C is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to periods after December 31, 2009.

(2) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—The amendment made by subsection (b) shall apply to bonds issued after December 31, 2009.

(3) ACQUISITION DATES FOR ZERO-PERCENT CAPITAL GAINS RATE.—The amendments made by subsection (c) shall apply to property acquired or substantially improved after December 31, 2009.

(4) HOMEBUYER CREDIT.—The amendment made by subsection (d) shall apply to homes purchased after December 31, 2009.

SEC. 755. TEMPORARY INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAXES TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2009.

SEC. 756. AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) IN GENERAL.—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking ''first 4 taxable years'' and inserting ''first 6 taxable years'', and

(2) by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 757. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''August 31, 2011'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 758. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Section 54E(c)(1) is amended—

(1) by striking ''2008 and'' and inserting ''2008,'', and

(2) by inserting ''and $400,000,000 for 2011'' after ''2010,''.

(b) REPEAL OF REFUNDABLE CREDIT FOR QZABS.—Paragraph (3) of section 6431(f) is amended by inserting ''determined without regard to any allocation relating to the national zone academy bond limitation for 2011 or any carryforward of such allocation'' after ''54E)'' in subparagraph (A)(iii).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

SEC. 759. MORTGAGE INSURANCE PREMIUMS.

(a) IN GENERAL.—Clause (iv) of section 163(h)(3)(E) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2010.

SEC. 760. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

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

(1) by striking ''January 1, 2011'' and inserting ''January 1, 2012'', and

(2) by inserting ''AND 2011'' after ''2010'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after December 31, 2010.

Subtitle D—Temporary Disaster Relief Provisions

PART I—NEW YORK LIBERTY ZONE

SEC. 761. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Subparagraph (D) of section 1400L(d)(2) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2009.

PART II—GO ZONE

SEC. 762. INCREASE IN REHABILITATION CREDIT.

(a) IN GENERAL.—Subsection (h) of section 1400N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 763. LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.

Section 1400N(c)(5) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

SEC. 764. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Paragraphs (2)(D) and (7)(C) of section 1400N(a) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—Sections 702(d)(1) and 704(a) of the Heartland Disaster Tax Relief Act of 2008 are each amended by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2012''.

SEC. 765. BONUS DEPRECIATION DEDUCTION APPLICABLE TO THE GO ZONE.

(a) IN GENERAL.—Paragraph (6) of section 1400N(d) is amended—

(1) by striking ''December 31, 2010'' both places it appears in subparagraph (B) and inserting ''December 31, 2011'', and

(2) by striking ''January 1, 2010'' in the heading and the text of subparagraph (D) and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

Subtitle E—Extension of Health Coverage Improvement

SEC. 771. IMPROVEMENT OF THE AFFORDABILITY OF THE CREDIT.

(a) IN GENERAL.—Section 35(a) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENT.—Section 7527(b) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to coverage months beginning after December 31, 2010.

SEC. 772. PAYMENT FOR THE MONTHLY PREMIUMS PAID PRIOR TO COMMENCEMENT OF THE ADVANCE PAYMENTS OF CREDIT.

(a) IN GENERAL.—Section 7527(e) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to coverage months beginning after December 31, 2010.

SEC. 773. TAA RECIPIENTS NOT ENROLLED IN TRAINING PROGRAMS ELIGIBLE FOR CREDIT.

(a) IN GENERAL.—Section 35(c)(2)(B) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to coverage months beginning after December 31, 2010.

SEC. 774. TAA PRE-CERTIFICATION PERIOD RULE FOR PURPOSES OF DETERMINING WHETHER THERE IS A 63-DAY LAPSE IN CREDITABLE COVERAGE.

(a) IRC AMENDMENT.—Section 9801(c)(2)(D) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) ERISA AMENDMENT.—Section 701(c)(2)(C) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)(C)) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(c) PHSA AMENDMENT.—Section 2701(c)(2)(C) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)(C)) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2010.

SEC. 775. CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.

(a) IN GENERAL.—Section 35(g)(9) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENT.—Section 173(f)(8) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(8)) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2010.

SEC. 776. EXTENSION OF COBRA BENEFITS FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS AND PBGC RECIPIENTS.

(a) ERISA AMENDMENTS.—

(1) PBGC RECIPIENTS.—Section 602(2)(A)(v) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(2)(A)(v)) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) TAA-ELIGIBLE INDIVIDUALS.—Section 602(2)(A)(vi) of such Act (29 U.S.C. 1162(2)(A)(vi)) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) IRC AMENDMENTS.—

(1) PBGC RECIPIENTS.—Section 4980B(f)(2)(B)(i)(V) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) TAA-ELIGIBLE INDIVIDUALS.—Section 4980B(f)(2)(B)(i)(VI) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(c) PHSA AMENDMENTS.—Section 2202(2)(A)(iv) of the Public Health Service Act (42 U.S.C. 300bb-2(2)(A)(iv)) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods of coverage which would (without regard to the amendments made by this section) end on or after December 31, 2010.

SEC. 777. ADDITION OF COVERAGE THROUGH VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATIONS.

(a) IN GENERAL.—Section 35(e)(1)(K) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to coverage months beginning after December 31, 2010.

SEC. 778. NOTICE REQUIREMENTS.

(a) IN GENERAL.—Section 7527(d)(2) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to certificates issued after December 31, 2010.

Subtitle F—Bonus Depreciation

SEC. 781. EXTENSION OF BONUS DEPRECIATION; TEMPORARY 100 PERCENT EXPENSING FOR CERTAIN BUSINESS ASSETS.

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

(1) by striking ''January 1, 2012'' in subparagraph (A)(iv) and inserting ''January 1, 2014'', and

(2) by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2013''.

(b) TEMPORARY 100 PERCENT EXPENSING.—Subsection (k) of section 168 is amended by adding at the end the following new paragraph:

''(5) SPECIAL RULE FOR PROPERTY ACQUIRED DURING CERTAIN PRE-2012 PERIODS.—In the case of qualified property acquired by the taxpayer (under rules similar to the rules of clauses (ii) and (iii) of paragraph (2)(A)) after September 8, 2010, and before January 1, 2012, and which is placed in service by the taxpayer before January 1, 2012 (January 1, 2013, in the case of property described in subparagraph (2)(B) or (2)(C)), paragraph (1)(A) shall be applied by substituting '100 percent' for '50 percent'.''.

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

(1) EXTENSION.—Clause (iii) of section 168(k)(4)(D) is amended by striking ''or production'' and all that follows and inserting ''or production—

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

''(II) after December 31, 2010, and before January 1, 2013,

shall be taken into account under subparagraph (B)(ii) thereof,''.

(2) RULES FOR ROUND 2 EXTENSION PROPERTY.—Paragraph (4) of section 168(k) is amended by adding at the end the following new subparagraph:

''(I) SPECIAL RULES FOR ROUND 2 EXTENSION PROPERTY.—

''(i) IN GENERAL.—In the case of round 2 extension property, this paragraph shall be applied without regard to—

''(I) the limitation described in subparagraph (B)(i) thereof, and

''(II) the business credit increase amount under subparagraph (E)(iii) thereof.

''(ii) TAXPAYERS PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, or a taxpayer who made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008—

''(I) the taxpayer may elect not to have this paragraph apply to round 2 extension property, but

''(II) if the taxpayer does not make the election under subclause (I), in applying this paragraph to the taxpayer the bonus depreciation amount, maximum amount, and maximum increase amount shall be computed and applied to eligible qualified property which is round 2 extension property.

The amounts described in subclause (II) shall be computed separately from any amounts computed with respect to eligible qualified property which is not round 2 extension property.

''(iii) TAXPAYERS NOT PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who neither made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, nor made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008—

''(I) the taxpayer may elect to have this paragraph apply to its first taxable year ending after December 31, 2010, and each subsequent taxable year, and

''(II) if the taxpayer makes the election under subclause (I), this paragraph shall only apply to eligible qualified property which is round 2 extension property.

''(iv) ROUND 2 EXTENSION PROPERTY.—For purposes of this subparagraph, the term 'round 2 extension property' means property which is eligible qualified property solely by reason of the extension of the application of the special allowance under paragraph (1) pursuant to the amendments made by section 401(a) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (and the application of such extension to this paragraph pursuant to the

amendment made by section 401(c)(1) of such Act).''.

(d) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 is amended by striking ''JANUARY 1, 2011'' and inserting ''JANUARY 1, 2013''.

(2) The heading for clause (ii) of section 168(k)(2)(B) is amended by striking ''PRE-JANUARY 1, 2011'' and inserting ''PRE-JANUARY 1, 2013''.

(3) Subparagraph (D) of section 168(k)(4) is amended—

(A) by striking clauses (iv) and (v),

(B) by inserting ''and'' at the end of clause (ii), and

(C) by striking the comma at the end of clause (iii) and inserting a period.

(4) Paragraph (5) of section 168(l) is amended—

(A) by inserting ''and'' at the end of subparagraph (A),

(B) by striking subparagraph (B), and

(C) by redesignating subparagraph (C) as subparagraph (B).

(5) Subparagraph (C) of section 168(n)(2) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(6) Subparagraph (D) of section 1400L(b)(2) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(7) Subparagraph (B) of section 1400N(d)(3) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to property placed in service after December 31, 2010, in taxable years ending after such date.

(2) TEMPORARY 100 PERCENT EXPENSING.—The amendment made by subsection (b) shall apply to property placed in service after September 8, 2010, in taxable years ending after such date.

TITLE VIII—INFRASTRUCTURE INVESTMENT

SEC. 801. EXTENSION OF BUILD AMERICA BONDS.

(a) IN GENERAL.—Subparagraph (B) of section 54AA(d)(1) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EXTENSION OF PAYMENTS TO ISSUERS.—

(1) IN GENERAL.—Section 6431 is amended—

(A) by striking ''January 1, 2011'' in subsection (a) and inserting ''January 1, 2012''; and

(B) by striking ''January 1, 2011'' in subsection (f)(1)(B) and inserting ''a particular date''.

(2) CONFORMING AMENDMENTS.—Subsection (g) of section 54AA is amended—

(A) by striking ''January 1, 2011'' and inserting ''January 1, 2012''; and

(B) by striking ''QUALIFIED BONDS ISSUED BEFORE 2011'' in the heading and inserting ''CERTAIN QUALIFIED BONDS''.

(c) REDUCTION IN PERCENTAGE OF PAYMENTS TO ISSUERS.—Subsection (b) of section 6431 is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'';

(2) by striking ''35 percent'' and inserting ''the applicable percentage''; and

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

''(2) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term 'applicable percentage' means the percentage determined in accordance with the following table:

''In the case of a qualified bond issued during calendar year:	The applicable percentage is:
2009 or 2010	35 percent
2011	32 percent.''.

(d) CURRENT REFUNDINGS PERMITTED.—Subsection (g) of section 54AA is amended by adding at the end the following new paragraph:

''(3) TREATMENT OF CURRENT REFUNDING BONDS.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'qualified bond' includes any bond (or series of bonds) issued to refund a qualified bond if—

''(i) the average maturity date of the issue of which the refunding bond is a part is not later than the average maturity date of the bonds to be refunded by such issue,

''(ii) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(iii) the refunded bond is redeemed not later than 90 days after the date of the issuance of the refunding bond.

''(B) APPLICABLE PERCENTAGE.—In the case of a refunding bond referred to in subparagraph (A), the applicable percentage with respect to such bond under section 6431(b) shall be the lowest percentage specified in paragraph (2) of such section.

''(C) DETERMINATION OF AVERAGE MATURITY.—For purposes of subparagraph (A)(i), average maturity shall be determined in accordance with section 147(b)(2)(A).''.

SEC. 802. EXTENSION AND ADDITIONAL ALLOCATIONS OF RECOVERY ZONE BOND AUTHORITY.

(a) EXTENSION OF RECOVERY ZONE BOND AUTHORITY.—Section 1400U–2(b)(1) and section 1400U–3(b)(1)(B) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) ADDITIONAL ALLOCATIONS OF RECOVERY ZONE BOND AUTHORITY BASED ON UNEMPLOYMENT.—Section 1400U–1 is amended by adding at the end the following new subsection:

''(c) ALLOCATION OF 2010 RECOVERY ZONE BOND LIMITATIONS BASED ON UNEMPLOYMENT.—

''(1) IN GENERAL.—The Secretary shall allocate the 2010 national recovery zone economic development bond limitation and the 2010 national recovery zone facility bond limitation among the States in the proportion that each such State's 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

''(2) MINIMUM ALLOCATION.—The Secretary shall adjust the allocations under paragraph (1) for each State to the extent necessary to ensure that no State (prior to any reduction under paragraph (3)) receives less than 0.9 percent of the 2010 national recovery zone economic development bond limitation and 0.9 percent of the 2010 national recovery zone facility bond limitation.

''(3) ALLOCATIONS BY STATES.—

''(A) IN GENERAL.—Each State with respect to which an allocation is made under paragraph (1) shall reallocate such allocation among the counties and large municipalities (as defined in subsection (a)(3)(B)) in such State in the proportion that each such county's or municipality's 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all the counties and large municipalities (as so defined) in such State.

''(B) 2010 ALLOCATION REDUCED BY AMOUNT OF PREVIOUS ALLOCATION.—Each State shall reduce (but not below zero)—

''(i) the amount of the 2010 national recovery zone economic development bond limitation allocated to each county or large municipality (as so defined) in such State by the amount of the national recovery zone economic development bond limitation allocated to such county or large municipality under subsection (a)(3)(A) (determined without regard to any waiver thereof), and

''(ii) the amount of the 2010 national recovery zone facility bond limitation allocated to each county or large municipality (as so defined) in such State by the amount of the national recovery zone facility bond limitation allocated to such county or large municipality under subsection (a)(3)(A) (determined without regard to any waiver thereof).

''(C) WAIVER OF SUBALLOCATIONS.—A county or municipality may waive any portion of an allocation made under this paragraph. A county or municipality shall be treated as having waived any portion of an allocation made under this paragraph which has not been allocated to a bond issued before May 1, 2011. Any allocation waived (or treated as waived) under this subparagraph may be used or reallocated by the State.

''(D) SPECIAL RULE FOR A MUNICIPALITY IN A COUNTY.—In the case of any large municipality any portion of which is in a county, such portion shall be treated as part of such municipality and not part of such county.

''(4) 2009 UNEMPLOYMENT NUMBER.—For purposes of this subsection, the term '2009 unemployment number' means, with respect to any State, county or municipality, the number of individuals in such State, county, or municipality who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

''(5) 2010 NATIONAL LIMITATIONS.—

''(A) RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS.—The 2010 national recovery zone economic development bond limitation is $10,000,000,000. Any allocation of such limitation under this subsection shall be treated for purposes of section 1400U–2 in the same manner as an allocation of national recovery zone economic development bond limitation.

''(B) RECOVERY ZONE FACILITY BONDS.—The 2010 national recovery zone facility bond limitation is $15,000,000,000. Any allocation of such limitation under this subsection shall be treated for purposes of section 1400U–3 in the same manner as an allocation of national recovery zone facility bond limitation.''.

(c) AUTHORITY OF STATE TO WAIVE CERTAIN 2009 ALLOCATIONS.—Subparagraph (A) of section 1400U–1(a)(3) is amended by adding at the end the following: ''A county or municipality shall be treated as having waived any portion of an allocation made under this subparagraph which has not been allocated to a bond issued before May 1, 2011. Any allocation waived (or treated as waived) under this subparagraph may be used or reallocated by the State.''.

TITLE IX—NATIONAL INFRASTRUCTURE BANK

SEC. 901. DEFINITIONS.

In this title, the following definitions shall apply:

(1) BANK.—The term ''Bank'' means the ''National Infrastructure Bank'' established under section 911.

(2) BOARD.—The term ''Board'' means the board of directors of the Bank, established under section 912.

(3) CHAIRPERSON; VICE CHAIRPERSON.—The terms ''Chairperson'' and ''Vice Chairperson'' mean the Chairperson and Vice Chairperson of the Board, respectively.

(4) FINANCING MECHANISM.—

(A) IN GENERAL.—The term ''financing mechanism'' means a method used by the Bank to pledge the full faith and credit of the United States to provide money, credit, or other capital to a qualified infrastructure project.

(B) INCLUSIONS.—The term ''financing mechanism'' includes—

(i) a direct subsidy;

(ii) a general purpose infrastructure bond; and

(iii) a project-based infrastructure bond.

(5) FINANCING PACKAGE.—The term ''financing package'' means 1 or more financing

mechanisms used by the Bank to meet the Federal commitment for a qualified infrastructure project.

(6) GENERAL PURPOSE INFRASTRUCTURE BOND.—The term ''general purpose infrastructure bond'' means a bond issued as part of an issue in accordance with this title, if—

(A) the net spendable proceeds from the sale of the issue may be used for expenditures incurred after the date of issuance with respect to any qualified infrastructure project or purpose, subject to the rules of the Bank;

(B) the bond is issued by the Bank, is in registered form, and meets the requirements of this title and otherwise applicable law;

(C) the term of each bond which is part of the issue is greater than 30 years; and

(D) the payment of principal with respect to the bond is the obligation of the Bank.

(7) INFRASTRUCTURE PROJECT.—The term ''infrastructure project'' means the building, improvement, or increase in capacity of a basic installation, facility, asset, or stock that is associated with—

(A) a mass transit system;

(B) a road or bridge; or

(C) a drinking water system or a wastewater system.

(8) PROJECT-BASED INFRASTRUCTURE BOND.—The term ''project-based infrastructure bond'' means any bond issued as part of an issue, if—

(A) the net spendable proceeds from the sale of the issue are to be used for expenditures incurred after the date of issuance only with respect to the qualified infrastructure project for which the bond is issued;

(B) the bond is issued by the Bank, meets the requirements of section 149(a) of title 26, United States Code, for registration, and otherwise meets the requirements of this title and other applicable law;

(C) the term of each bond which is part of the issue is equal to the useful life of the qualified infrastructure project funded through use of the bond; and

(D) the payment of principal with respect to the bond is the obligation of the Bank.

(9) PUBLIC SPONSOR.—The term ''public sponsor'' includes a State or local government, an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b), a public transit agency, public housing agency, a public infrastructure agency, or a consortium of those entities, including a public entity that has partnered with a private nonprofit or for-profit entity.

(10) QUALIFIED INFRASTRUCTURE PROJECT.—The term ''qualified infrastructure project'' means an infrastructure project designated by the Board as a qualified infrastructure project in accordance with section 922.

SEC. 902. APPROPRIATIONS.

Until such time as the Bank has received funds from the issuance of bonds sufficient to carry out this title and the administration of the Bank, there are authorized to be appropriated and are hereby appropriated to the Bank, $6,000,000,000, to remain available until expended.

Subtitle A—National Infrastructure Bank

SEC. 911. ESTABLISHMENT OF BANK.

There is established the ''National Infrastructure Bank'', which shall be an independent establishment of the Federal Government, as defined in section 104 of title 5, United States Code.

SEC. 912. MANAGEMENT OF BANK.

(a) BOARD OF DIRECTORS.—

(1) IN GENERAL.—The management of the Bank shall be vested in a Board of Directors consisting of 5 members, appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States.

(2) MEMBER EXPERTISE.—Not fewer than 1 member of the Board shall have demonstrated expertise in—

(A) transit infrastructure;

(B) road and bridge infrastructure;

(C) water infrastructure; or

(D) public finance.

(3) POLITICAL AFFILIATION.—Section 2(a)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1812(a)(2) shall apply to members of the Board of Directors of the Bank in the same manner as it applies to the Board of Directors of the Federal Deposit Insurance Corporation.

(4) MEETINGS.—The Board shall meet not later than 90 days after the date on which all directors of the Board are first appointed, and otherwise at the call of the Chairperson.

(5) DATE OF APPOINTMENTS.—The initial nominations to the Board shall be made not later than 60 days after the date of enactment of this Act.

(b) CHAIRPERSON AND VICE CHAIRPERSON.—The Chairperson and Vice Chairperson of the Board shall be appointed and shall serve in the same manner as is provided for members of the Federal Deposit Insurance Corporation under section 2(b) of the Federal Deposit Insurance Act (12 U.S.C. 1812(b)).

(c) TERMS.—

(1) APPOINTED MEMBERS.—Except as provided in paragraph (2), each member of the Board shall be appointed for a term of 6 years.

(2) INITIAL STAGGERED TERMS.—Of the initial members of the Board—

(A) the Chairperson and Vice Chairperson shall be appointed for a term of 6 years;

(B) 1 member shall be appointed for a term of 5 years;

(C) 1 member shall be appointed for a term of 4 years; and

(D) 1 member shall be appointed for a term of 3 years.

(3) INTERIM APPOINTMENTS.—Any member of the Board appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of such member was appointed shall be appointed only for the remainder of such term.

(4) CONTINUATION OF SERVICE.—The Chairperson, Vice Chairperson, and each other member of the Board may continue to serve after the expiration of the term of office to which such member was appointed, until a successor has been appointed.

(d) VACANCY.—Any vacancy on the Board shall be filled in the manner in which the original appointment was made.

(e) INELIGIBILITY FOR OTHER OFFICES.—

(1) RESTRICTION DURING SERVICE.—No member of the Board may, during service on the Board—

(A) be an officer or director of, or otherwise be employed by, any entity engaged in or otherwise associated with an infrastructure project assisted or considered under this title;

(B) hold stock in any such entity; or

(C) hold any other elected or appointed public office.

(2) POST SERVICE RESTRICTION.—

(A) IN GENERAL.—No member of the Board may hold any office, position, or employment in any entity engaged in or otherwise associated with an infrastructure project assisted under this title during the 2-year period beginning on the date on which such member ceases to serve on the Board.

(B) EXCEPTION FOR MEMBERS WHO SERVE FULL TERM.—The limitation contained in subparagraph (A) does not apply to any member who has ceased to serve on the Board after serving the full term for which such member was appointed.

(3) CERTIFICATION.—Upon taking office, each member of the Board shall certify under oath that such member has complied with this subsection, and such certification shall be filed with the secretary of the Board.

SEC. 913. STAFF AND PERSONNEL MATTERS.

(a) EXECUTIVE DIRECTOR.—

(1) IN GENERAL.—The Chairperson may appoint and terminate, and fix the compensation of, an executive director of the Bank, in accordance with title 5, United States Code.

(2) CONFIRMATION OF EXECUTIVE DIRECTOR.—The employment of an executive director shall be subject to confirmation by the Board.

(3) QUALIFICATIONS OF EXECUTIVE DIRECTOR.—An individual appointed as the executive director under paragraph (1) shall have demonstrated expertise in—

(A) transit infrastructure;

(B) road and bridge infrastructure;

(C) water infrastructure; or

(D) public finance.

(b) OTHER PERSONNEL.—The Board may appoint and terminate, and fix the compensation of, in accordance with title 5, United States Code, such personnel as are necessary to enable the Bank to perform the duties of the Bank.

(c) INSPECTOR GENERAL.—

(1) IN GENERAL.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(A) in paragraph (1), by inserting ''the Chairperson of the National Infrastructure Bank;'' after ''the Chairperson of the Federal Deposit Insurance Corporation;''; and

(B) in paragraph (2), by inserting ''the National Infrastructure Bank;'' after ''the Federal Deposit Insurance Corporation;''.

(2) EXECUTIVE SCHEDULE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by inserting after the item relating to the Inspector General of the Federal Deposit Insurance Corporation, the following:

''Inspector General, National Infrastructure Bank.''.

(d) SUPPORT FROM OTHER AGENCIES.—The head of any other Federal agency may detail employees to the Bank for purposes of carrying out the duties of the Bank.

(e) COMPENSATION OF BOARD MEMBERS.—

(1) CHAIRPERSON.—Section 5314 of title 5, United States Code, is amended by inserting after the item relating to the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, the following:

''Chairperson, Board of Directors, National Infrastructure Bank.''.

(2) OTHER MEMBERS.—Section 5315 of title 5, United States Code, is amended by inserting after the item relating to the Inspector General of the Federal Deposit Insurance Corporation, the following:

''Member, Board of Directors of the National Infrastructure Bank.''.

Subtitle B—Powers and Duties of the Bank

SEC. 921. POWERS OF THE BANK BOARD.

(a) HEARINGS.—The Board may, in carrying out this title—

(1) hold such hearings, meet and act at such times and places, take such testimony, receive such evidence, and administer such oaths, as the Board considers advisable; and

(2) require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, tapes, and materials, as the Board considers advisable.

(b) ISSUANCE AND ENFORCEMENT OF SUBPOENAS.—

(1) ISSUANCE.—A subpoena issued under subsection (a) shall—

(A) bear the signature of the Chairperson and a majority of the members of the Board; and

(B) be served by any person or class of persons designated by the Chairperson for that purpose.

(2) ENFORCEMENT.—In the case of contumacy or failure to obey a subpoena issued under subsection (a)(2), the United States district court for the district in which the subpoenaed person resides, is served, or may be found may issue an order requiring the person to appear at any designated place to testify or to produce documentary or other evidence.

(3) NONCOMPLIANCE.—Any failure to obey the order of the court may be punished by the court as a contempt of court.

(c) WITNESS ALLOWANCES AND FEES.—

(1) IN GENERAL.—Section 1821 of title 28, United States Code, shall apply to a witness requested or subpoenaed to appear at a hearing of the Board.

(2) EXPENSES.—The per diem and mileage allowances for a witness shall be paid from funds available to pay the expenses of the Board.

(d) INFORMATION FROM FEDERAL AGENCIES.—The Board may, upon request, secure directly from a Federal agency, such information as the Board considers necessary to carry out this title, and the head of such agency shall promptly respond to any such request for the provision of information.

(e) INCORPORATION OF FEDERAL TRANSIT PROCESSES FOR BOARD STATEMENTS.—Section 5334(l) of title 49, United States Code, as added by section 3032 of the Federal Public Transportation Act of 2005 (Public Law 109–59, 119 Stat. 1627), shall apply to statements of the Board in the same manner and to the same extent as that section applies to statements of the Administrator of the Federal Transit Administration.

SEC. 922. QUALIFIED INFRASTRUCTURE PROJECT RATINGS.

(a) IN GENERAL.—Beginning on and after January 1, 2012, the Bank shall, upon application and otherwise in accordance with this section, designate infrastructure projects as qualified projects for purposes of assistance under this title.

(b) APPLICANTS.—The Bank shall accept applications for the designation of qualified infrastructure projects under this section from among public sponsors, for any infrastructure project having—

(1) a potential Federal commitment of an amount that is not less than $25,000,000;

(2) a public sponsor; and

(3) regional or national significance.

(c) GUIDELINES FOR DEVELOPING PROJECTS.—The Secretary shall establish guidelines to assist grant recipients under this title to develop applications for funding under this section.

(d) RATINGS.—In making a determination as to a designation of a qualified infrastructure project, the Board shall evaluate and rate each applicant based on the factors appropriate for that type of infrastructure project, which shall include—

(1) for any transit project—

(A) regional or national significance;

(B) promotion of economic growth;

(C) reduction in traffic congestion;

(D) environmental benefits, including reduction in pollution from reduced use of automobiles from direct trip reduction and indirect trip reduction through land use and density changes;

(E) urban land use policies, including those that promote smart growth; and

(F) mobility improvements;

(2) for any highway, bridge, or road project—

(A) regional or national significance;

(B) promotion of economic growth;

(C) reduction in traffic congestion;

(D) environmental improvement;

(E) urban land use policies, including those that promote smart growth; and

(F) mobility improvements; and

(3) for any water project—

(A) regional or national significance;

(B) promotion of economic growth;

(C) health benefits from the associated projects, including health care cost reduction due to removal of pollutants; and

(D) environmental benefits.

(e) DETERMINATION AMONG PROJECTS OF DIFFERENT INFRASTRUCTURE TYPES.—The Bank shall establish, by rule, comprehensive criteria for allocating qualified status among different types of infrastructure projects for purposes of this title—

(1) including—

(A) a full view of the project benefits, as compared to project costs;

(B) a preference for projects that have national or substantial regional impact;

(C) a preference for projects which leverage private financing, including public-private partnerships, for either the explicit cost of the project or for enhancements which increase the benefits of the project;

(D) an understanding of the importance of balanced investment in various types of infrastructure, as emphasized in the current allocation of Federal resources between modes; and

(E) an understanding of the importance of diverse investment in infrastructure in all regions of the country; and

(2) that do not eliminate any project based on size, but rather allow for selection of the projects that are most meritorious.

(f) PROCESS AND PERSONNEL FOR CREATING RATINGS PROCESS.—

(1) IN GENERAL.—The ratings processes described in this section shall be subject to Federal notice and rulemaking procedures.

(2) PARTICIPATION BY OTHER AGENCY PERSONNEL.—The ratings, and development of the ratings process, shall be conducted by personnel on detail to the Bank from the Department of Transportation, the United States Army Corps of Engineers, and other relevant departments and agencies from among individuals who are familiar with and experienced in the selection criteria for competitive projects. The Bank shall reimburse those departments and agencies for the staff which are on detail to the Bank.

(g) COMPLIANCE WITH OTHER APPLICABLE LAW.—Projects receiving financial assistance from the Bank under this section shall comply with applicable provisions of Federal law and regulations, including—

(1) for transit, requirements that would apply to a project receiving funding under section 5307 of title 49, United States Code;

(2) for roads and bridges, requirements that would apply to a project that receives funds apportioned under section 104(b)(3) of title 23, United States Code; and

(3) for water, requirements that would apply to a project that receives funds through a grant or loan under—

(A) section 103 of the Housing and Community Development Act of 1974 (42 U.S.C. 5303);

(B) section 1452 of the Public Health Service Act (42 U.S.C. 300j–12); or

(C) section 601 of the Federal Water Pollution Control Act (33 U.S.C. 1381), as that section applied before the beginning of fiscal year 1995.

(h) AUTHORITY TO DETERMINE FUNDING.—Notwithstanding any other provision of law, the Bank shall determine the appropriate Federal share of funds for each project described in subsection (g) for purposes of this title.

SEC. 923. DEVELOPMENT OF FINANCING PACKAGE.

(a) IN GENERAL.—Not later than 60 days after the date on which the Board determines appropriate financing packages for qualified infrastructure projects under section 922, the Board shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate.

(b) FINANCING PACKAGES.—The Board is authorized—

(1) to act as a centralized entity to provide financing for qualified infrastructure projects;

(2) to issue general purpose infrastructure bonds, and to provide direct subsidies to qualified infrastructure projects from amounts made available from the issuance of such bonds;

(3) to issue project-based infrastructure bonds for the financing of specific qualified infrastructure projects;

(4) to provide loan guarantees to State or local governments issuing debt to finance qualified infrastructure projects, under rules prescribed by the Board, in a manner similar to that described in chapter 6 of title 23, United States Code;

(5) to issue loans, at varying interest rates, including very low interest rates, to qualified project sponsors for qualified projects;

(6) to leverage resources and stimulate public and private investment in infrastructure; and

(7) to encourage States to create additional opportunities for the financing of infrastructure projects.

(c) GENERAL PURPOSE AND INFRASTRUCTURE BONDS.—General purpose and project-based infrastructure bonds issued by the Bank under this title shall be subject to such terms and limitations as may be established by rules of the Bank, in consultation with the Secretary of the Treasury.

(d) BOND OBLIGATION LIMIT.—The aggregate outstanding amount of all bonds authorized to be issued under this title may not exceed $60,000,000,000.

(e) FULL FAITH AND CREDIT.—Any obligation issued by the Bank under this title shall be an obligation supported by the full faith and credit of the United States.

(f) LIMITATION ON FUNDS FROM BOND ISSUANCE.—Not more than 1 percent of funds resulting from the issuance of bonds under this title may be used to fund the operations of the Bank.

SEC. 924. COUPON NOTES FOR HOLDERS OF INFRASTRUCTURE BONDS.

(a) ISSUANCE OF COUPON NOTES.—Under regulations prescribed by the Bank, in consultation with the Secretary of the Treasury, there may be a separation (including at issuance) of the ownership of an infrastructure bond and the entitlement to the interest with respect to such bond (in this section referred to as a ''coupon note''). In case of any such separation, such interest shall be allowed to the person who on the payment date holds the instrument evidencing the entitlement to the interest, and not to the holder of the bond.

(b) REDEMPTION OF COUPON NOTES.—A coupon note may be used by the owner thereof for the purpose of making any payment to the Federal Government, and shall be accepted for such purpose by the Secretary of the Treasury, subject to rules issued by the Bank, in consultation with the Secretary of the Treasury.

SEC. 925. EXEMPTION FROM LOCAL TAXATION.

Bonds and other obligations issued by the Bank, and the interest on or credits with respect to its bonds or other obligations, shall not be subject to taxation by any State, county, municipality, or local taxing authority.

Subtitle C—Studies and Reports

SEC. 931. REPORT; DATABASE.

(a) REPORT.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate a report describing the activities of the Board, for the fiscal year covered by the report, relating to—

(1) the evaluations of qualified infrastructure projects under section 922; and

(2) the financing packages of qualified infrastructure projects under section 1023.

(b) DATABASE.—The Bank shall develop, maintain, and update a publicly-accessible database that contains—

(1) a description of each qualified infrastructure project that receives funding from the Bank under this title—

(A) by project mode or modes;

(B) by project location;

(C) by project sponsor or sponsors; and

(D) by project total cost;

(2) the amount of funding that each qualified infrastructure project receives from the Bank under this title; and

(3) the form of financing that each qualified infrastructure project receives from the Bank under section 923.

SEC. 932. STUDY AND REPORT ON INFRASTRUCTURE FINANCING MECHANISMS.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, and every 3 years thereafter, the Board shall conduct a study evaluating the effectiveness of each Federal financing mechanism that is used to support an infrastructure system of the United States.

(b) REQUIREMENTS.—A study conducted under subsection (a) shall—

(1) evaluate the economic efficacy and transparency of each financing mechanism used by—

(A) the Bank to fund qualified infrastructure projects; and

(B) each agency and department of the Federal Government to support infrastructure systems, including—

(i) infrastructure formula funding;

(ii) user fees; and

(iii) modal taxes; and

(2) contain recommendations for improving each funding mechanism evaluated under subparagraphs (A) and (B) of paragraph (1) to increase the economic efficacy and transparency of the Bank, and each agency and department of the Federal Government, to finance infrastructure projects in the United States.

(c) REPORT.—Not later than 30 days after the date on which the Board completes the study conducted under subsection (a), the Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate, a report containing each evaluation and recommendation contained in the study.

SEC. 933. GAO REPORT.

Not later than 5 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate, a report evaluating the activities of the Bank for the fiscal years covered by the report, including—

(1) the evaluations of qualified infrastructure projects under section 922; and

(2) the financing packages of qualified infrastructure projects under section 923.

TITLE X—EXTENSION OF TRADE PROGRAMS

Subtitle A—Trust Funds

SEC. 1001. MODIFICATION OF WOOL APPAREL MANUFACTURERS TRUST FUND.

(a) IN GENERAL.—Section 4002(c)(2)(A) of the Miscellaneous Trade and Technical Corrections Act of 2004 (Public Law 108–429; 118 Stat. 2600) is amended by striking ''chapter 51'' and inserting ''chapter 62''.

(b) FULL RESTORATION OF PAYMENT LEVELS IN CALENDAR YEAR 2010.—

(1) TRANSFER OF AMOUNTS.—

(A) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Treasury shall transfer to the Wool Apparel Manufacturers Trust Fund, out of the general fund of the Treasury of the United States, amounts determined by the Secretary of the Treasury to be equivalent to amounts received in the general fund that are attributable to the duty received on articles classified under chapter 62 of the Harmonized Tariff Schedule of the United States, subject to the limitation in subparagraph (B).

(B) LIMITATION.—The Secretary of the Treasury shall not transfer more than the amount determined by the Secretary to be necessary for—

(i) U.S. Customs and Border Protection to make payments to eligible manufacturers under section 4002(c)(3) of the Miscellaneous Trade and Technical Corrections Act of 2004 so that the amount of such payments, when added to any other payments made to eligible manufacturers under section 4002(c)(3) of such Act for calendar year 2010, equal the total amount of payments authorized to be provided to eligible manufacturers under section 4002(c)(3) of such Act for calendar year 2010; and

(ii) the Secretary of Commerce to provide grants to eligible manufacturers under section 4002(c)(6) of the Miscellaneous Trade and Technical Corrections Act of 2004 so that the amounts of such grants, when added to any other grants made to eligible manufacturers under section 4002(c)(6) of such Act for calendar year 2010, equal the total amount of grants authorized to be provided to eligible manufacturers under section 4002(c)(6) of such Act for calendar year 2010.

(2) PAYMENT OF AMOUNTS.—U.S. Customs and Border Protection shall make payments described in paragraph (1) to eligible manufacturers not later than 30 days after such transfer of amounts from the general fund of the Treasury of the United States to the Wool Apparel Manufacturers Trust Fund. The Secretary of Commerce shall promptly provide grants described in paragraph (1) to eligible manufacturers after such transfer of amounts from the general fund of the Treasury of the United States to the Wool Apparel Manufacturers Trust Fund.

(c) RULE OF CONSTRUCTION.—The amendment made by subsection (a) shall not be construed to affect the availability of amounts transferred to the Wool Apparel Manufacturers Trust Fund before the date of the enactment of this Act.

SEC. 1002. EXTENSIONS OF DUTY SUSPENSIONS ON COTTON SHIRTING FABRICS AND RELATED PROVISIONS.

(a) EXTENSIONS.—Each of the following headings of the Harmonized Tariff Schedule of the United States is amended by striking the date in the effective date column and inserting ''12/31/2013'':

(1) Heading 9902.52.08 (relating to woven fabrics of cotton).

(2) Heading 9902.52.09 (relating to woven fabrics of cotton).

(3) Heading 9902.52.10 (relating to woven fabrics of cotton).

(4) Heading 9902.52.11 (relating to woven fabrics of cotton).

(5) Heading 9902.52.12 (relating to woven fabrics of cotton).

(6) Heading 9902.52.13 (relating to woven fabrics of cotton).

(7) Heading 9902.52.14 (relating to woven fabrics of cotton).

(8) Heading 9902.52.15 (relating to woven fabrics of cotton).

(9) Heading 9902.52.16 (relating to woven fabrics of cotton).

(10) Heading 9902.52.17 (relating to woven fabrics of cotton).

(11) Heading 9902.52.18 (relating to woven fabrics of cotton).

(12) Heading 9902.52.19 (relating to woven fabrics of cotton).

(13) Heading 9902.52.20 (relating to woven fabrics of cotton).

(14) Heading 9902.52.21 (relating to woven fabrics of cotton).

(15) Heading 9902.52.22 (relating to woven fabrics of cotton).

(16) Heading 9902.52.23 (relating to woven fabrics of cotton).

(17) Heading 9902.52.24 (relating to woven fabrics of cotton).

(18) Heading 9902.52.25 (relating to woven fabrics of cotton).

(19) Heading 9902.52.26 (relating to woven fabrics of cotton).

(20) Heading 9902.52.27 (relating to woven fabrics of cotton).

(21) Heading 9902.52.28 (relating to woven fabrics of cotton).

(22) Heading 9902.52.29 (relating to woven fabrics of cotton).

(23) Heading 9902.52.30 (relating to woven fabrics of cotton).

(24) Heading 9902.52.31 (relating to woven fabrics of cotton).

(b) EXTENSION OF DUTY REFUNDS AND PIMA COTTON TRUST FUND; MODIFICATION OF AFFIDAVIT REQUIREMENTS.—Section 407 of title IV of division C of the Tax Relief and Health Care Act of 2006 (Public Law 109–432; 120 Stat. 3060) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking ''amounts determined by the Secretary'' and all that follows through ''5208.59.80'' and inserting ''amounts received in the general fund that are attributable to duties received since January 1, 2004, on articles classified under heading 5208''; and

(B) in paragraph (2), by striking ''October 1, 2008'' and inserting ''December 31, 2013'';

(2) in subsection (d)—

(A) in the matter preceding paragraph (1), by inserting ''annually'' after ''provided''; and

(B) in paragraph (1), by inserting ''during the year in which the affidavit is filed and'' after ''imported cotton fabric''; and

(3) in subsection (f)—

(A) in the matter preceding paragraph (1), by inserting ''annually'' after ''provided''; and

(B) in paragraph (1), by inserting ''during the year in which the affidavit is filed and'' after ''United States''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and apply with respect to affidavits filed on or after such date of enactment.

Subtitle B—Extension of Trade Adjustment Assistance

SEC. 1011. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 1893(a) of the Trade and Globalization Adjustment Assistance Act of 2009 (Public Law 111–5; 123 Stat. 422) is amended by striking ''2011'' each place it appears and inserting ''2012''.

(b) APPLICATION OF PRIOR LAW.—Section 1893(b) of the Trade and Globalization Adjustment Assistance Act of 2009 (Public Law 111–5; 123 Stat. 422 (19 U.S.C. 2271 note prec.)) is amended to read as follows:

''(b) APPLICATION OF PRIOR LAW.—Chapters 2, 3, 4, 5, and 6 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) shall be applied and administered beginning January 1, 2012, as if the amendments made by this subtitle (other than part VI) had never been enacted, except that in applying and administering such chapters—

''(1) section 245 of that Act shall be applied and administered by substituting '2012' for '2007';

''(2) section 246(b)(1) of that Act shall be applied and administered by substituting 'December 31, 2012' for 'the date that is 5 years' and all that follows through 'State';

''(3) section 256(b) of that Act shall be applied and administered by substituting 'the

1-year period beginning January 1, 2012' for 'each of fiscal years 2003 through 2007, and $4,000,000 for the 3-month period beginning on October 1, 2007';

''(4) section 298(a) of that Act shall be applied and administered by substituting 'the 1-year period beginning January 1, 2012' for 'each of the fiscal years' and all that follows through 'October 1, 2007'; and

''(5) subject to subsection (a)(2), section 285 of that Act shall be applied and administered—

''(A) in subsection (a), by substituting '2012' for '2007' each place it appears; and

''(B) by applying and administering subsection (b) as if it read as follows:

'''(b) OTHER ASSISTANCE.—

'''(1) ASSISTANCE FOR FIRMS.—

'''(A) IN GENERAL.—Except as provided in subparagraph (B), assistance may not be provided under chapter 3 after December 31, 2012.

'''(B) EXCEPTION.—Notwithstanding subparagraph (A), any assistance approved under chapter 3 on or before December 31, 2012, may be provided—

'''(i) to the extent funds are available pursuant to such chapter for such purpose; and

'''(ii) to the extent the recipient of the assistance is otherwise eligible to receive such assistance.

'''(2) FARMERS.—

'''(A) IN GENERAL.—Except as provided in subparagraph (B), assistance may not be provided under chapter 6 after December 31, 2012.

'''(B) EXCEPTION.—Notwithstanding subparagraph (A), any assistance approved under chapter 6 on or before December 31, 2012, may be provided—

'''(i) to the extent funds are available pursuant to such chapter for such purpose; and

'''(ii) to the extent the recipient of the assistance is otherwise eligible to receive such assistance.'.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 236(a)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2296(a)(2)(A)) is amended to read as follows:

''(2)(A) The total amount of payments that may be made under paragraph (1) shall not exceed—

''(i) $575,000,000 for fiscal year 2011; and

''(ii) $143,750,000 for the period beginning October 1, 2011, and ending December 31, 2011.''.

(2) Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking ''2010'' and inserting ''2011''.

(3) Section 246(b)(1) of the Trade Act of 1974 (19 U.S.C. 2318(b)(1)) is amended by striking ''2010'' and inserting ''2011''.

(4) Section 255(a) of the Trade Act of 1974 (19 U.S.C. 2345(a)) is amended to read as follows:

''(a) IN GENERAL.—

''(1) AUTHORIZATION.—There are authorized to be appropriated to the Secretary to carry out the provisions of this chapter—

''(A) $50,000,000 for fiscal year 2011; and

''(B) $12,501,000 for the period beginning October 1, 2011, and ending December 31, 2011.

''(2) AVAILABILITY OF APPROPRIATIONS.—Amounts appropriated pursuant to this subsection shall remain available until expended.''.

(5) Section 275(f) of the Trade Act of 1974 (19 U.S.C. 2371d(f)) is amended by striking ''2011'' and inserting ''2012''.

(6) Section 276(c)(2) of the Trade Act of 1974 (19 U.S.C. 2371e(c)(2)) is amended to read as follows:

''(2) FUNDS TO BE USED.—Of the funds appropriated pursuant to section 277(c), the Secretary may make available, to provide grants to eligible communities under paragraph (1), not more than—

''(A) $25,000,000 for fiscal year 2011; and

''(B) $6,250,000 for the period beginning October 1, 2011, and ending December 31, 2011.''.

(7) Section 277(c) of the Trade Act of 1974 (19 U.S.C. 2371f(c)) is amended—

(A) by amending paragraph (1) to read as follows:

''(1) IN GENERAL.—There are authorized to be appropriated to the Secretary to carry out this subchapter—

''(A) $150,000,000 for fiscal year 2011; and

''(B) $37,500,000 for the period beginning October 1, 2011, and ending December 31, 2011.''; and

(B) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(8) Section 278(e) of the Trade Act of 1974 (19 U.S.C. 2372(e)) is amended by striking ''2011'' and inserting ''2012''.

(9) Section 279A(h)(2) of the Trade Act of 1974 (19 U.S.C. 2373(h)(2)) is amended by striking ''2011'' and inserting ''2012''.

(10) Section 279B(a) of the Trade Act of 1974 (19 U.S.C. 2373a(a)) is amended to read as follows:

''(a) IN GENERAL.—

''(1) AUTHORIZATION.—There are authorized to be appropriated to the Secretary of Labor to carry out the Sector Partnership Grant program under section 279A—

''(A) $40,000,000 for fiscal year 2011; and

''(B) $10,000,000 for the period beginning October 1, 2011, and ending December 31, 2011.

''(2) AVAILABILITY OF APPROPRIATIONS.—Funds appropriated pursuant to this section shall remain available until expended.''.

(11) Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended—

(A) by striking ''2010'' each place it appears and inserting ''2011''; and

(B) in subsection (a)(2)(A), by inserting ''pursuant to petitions filed under section 221 before January 1, 2012'' after ''title''.

(12) Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended by striking ''for each of the fiscal years 2009 and 2010, and $22,500,000 for the period beginning October 1, 2010, and ending December 31, 2010'' and inserting ''for the 1-year period beginning January 1, 2011''.

(13) The table of contents for the Trade Act of 1974 is amended by striking the item relating to section 235 and inserting the following:

''Sec. 235. Employment and case management services.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2011.

TITLE XI—EMERGENCY SENIOR CITIZENS RELIEF ACT

SEC. 1101. SHORT TITLE.

This title may be cited as the ''Emergency Senior Citizens Relief Act of 2010''.

SEC. 1102. EXTENSION AND MODIFICATION OF CERTAIN ECONOMIC RECOVERY PAYMENTS.

(a) EXTENSION AND MODIFICATION OF PAYMENTS.—Section 2201 of the American Recovery and Reinvestment Tax Act of 2009 is amended—

(1) in subsection (a)(1)(A)—

(A) by inserting ''for each of calendar years 2009 and 2011'' after ''shall disburse'',

(B) by inserting ''(for purposes of payments made for calendar year 2009), or the 3-month period ending with December 2010 (for purposes of payments made for calendar year 2011)'' after ''the date of the enactment of this Act'', and

(C) by adding at the end the following new sentence: ''In the case of an individual who is eligible for a payment under the preceding sentence by reason of entitlement to a benefit described in subparagraph (B)(i), no such payment shall be made to such individual for calendar year 2011 unless such individual was paid a benefit described in such subparagraph (B)(i) for any month in the 12-month period ending with December 2010.'',

(2) in subsection (a)(1)(B)(iii), by inserting ''(for purposes of payments made under this paragraph for calendar year 2009), or the 3-month period ending with December 2010 (for purposes of payments made under this paragraph for calendar year 2011)'' before the period at the end,

(3) in subsection (a)(2)—

(A) by inserting '', or who are utilizing a foreign or domestic Army Post Office, Fleet Post Office, or Diplomatic Post Office address'' after ''Northern Mariana Islands'', and

(B) by striking ''current address of record'' and inserting ''address of record, as of the date of certification under subsection (b) for a payment under this section'',

(4) in subsection (a)(3)—

(A) by inserting ''per calendar year (determined with respect to the calendar year for which the payment is made, and without regard to the date such payment is actually paid to such individual)'' after ''only 1 payment under this section'', and

(B) by inserting ''FOR THE SAME YEAR'' after ''PAYMENTS'' in the heading thereof,

(5) in subsection (a)(4)—

(A) by inserting ''(or, in the case of subparagraph (D), shall not be due)'' after ''made'' in the matter preceding subparagraph (A),

(B) by striking subparagraph (A) and inserting the following:

''(A) in the case of an individual entitled to a benefit specified in paragraph (1)(B)(i) or paragraph (1)(B)(ii)(VIII) if—

''(i) for the most recent month of such individual's entitlement in the applicable 3-month period described in paragraph (1); or

''(ii) for any month thereafter which is before the month after the month of the payment;

such individual's benefit under such paragraph was not payable by reason of subsection (x) or (y) of section 202 of the Social Security Act (42 U.S.C. 402) or section 1129A of such Act (42 U.S.C. 1320a-8a);'',

(C) in subparagraph (B), by striking ''3 month period'' and inserting ''applicable 3-month period'',

(D) by striking subparagraph (C) and inserting the following:

''(C) in the case of an individual entitled to a benefit specified in paragraph (1)(C) if—

''(i) for the most recent month of such individual's eligibility in the applicable 3-month period described in paragraph (1); or

''(ii) for any month thereafter which is before the month after the month of the payment;

such individual's benefit under such paragraph was not payable by reason of subsection (e)(1)(A) or (e)(4) of section 1611 (42 U.S.C. 1382) or section 1129A of such Act (42 U.S.C. 1320a-8a); or'',

(E) by striking subparagraph (D) and inserting the following:

''(D) in the case of any individual whose date of death occurs—

''(i) before the date of the receipt of the payment; or

''(ii) in the case of a direct deposit, before the date on which such payment is deposited into such individual's account.'',

(F) by adding at the end the following flush sentence:

''In the case of any individual whose date of death occurs before a payment is negotiated (in the case of a check) or deposited (in the case of a direct deposit), such payment shall not be due and shall not be reissued to the estate of such individual or to any other person.'', and

(G) by adding at the end, as amended by subparagraph (F), the following new sentence: ''Subparagraphs (A)(ii) and (C)(ii) shall apply only in the case of certifications under subsection (b) which are, or but for this paragraph would be, made after the date of the enactment of Emergency Senior Citizens Relief Act of 2010, and shall apply to such certifications without regard to the calendar year of the payments to which such certifications apply.''.

(6) in subsection (a)(5)—

(A) by inserting '', in the case of payments for calendar year 2009, and no later than April 30, 2011, in the case of payments for calendar year 2011'' before the period at the end of the first sentence of subparagraph (A), and

(B) by striking subparagraph (B) and inserting the following:

''(B) DEADLINE.—No payment for calendar year 2009 shall be disbursed under this section after December 31, 2010, and no payment for calendar year 2011 shall be disbursed under this section after December 31, 2012, regardless of any determinations of entitlement to, or eligibility for, such payment made after whichever of such dates is applicable to such payment.'',

(7) in subsection (b), by inserting ''(except that such certification shall be affected by a determination that an individual is an individual described in subparagraph (A), (B), (C), or (D) of subsection (a)(4) during a period described in such subparagraphs), and no individual shall be certified to receive a payment under this section for a calendar year if such individual has at any time been denied certification for such a payment for such calendar year by reason of subparagraph (A)(ii) or (C)(ii) of subsection (a)(4) (unless such individual is subsequently determined not to have been an individual described in either such subparagraph at the time of such denial)'' before the period at the end of the last sentence,

(8) in subsection (c), by striking paragraph (4) and inserting the following:

''(4) PAYMENTS SUBJECT TO OFFSET AND RECLAMATION.—Notwithstanding paragraph (3), any payment made under this section—

''(A) shall, in the case of a payment by direct deposit which is made after the date of the enactment of the Emergency Senior Citizens Relief Act of 2010, be subject to the reclamation provisions under subpart B of part 210 of title 31, Code of Federal Regulations (relating to reclamation of benefit payments); and

''(B) shall not, for purposes of section 3716 of title 31, United States Code, be considered a benefit payment or cash benefit made under the applicable program described in subparagraph (B) or (C) of subsection (a)(1), and all amounts paid shall be subject to offset under such section 3716 to collect delinquent debts.'',

(9) in subsection (e)—

(A) by striking ''2011'' and inserting ''2013'',

(B) by inserting ''section 1102(b) of the Emergency Senior Citizens Relief Act of 2010,'' after ''section 2202,'' in paragraph (1), and

(C) by adding at the following new paragraph:

''(5)(A) For the Secretary of the Treasury, an additional $5,200,000 for purposes described in paragraph (1).

''(B) For the Commissioner of Social Security, an additional $5,000,000 for the purposes described in paragraph (2)(B).

''(C) For the Railroad Retirement Board, an additional $600,000 for the purposes described in paragraph (3)(B).

''(D) For the Secretary of Veterans Affairs, an additional $625,000 for the Information Systems Technology account''.

(b) EXTENSION OF SPECIAL CREDIT FOR CERTAIN GOVERNMENT RETIREES.—

(1) IN GENERAL.—In the case of an eligible individual (as defined in section 2202(b) of the American Recovery and Reinvestment Tax Act of 2009, applied by substituting ''2011'' for ''2009''), with respect to the first taxable year of such individual beginning in 2011, section 2202 of the American Recovery and Reinvestment Tax Act of 2009 shall be applied by substituting ''2011'' for ''2009'' each place it appears.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 36A of the Internal Revenue Code of 1986 is amended by inserting '', and any credit allowed to the taxpayer under section 1102(b)(1) of the Emergency Senior Citizens Relief Act of 2010'' after ''the American Recovery and Reinvestment Tax Act of 2009''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) APPLICATION OF RULE RELATING TO DECEASED INDIVIDUALS.—The amendment made by subsection (a)(5)(F) shall take effect as if included in section 2201 of the American Recovery and Reinvestment Tax Act of 2009.

TITLE XII—TANF EMERGENCY FUND

SEC. 1201. EXTENSION OF TANF EMERGENCY FUND.

(a) IN GENERAL.—Effective as if included in the enactment of Public Law 111–5, section 403(c) of the Social Security Act (42 U.S.C. 603(c)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by inserting '', and for fiscal year 2011, $1,500,000,000'' before ''for payment'';

(B) in subparagraph (B)—

(i) by inserting ''for fiscal year 2009'' after ''under subparagraph (A)'';

(ii) by inserting ''and the amounts appropriated under such subparagraph for fiscal year 2011 shall remain available only through fiscal year 2011'' after ''fiscal year 2010''; and

(iii) by striking ''and 2010'' and inserting '', 2010, and 2011'';

(C) in subparagraph (C), by striking ''2010'' and inserting ''2011'';

(2) in paragraph (3)—

(A) in subparagraph (A)(i), in the matter preceding subclause (I), by striking ''or 2010'' and inserting '', 2010, or 2011'';

(B) in subparagraph (B)(i), in the matter preceding subclause (I), by striking ''or 2010'' and inserting '', 2010, or 2011'';

(C) subparagraph (C)(i), in the matter preceding subclause (I), by striking ''or 2010'' and inserting '', 2010, or 2011'';

(3) in paragraph (5), by striking ''and 2010'' and inserting '', 2010, and 2011''; and

(4) in paragraph (9)(B)(i), by striking ''or 2008'' and inserting '', 2008, or 2009''.

(b) CONFORMING AMENDMENTS.—Effective as if included in the enactment of Public Law 111–5, section 2101 of Public Law 111–5 is amended—

(1) in subsection (a)(2)—

(A) by striking ''2010'' and inserting ''2011''; and

(B) by striking the comma after ''repealed'' and all that follows through the period and inserting a period; and

(2) in subsection (d)(1), by striking ''2010'' and inserting ''2011''.

(c) ADMINISTRATION.—Section 403(c) of the Social Security Act (42 U.S.C. 603(c)) and section 2101 of Public Law 111–5 shall be applied and administered—

(1) as if the repeals made under subsections (a)(2) and (d)(1) of such section 2101 (as in effect on the day before the date of enactment of this Act) had never taken effect; and

(2) notwithstanding section 811(a) of Public Law 111–291, in accordance with the amendments made by this section for fiscal year 2011.

TITLE XIII—BUDGETARY PROVISIONS

SEC. 1301. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

SEC. 1302. EMERGENCY DESIGNATIONS.

(a) STATUTORY PAYGO.—This Act is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)) except to the extent that the budgetary effects of this Act are determined to be subject to the current policy adjustments under sections 4(c) and 7 of the Statutory Pay-As-You-Go Act.

(b) SENATE.—In the Senate, this Act is designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

(c) HOUSE OF REPRESENTATIVES.—In the House of Representatives, every provision of this Act is expressly designated as an emergency for purposes of pay-as-you-go principles except to the extent that any such provision is subject to the current policy adjustments under section 4(c) of the Statutory Pay-As-You-Go Act of 2010.

SA 4796. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the first word and insert the following:

1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2010'' both places it appears and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) APPLICATION TO TAXPAYERS WITH INCOME OF $250,000 OR MORE.—

(1) INCOME TAX RATES.—

(A) 25- AND 28- PERCENT RATE BRACKETS MADE PERMANENT.—Paragraph (2) of section 1(i) is amended to read as follows:

''(2) 25- AND 28- PERCENT RATE BRACKETS.—The tables under subsections (a), (b), (c), (d), and (e) shall be applied—

''(A) by substituting '25%' for '28%' each place it appears (before the application of subparagraph (B)), and

''(B) by substituting '28%' for '31%' each place it appears.''.

(B) 33-PERCENT RATE BRACKET.—Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) 33-PERCENT RATE BRACKET.—

''(A) IN GENERAL.—In the case of taxable years beginning after December 31, 2010—

''(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer's taxable income in the fourth rate bracket shall be 33 percent to the extent such income does not exceed an amount equal to the excess of—

''(I) the applicable amount, over

''(II) the dollar amount at which such bracket begins, and

''(ii) the 36 percent rate of tax under such subsections shall apply only to the taxpayer's taxable income in such bracket in excess of the amount to which clause (i) applies.

''(B) APPLICABLE AMOUNT.—For purposes of this paragraph, the term 'applicable amount' means the excess of—

''(i) the applicable threshold, over

''(ii) the sum of the following amounts in effect for the taxable year:

''(I) the basic standard deduction (within the meaning of section 63(c)(2)), and

''(II) the exemption amount (within the meaning of section 151(d)(1) (or, in the case of subsection (a), 2 such exemption amounts).

''(C) APPLICABLE THRESHOLD.—For purposes of this paragraph, the term 'applicable threshold' means—

''(i) $250,000 in the case of subsection (a),

''(ii) $200,000 in the case of subsections (b) and (c), and

''(iii) ½ the amount applicable under clause (i) (after adjustment, if any, under subparagraph (E)) in the case of subsection (d).

''(D) FOURTH RATE BRACKET.—For purposes of this paragraph, the term 'fourth rate bracket' means the bracket which would (determined without regard to this paragraph) be the 36-percent rate bracket.

''(E) INFLATION ADJUSTMENT.—For purposes of this paragraph, a rule similar to the rule of paragraph (1)(C) shall apply with respect to taxable years beginning in calendar years after 2010, applied by substituting '2008' for '1992' in subsection (f)(3)(B).''.

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

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

(i) by striking ''the applicable amount'' the first place it appears in subsection (a) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(ii) by striking ''the applicable amount'' in subsection (a)(1) and inserting ''such applicable threshold'',

(iii) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively, and

(iv) by striking subsections (f) and (g).

(B) PHASEOUT OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.—

(i) IN GENERAL.—Paragraph (3) of section 151(d) is amended—

(I) by striking ''the threshold amount'' in subparagraphs (A) and (B) and inserting ''the applicable threshold in effect under section 1(i)(3)'',

(II) by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and

(III) by striking subparagraphs (E) and (F).

(ii) CONFORMING AMENDMENTS.—Paragraph (4) of section 151(d) is amended—

(I) by striking subparagraph (B),

(II) by redesignating clauses (i) and (ii) of subparagraph (A) as subparagraphs (A) and (B), respectively, and by indenting such subparagraphs (as so redesignated) accordingly, and

(III) by striking all that precedes ''in a calendar year after 1989,'' and inserting the following:

''(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning''.

(c) EFFECTIVE DATE.—Except as otherwise provided, the amendments made by this section shall apply to taxable years beginning after December 31, 2010.

SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) EXTENSION.—

(1) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2010'' and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

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

(1) IN GENERAL.—Paragraph (1) of section 1(h) is amended by striking subparagraph (C), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) and by inserting after subparagraph (B) the following new subparagraphs:

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable income) as exceeds the amount on which a tax is determined under subparagraph (B), or

''(ii) the excess (if any) of—

''(I) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 36 percent, over

''(II) the sum of the amounts on which a tax is determined under subparagraphs (A) and (B),

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

(2) DIVIDENDS.—Subparagraph (A) of section 1(h)(11) is amended by striking ''qualified dividend income'' and inserting ''so much of the qualified dividend income as does not exceed the excess (if any) of—

''(i) the amount of taxable income which would (without regard to this subsection) be taxed at a rate below 36 percent, over

''(ii) taxable income reduced by qualified dividend income.''.

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

''(C) 15 percent of the lesser of—

''(i) so much of the adjusted net capital gain (or, if less, taxable excess) as exceeds the amount on which tax is determined under subparagraph (B), or

''(ii) the excess described in section 1(h)(1)(C)(ii), plus

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

(c) CONFORMING AMENDMENTS.—

(1) The following provisions are each amended by striking ''15 percent'' and inserting ''20 percent'':

(A) Section 1445(e)(1).

(B) The second sentence of section 7518(g)(6)(A).

(C) Section 53511(f)(2) of title 46, United States Code.

(2) Sections 531 and 541 are each amended by striking ''15 percent of'' and inserting ''the produce of the highest rate of tax under section 1(c) and''.

(3) Sections 1(h)(1)(B) and 55(b)(3)(B) are each amended by striking ''5 percent (0 percent in the case of taxable years beginning after 2007)'' and inserting ''0 percent''.

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

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in otherwise provided, the amendments made by subsections (b) and (c) shall apply to taxable years beginning after December 31, 2010.

(2) WITHHOLDING.—The amendments made by paragraphs (1)(C) and (3) of subsection (c) shall apply to amounts paid on or after January 1, 2011.

SEC. 103. TEMPORARY EXTENSION OF 2009 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''and 2010'' each place it appears and inserting '', 2010, 2011, and 2012''.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE II—TEMPORARY EXTENSION OF INDIVIDUAL AMT RELIEF

SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

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

(1) by striking ''$70,950'' and all that follows through ''2009'' in subparagraph (A) and inserting ''$72,450 in the case of taxable years beginning in 2010 and $74,450 in the case of taxable years beginning in 2011'', and

(2) by striking ''$46,700'' and all that follows through ''2009'' in subparagraph (B) and inserting ''$47,450 in the case of taxable years beginning in 2010 and $48,450 in the case of taxable years beginning in 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

(c) REPEAL OF EGTRRA SUNSET.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset of provisions of such Act) shall not apply to title VII of such Act (relating to alternative minimum tax).

SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''or 2009'' and inserting ''2009, 2010, or 2011'', and

(2) by striking ''2009'' in the heading thereof and inserting ''2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

TITLE III—RESPONSIBLE ESTATE TAX REFORM

SEC. 301. SHORT TITLE.

This title may be cited as the ''Responsible Estate Tax Act''.

SEC. 302. REINSTATEMENT OF ESTATE TAX; REPEAL OF CARRYOVER BASIS.

(a) IN GENERAL.—Each provision of law amended by subtitle A or E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as such provision would read if such subtitle had never been enacted.

(b) CONFORMING AMENDMENT.—On and after January 1, 2011, paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as such paragraph would read if section 521(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) SPECIAL ELECTION WITH RESPECT TO ESTATES OF DECEDENTS DYING IN 2010.—Notwithstanding subsection (a), in the case of an estate of a decedent dying after December 31, 2009, and before January 1, 2011, the executor (within the meaning of section 2203 of the Internal Revenue Code of 1986) may elect to apply such Code as though the amendments made by subsection (a) do not apply with respect to chapter 11 of such Code and with respect to property acquired or passing from such decedent (within the meaning of section 1014(b) of such Code). Such election shall be made at such time and in such manner as the Secretary of the Treasury or the Secretary's delegate shall provide. Such an election once made shall be revocable only with the consent of the Secretary of the Treasury or the Secretary's delegate. For purposes of section 2652(a)(1) of such Code, the determination of whether any property is subject to the tax imposed by such chapter 11 shall be made without regard to any election made under this subsection.

(d) EXTENSION OF TIME FOR PERFORMING CERTAIN ACTS.—

(1) ESTATE TAX.—In the case of the estate of a decedent dying after December 31, 2009, and before the date of the enactment of this Act, the due date for—

(A) filing any return under section 6018 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) as such section is in effect after the date of the enactment of this Act without regard to any election under subsection (c),

(B) making any payment of tax under chapter 11 of such Code, and

(C) making any disclaimer described in section 2518(b) of such Code of an interest in property passing by reason of the death of such decedent,

shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(2) GENERATION-SKIPPING TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before the date of the enactment of this Act, the due date for filing any return under section 2662 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, and transfers made, after December 31, 2009.

SEC. 303. MODIFICATION OF RATES AND MAINTENANCE OF UNIFIED CREDIT AGAINST THE ESTATE TAX.

(a) MODIFICATION OF RATES.—

(1) IN GENERAL.—The table in paragraph (1) of section 2001(c) is amended by striking the last 6 rows and inserting the following:

''Over $750,000 but not over $3,500,000.	$248,300 plus 39 percent of the excess of such amount over $750,000
Over $3,500,000 but not over $10,000,000.	$1,320,800 plus 45 percent of the excess of such amount over $3,500,000
Over $10,000,000 but not over $50,000,000.	$4,245,800 plus 50 percent of the excess of the excess of such amount over $10,000,000''.
Over $50,000,000	$24,245,800 plus 55 percent of the excess of such amount over $50,000,000''.

(2) SURTAX ON WEALTHY ESTATES.—Paragraph (2) of section 2001(c) is amended to read as follows:

''(2) SURTAX ON ESTATES OVER $500,000,000.—Notwithstanding paragraph (1), if the amount with respect to which the tentative tax to be computed is over $500,000,000, the rate of tax otherwise in effect under this subsection with respect to the amount in excess of $500,000,000 shall be increased by 10 percentage points.''.

(b) EXTENSION OF 2009 APPLICABLE CREDIT AMOUNT.—The table in subsection (c) of section 2010 (relating to applicable credit amount) is amended by inserting ''and thereafter'' after ''2009''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2009.

SEC. 304. MODIFICATION OF RULES FOR VALUE OF CERTAIN FARM, ETC., REAL PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 2032A(a) is amended by striking ''$750,000'' and inserting ''$3,000,000''.

(b) INFLATION ADJUSTMENT.—Paragraph (3) of section 2032A(a) is amended—

(1) by striking ''1998'' and inserting ''2009'',

(2) by striking ''$750,000'' and inserting ''$3,000,000'' in subparagraph (A), and

(3) by striking ''calendar year 1997'' and inserting ''calendar year 2008'' in subparagraph (B).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying, and gifts made, after December 31, 2009.

SEC. 305. MODIFICATION OF ESTATE TAX RULES WITH RESPECT TO LAND SUBJECT TO CONSERVATION EASEMENTS.

(a) MODIFICATION OF EXCLUSION LIMITATION.—The table in paragraph (3) of section 2031(c) is amended—

(1) by striking ''or thereafter'' in the last row and inserting ''through 2009'', and

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

''2010 and thereafter ..... $2,000,000''.

(b) MODIFICATION OF APPLICABLE PERCENTAGE.—Paragraph (2) of section 2031(c) is amended by striking ''40 percent'' and inserting ''60 percent''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after December 31, 2009.

SEC. 306. CONSISTENT BASIS REPORTING BETWEEN ESTATE AND PERSON ACQUIRING PROPERTY FROM DECEDENT.

(a) CONSISTENT USE OF BASIS.—

(1) PROPERTY ACQUIRED FROM A DECEDENT.—Section 1014 is amended by adding at the end the following new subsection:

''(f) BASIS MUST BE CONSISTENT WITH ESTATE TAX VALUE.—

''(1) IN GENERAL.—For purposes of this section, the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the value of such interest as finally determined for purposes of chapter 11.

''(2) SPECIAL RULE WHERE NO FINAL DETERMINATION.—In any case in which the value of property has not been finally determined under chapter 11 and there has been a statement furnished under section 6035(a), the value used to determine the basis of any interest in property in the hands of the person acquiring such property shall not exceed the amount reported on the statement furnished under section 6035(a).

''(3) REGULATIONS.—The Secretary may by regulations provide exceptions to the application of this subsection.''.

(2) PROPERTY ACQUIRED BY GIFTS AND TRANSFERS IN TRUST.—Section 1015 is amended by adding at the end the following new subsection:

''(f) BASIS MUST BE CONSISTENT WITH GIFT TAX VALUE.—

''(1) IN GENERAL.—For purposes of this section, the fair market value of any interest in property at the time of the gift of that interest shall not exceed the value of such interest as finally determined for purposes of chapter 12.

''(2) SPECIAL RULE WHERE NO FINAL DETERMINATION.—In any case in which the value of property has not been finally determined under chapter 12 and there has been a statement furnished under section 6035(b), the fair market value of any interest in property at the time of the gift of that interest shall not exceed the amount reported on the statement furnished under section 6035(b).

''(3) REGULATIONS.—The Secretary may by regulations provide exceptions to the application of this subsection.''.

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 is amended by inserting after section 6034A the following new section:

''SEC. 6035. BASIS INFORMATION TO PERSONS ACQUIRING PROPERTY FROM DECEDENT OR BY GIFT.

''(a) INFORMATION WITH RESPECT TO PROPERTY ACQUIRED FROM DECEDENTS.—

''(1) IN GENERAL.—The executor of any estate required to file a return under section 6018(a) shall furnish to the Secretary and to each person acquiring any interest in property included in the decedent's gross estate for Federal estate tax purposes a statement identifying the value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

''(2) STATEMENTS BY BENEFICIARIES.—Each person required to file a return under section 6018(b) shall furnish to the Secretary and to each other person who holds a legal or beneficial interest in the property to which such return relates a statement identifying the information described in paragraph (1).

''(3) TIME FOR FURNISHING STATEMENT.—

''(A) IN GENERAL.—Each statement required to be furnished under paragraph (1) or (2) shall be furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of—

''(i) the date which is 30 days after the date on which the return under section 6018 was required to be filed (including extensions, if any), or

''(ii) the date which is 30 days after the date such return is filed.

''(B) ADJUSTMENTS.—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) or (2) after such statement has been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

''(b) INFORMATION WITH RESPECT TO PROPERTY ACQUIRED BY GIFT.—

''(1) IN GENERAL.—Each person making a transfer by gift who is required to file a return under section 6019 with respect to such transfer shall furnish to the Secretary and to each person acquiring any interest in property by reason of such transfer a statement identifying the fair market value of each interest in such property as reported on such return and such other information with respect to such interest as the Secretary may prescribe.

''(2) TIME FOR FURNISHING STATEMENT.—

''(A) IN GENERAL.—Each statement required to be furnished under paragraph (1) shall be furnished at such time as the Secretary may prescribe, but in no case at a time later than the earlier of—

''(i) the date which is 30 days after the date on which the return under section 6019 was required to be filed (including extensions, if any), or

''(ii) the date which is 30 days after the date such return is filed.

''(B) ADJUSTMENTS.—In any case in which there is an adjustment to the information required to be included on a statement filed under paragraph (1) after such statement has been filed, a supplemental statement under such paragraph shall be filed not later than the date which is 30 days after such adjustment is made.

''(c) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out this section, including regulations relating to—

''(1) applying this section to property with regard to which no estate or gift tax return is required to be filed, and

''(2) situations in which the surviving joint tenant or other recipient may have better information than the executor regarding the basis or fair market value of the property.''.

(2) PENALTY FOR FAILURE TO FILE.—

(A) RETURN.—Section 6724(d)(1) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) any statement required to be filed with the Secretary under section 6035.''.

(B) STATEMENT.—Section 6724(d)(2) is amended by striking ''or'' at the end of subparagraph (GG), by striking the period at the end of subparagraph (HH) and inserting '', or'', and by adding at the end the following new subparagraph:

''(II) section 6035 (other than a statement described in paragraph (1)(D)).''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6034A the following new item:

''Sec. 6035. Basis information to persons acquiring property from decedent or by gift.''.

(c) PENALTY FOR INCONSISTENT REPORTING.—

(1) IN GENERAL.—Subsection (b) of section 6662 is amended by inserting after paragraph (7) the following new paragraph:

''(8) Any inconsistent estate or gift basis.''.

(2) INCONSISTENT BASIS REPORTING.—Section 6662 is amended by adding at the end the following new subsection:

''(k) INCONSISTENT ESTATE OR GIFT BASIS REPORTING.—For purposes of this section, the term 'inconsistent estate or gift basis' means—

''(1) in the case of property acquired from a decedent, a basis determination with respect to such property which is not consistent with the requirements of section 1014(f), and

''(2) in the case of property acquired by gift, a basis determination with respect to such property which is not consistent with the requirements of section 1015(f).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers for which returns are filed after the date of the enactment of this Act.

SEC. 307. VALUATION RULES FOR CERTAIN TRANSFERS OF NONBUSINESS ASSETS; LIMITATION ON MINORITY DISCOUNTS.

(a) IN GENERAL.—Section 2031 (relating to definition of gross estate) is amended by redesignating subsection (d) as subsection (f) and by inserting after subsection (c) the following new subsections:

''(d) VALUATION RULES FOR CERTAIN TRANSFERS OF NONBUSINESS ASSETS.—For purposes of this chapter and chapter 12—

''(1) IN GENERAL.—In the case of the transfer of any interest in an entity other than an interest which is actively traded (within the meaning of section 1092)—

''(A) the value of any nonbusiness assets held by the entity with respect to such interest shall be determined as if the transferor had transferred such assets directly to the transferee (and no valuation discount shall be allowed with respect to such nonbusiness assets), and

''(B) such nonbusiness assets shall not be taken into account in determining the value of the interest in the entity.

''(2) NONBUSINESS ASSETS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'nonbusiness asset' means any asset which is not used in the active conduct of 1 or more trades or businesses.

''(B) TREATMENT OF CERTAIN PASSIVE ASSETS.—Except as provided in subparagraph (C), a passive asset shall not be treated for purposes of subparagraph (A) as used in the active conduct of a trade or business unless—

''(i) the asset is property described in paragraph (1) or (4) of section 1221(a) or is a hedge with respect to such property, or

''(ii) the asset is real property used in the active conduct of 1 or more real property trades or businesses (within the meaning of section 469(c)(7)(C)) in which the transferor materially participates and with respect to which the transferor meets the requirements of section 469(c)(7)(B)(ii).

For purposes of clause (ii), material participation shall be determined under the rules of section 469(h), except that section 469(h)(3) shall be applied without regard to the limitation to farming activity.

''(C) EXCEPTION FOR WORKING CAPITAL.—Any asset (including a passive asset) which is held as a part of the reasonably required working capital needs of a trade or business shall be treated as used in the active conduct of a trade or business.

''(3) PASSIVE ASSET.—For purposes of this subsection, the term 'passive asset' means any—

''(A) cash or cash equivalents,

''(B) except to the extent provided by the Secretary, stock in a corporation or any other equity, profits, or capital interest in any entity,

''(C) evidence of indebtedness, option, forward or futures contract, notional principal contract, or derivative,

''(D) asset described in clause (iii), (iv), or (v) of section 351(e)(1)(B),

''(E) annuity,

''(F) real property used in 1 or more real property trades or businesses (as defined in section 469(c)(7)(C)),

''(G) asset (other than a patent, trademark, or copyright) which produces royalty income,

''(H) commodity,

''(I) collectible (within the meaning of section 401(m)), or

''(J) any other asset specified in regulations prescribed by the Secretary.

''(4) LOOK-THRU RULES.—

''(A) IN GENERAL.—If a nonbusiness asset of an entity consists of a 10-percent interest in any other entity, this subsection shall be applied by disregarding the 10-percent interest and by treating the entity as holding directly its ratable share of the assets of the other entity. This subparagraph shall be applied successively to any 10-percent interest of such other entity in any other entity.

''(B) 10-PERCENT INTEREST.—The term '10-percent interest' means—

''(i) in the case of an interest in a corporation, ownership of at least 10 percent (by vote or value) of the stock in such corporation,

''(ii) in the case of an interest in a partnership, ownership of at least 10 percent of the capital or profits interest in the partnership, and

''(iii) in any other case, ownership of at least 10 percent of the beneficial interests in the entity.

''(5) COORDINATION WITH SUBSECTION (b).—Subsection (b) shall apply after the application of this subsection.

''(e) LIMITATION ON MINORITY DISCOUNTS.—For purposes of this chapter and chapter 12, in the case of the transfer of any interest in an entity other than an interest which is actively traded (within the meaning of section 1092), no discount shall be allowed by reason of the fact that the transferee does not have control of such entity if the transferee and members of the family (as defined in section 2032A(e)(2)) of the transferee have control of such entity.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after the date of the enactment of this Act.

SEC. 308. REQUIRED MINIMUM 10-YEAR TERM, ETC., FOR GRANTOR RETAINED ANNUITY TRUSTS.

(a) IN GENERAL.—Subsection (b) of section 2702 is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and by moving such subparagraphs (as so redesignated) 2 ems to the right;

(2) by striking ''For purposes of'' and inserting the following:

''(1) IN GENERAL.—For purposes of'';

(3) by striking ''paragraph (1) or (2)'' in paragraph (1)(C) (as so redesignated) and inserting ''subparagraph (A) or (B)''; and

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

''(2) ADDITIONAL REQUIREMENTS WITH RESPECT TO GRANTOR RETAINED ANNUITIES.—For purposes of subsection (a), in the case of an interest described in paragraph (1)(A) (determined without regard to this paragraph) which is retained by the transferor, such interest shall be treated as described in such paragraph only if—

''(A) the right to receive the fixed amounts referred to in such paragraph is for a term of not less than 10 years,

''(B) such fixed amounts, when determined on an annual basis, do not decrease relative to any prior year during the first 10 years of the term referred to in subparagraph (A), and

''(C) the remainder interest has a value greater than zero determined as of the time of the transfer.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers made after the date of the enactment of this Act.

TITLE IV—TEMPORARY EXTENSION OF INVESTMENT INCENTIVES

SEC. 401. TEMPORARY EXTENSION OF INCREASED SMALL BUSINESS EXPENSING.

(a) DOLLAR LIMITATION.—Section 179(b)(1) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $125,000 in the case of taxable years beginning in 2012, and

''(D) $25,000 in the case of taxable years beginning after 2012.''.

(b) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $500,000 in the case of taxable years beginning in 2012, and

''(D) $200,000 in the case of taxable years beginning after 2012.''.

(c) INFLATION ADJUSTMENT.—Subsection (b) of section 179 is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning in calendar year 2012, the $125,000 and $500,000 amounts in paragraphs (1)(C) and (2)(C) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2006' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—

''(i) DOLLAR LIMITATION.—If the amount in paragraph (1) as increased under subparagraph (A) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(ii) PHASEOUT AMOUNT.—If the amount in paragraph (2) as increased under subparagraph (A) is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(d) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2012'' and inserting ''2013''.

(e) CONFORMING AMENDMENT.—Section 179(c)(2) is amended by striking ''2012'' and inserting ''2013''.

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

TITLE V—TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE AND RELATED MATTERS

SEC. 501. TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(A) by striking ''November 30, 2010'' each place it appears and inserting ''January 3, 2012'';

(B) in the heading for subsection (b)(2), by striking ''NOVEMBER 30, 2010'' and inserting ''JANUARY 3, 2012''; and

(C) in subsection (b)(3), by striking ''April 30, 2011'' and inserting ''June 9, 2012''.

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111–5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking ''December 1, 2010'' each place it appears and inserting ''January 4, 2012''; and

(B) in subsection (c), by striking ''May 1, 2011'' and inserting ''June 11, 2012''.

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110–449; 26 U.S.C. 3304 note) is amended by striking ''April 30, 2011'' and inserting ''June 10, 2012''.

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

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

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

''(G) the amendments made by section 501(a)(1) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010; and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Unemployment Compensation Extension Act of 2010 (Public Law 111–205).

SEC. 502. TEMPORARY MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.

(a) INDICATOR.—Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended, in the flush matter following paragraph (2), by inserting after the first sentence the following sentence: ''Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'two' were 'three' in subparagraph (1)(A).''.

(b) ALTERNATIVE TRIGGER.—Section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

''(2) Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'either' were 'any', the word ''both'' were 'all', and the figure '2' were '3' in clause (1)(A)(ii).''.

SEC. 503. TECHNICAL AMENDMENT RELATING TO COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.

(a) IN GENERAL.—Section 6402(f)(3)(C), as amended by section 801 of the Claims Resolution Act of 2010, is amended by striking ''is not a covered unemployment compensation debt'' and inserting ''is a covered unemployment compensation debt''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 801 of the Claims Resolution Act of 2010.

SEC. 504. TECHNICAL CORRECTION RELATING TO REPEAL OF CONTINUED DUMPING AND SUBSIDY OFFSET.

(a) IN GENERAL.—Section 822(2)(A) of the Claims Resolution Act of 2010 is amended by striking ''or'' and inserting ''and''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Claims Resolution Act of 2010.

SEC. 505. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

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

(1) by striking ''June 30, 2010'' and inserting ''June 30, 2011''; and

(2) by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

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

TITLE VI—EXTENSION OF MAKING WORK PAY CREDIT

SEC. 601. MAKING WORK PAY CREDIT.

(a) IN GENERAL.—Section 36A(e) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) TREATMENT OF POSSESSIONS.—Section 1001(b)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''2009 and 2010'' both places it appears and inserting ''2009, 2010, and 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE VII—TEMPORARY EXTENSION OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Energy

SEC. 701. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 702. NEW ENERGY EFFICIENT HOME CREDIT.

(a) IN GENERAL.—Subsection (g) of section 45L is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to homes acquired after December 31, 2009.

SEC. 703. SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.

(a) IN GENERAL.—Paragraph (3) of section 451(i) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to dispositions after December 31, 2009.

SEC. 704. EXTENSION OF GRANTS FOR SPECIFIED ENERGY PROPERTY IN LIEU OF TAX CREDITS.

(a) IN GENERAL.—Subsection (a) of section 1603 of division B of the American Recovery and Reinvestment Act of 2009 is amended—

(1) in paragraph (1), by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011'', and

(2) in paragraph (2)—

(A) by striking ''after 2010'' and inserting ''after 2011'', and

(B) by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011''.

(b) CONFORMING AMENDMENT.—Subsection (j) of section 1603 of division B of such Act is amended by striking ''2011'' and inserting ''2012''.

SEC. 705. EXTENSION OF PROVISIONS RELATED TO ALCOHOL USED AS FUEL.

(a) EXTENSION OF INCOME TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (1) of section 40(e) is amended—

(A) by striking ''December 31, 2010'' in subparagraph (A) and inserting ''December 31, 2011'', and

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended by striking ''2010'' both places it appears and inserting ''2011''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to sales and uses after December 31, 2010.

(d) EXTENSION OF ADDITIONAL DUTIES ON ETHANOL.—

(1) IN GENERAL.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''1/1/2011'' and inserting ''1/1/2012''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2011.

SEC. 706. ENERGY EFFICIENT APPLIANCE CREDIT.

(a) DISHWASHERS.—Paragraph (1) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting a comma, and by adding at the end the following new subparagraphs:

''(C) $25 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings),

''(D) $50 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 295 kilowatt hours per year and 4.25 gallons per cycle (4.75 gallons per cycle for dishwashers designed for greater than 12 place settings), and

''(E) $75 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 280 kilowatt hours per year and 4 gallons per cycle (4.5 gallons per cycle for dishwashers designed for greater than 12 place settings).''.

(b) CLOTHES WASHERS.—Paragraph (2) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $175 in the case of a top-loading clothes washer manufactured in calendar year 2011 which meets or exceeds a 2.2 modified energy factor and does not exceed a 4.5 water consumption factor, and

''(F) $225 in the case of a clothes washer manufactured in calendar year 2011—

''(i) which is a top-loading clothes washer and which meets or exceeds a 2.4 modified energy factor and does not exceed a 4.2 water consumption factor, or

''(ii) which is a front-loading clothes washer and which meets or exceeds a 2.8 modified energy factor and does not exceed a 3.5 water consumption factor.''.

(c) REFRIGERATORS.—Paragraph (3) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $150 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 30 percent less energy than the 2001 energy conservation standards, and

''(F) $200 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 35 percent less energy than the 2001 energy conservation standards.''.

(d) REBASING OF LIMITATIONS.—

(1) IN GENERAL.—Paragraph (1) of section 45M(e) is amended—

(A) by striking ''$75,000,000'' and inserting ''$25,000,000'', and

(B) by striking ''December 31, 2007'' and inserting ''December 31, 2010''.

(2) EXCEPTION FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended—

(A) by striking ''subsection (b)(3)(D)'' and inserting ''subsection (b)(3)(F)'', and

(B) by striking ''subsection (b)(2)(D)'' and inserting ''subsection (b)(2)(F)''.

(3) GROSS RECEIPTS LIMITATION.—Paragraph (3) of section 45M(e) is amended by striking ''2 percent'' and inserting ''4 percent''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (c) shall apply to appliances produced after December 31, 2010.

(2) LIMITATIONS.—The amendments made by subsection (d) shall apply to taxable years beginning after December 31, 2010.

SEC. 707. CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION.—Section 25C(g)(2) is amended by striking ''2010'' and inserting ''2011''.

(b) RETURN TO PRE-ARRA LIMITATIONS AND STANDARDS.—

(1) IN GENERAL.—Subsections (a) and (b) of section 25C are amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

''(1) 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year, and

''(2) the amount of the residential energy property expenditures paid or incurred by the taxpayer during such taxable year.

''(b) LIMITATIONS.—

''(1) LIFETIME LIMITATION.—The credit allowed under this section with respect to any taxpayer for any taxable year shall not exceed the excess (if any) of $500 over the aggregate credits allowed under this section with respect to such taxpayer for all prior taxable years ending after December 31, 2005.

''(2) WINDOWS.—In the case of amounts paid or incurred for components described in subsection (c)(2)(B) by any taxpayer for any taxable year, the credit allowed under this section with respect to such amounts for such year shall not exceed the excess (if any) of $200 over the aggregate credits allowed under this section with respect to such amounts for all prior taxable years ending after December 31, 2005.

''(3) LIMITATION ON RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—The amount of the credit allowed under this section by reason of subsection (a)(2) shall not exceed—

''(A) $50 for any advanced main air circulating fan,

''(B) $150 for any qualified natural gas, propane, or oil furnace or hot water boiler, and

''(C) $300 for any item of energy-efficient building property.''.

(2) MODIFICATION OF STANDARDS.—

(A) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by striking ''2000'' and all that follows through ''this section'' and inserting ''2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(B) WOOD STOVES.—Subparagraph (E) of section 25C(d)(3) is amended by striking '', as measured using a lower heating value''.

(C) OIL FURNACES AND HOT WATER BOILERS.—

(i) IN GENERAL.—Paragraph (4) of section 25C(d) is amended to read as follows:

''(4) QUALIFIED NATURAL GAS, PROPANE, OR OIL FURNACE OR HOT WATER BOILER.—The term 'qualified natural gas, propane, or oil furnace or hot water boiler' means a natural gas, propane, or oil furnace or hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 95.''.

(ii) CONFORMING AMENDMENT.—Clause (ii) of section 25C(d)(2)(A) is amended to read as follows:

''(ii) a qualified natural gas, propane, or oil furnace or hot water boiler, or''.

(D) EXTERIOR WINDOWS, DOORS, AND SKYLIGHTS.—

(i) IN GENERAL.—Subsection (c) of section 25C is amended by striking paragraph (4).

(ii) APPLICATION OF ENERGY STAR STANDARDS.—Paragraph (1) of section 25C(c) is amended by inserting ''an exterior window, a skylight, an exterior door,'' after ''in the case of'' in the matter preceding subparagraph (A).

(E) INSULATION.—Subparagraph (A) of section 25C(c)(2) is amended by striking ''and meets the prescriptive criteria for such material or system established by the 2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(3) SUBSIDIZED ENERGY FINANCING.—Subsection (e) of section 25C is amended by adding at the end the following new paragraph:

''(3) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures made by any individual with respect to any property, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 48(a)(4)(C)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2010.

SEC. 708. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) EXTENSION OF CREDIT.—Paragraph (2) of section 30C(g) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2010.

Subtitle B—Individual Tax Relief

SEC. 721. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking ''or 2009'' and inserting ''2009, 2010, or 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 722. DEDUCTION OF STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 723. CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 724. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 725. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2009.

(2) SPECIAL RULE.—For purposes of subsections (a)(6), (b)(3), and (d)(8) of section 408 of the Internal Revenue Code of 1986, at the election of the taxpayer (at such time and in such manner as prescribed by the Secretary of the Treasury) any qualified charitable distribution made after December 31, 2010, and before February 1, 2011, shall be deemed to have been made on December 31, 2010.

SEC. 726. PARITY FOR EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.

(a) IN GENERAL.—Paragraph (2) of section 132(f) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months after December 31, 2010.

SEC. 727. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

(a) IN GENERAL.—Subchapter A of chapter 65 is amended by adding at the end the following new section:

''SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.

''(b) TERMINATION.—Subsection (a) shall not apply to any amount received after December 31, 2012.''.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by adding at the end the following new item:

''Sec. 6409. Refunds disregarded in the administration of Federal programs and federally assisted programs.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 2009.

Subtitle C—Business Tax Relief

SEC. 731. RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 732. INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 733. NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Paragraph (1) of section 45D(f) is amended—

(1) by striking ''and'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F), and

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

''(G) $3,500,000,000 for 2010 and 2011.''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 45D(f) is amended by striking ''2014'' and inserting ''2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after 2009.

SEC. 734. RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45G is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2009.

SEC. 735. MINE RESCUE TEAM TRAINING CREDIT.

(a) IN GENERAL.—Subsection (e) of section 45N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 736. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subsection (f) of section 45P is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2009.

SEC. 737. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON AN INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 738. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 739. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORIES TO PUBLIC SCHOOLS.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(D) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 740. ENHANCED CHARITABLE DEDUCTION FOR CORPORATE CONTRIBUTIONS OF COMPUTER INVENTORY FOR EDUCATIONAL PURPOSES.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 741. ELECTION TO EXPENSE MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Subsection (g) of section 179E is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 742. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2009.

SEC. 743. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2009.

SEC. 744. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraphs (1)(C) and (2)(C) of section 871(k) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 745. RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 2010. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2009, and before the date of the enactment of this Act; and

(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

SEC. 746. EXCEPTIONS FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENT.—Section 953(e)(10) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 747. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Subparagraph (C) of section 954(c)(6) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 748. BASIS ADJUSTMENT TO STOCK OF S CORPS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 749. EMPOWERMENT ZONE TAX INCENTIVES.

(a) IN GENERAL.—Section 1391 is amended—

(1) by striking ''December 31, 2009'' in subsection (d)(1)(A)(i) and inserting ''December 31, 2011''; and

(2) by striking the last sentence of subsection (h)(2).

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

(1) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(2) by striking ''2014'' in the heading and inserting ''2016''.

(c) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary's designee) may provide.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2009.

SEC. 750. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''December 31, 2009'' each place it appears and inserting ''December 31, 2011''.

(b) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—Subsection (b) of section 1400A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) ZERO-PERCENT CAPITAL GAINS RATE.—

(1) ACQUISITION DATE.—Paragraphs (2)(A)(i), (3)(A), (4)(A)(i), and (4)(B)(i)(I) of section 1400B(b) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(2) LIMITATION ON PERIOD OF GAINS.—

(A) IN GENERAL.—Paragraph (2) of section 1400B(e) is amended—

(i) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(ii) by striking ''2014'' in the heading and inserting ''2016''.

(B) PARTNERSHIPS AND S-CORPS.—Paragraph (2) of section 1400B(g) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2016''.

(d) FIRST-TIME HOMEBUYER CREDIT.—Subsection (i) of section 1400C is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to periods after December 31, 2009.

(2) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—The amendment made by subsection (b) shall apply to bonds issued after December 31, 2009.

(3) ACQUISITION DATES FOR ZERO-PERCENT CAPITAL GAINS RATE.—The amendments made by subsection (c) shall apply to property acquired or substantially improved after December 31, 2009.

(4) HOMEBUYER CREDIT.—The amendment made by subsection (d) shall apply to homes purchased after December 31, 2009.

SEC. 751. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''August 31, 2011'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 752. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Section 54E(c)(1) is amended—

(1) by striking ''2008 and'' and inserting ''2008,'', and

(2) by inserting ''and $400,000,000 for 2011'' after ''2010,''.

(b) REPEAL OF REFUNDABLE CREDIT FOR QZABS.—Paragraph (3) of section 6431(f) is amended by inserting ''determined without regard to any allocation relating to the national zone academy bond limitation for 2011 or any carryforward of such allocation'' after ''54E)'' in subparagraph (A)(iii).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

SEC. 753. MORTGAGE INSURANCE PREMIUMS.

(a) IN GENERAL.—Clause (iv) of section 163(h)(3)(E) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2010.

SEC. 754. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

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

(1) by striking ''January 1, 2011'' and inserting ''January 1, 2012'', and

(2) by inserting ''AND 2011'' after ''2010'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after December 31, 2010.

Subtitle D—Temporary Disaster Relief Provisions

PART

Subpart A—New York Liberty Zone

SEC. 761. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Subparagraph (D) of section 1400L(d)(2) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2009.

Subpart B—GO Zone

SEC. 762. INCREASE IN REHABILITATION CREDIT.

(a) IN GENERAL.—Subsection (h) of section 1400N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 763. LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.

Section 1400N(c)(5) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

SEC. 764. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Paragraphs (2)(D) and (7)(C) of section 1400N(a) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—Sections 702(d)(1) and 704(a) of the Heartland Disaster Tax Relief Act of 2008 are each amended by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2012''.

SEC. 765. BONUS DEPRECIATION DEDUCTION APPLICABLE TO THE GO ZONE.

(a) IN GENERAL.—Paragraph (6) of section 1400N(d) is amended—

(1) by striking ''December 31, 2010'' both places it appears in subparagraph (B) and inserting ''December 31, 2011'', and

(2) by striking ''January 1, 2010'' in the heading and the text of subparagraph (D) and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

TITLE VIII—BUDGETARY PROVISIONS

SEC. 801. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

SEC. 802. EMERGENCY DESIGNATIONS.

(a) STATUTORY PAYGO.—This Act is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)) except to the extent that the budgetary effects of this Act are determined to be subject to the current policy adjustments under sections 4(c) and 7 of the Statutory Pay-As-You-Go Act.

(b) SENATE.—In the Senate, this Act is designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

(c) HOUSE OF REPRESENTATIVES.—In the House of Representatives, every provision of this Act is expressly designated as an emergency for purposes of pay-as-you-go principles except to the extent that any such provision is subject to the current policy adjustments under section 4(c) of the Statutory Pay-As-You-Go Act of 2010.

SA 4797. Mrs. LINCOLN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 71, between lines 3 and 4, insert the following:

SEC. 760A. TIMBER REIT MODERNIZATION.

(a) IN GENERAL.—Paragraph (8) of section 856(c) is amended by striking ''means'' and all that follows and inserting ''means December 31, 2011.''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (I) of section 856(c)(2) is amended by striking ''the first taxable year

beginning after the date of the enactment of this subparagraph'' and inserting ''a taxable year beginning on or before the termination date''.

(2) Clause (iii) of section 856(c)(5)(H) is amended by inserting ''in taxable years beginning'' after ''dispositions''.

(3) Clause (v) of section 857(b)(6)(D) is amended by inserting ''in a taxable year beginning'' after ''sale''.

(4) Subparagraph (G) of section 857(b)(6) is amended by inserting ''in a taxable year beginning'' after ''In the case of a sale''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after May 22, 2009.

SEC. 760B. REDUCTION IN CORPORATE RATE FOR QUALIFIED TIMBER GAIN.

(a) IN GENERAL.—Paragraph (1) of section 1201(b) is amended by striking '' 'ending' '' and all that follows through '' 'such date' ''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 1201(b) is amended to read as follows:

''(3) APPLICATION OF SUBSECTION.—The qualified timber gain for any taxable year shall not exceed the qualified timber gain which would be determined by not taking into account any portion of such taxable year after December 31, 2011.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after May 22, 2009.

SA 4798. Mrs. SHAHEEN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, between lines 11 and 12, insert:

SEC. ____. CREDIT FOR ELECTRICITY PRODUCED AT CERTAIN OPEN-LOOP BIOMASS FACILITIES.

(a) IN GENERAL.—Clause (ii) of section 45(b)(4)(B) is amended—

(1) by striking ''5-year period'' and inserting ''7-year period''; and

(2) by adding at the end the following: ''In the case of the next-to-last year of the 7-year period described in the preceding sentence, the credit determined under subsection (a) with respect to electricity produced during such year shall not exceed 80 percent of such credit determined without regard to this sentence. In the case of the last year of such 7-year period, the credit determined under subsection (a) with respect to electricity produced during such year shall not exceed 60 percent of such credit determined without regard to this sentence.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to electricity produced and sold after December 31, 2009.

SA 4799. Ms. COLLINS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

On page 49, strike lines 1 through 3.

SA 4800. Mr. COONS submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

(a) IN GENERAL.—Subparagraph (B) of section 54AA(d)(1) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EXTENSION OF PAYMENTS TO ISSUERS.—

(1) IN GENERAL.—Section 6431 is amended—(A) by striking ''January 1, 2011'' in subsection (a) and inserting ''January 1, 2012''; and (B) by striking ''January 1, 2011'' in subsection (f)(1)(B) and inserting ''a particular date''.

(2) CONFORMING AMENDMENTS.—Subsection (g) of section 54AA is amended—

(A) by striking ''January 1, 2011'' and inserting ''January 1, 2012''; and

(B) by striking ''QUALIFIED BONDS ISSUED BEFORE 2011'' in the heading and inserting ''CERTAIN QUALIFIED BONDS''.

SA 4801. Mr. DURBIN (for Mr. LEAHY (for himself and Mr. HATCH)) proposed an amendment to the bill H.R. 628, to establish a pilot program in certain United States district courts to encourage enhancement of expertise in patent cases among district judges; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. PILOT PROGRAM IN CERTAIN DISTRICT COURTS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established a program, in each of the United States district courts designated under subsection (b), under which—

(A) those district judges of that district court who request to hear cases under which 1 or more issues arising under any Act of Congress relating to patents or plant variety protection are required to be decided, are designated by the chief judge of the court to hear those cases;

(B) cases described in subparagraph (A) are randomly assigned to the judges of the district court, regardless of whether the judges are designated under subparagraph (A);

(C) a judge not designated under subparagraph (A) to whom a case is assigned under subparagraph (B) may decline to accept the case; and

(D) a case declined under subparagraph (C) is randomly reassigned to 1 of those judges of the court designated under subparagraph (A).

(2) SENIOR JUDGES.—Senior judges of a district court may be designated under paragraph (1)(A) if at least 1 judge of the court in regular active service is also so designated.

(3) RIGHT TO TRANSFER CASES PRESERVED.—This section shall not be construed to limit the ability of a judge to request the reassignment of or otherwise transfer a case to which the judge is assigned under this section, in accordance with otherwise applicable rules of the court.

(b) DESIGNATION.—

(1) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Director of the Administrative Office of the United States Courts shall designate not less than 6 United States district courts, in at least 3 different judicial circuits, in which the program established under subsection (a) will be carried out.

(2) CRITERIA FOR DESIGNATIONS.—

(A) IN GENERAL.—The Director shall make designations under paragraph (1) from—

(i) the 15 district courts in which the largest number of patent and plant variety protection cases were filed in the most recent calendar year that has ended; or

(ii) the district courts that have adopted, or certified to the Director the intention to adopt, local rules for patent and plant variety protection cases.

(B) SELECTION OF COURTS.—From amongst the district courts that satisfy the criteria for designation under this subsection, the Director shall select—

(i) 3 district courts that each have at least 10 district judges authorized to be appointed by the President, whether under section 133(a) of title 28, United States Code, or on a temporary basis under any other provision of law, and at least 3 judges of the court have made the request under subsection (a)(1)(A); and

(ii) 3 district courts that each have fewer than 10 district judges authorized to be appointed by the President, whether under section 133(a) of title 28, United States Code, or on a temporary basis under any other provision of law, and at least 2 judges of the court have made the request under subsection (a)(1)(A).

(c) DURATION.—The program established under subsection (a) shall terminate 10 years after the end of the 6-month period described in subsection (b).

(d) APPLICABILITY.—The program established under subsection (a) shall apply in a district court designated under subsection (b) only to cases commenced on or after the date of such designation.

(e) REPORTS TO CONGRESS.—

(1) IN GENERAL.—At the times specified in paragraph (2), the Director of the Administrative Office of the United States Courts, in consultation with the chief judge of each of the district courts designated under subsection (b) and the Director of the Federal Judicial Center, shall submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a report on the pilot program established under subsection (a). The report shall include—

(A) an analysis of the extent to which the program has succeeded in developing expertise in patent and plant variety protection cases among the district judges of the district courts so designated;

(B) an analysis of the extent to which the program has improved the efficiency of the courts involved by reason of such expertise;

(C) with respect to patent cases handled by the judges designated pursuant to subsection (a)(1)(A) and judges not so designated, a comparison between the 2 groups of judges with respect to—

(i) the rate of reversal by the Court of Appeals for the Federal Circuit, of such cases on the issues of claim construction and substantive patent law; and

(ii) the period of time elapsed from the date on which a case is filed to the date on which trial begins or summary judgment is entered;

(D) a discussion of any evidence indicating that litigants select certain of the judicial districts designated under subsection (b) in an attempt to ensure a given outcome; and

(E) an analysis of whether the pilot program should be extended to other district courts, or should be made permanent and apply to all district courts.

(2) TIMETABLE FOR REPORTS.—The times referred to in paragraph (1) are—

(A) not later than the date that is 5 years and 3 months after the end of the 6-month period described in subsection (b); and

(B) not later than 5 years after the date described in subparagraph (A).

(3) PERIODIC REPORTS.—The Director of the Administrative Office of the United States Courts, in consultation with the chief judge of each of the district courts designated under subsection (b) and the Director of the Federal Judicial Center, shall keep the committees referred to in paragraph (1) informed, on a periodic basis while the pilot program is in effect, with respect to the matters referred to in subparagraphs (A) through (E) of paragraph (1).

SA 4802. Mr. DURBIN (for Mr. AKAKA) proposed an amendment to the bill S. 3447, to amend title 38, United States Code, to improve educational assistance for veterans who served in the Armed Forces after September 11, 2001, and for other purposes; as follows:

On page 22, in the matter following line 17, insert after the item relating to section 2 the following:

Sec. 3. Statutory Pay-As-You-Go Act compliance.

On page 23, between lines 6 and 7, insert the following:

SEC. 3. STATUTORY PAY-AS-YOU-GO ACT COMPLIANCE.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

On page 25, line 23, insert after the period the following: ''However, no benefits otherwise payable by reason of such amendment for the period beginning on August 1, 2009, and ending on September 30, 2011, may be paid before October 1, 2011.''.

On page 29, line 3, strike ''$20,000'' and insert ''$17,500''.

On page 32, strike lines 5 through 8 and insert the following:

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

(2) STIPEND FOR DISTANCE LEARNING ON MORE THAN HALF-TIME BASIS.—Clause (iii) of section 3313(c)(1)(B) of title 38, United States Code (as added by subsection (b)(2) of this section), shall take effect on October 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education as covered by such clause on or after that date.

On page 33, strike line 7 and all that follows through page 34, line 8, and insert the following:

''(i) in the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees;

''(ii) in the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

''(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $17,500; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h); or''.

On page 35, strike lines 12 through 17 and insert the following:

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date that is 60 days after the date of the enactment of this Act, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after such effective date.

(2) LUMP SUM FOR BOOKS AND OTHER EDUCATIONAL COSTS.—Subparagraph (B) of section 3313(e)(2) of title 38, United States Code (as added by subsection (a)(2)(E) of this section), shall take effect on October 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

On page 39, line 17, strike ''$20,000'' and insert ''$17,500''.

On page 45, line 24, strike ''$12,000'' and insert ''$10,000''.

On page 47, line 25, strike ''$10,000'' and insert ''$8,500''.

On page 51, line 13, strike ''August 1, 2011'' and insert ''October 1, 2011''.

On page 52, line 21, strike ''$1,667'' and insert ''$1,460''.

On page 54, line 20, strike ''$1,667'' and insert ''$1,460''.

On page 73, line 18, strike ''August 1, 2011'' and insert ''October 1, 2011''.

SA 4803. Mr. ENSIGN submitted an amendment intended to be proposed to amendment SA 4753 proposed by Mr. REID (for himself and Mr. MCCONNELL) to the bill H.R. 4853, to amend the Internal Revenue Code of 1986 to extend the funding and expenditure authority of the Airport and Airway Trust Fund, to amend title 49, United States Code, to extend authorizations for the airport improvement program, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) TEMPORARY EXTENSION.—

(1) IN GENERAL.—Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''December 31, 2010'' both places it appears and inserting ''December 31, 2012''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) SEPARATE SUNSET FOR EXPANSION OF ADOPTION BENEFITS UNDER THE PATIENT PROTECTION AND AFFORDABLE CARE ACT.—

(1) IN GENERAL.—Subsection (c) of section 10909 of the Patient Protection and Affordable Care Act is amended to read as follows:

''(c) SUNSET PROVISION.—Each provision of law amended by this section is amended to read as such provision would read if this section had never been enacted. The amendments made by the preceding sentence shall apply to taxable years beginning after December 31, 2011.''.

(2) CONFORMING AMENDMENT.—Subsection (d) of section 10909 of such Act is amended by striking ''The amendments'' and inserting ''Except as provided in subsection (c), the amendments''.

SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) IN GENERAL.—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2010'' and inserting ''December 31, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SEC. 103. TEMPORARY EXTENSION OF 2009 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking ''and 2010'' each place it appears and inserting '', 2010, 2011, and 2012''.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking ''2009 AND 2010'' in the heading and inserting ''2009, 2010, 2011, AND 2012'', and

(2) by striking ''or 2010'' and inserting '', 2010, 2011, or 2012''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

TITLE II—TEMPORARY EXTENSION OF INDIVIDUAL AMT RELIEF

SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

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

(1) by striking ''$70,950'' and all that follows through ''2009'' in subparagraph (A) and inserting ''$72,450 in the case of taxable years beginning in 2010 and $74,450 in the case of taxable years beginning in 2011'', and

(2) by striking ''$46,700'' and all that follows through ''2009'' in subparagraph (B) and inserting ''$47,450 in the case of taxable years beginning in 2010 and $48,450 in the case of taxable years beginning in 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

(c) REPEAL OF EGTRRA SUNSET.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset of provisions of such Act) shall not apply to title VII of such Act (relating to alternative minimum tax).

SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''or 2009'' and inserting ''2009, 2010, or 2011'', and

(2) by striking ''2009'' in the heading thereof and inserting ''2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

TITLE III—TEMPORARY ESTATE TAX RELIEF

SEC. 301. REINSTATEMENT OF ESTATE TAX; REPEAL OF CARRYOVER BASIS.

(a) IN GENERAL.—Each provision of law amended by subtitle A or E of title V of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as such provision would read if such subtitle had never been enacted.

(b) CONFORMING AMENDMENT.—On and after January 1, 2011, paragraph (1) of section 2505(a) of the Internal Revenue Code of 1986 is amended to read as such paragraph would read if section 521(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) SPECIAL ELECTION WITH RESPECT TO ESTATES OF DECEDENTS DYING IN 2010.—Notwithstanding subsection (a), in the case of an estate of a decedent dying after December 31, 2009, and before January 1, 2011, the executor (within the meaning of section 2203 of the Internal Revenue Code of 1986) may elect to apply such Code as though the amendments made by subsection (a) do not apply with respect to chapter 11 of such Code and with respect to property acquired or passing from such decedent (within the meaning of section 1014(b) of such Code). Such election shall be made at such time and in such manner as the Secretary of the Treasury or the Secretary's delegate shall provide. Such an election once

made shall be revocable only with the consent of the Secretary of the Treasury or the Secretary's delegate. For purposes of section 2652(a)(1) of such Code, the determination of whether any property is subject to the tax imposed by such chapter 11 shall be made without regard to any election made under this subsection.

(d) EXTENSION OF TIME FOR PERFORMING CERTAIN ACTS.—

(1) ESTATE TAX.—In the case of the estate of a decedent dying after December 31, 2009, and before the date of the enactment of this Act, the due date for—

(A) filing any return under section 6018 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) as such section is in effect after the date of the enactment of this Act without regard to any election under subsection (c),

(B) making any payment of tax under chapter 11 of such Code, and

(C) making any disclaimer described in section 2518(b) of such Code of an interest in property passing by reason of the death of such decedent,

shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(2) GENERATION-SKIPPING TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before the date of the enactment of this Act, the due date for filing any return under section 2662 of the Internal Revenue Code of 1986 (including any election required to be made on such a return) shall not be earlier than the date which is 9 months after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to estates of decedents dying, and transfers made, after December 31, 2009.

SEC. 302. MODIFICATIONS TO ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES.

(a) MODIFICATIONS TO ESTATE TAX.—

(1) $5,000,000 APPLICABLE EXCLUSION AMOUNT.—Subsection (c) of section 2010 is amended to read as follows:

''(c) APPLICABLE CREDIT AMOUNT.—

''(1) IN GENERAL.—For purposes of this section, the applicable credit amount is the amount of the tentative tax which would be determined under section 2001(c) if the amount with respect to which such tentative tax is to be computed were equal to the applicable exclusion amount.

''(2) APPLICABLE EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the applicable exclusion amount is $5,000,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2011, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(2) MAXIMUM ESTATE TAX RATE EQUAL TO 35 PERCENT.—Subsection (c) of section 2001 is amended—

(A) by striking ''Over $500,000'' and all that follows in the table contained in paragraph (1) and inserting the following:

''Over $500,000	$155,800, plus 35 percent of the excess of such amount over $500,000.'',

(B) by striking ''(1) IN GENERAL.—'', and

(C) by striking paragraph (2).

(b) MODIFICATIONS TO GIFT TAX.—

(1) RESTORATION OF UNIFIED CREDIT AGAINST GIFT TAX.—

(A) IN GENERAL.—Paragraph (1) of section 2505(a), after the application of section 301(b), is amended by striking ''(determined as if the applicable exclusion amount were $1,000,000)''.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to gifts made after December 31, 2010.

(2) MODIFICATION OF GIFT TAX RATE.—On and after January 1, 2011, subsection (a) of section 2502 is amended to read as such subsection would read if section 511(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 had never been enacted.

(c) MODIFICATION OF GENERATION-SKIPPING TRANSFER TAX.—In the case of any generation-skipping transfer made after December 31, 2009, and before January 1, 2011, the applicable rate determined under section 2641(a) of the Internal Revenue Code of 1986 shall be zero.

(d) MODIFICATIONS OF ESTATE AND GIFT TAXES TO REFLECT DIFFERENCES IN CREDIT RESULTING FROM DIFFERENT TAX RATES.—

(1) ESTATE TAX.—

(A) IN GENERAL.—Section 2001(b)(2) is amended by striking ''if the provisions of subsection (c) (as in effect at the decedent's death)'' and inserting ''if the modifications described in subsection (g)''.

(B) MODIFICATIONS.—Section 2001 is amended by adding at the end the following new subsection:

''(g) MODIFICATIONS TO GIFT TAX PAYABLE TO REFLECT DIFFERENT TAX RATES.—For purposes of applying subsection (b)(2) with respect to 1 or more gifts, the rates of tax under subsection (c) in effect at the decedent's death shall, in lieu of the rates of tax in effect at the time of such gifts, be used both to compute—

''(1) the tax imposed by chapter 12 with respect to such gifts, and

''(2) the credit allowed against such tax under section 2505, including in computing—

''(A) the applicable credit amount under section 2505(a)(1), and

''(B) the sum of the amounts allowed as a credit for all preceding periods under section 2505(a)(2).''.

(2) GIFT TAX.—Section 2505(a) is amended by adding at the end the following new flush sentence:

''For purposes of applying paragraph (2) for any calendar year, the rates of tax in effect under section 2502(a)(2) for such calendar year shall, in lieu of the rates of tax in effect for preceding calendar periods, be used in determining the amounts allowable as a credit under this section for all preceding calendar periods.''.

(e) CONFORMING AMENDMENT.—Section 2511 is amended by striking subsection (c).

(f) EFFECTIVE DATE.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to estates of decedents dying, generation-skipping transfers, and gifts made, after December 31, 2009.

SEC. 303. APPLICABLE EXCLUSION AMOUNT INCREASED BY UNUSED EXCLUSION AMOUNT OF DECEASED SPOUSE.

(a) IN GENERAL.—Section 2010(c), as amended by section 302(a), is amended by striking paragraph (2) and inserting the following new paragraphs:

''(2) APPLICABLE EXCLUSION AMOUNT.—For purposes of this subsection, the applicable exclusion amount is the sum of—

''(A) the basic exclusion amount, and

''(B) in the case of a surviving spouse, the deceased spousal unused exclusion amount.

''(3) BASIC EXCLUSION AMOUNT.—

''(A) IN GENERAL.—For purposes of this subsection, the basic exclusion amount is $5,000,000.

''(B) INFLATION ADJUSTMENT.—In the case of any decedent dying in a calendar year after 2011, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2010' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under the preceding sentence is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.

''(4) DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—For purposes of this subsection, with respect to a surviving spouse of a deceased spouse dying after December 31, 2010, the term 'deceased spousal unused exclusion amount' means the lesser of—

''(A) the basic exclusion amount, or

''(B) the excess of—

''(i) the basic exclusion amount of the last such deceased spouse of such surviving spouse, over

''(ii) the amount with respect to which the tentative tax is determined under section 2001(b)(1) on the estate of such deceased spouse.

''(5) SPECIAL RULES.—

''(A) ELECTION REQUIRED.—A deceased spousal unused exclusion amount may not be taken into account by a surviving spouse under paragraph (2) unless the executor of the estate of the deceased spouse files an estate tax return on which such amount is computed and makes an election on such return that such amount may be so taken into account. Such election, once made, shall be irrevocable. No election may be made under this subparagraph if such return is filed after the time prescribed by law (including extensions) for filing such return.

''(B) EXAMINATION OF PRIOR RETURNS AFTER EXPIRATION OF PERIOD OF LIMITATIONS WITH RESPECT TO DECEASED SPOUSAL UNUSED EXCLUSION AMOUNT.—Notwithstanding any period of limitation in section 6501, after the time has expired under section 6501 within which a tax may be assessed under chapter 11 or 12 with respect to a deceased spousal unused exclusion amount, the Secretary may examine a return of the deceased spouse to make determinations with respect to such amount for purposes of carrying out this subsection.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this subsection.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 2505(a), as amended by section 302(b)(1), is amended to read as follows:

''(1) the applicable credit amount in effect under section 2010(c) which would apply if the donor died as of the end of the calendar year, reduced by''.

(2) Section 2631(c) is amended by striking ''the applicable exclusion amount'' and inserting ''the basic exclusion amount''.

(3) Section 6018(a)(1) is amended by striking ''applicable exclusion amount'' and inserting ''basic exclusion amount''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to estates of decedents dying and gifts made after December 31, 2010.

(2) CONFORMING AMENDMENT RELATING TO GENERATION-SKIPPING TRANSFERS.—The amendment made by subsection (b)(2) shall apply to generation-skipping transfers after December 31, 2010.

SEC. 304. APPLICATION OF EGTRRA SUNSET TO THIS TITLE.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall apply to the amendments made by this section.

TITLE IV—TEMPORARY EXTENSION OF INVESTMENT INCENTIVES

SEC. 401. EXTENSION OF BONUS DEPRECIATION; TEMPORARY 100 PERCENT EXPENSING FOR CERTAIN BUSINESS ASSETS.

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

(1) by striking ''January 1, 2012'' in subparagraph (A)(iv) and inserting ''January 1, 2014'', and

(2) by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2013''.

(b) TEMPORARY 100 PERCENT EXPENSING.—Subsection (k) of section 168 is amended by adding at the end the following new paragraph:

''(5) SPECIAL RULE FOR PROPERTY ACQUIRED DURING CERTAIN PRE-2012 PERIODS.—In the case of qualified property acquired by the taxpayer (under rules similar to the rules of clauses (ii) and (iii) of paragraph (2)(A)) after September 8, 2010, and before January 1, 2012, and which is placed in service by the taxpayer before January 1, 2012 (January 1, 2013, in the case of property described in subparagraph (2)(B) or (2)(C)), paragraph (1)(A) shall be applied by substituting '100 percent' for '50 percent'.''.

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

(1) EXTENSION.—Clause (iii) of section 168(k)(4)(D) is amended by striking ''or production'' and all that follows and inserting ''or production—

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

''(II) after December 31, 2010, and before January 1, 2013,

shall be taken into account under subparagraph (B)(ii) thereof,''.

(2) RULES FOR ROUND 2 EXTENSION PROPERTY.—Paragraph (4) of section 168(k) is amended by adding at the end the following new subparagraph:

''(I) SPECIAL RULES FOR ROUND 2 EXTENSION PROPERTY.—

''(i) IN GENERAL.—In the case of round 2 extension property, this paragraph shall be applied without regard to—

''(I) the limitation described in subparagraph (B)(i) thereof, and

''(II) the business credit increase amount under subparagraph (E)(iii) thereof.

''(ii) TAXPAYERS PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, or a taxpayer who made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008—

''(I) the taxpayer may elect not to have this paragraph apply to round 2 extension property, but

''(II) if the taxpayer does not make the election under subclause (I), in applying this paragraph to the taxpayer the bonus depreciation amount, maximum amount, and maximum increase amount shall be computed and applied to eligible qualified property which is round 2 extension property.

The amounts described in subclause (II) shall be computed separately from any amounts computed with respect to eligible qualified property which is not round 2 extension property.

''(iii) TAXPAYERS NOT PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who neither made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, nor made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008—

''(I) the taxpayer may elect to have this paragraph apply to its first taxable year ending after December 31, 2010, and each subsequent taxable year, and

''(II) if the taxpayer makes the election under subclause (I), this paragraph shall only apply to eligible qualified property which is round 2 extension property.

''(iv) ROUND 2 EXTENSION PROPERTY.—For purposes of this subparagraph, the term 'round 2 extension property' means property which is eligible qualified property solely by reason of the extension of the application of the special allowance under paragraph (1) pursuant to the amendments made by section 401(a) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (and the application of such extension to this paragraph pursuant to the amendment made by section 401(c)(1) of such Act).''.

(d) CONFORMING AMENDMENTS.—

(1) The heading for subsection (k) of section 168 is amended by striking ''JANUARY 1, 2011'' and inserting ''JANUARY 1, 2013''.

(2) The heading for clause (ii) of section 168(k)(2)(B) is amended by striking ''PRE-JANUARY 1, 2011'' and inserting ''PRE-JANUARY 1, 2013''.

(3) Subparagraph (D) of section 168(k)(4) is amended—

(A) by striking clauses (iv) and (v),

(B) by inserting ''and'' at the end of clause (ii), and

(C) by striking the comma at the end of clause (iii) and inserting a period.

(4) Paragraph (5) of section 168(l) is amended—

(A) by inserting ''and'' at the end of subparagraph (A),

(B) by striking subparagraph (B), and

(C) by redesignating subparagraph (C) as subparagraph (B).

(5) Subparagraph (C) of section 168(n)(2) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(6) Subparagraph (D) of section 1400L(b)(2) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(7) Subparagraph (B) of section 1400N(d)(3) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to property placed in service after December 31, 2010, in taxable years ending after such date.

(2) TEMPORARY 100 PERCENT EXPENSING.—The amendment made by subsection (b) shall apply to property placed in service after September 8, 2010, in taxable years ending after such date.

SEC. 402. TEMPORARY EXTENSION OF INCREASED SMALL BUSINESS EXPENSING.

(a) DOLLAR LIMITATION.—Section 179(b)(1) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $125,000 in the case of taxable years beginning in 2012, and

''(D) $25,000 in the case of taxable years beginning after 2012.''.

(b) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended by striking ''and'' at the end of subparagraph (B) and by striking subparagraph (C) and inserting the following new subparagraphs:

''(C) $500,000 in the case of taxable years beginning in 2012, and

''(D) $200,000 in the case of taxable years beginning after 2012.''.

(c) INFLATION ADJUSTMENT.—Subsection (b) of section 179 is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning in calendar year 2012, the $125,000 and $500,000 amounts in paragraphs (1)(C) and (2)(C) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2006' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—

''(i) DOLLAR LIMITATION.—If the amount in paragraph (1) as increased under subparagraph (A) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(ii) PHASEOUT AMOUNT.—If the amount in paragraph (2) as increased under subparagraph (A) is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(d) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking ''2012'' and inserting ''2013''.

(e) CONFORMING AMENDMENT.—Section 179(c)(2) is amended by striking ''2012'' and inserting ''2013''.

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

TITLE V—TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE AND RELATED MATTERS

SEC. 501. TEMPORARY EXTENSION OF UNEMPLOYMENT INSURANCE PROVISIONS.

(a) IN GENERAL.—(1) Section 4007 of the Supplemental Appropriations Act, 2008 (Public Law 110–252; 26 U.S.C. 3304 note) is amended—

(A) by striking ''November 30, 2010'' each place it appears and inserting ''January 3, 2012'';

(B) in the heading for subsection (b)(2), by striking ''NOVEMBER 30, 2010'' and inserting ''JANUARY 3, 2012''; and

(C) in subsection (b)(3), by striking ''April 30, 2011'' and inserting ''June 9, 2012''.

(2) Section 2005 of the Assistance for Unemployed Workers and Struggling Families Act, as contained in Public Law 111–5 (26 U.S.C. 3304 note; 123 Stat. 444), is amended—

(A) by striking ''December 1, 2010'' each place it appears and inserting ''January 4, 2012''; and

(B) in subsection (c), by striking ''May 1, 2011'' and inserting ''June 11, 2012''.

(3) Section 5 of the Unemployment Compensation Extension Act of 2008 (Public Law 110–449; 26 U.S.C. 3304 note) is amended by striking ''April 30, 2011'' and inserting ''June 10, 2012''.

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

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

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

''(G) the amendments made by section 501(a)(1) of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010; and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Unemployment Compensation Extension Act of 2010 (Public Law 111–205).

SEC. 502. TEMPORARY MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.

(a) INDICATOR.—Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended, in the flush matter following paragraph (2), by inserting after the first sentence the following sentence: ''Effective with

respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'two' were 'three' in subparagraph (1)(A).''.

(b) ALTERNATIVE TRIGGER.—Section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

''(2) Effective with respect to compensation for weeks of unemployment beginning after the date of enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (or, if later, the date established pursuant to State law), and ending on or before December 31, 2011, the State may by law provide that the determination of whether there has been a state 'on' or 'off' indicator beginning or ending any extended benefit period shall be made under this subsection as if the word 'either' were 'any', the word ''both'' were 'all', and the figure '2' were '3' in clause (1)(A)(ii).''.

SEC. 503. TECHNICAL AMENDMENT RELATING TO COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.

(a) IN GENERAL.—Section 6402(f)(3)(C), as amended by section 801 of the Claims Resolution Act of 2010, is amended by striking ''is not a covered unemployment compensation debt'' and inserting ''is a covered unemployment compensation debt''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in section 801 of the Claims Resolution Act of 2010.

SEC. 504. TECHNICAL CORRECTION RELATING TO REPEAL OF CONTINUED DUMPING AND SUBSIDY OFFSET.

(a) IN GENERAL.—Section 822(2)(A) of the Claims Resolution Act of 2010 is amended by striking ''or'' and inserting ''and''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Claims Resolution Act of 2010.

SEC. 505. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

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

(1) by striking ''June 30, 2010'' and inserting ''June 30, 2011''; and

(2) by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

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

TITLE VII—TEMPORARY EXTENSION OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Energy

SEC. 701. INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any biodiesel mixture credit properly determined under section 6426(c) of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 702. CREDIT FOR REFINED COAL FACILITIES.

(a) IN GENERAL.—Subparagraph (B) of section 45(d)(8) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to facilities placed in service after December 31, 2009.

SEC. 703. NEW ENERGY EFFICIENT HOME CREDIT.

(a) IN GENERAL.—Subsection (g) of section 45L is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to homes acquired after December 31, 2009.

SEC. 704. EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR ALTERNATIVE FUEL AND ALTERNATIVE FUEL MIXTURES.

(a) IN GENERAL.—Sections 6426(d)(5), 6426(e)(3), and 6427(e)(6)(C) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EXCLUSION OF BLACK LIQUOR FROM CREDIT ELIGIBILITY.—The last sentence of section 6426(d)(2) is amended by striking ''or biodiesel'' and inserting ''biodiesel, or any fuel (including lignin, wood residues, or spent pulping liquors) derived from the production of paper or pulp''.

(c) SPECIAL RULE FOR 2010.—Notwithstanding any other provision of law, in the case of any alternative fuel credit or any alternative fuel mixture credit properly determined under subsection (d) or (e) of section 6426 of the Internal Revenue Code of 1986 for periods during 2010, such credit shall be allowed, and any refund or payment attributable to such credit (including any payment under section 6427(e) of such Code) shall be made, only in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall provide. Such Secretary shall issue guidance within 30 days after the date of the enactment of this Act providing for a one-time submission of claims covering periods during 2010. Such guidance shall provide for a 180-day period for the submission of such claims (in such manner as prescribed by such Secretary) to begin not later than 30 days after such guidance is issued. Such claims shall be paid by such Secretary not later than 60 days after receipt. If such Secretary has not paid pursuant to a claim filed under this subsection within 60 days after the date of the filing of such claim, the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621 of such Code.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2009.

SEC. 705. SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.

(a) IN GENERAL.—Paragraph (3) of section 451(i) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to dispositions after December 31, 2009.

SEC. 706. SUSPENSION OF LIMITATION ON PERCENTAGE DEPLETION FOR OIL AND GAS FROM MARGINAL WELLS.

(a) IN GENERAL.—Clause (ii) of section 613A(c)(6)(H) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 707. EXTENSION OF GRANTS FOR SPECIFIED ENERGY PROPERTY IN LIEU OF TAX CREDITS.

(a) IN GENERAL.—Subsection (a) of section 1603 of division B of the American Recovery and Reinvestment Act of 2009 is amended—

(1) in paragraph (1), by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011'', and

(2) in paragraph (2)—

(A) by striking ''after 2010'' and inserting ''after 2011'', and

(B) by striking ''2009 or 2010'' and inserting ''2009, 2010, or 2011''.

(b) CONFORMING AMENDMENT.—Subsection (j) of section 1603 of division B of such Act is amended by striking ''2011'' and inserting ''2012''.

(B) by striking ''January 1, 2011'' in subparagraph (B) and inserting ''January 1, 2012''.

(2) REDUCED AMOUNT FOR ETHANOL BLENDERS.—Subsection (h) of section 40 is amended by striking ''2010'' both places it appears and inserting ''2011''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after December 31, 2010.

(b) EXTENSION OF EXCISE TAX CREDIT FOR ALCOHOL USED AS FUEL.—

(1) IN GENERAL.—Paragraph (6) of section 6426(b) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to periods after December 31, 2010.

(c) EXTENSION OF PAYMENT FOR ALCOHOL FUEL MIXTURE.—

(1) IN GENERAL.—Subparagraph (A) of section 6427(e)(6) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

SEC. 709. ENERGY EFFICIENT APPLIANCE CREDIT.

(a) DISHWASHERS.—Paragraph (1) of section 45M(b) is amended by striking ''and'' at the

end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting a comma, and by adding at the end the following new subparagraphs:

''(C) $25 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings),

''(D) $50 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 295 kilowatt hours per year and 4.25 gallons per cycle (4.75 gallons per cycle for dishwashers designed for greater than 12 place settings), and

''(E) $75 in the case of a dishwasher which is manufactured in calendar year 2011 and which uses no more than 280 kilowatt hours per year and 4 gallons per cycle (4.5 gallons per cycle for dishwashers designed for greater than 12 place settings).''.

(b) CLOTHES WASHERS.—Paragraph (2) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $175 in the case of a top-loading clothes washer manufactured in calendar year 2011 which meets or exceeds a 2.2 modified energy factor and does not exceed a 4.5 water consumption factor, and

''(F) $225 in the case of a clothes washer manufactured in calendar year 2011—

''(i) which is a top-loading clothes washer and which meets or exceeds a 2.4 modified energy factor and does not exceed a 4.2 water consumption factor, or

''(ii) which is a front-loading clothes washer and which meets or exceeds a 2.8 modified energy factor and does not exceed a 3.5 water consumption factor.''.

(c) REFRIGERATORS.—Paragraph (3) of section 45M(b) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by adding at the end the following new subparagraphs:

''(E) $150 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 30 percent less energy than the 2001 energy conservation standards, and

''(F) $200 in the case of a refrigerator manufactured in calendar year 2011 which consumes at least 35 percent less energy than the 2001 energy conservation standards.''.

(d) REBASING OF LIMITATIONS.—

(1) IN GENERAL.—Paragraph (1) of section 45M(e) is amended—

(A) by striking ''$75,000,000'' and inserting ''$25,000,000'', and

(B) by striking ''December 31, 2007'' and inserting ''December 31, 2010''.

(2) EXCEPTION FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended—

(A) by striking ''subsection (b)(3)(D)'' and inserting ''subsection (b)(3)(F)'', and

(B) by striking ''subsection (b)(2)(D)'' and inserting ''subsection (b)(2)(F)''.

(3) GROSS RECEIPTS LIMITATION.—Paragraph (3) of section 45M(e) is amended by striking ''2 percent'' and inserting ''4 percent''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (c) shall apply to appliances produced after December 31, 2010.

(2) LIMITATIONS.—The amendments made by subsection (d) shall apply to taxable years beginning after December 31, 2010.

SEC. 710. CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION.—Section 25C(g)(2) is amended by striking ''2010'' and inserting ''2011''.

(b) RETURN TO PRE-ARRA LIMITATIONS AND STANDARDS.—

(1) IN GENERAL.—Subsections (a) and (b) of section 25C are amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

''(1) 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year, and

''(2) the amount of the residential energy property expenditures paid or incurred by the taxpayer during such taxable year.

''(b) LIMITATIONS.—

''(1) LIFETIME LIMITATION.—The credit allowed under this section with respect to any taxpayer for any taxable year shall not exceed the excess (if any) of $500 over the aggregate credits allowed under this section with respect to such taxpayer for all prior taxable years ending after December 31, 2005.

''(2) WINDOWS.—In the case of amounts paid or incurred for components described in subsection (c)(2)(B) by any taxpayer for any taxable year, the credit allowed under this section with respect to such amounts for such year shall not exceed the excess (if any) of $200 over the aggregate credits allowed under this section with respect to such amounts for all prior taxable years ending after December 31, 2005.

''(3) LIMITATION ON RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—The amount of the credit allowed under this section by reason of subsection (a)(2) shall not exceed—

''(A) $50 for any advanced main air circulating fan,

''(B) $150 for any qualified natural gas, propane, or oil furnace or hot water boiler, and

''(C) $300 for any item of energy-efficient building property.''.

(2) MODIFICATION OF STANDARDS.—

(A) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by striking ''2000'' and all that follows through ''this section'' and inserting ''2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(B) WOOD STOVES.—Subparagraph (E) of section 25C(d)(3) is amended by striking '', as measured using a lower heating value''.

(C) OIL FURNACES AND HOT WATER BOILERS.—

(i) IN GENERAL.—Paragraph (4) of section 25C(d) is amended to read as follows:

''(4) QUALIFIED NATURAL GAS, PROPANE, OR OIL FURNACE OR HOT WATER BOILER.—The term 'qualified natural gas, propane, or oil furnace or hot water boiler' means a natural gas, propane, or oil furnace or hot water boiler which achieves an annual fuel utilization efficiency rate of not less than 95.''.

(ii) CONFORMING AMENDMENT.—Clause (ii) of section 25C(d)(2)(A) is amended to read as follows:

''(ii) a qualified natural gas, propane, or oil furnace or hot water boiler, or''.

(D) EXTERIOR WINDOWS, DOORS, AND SKYLIGHTS.—

(i) IN GENERAL.—Subsection (c) of section 25C is amended by striking paragraph (4).

(ii) APPLICATION OF ENERGY STAR STANDARDS.—Paragraph (1) of section 25C(c) is amended by inserting ''an exterior window, a skylight, an exterior door,'' after ''in the case of'' in the matter preceding subparagraph (A).

(E) INSULATION.—Subparagraph (A) of section 25C(c)(2) is amended by striking ''and meets the prescriptive criteria for such material or system established by the 2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009''.

(3) SUBSIDIZED ENERGY FINANCING.—Subsection (e) of section 25C is amended by adding at the end the following new paragraph:

''(3) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures made by any individual with respect to any property, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 48(a)(4)(C)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2010.

SEC. 711. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) EXTENSION OF CREDIT.—Paragraph (2) of section 30C(g) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2010.

Subtitle B—Individual Tax Relief

SEC. 721. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking ''or 2009'' and inserting ''2009, 2010, or 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 722. DEDUCTION OF STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 723. CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.—Clause (iii) of section 170(b)(2)(B) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 724. ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 725. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2009.

(2) SPECIAL RULE.—For purposes of subsections (a)(6), (b)(3), and (d)(8) of section 408 of the Internal Revenue Code of 1986, at the election of the taxpayer (at such time and in such manner as prescribed by the Secretary of the Treasury) any qualified charitable distribution made after December 31, 2010, and before February 1, 2011, shall be deemed to have been made on December 31, 2010.

SEC. 726. LOOK-THRU OF CERTAIN REGULATED INVESTMENT COMPANY STOCK IN DETERMINING GROSS ESTATE OF NONRESIDENTS.

(a) IN GENERAL.—Paragraph (3) of section 2105(d) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to estates of decedents dying after December 31, 2009.

SEC. 727. PARITY FOR EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.

(a) IN GENERAL.—Paragraph (2) of section 132(f) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to months after December 31, 2010.

SEC. 728. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

(a) IN GENERAL.—Subchapter A of chapter 65 is amended by adding at the end the following new section:

''SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.

''(b) TERMINATION.—Subsection (a) shall not apply to any amount received after December 31, 2012.''.

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter is amended by adding at the end the following new item:

''Sec. 6409. Refunds disregarded in the administration of Federal programs and federally assisted programs.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 2009.

Subtitle C—Business Tax Relief

SEC. 731. RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 732. INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 733. NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Paragraph (1) of section 45D(f) is amended—

(1) by striking ''and'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F), and

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

''(G) $3,500,000,000 for 2010 and 2011.''.

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 45D(f) is amended by striking ''2014'' and inserting ''2016''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after 2009.

SEC. 734. RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45G is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2009.

SEC. 735. MINE RESCUE TEAM TRAINING CREDIT.

(a) IN GENERAL.—Subsection (e) of section 45N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 736. EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.

(a) IN GENERAL.—Subsection (f) of section 45P is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2009.

SEC. 737. 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS, QUALIFIED RESTAURANT BUILDINGS AND IMPROVEMENTS, AND QUALIFIED RETAIL IMPROVEMENTS.

(a) IN GENERAL.—Clauses (iv), (v), and (ix) of section 168(e)(3)(E) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—

(1) Clause (i) of section 168(e)(7)(A) is amended by striking ''if such building is placed in service after December 31, 2008, and before January 1, 2010,''.

(2) Paragraph (8) of section 168(e) is amended by striking subparagraph (E).

(3) Section 179(f)(2) is amended—

(A) by striking ''(without regard to the dates specified in subparagraph (A)(i) thereof)'' in subparagraph (B), and

(B) by striking ''(without regard to subparagraph (E) thereof)'' in subparagraph (C).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2009.

SEC. 738. 7-YEAR RECOVERY PERIOD FOR MOTORSPORTS ENTERTAINMENT COMPLEXES.

(a) IN GENERAL.—Subparagraph (D) of section 168(i)(15) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 739. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON AN INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 740. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 741. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORIES TO PUBLIC SCHOOLS.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(D) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2009.

SEC. 742. ENHANCED CHARITABLE DEDUCTION FOR CORPORATE CONTRIBUTIONS OF COMPUTER INVENTORY FOR EDUCATIONAL PURPOSES.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 743. ELECTION TO EXPENSE MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Subsection (g) of section 179E is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 744. SPECIAL EXPENSING RULES FOR CERTAIN FILM AND TELEVISION PRODUCTIONS.

(a) IN GENERAL.—Subsection (f) of section 181 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to productions commencing after December 31, 2009.

SEC. 745. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2009.

SEC. 746. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

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

(1) by striking ''first 4 taxable years'' and inserting ''first 6 taxable years''; and

(2) by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 747. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2009.

SEC. 748. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraphs (1)(C) and (2)(C) of section 871(k) are each amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 749. RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on January 1, 2010. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2009, and before the date of the enactment of this Act; and

(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code,

such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

SEC. 750. EXCEPTIONS FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENT.—Section 953(e)(10) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 751. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.

(a) IN GENERAL.—Subparagraph (C) of section 954(c)(6) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2009, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

SEC. 752. BASIS ADJUSTMENT TO STOCK OF S CORPS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2009.

SEC. 753. EMPOWERMENT ZONE TAX INCENTIVES.

(a) IN GENERAL.—Section 1391 is amended—

(1) by striking ''December 31, 2009'' in subsection (d)(1)(A)(i) and inserting ''December 31, 2011''; and

(2) by striking the last sentence of subsection (h)(2).

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

(1) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(2) by striking ''2014'' in the heading and inserting ''2016''.

(c) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary's designee) may provide.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2009.

SEC. 754. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''December 31, 2009'' each place it appears and inserting ''December 31, 2011''.

(b) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—Subsection (b) of section 1400A is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(c) ZERO-PERCENT CAPITAL GAINS RATE.—

(1) ACQUISITION DATE.—Paragraphs (2)(A)(i), (3)(A), (4)(A)(i), and (4)(B)(i)(I) of section 1400B(b) are each amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(2) LIMITATION ON PERIOD OF GAINS.—

(A) IN GENERAL.—Paragraph (2) of section 1400B(e) is amended—

(i) by striking ''December 31, 2014'' and inserting ''December 31, 2016''; and

(ii) by striking ''2014'' in the heading and inserting ''2016''.

(B) PARTNERSHIPS AND S-CORPS.—Paragraph (2) of section 1400B(g) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2016''.

(d) FIRST-TIME HOMEBUYER CREDIT.—Subsection (i) of section 1400C is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to periods after December 31, 2009.

(2) TAX-EXEMPT DC EMPOWERMENT ZONE BONDS.—The amendment made by subsection (b) shall apply to bonds issued after December 31, 2009.

(3) ACQUISITION DATES FOR ZERO-PERCENT CAPITAL GAINS RATE.—The amendments made by subsection (c) shall apply to property acquired or substantially improved after December 31, 2009.

(4) HOMEBUYER CREDIT.—The amendment made by subsection (d) shall apply to homes purchased after December 31, 2009.

SEC. 755. TEMPORARY INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAXES TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2009.

SEC. 756. AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) IN GENERAL.—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking ''first 4 taxable years'' and inserting ''first 6 taxable years'', and

(2) by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 757. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''August 31, 2011'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 758. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Section 54E(c)(1) is amended—

(1) by striking ''2008 and'' and inserting ''2008,'', and

(2) by inserting ''and $400,000,000 for 2011'' after ''2010,''.

(b) REPEAL OF REFUNDABLE CREDIT FOR QZABS.—Paragraph (3) of section 6431(f) is amended by inserting ''determined without regard to any allocation relating to the national zone academy bond limitation for 2011 or any carryforward of such allocation'' after ''54E)'' in subparagraph (A)(iii).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

SEC. 759. MORTGAGE INSURANCE PREMIUMS.

(a) IN GENERAL.—Clause (iv) of section 163(h)(3)(E) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2010.

SEC. 760. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

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

(1) by striking ''January 1, 2011'' and inserting ''January 1, 2012'', and

(2) by inserting ''AND 2011'' after ''2010'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after December 31, 2010.

Subtitle D—Temporary Disaster Relief Provisions

PART

Subpart A—New York Liberty Zone

SEC. 761. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Subparagraph (D) of section 1400L(d)(2) is amended by striking ''January 1, 2010'' and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2009.

Subpart B—GO Zone

SEC. 762. INCREASE IN REHABILITATION CREDIT.

(a) IN GENERAL.—Subsection (h) of section 1400N is amended by striking ''December 31, 2009'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 763. LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.

Section 1400N(c)(5) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

SEC. 764. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Paragraphs (2)(D) and (7)(C) of section 1400N(a) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—Sections 702(d)(1) and 704(a) of the Heartland Disaster Tax Relief Act of 2008 are each amended by striking ''January 1, 2011'' each place it appears and inserting ''January 1, 2012''.

SEC. 765. BONUS DEPRECIATION DEDUCTION APPLICABLE TO THE GO ZONE.

(a) IN GENERAL.—Paragraph (6) of section 1400N(d) is amended—

(1) by striking ''December 31, 2010'' both places it appears in subparagraph (B) and inserting ''December 31, 2011'', and

(2) by striking ''January 1, 2010'' in the heading and the text of subparagraph (D) and inserting ''January 1, 2012''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2009.

TITLE VIII—BUDGETARY PROVISIONS

SEC. 801. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, jointly submitted for printing in the Congressional Record by the Chairmen of the House and Senate Budget Committees, provided that such statement has been submitted prior to the vote on passage in the House acting first on this conference report or amendment between the Houses.

SEC. 802. EMERGENCY DESIGNATIONS.

(a) STATUTORY PAYGO.—This Act is designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)) except to the extent that the budgetary effects of this Act are determined to be subject to the current policy adjustments under sections 4(c) and 7 of the Statutory Pay-As-You-Go Act.

(b) SENATE.—In the Senate, this Act is designated as an emergency requirement pursuant to section 403(a) of S. Con. Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010.

(c) HOUSE OF REPRESENTATIVES.—In the House of Representatives, every provision of this Act is expressly designated as an emergency for purposes of pay-as-you-go principles except to the extent that any such provision is subject to the current policy adjustments under section 4(c) of the Statutory Pay-As-You-Go Act of 2010.

TITLE IX—RESCISSIONS

SEC. 900. TABLE OF CONTENTS OF TITLE.

The table of contents of this title is as follows:

Subtitle A—Rescissions and Elimination of Wasteful Government Programs

SEC. 901. 15 PERCENT REDUCTION IN APPROPRIATIONS TO THE EXECUTIVE OFFICE OF THE PRESIDENT AND CONGRESS.

(a) RESCISSIONS.—

(1) IN GENERAL.—There is rescinded an amount equal to 15 percent of the budget authority provided for any discretionary account in appropriations to the Legislative Branch for fiscal year 2011.

(2) PROPORTIONATE APPLICATION.—Any rescission made by paragraph (1) shall be applied proportionately—

(A) to each discretionary account and each item of budget authority described in such paragraph; and

(B) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President's budget).

(3) EXCEPTION.—This subsection shall not apply to appropriations under the heading ''CAPITOL POLICE''.

(4) ADMINISTRATION OF ACROSS-THE-BOARD REDUCTIONS.—In the administration of paragraph (1), with respect to the budget authority provided under the heading ''SENATE'' in—

(A) the percentage rescissions under paragraph (1) shall apply to the total amount of all funds appropriated under that heading; and

(B) the rescissions may be applied without regard to paragraph (2).

(b) APPROPRIATIONS TO THE EXECUTIVE OFFICE OF THE PRESIDENT.—Notwithstanding any other provision of law, the total amount of funds appropriated to the appropriations account under the heading under the heading ''EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT'' for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated to that account for fiscal year 2011 after application of the rescission under subsection (a).

(c) APPROPRIATIONS TO CONGRESS.—Notwithstanding any other provision of law, the total amount of funds appropriated under the headings ''SENATE'' and ''HOUSE OF REPRESENTATIVES'' for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated under those headings for fiscal year 2011 after application of the rescission under subsection (a).

SEC. 902. NO COST OF LIVING ADJUSTMENT IN PAY OF MEMBERS OF CONGRESS.

Notwithstanding any other provision of law, no adjustment shall be made under section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) (relating to cost of living adjustments for Members of Congress) during fiscal years 2012, 2013, and 2014.

SEC. 903. FREEZE ON COST OF FEDERAL EMPLOYEES (INCLUDING CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE) SALARIES.

Notwithstanding any other provision of law, the total amount of funds expended on salaries for civilian employees of the Federal Government, including civilian employees of the Department of Defense, for fiscal year 2011, fiscal year 2012, and fiscal year 2013 shall not exceed the total costs for such salaries in fiscal year 2010: *Provided*, That the amounts spent on salaries of members of the armed forces are exempt from the provisions of this subsection: *Provided further*, That nothing in this subsection prohibits an employee from receiving an increase in salary or other compensation so long as such an increase does not increase an agency's net expenditures for employee salaries.

SEC. 904. REDUCTION IN THE NUMBER OF FEDERAL EMPLOYEES.

(a) DEFINITION.—In this section, the term ''agency'' means an executive agency as defined under section 105 of title 5, United States Code.

(b) DETERMINATION OF NUMBER OF EMPLOYEES.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall determine the number of full-time employees employed in each agency. The head of each agency shall cooperate with the Director of the Office of Management and Budget in making the determinations.

(c) REDUCTIONS.—Notwithstanding any other provision of law, the head of each agency shall take such actions as necessary, including a reduction in force under sections 3502 and 3595 of title 5, United States Code, to reduce the number of full-time employees employed in that agency as determined under subsection (b) by 10 percent not later than October 1, 2020.

(d) REPLACEMENT HIRE RATE.—In implementing subsection (c), the head of each agency may hire no more than 2 employees in that agency for every 3 employees who leave employment in that agency during any fiscal year.

SEC. 905. LIMITATION ON GOVERNMENT PRINTING COSTS.

Not later than 180 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall coordinate with the heads of Federal departments and independent agencies to—

(a) determine which Government publications could be available on Government websites and no longer printed and to devise a strategy to reduce overall Government printing costs over the 10-year period beginning with fiscal year 2011, except that the Director shall ensure that essential printed documents prepared for social security recipients, medicare beneficiaries, and other populations in areas with limited internet access or use continue to remain available;

(b) establish government-wide Federal guidelines on employee printing;

(c) issue on the Office of Management and Budget's public website the results of a cost-benefit analysis on implementing a digital signature system and on establishing employee printing identification systems, such as the use of individual employee cards or codes, to monitor the amount of printing done by Federal employees; except that the Director of the Office of Management and Budget shall ensure that Federal employee printing costs unrelated to national defense, homeland security, border security, national disasters, and other emergencies do not exceed $860,000,000 annually; and

(d) issue guidelines requiring every department, agency, commission or office to list at a prominent place near the beginning of each publication distributed to the public and issued or paid for by the Federal Government—

(1) the name of the issuing agency, department, commission or office;

(2) the total number of copies of the document printed;

(3) the collective cost of producing and printing all of the copies of the document; and

(4) the name of the firm publishing the document.

SEC. 906. LIMITATION OF GOVERNMENT TRAVEL COSTS.

(a) IN GENERAL.—Within 60 days after the date of enactment of this Act, the Director of the Office of Management and Budget, in consultation with the heads of the Federal departments and agencies, shall establish a definition of ''nonessential travel'' and criteria to determine if travel-related expenses and requests by Federal employees meet the definition of ''nonessential travel''. No travel expenses paid for, in whole or in part, with Federal funds shall be paid by the Federal Government unless a request is made prior to the travel and the requested travel meets the criteria established by this section. Any travel request that does not meet the definition and criteria shall be disallowed, including reimbursement for air flights, automobile rentals, train tickets, lodging, per diem, and other travel-related costs. The definition established by the Director of the Office of Management and Budget may include exemptions in the definition, including travel related to national defense, homeland security, border security, national disasters, and other emergencies. The Director of the Office of Management and Budget shall ensure that all travel costs paid for in part or whole by the Federal Government not related to national defense, homeland security, border security, national disasters, and other emergencies do not exceed $5,000,000,000 annually.

(b) RESCISSIONS.—

(1) DEFINITIONS.—In this subsection—

(A) the term ''agency''—

(i) means an executive agency as defined under section 105 of title 5, United States Code; and

(ii) does not include the Department of Defense; and

(B) the term ''travel expense amount'' means, with respect to each agency, an amount equal to 20 percent of all funds expended by that agency on travel expenses during fiscal year 2010.

(2) IN GENERAL.—There is rescinded a travel expense amount from appropriations made for fiscal year 2011 in each agency appropriations account providing for travel expenses.

(3) FREEZE.—Notwithstanding any other provision of law, the total amount of funds appropriated to the appropriations account providing for travel expenses for each agency for each of fiscal years 2012 and 2013 may not exceed the total amount of funds appropriated to that account for fiscal year 2011 after application of the rescission under paragraph (2).

SEC. 907. REDUCTION IN FEDERAL VEHICLE COSTS.

Notwithstanding any other provision of law—

(a) of the amounts made available to the General Services Administration for the acquisition of new vehicles for the Federal fleet for fiscal year 2011 and remaining unobligated as of the date of enactment of this Act, an amount equal to 20 percent of all such amounts is rescinded;

(b) for fiscal year 2012 and each fiscal year thereafter—

(1) the amount made available to the General Services Administration for the acquisition of new vehicles for the Federal fleet shall not exceed an amount equal to 80 percent of the amount made available for the acquisition of those vehicles for fiscal year 2011 (before application of subsection (a)); and

(2) the number of new vehicles acquired by the General Services Administration for the Federal fleet shall not exceed a number equal to 50 percent of the vehicles so acquired for fiscal year 2011; and

(c) any amounts made available under Public Law 111–5 for the acquisition of new vehicles for the Federal fleet shall be disregarded by for purposes of determining the baseline.

SEC. 908. SALE OF EXCESS FEDERAL PROPERTY.

(a) IN GENERAL.—Chapter 5 of subtitle I of title 40, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

''§ 1A621. Definitions

''In this subchapter:

''(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.

''(2) LANDHOLDING AGENCY.—The term 'landholding agency' means a landholding agency (as defined in section 501(i) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411(i))).

''(3) REAL PROPERTY.—

''(A) IN GENERAL.—The term 'real property' means—

''(i) a parcel of real property under the administrative jurisdiction of the Federal Government that is—

''(I) excess;

''(II) surplus;

''(III) underperforming; or

''(IV) otherwise not meeting the needs of the Federal Government, as determined by the Director; and

''(ii) a building or other structure located on real property described in clause (i).

''(B) EXCLUSION.—The term 'real property' excludes any parcel of real property, and any building or other structure located on real property, that is to be closed or realigned under the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note; Public Law 100–526).

''§ 1A622. Disposal program

''(a) IN GENERAL.—Except as provided in subsection (e), the Director shall, by sale or auction, dispose of a quantity of real property with an aggregate value of not less than $15,000,000,000 that, as determined by the Director, is not being used, and will not be used, to meet the needs of the Federal Government for the period of fiscal years 2010 through 2015.

''(b) RECOMMENDATIONS.—The head of each landholding agency shall recommend to the Director real property for disposal under subsection (a).

''(c) SELECTION OF PROPERTIES.—After receiving recommendations of candidate real property under subsection (b), the Director—

''(1) with the concurrence of the head of each landholding agency, may select the real property for disposal under subsection (a); and

''(2) shall notify the recommending landholding agency head of the selection of the real property.

''(d) WEBSITE.—The Director shall ensure that all real properties selected for disposal under this section are listed on a website that shall—

''(1) be updated routinely; and

''(2) include the functionality to allow any member of the public, at the option of the member, to receive updates of the list through electronic mail.

''(e) TRANSFER OF PROPERTY.—The Director may transfer real property selected for disposal under this section to the Department

of Housing and Urban Development if the Secretary of Housing and Urban Development determines that the real property is suitable for use in assisting the homeless.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of subtitle I of title 40, United States Code, is amended by inserting after the item relating to section 611 the following:

''SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

''Sec. 621. Definitions.

''Sec. 622. Disposal program.''.

SEC. 909. PROHIBITION ON USE OF FEDERAL FUNDS TO PAY UNEMPLOYMENT COMPENSATION TO MILLIONAIRES.

(a) PROHIBITION.—Notwithstanding any other provision of law, no Federal funds may be used to make payments of unemployment compensation (including such compensation under the Federal-State Extended Compensation Act of 1970 and the emergency unemployment compensation program under title IV of the of the Supplemental Appropriations Act, 2008) in a year to an individual whose resources in the preceding year was equal to or greater than $1,000,000. For purposes of the preceding sentence, with respect to a year, an individual's resources shall be determined in the same manner as a subsidy eligible individual's resources are determined for the year for purposes of the Medicare part D drug benefit under section 1860D–14(a)(3)(E) of the Social Security Act (42 U.S.C. 1395w–114(a)(3)(E)).

(b) EFFECTIVE DATE.—The prohibition under subsection (a) shall apply to weeks of unemployment beginning on or after January 1, 2011.

SEC. 910. MANDATORY ELIMINATION OF DUPLICATIVE GOVERNMENT PROGRAMS.

(a) REDUCING DUPLICATION.—The Director of the Office of Management Budget and the Secretary of each Federal Government agency (and the head of each independent agency) shall work with the Chairman and ranking member of the relevant congressional appropriations subcommittees and the congressional authorizing committees and the Director of the Office of Management Budget to consolidate programs with duplicative goals, missions, and initiatives.

(b) OMB REPORT.—Within 120 days after the date of enactment of this section, the Director of the Office of Management and Budget shall submit to Congress a list of programs with duplicative goals, missions, and initiatives with recommendations for consolidation or elimination.

(c) FAILURE TO ACT.—If Congress takes no action to address the recommendations submitted in subsection (b) within 60 days, Secretary of each Federal Government agency and the head of each independent agency shall carry out the recommendations as submitted to Congress.

SEC. 911. COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT.

(a) IN GENERAL.—Chapter 73 of title 5, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VIII—COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT

''§ 7381. Collection of unpaid taxes from employees of the Federal Government

''(a) DEFINITIONS.—For purposes of this section—

''(1) the term 'seriously delinquent tax debt' means an outstanding debt under the Internal Revenue Code of 1986 for which a notice of lien has been filed in public records pursuant to section 6323 of such Code, except that such term does not include—

''(A) a debt that is being paid in a timely manner pursuant to an agreement under section 6159 or section 7122 of such Code; and

''(B) a debt with respect to which a collection due process hearing under section 6330 of such Code, or relief under subsection (a), (b), or (f) of section 6015 of such Code, is requested or pending; and

''(2) the term 'Federal employee' means—

''(A) an employee, as defined by section 2105; and

''(B) an employee of the United States Congress, including Members of the House of Representatives and Senators.

''(b) COLLECTION OF UNPAID TAXES.—The Internal Revenue Service shall coordinate with the Department of Treasury and the hiring agency of a Federal employee who has a seriously delinquent tax debt to collect such taxes by withholding a portion of the employee's salary over a period set by the hiring agency to ensure prompt payment.''.

(b) CLERICAL AMENDMENT.—The analysis for chapter 73 of title 5, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VIII—COLLECTION OF UNPAID TAXES FROM EMPLOYEES OF THE FEDERAL GOVERNMENT

''Sec. 7381. Collection of unpaid taxes from employees of the Federal Government.''.

SEC. 912. TEN PERCENT REDUCTION IN VOLUNTARY CONTRIBUTIONS TO THE UNITED NATIONS.

Notwithstanding any other provision of law, of the funds appropriated or otherwise made available for fiscal year 2011, voluntary contributions to the United Nations paid by the United States shall not exceed an amount that is 10 percent less than the amount provided in fiscal year 2010.

SEC. 913. LOW-PRIORITY CONSTRUCTION PROJECTS OF CORPS OF ENGINEERS.

(a) TERMINATION OF AUTHORITY.—The authority to carry out low-priority construction projects of the Corps of Engineers is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for low-priority construction projects of the Corps of Engineers that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the projects referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects described in paragraph (1), as determined by the Secretary of the Army, in consultation with other appropriate Federal agencies.

SEC. 914. TEN PERCENT REDUCTION IN INTERNATIONAL DEVELOPMENT AND HUMANITARIAN ASSISTANCE FUNDING.

Notwithstanding any other provision of law, of the funds appropriated or otherwise made available for fiscal year 2011, international development and humanitarian assistance expenditures of the United States shall not exceed an amount that is 10 percent less than the amount provided in fiscal year 2010.

SEC. 915. ELIMINATION OF THE SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES PROGRAM.

(a) REPEAL.—Part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.) is repealed.

(b) RECISION OF FUNDS.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Safe and Drug-Free Schools and Communities Program under part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7101 et seq.), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 916. RESCISSION OF AMOUNTS FOR ECONOMIC DEVELOPMENT ADMINISTRATION.

Notwithstanding any other provision of law—

(1) all amounts made available for programs, activities, and grants of the Economic Development Administration that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs, activities, and grants referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating such programs, activities, and grants, as determined by the Secretary of Commerce, in consultation with other appropriate Federal agencies.

SEC. 917. DEPARTMENT OF JUSTICE WASTEFUL ACTIVITIES.

Notwithstanding any other provision of law, 5 percent of all unobligated balances held by the Attorney General as of the date of enactment of this Act are rescinded to eliminate wasteful activities of the Department of Justice.

SEC. 918. RESCISSION OF AMOUNTS FOR HOLLINGS MANUFACTURING PARTNERSHIP PROGRAM AND BALDRIDGE PERFORMANCE EXCELLENCE PROGRAM.

Notwithstanding any other provision of law—

(1) all amounts made available for the Hollings Manufacturing Partnership Program and the Baldridge Performance Excellence Program that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under such programs, as determined by the Secretary of Commerce, in consultation with other appropriate Federal agencies.

SEC. 919. FOSSIL FUEL APPLIED RESEARCH.

(a) TERMINATION OF AUTHORITY.—The authority of the Secretary of Energy to carry out fossil fuel applied research is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for fossil fuel applied research described in subsection (a) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for research referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing research described in paragraph (1), as determined by the Secretary of Energy, in consultation with other appropriate Federal agencies.

SEC. 920. CORPORATION FOR PUBLIC BROADCASTING.

Notwithstanding any other provision of law, the portion of all unobligated balances held by the Corporation for Public Broadcasting that consists of Federal funds are rescinded and no Federal funds appropriated hereafter for the Corporation for Public Broadcasting shall be obligated or expended by such Corporation.

SEC. 921. FIFTEEN PERCENT REDUCTION IN FISCAL YEAR 2011 FUNDING FOR THE DEPARTMENT OF DEFENSE FOR PROCUREMENT.

Notwithstanding any other provision of law, the amount available to the Department of Defense for fiscal year 2011 for procurement is the amount equal to the aggregate amount otherwise authorized to be appropriated to the Department for that fiscal year for procurement minus an amount equal to 15 percent of such aggregate amount.

SEC. 922. TEN PERCENT REDUCTION IN FISCAL YEAR 2011 FUNDING FOR THE DEPARTMENT OF DEFENSE FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

Notwithstanding any other provision of law, the amount available to the Department of Defense for fiscal year 2011 for research, development, test, and evaluation is the amount equal to the aggregate amount otherwise authorized to be appropriated to the Department for that fiscal year for research, development, test, and evaluation minus an amount equal to 10 percent of such aggregate amount.

SEC. 923. REDUCTION IN DEPARTMENT OF DEFENSE SPENDING IN SUPPORT OF MILITARY INSTALLATIONS.

The Secretary of Defense shall reduce the amount obligated or expended in support of military installations through the reduction or elimination of waste, fraud, and abuse attributable to programs and activities related to such support.

SEC. 924. RESCISSION OF DIPLOMATIC AND CONSULAR PROGRAMS FUNDING.

Ten percent of the funds appropriated or otherwise made available to the Secretary of State for diplomatic and consular programs and available for obligation as of the date of the enactment of this Act is hereby rescinded.

SEC. 925. ELIMINATION OF PROGRAM TO PAY INSTITUTIONS OF HIGHER EDUCATION FOR ADMINISTRATIVE EXPENSES RELATING TO STUDENT AID PROGRAM.

(a) REPEAL.—Section 489 of the Higher Education Act of 1965 (20 U.S.C. 1096) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for payments to institutions of higher education under section 489 of the Higher Education Act of 1965 (20 U.S.C. 1096), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such payments shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 926. ELIMINATION OF GRANTS TO LARGE AND MEDIUM HUB AIRPORTS UNDER AIRPORT IMPROVEMENT PROGRAM.

Notwithstanding any provision of subchapter I of chapter 471 of title 49, United States Code, or any other provision of law—

(1) no large hub airport or medium hub airport (as those terms are defined in section 47102 of such title) may receive a grant under the airport improvement program under such subchapter;

(2) all amounts made available for grants to large hub airports or medium hub airports under the airport improvement program that remain unobligated as of the date of the enactment of this Act are rescinded; and

(3) no amounts made available after the date of the enactment of this Act for grants to large hub airports or medium hub airports under the airport improvement program shall be obligated or expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Transportation, in consultation with other appropriate Federal agencies.

SEC. 927. CONSOLIDATE ALL FEDERAL FIRE MANAGEMENT PROGRAMS AND REDUCING FUNDING BY 10 PERCENT.

(a) CONSOLIDATION.—Notwithstanding any other provision of law, the Secretary of Homeland Security shall consolidate all fire management programs carried out under laws administered by the Secretary.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) of amounts made available for programs consolidated under subsection (a), the lesser of 10 percent of such amounts, on the one hand, and the amount of such amounts that remain unobligated as of the date of enactment of this Act, on the other hand, are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating or reducing ongoing projects and activities under such programs, as determined by the Secretary of Homeland Security, in consultation with other appropriate Federal agencies.

SEC. 928. HIGH-ENERGY COST GRANT PROGRAM.

(a) REPEAL.—Section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the program carried out under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating the program described in paragraph (1), as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 929. RESOURCE CONSERVATION AND DEVELOPMENT PROGRAMS.

(a) TERMINATION OF AUTHORITY.—The authority to carry out the resource conservation and development program of the Natural Resources Conservation Service of the Department of Agriculture is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the resource conservation and development program of the Natural Resources Conservation Service of the Department of Agriculture (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 930. REPEAL OF LEAP.

(a) REPEAL OF LEAP.—Subpart 4 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Leveraging Educational Assistance Partnership Program under subpart 4 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such program shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 931. ELIMINATION OF THE B.J. STUPAK OLYMPIC SCHOLARSHIPS PROGRAM.

(a) REPEAL.—Section 1543 of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the B.J. Stupak Olympic Scholarships program under section 1543 of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 932. REPEAL OF ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM.

(a) REPEAL OF LEAP.—Subpart 6 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c) is repealed.

(b) RECESSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Robert C. Byrd Honors Scholarship Program under subpart 6 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such program shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 933. ELIMINATION OF THE HISTORIC WHALING AND TRADING PARTNERS PROGRAM.

(a) REPEAL.—Subpart 12 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7265 et seq.) is repealed.

(b) RECISION OF FUNDS.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Educational, Cultural, Apprenticeship, and Exchange Programs for Alaska Natives, Native Hawaiians, and Their Historical Whaling and Trading Partners in Massachusetts under subpart 12 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7265 et seq.), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 934. ELIMINATION OF THE UNDERGROUND RAILROAD EDUCATIONAL AND CULTURAL PROGRAM.

(a) REPEAL.—Section 841 of the Higher Education Amendments of 1998 (20 U.S.C. 1153) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Underground Railroad educational and cultural program under section 841 of the Higher Education Amendments of 1998 (20 U.S.C. 1153), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 935. BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE.

(a) IN GENERAL.—Notwithstanding section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5309(q)) or any other provision of law, the Secretary of Housing and Urban Development may not make any competitive economic development grants, as otherwise authorized by section 108(q) of that Act, for Brownfields redevelopment projects.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for grants described in subsection (a) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for grants described in subsection (a) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those grants, as determined by the Secretary of Housing and Urban Development, in consultation with other appropriate Federal agencies.

SEC. 936. ELECTION REFORM GRANTS.

(a) TERMINATION OF AUTHORITY.—The authority to make requirements payments to States under part 1 of subtitle D of title II of the Help America Vote Act of 2002 (42 U.S.C. 15401 et seq.) is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for such requirements payments (as of the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for such requirements payments shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities using such requirements payments, as determined by the Administrator of General Services, in consultation with other appropriate Federal agencies.

SEC. 937. ELECTION ASSISTANCE COMMISSION.

(a) TERMINATION OF AUTHORITY.—The Election Assistance Commission established under section 201 of the Help America Vote Act of 2002 (42 U.S.C. 15321) is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Election Assistance Commission (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the Commission described in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities of the Commission, as determined by the Administrator of General Services, in consultation with other appropriate Federal agencies.

SEC. 938. EMERGENCY OPERATIONS CENTER GRANT PROGRAM.

(a) TERMINATION.—Section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Homeland Security for the emergency operations center grant program under section 614 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196c), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by the Secretary of Homeland Security, in consultation with the appropriate Federal agencies.

SEC. 939. ELIMINATION OF HEALTH CARE FACILITIES AND CONSTRUCTION PROGRAM.

Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Health and Human Services for health care facilities and construction are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 940. HIGH PRIORITY SURFACE TRANSPORTATION PROJECTS.

(a) IN GENERAL.—Section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1256) is repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for high priority projects under section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1256) (before the amendment made by subsection (a)) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for high priority projects described in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those projects, as determined by the Secretary of Transportation, in consultation with other appropriate Federal agencies.

SEC. 941. SAVE AMERICA'S TREASURES PROGRAM; PRESERVE AMERICA PROGRAM.

(a) REPEALS.—Sections 7302 and 7303 of the Omnibus Public Land Management Act of 2009 (16 U.S.C. 469n, 469o) are repealed.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Save America's Treasures Program or Preserve America Program that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those programs, as determined by the Secretary of the Interior in consultation with other appropriate Federal agencies.

SEC. 942. TARGETED WATER INFRASTRUCTURE GRANTS.

(a) TERMINATION OF AUTHORITY.—The Targeted Watershed Grants Program and the U.S.–Mexico Border Water Infrastructure Program of the Environmental Protection Agency are terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Targeted Watershed Grants Program and the U.S.–Mexico Border Water Infrastructure Program of the Environmental Protection Agency (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the programs referred to in paragraph (1) (as so in existence) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under those programs, as determined by the Administrator of the Environmental Protection Agency, in consultation with other appropriate Federal agencies.

SEC. 943. NATIONAL PARK SERVICE CHALLENGE COST SHARE PROGRAM.

(a) TERMINATION OF AUTHORITY.—The authority to provide Department of the Interior Challenge Cost Share Program grants is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Department of the Interior Challenge Cost Share Program (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the Department of the Interior Challenge Cost Share Program shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under the program, as determined by the Secretary of the Interior in consultation with other appropriate Federal agencies.

SEC. 944. TERMINATION OF THE CONSTELLATION PROGRAM OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.

(a) TERMINATION REQUIRED.—The Administrator of the National Aeronautics and Space Administration shall terminate the Constellation Program of the National Aeronautics and Space Administration.

(b) DISPOSITION OF UNOBLIGATED FUNDS.—

(1) RESCISSION.—Except as provided in paragraph (2), any funds available for obligation by the National Aeronautics and Space Administration as of the date of the enactment of this Act for the Constellation Program are hereby rescinded.

(2) AVAILABILITY FOR WIND-UP OF PROGRAM.—Funds described in paragraph (1) may be utilized by the National Aeronautics and Space Administration solely for costs related to the winding-up of the provision of the Constellation Program.

SEC. 945. DELTA HEALTH INITIATIVE.

Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Health and Human Services to carry out the Delta Health Initiative are rescinded and no funds appropriated hereafter for such Initiative shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 946. DEPARTMENT OF AGRICULTURE HEALTH CARE SERVICES GRANT PROGRAM.

(a) TERMINATION OF AUTHORITY.—The authority to carry out any health care services grant program of the Department of Agriculture is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for any health care services grant program of the Department of Agriculture (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Secretary of Agriculture, in consultation with other appropriate Federal agencies.

SEC. 947. ELIMINATION OF LOAN REPAYMENT FOR CIVIL LEGAL ASSISTANCE ATTORNEYS.

(a) REPEAL.—Section 428L of the Higher Education Act of 1965 (20 U.S.C. 1078–12) is repealed.

(b) ELIMINATION OF FUNDING.—Notwithstanding any other provision of law, all unobligated balances held by the Secretary of Education for the Repayment for Civil Legal Assistance Attorneys program under section 428L of the Higher Education Act of 1965 (20 U.S.C. 1078–12), as in effect on the day before the date of enactment of this Act, are rescinded and no funds appropriated hereafter for such activities shall be expended, except as determined necessary or essential by such Secretary, in consultation with the appropriate Federal agencies.

SEC. 948. TARGETED AIR SHED GRANT PROGRAM.

(a) TERMINATION OF AUTHORITY.—The Targeted Air Shed Grant Program of the Environmental Protection Agency is terminated.

(b) RESCISSION.—Notwithstanding any other provision of law—

(1) all amounts made available for the Targeted Air Shed Grant Program of the Environmental Protection Agency (as in existence on the day before the date of enactment of this Act) that remain unobligated as of the date of enactment of this Act are rescinded; and

(2) no amounts made available after the date of enactment of this Act for the program referred to in paragraph (1) (as so in existence) shall be expended, other than such amounts as are necessary to cover costs incurred in terminating ongoing projects and activities under that program, as determined by the Administrator of the Environmental Protection Agency, in consultation with other appropriate Federal agencies.

SEC. 949. REQUIRING TRANSPARENCY AND ENSURING NO SPECIAL TREATMENT FOR THE AARP OR AMA.

(a) REQUIREMENT.—Notwithstanding any other provision of law, no Federal grants or contracts may be made available to the AARP or the American Medical Association (commonly referred to as the ''AMA'') for fiscal year 2011 or any fiscal year thereafter unless awarded by a competitive bidding process.

(b) DISCLOSURE CONDITIONS.—Any physician trade and lobbying organization partnering with the Federal Government by participating in technical reviews, making health care payment policy recommendations, representing physician interests on advisory panels, or otherwise representing physicians in matters being reviewed or examined by the Department of Health and Human Services shall disclose the following:

(1) The number of dues paying physician-members the organization currently represents.

(2) The professional status of such members, whether said physicians are currently practicing medicine, teaching, retired, or a medical student in residency.

(c) MEMBERSHIP REQUIREMENT.—No physician trade and lobbying organization shall be eligible to participate in activities listed in subsection (b) unless such organizations have a membership composed of at least 50 percent of currently-practicing physicians in the same calendar year. The requirement of the preceding sentence shall apply to all physician trade organizations, regardless of whether the organization is a State, regional, or national organization, and regardless of what specialty or practice areas said organizations represent.

(d) REQUIREMENT FOR CERTAIN MEDIGAP SELLERS OR ISSUERS.—Sellers or issuers of medicare supplemental policies under section 1882 of the Social Security Act (42 U.S.C. 1395ss) that constitute more than 20 percent of the market share of the previous fiscal year shall be required to spend at least 80 percent of their premium dollars on medical claims to ensure value for seniors.

Subtitle B—Fighting Fraud and Abuse to Save Taxpayers' Dollars

SEC. 960. FINDINGS.

Congress makes the following findings:

(1) The Medicare program loses an estimated $60,000,000,000 annually to wasted and fraudulent payments.

(2) The Medicaid program also suffers from rampant fraud. As the Office of the Inspector General of the Department of Health and Human Services noted in 2009, in an analysis of the only source of nationwide Medicaid claims and beneficiary eligibility information, the Medicaid Statistical Information System, the Federal Government does not have ''timely, accurate, or comprehensive information for fraud, waste, and abuse detection'' in the Medicaid program.

(3) Absent comprehensive estimates, the Medicaid program's improper payment rate may be the most objective measure of taxpayer dollars lost to fraud. The national average improper payment rate ranges between 8.7 percent and 10.5 percent, but many States have much higher improper payment rates.

(4) The new Federal health reform law substantially expands the Medicaid program, significantly changes the Medicare program, creates new mandates and regulations, and will send hundreds of billions of dollars to insurance companies.

(5) It is the duty of public officials and public servants in Congress and the Administration to protect the American public's taxpayer dollars. Congress and the Administration must continue to aggressively combat waste, fraud, and abuse in public health care programs.

(6) The Inspector General of the Department of Health and Human Services has stated that ''swift and effective detection of and response to waste, fraud, and abuse remain an essential program integrity strategy''. Furthermore, the Inspector General noted that ''effective use of Medicare and Medicaid data is critical to the success of the Government's efforts to reduce waste, fraud, and abuse''.

(7) The loss of taxpayer dollars due to waste and fraud under the Medicare and Medicaid programs not only threatens the financial viability of those programs, it erodes the public trust. American taxpayers should not be expected to tolerate rampant waste, fraud, and abuse in publicly funded health care programs.

(8) Congress supports the commitment of the Office of the Inspector General of the Department of Health and Human Services to ''enhancing existing data analysis and mining capabilities and employing advanced techniques such as predictive analytics and social network analysis, to counter new and existing fraud schemes''.

(9) Congress supports the use of predictive modeling and other smart technologies that can transform the current ''pay and chase'' payment cultures under the Medicare and Medicaid programs and prevent taxpayer dollars from being lost to waste, fraud, and abuse.

SEC. 961. TRACKING EXCLUDED PROVIDERS ACROSS STATE LINES.

(a) GREATER COORDINATION.—In order to ensure that providers of services and suppliers that have operated in one State and are excluded from participation in the Medicare program are unable to begin operation and participation in other Federal health care programs in another State, the Secretary shall provide for increased coordination between the following:

(1) The Administrator of the Centers for Medicare & Medicaid Services.

(2) Regional offices of the Centers for Medicare & Medicaid Services.

(3) Medicare administrative contractors, fiscal intermediaries, and carriers.

(4) State health agencies, State plans under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), State plans under title XXI of such Act (42 U.S.C. 1397aa et seq.), and entities that contract with such agencies and plans, as directed by the Secretary.

(5) The Federation of State Medical Boards.

(b) IMPROVED INFORMATION SYSTEMS.—

(1) IN GENERAL.—The Secretary shall improve information systems to allow greater integration between databases under the Medicare program so that—

(A) Medicare administrative contractors, fiscal intermediaries, and carriers have immediate access to information identifying providers and suppliers excluded from participation in the Medicare program, the Medicaid program under title XIX of the Social Security Act, the State Children's Health Insurance Program under title XXI of such Act, and other Federal health care programs; and

(B) such information can be shared on a real-time basis, in accordance with protocols established under subsection (g)(2)—

(i) across Federal health care programs and agencies, including between the Department of Health and Human Services, the Social Security Administration, the Department of Veterans Affairs, the Department of Defense, the Department of Justice, and the Office of Personnel Management; and

(ii) with State health agencies, State plans under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), State child health plans under title XXI of such Act (42 U.S.C. 1397aa et seq.), and entities that contract with such agencies and plans, as directed by the Secretary.

(2) SHARING OF INFORMATION IN ADDITION TO HEAT EFFORTS.—The information shared under paragraph (1) shall be in addition to, and shall not replace, activities of the Health Care Fraud Prevention and Enforcement Action Team (HEAT) established by the Attorney General and the Department of Health and Human Services.

(3) APPROPRIATE COORDINATION.—In implementing this subsection, the Secretary shall provide for the maximum appropriate coordination with the process established under section 6401(b)(2) of the Patient Protection and Affordable Care Act (Public Law 111–148).

(c) ''ONE PI'' DATABASE FOR MEDICARE, MEDICAID, AND CHIP.—

(1) IN GENERAL.—The Secretary shall—

(A) continue to upload Medicare claims, provider, and beneficiary data into the Integrated Data Repository under section 1128J(a)(1) of the Social Security Act, as added by section 6402(a) of the Patient Protection and Affordable Care Act until such time as the Secretary determines that the Integrated Data Repository is completed; and

(B) fully implement the waste, fraud, and abuse detection solution of the Centers for Medicare & Medicaid Services, called the ''One PI project'' (in this subsection referred to as the ''project'') by not later than January 1, 2013.

(2) ACCESS.—The Secretary, in consultation with Inspector General of the Department of Health and Human Services, may allow stakeholders who combat, or could assist in combating, waste, fraud, and abuse under Federal health care programs to have access to the One PI system established under the project. Such stakeholders may include the Director of the Federal Bureau of Investigation, the Comptroller General of the United States, Medicare administrative

contractors, fiscal intermediaries, and carriers.

(d) FEDERAL AND STATE AGENCY ACCESS TO NATIONAL PRACTITIONER DATA BANK.—For purposes of enhancing data sharing in order to identify programmatic weaknesses and improving the timeliness of analysis and actions to prevent waste, fraud, and abuse, relevant Federal and State agencies, including the Department of Health and Human Services, the Department of Justice, State departments of health, State Medicaid plans under title XIX of the Social Security Act, State child health plans under title XXI of such Act, and State medicaid fraud control units (as described in section 1903(q) of the Social Security Act (42 U.S.C. 1396b(q))), shall have real-time access to the National Practitioner Data Bank, as directed by the Secretary. The Secretary may, in consultation with the Inspector General of the Department of Health and Human Services, give such real-time access to State attorneys general and State and local law enforcement agencies.

(e) ACCESS TO CLAIMS AND PAYMENT DATABASES.—Section 1128J(a)(2) of the Social Security Act, as added by section 6402(a) of the Patient Protection and Affordable Care Act (Public Law 111–148) is amended—

(1) by striking ''DATABASES.—For purposes'' and inserting ''DATABASES.—

''(A) ACCESS FOR THE CONDUCT OF LAW ENFORCEMENT AND OVERSIGHT ACTIVITIES.—For purposes'';

(2) in subparagraph (A), as added by paragraph (1), by inserting '', including the Integrated Data Repository under paragraph (1)'' before the period at the end; and

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

''(B) ACCESS TO REDUCE WASTE, FRAUD, AND ABUSE.—For purposes of reducing waste, fraud, and abuse, and to the extent consistent with applicable information, privacy, security, and disclosure laws, including the regulations promulgated under the Health Insurance Portability and Accountability Act of 1996 and section 552a of title 5, United States Code, and subject to any information systems security requirements under such laws or otherwise required by the Secretary, the Secretary, in consultation with the Inspector General of the Department of Health and Human Services, may allow State Medicaid fraud control units and State and local law enforcement officials to have access to claims and payment data of the Department of Health and Human Services and its contractors related to titles XVIII, XIX, and XXI, including the Integrated Data Repository under paragraph (1).''.

(f) ENSURING DATA IS UPLOADED TO THE IDR ON A DAILY BASIS.—Section 1128J(a)(1) of the Social Security Act, as added by section 6402(a) of the Patient Protection and Affordable Care Act (Public Law 111–148) is amended by adding at the end the following new subparagraph:

''(C) UPLOADING OF MEDICARE CLAIMS DATA ON A DAILY BASIS.—All Medicare claims data shall be uploaded into the Integrated Data Repository on a daily basis.''.

(g) REAL-TIME ACCESS TO DATA.—

(1) IN GENERAL.—The Secretary shall ensure that any data provided to an entity or individual under the provisions of or amendments made by this section is provided to such entity or individual on a real-time basis, in accordance with protocols established by the Secretary under paragraph (2). The Secretary shall consult with the Inspector General of the Department of Health and Human Services prior to implementing this subsection.

(2) PROTOCOLS.—

(A) IN GENERAL.—The Secretary shall establish protocols to ensure the secure transfer and storage of any data provided to another entity or individual under the provisions of or amendments made by this section.

(B) CONSIDERATION OF HHS OIG RECOMMENDATIONS.—In establishing protocols under subparagraph (A), the Secretary shall take into account recommendations submitted to the Secretary by the Inspector General of the Department of Health and Human Services with respect to the secure transfer and storage of such data.

(h) GAO STUDY AND REPORT ON USE OF FEDERATION OF STATE MEDICAL BOARDS TO STRENGTHEN ENROLLMENT INTEGRITY PROCESSES.—

(1) STUDY.—The Comptroller General of the United States shall, in consultation with the Federation of State Medical Boards, conduct a study on whether and, if so, to what degree, such Federation may be useful to the Secretary in further strengthening the integrity of processes for enrolling providers of services and suppliers under Federal health care programs.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report containing the results of the study conducted under paragraph (1), together with recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

(i) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Centers for Medicare & Medicaid Services.

(2) CHIP.—The term ''CHIP'' means the State Children's Health Insurance Program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

(3) FEDERAL HEALTH CARE PROGRAM.—The term ''Federal health care program'' has the meaning given such term in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a–7b(f)).

(4) HHS OIG.—The term ''HHS OIG'' means the Inspector General of the Department of Health and Human Services.

(5) MEDICARE ADMINISTRATIVE CONTRACTORS, FISCAL INTERMEDIARIES, AND CARRIERS.—The term ''Medicare administrative contractors, fiscal intermediaries, and carriers'' includes zone program integrity contractors, program safeguard or integrity contractors, recovery audit contractors under section 1893(h) of the Social Security Act (42 U.S.C. 1395ddd(h)), and special investigative units at Medicare contractors (as defined in section 1889(g) of the Social Security Act (42 U.S.C. 1395zz(g))).

(6) MEDICARE PROGRAM.—The term ''Medicare program'' means the program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(7) PROVIDER OF SERVICES.—The term ''provider of services'' has the meaning given such term in section 1861(u) of the Social Security Act (42 U.S.C. 1395x(u)).

(8) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(9) STATE.—The term ''State'' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(10) SUPPLIER.—The term ''supplier'' has the meaning given such term in section 1861(d) of the Social Security Act (42 U.S.C. 1395x(d)).

SEC. 962. ACCESS FOR PRIVATE SECTOR AND GOVERNMENTAL ENTITIES.

(a) IN GENERAL.—Title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 6402(a) of the Patient Protection and Affordable Care Act (Public Law 111–148), is amended by inserting after section 1128J the following new section:

''EXPANDED ACCESS TO THE NATIONAL PRACTITIONER DATA BANK

''SEC. 1128K. (a) EXPANDED ACCESS.—

''(1) IN GENERAL.—The information in the National Practitioner Data Bank established pursuant to the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11101 et seq.) may be available on a real-time basis, in accordance with protocols established by the Secretary under subsection (b), to—

''(A) Federal and State government agencies and health plans, commercial health plans, and any health care provider, supplier, or practitioner entering an employment or contractual relationship with an individual or entity who has been subject to a final adverse action in the past 10 years, where the contract involves the furnishing of items or services reimbursed by 1 or more Federal health care programs (regardless of whether the individual or entity is paid by the programs directly, or whether the items or services are reimbursed directly or indirectly through the claims of a direct provider); and

''(B) utilization and quality control peer review organizations and accreditation entities as defined by the Secretary, including but not limited to organizations described in part B of this title and in section 1154(a)(4)(C).

''(2) NO EFFECT ON ACCESS UNDER OTHER APPLICABLE LAW; APPROPRIATE COORDINATION.—Nothing in this section shall affect the availability of information in the National Practitioner Data Bank under other applicable law, including the availability of such information to entities or individuals under part B of the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11131 et seq.). In implementing this section, the Secretary shall provide for the maximum appropriate coordination with such part.

''(b) PROTOCOLS.—The Secretary shall establish protocols to ensure the secure transfer and storage of data made available under this section. In establishing such protocols the Secretary shall take into account recommendations submitted to the Secretary by the Inspector General of the Department of Health and Human Services and the National Association of Insurance Commissioners with respect to the secure transfer and storage of such data, the establishment or approval of a fee structure under subsection (c), and the establishment of user access protocols.

''(c) FEES FOR DISCLOSURE.—

''(1) IN GENERAL.—

''(A) FEES.—Subject to paragraph (2), the Secretary may establish or approve reasonable fees for the disclosure of information under this section, including with respect to requests by Federal agencies or other entities, such as fiscal intermediaries and carriers, acting under contract on behalf of such agencies.

''(B) ESTABLISHMENT OR APPROVAL OF FEE AMOUNTS.—In establishing or approving the amount of such fees, the Secretary shall ensure that the total amount of the fees to be collected is equal to the total costs of processing the requests for disclosure and of providing such information. Such fees shall be available to the Secretary to cover such costs.

''(C) FOR-PROFIT ENTITIES.—The Secretary may allow for-profit entities to receive data under this section for a fee that is comparable to the fee charged to a Federal agency or other entity under subparagraph (A) with respect to a similar request.

''(2) FREE ACCESS TO CERTAIN DATA.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Fighting Fraud and Abuse to Save Taxpayers' Dollars

Act, for purposes of identifying additional strategies and tools to combat waste, fraud, and abuse, the Secretary—

''(i) establish protocols to ensure the secure transmission of data under this section; and

''(ii) may ensure nonprofit academic, policy, and research institutions have access to data from the National Practitioner Data Bank.

''(B) ACCESS FREE OF CHARGE.—Data shall be provided under subparagraph (A)(ii) free of charge to academic, policy, and research institutions.

''(C) REQUIREMENT.—Any academic, policy, or research institution that is provided data under subparagraph (A)(ii) shall, as a condition of receiving such data, be required to share with the Secretary any findings using such data to combat waste, fraud, and abuse (in a form and manner of the academic, policy, or research institution's choosing).

''(d) ESTABLISHMENT OF APPEALS PROCESS.—

''(1) IN GENERAL.—The Secretary shall establish a transparent and responsive appeals process under which a provider of services or supplier may have their name removed from the National Practitioner Data Bank. Under such process, appeals shall be conducted in a timely manner (not more than 90 days after the earlier of the date of the listing in the National Practitioner Data Bank or the issuance of any penalty involved) in order to minimize the time that providers of services or suppliers who successfully appeal are excluded from participation under the programs under titles XVIII and XIX.

''(2) CONSULTATION.—The Secretary shall consult with major colleges of medical practice in the United States, commercial health plans, the Inspector General of the Department of Health and Human Services, the National Association of Insurance Commissioners, and the Federation of State Medical Boards in establishing the appeals process under paragraph (1).

''(e) DEFINITIONS.—In this section:

''(1) COMMERCIAL HEALTH PLAN.—The term 'commercial health plan' means health insurance coverage (as defined in section 2791 of the Public Health Service Act and including group health plans).

''(2) FINAL ADVERSE ACTION.—The term 'final adverse action' means one or more of the following actions:

''(A) A Medicare-imposed revocation of any Medicare billing privileges.

''(B) Suspension or revocation of a license to provide health care by any State licensing authority.

''(C) A conviction of a Federal or State felony offense within the last 10 years preceding enrollment, revalidation, or re-enrollment.

''(D) An exclusion or debarment from participation in a Federal or State health care program.''.

(b) CRIMINAL PENALTY FOR MISUSE OF INFORMATION DISCLOSED.—Section 1128B(b) of the Social Security Act (42 U.S.C. 1320a–7b(b)) is amended by adding at the end the following:

''(4) Whoever knowingly uses information disclosed from the National Practitioner Data Bank under section 1128K for a purpose other than those authorized under that section shall be imprisoned for not more than 3 years or fined under title 18, United States Code, or both.''.

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

SEC. 963. LIABILITY OF MEDICARE ADMINISTRATIVE CONTRACTORS FOR CLAIMS SUBMITTED BY EXCLUDED PROVIDERS.

(a) REIMBURSEMENT TO THE SECRETARY FOR AMOUNTS PAID TO EXCLUDED PROVIDERS.—Section 1874A(b) of the Social Security Act (42 U.S.C. 1395kk(b)) is amended by adding at the end the following new paragraph:

''(6) REIMBURSEMENTS TO SECRETARY FOR AMOUNTS PAID TO EXCLUDED PROVIDERS.—

''(A) LIMITATION.—

''(i) IN GENERAL.—Except as provided in clause (ii), the Secretary shall not enter into a contract with a Medicare administrative contractor under this section unless the contractor agrees to reimburse the Secretary for any amounts paid by the contractor for with respect to any item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) which is furnished—

''(I) by an individual or entity during the period when such individual or entity is excluded pursuant to section 1128, 1128A, 1156 or 1842(j)(2) from participation in the program under this title; or

''(II) at the medical direction or on the prescription of a physician during the period when he is excluded pursuant to section 1128, 1128A, 1156 or 1842(j)(2) from participation in the program under this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).

''(ii) EXCEPTION.—Where a Medicare administrative contractor pays a claim for payment for items or services furnished by an individual or entity excluded from participation in the programs under this title, pursuant to section 1128, 1128A, 1156, or 1866, and such Medicare administrative contractor did not know or have reason to know that such individual or entity was so excluded, then, to the extent permitted by this title, and notwithstanding such exclusion, the contractor shall not be required to reimburse the Secretary under clause (i) for any amounts paid with respect to such items or services. In each such case the Secretary shall notify the contractor of the exclusion of the individual or entity furnishing the items or services. A Medicare administrative contractor shall not make payment for items or services furnished by an excluded individual or entity to a beneficiary after a reasonable time (as determined by the Secretary in regulations) after the Secretary has notified the contractor of the exclusion of that individual or entity.

''(B) REQUIREMENT TO REVIEW CLAIMS.—A Medicare administrative contractor shall review claims submitted to the contractor for payment for services under this title in order to ensure that such services were not furnished by an individual or entity during any period for which the individual or entity is excluded from such participation (as described in subparagraph (A)).''.

(b) REPORT ON EFFECTIVENESS AND DEVELOPMENT OF SCORECARD AND MEASURABLE PERFORMANCE METRICS FOR MEDICARE CONTRACTORS.—

(1) REPORT.—

(A) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the overall effectiveness and potential of Medicare contractors.

(B) CONTENTS OF REPORT.—The report submitted under subparagraph (A) shall include the Secretary's recommendations for the development of measurable performance metrics and a scorecard for Medicare contractors (or, in the case of Medicare administrative contractors, updated and revised measurable performance metrics and a revised scorecard), together with recommendations for such legislation and administrative action as the Secretary determines appropriate.

(2) CONSULTATION.—The Secretary shall consult with Medicare contractors, the Inspector General of the Department of Health and Human Services, private sector waste, fraud, and abuse experts, and entities with experience combating and preventing waste, fraud, and abuse, including through the review of Medicare claims, in preparing the report submitted under paragraph (1).

(3) MEDICARE CONTRACTORS DEFINED.—In this subsection, the term ''Medicare contractor'' means any of the following:

(A) A Medicare administrative contractor under section 1874A of the Social Security Act.

(B) A Medicare Program Safeguard Contractor.

(C) A Zone Program Integrity Contractor.

(D) A Medicare Drug Integrity Contractor.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to claims for reimbursement submitted on or after the date of enactment of this Act.

(2) CONTRACT MODIFICATION.—The Secretary of Health and Human Services shall take such steps as may be necessary to modify contracts entered into, renewed, or extended prior to the date of enactment of this Act to conform such contracts to the provisions of and amendments made by this section.

SEC. 964. LIMITING THE DISCHARGE OF DEBTS IN BANKRUPTCY PROCEEDINGS IN CASES WHERE A HEALTH CARE PROVIDER OR A SUPPLIER ENGAGES IN FRAUDULENT ACTIVITY.

(a) IN GENERAL.—

(1) CIVIL MONETARY PENALTIES.—Section 1128A(a) of the Social Security Act (42 U.S.C. 1320a–7a(a)) is amended by adding at the end the following: ''Notwithstanding any other provision of law, amounts made payable under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title.''.

(2) RECOVERY OF OVERPAYMENT TO PROVIDERS OF SERVICES UNDER PART A.—Section 1815(d) of the Social Security Act (42 U.S.C. 1395g(d)) is amended—

(A) by inserting ''(1)'' after ''(d)''; and

(B) by adding at the end the following:

''(2) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title if the overpayment was the result of fraudulent activity, as may be defined by the Secretary.''.

(3) RECOVERY OF OVERPAYMENT OF BENEFITS UNDER PART B.—Section 1833(j) of the Social Security Act (42 U.S.C. 13951(j)) is amended—

(A) by inserting ''(1)'' after ''(j)''; and

(B) by adding at the end the following:

''(2) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title if the overpayment was the result of fraudulent activity, as may be defined by the Secretary.''.

(4) COLLECTION OF PAST-DUE OBLIGATIONS ARISING FROM BREACH OF SCHOLARSHIP AND LOAN CONTRACT.—Section 1892(a) of the Social Security Act (42 U.S.C. 1395ccc(a)) is amended by adding at the end the following:

''(5) Notwithstanding any other provision of law, amounts due to the Secretary under this section are not dischargeable under section 727, 944, 1141, 1228, or 1328 of title 11, United States Code, or any other provision of such title.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to bankruptcy petitions filed after the date of enactment of this Act.

SEC. 965. PREVENTION OF WASTE, FRAUD, AND ABUSE IN THE MEDICAID AND CHIP PROGRAMS.

(a) DETECTION OF FRAUDULENT IDENTIFICATION NUMBERS WITHIN THE MEDICAID AND CHIP PROGRAMS.—

(1) MEDICAID.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i)), as amended by section 2001(a)(2)(B) of the Patient Protection and Affordable Care Act (Public Law 111–148), is amended—

(A) in paragraph (25), by striking ''or'' at the end;

(B) in paragraph (26), by striking the period and inserting ''; or''; and

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

''(27) with respect to amounts expended for an item or service for which medical assistance is provided under the State plan or under a waiver of such plan unless the claim for payment for such item or service contains—

''(A) a valid beneficiary identification number that, for purposes of the individual who received such item or service, has been determined by the State agency to correspond to an individual who is eligible to receive benefits under the State plan or waiver; and

''(B) a valid National Provider Identifier that, for purposes of the provider that furnished such item or service, has been determined by the State agency to correspond to a participating provider that is eligible to receive payment for furnishing such item or service under the State plan or waiver.''.

(2) CHIP.—Section 2107(e)(1)(I) of the Social Security Act (42 U.S.C. 1397gg(e)(1)(I)) is amended by striking ''and (17)'' and inserting ''(17), and (27)''.

(b) SCREENING REQUIREMENTS FOR MANAGED CARE ENTITIES.—

(1) IN GENERAL.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(A) by redesignating the second subsection (ii), as added by section 6401(b)(1)(B) of the Patient Protection and Affordable Care Act, as subsection (kk) of such section; and

(B) in subsection (kk), as so redesignated—

(i) by redesignating paragraph (8) as paragraph (9); and

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

''(8) MANAGED CARE ENTITIES.—The State establishes procedures to ensure that any managed care entity (as defined in section 1932(a)(1)(B)) under contract with the State complies with all applicable requirements under this subsection.''.

(2) MEDICAID MANAGED CARE ORGANIZATIONS.—Section 1903(m)(2)(A) of the Social Security Act (42 U.S.C. 1396b(m)(2)(A)) is amended—

(A) in clause (xii), by striking ''and'' at the end;

(B) in clause (xiii), by striking the period and inserting ''; and''; and

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

''(xiv) such contract requires that the entity comply with any applicable screening, oversight, and reporting requirements under section 1902(kk).''.

(3) MANAGED CARE ENTITIES.—Section 1932(d) of the Social Security Act (42 U.S.C. 1396u–2(d)) is amended by adding at the end the following new paragraph:

''(5) COMPLIANCE WITH SCREENING, OVERSIGHT, AND REPORTING REQUIREMENTS.—A managed care entity shall comply with any applicable screening, oversight, and reporting requirements under section 1902(kk).''.

(c) REQUIRED DATABASE CHECKS.—Clause (i) of section 1866(j)(2)(B) of the Social Security Act (42 U.S.C. 1395cc(j)(2)(B)) is amended to read as follows:

''(i) shall include—

''(I) a licensure check, which may include such checks across States; and

''(II) for purposes of the Medicaid program under title XIX—

''(aa) database checks (including such checks across States), which shall include—

''(AA) the Medicaid Statistical Information System (as described in section 1903(r)(1)(F)); and

''(BB) any relevant medical databases that are maintained by the State agencies, as determined by the Secretary in consultation with the directors of the State agencies; and

''(bb) coordination of excluded provider lists between the Secretary and the State agency, including exchanges of data regarding excluding providers between Federal and State databases; and''.

(d) TECHNICAL CORRECTIONS.—Section 1902 of the Social Security Act (42 U.S.C. 1396a), as amended by subsection (b)(1), is further amended—

(1) in subsection (a)—

(A) in paragraph (23), by striking ''subsection (ii)(4)'' and inserting ''subsection (kk)(4)''; and

(B) in paragraph (77), by striking ''subsection (ii)'' and inserting ''subsection (kk)''; and

(2) in subsection (kk), by striking ''section 1886'' each place it appears and inserting ''section 1866''.

SEC. 966. ILLEGAL DISTRIBUTION OF A MEDICARE, MEDICAID, OR CHIP BENEFICIARY IDENTIFICATION OR BILLING PRIVILEGES.

Section 1128B(b) of the Social Security Act (42 U.S.C. 1320a–7b(b)), as amended by section 962(b), is amended by adding at the end the following:

''(5) Whoever knowingly, intentionally, and with the intent to defraud purchases, sells or distributes, or arranges for the purchase, sale, or distribution of a Medicare, Medicaid, or CHIP beneficiary identification number or billing privileges under title XVIII, title XIX, or title XXI shall be imprisoned for not more than 10 years or fined not more than $500,000 ($1,000,000 in the case of a corporation), or both.''.

SEC. 967. PILOT PROGRAM FOR THE USE OF UNIVERSAL PRODUCT NUMBERS ON CLAIM FORMS FOR REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than January 1, 2013, the Secretary shall establish a pilot program under which claims for reimbursement under the Medicare program for UPN covered items contain the universal product number of the UPN covered item.

(2) DURATION.—The pilot program under this section shall be conducted for a 2-year period.

(3) CONSIDERATION OF GAO RECOMMENDATIONS.—The Secretary shall take into account the recommendations of the Comptroller General of the United States in establishing the pilot program under this section.

(b) DEVELOPMENT AND IMPLEMENTATION OF PROCEDURES.—

(1) INFORMATION INCLUDED IN UPN.—The Secretary, in consultation with manufacturers and entities with appropriate expertise, shall determine the relevant descriptive information appropriate for inclusion in a universal product number for a UPN covered item under the pilot program.

(2) REVIEW OF PROCEDURE.—The Secretary, in consultation with interested parties (which shall, at a minimum, include the Inspector General of the Department of Health and Human Services and private sector and health industry experts), shall use information obtained under the pilot program through the use of universal product numbers on claims for reimbursement under the Medicare program to periodically review the UPN covered items billed under the Health Care Financing Administration Common Procedure Coding System and adjust such coding system to ensure that functionally equivalent UPN covered items are billed and reimbursed under the same codes.

(c) GAO REPORTS TO CONGRESS ON EFFECTIVENESS OF IMPLEMENTATION OF PILOT PROGRAM.—

(1) INITIAL REPORT.—Not later than 6 months after the implementation of the pilot program under this section, the Comptroller General of the United States shall submit to Congress a report on the effectiveness of such implementation.

(2) FINAL REPORT.—Not later than 18 months after the completion of the pilot program under this section, the Comptroller General of the United States shall submit to Congress a report on the effectiveness of the pilot program, together with recommendations regarding the use of universal product numbers and the use of data obtained from the use of such numbers, and recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

(d) USE OF AVAILABLE FUNDING.—The Secretary shall use amounts available in the Centers for Medicare & Medicaid Services Program Management Account or in the Health Care Fraud and Abuse Control Account under section 1817(k) of the Social Security Act (42 U.S.C. 1395i(k)) to carry out the pilot program under this section.

(e) DEFINITIONS.—In this section:

(1) MEDICARE PROGRAM.—The term ''Medicare program'' means the program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(3) UNIVERSAL PRODUCT NUMBER.—The term ''universal product number'' means a number that is—

(A) affixed by the manufacturer to each individual UPN covered item that uniquely identifies the item at each packaging level; and

(B) based on commercially acceptable identification standards such as, but not limited to, standards established by the Uniform Code Council—International Article Numbering System or the Health Industry Business Communication Council.

(4) UPN COVERED ITEM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term ''UPN covered item'' means—

(i) a covered item as that term is defined in section 1834(a)(13) of the Social Security Act (42 U.S.C. 1395m(a)(13));

(ii) an item described in paragraph (8) or (9) of section 1861(s) of such Act (42 U.S.C. 1395x);

(iii) an item described in paragraph (5) of such section 1861(s); and

(iv) any other item for which payment is made under this title that the Secretary determines to be appropriate.

(B) EXCLUSION.—The term ''UPN covered item'' does not include a customized item for which payment is made under this title.

SEC. 968. PROHIBITION OF INCLUSION OF SOCIAL SECURITY ACCOUNT NUMBERS ON MEDICARE CARDS.

(a) IN GENERAL.—Section 205(c)(2)(C) of the Social Security Act (42 U.S.C. 405(c)(2)(C)), as amended by section 1414(a)(2) of the Patient Protection and Affordable Care Act (Public Law 111–148), is amended by adding at the end the following new clause:

''(xi) The Secretary of Health and Human Services, in consultation with the Commissioner of Social Security, shall establish

cost-effective procedures to ensure that a social security account number (or any derivative thereof) is not displayed, coded, or embedded on the Medicare card issued to an individual who is entitled to benefits under part A of title XVIII or enrolled under part B of title XVIII and that any other identifier displayed on such card is easily identifiable as not being the social security account number (or a derivative thereof).''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply with respect to Medicare cards issued on and after an effective date specified by the Secretary of Health and Human Services, but in no case shall such effective date be later than the date that is 24 months after the date adequate funding is provided pursuant to subsection (d)(2).

(2) REISSUANCE.—Subject to subsection (d)(2), in the case of individuals who have been issued such cards before such date, the Secretary of Health and Human Services—

(A) shall provide for the reissuance for such individuals of such a card that complies with such amendment not later than 3 years after the effective date specified under paragraph (1); and

(B) may permit such individuals to apply for the reissuance of such a card that complies with such amendment before the date of reissuance otherwise provided under subparagraph (A) in such exceptional circumstances as the Secretary may specify.

(c) OUTREACH PROGRAM.—Subject to subsection (d)(2), the Secretary of Health and Human Services, in consultation with the Commissioner of Social Security, shall conduct an outreach program to Medicare beneficiaries and providers about the new Medicare card provided under this section.

(d) REPORT TO CONGRESS AND LIMITATIONS ON EFFECTIVE DATE.—

(1) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services and in consultation with the Commissioner of Social Security, shall submit to Congress a report that includes detailed options regarding the implementation of this section, including line-item estimates of and justifications for the costs associated with such options and estimates of timeframes for each stage of implementation. In recommending such options, the Secretary shall take into consideration, among other factors, cost-effectiveness and beneficiary outreach and education.

(2) LIMITATION; MODIFICATION OF DEADLINES.—With respect to the amendment made by subsection (a), and the requirements of subsections (b) and (c)—

(A) such amendment and requirements shall not apply until adequate funding is transferred pursuant to section 11(b) to implement the provisions of this section, as determined by Congress; and

(B) any deadlines otherwise established under this section for such amendment and requirements are contingent upon the receipt of adequate funding (as determined in subparagraph (A)) for such implementation. The previous sentence shall not affect the timely submission of the report required under paragraph (1).

SEC. 969. IMPLEMENTATION.

(a) EMPOWERING THE HHS OIG AND GAO.—Except as otherwise provided, to the extent practicable, the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall—

(1) carry out the provisions of and amendments made by this subtitle in consultation with the Inspector General of the Department of Health and Human Services; and

(2) take into consideration the findings and recommendations of the Comptroller General of the United States in carrying out such provisions and amendments.

(b) FUNDING.—The Secretary shall provide for the transfer, from the Health Care Fraud and Abuse Control Account under section 1817(k) of the Social Security Act (42 U.S.C. 1395i(k)), to the Centers for Medicare & Medicaid Services Program Management Account, of such sums, provided such sums are fully offset, as the Secretary determines are for necessary administrative expenses associated with carrying out the provisions of and amendments made by this subtitle (other than section 967). Amounts transferred under the preceding sentence shall remain available until expended.

(c) SAVINGS.—Any reduction in outlays under the Medicare program under title XVIII of the Social Security Act under the provisions of, and amendments made by, this subtitle may only be utilized to offset outlays under part A of title XVIII of the Social Security Act.

NOTICES OF INTENT TO SUSPEND THE RULES

Mr. COBURN. Mr. President, in accordance with rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend rule XXII for the purposes of proposing and considering amendment no. 4764 to the House Message to accompany H.R. 4853.

Mr. President, in accordance with rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend rule XXII for the purposes of proposing and considering amendment no. 4765 to the House Message to accompany H.R. 4853.

ORDER OF PROCEDURE

Mr. DURBIN. Madam President, I ask unanimous consent that on Tuesday, December 14, at 11:30 a.m., Senator BOND be recognized for up to 20 minutes to make his farewell address to the Senate; that at 3:15 p.m., Senator HARKIN be recognized to speak for up to 45 minutes; and that Senator KIRK be recognized at 5 p.m. to make his maiden speech to the Senate; further, that any time utilized be charged under rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTABLISHING A PILOT PROGRAM TO ENCOURAGE ENHANCEMENT OF EXPERTISE IN PATENT CASES

Mr. DURBIN. I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 628 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 628) to establish a pilot program in certain United States district courts to encourage enhancement of expertise in patent cases among district judges.

There being no objection, the Senate proceeded to consider the bill.

Mr. DURBIN. I ask unanimous consent that a Leahy amendment at the desk be agreed to, the bill, as amended, be read a third time and passed, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 4801), in the nature of a substitute, was agreed to, as follows:

(Purpose: In the nature of a substitute)

Strike all after the enacting clause and insert the following:

SECTION 1. PILOT PROGRAM IN CERTAIN DISTRICT COURTS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established a program, in each of the United States district courts designated under subsection (b), under which—

(A) those district judges of that district court who request to hear cases under which 1 or more issues arising under any Act of Congress relating to patents or plant variety protection are required to be decided, are designated by the chief judge of the court to hear those cases;

(B) cases described in subparagraph (A) are randomly assigned to the judges of the district court, regardless of whether the judges are designated under subparagraph (A);

(C) a judge not designated under subparagraph (A) to whom a case is assigned under subparagraph (B) may decline to accept the case; and

(D) a case declined under subparagraph (C) is randomly reassigned to 1 of those judges of the court designated under subparagraph (A).

(2) SENIOR JUDGES.—Senior judges of a district court may be designated under paragraph (1)(A) if at least 1 judge of the court in regular active service is also so designated.

(3) RIGHT TO TRANSFER CASES PRESERVED.—This section shall not be construed to limit the ability of a judge to request the reassignment of or otherwise transfer a case to which the judge is assigned under this section, in accordance with otherwise applicable rules of the court.

(b) DESIGNATION.—

(1) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Director of the Administrative Office of the United States Courts shall designate not less than 6 United States district courts, in at least 3 different judicial circuits, in which the program established under subsection (a) will be carried out.

(2) CRITERIA FOR DESIGNATIONS.—

(A) IN GENERAL.—The Director shall make designations under paragraph (1) from—

(i) the 15 district courts in which the largest number of patent and plant variety protection cases were filed in the most recent calendar year that has ended; or

(ii) the district courts that have adopted, or certified to the Director the intention to adopt, local rules for patent and plant variety protection cases.

(B) SELECTION OF COURTS.—From amongst the district courts that satisfy the criteria for designation under this subsection, the Director shall select—

(i) 3 district courts that each have at least 10 district judges authorized to be appointed by the President, whether under section 133(a) of title 28, United States Code, or on a temporary basis under any other provision of law, and at least 3 judges of the court have made the request under subsection (a)(1)(A); and

(ii) 3 district courts that each have fewer than 10 district judges authorized to be appointed by the President, whether under section 133(a) of title 28, United States Code, or on a temporary basis under any other provision of law, and at least 2 judges of the court have made the request under subsection (a)(1)(A).

(c) DURATION.—The program established under subsection (a) shall terminate 10 years after the end of the 6-month period described in subsection (b).

(d) APPLICABILITY.—The program established under subsection (a) shall apply in a district court designated under subsection (b) only to cases commenced on or after the date of such designation.

(e) REPORTS TO CONGRESS.—

(1) IN GENERAL.—At the times specified in paragraph (2), the Director of the Administrative Office of the United States Courts, in consultation with the chief judge of each of the district courts designated under subsection (b) and the Director of the Federal Judicial Center, shall submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a report on the pilot program established under subsection (a). The report shall include—

(A) an analysis of the extent to which the program has succeeded in developing expertise in patent and plant variety protection cases among the district judges of the district courts so designated;

(B) an analysis of the extent to which the program has improved the efficiency of the courts involved by reason of such expertise;

(C) with respect to patent cases handled by the judges designated pursuant to subsection (a)(1)(A) and judges not so designated, a comparison between the 2 groups of judges with respect to—

(i) the rate of reversal by the Court of Appeals for the Federal Circuit, of such cases on the issues of claim construction and substantive patent law; and

(ii) the period of time elapsed from the date on which a case is filed to the date on which trial begins or summary judgment is entered;

(D) a discussion of any evidence indicating that litigants select certain of the judicial districts designated under subsection (b) in an attempt to ensure a given outcome; and

(E) an analysis of whether the pilot program should be extended to other district courts, or should be made permanent and apply to all district courts.

(2) TIMETABLE FOR REPORTS.—The times referred to in paragraph (1) are—

(A) not later than the date that is 5 years and 3 months after the end of the 6-month period described in subsection (b); and

(B) not later than 5 years after the date described in subparagraph (A).

(3) PERIODIC REPORTS.—The Director of the Administrative Office of the United States Courts, in consultation with the chief judge of each of the district courts designated under subsection (b) and the Director of the Federal Judicial Center, shall keep the committees referred to in paragraph (1) informed, on a periodic basis while the pilot program is in effect, with respect to the matters referred to in subparagraphs (A) through (E) of paragraph (1).

The amendment was ordered to be engrossed and the bill read a third time.

The bill (H.R. 628), as amended, was read the third time and passed.

FEDERAL ACQUISITION INSTITUTE IMPROVEMENT ACT OF 2009

Mr. DURBIN. I ask unanimous consent that the Senate proceed to Calendar No. 679, S. 2902.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2902) to improve the Federal Acquisition Institute.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Homeland Security and Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Federal Acquisition Institute Act of 2010''.

SEC. 2. ACQUISITION WORKFORCE IMPROVEMENTS.

(a) WORKFORCE IMPROVEMENTS.—

(1) IN GENERAL.—Section 855 of the National Defense Authorization Act for Fiscal Year 2008 (41 U.S.C. 433a) is transferred so as to appear after section 37 of the Office of Federal Procurement Policy Act (41 U.S.C. 433), redesignated as section 37A of the Office of Federal Procurement Policy Act, and amended—

(A) in subsection (a)—

(i) by inserting after the first sentence the following: ''The Associate Administrator shall be chosen on the basis of demonstrated knowledge and expertise in acquisition, human capital, and management.'';

(ii) by striking ''The Associate Administrator for Acquisition Workforce Programs shall be located in the Federal Acquisition Institute (or its successor).'' and inserting ''The Associate Administrator shall be located in the Office of Federal Procurement Policy.'';

(iii) by redesignating paragraph (5) as subparagraph (6);

(iv) in paragraph (4), by striking ''; and'' and inserting a semicolon; and

(v) by inserting after paragraph (4) the following new paragraph:

''(5) implementing workforce programs under subsections (f) through (i) of section 37; and''; and

(B) by striking subsection (h) and inserting the following new subsections:

''(h) FEDERAL ACQUISITION INSTITUTE.—

''(1) IN GENERAL.—There is established a Federal Acquisition Institute (FAI) in order to—

''(A) foster and promote the development of a professional acquisition workforce Government-wide;

''(B) promote and coordinate Government-wide research and studies to improve the procurement process and the laws, policies, methods, regulations, procedures, and forms relating to acquisition by the executive agencies;

''(C) collect data and analyze acquisition workforce data from the Office of Personnel Management, the heads of executive agencies, and, through periodic surveys, from individual employees;

''(D) periodically analyze acquisition career fields to identify critical competencies, duties, tasks, and related academic prerequisites, skills, and knowledge;

''(E) coordinate and assist agencies in identifying and recruiting highly qualified candidates for acquisition fields;

''(F) develop instructional materials for acquisition personnel in coordination with private and public acquisition colleges and training facilities;

''(G) evaluate the effectiveness of training and career development programs for acquisition personnel;

''(H) promote the establishment and utilization of academic programs by colleges and universities in acquisition fields;

''(I) facilitate, to the extent requested by agencies, interagency intern and training programs; and

''(J) perform other career management or research functions as directed by the Administrator.

''(2) BUDGET RESOURCES AND AUTHORITY.—

''(A) IN GENERAL.—The Director of the Office of Management and Budget and the Administrator of General Services shall provide the Federal Acquisition Institute with the necessary budget resources and authority to support government-wide training standards and certification requirements necessary to enhance the mobility and career opportunities of the Federal acquisition workforce.

''(B) ACQUISITION WORKFORCE TRAINING FUND.—Subject to the availability of funds, the Administer of General Services shall provide the Federal Acquisition Institute with amounts from the acquisition workforce training fund established under section 37(h)(3) sufficient to meet the annual budget for the Federal Acquisition Institute requested by the Administrator for Federal Procurement Policy.

''(3) FEDERAL ACQUISITION INSTITUTE BOARD OF DIRECTORS.—

''(A) REPORTING TO ADMINISTRATOR.—The Federal Acquisition Institute shall report through its Board of Directors directly to the Administrator for Federal Procurement Policy.

''(B) COMPOSITION.—The Board shall be composed of not more than 8 individuals from the Federal Government representing a mix of acquisition functional areas, all of whom shall be appointed by the Administrator.

''(C) DUTIES.—The Board shall provide general direction to the Federal Acquisition Institute to ensure that the Institute—

''(i) meets its statutory requirements;

''(ii) meets the needs of the Federal acquisition workforce;

''(iii) implements appropriate programs;

''(iv) coordinates with appropriate organizations and groups that have an impact on the Federal acquisition workforce;

''(v) develops and implements plans to meet future challenges of the Federal acquisition workforce; and

''(vi) works closely with the Defense Acquisition University.

''(D) RECOMMENDATIONS.—The Board shall make recommendations to the Administrator regarding the development and execution of the annual budget of the Federal Acquisition Institute.

''(4) DIRECTOR.—The Director of the Federal Acquisition Institute shall be appointed by, and report directly to, the Administrator.

''(i) GOVERNMENT-WIDE TRAINING STANDARDS AND CERTIFICATION.—The Administrator for Federal Procurement Policy, acting through the Federal Acquisition Institute, shall provide and update government-wide training standards and certification requirements, including—

''(1) developing and modifying acquisition certification programs;

''(2) ensuring quality assurance for agency implementation of government-wide training and certification standards;

''(3) analyzing the acquisition training curriculum to ascertain if all certification competencies are covered or if adjustments are necessary;

''(4) developing career path information for certified professionals to encourage retention in government positions;

''(5) coordinating with the Office of Personnel Management for human capital efforts; and

''(6) managing rotation assignments to support opportunities to apply skills included in certification.

''(j) ACQUISITION INTERNSHIP AND TRAINING PROGRAMS.—All Federal civilian agency acquisition internship or acquisition training programs shall follow guidelines provided by the Office of Federal Procurement Policy to ensure consistent training standards necessary to develop uniform core competencies throughout the Federal Government.

''(k) ANNUAL REPORT.—The Administrator shall submit to the Committee on Homeland Security and Governmental Affairs and the Committee on Appropriations of the Senate and the Committee on Oversight and Government Reform and the Committee on Appropriations of the House of Representatives an annual report on the projected budget needs and expense plans of the FAI to fulfill its mandate.

''(l) CHIEF ACQUISITION OFFICER DEFINED.—In this section, the term 'Chief Acquisition Officer' means a Chief Acquisition Officer for an executive agency appointed pursuant to section 16.''.

(2) EXPANDED SCOPE OF ACQUISITION WORKFORCE TRAINING FUND.—Section 37(h)(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 433(h)(3)) is amended—

(A) in subparagraph (A), by striking ''to support the training of the acquisition workforce of the executive agencies'' and inserting ''to support the activities set forth in section 37A(h)(1)''; and

(B) in subparagraph (E), by striking ''ensure that funds collected for training under this section are not used for any purpose other than the purpose specified in subparagraph (A)'' and inserting ''ensure that funds collected under this section are not used for any purpose other than the activities set forth in section 37A(h)(1)''.

(b) CONFORMING AMENDMENT.—Section 6(d)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(5)) is amended to read as follows:

''(5) providing for and directing the activities of the Federal Acquisition Institute established under section 37A, including recommending to the Administrator of General Services a sufficient budget for such activities;''.

(c) RULE OF CONSTRUCTION.—Nothing in this section, or the amendments made by this section, shall be construed to preclude the Secretary of Defense from establishing acquisition workforce policies, procedures, training standards, and certification requirements for acquisition positions in the Department of Defense, as provided in chapter 87 of title 10, United States Code.

Mr. DURBIN. Madam President, I ask unanimous consent that the committee-reported substitute amendment be agreed to, the bill as amended be read a third time and passed, the motions to reconsider be laid upon the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 2902), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

POST–9/11 VETERANS EDUCATIONAL ASSISTANCE IMPROVEMENTS ACT OF 2010

Mr. DURBIN. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 638, S. 3447.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 3447) to amend title 38, United States Code, to improve educational assistance for veterans who served in the Armed Forces after September 11, 2001, and for other purposes.

The Senate proceeded to consider the bill (S. 3447) to amend title 38, United States Code, to improve educational assistance for veterans who served in the Armed Forces after September 11, 2001, and for other purposes, which had been reported from the Committee on Veterans' Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Post-9/11 Veterans Educational Assistance Improvements Act of 2010''.

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

SEC. 2. REFERENCE TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—POST-9/11 VETERANS EDUCATIONAL ASSISTANCE

SEC. 101. MODIFICATION OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE.

(a) MODIFICATION OF DEFINITIONS ON ELIGIBILITY FOR EDUCATIONAL ASSISTANCE.—

(1) EXPANSION OF DEFINITION OF ACTIVE DUTY TO INCLUDE SERVICE IN NATIONAL GUARD FOR CERTAIN PURPOSES.—Paragraph (1) of section 3301 is amended by adding at the end the following new subparagraph:

''(C) In the case of a member of the Army National Guard of the United States or Air National Guard of the United States, in addition to service described in subparagraph (B), full-time service—

''(i) in the National Guard of a State for the purpose of organizing, administering, recruiting, instructing, or training the National Guard; or

''(ii) in the National Guard under section 502(f) of title 32 when authorized by the President or the Secretary of Defense for the purpose of responding to a national emergency declared by the President and supported by Federal funds.''.

(2) EXPANSION OF DEFINITION OF ARMY ENTRY LEVEL AND SKILL TRAINING TO INCLUDE ONE STATION UNIT TRAINING.—Paragraph (2)(A) of such section is amended by inserting ''or One Station Unit Training'' before the period at the end.

(3) CLARIFICATION OF DEFINITION OF ENTRY LEVEL AND SKILL TRAINING FOR THE COAST GUARD.—Paragraph (2)(E) of such section is amended by inserting ''and Skill Training (or so-called 'A' School)'' before the period at the end.

(b) CLARIFICATION OF APPLICABILITY OF HONORABLE SERVICE REQUIREMENT FOR CERTAIN DISCHARGES AND RELEASES FROM THE ARMED FORCES AS BASIS FOR ENTITLEMENT TO EDUCATIONAL ASSISTANCE.—Section 3311(c)(4) is amended in the matter preceding subparagraph (A) by striking ''A discharge or release from active duty in the Armed Forces'' and inserting ''A discharge or release from active duty in the Armed Forces after service on active duty in the Armed Forces characterized by the Secretary concerned as honorable service''.

(c) EXCLUSION FROM PERIOD OF SERVICE ON ACTIVE DUTY OF PERIODS OF SERVICE IN CONNECTION WITH ATTENDANCE AT COAST GUARD ACADEMY.—Section 3311(d)(2) is amended by inserting ''or section 182 of title 14'' before the period at the end.

(d) EFFECTIVE DATES.—

(1) SERVICE IN NATIONAL GUARD AS ACTIVE DUTY.—The amendment made by subsection (a)(1) shall take effect on August 1, 2009, as if included in the enactment of chapter 33 of title 38, United States Code, pursuant to the Post-9/11 Veterans Educational Assistance Act of 2008 (title V of Public Law 110–252).

(2) ONE STATION UNIT TRAINING.—The amendment made by subsection (a)(2) shall take effect on the date of the enactment of this Act.

(3) ENTRY LEVEL AND SKILL TRAINING FOR THE COAST GUARD.—The amendment made by subsection (a)(3) shall take effect on the date of the enactment of this Act, and shall apply with respect to individuals entering service on or after that date.

(4) HONORABLE SERVICE REQUIREMENT.—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act, and shall apply with respect to discharges and releases from the Armed Forces that occur on or after that date.

(5) SERVICE IN CONNECTION WITH ATTENDANCE AT COAST GUARD ACADEMY.—The amendment made by subsection (c) shall take effect on the date of the enactment of this Act, and shall apply with respect to individuals entering into agreements on service in the Coast Guard on or after that date.

SEC. 102. AMOUNTS OF ASSISTANCE FOR PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED AT PUBLIC, NON-PUBLIC, AND FOREIGN INSTITUTIONS OF HIGHER LEARNING.

(a) AMOUNTS OF EDUCATIONAL ASSISTANCE.—

(1) IN GENERAL.—Section 3313(c) is amended—

(A) in the matter preceding paragraph (1), by inserting ''leading to a degree at an institution of higher learning (as that term is defined in section 3452(f))'' after ''program of education''; and

(B) in paragraph (1), by striking subparagraph (A) and inserting the following new subparagraph (A):

''(A) An amount equal to the following:

''(i) In the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

''(ii) In the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

''(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $20,000; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).''.

(2) CONFORMING AMENDMENT.—The heading of such section is amended to read as follows: ''PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED AT INSTITUTIONS OF HIGHER LEARNING ON MORE THAN HALF-TIME BASIS.—''.

(b) AMOUNTS OF MONTHLY STIPENDS.—Section 3313(c)(1)(B) is amended—

(1) by redesignating clause (ii) as clause (iv); and

(2) by striking clause (i) and inserting the following new clauses:

''(i) Except as provided in clauses (ii) and (iii), for each month an individual pursues a program of education on more than a half-time basis, a monthly housing stipend equal to the product of—

''(I) the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution of higher learning at which the individual is enrolled, multiplied by

''(II) the lesser of—

''(aa) 1.0; or

''(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

''(ii) In the case of an individual pursuing a program of education at a foreign institution of higher learning on more than a half-time basis, for each month the individual pursues the program of education, a monthly housing stipend equal to the product of—

''(I) the national average of the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5, multiplied by

''(II) the lesser of—

''(aa) 1.0; or

''(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

''(iii) In the case of an individual pursuing a program of education solely through distance learning on more than a half-time basis, a monthly housing stipend equal to 50 percent of the amount payable under clause (ii) if the individual were otherwise entitled to a monthly housing stipend under that clause for pursuit of the program of education.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

SEC. 103. AMOUNTS OF ASSISTANCE FOR PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED ON ACTIVE DUTY.

(a) IN GENERAL.—Section 3313(e) is amended—

(1) in paragraphs (1), by inserting ''leading to a degree'' after ''approved program of education'';

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by inserting ''leading to a degree'' after ''program of education'';

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (iii), respectively;

(C) in the matter preceding clause (i), as redesignated by subparagraph (B) of this paragraph—

(i) by striking ''The amount'' and inserting ''The amounts''; and

(ii) by striking ''is the lesser of—'' and inserting ''are as follows:

''(A) Subject to subparagraph (C), an amount equal to the lesser of—'';

(D) by striking clause (i), as so redesignated, and inserting the following new clauses:

''(i) the actual net cost for in-State tuition and fees assessed by the institution of higher learning for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees;

''(ii) the amount equal to—

''(I) for the academic year beginning on August 1, 2011, $20,000; or

''(II) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this clause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h); or'';

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

''(B) Subject to subparagraph (C), for the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

''(i) $1,000, multiplied by

''(ii) the fraction of a complete academic year under the program of education that such quarter, semester, or term constitutes.

''(C) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable to the individual pursuant to subparagraphs (A)(i), (A)(ii), and (B) shall be the amounts otherwise determined pursuant to such subparagraphs multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).''.

(b) CONFORMING AMENDMENT.—The heading of such section is amended to read as follows: ''PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED ON ACTIVE DUTY ON MORE THAN HALF-TIME BASIS.—''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 60 days after the date of the enactment of this Act, and shall apply with respect to amounts payable as educational assistance for individuals who commence pursuit of programs of education on or after such effective date.

SEC. 104. EDUCATIONAL ASSISTANCE FOR PROGRAMS OF EDUCATION PURSUED ON HALF-TIME BASIS OR LESS.

(a) CLARIFICATION OF AVAILABILITY OF ASSISTANCE.—Section 3313(f) is amended—

(1) in paragraph (1), by inserting before the period at the end the following: ''whether a program of education pursued on active duty, a program of education leading to a degree, or a program of education other than a program of education leading to a degree''; and

(2) in paragraph (2), by inserting ''covered by this subsection'' after ''program of education'' in the matter preceding subparagraph (A).

(b) AMOUNT OF ASSISTANCE.—Clause (i) of paragraph (2)(A) of such section is amended to read as follows:

''(i) the actual net cost for in-State tuition and fees assessed by the institution of higher learning for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

SEC. 105. EDUCATIONAL ASSISTANCE FOR PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.

(a) APPROVED PROGRAMS OF EDUCATION AT INSTITUTIONS OTHER THAN INSTITUTIONS OF HIGHER LEARNING.—Subsection (b) of section 3313 is amended by striking ''is offered by an institution of higher learning (as that term is defined in section 3452(f)) and''.

(b) ASSISTANCE FOR PURSUIT OF PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.—Such section is further amended—

(1) by striking subsection (h);

(2) by redesignating subsection (g) as subsection (h); and

(3) by inserting after subsection (f) the following new subsection (g):

''(g) PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.—

''(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education other than a program of education leading to a degree at an institution other than an institution of higher learning (as that term is defined in section 3452(f)).

''(2) PURSUIT ON HALF-TIME BASIS OR LESS.—The payment of educational assistance under this chapter for pursuit of a program of education otherwise described in paragraph (1) on a half-time basis or less is governed by subsection (f).

''(3) AMOUNT OF ASSISTANCE.—The amounts of educational assistance payable under this chapter to an individual entitled to educational assistance under this chapter who is pursuing an approved program of education covered by this subsection are as follows:

''(A) In the case of an individual enrolled in a program of education (other than a program

described in subparagraphs (B) through (D)) in pursuit of a certificate or other non-college degree, the following:

''(i) Subject to clause (iv), an amount equal to the lesser of—

''(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $20,000; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).

''(ii) Except in the case of an individual pursuing a program of education on a half-time or less basis and subject to clause (iv), a monthly housing stipend equal to the product—

''(I) of—

''(aa) in the case of an individual pursuing resident training, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution at which the individual is enrolled; or

''(bb) in the case of an individual pursuing a program of education through distance learning, a monthly amount equal to 50 percent of the amount payable under item (aa), multiplied by

''(II) the lesser of—

''(aa) 1.0; or

''(bb) the number of course hours borne by the individual in pursuit of the program of education involved, divided by the minimum number of course hours required for full-time pursuit of such program of education, rounded to the nearest multiple of 10.

''(iii) Subject to clause (iv), a monthly stipend in an amount equal to $83 for each month (or pro rata amount for a partial month) of training pursued for books supplies, equipment, and other educational costs.

''(iv) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable pursuant to clauses (i), (ii), and (iii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(B) In the case of an individual pursuing a full-time program of apprenticeship or other on-job training, amounts as follows:

''(i) Subject to clauses (iii) and (iv), for each month the individual pursues the program of education, a monthly housing stipend equal to—

''(I) during the first six-month period of the program, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the employer at which the individual pursues such program;

''(II) during the second six-month period of the program, 80 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

''(III) during the third six-month period of the program, 60 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

''(IV) during the fourth six-month period of such program, 40 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I); and

''(V) during any month after the first 24 months of such program, 20 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I).

''(ii) Subject to clauses (iii) and (iv), a monthly stipend in an amount equal to $83 for each month (or pro rata amount for each partial month) of training pursued for books supplies, equipment, and other educational costs.

''(iii) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of sections 3311(b), the amounts payable pursuant to clauses (i) and (ii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(iv) In any month in which an individual pursuing a program of education consisting of a program of apprenticeship or other on-job training fails to complete 120 hours of training, the amount of monthly educational assistance allowance payable under clauses (i) and (iii) to the individual shall be limited to the same proportion of the applicable rate determined under this subparagraph as the number of hours worked during such month, rounded to the nearest eight hours, bears to 120 hours.

''(C) In the case of an individual enrolled in a program of education consisting of flight training (regardless of the institution providing such program of education), an amount equal to—

''(i) the lesser of—

''(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $12,000; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

''(ii) either—

''(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

''(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(D) In the case of an individual enrolled in a program of education that is pursued exclusively by correspondence (regardless of the institution providing such program of education), an amount equal to—

''(i) the lesser of—

''(I) the actual net cost for tuition and fees assessed by the institution concerned for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $10,000; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

''(ii) either—

''(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

''(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(4) FREQUENCY OF PAYMENT.—

''(A) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amounts payable under paragraph (3)(A)(i) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(B) MONTHLY PAYMENTS.—Payment of the amounts payable under paragraphs (3)(A)(ii) and (3)(B)(i) for pursuit of a program of education shall be made on a monthly basis.

''(C) LUMP SUM PAYMENTS.—

''(i) Payment for the amount payable under paragraphs (3)(A)(iii) and (3)(B)(ii) shall be paid to the individual for the first month of each quarter, semester, or term, as applicable, of the program education pursued by the individual.

''(ii) Payment of the amount payable under paragraph (3)(C) for pursuit of a program of education shall be made upon receipt of certification for training completed by the individual and serviced by the training facility.

''(D) QUARTERLY PAYMENTS.—Payment of the amounts payable under paragraph (3)(D) for pursuit of a program of education shall be made quarterly on a pro rata basis for the lessons completed by the individual and serviced by the institution.

''(5) CHARGE AGAINST ENTITLEMENT FOR CERTIFICATE AND OTHER NON-COLLEGE DEGREE PROGRAMS.—

''(A) IN GENERAL.—In the case of amounts paid under paragraph (3)(A)(i) for pursuit of a program of education, the charge against entitlement to educational assistance under this chapter of the individual for whom such payment is made shall be one month for each of—

''(i) the amount so paid, divided by

''(ii) subject to subparagraph (B), the amount equal to one-twelfth of the amount applicable in the academic year in which the payment is made under paragraph (3)(A)(i)(II).

''(B) PRO RATA ADJUSTMENT BASED ON CERTAIN ELIGIBILITY.—If the amount otherwise payable with respect to an individual under paragraph (3)(A)(i) is subject to a percentage adjustment under paragraph (3)(A)(iv), the amount applicable with respect to the individual under subparagraph (A)(ii) shall be the amount otherwise determined pursuant to such subparagraph subject to a percentage adjustment equal to the percentage adjustment applicable with respect to the individual under paragraph (3)(A)(iv).''.

(c) PAYMENT OF AMOUNTS TO EDUCATIONAL INSTITUTIONS.—Subsection (h) of section 3313, as redesignated by subsection (b)(2) of this section, is amended by inserting '', and under subparagraphs (A)(i), (C), and (D) of subsection (g)(3),'' after ''(f)(2)(A)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to amounts

payable for educational assistance for pursuit of programs of education on or after that date.

SEC. 106. DETERMINATION OF MONTHLY HOUSING STIPEND PAYMENTS FOR ACADEMIC YEARS.

(a) IN GENERAL.—Section 3313, as amended by this Act, is further amended by adding at the end the following new subsection:

''(i) DETERMINATION OF HOUSING STIPEND PAYMENTS FOR ACADEMIC YEARS.—Any monthly housing stipend payable under this section during the academic year beginning on August 1 of a calendar year shall be determined utilizing rates for basic allowances for housing payable under section 403 of title 37 in effect as of January 1 of such calendar year.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on August 1, 2011.

SEC. 107. AVAILABILITY OF ASSISTANCE FOR LICENSURE AND CERTIFICATION TESTS.

(a) AVAILABILITY OF ASSISTANCE FOR ADDITIONAL TESTS.—Subsection (a) of section 3315 is amended by striking ''one licensing or certification test'' and inserting ''licensing or certification tests''.

(b) CHARGE AGAINST ENTITLEMENT FOR RECEIPT OF ASSISTANCE.—

(1) IN GENERAL.—Subsection (c) of such section is amended to read as follows:

''(c) CHARGE AGAINST ENTITLEMENT.—The charge against an individual's entitlement under this chapter for payment for a licensing or certification test shall be determined at the rate of one month (rounded to the nearest whole month) for each amount paid that equals—

''(1) for the academic year beginning on August 1, 2011, $1,667; or

''(2) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subsection, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).''.

(2) CONFORMING AMENDMENTS.—Subsection (b) of such section is amended—

(A) in paragraph (1), by striking ''or'' at the end;

(B) in paragraph (2), by striking the period and inserting ''; or''; and

(C) by adding at the end the following:

''(3) the amount of entitlement available to the individual under this chapter at the time of payment for the test under this section.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to licensure and certification tests taken on or after that date.

SEC. 108. NATIONAL TESTS.

(a) NATIONAL TESTS.—

(1) IN GENERAL.—Chapter 33 is amended by inserting after section 3315 the following new section:

''§ 3315A. National tests

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter shall also be entitled to educational assistance for the following:

''(1) A national test for admission to an institution of higher learning as described in the last sentence of section 3452(b).

''(2) A national test providing an opportunity for course credit at an institution of higher learning as so described.

''(b) AMOUNT.—The amount of educational assistance payable under this chapter for a test described in subsection (a) is the lesser of—

''(1) the fee charged for the test; or

''(2) the amount of entitlement available to the individual under this chapter at the time of payment for the test under this section.

''(c) CHARGE AGAINST ENTITLEMENT.—The number of months of entitlement charged an individual under this chapter for a test described in subsection (a) shall be determined at the rate of one month (rounded to the nearest whole month) for each amount paid that equals—

''(1) for the academic year beginning on August 1, 2011, $1,667; or

''(2) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subsection, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 is amended by inserting after the item relating to section 3315 the following new item:

''3315A. National tests.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to national tests taken on or after that date.

SEC. 109. CONTINUATION OF ENTITLEMENT TO ADDITIONAL EDUCATIONAL ASSISTANCE FOR CRITICAL SKILLS OR SPECIALTY.

(a) IN GENERAL.—Section 3316 is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by inserting after subsection (b) the following new subsection (c):

''(c) CONTINUATION OF INCREASED EDUCATIONAL ASSISTANCE.—

''(1) IN GENERAL.—An individual who made an election to receive educational assistance under this chapter pursuant to section 5003(c)(1)(A) of the Post-9/11 Veterans Educational Assistance Act of 2008 (38 U.S.C. 3301 note) and who, at the time of the election, was entitled to increased educational assistance under section 3015(d) or section 16131(i) of title 10 shall remain entitled to increased educational assistance in the utilization of the individual's entitlement to educational assistance under this chapter.

''(2) RATE.—The monthly rate of increased educational assistance payable to an individual under paragraph (1) shall be—

''(A) the rate of educational assistance otherwise payable to the individual under section 3015(d) or section 16131(i) of title 10, as the case may be, had the individual not made the election described in paragraph (1), multiplied by

''(B) the lesser of—

''(i) 1.0; or

''(ii) the number of course hours borne by the individual in pursuit of the program of education involved divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

''(3) FREQUENCY OF PAYMENT.—Payment of the amounts payable under paragraph (1) during pursuit of a program of education shall be made on a monthly basis.''.

(b) CLARIFICATION ON FUNDING OF INCREASED ASSISTANCE.—

(1) IN GENERAL.—Such section is further amended by inserting after subsection (c), as added by subsection (a)(2) of this section, the following new subsection:

''(d) FUNDING.—Payments for increased educational assistance under this section shall be made from the Department of Defense Education Benefits Fund under section 2006 of title 10 or from appropriations available to the Department of Homeland Security for that purpose, as applicable.''.

(2) CONFORMING AMENDMENTS.—Section 2006(b) of title 10, United States Code, is amended—

(A) in paragraph (1), by inserting ''or 33'' after ''chapter 30''; and

(B) in paragraph (2), by adding at the end the following new subparagraph:

''(E) The present value of any future benefits payable from the Fund for amounts attributable to increased amounts of educational assistance authorized by section 3316 of title 38.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 110. TRANSFER OF UNUSED EDUCATION BENEFITS.

(a) AVAILABILITY OF TRANSFER AUTHORITY FOR MEMBERS OF PHS AND NOAA.—Section 3319 is amended—

(1) by striking ''Armed Forces'' each place it appears (other than in subsection (a)) and inserting ''uniformed services''; and

(2) by striking subsection (k).

(b) SCOPE AND EXERCISE OF AUTHORITY.—Subsection (a) of such section is amended—

(1) by striking ''Subject to the provisions of this section,'' and all that follows through ''to permit'' and inserting ''(1) Subject to the provisions of this section, the Secretary concerned may permit''; and

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

''(2) The purpose of the authority in paragraph (1) is to promote recruitment and retention in the uniformed services. The Secretary concerned may exercise the authority for that purpose when authorized by the Secretary of Defense in the national security interests of the United States.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 111. BAR TO DUPLICATION OF CERTAIN EDUCATIONAL ASSISTANCE BENEFITS.

(a) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—Section 3322 is amended by adding at the end the following new subsection:

''(e) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—An individual entitled to educational assistance under both sections 3311(b)(9) and 3319 may not receive assistance under both provisions concurrently, but shall elect (in such form and manner as the Secretary may prescribe) under which provision to receive educational assistance.''.

(b) BAR TO RECEIPT OF COMPENSATION AND PENSION AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—Such section is further amended by adding at the end the following new subsection:

''(f) BAR TO RECEIPT OF COMPENSATION AND PENSION AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—The commencement of a program of education under section 3311(b)(9) shall be a bar to the following:

''(1) Subsequent payments of dependency and indemnity compensation or pension based on the death of a parent to an eligible person over the age of 18 years by reason of pursuing a course in an educational institution.

''(2) Increased rates, or additional amounts, of compensation, dependency and indemnity compensation, or pension because of such a person, whether eligibility is based upon the death of the parent.''.

(c) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS.—Such section is further amended by adding at the end the following new subsection:

''(g) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS.—A spouse or child who is entitled to educational assistance under this chapter based on a transfer of entitlement from more than one individual under section 3319 may not receive assistance based on transfers from more than one such individual concurrently, but shall elect (in such form and manner as the Secretary may prescribe) under which source to utilize such assistance at any one time.''.

(d) BAR TO DUPLICATION OF ELIGIBILITY BASED ON A SINGLE EVENT.—Such section is further amended by adding at the end the following new subsection:

''(h) BAR TO DUPLICATION OF ELIGIBILITY BASED ON A SINGLE EVENT OR PERIOD OF SERVICE.—

''(1) ACTIVE-DUTY SERVICE.—An individual with qualifying service in the Armed Forces that establishes eligibility on the part of such individual for educational assistance under this chapter, chapter 30 or 32 of this title, and chapter 1606 or 1607 of title 10, shall elect (in such form and manner as the Secretary may prescribe) under which authority such service is to be credited.

''(2) ELIGIBILITY FOR EDUCATIONAL ASSISTANCE BASED ON PARENT'S SERVICE.—A child of a member of the Armed Forces who, on or after September 11, 2001, dies in the line of duty while serving on active duty, who is eligible for educational assistance under either section 3311(b)(9) or chapter 35 of this title based on the parent's death may not receive such assistance under both this chapter and chapter 35 of this title, but shall elect (in such form and manner as the Secretary may prescribe) under which chapter to receive such assistance.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 112. TECHNICAL AMENDMENTS.

(a) SECTION 3313.—Section 3313 is amended—

(1) by striking ''higher education'' each place it appears and inserting ''higher learning''; and

(2) in clause (iii) of subparagraph (A) of subsection (e)(2), as redesignated by section 103(a)(2) of this Act, by adding a period at the end.

(b) SECTION 3319.—Section 3319(b)(2) is amended by striking ''to section (k)'' and inserting ''to subsection (j)''.

(c) SECTION 3323.—Section 3323(a) is amended by striking ''section 3034(a)(1)'' and inserting ''sections 3034(a)(1) and 3680(c)''.

TITLE II—OTHER EDUCATIONAL ASSISTANCE MATTERS

SEC. 201. EXTENSION OF DELIMITING DATES FOR USE OF EDUCATIONAL ASSISTANCE BY PRIMARY CAREGIVERS OF SERIOUSLY INJURED VETERANS AND MEMBERS OF THE ARMED FORCES.

(a) ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE.—Subsection (d) of section 3031 is amended to read as follows:

''(d)(1) In the case of an individual eligible for educational assistance under this chapter who is prevented from pursuing the individual's chosen program of education before the expiration of the 10-year period for the use of entitlement under this chapter otherwise applicable under this section because of a physical or mental disability which is not the result of the individual's own willful misconduct, such 10-year period—

''(A) shall not run during the period the individual is so prevented from pursuing such program; and

''(B) shall again begin running on the first day after the individual's recovery from such disability on which it is reasonably feasible, as determined under regulations prescribed by the Secretary, for the individual to initiate or resume pursuit of a program of education with educational assistance under this chapter.

''(2)(A) Subject to subparagraph (B), in the case of an individual eligible for educational assistance under this chapter who is prevented from pursuing the individual's chosen program of education before the expiration of the 10-year period for the use of entitlement under this chapter otherwise applicable under this section by reason of acting as the primary provider of personal care services for a veteran or member of the Armed Forces under section 1720G(a) of this title, such 10-year period—

''(i) shall not run during the period the individual is so prevented from pursuing such program; and

''(ii) shall again begin running on the first day after the date of the recovery of the veteran or member from the injury, or the date on which the individual ceases to be the primary provider of personal care services for the veteran or member, whichever is earlier, on which it is reasonably feasible, as so determined, for the individual to initiate or resume pursuit of a program of education with educational assistance under this chapter.

''(B) Subparagraph (A) shall not apply with respect to the period of an individual as a primary provider of personal care services if the period concludes with the revocation of the individual's designation as such a primary provider under section 1720G(a)(7)(D) of this title.''.

(b) CERTAIN TRANSFEREES OF POST-9/11 EDUCATIONAL ASSISTANCE.—Paragraph (5) of section 3319(h) is amended to read as follows:

''(5) LIMITATION ON AGE OF USE BY CHILD TRANSFEREES.—

''(A) IN GENERAL.—A child to whom entitlement is transferred under this section may use the benefits transferred without regard to the 15-year delimiting date specified in section 3321, but may not, except as provided in subparagraph (B), use any benefits so transferred after attaining the age of 26 years.

''(B) PRIMARY CAREGIVERS OF SERIOUSLY INJURED MEMBERS OF THE ARMED FORCES AND VETERANS.—

''(i) IN GENERAL.—Subject to clause (ii), in the case of a child who, before attaining the age of 26 years, is prevented from pursuing a chosen program of education by reason of acting as the primary provider of personal care services for a veteran or member of the Armed Forces under section 1720G(a), the child may use the benefits beginning on the date specified in clause (iii) for a period whose length is specified in clause (iv).

''(ii) INAPPLICABILITY FOR REVOCATION.—Clause (i) shall not apply with respect to the period of an individual as a primary provider of personal care services if the period concludes with the revocation of the individual's designation as such a primary provider under section 1720G(a)(7)(D).

''(iii) DATE FOR COMMENCEMENT OF USE.—The date specified in this clause for the beginning of the use of benefits by a child under clause (i) is the later of—

''(I) the date on which the child ceases acting as the primary provider of personal care services for the veteran or member concerned as described in clause (i);

''(II) the date on which it is reasonably feasible, as determined under regulations prescribed by the Secretary, for the child to initiate or resume the use of benefits; or

''(III) the date on which the child attains the age of 26 years.

''(iv) LENGTH OF USE.—The length of the period specified in this clause for the use of benefits by a child under clause (i) is the length equal to the length of the period that—

''(I) begins on the date on which the child begins acting as the primary provider of personal care services for the veteran or member concerned as described in clause (i); and

''(II) ends on the later of—

''(aa) the date on which the child ceases acting as the primary provider of personal care services for the veteran or member as described in clause (i); or

''(bb) the date on which it is reasonably feasible, as so determined, for the child to initiate or resume the use of benefits.''.

(c) SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.—Subsection (c) of section 3512 is amended to read as follows:

''(c)(1) Notwithstanding subsection (a) and subject to paragraph (2), an eligible person may be afforded educational assistance beyond the age limitation applicable to the person under such subsection if—

''(A) the person suspends pursuit of such person's program of education after having enrolled in such program within the time period applicable to such person under such subsection;

''(B) the person is unable to complete such program after the period of suspension and before attaining the age limitation applicable to the person under such subsection; and

''(C) the Secretary finds that the suspension was due to either of the following:

''(i) The actions of the person as the primary provider of personal care services for a veteran or member of the Armed Forces under section 1720G(a) of this title.

''(ii) Conditions otherwise beyond the control of the person.

''(2) Paragraph (1) shall not apply with respect to the period of an individual as a primary provider of personal care services if the period concludes with the revocation of the individual's designation as such a primary provider under section 1720G(a)(7)(D) of this title.

''(3) Educational assistance may not be afforded a person under paragraph (1) after the earlier of—

''(A) the age limitation applicable to the person under subsection (a), plus a period of time equal to the period the person was required to suspend pursuit of the person's program of education as described in paragraph (1); or

''(B) the date of the person's thirty-first birthday.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to preventions and suspension of pursuit of programs of education that commence on or after that date.

SEC. 202. LIMITATIONS ON RECEIPT OF EDUCATIONAL ASSISTANCE UNDER NATIONAL CALL TO SERVICE AND OTHER PROGRAMS OF EDUCATIONAL ASSISTANCE.

(a) BAR TO DUPLICATION OF EDUCATIONAL ASSISTANCE BENEFITS.—Section 3322(a) is amended by inserting ''or section 510'' after ''or 1607''.

(b) LIMITATION ON CONCURRENT RECEIPT OF EDUCATIONAL ASSISTANCE.—Section 3681(b)(2) is amended by inserting ''and section 510'' after ''and 107''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011

SEC. 203. APPROVAL OF COURSES.

(a) CONSTRUCTIVE APPROVAL OF CERTAIN COURSES.—

(1) IN GENERAL.—Section 3672(b) is amended—

(A) by inserting ''(1)'' after ''(b)''; and

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

''(2)(A) Subject to sections 3675(b)(1) and (b)(2), 3680A, 3684, and 3696 of this title, the following programs are deemed to be approved for purposes of this chapter:

''(i) An accredited standard college degree program offered at a public or not-for-profit proprietary educational institution that is accredited by an agency or association recognized for that purpose by the Secretary of Education.

''(ii) A flight training course approved by the Federal Aviation Administration that is offered by a certified pilot school that possesses a valid Federal Aviation Administration pilot school certificate.

''(iii) An apprenticeship program registered with the Office of Apprenticeship (OA) of the Employment Training Administration of the Department of Labor or a State apprenticeship agency recognized by the Office of Apprenticeship pursuant to the Act of August 16, 1937 (popularly known as the 'National Apprenticeship Act'; 29 U.S.C. 50 et seq.).

''(iv) A program leading to a secondary school diploma offered by a secondary school approved in the State in which it is operating.

''(B) A licensure test offered by a Federal, State, or local government is deemed to be approved for purposes of this chapter.''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (3) of section 3034(d) is amended to read as follows:

''(3) the flight school courses are approved by the Federal Aviation Administration and are offered by a certified pilot school that possesses a valid Federal Aviation Administration pilot school certificate.''.

(B) Section 3671(b)(2) is amended by striking ''In the case'' and inserting ''Except as otherwise provided in this chapter, in the case''.

(C) Section 3689(a)(1) is amended by inserting after ''unless'' the following: ''the test is deemed approved by section 3672(b)(2)(B) of this title or''.

(b) USE OF STATE APPROVING AGENCIES FOR COMPLIANCE AND OVERSIGHT ACTIVITIES.—Section 3673 is amended by adding at the end the following new subsection:

''(d) USE OF STATE APPROVING AGENCIES FOR COMPLIANCE AND OVERSIGHT ACTIVITIES.—The Secretary may utilize the services of a State approving agency for such compliance and oversight purposes as the Secretary considers appropriate without regard to whether the Secretary or the agency approved the courses offered in the State concerned.''.

(c) APPROVAL OF ACCREDITED COURSES.—

(1) IN GENERAL.—Subsection (a)(1) of section 3675 is amended by striking ''A State approving agency may approve the courses offered by an educational institution'' and inserting ''The Secretary or a State approving agency may approve accredited programs (including non-degree accredited programs) offered by proprietary for-profit educational institutions''.

(2) CONDITION OF APPROVAL.—Subsection (b) of such section is amended—

(A) in the matter preceding paragraph (1), by inserting ''the Secretary or'' after ''this section,''; and

(B) is amended by inserting ''the Secretary or'' after ''as prescribed by''.

(d) DISAPPROVAL OF COURSES.—Section 3679(a) is amended by inserting ''the Secretary or'' after ''disapproved by'' both places it appears.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 204. REPORTING FEES.

(a) INCREASE IN AMOUNT OF FEES.—Section 3684(c) is amended—

(1) by striking ''multiplying $7'' and inserting ''multiplying $12''; and

(2) by striking ''or $11'' and inserting ''or $15''.

(b) USE OF FEES PAID.—Such section is further amended by inserting after the fourth sentence the following new sentence: ''Any reporting fee paid an educational institution or joint apprenticeship training committee after the date of the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2011 shall be utilized by such institution or committee solely for the making of certifications required under this chapter or chapter 31, 34, or 35 of this title or for otherwise supporting programs for veterans.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 205. ELECTION FOR RECEIPT OF ALTERNATE SUBSISTENCE ALLOWANCE FOR CERTAIN VETERANS WITH SERVICE-CONNECTED DISABILITIES UNDERGOING TRAINING AND REHABILITATION.

(a) ELECTION AUTHORIZED.—Section 3108(b) is amended by adding at the end the following new paragraph:

''(4) A veteran entitled to a subsistence allowance under this chapter and educational assistance under chapter 33 of this title may elect to receive payment from the Secretary in lieu of an amount otherwise determined by the Secretary under this subsection in an amount equal to the applicable monthly amount of basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution providing rehabilitation program concerned.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on August 1, 2011.

SEC. 206. MODIFICATION OF AUTHORITY TO MAKE CERTAIN INTERVAL PAYMENTS.

(a) IN GENERAL.—The flush matter following clause (3)(B) of section 3680(a) is amended by striking ''of this subsection—'' and all that follows and inserting ''of this subsection during periods when schools are temporarily closed under an established policy based on an Executive order of the President or due to an emergency situation. However, the total number of weeks for which allowances may continue to be so payable in any 12-month period may not exceed 4 weeks.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on August 1, 2011.

Mr. DURBIN. I ask unanimous consent that the committee-reported substitute amendment be considered and that the Akaka amendment which is at the desk be agreed to; the committee substitute amendment, as amended, be agreed to; the bill, as amended, be read a third time; and that the budgetary pay-go statement be read.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Mr. Conrad: This is the Statement of Budgetary Effects of PAYGO Legislation for S. 3447, as amended.

Total Budgetary Effects of S. 3447 for the 5-year Statutory PAYGO Scorecard: net decrease in the deficit of $1 million.

Total Budgetary Effects of S. 3447 for the 10-year Statutory PAYGO Scorecard: net decrease in the deficit of $734 million.

Also submitted for the RECORD as part of this statement is a table prepared by the Congressional Budget Office, which provides additional information on the budgetary effects of this Act, as follows:

CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR S. 3447, THE POST-9/11 VETERANS EDUCATIONAL ASSISTANCE IMPROVEMENTS ACT OF 2010 (AS REPORTED ON OCTOBER 26, 2010), WITH AN AMENDMENT (ARM10D13) PROVIDED TO CBO ON DECEMBER 2, 2010

	By fiscal year, in millions of dollars—											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2011–2015	2011–2020
NET INCREASE OR DECREASE (−) IN THE DEFICIT												
Statutory Pay-As-You-Go Impact	−16	−28	69	10	−36	−83	−121	−153	−176	−200	−1	−734

Note: S. 3447 as amended contains several provisions that would both increase and decrease the costs of veterans' education programs.
Source: Congressional Budget Office.

Mr. AKAKA. Madam President, as chairman of the Senate Committee on Veterans' Affairs, I am delighted to bring before the Senate S. 3447, the Post-9/11 Veterans' Educational Assistance Improvements Act of 2010.

This measure, together with the managers' amendment, is based on the legislation I introduced on May 27, 2010. Hearings were held on the bill on July 21, 2010, and on August 5, 2010, the committee ordered the measure to be reported. The committee's report was filed on October 26, 2010.

The purpose of this legislation is to make modifications in the program of educational assistance operated under chapter 33 of title 38, United States Code, for veterans who have served on active duty since September 11, 2001. It would provide for a streamlined, less complex, and more equitable program, and expand certain opportunities for training and education, including on-job and vocational training. It would also correct a number of inadvertent omissions and errors in the new chapter 33 program as enacted in 2008 as title V of Public Law 110–252, the Supplemental Appropriations Act, 2008.

As one who knows, from firsthand experience, the value of G.I. bill benefits and how they can substantially enhance all aspects of an individual's life, I believe that it is critical that we move toward making this new G.I. bill for today's veterans the best that it can be. And that is what my bill is intended to do.

In 2008, I was pleased to join with our distinguished colleague from Virginia, Mr. WEBB, as a cosponsor of the original measure which established this new program. However, since the process leading to the enactment of this new program was outside the framework of the usual committee route for development and consideration of legislation, there are a number of issues with the new program that require legislative remedies. In addition, VA's yearlong experience with the program has made it clear that the new program is very complex, difficult to understand, and results in unintended inequities.

I worked with my colleagues here in the Senate, with the Department of Veterans' Affairs, and with various veteran and other organizations to craft legislation that addresses many of the problems and will, in addition, make additional valuable educational opportunities for veterans available through on-job and apprenticeship training. Because the details of the legislation are described in detail in the committee's report on S. 3447—Senate Report 111–34—I will just highlight a few of the provisions.

First, the bill would allow members of the National Guard and Reserve to benefit from the new program. These individuals—those activated under the authority of title 32 by orders of the President or the Secretary of Defense to support a national security mission—were inadvertently omitted from the program when it was enacted in 2008 and the pending measure would remedy this oversight.

Second, the bill would simplify the payments. Instead of a complex and sometimes inequitable benefits calculation based on a State-by-State determination, this measure would provide that if an individual is enrolled in a program of education at a public institution of higher learning, VA would pay the cost of tuition and fees. If an individual is enrolled in other than a public institution, VA would pay up to a national cap that will be adjusted annually based on increases in the cost of education. My measure sets the initial cap at $17,500.

Third, the bill would expand the options available to individuals and provide that benefits could be paid for the pursuit of apprenticeship and on-job training as well as for pursuit of a vocational goal. This will open up the doors for valuable benefits for those who choose these options.

Fourth, the bill would expand the program to authorize the payment of the $1,000 annual book allowance to individuals who are attending school while on active duty. It would also permit veterans and servicemembers to use benefits for multiple licensing and certification courses.

Finally, this measure would permit service-connected disabled veterans enrolled in a program of vocational rehabilitation under chapter 31 of title 38 who also have eligibility for the new Post-9/11 G.I. bill program to select under which program to receive a living or subsistence allowance. This will remove the economic incentive for an individual to forgo the valuable assistance available under the chapter 31 program in exchange for a higher living stipend under the chapter 33 program.

While I am pleased that we have been able to produce this package of improvements that will go a long way toward making the new program the best that it can be, I note that we still have much to do in this area. There are questions and issues that have not been addressed in this measure—such as how to ensure that veterans using their benefits are afforded a quality education, a 48-month cap on the total amount of benefits available under all the programs of educational assistance offered by VA, and the overall need to curb instances of fraud, abuse, and misuse of benefits. I am certain this list can only grow longer.

But this marks an important first step and I look forward to continuing to working with my colleagues here and in the House of Representatives as we continue to move through the legislative process to do what needs to be done.

In closing, I extend a note of personal thanks to the committee's distinguished ranking member from North Carolina, Mr. BURR, and his staff member, Amanda Meredith, whose hard work and dedication are much appreciated.

I urge the Senate to pass the pending measure.

The amendment (No. 4802) was agreed to, as follows:

On page 22, in the matter following line 17, insert after the item relating to section 2 the following:

Sec. 3. Statutory Pay-As-You-Go Act compliance.

On page 23, between lines 6 and 7, insert the following:

SEC. 3. STATUTORY PAY-AS-YOU-GO ACT COMPLIANCE.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

On page 25, line 23, insert after the period the following: ''However, no benefits otherwise payable by reason of such amendment for the period beginning on August 1, 2009, and ending on September 30, 2011, may be paid before October 1, 2011.''.

On page 29, line 3, strike ''$20,000'' and insert ''$17,500''.

On page 32, strike lines 5 through 8 and insert the following:

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

(2) STIPEND FOR DISTANCE LEARNING ON MORE THAN HALF-TIME BASIS.—Clause (iii) of section 3313(c)(1)(B) of title 38, United States Code (as added by subsection (b)(2) of this section), shall take effect on October 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education as covered by such clause on or after that date.

On page 33, strike line 7 and all that follows through page 34, line 8, and insert the following:

''(i) in the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees;

''(ii) in the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

''(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $17,500; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h); or''.

On page 35, strike lines 12 through 17 and insert the following:

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date that is 60 days after the date of the enactment of this Act, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after such effective date.

(2) LUMP SUM FOR BOOKS AND OTHER EDUCATIONAL COSTS.—Subparagraph (B) of section 3313(e)(2) of title 38, United States Code (as added by subsection (a)(2)(E) of this section), shall take effect on October 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

On page 39, line 17, strike ''$20,000'' and insert ''$17,500''.

On page 45, line 24, strike ''$12,000'' and insert ''$10,000''.

On page 47, line 25, strike ''$10,000'' and insert ''$8,500''.

On page 51, line 13, strike ''August 1, 2011'' and insert ''October 1, 2011''.

On page 52, line 21, strike ''$1,667'' and insert ''$1,460''.

On page 54, line 20, strike ''$1,667'' and insert ''$1,460''.

On page 73, line 18, strike ''August 1, 2011'' and insert ''October 1, 2011''.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DURBIN. I ask unanimous consent that the bill be passed and the motions to reconsider be laid upon the table, with no intervening action or debate and any statements be printed in the RECORD with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3447) was passed, as follows:

S. 3447

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Post-9/11 Veterans Educational Assistance Improvements Act of 2010''.

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

SEC. 2. REFERENCE TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 3. STATUTORY PAY-AS-YOU-GO ACT COMPLIANCE.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

TITLE I—POST-9/11 VETERANS EDUCATIONAL ASSISTANCE

SEC. 101. MODIFICATION OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE.

(a) MODIFICATION OF DEFINITIONS ON ELIGIBILITY FOR EDUCATIONAL ASSISTANCE.—

(1) EXPANSION OF DEFINITION OF ACTIVE DUTY TO INCLUDE SERVICE IN NATIONAL GUARD FOR CERTAIN PURPOSES.—Paragraph (1) of section 3301 is amended by adding at the end the following new subparagraph:

''(C) In the case of a member of the Army National Guard of the United States or Air National Guard of the United States, in addition to service described in subparagraph (B), full-time service—

''(i) in the National Guard of a State for the purpose of organizing, administering, recruiting, instructing, or training the National Guard; or

''(ii) in the National Guard under section 502(f) of title 32 when authorized by the President or the Secretary of Defense for the purpose of responding to a national emergency declared by the President and supported by Federal funds.''.

(2) EXPANSION OF DEFINITION OF ARMY ENTRY LEVEL AND SKILL TRAINING TO INCLUDE ONE STATION UNIT TRAINING.—Paragraph (2)(A) of such section is amended by inserting ''or One Station Unit Training'' before the period at the end.

(3) CLARIFICATION OF DEFINITION OF ENTRY LEVEL AND SKILL TRAINING FOR THE COAST GUARD.—Paragraph (2)(E) of such section is amended by inserting ''and Skill Training (or so-called 'A' School)'' before the period at the end.

(b) CLARIFICATION OF APPLICABILITY OF HONORABLE SERVICE REQUIREMENT FOR CERTAIN DISCHARGES AND RELEASES FROM THE ARMED FORCES AS BASIS FOR ENTITLEMENT TO EDUCATIONAL ASSISTANCE.—Section 3311(c)(4) is amended in the matter preceding subparagraph (A) by striking ''A discharge or release from active duty in the Armed Forces'' and inserting ''A discharge or release from active duty in the Armed Forces after service on active duty in the Armed Forces characterized by the Secretary concerned as honorable service''.

(c) EXCLUSION FROM PERIOD OF SERVICE ON ACTIVE DUTY OF PERIODS OF SERVICE IN CONNECTION WITH ATTENDANCE AT COAST GUARD ACADEMY.—Section 3311(d)(2) is amended by inserting ''or section 182 of title 14'' before the period at the end.

(d) EFFECTIVE DATES.—

(1) SERVICE IN NATIONAL GUARD AS ACTIVE DUTY.—The amendment made by subsection (a)(1) shall take effect on August 1, 2009, as if included in the enactment of chapter 33 of title 38, United States Code, pursuant to the Post-9/11 Veterans Educational Assistance Act of 2008 (title V of Public Law 110–252). However, no benefits otherwise payable by reason of such amendment for the period beginning on August 1, 2009, and ending on September 30, 2011, may be paid before October 1, 2011.

(2) ONE STATION UNIT TRAINING.—The amendment made by subsection (a)(2) shall take effect on the date of the enactment of this Act.

(3) ENTRY LEVEL AND SKILL TRAINING FOR THE COAST GUARD.—The amendment made by subsection (a)(3) shall take effect on the date of the enactment of this Act, and shall apply with respect to individuals entering service on or after that date.

(4) HONORABLE SERVICE REQUIREMENT.—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act, and shall apply with respect to discharges and releases from the Armed Forces that occur on or after that date.

(5) SERVICE IN CONNECTION WITH ATTENDANCE AT COAST GUARD ACADEMY.—The amendment made by subsection (c) shall take effect on the date of the enactment of this Act, and shall apply with respect to individuals entering into agreements on service in the Coast Guard on or after that date.

SEC. 102. AMOUNTS OF ASSISTANCE FOR PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED AT PUBLIC, NON-PUBLIC, AND FOREIGN INSTITUTIONS OF HIGHER LEARNING.

(a) AMOUNTS OF EDUCATIONAL ASSISTANCE.—

(1) IN GENERAL.—Section 3313(c) is amended—

(A) in the matter preceding paragraph (1), by inserting ''leading to a degree at an institution of higher learning (as that term is defined in section 3452(f))'' after ''program of education''; and

(B) in paragraph (1), by striking subparagraph (A) and inserting the following new subparagraph (A):

''(A) An amount equal to the following:

''(i) In the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

''(ii) In the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

''(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $17,500; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).''.

(2) CONFORMING AMENDMENT.—The heading of such section is amended to read as follows: ''PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED AT INSTITUTIONS OF HIGHER LEARNING ON MORE THAN HALF-TIME BASIS.—''.

(b) AMOUNTS OF MONTHLY STIPENDS.—Section 3313(c)(1)(B) is amended—

(1) by redesignating clause (ii) as clause (iv); and

(2) by striking clause (i) and inserting the following new clauses:

''(i) Except as provided in clauses (ii) and (iii), for each month an individual pursues a program of education on more than a half-time basis, a monthly housing stipend equal to the product of—

''(I) the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution of higher learning at which the individual is enrolled, multiplied by

''(II) the lesser of—

''(aa) 1.0; or

''(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

''(ii) In the case of an individual pursuing a program of education at a foreign institution of higher learning on more than a half-time basis, for each month the individual pursues the program of education, a monthly housing stipend equal to the product of—

''(I) the national average of the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5, multiplied by

''(II) the lesser of—

''(aa) 1.0; or

''(bb) the number of course hours borne by the individual in pursuit of the program of education, divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

''(iii) In the case of an individual pursuing a program of education solely through distance learning on more than a half-time basis, a monthly housing stipend equal to 50 percent of the amount payable under clause (ii) if the individual were otherwise entitled to a monthly housing stipend under that clause for pursuit of the program of education.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

(2) STIPEND FOR DISTANCE LEARNING ON MORE THAN HALF-TIME BASIS.—Clause (iii) of section 3313(c)(1)(B) of title 38, United States Code (as added by subsection (b)(2) of this section), shall take effect on October 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education as covered by such clause on or after that date.

SEC. 103. AMOUNTS OF ASSISTANCE FOR PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED ON ACTIVE DUTY.

(a) IN GENERAL.—Section 3313(e) is amended—

(1) in paragraphs (1), by inserting ''leading to a degree'' after ''approved program of education'';

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by inserting ''leading to a degree'' after ''program of education'';

(B) by redesignating subparagraphs (A) and (B) as clauses (i) and (iii), respectively;

(C) in the matter preceding clause (i), as redesignated by subparagraph (B) of this paragraph—

(i) by striking ''The amount'' and inserting ''The amounts''; and

(ii) by striking ''is the lesser of—'' and inserting ''are as follows:

''(A) Subject to subparagraph (C), an amount equal to the lesser of—'';

(D) by striking clause (i), as so redesignated, and inserting the following new clauses:

''(i) in the case of a program of education pursued at a public institution of higher learning, the actual net cost for in-State tuition and fees assessed by the institution for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees;

''(ii) in the case of a program of education pursued at a non-public or foreign institution of higher learning, the lesser of—

''(I) the actual net cost for tuition and fees assessed by the institution for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $17,500; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h); or''.

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

''(B) Subject to subparagraph (C), for the first month of each quarter, semester, or term, as applicable, of the program of education pursued by the individual, a lump sum amount for books, supplies, equipment, and other educational costs with respect to such quarter, semester, or term in the amount equal to—

''(i) $1,000, multiplied by

''(ii) the fraction of a complete academic year under the program of education that such quarter, semester, or term constitutes.

''(C) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable to the individual pursuant to subparagraphs (A)(i), (A)(ii), and (B) shall be the amounts otherwise determined pursuant to such subparagraphs multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).''.

(b) CONFORMING AMENDMENT.—The heading of such section is amended to read as follows: ''PROGRAMS OF EDUCATION LEADING TO A DEGREE PURSUED ON ACTIVE DUTY ON MORE THAN HALF-TIME BASIS.—''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date that is 60 days after the date of the enactment of this Act, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after such effective date.

(2) LUMP SUM FOR BOOKS AND OTHER EDUCATIONAL COSTS.—Subparagraph (B) of section 3313(e)(2) of title 38, United States Code (as added by subsection (a)(2)(E) of this section), shall take effect on October 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

SEC. 104. EDUCATIONAL ASSISTANCE FOR PROGRAMS OF EDUCATION PURSUED ON HALF-TIME BASIS OR LESS.

(a) CLARIFICATION OF AVAILABILITY OF ASSISTANCE.—Section 3313(f) is amended—

(1) in paragraph (1), by inserting before the period at the end the following: ''whether a program of education pursued on active duty, a program of education leading to a degree, or a program of education other than a program of education leading to a degree''; and

(2) in paragraph (2), by inserting ''covered by this subsection'' after ''program of education'' in the matter preceding subparagraph (A).

(b) AMOUNT OF ASSISTANCE.—Clause (i) of paragraph (2)(A) of such section is amended to read as follows:

''(i) the actual net cost for in-State tuition and fees assessed by the institution of higher learning for the program of education after the application of—

''(I) any waiver of, or reduction in, tuition and fees; and

''(II) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

SEC. 105. EDUCATIONAL ASSISTANCE FOR PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.

(a) APPROVED PROGRAMS OF EDUCATION AT INSTITUTIONS OTHER THAN INSTITUTIONS OF HIGHER LEARNING.—Subsection (b) of section 3313 is amended by striking ''is offered by an institution of higher learning (as that term is defined in section 3452(f)) and''.

(b) ASSISTANCE FOR PURSUIT OF PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.—Such section is further amended—

(1) by striking subsection (h);

(2) by redesignating subsection (g) as subsection (h); and

(3) by inserting after subsection (f) the following new subsection (g):

''(g) PROGRAMS OF EDUCATION OTHER THAN PROGRAMS OF EDUCATION LEADING TO A DEGREE.—

''(1) IN GENERAL.—Educational assistance is payable under this chapter for pursuit of an approved program of education other than a program of education leading to a degree at an institution other than an institution of higher learning (as that term is defined in section 3452(f)).

''(2) PURSUIT ON HALF-TIME BASIS OR LESS.—The payment of educational assistance under this chapter for pursuit of a program of education otherwise described in paragraph (1) on a half-time basis or less is governed by subsection (f).

''(3) AMOUNT OF ASSISTANCE.—The amounts of educational assistance payable under this chapter to an individual entitled to educational assistance under this chapter who is pursuing an approved program of education covered by this subsection are as follows:

''(A) In the case of an individual enrolled in a program of education (other than a program described in subparagraphs (B) through (D)) in pursuit of a certificate or other non-college degree, the following:

''(i) Subject to clause (iv), an amount equal to the lesser of—

''(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965 (20 U.S.C. 1070a)) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $17,500; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).

''(ii) Except in the case of an individual pursuing a program of education on a half-time or less basis and subject to clause (iv), a monthly housing stipend equal to the product—

''(I) of—

''(aa) in the case of an individual pursuing resident training, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses

all or the majority portion of the ZIP code area in which is located the institution at which the individual is enrolled; or

''(bb) in the case of an individual pursuing a program of education through distance learning, a monthly amount equal to 50 percent of the amount payable under item (aa), multiplied by

''(II) the lesser of—

''(aa) 1.0; or

''(bb) the number of course hours borne by the individual in pursuit of the program of education involved, divided by the minimum number of course hours required for full-time pursuit of such program of education, rounded to the nearest multiple of 10.

''(iii) Subject to clause (iv), a monthly stipend in an amount equal to $83 for each month (or pro rata amount for a partial month) of training pursued for books supplies, equipment, and other educational costs.

''(iv) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the amounts payable pursuant to clauses (i), (ii), and (iii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(B) In the case of an individual pursuing a full-time program of apprenticeship or other on-job training, amounts as follows:

''(i) Subject to clauses (iii) and (iv), for each month the individual pursues the program of education, a monthly housing stipend equal to—

''(I) during the first six-month period of the program, the monthly amount of the basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the employer at which the individual pursues such program;

''(II) during the second six-month period of the program, 80 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

''(III) during the third six-month period of the program, 60 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I);

''(IV) during the fourth six-month period of such program, 40 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I); and

''(V) during any month after the first 24 months of such program, 20 percent of the monthly amount of the basic allowance for housing payable as described in subclause (I).

''(ii) Subject to clauses (iii) and (iv), a monthly stipend in an amount equal to $83 for each month (or pro rata amount for each partial month) of training pursued for books supplies, equipment, and other educational costs.

''(iii) In the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of sections 3311(b), the amounts payable pursuant to clauses (i) and (ii) shall be the amounts otherwise determined pursuant to such clauses multiplied by the same percentage applicable to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(iv) In any month in which an individual pursuing a program of education consisting of a program of apprenticeship or other on-job training fails to complete 120 hours of training, the amount of monthly educational assistance allowance payable under clauses (i) and (iii) to the individual shall be limited to the same proportion of the applicable rate determined under this subparagraph as the number of hours worked during such month, rounded to the nearest eight hours, bears to 120 hours.

''(C) In the case of an individual enrolled in a program of education consisting of flight training (regardless of the institution providing such program of education), an amount equal to—

''(i) the lesser of—

''(I) the actual net cost for in-State tuition and fees assessed by the institution concerned for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees; or

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $10,000; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

''(ii) either—

''(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

''(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(D) In the case of an individual enrolled in a program of education that is pursued exclusively by correspondence (regardless of the institution providing such program of education), an amount equal to—

''(i) the lesser of—

''(I) the actual net cost for tuition and fees assessed by the institution concerned for the program of education after the application of—

''(aa) any waiver of, or reduction in, tuition and fees; and

''(bb) any scholarship, or other Federal, State, institutional, or employer-based aid or assistance (other than loans and any funds provided under section 401(b) of the Higher Education Act of 1965) that is provided directly to the institution and specifically designated for the sole purpose of defraying tuition and fees.

''(II) the amount equal to—

''(aa) for the academic year beginning on August 1, 2011, $8,500; or

''(bb) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subclause, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h), multiplied by—

''(ii) either—

''(I) in the case of an individual entitled to educational assistance by reason of paragraphs (1), (2), or (9) of section 3311(b), 100 percent; or

''(II) in the case of an individual entitled to educational assistance by reason of paragraphs (3) through (8) of section 3311(b), the same percentage as would otherwise apply to the monthly amounts payable to the individual under paragraphs (2) through (7) of subsection (c).

''(4) FREQUENCY OF PAYMENT.—

''(A) QUARTER, SEMESTER, OR TERM PAYMENTS.—Payment of the amounts payable under paragraph (3)(A)(i) for pursuit of a program of education shall be made for the entire quarter, semester, or term, as applicable, of the program of education.

''(B) MONTHLY PAYMENTS.—Payment of the amounts payable under paragraphs (3)(A)(ii) and (3)(B)(i) for pursuit of a program of education shall be made on a monthly basis.

''(C) LUMP SUM PAYMENTS.—

''(i) Payment for the amount payable under paragraphs (3)(A)(iii) and (3)(B)(ii) shall be paid to the individual for the first month of each quarter, semester, or term, as applicable, of the program education pursued by the individual.

''(ii) Payment of the amount payable under paragraph (3)(C) for pursuit of a program of education shall be made upon receipt of certification for training completed by the individual and serviced by the training facility.

''(D) QUARTERLY PAYMENTS.—Payment of the amounts payable under paragraph (3)(D) for pursuit of a program of education shall be made quarterly on a pro rata basis for the lessons completed by the individual and serviced by the institution.

''(5) CHARGE AGAINST ENTITLEMENT FOR CERTIFICATE AND OTHER NON-COLLEGE DEGREE PROGRAMS.—

''(A) IN GENERAL.—In the case of amounts paid under paragraph (3)(A)(i) for pursuit of a program of education, the charge against entitlement to educational assistance under this chapter of the individual for whom such payment is made shall be one month for each of—

''(i) the amount so paid, divided by

''(ii) subject to subparagraph (B), the amount equal to one-twelfth of the amount applicable in the academic year in which the payment is made under paragraph (3)(A)(i)(II).

''(B) PRO RATA ADJUSTMENT BASED ON CERTAIN ELIGIBILITY.—If the amount otherwise payable with respect to an individual under paragraph (3)(A)(i) is subject to a percentage adjustment under paragraph (3)(A)(iv), the amount applicable with respect to the individual under subparagraph (A)(ii) shall be the amount otherwise determined pursuant to such subparagraph subject to a percentage adjustment equal to the percentage adjustment applicable with respect to the individual under paragraph (3)(A)(iv).''.

(c) PAYMENT OF AMOUNTS TO EDUCATIONAL INSTITUTIONS.—Subsection (h) of section 3313, as redesignated by subsection (b)(2) of this section, is amended by inserting '', and under subparagraphs (A)(i), (C), and (D) of subsection (g)(3),'' after ''(f)(2)(A)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2011, and shall apply with respect to amounts payable for educational assistance for pursuit of programs of education on or after that date.

SEC. 106. DETERMINATION OF MONTHLY HOUSING STIPEND PAYMENTS FOR ACADEMIC YEARS.

(a) IN GENERAL.—Section 3313, as amended by this Act, is further amended by adding at the end the following new subsection:

''(i) DETERMINATION OF HOUSING STIPEND PAYMENTS FOR ACADEMIC YEARS.—Any monthly housing stipend payable under this section during the academic year beginning on August 1 of a calendar year shall be determined utilizing rates for basic allowances for housing payable under section 403 of title 37 in effect as of January 1 of such calendar year.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on August 1, 2011.

SEC. 107. AVAILABILITY OF ASSISTANCE FOR LICENSURE AND CERTIFICATION TESTS.

(a) AVAILABILITY OF ASSISTANCE FOR ADDITIONAL TESTS.—Subsection (a) of section 3315 is amended by striking ''one licensing or certification test'' and inserting ''licensing or certification tests''.

(b) CHARGE AGAINST ENTITLEMENT FOR RECEIPT OF ASSISTANCE.—

(1) IN GENERAL.—Subsection (c) of such section is amended to read as follows:

''(c) CHARGE AGAINST ENTITLEMENT.—The charge against an individual's entitlement under this chapter for payment for a licensing or certification test shall be determined at the rate of one month (rounded to the nearest whole month) for each amount paid that equals—

''(1) for the academic year beginning on August 1, 2011, $1,460; or

''(2) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subsection, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).''.

(2) CONFORMING AMENDMENTS.—Subsection (b) of such section is amended—

(A) in paragraph (1), by striking ''or'' at the end;

(B) in paragraph (2), by striking the period and inserting ''; or''; and

(C) by adding at the end the following:

''(3) the amount of entitlement available to the individual under this chapter at the time of payment for the test under this section.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to licensure and certification tests taken on or after that date.

SEC. 108. NATIONAL TESTS.

(a) NATIONAL TESTS.—

(1) IN GENERAL.—Chapter 33 is amended by inserting after section 3315 the following new section:

''§ 3315A. National tests

''(a) IN GENERAL.—An individual entitled to educational assistance under this chapter shall also be entitled to educational assistance for the following:

''(1) A national test for admission to an institution of higher learning as described in the last sentence of section 3452(b).

''(2) A national test providing an opportunity for course credit at an institution of higher learning as so described.

''(b) AMOUNT.—The amount of educational assistance payable under this chapter for a test described in subsection (a) is the lesser of—

''(1) the fee charged for the test; or

''(2) the amount of entitlement available to the individual under this chapter at the time of payment for the test under this section.

''(c) CHARGE AGAINST ENTITLEMENT.—The number of months of entitlement charged an individual under this chapter for a test described in subsection (a) shall be determined at the rate of one month (rounded to the nearest whole month) for each amount paid that equals—

''(1) for the academic year beginning on August 1, 2011, $1,460; or

''(2) for an academic year beginning on any subsequent August 1, the amount for the previous academic year beginning on August 1 under this subsection, as increased by the percentage increase equal to the most recent percentage increase determined under section 3015(h).''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 is amended by inserting after the item relating to section 3315 the following new item:

''3315A. National tests.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to national tests taken on or after that date.

SEC. 109. CONTINUATION OF ENTITLEMENT TO ADDITIONAL EDUCATIONAL ASSISTANCE FOR CRITICAL SKILLS OR SPECIALTY.

(a) IN GENERAL.—Section 3316 is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by inserting after subsection (b) the following new subsection (c):

''(c) CONTINUATION OF INCREASED EDUCATIONAL ASSISTANCE.—

''(1) IN GENERAL.—An individual who made an election to receive educational assistance under this chapter pursuant to section 5003(c)(1)(A) of the Post-9/11 Veterans Educational Assistance Act of 2008 (38 U.S.C. 3301 note) and who, at the time of the election, was entitled to increased educational assistance under section 3015(d) or section 16131(i) of title 10 shall remain entitled to increased educational assistance in the utilization of the individual's entitlement to educational assistance under this chapter.

''(2) RATE.—The monthly rate of increased educational assistance payable to an individual under paragraph (1) shall be—

''(A) the rate of educational assistance otherwise payable to the individual under section 3015(d) or section 16131(i) of title 10, as the case may be, had the individual not made the election described in paragraph (1), multiplied by

''(B) the lesser of—

''(i) 1.0; or

''(ii) the number of course hours borne by the individual in pursuit of the program of education involved divided by the minimum number of course hours required for full-time pursuit of the program of education, rounded to the nearest multiple of 10.

''(3) FREQUENCY OF PAYMENT.—Payment of the amounts payable under paragraph (1) during pursuit of a program of education shall be made on a monthly basis.''.

(b) CLARIFICATION ON FUNDING OF INCREASED ASSISTANCE.—

(1) IN GENERAL.—Such section is further amended by inserting after subsection (c), as added by subsection (a)(2) of this section, the following new subsection:

''(d) FUNDING.—Payments for increased educational assistance under this section shall be made from the Department of Defense Education Benefits Fund under section 2006 of title 10 or from appropriations available to the Department of Homeland Security for that purpose, as applicable.''.

(2) CONFORMING AMENDMENTS.—Section 2006(b) of title 10, United States Code, is amended—

(A) in paragraph (1), by inserting ''or 33'' after ''chapter 30''; and

(B) in paragraph (2), by adding at the end the following new subparagraph:

''(E) The present value of any future benefits payable from the Fund for amounts attributable to increased amounts of educational assistance authorized by section 3316 of title 38.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 110. TRANSFER OF UNUSED EDUCATION BENEFITS.

(a) AVAILABILITY OF TRANSFER AUTHORITY FOR MEMBERS OF PHS AND NOAA.—Section 3319 is amended—

(1) by striking ''Armed Forces'' each place it appears (other than in subsection (a)) and inserting ''uniformed services''; and

(2) by striking subsection (k).

(b) SCOPE AND EXERCISE OF AUTHORITY.—Subsection (a) of such section is amended—

(1) by striking ''Subject to the provisions of this section,'' and all that follows through ''to permit'' and inserting ''(1) Subject to the provisions of this section, the Secretary concerned may permit''; and

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

''(2) The purpose of the authority in paragraph (1) is to promote recruitment and retention in the uniformed services. The Secretary concerned may exercise the authority for that purpose when authorized by the Secretary of Defense in the national security interests of the United States.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 111. BAR TO DUPLICATION OF CERTAIN EDUCATIONAL ASSISTANCE BENEFITS.

(a) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—Section 3322 is amended by adding at the end the following new subsection:

''(e) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—An individual entitled to educational assistance under both sections 3311(b)(9) and 3319 may not receive assistance under both provisions concurrently, but shall elect (in such form and manner as the Secretary may prescribe) under which provision to receive educational assistance.''.

(b) BAR TO RECEIPT OF COMPENSATION AND PENSION AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—Such section is further amended by adding at the end the following new subsection:

''(f) BAR TO RECEIPT OF COMPENSATION AND PENSION AND MARINE GUNNERY SERGEANT JOHN DAVID FRY SCHOLARSHIP ASSISTANCE.—The commencement of a program of education under section 3311(b)(9) shall be a bar to the following:

''(1) Subsequent payments of dependency and indemnity compensation or pension based on the death of a parent to an eligible person over the age of 18 years by reason of pursuing a course in an educational institution.

''(2) Increased rates, or additional amounts, of compensation, dependency and indemnity compensation, or pension because of such a person, whether eligibility is based upon the death of the parent.''.

(c) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS.—Such section is further amended by adding at the end the following new subsection:

''(g) BAR TO CONCURRENT RECEIPT OF TRANSFERRED EDUCATION BENEFITS.—A spouse or child who is entitled to educational assistance under this chapter based on a transfer of entitlement from more than one individual under section 3319 may not receive assistance based on transfers from more than one such individual concurrently, but shall elect (in such form and manner as the Secretary may prescribe) under which source to utilize such assistance at any one time.''.

(d) BAR TO DUPLICATION OF ELIGIBILITY BASED ON A SINGLE EVENT.—Such section is further amended by adding at the end the following new subsection:

''(h) BAR TO DUPLICATION OF ELIGIBILITY BASED ON A SINGLE EVENT OR PERIOD OF SERVICE.—

''(1) ACTIVE-DUTY SERVICE.—An individual with qualifying service in the Armed Forces that establishes eligibility on the part of such individual for educational assistance under this chapter, chapter 30 or 32 of this title, and chapter 1606 or 1607 of title 10, shall elect (in such form and manner as the Secretary may prescribe) under which authority such service is to be credited.

''(2) ELIGIBILITY FOR EDUCATIONAL ASSISTANCE BASED ON PARENT'S SERVICE.—A child of a member of the Armed Forces who, on or after September 11, 2001, dies in the line of duty while serving on active duty, who is eligible for educational assistance under either section 3311(b)(9) or chapter 35 of this title based on the parent's death may not receive such assistance under both this chapter and chapter 35 of this title, but shall elect (in such form and manner as the Secretary may prescribe) under which chapter to receive such assistance.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 112. TECHNICAL AMENDMENTS.

(a) SECTION 3313.—Section 3313 is amended—

(1) by striking ''higher education'' each place it appears and inserting ''higher learning''; and

(2) in clause (iii) of subparagraph (A) of subsection (e)(2), as redesignated by section 103(a)(2) of this Act, by adding a period at the end.

(b) SECTION 3319.—Section 3319(b)(2) is amended by striking ''to section (k)'' and inserting ''to subsection (j)''.

(c) SECTION 3323.—Section 3323(a) is amended by striking ''section 3034(a)(1)'' and inserting ''sections 3034(a)(1) and 3680(c)''.

TITLE II—OTHER EDUCATIONAL ASSISTANCE MATTERS

SEC. 201. EXTENSION OF DELIMITING DATES FOR USE OF EDUCATIONAL ASSISTANCE BY PRIMARY CAREGIVERS OF SERIOUSLY INJURED VETERANS AND MEMBERS OF THE ARMED FORCES.

(a) ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE.—Subsection (d) of section 3031 is amended to read as follows:

''(d)(1) In the case of an individual eligible for educational assistance under this chapter who is prevented from pursuing the individual's chosen program of education before the expiration of the 10-year period for the use of entitlement under this chapter otherwise applicable under this section because of a physical or mental disability which is not the result of the individual's own willful misconduct, such 10-year period—

''(A) shall not run during the period the individual is so prevented from pursuing such program; and

''(B) shall again begin running on the first day after the individual's recovery from such disability on which it is reasonably feasible, as determined under regulations prescribed by the Secretary, for the individual to initiate or resume pursuit of a program of education with educational assistance under this chapter.

''(2)(A) Subject to subparagraph (B), in the case of an individual eligible for educational assistance under this chapter who is prevented from pursuing the individual's chosen program of education before the expiration of the 10-year period for the use of entitlement under this chapter otherwise applicable under this section by reason of acting as the primary provider of personal care services for a veteran or member of the Armed Forces under section 1720G(a) of this title, such 10-year period—

''(i) shall not run during the period the individual is so prevented from pursuing such program; and

''(ii) shall again begin running on the first day after the date of the recovery of the veteran or member from the injury, or the date on which the individual ceases to be the primary provider of personal care services for the veteran or member, whichever is earlier, on which it is reasonably feasible, as so determined, for the individual to initiate or resume pursuit of a program of education with educational assistance under this chapter.

''(B) Subparagraph (A) shall not apply with respect to the period of an individual as a primary provider of personal care services if the period concludes with the revocation of the individual's designation as such a primary provider under section 1720G(a)(7)(D) of this title.''.

(b) CERTAIN TRANSFEREES OF POST-9/11 EDUCATIONAL ASSISTANCE.—Paragraph (5) of section 3319(h) is amended to read as follows:

''(5) LIMITATION ON AGE OF USE BY CHILD TRANSFEREES.—

''(A) IN GENERAL.—A child to whom entitlement is transferred under this section may use the benefits transferred without regard to the 15-year delimiting date specified in section 3321, but may not, except as provided in subparagraph (B), use any benefits so transferred after attaining the age of 26 years.

''(B) PRIMARY CAREGIVERS OF SERIOUSLY INJURED MEMBERS OF THE ARMED FORCES AND VETERANS.—

''(i) IN GENERAL.—Subject to clause (ii), in the case of a child who, before attaining the age of 26 years, is prevented from pursuing a chosen program of education by reason of acting as the primary provider of personal care services for a veteran or member of the Armed Forces under section 1720G(a), the child may use the benefits beginning on the date specified in clause (iii) for a period whose length is specified in clause (iv).

''(ii) INAPPLICABILITY FOR REVOCATION.—Clause (i) shall not apply with respect to the period of an individual as a primary provider of personal care services if the period concludes with the revocation of the individual's designation as such a primary provider under section 1720G(a)(7)(D).

''(iii) DATE FOR COMMENCEMENT OF USE.—The date specified in this clause for the beginning of the use of benefits by a child under clause (i) is the later of—

''(I) the date on which the child ceases acting as the primary provider of personal care services for the veteran or member concerned as described in clause (i);

''(II) the date on which it is reasonably feasible, as determined under regulations prescribed by the Secretary, for the child to initiate or resume the use of benefits; or

''(III) the date on which the child attains the age of 26 years.

''(iv) LENGTH OF USE.—The length of the period specified in this clause for the use of benefits by a child under clause (i) is the length equal to the length of the period that—

''(I) begins on the date on which the child begins acting as the primary provider of personal care services for the veteran or member concerned as described in clause (i); and

''(II) ends on the later of—

''(aa) the date on which the child ceases acting as the primary provider of personal care services for the veteran or member as described in clause (i); or

''(bb) the date on which it is reasonably feasible, as so determined, for the child to initiate or resume the use of benefits.''.

(c) SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE.—Subsection (c) of section 3512 is amended to read as follows:

''(c)(1) Notwithstanding subsection (a) and subject to paragraph (2), an eligible person may be afforded educational assistance beyond the age limitation applicable to the person under such subsection if—

''(A) the person suspends pursuit of such person's program of education after having enrolled in such program within the time period applicable to such person under such subsection;

''(B) the person is unable to complete such program after the period of suspension and before attaining the age limitation applicable to the person under such subsection; and

''(C) the Secretary finds that the suspension was due to either of the following:

''(i) The actions of the person as the primary provider of personal care services for a veteran or member of the Armed Forces under section 1720G(a) of this title.

''(ii) Conditions otherwise beyond the control of the person.

''(2) Paragraph (1) shall not apply with respect to the period of an individual as a primary provider of personal care services if the period concludes with the revocation of the individual's designation as such a primary provider under section 1720G(a)(7)(D) of this title.

''(3) Educational assistance may not be afforded a person under paragraph (1) after the earlier of—

''(A) the age limitation applicable to the person under subsection (a), plus a period of time equal to the period the person was required to suspend pursuit of the person's program of education as described in paragraph (1); or

''(B) the date of the person's thirty-first birthday.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011, and shall apply with respect to preventions and suspension of pursuit of programs of education that commence on or after that date.

SEC. 202. LIMITATIONS ON RECEIPT OF EDUCATIONAL ASSISTANCE UNDER NATIONAL CALL TO SERVICE AND OTHER PROGRAMS OF EDUCATIONAL ASSISTANCE.

(a) BAR TO DUPLICATION OF EDUCATIONAL ASSISTANCE BENEFITS.—Section 3322(a) is amended by inserting ''or section 510'' after ''or 1607''.

(b) LIMITATION ON CONCURRENT RECEIPT OF EDUCATIONAL ASSISTANCE.—Section 3681(b)(2) is amended by inserting ''and section 510'' after ''and 107''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 203. APPROVAL OF COURSES.

(a) CONSTRUCTIVE APPROVAL OF CERTAIN COURSES.—

(1) IN GENERAL.—Section 3672(b) is amended—

(A) by inserting ''(1)'' after ''(b)''; and

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

''(2)(A) Subject to sections 3675(b)(1) and (b)(2), 3680A, 3684, and 3696 of this title, the following programs are deemed to be approved for purposes of this chapter:

''(i) An accredited standard college degree program offered at a public or not-for-profit proprietary educational institution that is accredited by an agency or association recognized for that purpose by the Secretary of Education.

''(ii) A flight training course approved by the Federal Aviation Administration that is offered by a certified pilot school that possesses a valid Federal Aviation Administration pilot school certificate.

''(iii) An apprenticeship program registered with the Office of Apprenticeship (OA) of the Employment Training Administration of the Department of Labor or a State apprenticeship agency recognized by the Office of Apprenticeship pursuant to the Act of August 16, 1937 (popularly known as the 'National Apprenticeship Act'; 29 U.S.C. 50 et seq.).

''(iv) A program leading to a secondary school diploma offered by a secondary school approved in the State in which it is operating.

''(B) A licensure test offered by a Federal, State, or local government is deemed to be approved for purposes of this chapter.''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (3) of section 3034(d) is amended to read as follows:

''(3) the flight school courses are approved by the Federal Aviation Administration and are offered by a certified pilot school that possesses a valid Federal Aviation Administration pilot school certificate.''.

(B) Section 3671(b)(2) is amended by striking ''In the case'' and inserting ''Except as otherwise provided in this chapter, in the case''.

(C) Section 3689(a)(1) is amended by inserting after ''unless'' the following: ''the test is deemed approved by section 3672(b)(2)(B) of this title or''.

(b) USE OF STATE APPROVING AGENCIES FOR COMPLIANCE AND OVERSIGHT ACTIVITIES.—Section 3673 is amended by adding at the end the following new subsection:

''(d) USE OF STATE APPROVING AGENCIES FOR COMPLIANCE AND OVERSIGHT ACTIVITIES.—The Secretary may utilize the services of a State approving agency for such compliance and oversight purposes as the Secretary considers appropriate without regard to whether the Secretary or the agency approved the courses offered in the State concerned.''.

(c) APPROVAL OF ACCREDITED COURSES.—

(1) IN GENERAL.—Subsection (a)(1) of section 3675 is amended by striking ''A State approving agency may approve the courses offered by an educational institution'' and inserting ''The Secretary or a State approving agency may approve accredited programs (including non-degree accredited programs) offered by proprietary for-profit educational institutions''.

(2) CONDITION OF APPROVAL.—Subsection (b) of such section is amended—

(A) in the matter preceding paragraph (1), by inserting ''the Secretary or'' after ''this section,''; and

(B) is amended by inserting ''the Secretary or'' after ''as prescribed by''.

(d) DISAPPROVAL OF COURSES.—Section 3679(a) is amended by inserting ''the Secretary or'' after ''disapproved by'' both places it appears.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on August 1, 2011.

SEC. 204. REPORTING FEES.

(a) INCREASE IN AMOUNT OF FEES.—Section 3684(c) is amended—

(1) by striking ''multiplying $7'' and inserting ''multiplying $12''; and

(2) by striking ''or $11'' and inserting ''or $15''.

(b) USE OF FEES PAID.—Such section is further amended by inserting after the fourth sentence the following new sentence: ''Any reporting fee paid an educational institution or joint apprenticeship training committee after the date of the enactment of the Post-9/11 Veterans Educational Assistance Improvements Act of 2011 shall be utilized by such institution or committee solely for the making of certifications required under this chapter or chapter 31, 34, or 35 of this title or for otherwise supporting programs for veterans.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2011.

SEC. 205. ELECTION FOR RECEIPT OF ALTERNATE SUBSISTENCE ALLOWANCE FOR CERTAIN VETERANS WITH SERVICE-CONNECTED DISABILITIES UNDERGOING TRAINING AND REHABILITATION.

(a) ELECTION AUTHORIZED.—Section 3108(b) is amended by adding at the end the following new paragraph:

''(4) A veteran entitled to a subsistence allowance under this chapter and educational assistance under chapter 33 of this title may elect to receive payment from the Secretary in lieu of an amount otherwise determined by the Secretary under this subsection in an amount equal to the applicable monthly amount of basic allowance for housing payable under section 403 of title 37 for a member with dependents in pay grade E–5 residing in the military housing area that encompasses all or the majority portion of the ZIP code area in which is located the institution providing rehabilitation program concerned.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on August 1, 2011.

SEC. 206. MODIFICATION OF AUTHORITY TO MAKE CERTAIN INTERVAL PAYMENTS.

(a) IN GENERAL.—The flush matter following clause (3)(B) of section 3680(a) is amended by striking ''of this subsection—'' and all that follows and inserting ''of this subsection during periods when schools are temporarily closed under an established policy based on an Executive order of the President or due to an emergency situation. However, the total number of weeks for which allowances may continue to be so payable in any 12-month period may not exceed 4 weeks.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on August 1, 2011.

KINGMAN AND HERITAGE ISLANDS ACT OF 2010

Mr. DURBIN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 6278, which was received from the House and is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 6278) to amend the National Children's Island Act of 1995 to expand allowable uses for Kingman and Heritage Islands by the District of Columbia, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. LIEBERMAN. Madam President, I rise today to speak about the Kingman and Heritage Islands Act of 2010, H.R. 6278. In particular, I wish to describe the legislative history and intent of this act. Earlier this year, essentially identical legislation, H.R. 2092, passed the House and the Senate but has not been enacted for reasons that I will address in this statement. Therefore, the House and Senate committee reports describing H.R. 2092 should be referenced as applicable legislative history for H.R. 6278.

D.C. Delegate ELEANOR HOLMES NORTON introduced H.R. 2092, The Kingman and Heritage Islands Act of 2009, on April 23, 2009. The bill was considered by the House Committee on Oversight and Government Reform on September 10, 2009, and ordered reported favorably with an amendment. On October 7, 2009, H.R. 2092 passed the House of Representatives under suspension of the rules and the subsequent day, H.R. 2092 was referred to the Senate Homeland Security and Governmental Affairs Committee. The committee considered the bill on May 17, 2010, and ordered the bill reported to the full Senate with one amendment. On September 27, 2010, the Senate passed H.R. 2092 by unanimous consent. Due to a mistake, however, the version that the Senate passed on September 27 contained a few drafting errors and did not reflect all of the modifications that our committee had intended.

Rather than seek the enactment of the Senate-passed version of H.R. 2092, and in order to avoid any confusion among the government entities responsible for implementing the bill, Delegate NORTON subsequently introduced H.R. 6278 with the support of the chairman and ranking member of the House Committee on Oversight and Government Reform. H.R. 6278 consists of the text of H.R. 2092 as my committee had amended it and intended it to pass in the Senate. Delegate NORTON introduced H.R. 6278 on September 29, 2010, and it passed the House of Representatives on November 16, 2010, under suspension of the rules. After being received in the Senate, the bill was held at the desk and today it will pass the Senate by unanimous consent.

Because neither the relevant House nor Senate committee had the opportunity to file committee reports describing H.R. 6278, the committee reports describing H.R. 2092 should be considered as applicable legislative history for this bill. The report filed by the House Committee on Oversight and Government Reform report is House Report 111–275 and the report filed by the Senate Committee on Homeland Security and Governmental Affairs is Senate Report 111–300. In the remainder of my statement I further describe the background and intent of the legislation.

The Kingman and Heritage Islands Act of 2010 would allow the District of Columbia to use all of Heritage Island and portions of Kingman Island—the Islands—for recreational, environmental and educational uses. The U.S. Army Corps of Engineers created Kingman and Heritage Islands in the District of Columbia from sediment dredged from the Anacostia River.

Until the enactment in 1996 of the National Children's Island Act of 1995—the act—the National Park Service held administrative jurisdiction on both islands. The act required the Federal Government to transfer title of the islands to the District of Columbia for use as a children's recreational park. It also mandated that title to the islands would revert back to the Federal Government if the District did not use the land in a manner consistent with the purposes specified in the act. The Secretary of the Interior transferred title of the Islands to the District via quitclaim deed in January 1997. In 2000, the Secretary of Interior wrote the District a letter stating that the District had fully lived up to the letter and spirit of the act and that DC should retain title to the Islands.

DC has not developed a children's recreational park on the Islands, and since that time, it has re-evaluated its

needs and interests and no longer seeks to use the Islands for that purpose. In 2003, in accordance with a memorandum of understanding between DC and several Federal agencies, including the NPS, the District developed the Anacostia Waterfront Framework Plan—Waterfront Plan—to redevelop and revitalize the Anacostia waterfront. The Waterfront Plan envisions using the islands for nature-themed exhibitions and educational projects. The District also has developed a Comprehensive Plan to serve as a general policy document to provide overall guidance for future planning and development in DC.

Recently, the District has taken steps toward implementing the Waterfront Plan. In the summer of 2007, the Anacostia Waterfront Corporation, now part of the DC Office of the Deputy Mayor for Planning and Economic Development, partnered with a number of other organizations to begin using the Islands to host environmental programs and cleanup. Since May 2008, Living Classrooms, a nonprofit educational organization with a focus on experiential learning, has been managing the islands and running programs there, including educational programming and volunteer events aimed at restoring the Islands.

To ensure that the activities DC has authorized do not raise any questions about its title to the Islands, the District has asked Congress to amend the act to sanction the broader work now occurring on the Islands. H.R. 6278 would do just that, by amending the National Children's Island Act in order to allow the District to conduct recreational, environmental and educational activities on the Islands, consistent with the Waterfront Plan and the District's Comprehensive Plan. If any portion of the land is used for an activity that is not recreational, environmental or educational, the reversionary process as outlined in the bill could begin.

Mr. DURBIN. Madam President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 6278) was ordered to a third reading, was read the third time, and passed.

MEASURE PLACED ON THE CALENDAR—S. 4023

Mr. DURBIN. Madam President, I understand that S. 4023 is at the desk and is due for a second reading.

The PRESIDING OFFICER. The clerk will read the title of the bill for the second time.

The legislative clerk read as follows:

A bill (S. 4023) to provide for the repeal of the Department of Defense policy concerning homosexuality in the Armed Forces known as ''Don't Ask, Don't Tell.''

Mr. DURBIN. Madam President, I would object to any further proceedings with respect to the bill.

The PRESIDING OFFICER. Objection having been heard, the bill will be placed on the calendar.

ORDERS FOR TUESDAY, DECEMBER 14, 2010

Mr. DURBIN. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. on Tuesday, December 14; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate resume consideration of the motion to concur with respect to H.R. 4853, the vehicles for the tax compromise, postcloture; further, I ask that the Senate recess from 12:30 p.m. until 2:15 p.m. to allow for the weekly caucus lunches, and that any time during any period of morning business, recess, or adjournment count postcloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DURBIN. Madam President, the postcloture debate time will expire around midnight tomorrow night. Senators will be notified when any votes are scheduled tomorrow.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. DURBIN. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 6:36 p.m., adjourned until Tuesday, December 14, 2010, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF ENERGY

PETER BRUCE LYONS, OF NEW MEXICO, TO BE AN ASSISTANT SECRETARY OF ENERGY (NUCLEAR ENERGY), VICE WARREN F. MILLER, JR., RESIGNED.

DEPARTMENT OF STATE

DAVID BRUCE SHEAR, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SOCIALIST REPUBLIC OF VIETNAM.

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE

STEPHANIE O'SULLIVAN, OF VIRGINIA, TO BE PRINCIPAL DEPUTY DIRECTOR OF NATIONAL INTELLIGENCE, VICE DAVID C. GOMPERT, RESIGNED.

DEPARTMENT OF JUSTICE

DENISE ELLEN O'DONNELL, OF NEW YORK, TO BE DIRECTOR OF THE BUREAU OF JUSTICE ASSISTANCE, VICE DOMINGO S. HERRAIZ, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. TIMOTHY T. JEX

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COLONEL DONALD J. BACON
COLONEL WARREN D. BERRY
COLONEL CASEY D. BLAKE
COLONEL MARK ANTHONY BROWN
COLONEL STEPHEN A. CLARK
COLONEL ANTHONY J. COTTON
COLONEL THOMAS H. DEALE
COLONEL STEPHEN T. DENKER
COLONEL JOHN L. DOLAN
COLONEL MICHAEL E. FORTNEY
COLONEL PETER E. GERSTEN
COLONEL ROBERT P. GIVENS
COLONEL THOMAS F. GOULD
COLONEL TIMOTHY S. GREEN
COLONEL GINA M. GROSSO
COLONEL JOSEPH T. GUASTELLA, JR.
COLONEL DAVID A. HARRIS
COLONEL DARYL J. HAUCK
COLONEL JOHN M. HICKS
COLONEL JOHN P. HORNER
COLONEL CHARLES K. HYDE
COLONEL PATRICK C. MALACKOWSKI
COLONEL JAMES R. MARRS
COLONEL LAWRENCE M. MARTIN, JR.
COLONEL JEFFREY R. MCDANIELS
COLONEL MARK M. MCLEOD
COLONEL JOHN K. MCMULLEN
COLONEL LINDA R. MEDLER
COLONEL MATTHEW H. MOLLOY
COLONEL MICHAEL T. PLEHN
COLONEL MARGARET B. POORE
COLONEL THOMAS J. SHARPY
COLONEL BRADFORD J. SHWEDO
COLONEL RICHARD S. STAPP
COLONEL DAVID R. STILWELL
COLONEL ROGER W. TEAGUE
COLONEL DAVID C. UHRICH
COLONEL ROGER H. WATKINS
COLONEL MARK W. WESTERGREN
COLONEL SCOTT J. ZOBRIST

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. ROBERT E. MILSTEAD, JR.