United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 113th CONGRESS, FIRST SESSION

Vol. 159 WASHINGTON, TUESDAY, JUNE 11, 2013 *No. 82*

Senate

The Senate met at 10 a.m. and was called to order by the Honorable WILLIAM M. COWAN, a Senator from the Commonwealth of Massachusetts.

PRAYER

The PRESIDING OFFICER. Today we welcome back Rabbi Moshe Feller, director at Upper Midwest Merkos-Lubavitch House in St. Paul, MN, who will lead the Senate in prayer.

The guest Rabbi offered the following prayer:

By the grace of God, Almighty God, I invoke Your blessing today on this august body, the U.S. Senate. In their divinely inspired wisdom, the Founding Fathers of our blessed country, the United States of America, established a policy of separation of church and state. However, it was never their intention to separate our country from You, sovereign ruler of all mankind. Hence, both legislative bodies of our blessed country begin their sessions invoking Your divine presence and guidance in their legislation. Hence, in our Pledge of Allegiance we declare ''one Nation under God,'' on our currency is printed ''In God We Trust,'' and on the walls of this very Senate hall in which we invoke Your blessing is engraved in bold letters ''In God We Trust.''

Grant, Almighty God, that the Senators realize that in legislating just laws they are fulfilling one of the seven commandments which You issued to Noah and his family after the great flood as related in the book of Genesis and its sacred commentaries—the command that every society govern by just laws.

Almighty God, I beseech You today to bless the Senate in the merit of one of the spiritual giants of our time and our Nation, the Lubavitcher Rebbe, Rabbi Menachem Mendel Schneerson of saintly blessed memory, who passed away 19 years ago today. The Rebbe labored with great love, dedication, and self-sacrifice to make all mankind aware of Your sacred presence.

May his memory be for a blessing and his merit be for a shield for our government and our Nation, which he always referred to as ''a nation of kindness.'' Amen.

PLEDGE OF ALLEGIANCE

The PRESIDING OFFICER 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. LEAHY).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 11, 2013.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WILLIAM M. COWAN, a Senator from the Commonwealth of Massachusetts, to perform the duties of the Chair.

PATRICK J. LEAHY,
President pro tempore.

Mr. COWAN 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—and today we will hear from Senator MCCONNELL first—the Senate will resume the motion to proceed to the comprehensive immigration legislation. The time until 12:30 will be equally divided and controlled between the proponents and opponents of this legislation.

The Senate will recess from 12:30 until 2:15 to allow for the weekly caucus meetings. At 2:15 there will be a cloture vote to proceed to the immigration legislation. If cloture is invoked, the time until 4 p.m. will be equally divided, and at 4 p.m. there will be a vote on the adoption of the motion to proceed so we can begin debate on that legislation.

RECOGNITION OF THE MINORITY LEADER

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

IMMIGRATION REFORM

Mr. MCCONNELL. Mr. President, at any given time in our Nation's history, lawmakers have been faced with many pressing challenges. Some, by their very nature, demand immediate action. Others simply build over time, so forcing action on them usually involves some combination of both foresight and persuasion.

The great challenge of our own day, in my view, is figuring out how to reform government programs that are growing so big so fast that, unless we act, they will eventually consume the entire Federal budget. This is an issue I have devoted a lot of time and energy to over the last few years and that I had hoped the two parties could resolve in a way that would win the support of the public and the markets. As it turned out, the President wasn't as interested in that kind of an agreement as I was, so last year I reluctantly concluded we wouldn't be able to do anything significant about entitlements anytime soon. Without Presidential leadership, something such as that is just simply impossible. Hopefully, the

President will have a change of heart at some point on the most important issue of our time.

None of this means we can't try to do something about any of the other big issues we face, and that includes immigration. There may be some who think our current immigration system is working, but I haven't met them. I haven't met anybody who thinks the current immigration system is working. And as an elected leader in my party, it is my view that at least we need to try to improve the situation that, as far as I can tell, very few people believe is working well either for our own citizens or for those around the world who aspire to become Americans.

Everyone knows the current system is broken. Our borders are not secure. Those who come legally often stay illegally, and we don't know who or where they are. Our immigration laws last changed almost three decades ago, and they failed to take into account the needs of our rapidly changing economy. So what we are doing today is initiating a debate.

We are all grateful for the hard work of the so-called Gang of 8, but today's vote isn't a final judgment on their product as much as it is a recognition of the problem—a national problem—one that needs debate.

The Gang of 8 has done its work. Now it is time for the Gang of 100 to do its work—for the entire Senate to have its say on the issue and see if we can improve the status quo.

At the risk of stating the obvious, the bill has serious flaws. I will vote to debate it and for the opportunity to amend it, but in the days ahead there will need to be major changes to this bill if it is going to become law. These include, but are not limited to, the areas of border security, government benefits, and taxes.

I am going to need more than an assurance from Secretary Napolitano, for instance, that the border is secure to feel comfortable about the situation down on the border. Too often, recently, we have been reminded that as government grows, it becomes less responsible to the American people and fails to perform basic functions either through incompetence—incompetence—or willful disregard of the wishes of Congress. Our continued failure to secure major portions of the border not only makes true immigration reform far more difficult, it presents an urgent threat to our national security.

Some have criticized this bill for its cost to taxpayers, and that is a fair critique. Those who are here illegally shouldn't have their unlawful status rewarded—rewarded—with benefits and tax credits. So the bill has some serious flaws, and we need to be serious about trying to fix them. The goal should be to make the status quo better, not worse, and that is what the next few weeks are about. They are about giving the entire Senate, indeed the entire country, an opportunity to weigh in on this important debate to make their voices heard and to try to improve our immigration policy. What that means, of course, obviously, is an open amendment process.

Let me be clear. Doing nothing about the problem we all acknowledge isn't a solution. Doing nothing about the problem is not a solution, it is an avoidance strategy. The longer we wait to have this debate, as difficult as it is, the harder it will be to solve the problem.

We tried to do something 6 years ago and didn't succeed. We may not succeed this time either, but attempting to solve tough problems in a serious and deliberate manner is precisely what the Senate at its best should be doing, and that is what we are going to try to do in this debate.

UPHOLDING COMMITMENTS

Mr. MCCONNELL. Mr. President, it has now been 138 days since the Senate reached an agreement on the issue of whether we would violate the rules to change the rules—138 days since we reached an agreement. In that agreement, the Senate adopted two rules changes and two standing orders, and the majority leader made an unequivocal commitment, not contingent on his judgment of what was good behavior, but the matter was settled for this Congress. In fact, 2 years before that, he said it was settled for the next two Congresses.

So let's take a look at exactly what the majority leader's pledge was. This was back in 2011 when the majority leader said:

I agree that the proper way to change Senate rules is through the procedures established in those rules—

In those rules—

and I will oppose any effort in this Congress or the next—

The Congress we are in now—

to change the Senate's rules other than through the regular order.

So the commitment on January 27, 2011, was not just for that Congress but for the next one as well.

Then 2 years later, on January 24 of this year, I said in a colloquy with the majority leader:

I would confirm with the majority leader that the Senate would not consider other resolutions—

We had passed a couple of resolutions, a couple of rules changes, and a couple of standing orders—

relating to any standing order or rules this Congress—

That is the Congress we are in right now—

unless they went through the regular order process?

The majority leader said:

That is correct. Any other resolutions related to Senate procedure would be subject to a regular order process, including consideration by the Rules Committee.

Now, the regular order for changing rules is that the Parliamentarian would rule that it would take 67 votes to do that. But after these commitments were made both in January of 2011 and in January of this year, the majority leader has consistently repeated: In spite of what I said in January of each of the last 2 years, if Members are not on their best behavior, presumably, I will do this anyway.

So I mentioned to the majority leader publicly—privately for a long time and then publicly over the last few weeks—that I intend to ask him the question every day: Does he intend to keep his word?

That is critical around here. It is important for all Senators to keep their word, but it is particularly important for the majority leader, who has the opportunity to be, shall I say, more important than the rest of us because he gets to set the agenda and he gets to determine what the Senate will debate. He has the right of first recognition and, as he repeatedly reminds me in these colloquies, he will always have the last word. So I think the currency of the realm in the Senate is one's word.

So those are my observations today and will be my observations tomorrow until we get this established because I think the atmosphere in which the Senate operates, with this threat of a nuclear option holding over it, is not conducive to the kind of collegial environment we need in processing nominations and in processing legislation. We expect the majority leader to keep his word.

I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

IMMIGRATION REFORM

Mr. REID. Mr. President, it is important that everyone keeps their word.

I am pleased the Republican leader acknowledged that the immigration system is broken and needs fixing, and we will have a full and open debate on this over the next 3 weeks. That is very good. I am very glad to hear the Republican leader will vote to help us move forward on this legislation.

For 15 years, James Courtney fought for this country as a Member of the U.S. Army. He did that for a decade and a half.

For most of those 15 years, James' wife Sharon was at home in Las Vegas fighting being deported. She has lived in America since she was a young teenager. She speaks fluent English. She has three sons with her husband James, and he has been her husband for 13 years.

She has supported James through three tours of duty in Iraq where he was wounded significantly, suffered brain injury, and because of his wounds had to retire medically from the military. But because she is in the United States without the proper paperwork, she has lived with the fear that she, on any given day, would be deported back to Mexico and her family would be torn apart.

Servicemembers and veterans of the U.S. military—and their family members who support them—deserve a better life than worry and fear.

In March, just a few weeks ago, James and Sharon came to Washington. They came with hundreds of other immigrants who are concerned about being deported. They are concerned about immigration reform. They know the system is broken and needs to be fixed. This is what James said:

I did what my country asked me to do. Now I'm asking my country to keep us together for the sake of humanity and freedom.

James spoke about keeping his three American children together with the mother of those three children, his wife.

When I heard James and Sharon's story, I was recommitted to doing something to help them. And I did. Not only is Sharon a wonderful mother and wife, she is also caretaker to her disabled husband. Her family needs her.

Last month, James and Sharon learned that immigration officials have deferred her status, her deportation. She is no longer in immediate danger of being separated from her family.

See, Mr. President, she was a DREAMer, and that is who President Obama stepped forward to help. In effect, what this did is it allowed her to stay and care for her husband and three children. Her children are 16, 11, and 8 years of age.

While I was happy to help James and Sharon, it is unfortunate that they needed any help in the first place. When our servicemembers are fighting overseas, they should be focused on the difficult and dangerous job they face—not worried about their family members back home.

Think about that. If she had been deported while he was overseas, what would the three boys do? Dad is overseas. They are Americans. They were born here.

No veteran of the U.S. military should have to fight to keep his wife, the caretaker of his children, by his side. Her story is compelling. Their story is compelling. But there are millions of stories just like it—stories of mothers and fathers terrified of being torn away from their U.S. citizen children; stories of young men and women fearful of being deported from the only country they know, they have ever called home; stories of families forced to live in the shadows despite coming to America in search of a brighter future.

There are 11 million reasons to pass commonsense immigration reform that mends our broken system—11 million stories of fear of being deported, fear of heartbreak, fear of suffering, and actual suffering they have facing them every day worrying about if they can go to the store, do they have to stay home. They certainly cannot travel. But for this fine young woman, that has been taken away because of President Obama.

These stories should motivate Congress to act. The bipartisan proposal before this body takes important steps to strengthen border security. It is remarkable what we already have there. We have drones, 700 miles of fencing. We have sensors. We have fixed-wing aircraft flying around with helicopters. We have 21,000 Border Patrol agents. But if there are ways people believe we could do better on security that is important, that is not just some reason to try to kill this legislation, let's take a look at it.

I spoke this morning with the chairman of the Homeland Security and Governmental Affairs Committee, Senator CARPER. He has some ideas. He is preparing amendments. I like Senator CARPER always. He is very thoughtful, and I am sure he will do something that he believes would improve the situation on the border. He has gone, as a member of that committee and chairman of that committee, all over the southern part of this country looking at what is happening on the border.

So the bipartisan proposal before the Senate takes important steps to strengthen border security. It also makes crucial improvements to our broken immigration system so families like James and Sharon's are never subject to this kind of anguish again.

While this legislation is not an instant fix for families, it does provide a pathway to earned citizenship. It does not put them at the front of the line. It puts them at the back of the line. They have to stay out of trouble. They have to work, pay taxes, and focus on learning English. That is what it is about.

Passing meaningful immigration reform will be good for our national security, it will be good for the economy, it will be good for James and Sharon Courtney and millions of families just like them.

James is a veteran who sacrificed his time and his health to keep this Nation safe from harm. He is now disabled. We can at least thank him by keeping his family safe—and together.

RESERVATION OF LEADER TIME

Mr. REID. Would the Chair announce the business of the day.

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

BORDER SECURITY, ECONOMIC OPPORTUNITY, AND IMMIGRATION MODERNIZATION ACT—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 744, which the clerk will report.

The legislative clerk read as follows:

Motion to proceed to Calendar No. 80, S. 744, a bill to provide for comprehensive immigration reform and for other purposes.

Mr. REID. Mr. President, I would ask the Chair at this time to recognize the Senator from Hawaii, Mr. SCHATZ, who replaced Senator Inouye. I understand he is going to give his maiden speech in the Senate today. I would ask that the Chair recognize him.

The ACTING PRESIDENT pro tempore. The Senator from Hawaii.

NATIVE HAWAIIAN GOVERNMENT REORGANIZATION

Mr. SCHATZ. Mr. President, today, June 11, marks a public holiday in the State of Hawaii, King Kamehameha Day, celebrated since 1872. We hold a statewide festival and mark the day with lei draping ceremonies, parades, hula competitions, and other festivities. It is a day to honor Kamehameha the Great, who unified the Kingdom of Hawaii, and to celebrate the rich culture and traditions of the Hawaiian people.

I chose this day to come to the Senate floor to talk about an issue of great importance to me and to the great State of Hawaii: Native Hawaiian government reorganization. It was a top priority of my immediate predecessors in this body, Senators Inouye and Akaka. For more than three decades, they worked together in the Congress to advance priorities important to Hawaii and to the Nation.

They made history at almost every step of their careers—securing dozens of firsts in the House and in the Senate. But for the indigenous people of the United States, Senators Inouye and Akaka will be forever remembered for their work as members and then chairs of the Senate Committee on Indian Affairs, and for their advocacy on behalf of American Indians, Alaska Natives, and Native Hawaiians.

I want to acknowledge their legacy and to thank Senator Akaka for the role he continues to play in our great State and in the Native Hawaiian community in particular. Here is the reason I have chosen to carry forward this fight on behalf of Native Hawaiians: Simply stated, it is right to seek justice.

Native Hawaiians are the only federally recognized native people without a government-to-government relationship with the United States, and they deserve access to the prevailing Federal policy of self-determination. Opponents have argued that Native Hawaiians are not ''Indians,'' as if the word applies to native people of a certain racial or ethnic heritage or is limited to indigenous people from one part of the United States but not another. This is misguided.

Our Constitution makes it clear. Our Founding Fathers understood that it was the tribal nations' sovereign authority that distinguished them from others. It was the fact that tribes were native groups with distinct governments that predated our own that justified special treatment in the Constitution and under Federal law.

In what is now the United States, European contact with native groups began in the 15th and 16th centuries on the east coast, and the 16th and 17th

centuries on the west coast; while in Alaska and Hawaii, European contact was delayed until the 18th century. Throughout the centuries, a myriad of factors influenced how various native groups were treated.

The historical timeframe when policies and programs were applied to native groups may have been different, but what was consistent throughout were the Federal policies and actions intended to strip Native Americans of their languages, weaken traditional leadership and family structures, divide land bases, prohibit religious and cultural practices, and break communal bonds. These policies were as harmful and unjust to Native Hawaiians as they were to Alaska Natives and American Indians.

There was a thriving society that greeted Capt. James Cook when he landed on the shores of Hawaii in 1778. Prior to their first contact with Europeans, Native Hawaiians had a population of at least 300,000. They were a highly organized, self-sufficient society, and they had their own rules, laws, language, and culture.

In his journals Captain Cook referred to the indigenous people of Hawaii as ''Indians'' because it was the established English term in the 18th century to describe native groups—regardless of their race, ethnicity, or their governmental structure. But just like many Native Americans and Alaska Natives on the continent, the name ''Native Hawaiians,'' chosen in their own language, was ''Kanaka Maoli,'' ''The People.''

From 1826 until 1893, the United States recognized the independence of the Hawaiian Government as a distinct political entity. We extended full and complete diplomatic recognition and entered into five treaties and conventions with the Hawaiian Monarchs to govern commerce and navigation. These treaties are clear evidence that Native Hawaiians were considered a separate and distinct nation more than a century after contact.

But on January 17, 1893, the legitimate government of the Native Hawaiian people was removed forcibly by agents and Armed Forces of the United States. The illegality of this action has been acknowledged in contemporary as well as modern times by both the executive and legislative branches of our Federal Government.

An investigation called for by President Cleveland produced a report by former Congressman James Blount. The report's findings were unambiguous: U.S. diplomatic and military representatives had abused their authority and were responsible for the change in the government. As a result of these findings, the U.S. Minister to Hawaii was recalled from his diplomatic post, and the military commander of the U.S. Armed Forces stationed in Hawaii was disciplined and forced to resign his commission.

In a message to Congress in December 1893, President Cleveland described the events that brought down the Hawaiian Government as an ''act of war, committed with the participation of a diplomatic representative of the United States and without authority of Congress.'' He acknowledged that ''by such acts, the government of a peaceful and friendly people was overthrown.'' President Cleveland concluded that ''a substantial wrong has thus been done which a due regard for our national character—as well as the rights of the injured people—requires we should endeavor to repair,'' and he called for the restoration of the Hawaiian Monarchy.

The provisional government refused to relinquish power and in July of 1894 declared itself to be the Republic of Hawaii. The provisional government advocated annexation of Hawaii to the United States and began to lobby the Congress to pass a treaty of annexation.

Hawaii's Monarch at the time, Queen Liliuokalani, presented a petition to the chairman of the Senate Foreign Relations Committee and a formal statement of protest to the Secretary of State. The petition, signed by more than 21,000 Hawaiian men and women, represented more than half of the Hawaiian census population and was compiled in just 3 weeks. It also included the signatures of approximately 20,000 non-Hawaiians who supported the return of the islands to self-governed rule. The ''Petition Against Annexation'' was a powerful tool in the defeat of the annexation treaty.

In the next year, proponents of annexation introduced the Newlands Joint Resolution, a measure requiring only a simple majority. The annexation of Hawaii passed with the much reduced threshold of votes and was signed into law by President McKinley in July of 1898.

For almost two centuries after the founding of our Nation, Federal policies of removal, relocation assimilation, and termination decimated Native communities and worsened the economic conditions for American Indians, Alaska Natives and Native Hawaiians. The policy of banning native language used in the schools was adopted by the Territory of Hawaii. Native children were punished for speaking Hawaiian, just as American Indians and Alaska Natives were punished for using their own languages in school.

The policy of allotting parcels of land to individual Indians began in 1887 as a way to break up the reservations and communal lifestyles. In 1906, it was expanded to Alaska Natives and in 1921 applied to Native Hawaiians. In an attempt to reverse the damage done by these policies since the 1920s, Congress has established special Native Hawaiian programs in education, employment, health care, and housing. Congress has extended to Native Hawaiians many of the same rights and privileges accorded to American Indians and Alaska Natives.

The Congress has consistently recognized Native Hawaiians as Native peoples of the United States on whose behalf it may exercise its power under the Constitution. In 1993, the Congress passed and President Clinton signed legislation known as the apology resolution, a formal apology by the Congress. This legislation recognizes that the overthrow of the Hawaiian government resulted in the suppression of the inherent sovereignty of the Native Hawaiian people and the deprivation of the rights of Native Hawaiians to self-determination.

It has been 20 years since the passage of the apology resolution. But the Federal Government has not yet acted to provide a process for reorganizing a Native Hawaiian governing entity. This inaction puts Native Hawaiians at a unique disadvantage. Of the three major groups of Native Americans in the United States: American Indians, Alaska Natives and Native Hawaiians, only Native Hawaiians currently lack the benefits of democratic self-government.

An extensive congressional legislative and oversight record created over the last two decades and dozens of congressional findings delineated in Federal statutes establish these facts: Indigenous Hawaiians, such as tribes on the continental United States, formed a Native community with their own government and this political entity existed before the founding of the United States and Native Hawaiians share historical and current bonds with their community. Similar to tribes in the continental United States, Native Hawaiians have certain land set aside for their benefit pursuant to acts of Congress, including 200,000 acres of Hawaiian Homes Commission Act land and share an interest in the income generated by 1.2 million acres of public trust lands under the Hawaii Admission Act.

Although the Congress has passed more than 150 statutes to try to address some of the negative effects of earlier Federal actions, data reveal persistent health, education, and income disparities. Native Hawaiians experience disproportionately high rates of unemployment and incarceration, and Native Hawaiian children are overrepresented in the juvenile justice system. Hawaiian families rank last in the Nation in average annual pay and face high rates of homelessness.

Separate is not equal. That is why I urge the Federal Government to treat Native Hawaiians fairly. It is long past time for the Native Hawaiian people to regain their right to self-governance. Two years ago, the State of Hawaii passed a historic measure to explicitly acknowledge that Native Hawaiians are the only indigenous, aboriginal, maoli population of Hawaii, and to establish a Native Hawaiian Enrollment Commission. My good friend and the former Governor of Hawaii John Waihee was appointed as chairman and is leading the effort to register Native Hawaiians. This landmark effort is

widely supported by the State of Hawaii, our congressional delegation, and our citizens.

I wish to acknowledge the commission, commend its vital work, and urge Native Hawaiians to take advantage of this opportunity to help reorganize a representational government. The actions and commitments of the State of Hawaii and the Enrollment Commission are crucial. But in order to reach our goal, we must all work together. That is why today, on King Kamehameha Day, I call upon all of us to join in the fight for justice for Native Hawaiians.

I yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 12:30 p.m. will be equally divided and controlled between the proponents and opponents, with the Senator from Alabama Mr. SESSIONS controlling up to 1 hour.

The Senator from Alabama.

Mr. SESSIONS. I yield to Senator CORNYN such time as he would consume.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. CORNYN. Mr. President, this afternoon we will have an important vote, some might say even historic vote, on the motion to proceed to the immigration reform bill. I was here in 2007, the last time that subject was on the floor of the Senate. It proved to be a divisive and tough issue that we could not get through.

But I think if there is one thing that I sense, in terms of my constituents in Texas and sort of the impression I get generally speaking, it is that the American people believe that the status quo on immigration is unacceptable. Some of our colleagues have actually called the status quo de facto amnesty because essentially there is lawlessness in our broken immigration system. What we need to do is restore law and order and predictability and make sure our immigration system works in the best interests of the United States. That is true in a number of ways that are included in the underlying bill as it was voted out of the Judiciary Committee.

So I will vote yes on the motion to proceed because I think it is important we take up this debate. The majority leader has indicated we are going to be debating this and offering amendments over the next 3 weeks. I think that is a good period of time for the American people to understand what is in the bill and to listen to pro and con debates and to make up their mind how they want their elected representatives to proceed.

Yesterday I talked a little bit about an amendment I will offer to the underlying bill which would ensure that the Federal Government finally makes good on its promise—its perennial promise, but it is an unkept promise—to secure America's borders. This will not be any surprise to the Presiding Officer or my colleagues that coming from a State such as Texas, with a 1,200-mile common border with Mexico, this is a subject near and dear to my heart and that of my constituents. It is something we need to get right.

The Democratic majority leader, in an interview with the press, called my amendment a poison pill. But I thought that was unusual and even curious because we had not shared the language of the amendment with him or anyone else at the time he gave it that characterization. But I believe the opposite is, in fact, true. If we do not guarantee results on border security, if we do not guarantee to the American people that we actually are going to get serious about stopping the flow of people illegally crossing our southwestern border or the northern border, for that matter, I think we guarantee the failure of bipartisan immigration reform.

That is the real poison pill, failing to solve the problem and guarantee the results that the American people deserve and I think demand when it comes to dealing with our broken immigration system. If, in fact, by defeating sensible border security measures which guarantee implementation of border security, if by denying that, bipartisan immigration fails. Then the opponents of these sensible border security measures will have no one to blame but themselves, and that will prove to be the true poison pill.

For more than 25 years the American people have been told by Washington that it is actually serious about securing our borders. Of course, this became more urgent after 9/11 when we finally realized that although we were removed from places such as the Middle East, Europe, and Asia, we were not insulated by virtue of our proximity or a lack of proximity to these places. So we learned we are not safe in America just by ourselves; that we are vulnerable to attacks.

So this has given greater urgency to the importance of securing our borders and making sure we have a lawful immigration system that actually will work in the interests of the American people. We have also heard since 1986, when Ronald Reagan signed the first amnesty for 3 million people, it was premised on a promise of enforcement, and this would never ever happen again. The American people justifiably feel that the rug was pulled out from under them on that one when Congress and others undermined the enforcement measures that would made sure any future amnesties would no longer be required.

It is understandable and I believe justified for the American people to be skeptical about Congress when it makes promises without any means to implement guaranteed results. Back in 1996, Congress and President Clinton authorized a nationwide biometric entry-exit system to reduce visa overstays. Why is this important? Forty percent of illegal immigration occurs when people enter the country legally as tourists, students or otherwise, and they simply overstay their visa because we have not yet, in the 17 years since President Clinton and Congress authorized, indeed demanded an entry-exit system—it still has not been implemented.

In other words, the Federal Government has always said the right things when it comes to reassuring the American people, but it has never been able to translate those promises into results that are actually implemented. No wonder the American people are profoundly skeptical. Do not take my word for it. As of 2011, the Department of Homeland Security had achieved operational control of less than 45 percent of the United States-Mexico border. That is according to a GAO report; 45 percent of the southwestern border with Mexico is operationally secure, in the opinion of the GAO. More recently, radar surveillance by a new technology called VADAR was reported in the Los Angeles Times to have been successful in showing situational awareness along the border where it was tested but that, in fact, the Border Patrol detained less than half of the people crossing the border.

That seems to be consistent with this idea of 45 percent operational control, where less than half of the people crossing were actually detained. A recent Council on Foreign Relations report showed similar security results—or failures I should say. Members of the Gang of 8, who I think have done the country a public service by bringing this matter to us, believe our goal should be 100 percent situational awareness of the southern border and a 90-percent apprehension rate of illegal border crossers.

This may surprise my colleagues, but I actually agree with those metrics and those standards: 100 percent situational awareness, 90 percent apprehension rate. Members of the Gang of 8 who brought us this legislation also believe we should implement a national E-Verify system so employers do not have to play police, and they can get a card they can swipe through a reader which will verify that a person who applies to work at their workplace is legally qualified to work in the United States.

I think absolutely that is good requirement. I agree with the Gang of 8's proposal. So I wonder why it is, why can they not take yes for an answer? If we agree on the standards they set, why can we not agree on sensible measures that will guarantee the implementation and the success of accomplishing the very goals they themselves have set?

The difference is simply that my amendment would require national E-Verify and a 90-percent apprehension rate and full situational awareness along the border, a biometric entry-exit system before immigrants transition from the registered provisional immigrant status—we will hear a lot about RPI—to legal permanent residency. This is the leverage Congress

and the American people have that will demand implementation of these security measures at the border and elsewhere.

Meanwhile, while my results amendment would guarantee implementation of these provisions that have been long promised but never delivered by Congress, the Gang of 8 bill would authorize permanent legalization regardless of whether our borders are ultimately secured, according to their own standards. In fact, their bill requires only substantial completion of a plan whose contents we haven't even seen yet. This is something that is supposed to be proposed by the Secretary of Homeland Security, but we don't know what that plan is going to be. There is no lever. There is no means of forcing the Department to actually implement it and to achieve the goal the Gang of 8 themselves have set.

My amendment contains a real border security trigger, while the Gang of 8 bill promises success but has absolutely no means to compel it. My amendment demands results, while the Gang of 8 bill is satisfied with just more promises, promises that historically have never been kept.

I want to reiterate: We agree on a number of things. We agree on the objectives for border security. We agree on the importance of worksite verification of the legal status of people who apply to work. That is an important part of immigration reform.

We agree on 100-percent situational awareness for our southwestern border, and we agree that the Department of Homeland Security should apprehend at least 90 percent of the people attempting to illegally cross the border. We agree on all of these realistic goals. The difference, once again, is that my amendment guarantees results, while the Gang of 8 proposal does not.

I will ask my colleagues who have done, as I said earlier, good work bringing this proposal to the floor why is it if we agree on the goals that you would disagree on the means to enforce those goals? It makes no sense to me. We don't disagree about as much as I think some people might suggest.

Another reason why I think this is not a poison pill is this is doable. The Gang of 8 said it is doable. I agree it is doable, but we need the leverage to compel the bureaucracy, Congress and everybody else, to actually make sure the American people aren't fooled again and the results that are part of the basic bargain contained in this bill are actually delivered.

Let me note a couple of other issues that I think need to be fixed in the underlying bill. Where the Gang of 8 would actually make it harder to prevent visa overstays by changing existing law, laws that have been on the books since 1986, my amendment has a border security trigger that will require a fully operational biometric entry-exit program at all seaports and airports.

Where the Gang of 8 bill would allow some criminals with violent histories to attain immediate legal status, my amendment would prohibit such criminals from gaining the benefits of RPI status or earn citizenship. Why should we reward people who demonstrated their inability or unwillingness to comply with our criminal laws? Why should we reward them with a pathway or a possibility of earning American citizenship? These people ought to be disqualified. The hard-working otherwise honest people who want to come here and seek a better life should be granted the benefits of this bill while excluding violent criminals.

Where the Gang of 8 bill would prevent law enforcement from sharing information, my amendment would give law enforcement access to critical intelligence about threats to national security and public safety.

One of the great failures of the 1986 immigration bill was that law enforcement was banned from gaining access to information in the applications of people who applied for amnesty that was clearly fraudulent, that would have reflected organized criminal activity and that would have rooted it out. Unfortunately, this current bill, underlying bill, contains the same prohibitions against information sharing that were contained in the 1986 bill, which unfortunately resulted in massive fraud and criminality. We need to stop that and learn from the mistakes of the 1986 bill and not repeat that again. Adopting my amendment would address that.

Finally, where the Gang of 8 would do absolutely nothing to bolster infrastructure and personnel at land ports of entry along the southern border, my amendment would make sure resources are available to significantly reduce wait times, improve the infrastructure, and increase the personnel at our land ports of entry.

This is important because this personnel and this infrastructure serve the dual purpose. No. 1, it makes sure legitimate trade in commerce crosses our borders. Why is that important? Six million jobs in America depend on lawful cross-border trade. These people are dual use. What I mean by that is they are also available to make sure illegal crossing doesn't occur and that drug dealers can't move bulk drugs and other contraband across, and that human traffickers are stopped trying to exploit our land ports of entry.

One of the underlying premises of this approach is we need to separate the legal and the beneficial from the illegal and the harmful. When we do that, we can let our law enforcement personnel focus on the illegal and the harmful, while allowing those who are complying with our laws and are engaging in beneficial commerce with America. This creates jobs here in America and greater prosperity, and law enforcement won't have to spend or waste its time focusing on them so much.

I don't know how any objective observer could look at my amendment and call it a poison pill. I think it is a mistake, again, because at the time the majority leader called it that, we hadn't even released the legislative language. I hope he and others will look at it carefully and work with us, because I think there is actually a path forward to bipartisan immigration reform that will secure our borders, eliminate the criminality in our system, and provide a legal means for America to be true to its values. It will look to its own economic self-interest in providing a pathway for legal immigration from the best and brightest, whom we ought to welcome with open arms.

I don't know how any objective observer could look at my amendment and call it a poison pill, especially because it embraces so many of the metrics included in the underlying Gang of 8 bill. All my amendment does is to guarantee results, rather than be satisfied with more promises that will never be kept.

This is the bottom line. Americans are tired of hearing endless border security promises without seeing any realistic mechanism for guaranteeing results. My amendment would guarantee such a mechanism, and it would guarantee the results Washington has long promised but never delivered.

I yield the floor.

The PRESIDING OFFICER (Mr. SCHATZ). The Senator from Delaware.

Mr. COONS. Mr. President, I rise today to speak to the bill that will soon be before us, a bill to allow us a once-in-a-generation opportunity to tackle the complex challenges facing us in comprehensive immigration reform.

Immigrants have always played a central role in America's history, in our economy, in our culture, in our success as a Nation. Their importance cannot be overstated, but the system that makes it possible for immigrants to come here and contribute to that role is clearly in need of fundamental repair. America's immigration system today is badly out of sync with our values, and I believe it is up to us in the current Congress to fix it.

The earnest work of the group of eight Senators, the so-called Gang of 8, has given us, in my view, a once-in-a-generation opportunity that we must embrace. We cannot squander this moment and allow partisan politics, fearmongering, and mischaracterization of the underlying bill to get in the way of what we must accomplish in order to mend the rich fabric of our country and create a predictable pathway for legal immigration going forward.

I rise today to reflect on this historic opportunity to pass a comprehensive immigration reform bill that will make our country stronger, safer, and more vibrant for generations to come.

The legislation soon to be before this Chamber has earned such strong support in large part because it started as a bipartisan effort with Senators from

both sides of the aisle and different regions of the country drawing upon their own years of experience to produce a first draft. It confronted a wide array of problems with our badly broken current immigration system. It wasn't perfect, but it was a strong start, and I am extraordinarily grateful to the group of these eight Senators who put so much time and effort into laying that groundwork.

In the Judiciary Committee, Chairman LEAHY and Ranking Member GRASSLEY then led a markup, probably the first in my nearly 3 years here as a Senator, a full, robust, and historically open markup that achieved its goal of making the bill that comes before us stronger. They led an open and transparent process. They posted every proposed amendment online before the markup began so that each one could be thoughtfully considered by Senators, their staffs, and outside groups concerned about the bill.

The markup lasted 5 full days across 3 weeks, during which each Senator was permitted an unlimited opportunity to speak and offer amendments. This is the regular order of which so many more seasoned Senators speak with fondness, something more characteristic of the Senate's past than its present.

It led ultimately in the Judiciary Committee to 37 hours of markup debate. A great many of the amendments offered were accepted, Democratic amendments and Republican amendments. More than 300 amendments were filed. More than 200 amendments, if you consider first and second degree, were taken up, considered, and disposed of. More than 100 were offered by Democrats and Republicans. Ultimately, 136 of these amendments were adopted, all but 3 on a bipartisan basis. The bill was, as you know, ultimately reported out of committee with a healthy bipartisan vote of 13 to 5.

I am a member of the Senate Judiciary Committee. I too like all of my colleagues proposed amendments, studied my colleagues' amendments, debated those amendments, and ultimately I voted for this bill. I am proud of what the committee has accomplished.

I am proud that the bill is coming before us today, and it is stronger than the original bill, exactly because of the hard work done by the Judiciary Committee and the great leadership of our chairman, Senator PATRICK LEAHY of Vermont. It is stronger on border security. It is stronger when it comes to efficiency and using taxpayer dollars well, and it is stronger when it comes to fundamental fairness.

First, on border security, even the first draft of this bill offered by the bipartisan Gang of 8 contained historic levels of investment in improving border security. The bill's provisions to require control over the southern border and to mandate employment verification nationwide were already groundbreaking before the markup in the Judiciary Committee began.

Still, amendments were adopted in committee that strengthened these measures even further. Despite the protestations of some that this was a partisan or a lopsided markup, let me briefly detail some that were adopted that I think strengthened this provision of the bill.

Senator GRASSLEY, Republican of Iowa, the ranking member, offered an amendment that expands the bill's border security goals and metrics to cover the entire southern border, so that all border communities will benefit from the enhanced security investments made by the bill, not just those that are considered high risk.

Senator HATCH, Republican from Utah, offered an amendment that will mandate biometric exit processing at airports, beginning at the 10 largest international airports in the United States and soon thereafter 20 additional airports.

The committee also adopted amendments to strengthen background requirements in the bill.

An amendment by Senator FLAKE of Arizona required those in RPI status to undergo additional security screenings when they apply to renew their status.

An amendment offered by Senator GRAHAM requires additional national security screening for applicants from countries or regions that pose a national security threat to the United States or that harbor groups deemed to pose a national security threat.

Some in this Chamber have claimed this bill does not do enough to strengthen the security of our borders. That is simply and clearly not the case. This bill will make our country safer, and I believe it will make our country stronger.

In terms of efficiency, something we talk about a great deal in the budget climate today, the amendments considered during markup also resulted in substantive changes to the efficiency of our immigration system and to the implementation of the changes demanded by this bill. Already the bill as drafted makes important steps to clear the long backlogs of immigrants waiting for green cards who already have been approved by the Department of Homeland Security. Removing the senseless, current, per-country caps is one part of the solution I am proud to see in this bill.

One of my adopted amendments will streamline, for example, discovery procedures in immigration court to cut down on the needless cost of responding to each and every discovery request currently done through the less efficient Freedom of Information Act rather than a discovery process more typical in court proceedings.

Senator GRASSLEY offered amendments that required audits of the comprehensive immigration reform trust fund established by the bill and of all entities that receive grants under this bill. These amendments will ensure the significant cost of enhanced border security is spent efficiently and appropriately.

Senators LEAHY and CORNYN offered an amendment that gives the Department of Homeland Security flexibility with respect to the fence strategy fund to leverage the best technology at our disposal to achieve that task. The amendment also requires consultation with relevant stakeholders and respect for State and local laws in the implementation of fencing projects.

Democrats and Republicans, coming together, working together, made this bill stronger. We did it in the Judiciary Committee, and we can do it here on the floor of the Senate.

Last, America's immigration system should reflect America's fundamental values, and right now, in my view, it clearly does not.

This bill does make our immigration detention and court systems fairer and more humane, but it does not fix all of the unfairness in our current system. Indeed, there are some painful sacrifices we have had to make in this bill, especially when it comes to families being united, families with their siblings, or the recognition of mixed-status LGBT families in our country who receive no Federal protection under this bill. But the Judiciary Committee did make progress in making the bill fairer on some fronts.

An amendment from Senator BLUMENTHAL will allow DREAMers serving in the U.S. military to apply for citizenship on the same terms as those under current law.

The committee also adopted an amendment that I cosponsored with Senator LEE to ensure individuals are notified when their name receives a nonconfirmation determination or further action notice in the E-Verify system—a protection for vital privacy concerns.

Two of Senator FRANKEN's amendments will make the E-Verify system fairer for small businesses by ensuring they won't be penalized excessively for innocent noncompliance. They will also provide incentives to keep the error rate as low as possible.

What we have now before us is a bill that has been thoroughly vetted, substantially amended, and supported by the broadest coalition ever before seen in comprehensive immigration reform efforts.

This bill strengthens border security.

This bill creates a path to legal status and strikes the right balance to encourage those here who are undocumented to come out of the shadows, comply with law, pay a fine, pay taxes, and become full participants in our national society and restore the primacy of the rule of law.

This bill makes advancements in worker protection. Through enhanced employment verification, we strike at one of the most pervasive problems for American labor: the widespread hiring of undocumented labor at substandard wages and working conditions.

This bill will have immediate and significant benefits for our economy. We should always remember that immigration has been and will continue

to be a real boom, a lifeblood to our Nation's economy along all points of the labor spectrum. In addition to bringing millions out of the shadows and welcoming them as full participants in our society and economy, this bill will go a long way toward fixing our current backward-looking policies toward high-skilled immigrants who want to remain in the United States after receiving their advanced education.

In conclusion, I am proud of what this bill means for our country and what it has shown about our ability in the Senate to work together to advance meaningful changes to improve our Nation. There are no perfect laws, but considering just how broken our immigration system is now, it is unquestionably a giant leap forward. I am confident that if we can continue to work together on the floor here as we did in the Judiciary Committee, we will be able to find more common ground and continue to strengthen this bill in the upcoming weeks. We can make the most of this historic opportunity and finally build a modern immigration system that reflects America's values and makes our country strong.

Mr. President, I ask unanimous consent that time during the quorum call be charged equally to both sides.

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

Mr. COONS. I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. SESSIONS. Mr. President, we have before us a 1,000-page bill that is extremely difficult to read and to understand. We are being asked to vote on it, and Majority Leader REID indicated that he wants a list of amendments, and presumably no more would be agreed to, and he is going to pick and choose which ones he would approve by the end of this week. I believe that is very premature. I do not believe that is the way we should be proceeding. We have to have the time to sufficiently analyze all the complexities that are here.

I have to say to my gang members who produced this bill, this tome, that you spent months working on it with special interest groups and lawyers and the Obama administration's staff, and you produced a bill, and now we have to rush it through the Senate, and I don't think that is the right thing to do.

Let me read from one of the sections in the bill. And I hope my colleagues know that if they begin to read the bill, they will know how hard it is. This is not an easy bill to read. You have to study it, and you have to have lawyers reading it, and you have to find out what the exceptions are and what the limitations are and what the additions are. The lawyers who wrote it know. The Gang of 8 doesn't know, I assure you. They don't know all the details that are in this legislation. It is not possible for them to do so. The people who are writing it—the special interest groups, union groups, business groups, ag business groups, meat packers group, LaRaza, immigration lawyers association—all of them were working on it. They know what the impacts are.

But how about this section right here from the guest worker section. This is subparagraph (B), Numerical Limitation. This apparently has to do with the number of people who would be admitted: Subject to subparagraph (D), the number of registered positions that may be approved by the Secretary for a year after the fourth year referred to in paragraph (1)(A)(iv) shall be the equal of—get this—subparagraph (i), the number of such registered positions available under this paragraph for the proceeding year, and, subparagraph (ii), the product of subparagraph (I), the number of such registered positions available under this paragraph for the preceding year, multiplied by subparagraph (II), the index for the current year calculated under subparagraph (C).

Do you think that is easy to understand? But it has meaning, and what it basically means is that this bill is going to allow more workers to come into this country than we have ever allowed before at a time when unemployment is extraordinarily high, our ability to reduce unemployment is down, wages are down, and our workers are falling below the inflation rate in their wages for years.

How about the second paragraph? Now, I am just reading this. So we are going to rush this through? Really?

Subparagraph (C), Index: The index calculated under this subparagraph for a current year equals the sum of subparagraph (i), one-fifth of a fraction, subparagraph (I), the numerator of which is the number of registered positions that registered employers apply to have approved under subsection (e)(1) for the preceding year minus the number of registered positions approved under subsection (e) for the preceding year and, subparagraph (II), the denominator of which is the number of registered positions approved under subsection (e) for the preceding year.

I am sure we all got that. I am sure we know exactly what that means.

And it goes on: Subparagraph (iii), three-tenths of a fraction, subparagraph (I), the numerator of which is the number of unemployed U.S. workers for the preceding year minus the number of unemployed U.S. workers for the current year and, subparagraph (II), the denominator of which is the number of unemployed U.S. workers for the preceding year.

And then it goes on: Subparagraph (iv), three-tenths of a fraction.

It goes on.

Somebody knows what that means because you had special interests in charge of writing this big monstrosity. They were there. They wanted their deal.

I would say to my colleagues and to those in the Gang of 8—and I know they want to do the right thing and have worked hard, but they got off on the wrong track.

The papers reported for weeks: Well, the unions are here and the chamber of commerce is here and the ag workers and ag industry people are here, and they want more workers for this, and this one is demanding more workers for that. And our Senators are over here somehow letting them all hammer it out, and that is how this writing comes up. It came from them. The Senators didn't write this.

They knew exactly what they were doing. They were putting in numbers to get certain workers that businesses wanted so they can have more employees and they can keep wages down. That is what the scheme was—more workers, less competition for labor, loose labor market, fewer pay raises, less overtime, fewer benefits because the employer has options.

Remember, these are guest workers. These are not people on a citizenship path. They are not here to form corporations and hire millions of people and cure cancer. These are workers who come in and work for existing corporations. I would emphasize that some thought needs to be given to that. We haven't talked about that yet. We are going to talk about it.

This large of an increase in immigration into our country has real impact, and a lot of the numbers and a lot of the data that is out there has not been challenged, and the data indicates that we are already at a point where the flow of immigrant labor into America is depressing wages, and it is a big factor in the cause of workers' wages today being 8 percent, in real terms, below what they were in 1999. Wages haven't been going up. Democrats used to talk about it. They used to hammer President Bush on it all the time. Now that Barack Obama has been in office for 5 years, you don't hear them talking about it anymore. Well, Senator SANDERS talked about it on the floor last week. I give him credit for that. Of course, he is an Independent. But I haven't heard my Democratic colleagues continue to repeat the fact that steadily we are seeing a decline in wage rates in America, making it harder for middle-class Americans to get by—and what about even finding a job?

So it is not a small matter. We are going to have to talk about this. We don't need to rush this through. It seems quite clear—crystal clear—to me that the Gang of 8 never discussed this. They certainly didn't call Professor Borjas at Harvard. Dr. Borjas is the leading expert on immigration and labor and the impact of it in America. He has written books on it. I believe his study says that a 40-percent fall in

wages for American citizens is attributable to the current flow of immigrant labor into America. It pulls down wages. It is free market. If you bring more cotton into America, the price of cotton falls. If you bring in more labor, the price of labor falls. That is the way the market forces work. He said this is a factor right now. But we need to understand that if 15 million people are legalized virtually immediately and the guest worker program appears to double the number of people who will come in and the immigrant flow, permanent immigrant flow of people who want to become citizens will increase 50 percent, then we will have one of the largest increases in flow of labor to America we have ever seen, and we cannot get jobs with decent pay for American workers right now.

That is real out there. People are worried about their families. They are worried about their children's ability to get a job. They are worried about their grandchildren's ability to get a job. They are about to graduate from high school. They don't have a college degree. Maybe they don't plan to go to college. They are willing to work. Jobs are not that plentiful. Did you see the article, in Philadelphia, I believe it was, that they said they had job openings to try to help people who have had a criminal conviction in their background. They expected 1,000 people and 3,000 showed up. They had to cancel it and reset the whole deal because they interviewed people who said you cannot find a job in Philadelphia.

In New York, one of the boroughs of New York, there was a very interesting article just 2 weeks ago about job openings for elevator mechanics. People waited 5 days—they took tents out—to stay in line to try to get those jobs. The number of people waiting in line was 20 times the number of jobs that were out there or more. So we are going to reward people who entered the country illegally? We have to understand in this bill right here, if the bill is passed, the people who have come here—many are in the shadows and that is correct and that is a sad thing and it is a difficult thing—but those individuals also will be able to go apply for the elevator mechanic job. They will also be able to compete for employment in Philadelphia, where right now they might not be so able to contribute. It raises real questions.

I wish to mention this. This is from this Saturday from the Washington Post. You heard that there are good job numbers, right? The job numbers were not so great it appears to me: 175,000 jobs were created last month, according to the Washington Post, based on new government data that was released Friday. The Labor Department said unemployment went up from 7.5 to 7.6, so the unemployment rate went up, even though the number of jobs was 175,000 created. What I wish to point out is this fact that is in the report:

> The bulk of the gains in May were in the service industry, which added 57,000 jobs. Still, about half of those were temporary positions—

Those were temporary, not real jobs. I continue—

> suggesting that businesses remained uncertain of consumer demand.
>
> Missing from the picture were production jobs in industries such as construction and manufacturing.

Those were not the kind of jobs being created.

> Meanwhile, manufacturing shed 8,000 workers.

American manufacturers reduced employment last month and those are the better jobs with the retirement pay and with health benefits that come with a good manufacturing company. We are creating more and more competition for lower wage jobs. The article goes on to say this in addition:

> Some economists have raised concerns about the types of jobs being created. Sectors such as retail, restaurants, bars have been adding plenty of jobs, but those positions tend to pay low wages. Friday's report showed workers' average hourly earnings rose only a penny in May, to $23.89. For the entire year, wages have risen 2 percent.

Again, that is below the inflation rate. Again, we continue to have this situation in which wages trail inflation, which means the average American is having a hard time getting by and many of these jobs are part-time, not permanent. They are the kind of jobs a lot of people would look to advance from, whether working in a restaurant or something such as that. They will be looking to move forward. The kind of manufacturing jobs we would like to see more of are not there.

I mentioned the work visas in this process. Despite a huge increase in the numbers of those who are going to be legalized and put on a path to permanent residence and citizenship, we have a large number of people in this total number. For example, under the bill, it is widely conceded that we would legalize 11 million people. They would be put on a path to legal permanent residence and into citizenship, 11 million, all of whom entered the country illegally and are here in violation of the law.

What is not mentioned is that there is another 4.5 million who are in—they call it a backlogged status. They are basically chain migration members, family members who want to come, but under our current law we have a cap, a limit on how many family members are allowed to enter each year. As a result, the backlog, they call it, has moved up to 4.5 million. So now we have people say this. They have been saying we should not give the 11 million here illegally advantage over people waiting in line. That was a problem for the Gang of 8. I can see them sitting around, dealing with that. How can we give somebody here, waiting in line patiently and lawfully, status behind that of someone who has been here working in the country with false documents, illegally? That wouldn't be right.

How did they solve that? As Washington does, they legalize them too. You say 4.5 million are waiting? They just let them come in too. We will be initially processing 15 million people. Then what about the annual future flow? Now it is the most generous flow in the world. We admit a little over 1 million people a year under our legal flow into the country. What about that? In light of all this accelerated admissions and legal status, should we reduce the number of people who are coming here each year lawfully now for a while? Oh, no, that is increased—50 percent, according to the Los Angeles Times. It could be more. I will accept that number. So instead of 1 million a year, that is 1.5 million. Over 10 years, that is 15 million. That results in 30 million people in 10 years being given lawful permanent status in America.

Already that is 10 percent of the entire population of America, and overwhelmingly this group is low skilled. Over half of the people here illegally do not have a high school diploma from their own home country and they are not able to take the better jobs. They will be competing for the lower wage jobs in America. If they are legalized, legal immigrants who entered the country a few years ago, they are going to find—maybe they were legalized in 1986, maybe they have come legally since, but that immigrant population is going to find their wages pulled down by this large amount of flow of labor into the country. I do not think there is any doubt about that. We will go more into detail about that as we go forward, but we are talking about 30 million being given legal status on a path to permanent legal residence and citizenship over the next 10 years.

They will be given that status. We have not discussed that.

I asked Senator SCHUMER at the committee twice: How many will be admitted under your bill? He refused to answer. I am not sure they know because these numbers are not all the numbers. There is an additional group of people who will come under the chain migration theory, the family-based connection and other special provisions in here that have no caps, no limits on how many would come. He refused to answer. The sponsors who are producing legislation for us today will not say how many people they expect to enter into our country if their bill passes. Why not? You don't know or you will not say? Either one is an indictment of this monstrosity and that is why it cannot pass.

Even Senator RUBIO is now saying he can't vote for the bill unless it is improved. He was in the Gang of 8. This is legislation that is flawed legislation, fatally flawed, and it should not become law—it just should not. They said a lot of good things about what they expect the bill to do. If it did those things, we would be more interested in it. We would have a framework for a bill that could actually do some good. I would say that for sure.

As we go forward, we need to ascertain with absolute clarity what the best economic data shows about how many people this country can absorb in a reasonable way and be able to provide a decent place for them to work without pulling down the wages of an already-stressed American workforce. We need to talk about that. So far as I can tell, that was never discussed in the groups. What was discussed pretty much in the groups, it seemed to me, was businesses demanding more workers, La Raza demanding more people and basically open borders and they were the ones writing the legislation, in large part. There were some union objections to some of this. It needs to be listened to.

Republicans say that is a union objection. If they make a good objection, so be it. I think they made some points but went along with this in a way that is not effective.

We have to talk about the economic impact of it and we will. We need to ascertain the second aspect: The 30 million people I just mentioned, those 30 million are people who come permanently. They are on a path never to return to their country. They have a legal status that allows them to get legal permanent residence and then get citizenship.

Normally, as I say, we do 1 million a year, which would be 10 million over 10 years. This will increase it to 15 million over 10 years, and that does not count the 11 million, plus the 4.5 million who will be given legal status. It is pretty clear to me it is indisputable that we will have 30 million people put on the path to citizenship in the United States of America, and I ask my colleague, if they have a different number, they should share it with us. Maybe in these bills, subparagraphs, numerators and denominators and fractions and all, they have a different number. I would like to hear it. We think we figured it out. The Los Angeles Times agrees. The only analysis I have seen agrees with it, as best we can do in the time since the bill was introduced.

Then we have the worker programs. That is what I was reading about earlier. Let me mention those programs. These are programs that have generally been referred to as the guest worker programs. We believe, and I think data shows, that the bill doubles the number of guest workers who would be allowed into the country. Every year we bring in a certain number of people. Some work in agriculture, some work in landscaping, some work in others things. In a time of high unemployment, with Americans doing landscaping, Americans are working in meatpacking plants and doing farm work. But temporary, seasonal jobs are often hard to fill and guest workers can do that. I am not opposed to a guest worker program. But at this point in history, should it be double the number on top of the 30 million I just mentioned? This is an annual flow on top of that.

For example, it adds four times more guest workers than the 2007 bill that the American people and Congress rejected. There are four times the number of guest workers in that bill at a time when 20 million more Americans are on food stamps than in 2007. Teenage unemployment is 54 percent higher and median household income is 8 percent lower than in 2007?

Are we so desperate now we have to bring in twice as many guest workers? Where are they going to find work? Are we going to disappoint them? What if they cannot find work? Will they be able to say: Well, I will work for minimum wage?

What happens to the young American who is 20 and would like to do some work? Perhaps he has a child and is trying to learn a skill and get started as a carpenter, bricklayer, or equipment operator. Will that make his ability to find a job harder?

What if a young guy had a drug offense? I used to be a Federal prosecutor. Just because somebody was arrested and prosecuted for drugs, we don't want to make it so they can never get work again. Who is going to take care of them?

We know this: We know if people don't have a job, the government has transfer payments, such as food stamps, Medicaid, housing allowances, and other benefits. So now does the taxpayer have to pay for even more people who are subsidized by the government because they honestly cannot find a job?

My colleagues need to focus on this, and there has been almost no serious discussion about it other than what we hear from certain squeaky wheels and special interests.

How many of our colleagues know the difference between the H–1B visa, the H–1B-B1 visa, the H–2A visa, the H–2B visa, and the H–4 visa? How many will come in under each one of them? What standards will they use? Do we actually have to make sure we have advertised and offered the job to an American first before using this visa?

Those are just the H visas. What about the W–1 visa, the W–2 visa, and the W–3 visa? There is also the E–3 visa, the E–4 visa, and the E–5 visa. Let's not forget the X visa and the Y visa. It goes on and on. That is how we have a doubling of the number of people coming in under the guest worker program.

Our sponsors have spent 4 months bringing this up. Clearly, they should have spent much more time because the bill is fatally flawed. The only thing that clearly works in the bill—the only thing that is guaranteed to work—is the amnesty. Once this bill has passed, it is guaranteed that people who are here illegally will be given legal status. They will then be placed on a path to legal permanent residence and then citizenship. That is what is guaranteed. All we have, as in 1986, is a promise that we will have enforcement in the future.

A lot of us have been around here for several years, and we know that is not going to work. This promise is just that, a promise. We don't have the backing to make it sure. Senator CORNYN has an idea that he thinks will strengthen that, and I know it will strengthen it.

Well, I appreciate the opportunity to share these thoughts. Senator CRUZ is now in the Judiciary Committee dealing with some other important issues of which I am glad that able lawyer is there. He will be speaking about this later.

Mr. President, how much time remains on this side?

The PRESIDING OFFICER. There is 17 minutes.

Mr. SESSIONS. Senator CORNYN indicated that the bill fails with regard to enforcement and enforcement at the border. I could not agree more. In 2007, Senator CORNYN spent a lot of time working on this bill. He proposed an amendment then that would have improved the border enforcement, and he is an expert at that. He is a Senator from Texas. He has wrestled with this over the years, and we should absolutely listen to him.

We also know this: The people who are out there enforcing the law every day are telling us the system is not working. They tell us changes and improvements need to be effected, and they are concerned this bill doesn't do it.

On June 10, the Rockingham County Sheriff's Office in North Carolina issued a press release stating that more than 75 North Carolina sheriffs warned Congress that the Senate immigration bill would endanger public safety.

Well, that is a pretty serious matter. They say this:

> In a short time, over seventy-five Sheriffs from across North Carolina, serving counties both big and small across this great state, have signed the attached letter opposing the current Senate immigration plan.
>
> Our first responsibility and highest duty as Sheriffs is to provide for the safety of the citizens residing in the communities we serve. Unfortunately, this flawed bill which was produced by the ''Gang of Eight'' puts the public safety of citizens across the U.S. at risk and hampers the ability of law enforcement officers to do their job.

They go on to say:

> This Senate Bill should be opposed by lawmakers and instead, Congress should work with law enforcement on reforms that we already have, and were willing to propose, that will enhance public safety.

Kenneth Palinkas, American Federation of Government Employees Union president and affiliated with the AFL–CIO, wrote this letter:

> There has been much public concern over the fact that the legalization occurs prior to any border enforcement. Indeed, from what I understand, every amendment offered in committee which made legalization contingent on first achieving border security was defeated. History tells us that future promises will not be kept and that our border agents will be left high and dry by the executive branch as they have so many times before, regardless of who writes the plan.

This is the head of a Federal employees union who represents law enforcement officers—I think the biggest one. He goes on to say:

But even if you completely rewrote your proposals to resolve the many border security concerns and changed the ordering to delay legalization, the legislation would still fail and would still endanger the public because of the fatally flawed interior enforcement components.

He goes on to say:

If passed, S. 744 would lead to the rubber stamping of millions of applications for both amnesty and future admissions.

He goes on to say:

Why should the Senate pass a bill that makes it even more difficult for the USCIS officers—

They are the citizenship and immigration officers—

to identify, remove, and keep out public safety threats.

Maybe those people are criminals in their own countries. What does a person do if they are about to go to jail in another country in the world? Well, if they can flee the country and get to the United States, that is not a bad thing. Over the last decade, we are seeing more criminals who are a part of the mix of the very fine and decent people who come to the country because they are perhaps, in effect, fleeing prosecution in their own country.

What about the ICE officers, the Immigration and Customs Enforcement Council? They wrote a letter with Pennsylvania and North Carolina sheriffs, as well as sheriffs nationwide, on May 29, and they say this:

Congress can and must take decisive steps to limit the discretion of political appointees and empower ICE and CBP to perform their respective missions and enforce laws enacted by Congress.

This is a bold statement. These people work for the President of the United States—or at least as part of the administration. Two years ago ICE officers voted no confidence in their supervisor, John Morton, because they said he spends more time dealing with pro-amnesty groups and directing them not to enforce the law than doing his duty. They have actually sued Secretary Napolitano and Mr. Morton for blocking them from executing plain congressional mandates. They believe they have no other obligation than to enforce this. They have to do it, but they have been told not to do it.

They say:

Rather than limiting the power of those political appointees within the DHS, S. 744 provides them with nearly unlimited discretion, which will serve only to further cripple the law enforcement missions of these agencies.

I have talked to these officers. They asked to be a participant with the Gang of 8 in writing this legislation, and they were refused. They asked repeatedly. They warned that this was not going to work. They never wanted to hear from the people who enforced the law every day. They wanted to hear from the amnesty crowd, and that is who they met with. They wanted to hear from the big business guys who want more cheap labor, and that is who wrote the bill. They didn't listen to the people who deal with this and put their lives on the line.

This letter continues:

While business groups, activists, and other special interests were closely involved in drafting S. 744, law enforcement personnel were excluded from those meetings. Immigration officers, state, and local law enforcement working directly with the nation's broken immigration system were prohibited from providing input. As a result, the legislation before us may have many satisfactory components for powerful lobbying groups and other special interests, but on the subjects of public safety, border security, and interior enforcement, this legislation fails. It is a dramatic step in the wrong direction.

That is a pretty resounding condemnation, and I think that is fundamentally correct because I met with them. I asked that group of people to meet with them, and they would not do it.

Participants on the recent calls that discussed this bill and how to promote it include the heads at Goldman Sachs, the Business Roundtable, Evercore, Silver Lake, Centerbridge Partners, the U.S. Chamber of Congress, as well as the head of Washington trade groups representing banking industries, such as, the Financial Services Roundtable. They all had input into it and were involved. I guess they made contributions to it.

On June 10, Thomas Hodgson, sheriff of Bristol County—from Massachusetts—said:

I have grave concerns about illegal criminals being eligible for citizenship and gang members being permitted to qualify for RPI status, registered provision immigrant, legal status once they renounce their affiliation. Most troubling, however, is the fact that we do not have adequate systems in place such as biometrics to verify identification for people entering or leaving the United States. Announcing that biometrics will be available at our 30 busiest airports serves only to limit illegal entry at those locations, diverting illegal entry to those locations without the superior technology.

The sheriff said:

I ask you to make it known to your senators and representative that they vote no on passage of S. 744 until a comprehensive security plan is in place.

Peter Nunez, former U.S. attorney in San Diego, a great U.S. attorney whom I had the honor to serve with, said this:

But of greatest concern is the so-called ''trigger'' that we are told will delay the path to citizenship until the border is secure.

That is what they are saying. We have this thing in place, and until we guarantee the border is secure, the legalization doesn't happen. We have demonstrated already that is absolutely ineffective.

Mr. Nunez goes on to say:

This is an illusion meant to fool the public into believing that amnesty will only take place after the border is secure. Nothing could be further from the truth. Because on Day One, every one of the 11 million illegal aliens will be eligible for a temporary document allowing them to stay and work in the U.S., their two most important goals.

He was a U.S. attorney on the California border and he worked with these issues and understands them. He had the responsibility of prosecuting cases by the thousands—probably hundreds of thousands, frankly. Former U.S. Attorney Nunez is a very wise and experienced person.

Pinal County Sheriff's Office, Florence, AZ, Sheriff Babeu said to secure the border first or we will repeat history. Quote:

Pinal County Sheriff Babeu has announced his opposition to the proposed immigration reform offered by the so-called ''Gang of Eight.'' Officially titled the ''Border Security, Economic Opportunity, and Immigration Modernization Act of 2013.''

Sheriff Babeu said:

We must secure the border first, prior to any discussion of green cards and a path to citizenship offered to nearly 20 million illegals and their families. This plan gives everything to President Obama up front, while border security is promised once again on the back end. We are about to repeat history, when in 1986 President Reagan gave amnesty to 2 million illegals. Now, the stakes are far higher, yet it seems we haven't learned our lesson. The failure to secure the border after the Reagan amnesty got us to where we are today with 11 million to 20 million illegals in our Country. . . . this plan will repeat history.

I think he is exactly right about that.

Chris Crane, the head of the ICE union, is outspoken about this. He has testified before the House. He has had press conferences here in which I participated with him. He has warned this will make America less secure, not more secure. He warns it makes the ability of the ICE agents to enforce the law, already handicapped, even more problematic. He says the bill gives to the Secretary essentially more discretion to violate the law than the Secretary has today. In fact, the orders and directives and policies they are giving to the ICE officers about how to do their job are currently in direct violation of the law. This bill ratifies that by explicitly giving statutory authority to the Secretary to make all kinds of waivers for other matters. That is not the way to give confidence to America.

Mr. President, I don't know what our time is. I see no one else on the floor. I don't want to take anybody else's time, but if I yielded the floor, I guess their time would run against them anyway.

The PRESIDING OFFICER. There is 2 minutes remaining.

Mr. SESSIONS. I thank the Chair.

Our law enforcement officers are frustrated. We have three major law enforcement groups, including Border Patrol, which was given considerable funding after the failure of the 2006 and 2007 comprehensive immigration bill, and they have enhanced their efforts as a result of that, but we still are not where we need to be at the border. Indeed, since the announcement of this

possible amnesty, illegal entries have increased significantly on our borders. The number of people arrested is considerably higher this year than last year, and 55,000 of the 90,000 people—90,000 who have been arrested this year since January—were not from Mexico; this was primarily on the Mexican border—but from other countries. Some of the countries have a history of terrorism. Senator CORNYN has talked about that previously. We have a surge of it happening, and they are concerned about it, about protecting their officers.

Customs and the citizenship and immigration officers are the people who will process the amnesty claims and the requests to be treated as lawful residents that will occur after this bill passes. They are the people who deal with those who make application to come to the United States, and they are the people who process the pathway to citizenship for everybody. They have explicitly voted in opposition to this legislation. They say it does not work. I just read a quote from the head of their union. The ICE officers who deal with all of the interior enforcement—they apprehend people who have been convicted of crimes and are in State and local jails who are noncitizens or who are illegally here and they are supposed to deport them—have been consistently out front pointing out how they have been restricted in their ability to do their job, and that if this bill passes and the vast majority of those here illegally are legalized, they are not in the future going to be placed in a position where they can do their job. They are not going to be placed in a position where they can effectively manage the interior enforcement in America. They say the bill will make us less secure, not more secure. How wrong a direction could that be?

So those are the things we have to get a grip on here. That is why the legislation cannot become law, and I don't think—it won't become law as it is written today. That is the truth. One way or the other, it will not become law, because it is fatally flawed.

I thank the Chair for the opportunity to share these remarks as we begin the discussion on one of the great issues of our time: immigration. It has to be done right. The American people are rightly, as are these law officers, concerned that we are about to do another 1986, that we are going to give immediate lawful status to millions of people who came here illegally on the promise we will enforce the law in the future. But when we read the bill we can see that won't happen, and we will be sending another message worldwide that the United States is such that if one can get into our country illegally and hold on for long enough, that person too will be a beneficiary of the third major amnesty that occurs.

So that is where we are.

I thank the Chair and yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Florida.

Mr. RUBIO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. RUBIO. Mr. President, I am happy to be on the floor today as we get ready to proceed to the immigration bill and start to debate it. I wish to lay out a couple of points as we move forward on this debate which I fully anticipate we will do. We need to do so as a country, actually for many of the reasons my colleague from Alabama raised, because of these problems we face with regard to our immigration system.

Let's take a step back and analyze the issue a little while for the people who are tuning in for the first time or maybe people are visiting Washington and are perhaps listening to us talk about it, to provide a fundamental understanding of what we are addressing. Let's begin by saying the obvious, which is that all Americans understand immigration because it is their story, whether it is you, your parents, grandparents, great-grandparents, or great-great-grandparents. One of the defining characteristics of the United States of America is that it is literally a collection of people from all over the world or descendants of people from all over the world who have come here in search of a better life.

I think it is important to understand why that distinguishes us from the rest of the world and the attitudes of the rest of the world throughout history. If we look at the countries that have been organized throughout human history, the nation states, all of these countries have largely been organized because these people had a common ethnicity or a common race or they came from the same tribe or the same family clan or what-have-you. The United States is very different. The United States was actually founded on the notion that we are going to create a country that believes fundamentally in the God-given right of every single human being to go as far as their talent and work will take them. People such as myself who have been born and raised here our entire lives, sometimes we take that for granted, but we need to understand that throughout history it is a rarity. In fact, throughout history, what people have been told by their leaders is: You can only go so far in life because that is what your parents did, that is where your parents come from, so that is all you are allowed to do. But we were different, and thank God we were.

What we said is, We don't care how poor you were the day you were born; it doesn't matter to us that your parents weren't well connected and well heeled; we don't even care that you are from another country. If a person wants to work hard and build a better life for him or herself, we want that person. That has been the history of the United States: a collection of go-getters from all over the world who have come here and built this extraordinary country and, as a result, the influence this country has had not just on human history but even to modern day is unbelievable culturally and economically, in terms of ensuring peace, especially in the aftermath of World War II. All of it is the result of this particular reality about who we are as a people and as a Nation. We have always had immigration, and we will always need immigration, to keep the nature and the essence of who we are as a people.

But times change and the immigration system has to change with those times. In essence, the immigration system we had 100 years ago, 150 years ago—people forget this: What was the immigration system of the United States? Not so long ago, this was the immigration system in the United States: If you got here, you were allowed to stay. If you made that dangerous voyage across the Atlantic, if you found your way to this country, if you were processed through Ellis Island or somewhere else, you were allowed to stay. We can't do that anymore. We have to have a controlled immigration system, especially in the 21st century, to measure who is coming here, who they are, and why they are here. That is the way it has to work now in the 21st century. We understand that.

Adding to that, by the way, is the reality that the 21st century is so different from the 20th. We are actively engaged in global competition. It wasn't so long ago, such as when my parents came in 1956, the United States was still a national economy. The people we traded with and sold with and competed against lived in this country, probably in one's own State or in one's own community. No more. Today we are actively involved in global competition for business, for clients, and for talent, so we have to understand our immigration system has to reflect these changes. The way people immigrate and who immigrates here now has to reflect the 21st century reality, which is reason No. 1 why this country needs immigration reform.

All the attention is being paid to illegal immigration, and, look, that is a serious problem. I am going to talk about that in a moment. But issue No. 1, the fundamental reason we have to do immigration reform, is because we do not have a 21st-century immigration system. Our immigration system today is largely built on the idea that if you have a relative living here, it is easier for you to come than if you have a special skill or talent that you are offering to the country to contribute.

We do not have a merit-based system, we have a family-based system. I say that as someone whose family came on a family-based system. My parents came here because my mom's sister

claimed her in 1956. But the country is so different, the world is so different—so different from 2006, not to mention 1956—and our immigration system has to reflect that.

The problem is we have a broken legal immigration system. It does not reflect the realities of the 21st century. The result is that even if we did not have a single illegal immigrant in the United States, we should be on the floor of the Senate debating immigration reform because we must modernize our legal immigration system. That, as much as anything else, is the reason my colleagues should be excited about the opportunity to have this debate, because we have to modernize our legal immigration system so it is a benefit to our country.

I give this anecdote because I think it is appropriate: We are in the NBA finals—which, by the way, the Miami Heat won game 2 in a resounding fashion, and we are very happy about that. We will see what happens tonight. But imagine for a second if there was now the hottest basketball player in the county, who played at some college in the United States—6 feet 10 inches, never misses a shot, just an unbelievable player. Do you think in your wildest dreams we would ever let that person go play in Italy or Spain or some other country? There is no way in the world we are going to allow the best basketball player in the world—no matter where they were born, no matter where they came from, no matter their immigration status—there is no way in the world we are going to let a future NBA star leave the United States and go play basketball in some other country, in a European league or the Greek league or whatever. They are going to stay here.

So my question to you is, If that is how we approach sports—which is important, I guess, but it is a game—shouldn't that be the way we approach our economy? Should we be deporting the best graduates at some of our universities—world-class physicists and scientists and people in technology and engineering and math? Yet that is the way functionally our immigration system works right now. I am not making this up. We have heard the testimony. We have heard the people who come into our offices. There is not a Member in this body who has not had a meeting in their office, or their staff has not, with someone from the tech community who will come to you and say: We are going to college campuses, we are making job offers to the best and brightest, and we cannot keep them here—not because they do not want to stay here, not because they are not qualified, not because we do not have a job opening, but because we cannot get them a green card or a legal status. So they are learning at our universities, at the expense of the American taxpayer, and then they are leaving the United States to compete against us.

That makes no sense, nor does, by the way, the system of getting workers for agriculture, which I would argue in many respects is skilled labor. If you do not believe me, go watch some of these people in the fields as they work, doing the work they do.

But American agriculture, you talk about energy security. If you want to cripple a country, cripple their food security, cripple their agricultural security. Agriculture is an important industry in most of the States of the country and certainly for the United States of America. That industry depends on a workforce, and there is a demand for labor in that workforce. The fact is, and has been for over 100 years, that the only way to fully fill all the jobs available in agriculture is through seasonal and temporary labor from abroad. There is a real demand for that labor, and there is a real supply of people who want to do that labor. Supply and demand will always meet. But because we do not have a functional legal immigration system that allows the supply of foreign workers to meet the demand of domestic jobs in agriculture, supply and demand are meeting, but they are meeting in a chaotic and broken way. That needs to be reformed, as well as a bunch of other aspects.

The immigration system is very bureaucratic and complicated. In fact, our broken legal immigration system is one of the leading contributors to illegal immigration. Over 40 percent of the people in this country illegally today came legally. They did not jump a fence. They did not sneak in. They came on some sort of temporary visa and they overstayed it. One of the leading reasons they overstay is they think it is too costly, too time-consuming, and too bureaucratic to come back again legally in the future.

So I guess my point is, even if we did not have a single illegal immigrant in the United States, we need to do immigration reform because we must modernize our legal immigration system, and it must reflect the 21st century.

The second point I will make to you is our immigration laws are only as good as our ability to enforce them. We do not have enforcement mechanisms that work. All the attention is paid to the border, and it should be, because the border is not just an immigration issue, it is a national security issue. That means the same routes that are used to smuggle in immigrants can be used to smuggle in weapons and terrorists and other things—and drugs.

So we must secure the border. That is not easy to do because there is no such thing as one border. The border is broken up into about nine different sectors. Some are doing much better than they ever have; others are not doing very well at all. We must secure the border of the United States for national security reasons as well as immigration reasons. I know it is hard to do it, and I know there have been efforts in the past that have failed, but I am telling you that I refuse to accept the idea that the most powerful country on Earth, the Nation that put a man on the Moon, is incapable of securing its own borders.

Our sovereignty is at stake in terms of border security. Border security is not an anti-immigration or anti-immigrant measure, it is an important national security measure. But it is also an important defense of our sovereignty. We must protect our borders.

Likewise, we have to understand that even if we protect our borders, the magnet that is bringing people to the United States is employment. So we have to create a system, which we are capable of doing in the 21st century, we must create a system that allows employers to verify that the person they are hiring is legally here; hence, all this talk of E-Verify. Last but not least, because 40 percent of the people who are here illegally entered legally, we have to have a system that tracks when visitors enter and when they leave.

My colleagues will tell you that is already required by law, and it is. The problem is that the way it is required right now will never work. That is why this bill deals with that. We have to have a system so when you are visiting the United States on a temporary visa—as a tourist, on business, whatever it may be—we track you. You log in when you come in and you log in when you leave.

Every hotel in America knows when their guests come in and when they leave. Every hotel in America knows that. Multiple businesses track people when they come in and when they leave. We do this every single day as a matter of routine in our lives. The Federal Government should be able to do that, and it must do that. This bill requires that they do that, and it creates a real incentive to do that, and I will talk about that in a moment. But, basically, the incentive is that the green card process, for those who are here illegally in this country—that does not start until that system is fully in place. By the way, it also does not start until E-Verify is fully in place. These are significant security measures we must undertake.

When you hear people say: Well, the bill weakens the status quo and the law, the problem is that the status quo is not working. There is a reason we have 11 million people here illegally, and it is because the status quo—the current law—there is a flaw in it. There is a flaw in E-Verify. The flaw in E-Verify is that you basically show up at your employer and you show them a Social Security card. It may not be your Social Security card, but that is all you have to show them. It is happening all the time. People are either falsifying the document or borrowing someone else's, and they are using someone else's legal documentation to find a job.

We have to create a new E-Verify, one that allows us to verify that the person holding that card is actually that person; otherwise, arguing in

favor of the status quo is arguing in favor of continuing the fraud. We have to stop that from happening. So we have to have security elements as part of this bill—border security, E-Verify, and entry-exit tracking.

The last issue—and it is the one that gets all the attention—is what to do with the people who are here illegally now. Let me begin by saying to you that I do not know anyone who is happy about the fact that we have approximately 10.5 million to 11 million human beings living in the United States illegally. I would also remind you that every one of their stories is different. I would caution people not to lump them all into one basket because they are all very different. Some came legally and overstayed, others entered illegally and have been here ever since. Some came in as very young children and did not even know they were illegal until they tried to go to college. The point is there is real diversity in that group of people.

So we have three options. Option No. 1 is we can ignore it, leave it the way it is, pretend it is not there. I think if this bill fails, or efforts like it fail, that is exactly what will happen. For those who oppose amnesty, I would tell you that is de facto amnesty. De facto amnesty is having 11 million people living among you illegally. The only consequence to it is they do not have documentation. Obviously, they are working somewhere because they are providing for their families. They do not qualify for any Federal benefits. They are all around us, everywhere you look, whether you know it or not. They are here. Most have been here for longer than a decade. We can ignore it, but if we do, if we leave it in place, if we do nothing—if we do nothing—if this bill fails and we do nothing, that is de facto amnesty.

The second option is we can make life miserable for them. We can basically put E-Verify in place, continue to secure the borders, and make life so tough on people that they will just leave on their own.

I do not think that is a practical approach. I do not think it works. I do not think most Americans would tolerate what we would have to do in order for that to happen. I do not think most Americans would tolerate the humanitarian costs of approaching it that way. At the end of the day, I still think many will not leave anyway. They will figure out a way to survive and endure. I do not think that is a practical approach. If someone else thinks it is a practical approach, I would encourage them to come to the floor and convince me otherwise, come here and explain to us why we should try to do that. I have not heard anyone make that argument. I am not saying anyone is, which proves my point.

What is the third option? The third option is to deal with it, to deal with it in a way that is reasonable and compassionate, but also in a way that is responsible and good for the country. That is what we have endeavored to do as part of this bill.

So let's be clear what this bill does. First and foremost, this bill says to people who are here illegally: Come forward. We have a process for you that you are going to have to undergo if you want to be in this country legally. Here is the process: No. 1, you are going to have to undergo a background check. They are going to have to fingerprint you. You are going to have to undergo a background check for national security and for crimes. If you have committed serious crimes, you are not going to qualify for this legalization.

You are going to have to pay an application fee. You are going to have to pay a fine because that is a consequence of having violated our immigration laws.

When I hear the word ''amnesty'' used, it reminds me that amnesty means the forgiveness of something. We have seen amnesties all the time. I was recently in the great State of Hawaii. We had a great visit there, a personal visit. They have a box called an amnesty box. It allows you, when you get off the airplane, if you have any banned agriculture—plants, fruits, or whatever—to put it in the bucket, no questions asked. That is amnesty. Amnesty is turn it in and nothing will happen to you, no price to pay. That is not what this bill does.

This bill says: Come forward, and you are going to have to undergo a background check for national security, a background check for crimes. You are going to have to pay a fine. You are going to have to pay an application fee. You are going to have to get gainfully employed and start paying taxes. You are not going to qualify for any Federal benefits—no ObamaCare, no food stamps, no welfare, nothing. That is all you are going to be able to have for 10 years, which leads me to my second point about the legalization.

There is this notion out there that this is permanent legalization, that once you get this you are legal forever. Not true. This is like all other nonimmigrant visas. This is renewable. Under the program we envision in this bill, every 6 years you are going to have to come forward and reapply. Every 6 years you are going to have to come forward and undergo all the same things again—another fine, another application fee, another background check. In fact, when you go renew it the first time, you are going to have to prove you have been gainfully employed and paying taxes for the previous 6 years.

The legalization that people are going to be able to get, the so-called RPI—registered provisional immigrant—the key word there is ''provisional.'' It is not permanent. There are people who are going to qualify for RPI at the beginning who, when it comes time to renew, are not going to qualify because they were not gainfully employed and paying taxes, because they committed a crime, or because they cannot pay the fine. That is going to happen. We do not think it will be prevalent, but it will happen. It is not permanent; it is provisional.

The third aspect of it is that once you have been in RPI for 10 full years—after you have been in RPI for 10 full years, which means the first 6 years, and then you reapplied and qualified, and you have been in it another 4 years—then here is the only thing that happens: The only thing that happens is that you are now qualified to, you are eligible to, apply for a green card. It does not mean on the 10-year anniversary of getting RPI you show up at some office and say: I am here. Give me my green card. That is not true. You have to apply for it. You have to undergo the same green card process, with all the same checks and balances.

I have filed an amendment to improve it even further. I am saying when you apply for that green card, after the 10-year period and more has expired, you are going to have to prove that you are proficient in English because I think assimilation is important. I think assimilating into American society is important. I think learning English is not just important for assimilation, it is important for economic success. You cannot flourish in our economy, you cannot flourish in our country if you are not proficient in English. We are going to require that at the green card stage.

Now, what is the debate here going to be about over the next few weeks? Well, a couple things are going to have to happen.

First, like any other bill, there are some technical changes that are going to have to be made, and those will be made. I think there will be improvements to the bill on other issues, such as what I have just talked about, this amendment I have making English proficiency required at the green card stage.

Then I think we are going to move on and have a debate about the cost of this bill and ensuring that we truly tighten this. But look, the American people are very generous and open, especially to a process such as this, but they want to make sure it is not costing the American taxpayer. So we are going to have to make sure people are not qualifying for these Federal benefits. We have to make sure people who have violated our immigration law, one of the consequences of that is that they are not a burden on the American taxpayer.

If we talk to many of these immigrant groups and the immigrations themselves, they will tell us that is not a problem. That is not what we are here for. Good. Because you are not going to qualify for those things. We are going to make that even clearer in some of the amendments Senator HATCH and others are working on.

Then I think we have to get to the final point; that is, the security element of this bill. I personally believe that more than half of my colleagues

on the Republican side, maybe a little more, maybe a little less, want to vote for an immigration bill. They want to modernize our legal immigration system, they want to improve our enforcement mechanisms, and they want to deal with the 11 million people who are here illegally.

But they are only willing to do that if they can go back to their folks at home and say: We took steps in this bill to make sure this will never happen again; we did not repeat the mistakes of the past; this is not going to happen again. That is going to be the key to this bill passing. I think we can do that. That is in our principles, by the way. The guiding principles before this bill was unveiled talked about border security. One of the ways I think we can improve that is by not leaving the border and fence plan to chance.

Let's not leave it to the Department of Homeland Security. One of the objections we have heard from opponents of the bill is we do not trust Homeland Security to come up with a plan that works. Fine. Then let's put it in the bill. Let's put the specific plan in the bill, the number of fences, the amount of technology. Let's mandate it in the bill so we are not leaving it to guesswork, so when we vote for this bill, we are voting for a specific security plan.

I have heard people say we think the E-Verify portion should be improved. Let's fix it now. Let's put it in the bill. We think the entry-exit tracking system can be improved. Let's put it in the bill, so that when we vote for this bill, we are also voting for a plan. That is important. That is not unreasonable. I want Members to think about this for a second. The immigrant who is illegally here comes forward. They get legalized through this pretty difficult process. They are now here legally. They have qualified because they have met these conditions. They are now here legally. They are working. They are paying taxes. They are not in the shadows anymore.

But before we can move to a green card, which is permanent residency, all we are asking for is that we ensure that this never happens again. That is not an unreasonable request. Not only do I not think that is an unreasonable request, I think that is a very responsible request, because none of us wants to be here 5 years from now or 10 years from now saying: Boy, they truly messed up in 2013; we have to do this all over again. None of us wants to be here 5 years from now facing 5 million illegal immigrants more, another wave of illegal immigration. We can get that right. We can get it right in this bill.

If that happens, I believe this legislation will pass in a historic way out of this Chamber. It strengthens the chances it can pass in the House and be signed by the President. That is the opportunity we have to get something such as this right.

I could go on and talk to you about the economic benefits of legal immigration reform and what that will mean for our economy. We will have plenty of time to have that conversation. Trust me when I tell you, I think we will work on it to convince you, it will be a net positive for America to have a legal immigration system that works.

That is why this debate is so important. I think we can do something that is good for the country and responsible and once and for all solve this problem so we do not have to continue to deal with it, so it does not continue to hold us back, so we, a nation of immigrants, built on a heritage of legal immigration, can have a legal immigration system that works, that we can be proud of, that helps our country, that takes this issue off the table, that gets rid of de facto amnesty, that protects our sovereignty and our borders and the security of our people. That is what we have a chance to do.

To the opponents of the legislation, I would say, look, I respect your views very much. I do. I think you raise very valid concerns, which we have attempted to address in this bill and which we will continue to address in this bill. I am not one of those take-it-or-leave-it-people with regard to legislation. I always think that no matter what idea I have, the more people who are exposed to it, the more input I get, the more suggestions I get, the better we can make it.

Ultimately, that is what I am interested in being a part of. I am not interested in being part of passing a bill as a talking point or a messaging point, nor am I interested in the political calculations of this issue. What I am personally interested in is solving a problem that is hurting America. That is how I will close. That is why I am passionate. The reason I am passionate about this issue is because this thing is hurting America. The fact that we have 11 million people leaving here, we do not know who they are, we do not know where they are, they are not paying taxes, they are not incorporated into our economy, that is hurting America. It is bad for them, but it is very bad for our country. The fact that we cannot enforce our immigration laws because the systems we have in place do not work, that is bad for America. The fact that we have a legal immigration system that hurts our economy and hurts our future, that is bad for America.

What we have today on immigration in America is bad. It does not work for anyone, unless you are a human trafficker or someone who is benefiting at the expense of cheap illegal labor. Who else is being helped by the status quo? Who else likes what we have right now? The answer is nobody. Leaving this in place is not an alternative. It is not an option. This is a problem that is hurting our country. The only way I know how to solve a problem is to get involved in trying to solve it. That is why I came here. I did not come to the Senate to sign on to a bunch of letters and give a speech once a week on the floor. I came here because I believe, I know, I know with all my heart, that what we have is a unique, exceptional, and special place. But to keep it that way requires us to take seriously, not just our constitutional charge but take seriously the opportunity we have to solve historic problems in a historic way. I think this bill done right gives us the opportunity to do that. I look forward to the opportunity to be part of it. I hope my colleagues who are openminded about it will remain openminded as we work to improve this product and give the American people something that helps our country, solves our problem, and makes us all proud.

I yield the floor.

The PRESIDING OFFICER (Ms. HEITKAMP.) The Senator from Virginia.

Mr. KAINE. Madam President, I ask unanimous consent that I be permitted to deliver a floor speech on immigration reform in Spanish and that the Spanish and English versions be printed in the RECORD.

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

Mr. KAINE. Mr. President, the Senate has begun a historic debate on comprehensive immigration reform. We have had and will continue to have hours of debate on this issue. I think it is appropriate that I spend a few minutes explaining the bill in Spanish, a language that has been spoken in this country since Spanish missionaries founded St. Augustine, FL in 1565. Spanish is also spoken by almost 40 million Americans who have a lot at stake in the outcome of this debate.

First, I want to applaud my colleagues in the ''Gang of 8,'' who have worked tirelessly to come up with a bipartisan comprehensive bill. This issue deserves an open and fair debate on the floor. It has been over 25 years since we passed a comprehensive immigration reform bill. The next few days and weeks will not be easy; they will be a test for the Senate, and whether this body can debate, offer amendments, compromise, and ultimately come together on an issue that will move our country forward.

This debate is about Isabel Castillo.

This young woman from Harrisonburg, VA was brought to the United States by her parents at the very young age of 6. Her parents performed hard labor in order to support their family by picking apples and working in a poultry plant. All they wanted, like all parents do, was a better life for their children. Isabel did everything right—she graduated from high school and went on to attend college, where she graduated magna cum laude. She did not qualify for financial aid, due to her immigration status, and worked for a year to save money for college. After she graduated from college she was unable to legally find a job. Instead of giving up, this young woman organized the Harrisonburg Dream Act chapter to raise awareness about her situation in order to help other students.

This is one example of many as to why we need to pass an immigration bill. For students and families, such as Isabel's, this is about their future.

The last time Congress passed a comprehensive immigration bill was in 1986. Many of the concerns I hear from Virginians involve issues that the last immigration reform bill did not address—lack of sufficient border security measures and a way to address the large number of undocumented immigrants in our country. The last immigration reform bill also did not include spouses and children of legalized immigrants—which created a strong incentive for many to enter or remain in the country illegally.

This time around, things are different. I have been very impressed by the open process we have had in the Judiciary Committee:

212 amendments were considered in the Committee;

30 Republican amendments were accepted; and

12 full committee hearings on immigration and border security were held before mark-up.

I understand that some doubt remains as to whether or not this bill will fix our broken immigration system. While not perfect—I can confidently stand here today and say this bill will do more for border security, more to improve our current backlog, more to strengthen our employment verification system, and more to put measures in place to deal with the future flow of immigrants—compared to any other immigration bill in history.

This bill will first and foremost create a path to earned citizenship, not amnesty. Undocumented individuals will have to meet several stringent requirements such as, paying fees and fines, passing national security and criminal background checks, paying their taxes and learning English.

And before anyone can come out of the shadows, this bill requires a border security strategy and border fencing strategy within 6 months of enactment.

I am proud that this bill includes strong provisions to protect students who only know this country as their home, DREAMERS, as well as agricultural workers, who perform some of the most difficult labor—these individuals will have an accelerated path if they meet certain conditions.

In order for the U.S. to be the most talented country in the world, we must fix the current flaws in our immigration system. Our immigration system does not meet the demands of businesses that wish to attract and retain highly qualified immigrants.

It is not about just addressing the short-term needs of the STEM workforce but about investing in the future of our children. In order to ensure we remain globally competitive, we must increase our investments in education. This bill does just that by establishing a STEM education initiative—funded through fees collected from employers of foreign STEM workers.

According to the Council on Foreign Relations ''60 percent of U.S. employers are having difficulties finding qualified workers to fill vacancies at their companies.''

This bill also creates a fair path for individuals who want to come into this country and start businesses, create jobs, and invest in the economy.

In Virginia, Asian-owned businesses had sales and receipts of more than $13 billion and employed more than 92,000 people.

Virginia's foreign students contribute more than $405 million to the State's economy in tuition, fees, and living expenses every year.

Immigrants' contributions in the high-tech sector are striking, with one study finding that immigrants started 25 percent of all engineering and technology companies founded in the United States between 1995 and 2005.

Through this bill individuals who earn a master's or other postgraduate degree in STEM fields from American universities can apply for legal permanent resident status. This bill also changes our current visa system from one based on arbitrary numbers to one that is market based and understands the needs of U.S. employers.

The Federal Government currently spends nearly $18 billion on immigration enforcement every year, more than the combined budgets of all other Federal law enforcement agencies:

U.S. Border Patrol apprehension of foreign nationals between ports of entry fell to a 40-year low of 327,577 in FY2011; and

Removals grew from 30,000 in 1990 to more than 391,000 in FY2011.

This bill goes even further by allocating up to $6.5 billion additional for border security. It requires a biometric exit system to be in place at the 10 largest international airports in the United States within 2 years, and 20 additional airports within 6 years.

It is not just about spending more money at the border, but about being strategic in how and where we spend our resources.

One of the key issues that we must address is to hold employers accountable and ensure that we have an effective employment verification system in place.

As of May more than 400,000 employers registered for e-verify. This bill will mandate that all employers use a verification system that ensures all employees are legally authorized to work in the United States, and fine companies that employ undocumented immigrants.

The State Department is currently processing visas for Filipino siblings of U.S. citizens who submitted their visa applications 24 years ago. I ask my colleagues to imagine if you had to wait over 24 years to see your family members.

This bill provides sufficient visas to erase the current backlog of family and employment-based visa applicants in the next 7 years, starting in 2015.

Lastly, and probably one of the most essential pieces of this bill, is how we deal with future flow of immigrants wanting to come to this country. This bill creates a future immigration framework that is premised on a merit-based points system. The bill establishes a new non-immigrant agricultural worker visa, and sets forth provisions relating to the integration of new immigrants; and includes provisions to deal with the present and future workforce needs of the American agriculture industry, while protecting workers from being displaced or otherwise adversely affected by foreign workers.

In closing, I welcome this debate. English settlers who landed at Jamestown, VA in 1607 helped begin our Nation's great history as an immigrant Nation. And Virginian Thomas Jefferson, as he wrote the Declaration of Independence, expressed his clear understanding that immigration was a positive force for our Nation.

Today, Virginia has the ninth-largest immigrant population in the country, with over 903,000 foreign-born residents. Immigrants contribute greatly to the richness of our Commonwealth.

I hope that we will start a new chapter and send a strong message to the world that we are a country of laws but also of fairness and equality.

Let's not repeat the mistakes of the past but let's also remember that the perfect should not be the enemy of the good. Finding a perfect solution should not stand in the way of progress.

Let's show this country and the world that this is not a Republican bill and it is not a Democratic bill but it is a strong bipartisan bill. It is time that we pass comprehensive immigration reform. Thank you.

Mr. KAINE. El senado ha comenzado un debate histórico sobre una reforma migratoria comprensiva. Hemos tenido y continuaremos a tener horas para debatir este asunto. Creo que es apropiado que tome unos pocos minutos para explicar la legislación en español, un lenguaje que ha sido hablado en este país desde que misioneros españoles fundaron a San Agustín, FL en mil-quinientos-sesenta-y-cinco. El español también es hablado por casi cuarenta millones de Americanos con mucho invertido en el resultado de este debate.

Primeramente, quiero felicitar a mis colegas en el ''Grupo de los Ocho,'' quienes han trabajado incansablemente para ofrecer legislación bipartidista. Este asunto merece un debate abierto y razonable en el senado. Han pasado más de veinte-y-cinco años desde la última vez que pasamos una reforma migratoria comprensiva. Los próximos días y semanas no serán fáciles; serán una prueba para el senado, en como ésta cámara puede debatir, ofrecer enmiendas, negociar, y al final unirse en un asunto que moverá nuestro país adelante.

Este debate es sobre Isabel Castillo.

Esta joven de Harrisonburg, VA fue traída a los estados unidos por sus padres a la edad de seis. Sus padres

trabajaban a mano de obra muy difícil cosechando manzanas y trabajando en una factoría avícola para poder mantener a la familia. Lo único que querían, como todos los padres quieren, era una vida mejor para sus hijos. Isabel hiso todo lo correcto—se graduó de la escuela secundaria y siguió adelante asistiendo la universidad, donde se graduó magna cum laude. Ella no califico para la asistencia universitaria federal por razón de su estatus migratorio y trabajo por un año, para ahorrar dinero para la universidad. Después de que se graduó del colegio, no pudo conseguir un trabajo legal. Envés de rendirse, esta mujer joven organizo el capítulo de Harrisonburg Soñadores para crecer el conocimiento de su situación en orden de poder ayudar a otros estudiantes.

Este es uno de muchos ejemplos por cual tenemos que pasar una reforma migratoria. Para estudiantes y familias, tal como la de Isabel, esto se trata de sus futuros.

La última vez que el congreso pasó una reforma migratoria comprensiva fue en mil-novecientos-ochenta-y-seis. Muchas de las preocupaciones que escucho de Virginianos incluyen asuntos que la última reforma migratoria no resolvió—la falta de suficiente medidas de seguridad para la frontera y una manera de resolver el gran número de inmigrantes indocumentados en nuestro país. La última reforma migratoria tampoco incluyó esposos y esposas e hijos e hijas de inmigrantes legalizados—cual creo un incentivo fuerte para muchos en entrar o pertenecer en el país ilegalmente.

Esta vez, las cosas son diferentes. Estoy muy impresionado por el proceso abierto que hemos tenido en el comité judicial del senado:

Doscientos-doce enmiendas fueron consideradas en el comité

Treinta enmiendas republicanas fueron aceptadas; y

Doce audiencias públicas sobre inmigración y seguridad fronteriza fueron realizadas antes de que el comité judicial votara sobre la legislación

Entiendo que permanecen algunas dudas si esta legislación arreglará nuestro sistema de inmigración. Aunque no es perfecto—puedo pararme aquí hoy y decirles que esta legislación hará más para la seguridad fronteriza, más para mejorar nuestra lista de visas pendientes, más para fortalecer nuestro sistema de verificación de empleo, y más para establecer medidas para afrontar los inmigrantes que vendrán en el futuro—comparado a cualquier otra legislación migratoria en nuestra historia.

Esta legislación primeramente crea un camino a la ciudadanía merecida, no amnestia. Individuos indocumentados tendrán que satisfacer varios requisitos rigurosos tal como, pagando multas, pasando verificación de antecedentes, pagando impuestos y aprendiendo inglés.

Y antes de que cualquier persona pueda aplicar, esta legislación requiere una estrategia de seguridad fronteriza y estrategia de prevencion en la frontera dentro de 6 meses de ser promulgada.

Estoy orgulloso de que esta legislación incluye provisiones fuertes para proteger estudiantes que solamente conocen este país como su hogar, Soñadores, y también trabajadores en agricultura, quienes trabajan en unas de las manos de obra más difíciles—esta gente tendrá un camino acelerado si satisfacen ciertos requisitos.

Para que los estados unidos sea el país más talentoso en el mundo, tenemos que arreglar las fallas que existen hoy en día en nuestro sistema de inmigración. Nuestro sistema no satisface las demandas de negocios que desean atraer y retener inmigrantes sumamente calificados.

No se trata de simplemente afrontando las necesidades de corto plazo requeridas por los trabajadores en las más reas de ciencia, tecnología, ingeniería, y matemáticas, sino sobre invirtiendo en el futuro de nuestros hijos. Para asegurar de que sigamos competitivos globalmente, tenemos que aumentar nuestras inversiones en la educación. Esta legislación hace tal meta estableciendo una iniciativa—fundado por pagos colectados de empleadores que emplean trabajadores extranjeros en estas áreas.

Según el Consejo de Relaciones Exteriores, ''sesenta por ciento de empleadores tienes dificultades encontrando trabajadores calificados para llenar vacancias en sus empresas.''

Esta legislación también crea un camino justo para individuos que quieren venir a este país y empezar negocios, crear trabajos, e invertir en la economía.

En Virginia, los negocios adueñados por gente asiática tuvieron ventas y recibos de más de trece-mil-millones de dólares y emplearon a más de noventa-y-dos-mil personas.

Estudiantes extranjeros contribuyeron más de cuatro-cientos-cinco millones de doñlares cada año a la economía de Virginia a través de sus matrículas, pagos, y gastos de mantenimiento durante el año académico.

Las contribuciones de los inmigrantes en el sector de alta tecnología son grandes, con un estudio encontrando que inmigrantes comenzaron veinte-y-cinco por ciento de todas las empresas de ingeniería y tecnología fundadas en los estados unidos entre mil-novecientos-noventa-y-cinco y dos-mil-cinco.

A través de esta legislación, individuos que logran una maestría u otra matriculada avanzada in las áreas de ciencia, tecnología, ingeniería, y matemáticas de universidades estadounidenses pueden aplicar para residencia permanente. Esta legislación también cambia nuestro sistema de visas que existe hoy en día de uno basado en números arbitrarios a uno basado en el mercado y las necesidades de empleadores estadounidenses.

El Gobierno Federal ahora gasta casi diez-y-ocho-mil-millones de dólares en esfuerzo de inmigración cada año, más que los presupuestos combinados de todas las otras agencias de ejecucion legal.

Aprensiones de la Patrulla Fronteriza Estadounidense de extranjeros dentro los puertos de entrada redujo por más de trescientos-veinte-y-siete-mil en al año fiscal dos-mil-once, un nivel no visto en cuarenta años.

Remociones crecieron de treinta-mil en mil-novecientos-noventa a más de trecientos-noventa mil en el año fiscal dos-mil-once.

Esta legislación va más lejos asignando hasta seis-y-medio mil-millones de dólares adicionales para seguridad fronteriza. Y requiere la creación de un sistema biométrico en diez de los aeropuertos internacionales más grandes en los estados unidos dentro de 2 años, y veinte aeropuertos adicionales dentro de 6 años.

No se trata de simplemente gastar más dinero en la frontera, se trata de ser estratégico en cómo y dónde gastamos nuestros recursos.

Unos de los asuntos centrales que tenemos que resolver es que empleadores sean responsables y asegurar que tengamos un sistema de verificación de empleo efectivo.

Desde Mayo, más de cuatro-cientos-mil empleadores se han registrado para e-verify. Esta legislación requiere que todos los empleadores usen un sistema de verificación que asegure que todos los empleados sean legalmente autorizados para trabajar en los estados unidos, y multara empresas que emplean a los inmigrantes indocumentados.

El Departamento de Estado ahora en día está procesando unas visas para hermanos Filipinos de ciudadanos estadounidenses quienes sometieron sus aplicaciones de visa hace veinte y cuatro años. Les pido a mis colegas que se imaginen si usted tuviera que esperar más de veinte-y-cuatro años para ver a miembros de su familia.

Esta legislación proporciona suficiente visas para borrar el atraso de visas de familia y empleo en los próximos siete años, empezando en el dos-mil-quince.

Últimamente, y probablemente unas de las partes más esenciales de esta legislación, es como afrontamos los inmigrantes que quieren venir a este país en el futuro. Esta legislación crea una estructura para los inmigrantes del futuro que es basada en un sistema de puntos de mérito. La legislación establece una nueva visa temporal para los trabajadores agricultores, y crea provisiones correspondientes a la integración de nuevos inmigrantes; y incluye provisiones para resolver las necesidades del presente y el futuro correspondiente a la industria de agricultura estadounidense, mientras protegiendo trabajadores de ser desplazados o afectados negativamente por trabajadores extranjeros.

En conclusón, doy la bienvenida a este debate. Colonos ingleses quienes aterrizaron en Jamestown, VA en mil-seis-cientos-siete ayudaron empezar la gran historia de nuestra nación como una nacion de inmigrantes. Y el Virginiano Thomas Jefferson, mientras que escribía la Declaración de Independencia, expreso su entendimiento claro que inmigración era una fuerza positiva para nuestra nación.

Hoy, Virginia tiene la novena población de inmigrantes más grande en el país, con más de novecientos-tres-mil residentes que nacieron afuera de los estados unidos. Inmigrantes contribuyen una gran riqueza a nuestro estado.

Espero que podamos empezar un nuevo capítulo y que mandemos un mensaje fuerte al mundo y la nación que somos un país de leyes pero también de justicia e igualdad.

No hay que repetir los errores del pasado pero debemos también recordar que la perfección no debe ser el enemigo de lo bueno. Encontrando una solución perfecta no debería de bloquear el progreso.

Vamos a demonstrar a este país y al mundo que esta legislación no es Republicana y no es Demócrata, es fuertemente bipartidista. Es tiempo que aprobemos una reforma migratoria comprensiva. Gracias.

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

There upon, the Senate, at 12:36 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Ms. BALDWIN).

BORDER SECURITY, ECONOMIC OPPORTUNITY, AND IMMIGRATION MODERNIZATION ACT—MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

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 proceed to Calendar No. 80, S. 744, a bill to provide for comprehensive immigration reform, and for other purposes.

Harry Reid, Patrick J. Leahy, Robert Menendez, Christopher A. Coons, Mazie K. Hirono, Dianne Feinstein, Bill Nelson, Benjamin L. Cardin, Sheldon Whitehouse, Al Franken, Richard Blumenthal, Ron Wyden, Jack Reed, Patty Murray, Michael F. Bennet, Tom Harkin, Charles E. Schumer, Richard J. Durbin.

The PRESIDING OFFICER. 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 proceed to S. 744, a bill to provide for comprehensive immigration reform, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CORNYN. The following Senators are necessarily absent: the Senator from Oklahoma (Mr. COBURN), the Senator from Arizona (Mr. MCCAIN), and the Senator from Alaska (Ms. MURKOWSKI).

Further, if present and voting, the Senator from Alaska (Ms. MURKOWSKI) would have voted ''yea.''

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

The yeas and nays resulted—yeas 82, nays 15, as follows:

[Rollcall Vote No. 146 Leg.]

YEAS—82

Alexander	Flake	Moran
Ayotte	Franken	Murphy
Baldwin	Gillibrand	Murray
Baucus	Graham	Nelson
Begich	Hagan	Paul
Bennet	Harkin	Portman
Blumenthal	Hatch	Pryor
Blunt	Heinrich	Reed
Boxer	Heitkamp	Reid
Brown	Heller	Rockefeller
Burr	Hirono	Rubio
Cantwell	Hoeven	Sanders
Cardin	Isakson	Schatz
Carper	Johanns	Schumer
Casey	Johnson (SD)	Shaheen
Chambliss	Johnson (WI)	Stabenow
Chiesa	Kaine	Tester
Coats	King	Thune
Cochran	Klobuchar	Toomey
Collins	Landrieu	Udall (CO)
Coons	Leahy	Udall (NM)
Corker	Levin	Warner
Cornyn	Manchin	Warren
Cowan	McCaskill	Whitehouse
Donnelly	McConnell	Wicker
Durbin	Menendez	Wyden
Feinstein	Merkley	
Fischer	Mikulski	

NAYS—15

Barrasso	Grassley	Roberts
Boozman	Inhofe	Scott
Crapo	Kirk	Sessions
Cruz	Lee	Shelby
Enzi	Risch	Vitter

NOT VOTING—3

Coburn	McCain	Murkowski

The PRESIDING OFFICER. On this vote, the yeas are 82, the nays are 15. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The PRESIDING OFFICER (Mr. MANCHIN). Under the previous order, the time until 4 p.m. will be equally divided and controlled between the proponents and opponents.

The Senate will be in order.

The Senator from New York.

Mr. SCHUMER. Mr. President, I rise today to speak about the comprehensive immigration reform bill we will begin debating later today and for the rest of the month.

I thank my colleagues for voting yes on the motion to proceed, which will let us debate this very important bill which is critical to the future of our security, our economy, and our society. This overwhelming vote—a majority of both parties—starts this bill off on the right foot.

First, I will begin by saying that this has been the most open and transparent process we have seen in the past few years. Unlike most bills where only 1 or 2 Senators draft them, this bill was drafted by 10 of us here in the Senate.

I thank each of the four Republicans and four Democrats in the Gang of 8—my seven colleagues in the gang—for their great work. The agricultural program in the bill was drafted by Senators FEINSTEIN and HATCH. We then held a number of hearings where we debated, considered, voted on, and adopted scores of amendments during the Judiciary Committee markup under the able leadership of Chairman LEAHY. Many of those amendments were bipartisan or were amendments offered solely by my colleagues on the other side of the aisle. These amendments dramatically improve the bill. Our bill is better and stronger today than it was when we introduced it.

Before the bill was marked up, this bill had been vetted by the eight of us. Eighteen of us here in the Senate have already had the chance to make our mark on this bill and consider all of the ways in which it should be changed. Now we are here on the floor, where all of my colleagues will have the chance to further improve the bill and discuss the changes they feel need to be made. We readily admit this bill is not perfect and can always be improved. It is undergirded by one thought about the present situation and one about the future that we hope to change. In the present situation, our country—amazingly and counterproductively—turns away hundreds of thousands of people who will create jobs and improve our economy, and at the same time we let millions cross the border and take jobs away from American workers. The system is backward and the status quo is unacceptable.

Our bill is based on one simple principle: that the American people will accept and embrace commonsense solutions to future legal immigration and to the 11 million now living here in the shadows if—and only if—they are convinced there will not be future waves of illegal immigration.

Our bill does three basic things. First, it ensures that we will never again have a wave of future illegal immigration. Second, it fixes our completely dysfunctional legal immigration system to make us the most competitive Nation in the world for both this century and the next. Third, it contains a tough but realistic path for making sure that the people currently here illegally are held accountable for what they did, but it also allows them to join American society on our terms in a fair and honorable way rather than by the current amnesty-by-inaction we see today.

I wish to make it extremely clear that, first and foremost, we are committed to ending the waves of illegal immigration we have seen in the last 30 years. We will accomplish this goal by building a very sturdy three-legged

stool of border security, employment verification, and entry-exit. I will now explain what our bill does in each of these areas to prevent future waves of illegal immigration.

Make no mistake, our borders will be secured as a result of this bill. We appropriate $6.5 billion up front in this bill to bolster our security efforts, and that is in addition to the annual appropriations made for each year of border security.

Before any legalization can even begin, the Secretary of Homeland Security is required to come up with a plan on how to deploy $4.5 billion of those resources to acquire new infrastructure, technology, and personnel that will enable the border patrol to catch 9 out of 10 illegal immigrants who attempt to cross our border. Only after this plan is presented to Congress and deployment of the resources has commenced may the legalization program begin to adjust undocumented individuals to registered provisional immigrant status—what we call RPI status. All of the resources in the plan must then be deployed on the ground and working before anyone in RPI status can ever be granted a green card and gain citizenship.

After 5 years, if the Border Patrol is not catching 9 out of every 10 illegal immigrants who attempt to cross the border, a commission with border State Governors and elected officials will be empowered to make recommendations on how best to spend an additional $2 billion that this bill has already preappropriated in order to achieve this 90-percent effectiveness rate.

With minimal resources and with many fewer resources, we are more effective at the border. The effectiveness rate has gone up from 68 percent to 82 percent. Imagine what will happen with the resources we provide in this bill, all of which is paid for by provisions in the bill, both fees for those who wish legal workers to come to work for them and fines for those who have crossed the border illegally. DHS will implement the recommendations of the commission after they have been presented to the Secretary.

Think of this: Crossing the border without permission from the government is a crime. When we catch someone crossing the border and prosecute and deport them, we are solving the crime and punishing the criminal. Our bill will deploy the resources needed to catch, prosecute, and deport 90 percent of the people who cross the border illegally. Ninety percent of all border-crossing cases will be successfully closed. How does that closure rate compare to other violations of our laws? According to FBI statistics, each year we successfully catch, prosecute, and detain wrongdoers in less than 50 percent of the cases where a violent crime has been committed and in less than 20 percent of the cases where a property crime has been committed. Think about the much higher standard our bill is creating for border security—90 percent. Everyone knows 90 percent is an A grade, and our bill will achieve an A-rated border.

For days and weeks now I have heard Senators who would oppose any immigration bill. They say our bill does not secure the border, as if the $6.5 billion does not count. If anyone has a better idea, tell us. But to say this will not improve border security—some may disagree on whether it is the best way to do it or some may disagree on whether it does enough, but don't say it won't do anything to secure the border. History shows that of course it will. The eight of us believe it will do it well and do it strongly. It will do it far better than anything that has ever been envisioned.

Now let's take a look at what we can purchase for this money.

We are going to be building $1 billion worth of border fence. Our bill requires that it be built before anyone can get a green card. Our bill originally had $500 million more allocated for fencing, and the fencing money was actually decreased by the senior Senator from Texas, who thought we were building too much border fence in our bill.

Second, we will be purchasing sensors, fixed towers, radar, and drones that will cover the entire southern border. When this technology is deployed, we will finally be able to see every single person crossing our border, and we will know where to send our 21,000 Border Patrol agents to go catch people.

I visited the border with Senators MCCAIN, FLAKE, and BENNET. It is huge. We cannot station enough people on the border. There are no roads on large parts of it. But with the drones, we can see every single person who crosses the border day or night, and we can follow their path, so they can be apprehended when they are 10, 20, 25 miles inland. It is a huge improvement. Simple math tells us we have more than one Border Patrol agent for every city block of the southern border. Imagine how low crime would be if we had a police officer on every block. Imagine, once we deploy this technology, how effective it will be.

For those who say the American people do not trust the government to get the job done, I say let's look at the facts. Providing additional resources to DHS for border security has an incredibly proven track record of success. In 2010 Congress passed an emergency supplemental appropriations bill for border security. I worked on that with my colleague from Arizona, Senator MCCAIN. It was $600 million. In 2009, according to the GAO, the national effective rate for the entire southern border was 72 percent. In 2011, a year after this was deployed, it went up to 82 percent.

Again, saying this will not improve border security at all or saying there is no security at the border is not fair, and it is not right. I urge my colleagues not to say it. Again, some may disagree with how or disagree with how much, but there is a heck of a lot of border security in this bill.

Most of the resources in the supplemental budget went to the Tucson border sector. In 2009 the effectiveness rate at the Tucson border sector was 71 percent. In 2011 it went up to 87 percent. Given that a mere $600 million supplemental appropriation was able to increase border security effectiveness from 72 percent to 82 percent, it is reasonable to assert that spending over 10 times that money on border security in the form of a $6.5 billion supplemental appropriation for personnel, infrastructure and technology will allow us to apprehend 9 out of every 10 people who try to cross the southern border illegally.

Second, visa overstays will be identified and apprehended when this bill passes. An estimated 40 percent of the 11 million people in unauthorized status are individuals who entered the United States legally but overstayed their visas. When a foreign national enters the country, he or she is fingerprinted and his or her passport or visa is electronically scanned against our data security databases. Amazingly, when this individual exits the country, no such scan occurs, leading to uncertain information as to who overstayed their visas. Forty percent of those who cross illegally do not cross the border; rather, they overstay their visas.

For individuals who enter the United States by air or sea, we will require those individuals to swipe their machine-readable passport visa on an electric scanner at the gate immediately before exiting the United States. To prevent identity theft when the person swipes their visa or passport, their picture comes up on a screen at the gate. The gate agent who is given the passport has to match the picture on the screen with the person giving their passport. The exit information will be given to all of the Department of Homeland Security components to generate an accurate overstay list of people who entered the United States by air or sea. Persons on this list will be apprehended, detained, and deported by ICE.

Persons entering the United States from the northern border will also be identified as exiting the country via the northern border when they are granted entry into Canada, and that is because the United States and Canada are willing to share entry information such that each country will be providing the other country with de facto exit information.

There is criticism leveled by opponents of immigration reform that the exit system must be biometric in order to prevent visa overstays and that using passport or visa pictures instead of fingerprints will not work. Although this criticism is not justified because we will be using picture-matching to prevent identity theft, our bill phases in biometric exit capabilities at our largest airports. During the first 2 years of enactment the bill will require the taking of biometrics for people

leaving the United States through the 10 largest international airports. It will go to 20 more in 6 years. If it works better than the photo-match system, we will phase in the print system nationwide. We believe the photo system is just as effective and much, much cheaper. Why do we need to spend billions more to achieve the same result?

In any case, the key to our bill is that we will ensure, soon after passage—even as this biometric exit system is being deployed—we will be able to detect, detain, and deport individuals who enter the United States legally from Canada by airport or seaport and then overstay their visas.

We also make the completion of this entry-exit system a trigger for the path to citizenship. The path to citizenship cannot happen unless this entry-exit system is deployed.

Third, even if a small number of people are able to cross the border illegally or overstay their visa—neither system will be perfect—they will still not be able to find work legally in the United States due to our bill's mandatory employment verification system. Even if someone is able to get here illegally or overstays their visa, their main goal for being here—working—will be impossible after the bill is passed.

That is why we have illegal immigration. The people who cross our borders are very poor people. Most of them are living in poverty and they want a job. They want some money. If they can send $10 a week home to their wife, father or children, they will cross the border to do it. But if they can't get jobs, they are not going to come.

We have 11 million people here today, and we do not have a problem whereby these folks are besieging us with terrorist acts. They are simply here working and feeding their families.

If we eliminate the jobs magnet, we will eliminate illegal immigration. Under this bill, every employer seeking to hire a worker must determine, using our employment verification system, whether that prospective employee is here legally and can work. If the prospective employee is either a noncitizen with work authorization, a U.S. citizen with a passport or a resident of a State that agrees to share a driver's license with DHS—and all 50 States now have driver's licenses—then the prospective employee will have to produce that form of identification to their employer that matches the photo pulled up on the E-Verify database in order to work legally. This will eliminate the identity theft problem that plagues the current E-Verify system.

If the prospective employee is a U.S. citizen who does not have a passport or is not from a State that shares driver's licenses with DHS, then that individual—it is a very small number—will have to answer questions about their identity, generated randomly from their Social Security number, in order to prevent identity theft. Credit card companies have used this system to huge and positive effect.

Employers who do not use E-Verify or who hire illegal workers will be given severe penalties and be jailed for repeated violations. I know many on the other side have wanted to make E-Verify mandatory and permanent. We have heard that for years. Now, all of a sudden when we do it, it is not good enough.

Fourth, this bill also fundamentally alters the cost-benefit analysis for coming to the United States illegally by creating a new W visa worker program to encourage people to come here legally. Because of the bill's significantly enhanced border security, entry-exit, and employment verification, any person intending to come to the United States illegally will have to take great safety risks, at great personal and financial costs to come here. Once they are here, they will find there are no jobs available to support themselves.

Alternatively, they can choose to come legally and work as part of our W visa work program that is created for individuals to work in jobs where employers cannot find American workers but only if they can't find them. Up to 200,000 visas a year will be made available for this purpose. We start with a program that can grow as our economy grows and creates more jobs and is flexibly related to the rate of unemployment.

In addition, a new agricultural program will be set up to replace the previously illegal flow of agricultural workers. Given that the Census Bureau and the Pew Hispanic Center have estimated the illegal flow in past years to be around 400,000 people per year, there should be enough visas to meet any demand for additional workers that might exist.

If more legal workers are needed, the newly formed Bureau of Immigration and Labor Market Research can provide additional visas to permit more workers to enter in occupations they find have shortages of workers.

Given these new programs, it would no longer make any sense for intending illegal immigrants to spend tens of thousands of dollars and risk their lives to come here illegally. Illegal immigration will be a thing of the past.

Fifth, the bill will protect American workers in four ways: Because of the new employment verification system Americans will no longer have to compete for jobs with unauthorized workers who can easily be exploited. I say to so many of my colleagues who are worried about this, I ride my bicycle around Brooklyn early in the morning. I see on various street corners congregating young men, mainly, and some guy on a truck comes over and says: I will give you $15 to work on roofing on a few houses I am building. I guarantee he doesn't say he will pay them $2 above minimum wage and give them an hour off for lunch. Those illegal immigrants are driving down the wage base, particularly in lower skilled places. That will end.

Second, in the bill's legal worker programs, Americans must be recruited first before any foreign worker will be hired.

In addition, all foreign workers will be required to be paid the same wage as an American would be paid for that job, meaning that a foreign worker will never be hired to undercut an American worker's wage.

All foreign workers will be given portability to change employers if they don't like their current employment situation. This means employers will no longer choose foreign workers over American workers because they have more control over those workers.

Finally, this is also a very fair bill—and we have, of course—I don't go into it here for lack of time—an H–1B system and a system that says if you are a foreigner who studies in an American college and gets an M.A. or Ph.D. in STEM—science, technology, engineering, and math—you will get a green card. These are the very people who in the past have created new companies and created tens of thousands, hundreds of thousands of new jobs in America. Now, if they want to come to America after they study here or stay in America, we send them away and they go to Canada and Australia. That would not happen anymore under this bill.

Finally, it is a very fair bill for legal immigration and resolving the status of the people who are here. We create a system, as I mentioned, that allows America to attract and retain the best and brightest minds from around the world in science, math, finance, technology, the arts, and more, fundamental to maintaining America's preeminence in a an increasingly competitive global marketplace. We also provided a JOLT—J-O-L-T—to our travel industry by making it easier for foreign nationals to come to the United States and spend their lucrative vacation dollars here instead of somewhere else.

Of great importance, and perhaps the dividing line between some in this Chamber and the rest of us, we give the 11 million people here a chance to come out of the shadows and earn a path to citizenship after spending 10 years on probation, working, keeping their nose clean, learning English and civics, and paying their taxes. It is a tough path to citizenship, but it is a fair path, and it is a path we make sure will happen, providing the specific metrics in our border security provisions are met.

Our bill requires all of these important enforcement resources I have described to be put in place before we give the individuals a path to citizenship. We in the Group of 8 agree that is fair to ask. The Federal Government should have to put the resources in place that we promised, as necessary, to get the job done. That is entirely within our control and we will live up to our work. But by the same token, we will not leave these 11 million people in immigration limbo forever. It makes no sense to have people living here permanently who have not invested in America. This is the huge mistake Europe has made. We see the ill effects every day on the news of what happens in European countries that have not

integrated their immigrant populations. Those populations become affected by a sense of alienation, a lack of opportunity, a lack of upward mobility. That is not America. Here we give people the chance to be all they can be through their hard work. We want people here to be serving on juries, serving in the military, and saying to people that they are just as American as anybody else.

In my city—the city in which I was raised and in which I live—there is that beautiful lady in the harbor with that bright torch. That has been America, and that lady has said through the centuries: If you come here and work hard, stay clear of the law, no matter who you are and what your economic level is, we welcome you. We want you to become an American.

We are not going to take that away. That would be just as dramatic a change in this country we love so much as tearing up the Bill of Rights. It has been part and parcel, warp and woof, of America.

To those who suggest having some secondary status, to those who say let's put into the bill an excuse so someone 3 years from now can say no one can become a citizen, we say: No. We have some basic principles we will not compromise and that is at the top of the list.

In conclusion, I wish to send this message loudly and clearly to all who might be listening today. We are interested in compromises that will make this bill even stronger and more secure. Our group does not claim to have a monopoly on wisdom. We will hear out any of our colleagues from either side of the aisle who have good-faith suggestions on how to improve this bill.

I have heard some say we should not consider any further changes to the bill and dare the other side to vote against it. I reject that approach. We are not interested in scoring a political victory to help one party; we are interested in passing a law that changes the awful status quo, solves the problem, and makes America an even greater and better place. Just because the process has been, to date, so encouraging does not mean we can take anything for granted. So we welcome constructive input from our colleagues and we want to work with them. But the one thing none of us will do is condition the path to citizenship on factors that may not ever happen in order to appear tough.

We are committed to border security. We are committed to ending illegal immigration. But we are equally committed to allowing people the right to earn their way to become an American citizen if they work hard, play by the rules, learn English, and avoid criminality.

Just as I believe to my core that border security should not be a bargaining chip, I also believe to my core that leaving people in immigration limbo, uninvested in America and its successes, is also something we should not do just to pass a bill. I commit in good faith to every one of my colleagues in this Chamber who wants to work with me to improve the bill that I am open to any ideas. But for those of my colleagues who will not support this legislation, I simply ask the question: How would you solve this problem? The answers are not simple. That is why it has taken us months to get to where we are today.

This bill represents our best chance for a broad bipartisan compromise on a complex issue that we have had for decades.

I hope all of us take this opportunity very seriously. I hope we all do what we can to show the American people that their lawmakers do still have the ability to solve difficult problems that affect every one of our daily lives.

With that, I ask that my colleagues will agree to work with us in good faith to improve this bill and to give a resounding vote—from both sides of the aisle—of support for this bill when it comes to final passage.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CRUZ. Mr. President, I very much want commonsense immigration reform to pass. This bill is going to pass the Senate. But, as written, this bill will not pass the House. As written, this bill will not pass into law. And if this bill did become law, it would not solve the problem—indeed, it would make the problem of illegal immigration that we have today worse rather than better.

If you likewise want to see commonsense immigration reform pass, then you have reason to be both optimistic and pessimistic. You have reason for optimism because there is widespread bipartisan agreement on many aspects of immigration.

Outside of Washington, DC, there is widespread bipartisan agreement that, No. 1, our current immigration system is broken, it is not working; No. 2, that we have to get serious about securing the borders, about doing everything we can to stop illegal immigration—that in a post-9/11 world it does not make any sense that we do not know who is coming into this country; we do not know their history; we do not know their background—and, No. 3, that we need to improve and streamline legal immigration, that we need to remain a Nation that does not just welcome but that celebrates legal immigration.

On those basic principles there is widespread bipartisan agreement. If this body were to focus on those areas of bipartisan agreement, that is how we would get an immigration bill passed into law—not just by one Chamber of Congress but actually passed into law.

The reason, however, for pessimism is that to date the conduct of the White House and the Senate Democrats, who have been driving this process, suggests they are more interested in finding a partisan issue to campaign on in 2014 and 2016 than in actually passing a bill to fix our broken immigration system.

Of all of the issues swirling about this bill, the path to citizenship for those who are here illegally is the single most divisive issue; and that is the issue on which the Obama White House and the Senate Democrats insist. By insisting on that division, I believe they, by design, destine this bill to be voted down. I think if we do not end up fixing our immigration system, that would be a very unfortunate outcome.

I would note in the Judiciary Committee we spent considerable time considering amendments to this bill. At the outset of the markup, I observed that I hoped it would be a real markup, that the majority had the votes, if they wanted, to reject every substantive amendment, but I very much hoped they would not, that they would be willing to work with the members of the committee to improve the bill to make it fix the problem.

Sadly, at the end of the markup, I was forced to observe it had played out exactly as I feared it might at the beginning; namely, that the majority of Democrats on the committee voted down just about every single major substantive amendment that was presented, one after the other after the other. What they repeatedly said was there had been a deal that was cut—a deal that was cut with the union bosses, with the interest groups—and that deal could not be changed. Well, if that is the case, that deal is not going to get passed into law.

In my view, this legislation has two major problems. The first is it does not fix the problem. In 1986, Congress passed major immigration reform—the last time we addressed and successfully passed immigration reform—and that bill had two major components: No. 1, it granted amnesty, explicit, full-out amnesty for some 3 million people who were then here illegally. The American people were told: This amnesty will be in exchange for securing the borders. In 1986 Congress told the American people: We are granting amnesty, but in exchange we will fix the problem so illegal immigration will go away as a problem. Once these 3 million get amnesty, there will be no more.

Now, sadly, we are here some 30 years later and instead of 3 million there are roughly 11 million people here illegally. Because what happened in 1986 is the amnesty happened and the borders never got secured. If this bill were to pass into law, in 10, 20, 30 years we would be back here talking about another 10, 20, 30 million people here illegally. Because, like the 1986 bill, this bill will not fix the problem, and, indeed, it will exacerbate it.

This bill is enormously complicated. Indeed, this bill, as currently written, is 1,076 pages—1,076 pages. It is longer than the Dodd-Frank bill, which was 848 pages. It is roughly half the size of ObamaCare, which was over 2,000 pages. In these 1,076 pages, there are, right now, over 1,000 waivers given to the

Secretary of Homeland Security and other members of the executive branch to waive law enforcement provisions, to waive border security, to give to the executive more standardless, unreviewable discretion. That, unfortunately, would only serve to exacerbate the problem.

Illegal immigration is an enormous problem. It is an enormous problem in my home State of Texas, where I have spent real time down on the border visiting with ranchers, with farmers, with people living on the border, who every week have people coming illegally across their property, who no longer lock their doors at home because they have discovered if they lock their doors, they just get broken into. So it is simpler not to lock the doors rather than deal with the damage of the locks being broken or the doors kicked in.

If you look at the numbers, in fiscal year 2012, the Border Patrol reported 463 deaths, 549 assaults, and 1,312 rescues.

Let me point out, this current system is the opposite of humane. This current system ends up having vulnerable people coming here seeking freedom, entrusting themselves to coyotes, to drug cartels, to traffickers, and being left—sometimes women and children—to die in the desert, being left sometimes subject to sexual assault, to exploitation, to trafficking.

The U.S. Department of State estimates that 14,000 to 17,000 people are trafficked into the United States every single year. And when it comes to the drug cartels and their role in facilitating illegal immigration, the volume is staggering. Between 2006 and 2013, there were 9.28 million pounds of marijuana, cocaine, methamphetamine, and heroin seized in Texas alone. To put that in perspective, the space shuttle weighs about 4.5 million pounds, which means there was twice as much—two space shuttles' worth—of illegal-drugs-seized traffic across the border.

But the second major failing of this bill: It is not likely to pass. There are not 218 votes in the House of Representatives to pass a pathway to citizenship. My friends on the Democratic side of the aisle know that, but I think they have made a political judgment that they want to campaign on this issue rather than rolling up their sleeves and saying: How do we actually get a bill that can pass into law? That is what I hope this body does.

In the course of the markup, I worked very hard to try to improve this bill because I want to see a bill that fixes the problem passed into law. Specifically, I offered five amendments to fix the bill, to fix the problem. Those amendments were all voted down, with every Democrat on the committee voting against them.

On the floor of the Senate, I hope to offer the same amendments. If they are voted down again, and this body passes that bill, I very much hope the House of Representatives will look to these amendments as providing a pathway to fixing this bill, to actually addressing the problem.

The first amendment I offered was an amendment to actually secure the borders. The amendment I offered, unlike the current bill, which requires the Secretary of Homeland Security to prepare a plan—and the trigger is, when the Secretary prepares a plan, that triggers the legalization provisions of this bill. Well, a plan to plan is, by design, toothless. Instead, the amendment I offered would have tripled the size of the U.S. Border Patrol to put manpower on the ground, boots on the ground, to solve the problem. It would have increased fourfold the helicopters and fixed-wing assets and technology on the ground to solve the problem. It would have put in place a biometric entry-exit system because 40 percent of the illegal immigration we have comes from visa overstays.

Unfortunately, every single Democrat on the committee voted against that amendment.

I offered two amendments to improve and substantially increase legal immigration. On this point, let me pause for a second to note there is no more enthusiastic advocate of legal immigration in the Senate than I am. I am the son of an immigrant. I am the son of one who had been imprisoned and tortured in Cuba, who came to this country with nothing, seeking freedom, and we need to welcome and celebrate legal immigrants. So I offered two amendments focusing on improving legal immigration so we can continue to welcome those from all around the world coming here seeking freedom.

First, I offered an amendment concerning temporary high-skilled worker H–1B visas. H–1B high-skilled worker visas are overwhelmingly progrowth. The economic data indicates that for every 100 H–1B high-skilled workers who come into this country, 183 jobs are created for U.S. citizens. The amendment I offered would take the current cap of H–1B visas, which is at 65,000, and increase it fivefold to 325,000. The current bill, the Gang of 8 bill, goes up to 110,000. That is a step in the right direction, but it does not go nearly far enough. There is far more demand than that.

Right now, every year, we educate tens of thousands of foreign students at our universities. They get graduate degrees in mathematics, in engineering, in computer science. They get Ph.D.s, and then we send them back to their countries, where they start businesses there, they create businesses there, they create jobs there, and they compete against us. It makes absolutely no sense. I think we need to expand dramatically high-skilled workers, and my amendment would increase it fivefold.

Every single Democrat on the committee voted against it.

I would note that the proponents of the bill often find themselves in Silicon Valley telling our friends in the high-tech industry how they are champions for helping get more programmers, engineers, computer scientists into this country. Yet I note again every single Democrat on the Judiciary Committee voted against increasing H–1B high-skilled workers. We need to increase that cap.

The second amendment I offered that would increase legal immigration would double the overall cap on legal immigration from 675,000—the current statutory cap—to 1.35 million per year so we can have a legal system that has employment-based immigration. When people have jobs, they can meet areas of need, whether in agriculture or elsewhere. And they can also come for family unification.

I am sorry to say many of my friends on the left side of the aisle—who often describe themselves as advocates of the Hispanic community, advocates of immigrants—every Democrat on the Judiciary Committee voted in party line against increasing legal immigration and against doubling the caps of legal immigration.

Finally, I introduced two other amendments that were both directed at respecting and maintaining the rule of law. One amendment simply eliminated the pathway to citizenship. What it provided is those people who are here illegally shall not be eligible for citizenship.

It is important to note that under the existing bill, if my amendment had been adopted, those who are here illegally would be eligible for what is called RPI status, a legal status, and, indeed, in time would be eligible for legal permanent residency.

So the underlying bill gives legal status to the 11 million people who are here illegally. The amendment I introduced simply said there needs to be a consequence for having violated the law. It is unfair, in my opinion, to the millions of legal immigrants who followed the rules—who stayed in line, who stayed in their home country years or decades—to reward those who broke the law with a path to citizenship. I believe it is also critical to passing this bill to remove the path to citizenship, and yet every single Democrat on the committee voted party line against this amendment.

The final amendment I introduced was an amendment that provided that those who are here illegally shall not be eligible for State, local, or Federal means-tested welfare payments. This is an interesting issue because the advocates of the Gang of 8 bill frequently go on television and tell the American people: None of those granted amnesty in their bill will be given welfare. I have seen that. That is a central talking point.

If that talking point were true, this should have been a very easy amendment to adopt. Yet every single Democrat on the committee voted against this amendment. One of the reasons is, although the Gang of 8 bill for a period exempts those here illegally from Federal welfare, roughly $300 billion a year is spent in State welfare, and those

given amnesty under this bill would be eligible for a great portion of that State welfare immediately, means-tested welfare.

In my view we should welcome people from across the world, but the people we should be welcoming are those who are coming here to seek the American dream, to work hard. I believe that is the vast majority of immigrants who are coming here for a better life. We should not be putting into place systems where the hard-working American taxpayers are being taxed to provide welfare for those who are here illegally. I think that respects the rule of law to say we will welcome you here if you are working to provide for your family.

Each of those amendments was rejected. Often my friends on the Democratic side of the aisle would say something like: I may agree with this particular amendment, but there was a deal cut. I may agree, but the union bosses, the special interests, the people in the closed-door rooms who negotiated this deal, we agreed on a level and we cannot increase it. It may be good to increase high-skilled workers to 325,000, but we cut a deal with the union bosses and we cannot change it.

That is not how legislation should be drafted. We should be fixing the problem. We should be making our economy stronger. Right now, in my opinion, this bill is headed for failure. There should be no drama. There should be no confusion.

Let's be clear. This bill, I am convinced, is going to pass the Senate. In fact, I think it is going to pass the Senate with a substantial margin. In all likelihood, near the end of this process there will be an amendment or two directed at border security that the American people will be told: OK, this finally puts teeth into the border security provisions.

I hope those representations prove true.

Regardless of what happens on that, I believe the votes are already precooked that this bill is going to pass the Senate. Absent major revisions, absent revisions along the lines of the amendments I introduced in committee and intend to introduce on the floor again, this bill will crash and burn in the House. It is designed to do so. So how do we save it? If we actually want to fix the problem, not have a political game but fix the problem, the answer is the American people. The American people have to speak. If you want to see the border secured, pick up the phone and let your elected Representative know. Let Senators know, let Members of the House know. Speak out online, speak out publicly. When the American people speak out and speak out loudly, their voices are heard.

If you want legal immigration improved so that we welcome high-skilled workers, we welcome those seeking the American dream, speak out. If you want to respect the rule of law and not grant amnesty without securing the borders, speak out and speak out loud. Let me say, what needs to happen to change this dynamic is the key stakeholders need to decide that failure is not an option. The high-tech community, the business community, farmers and agricultural leaders need to decide that they are not willing to have this entire bill held hostage to a provision providing a pathway to citizenship that is certain to fail and designed to fail.

I want to speak finally to the Hispanic advocacy groups, to the many who passionately pour their hearts into trying to improve the conditions of those in this country, including the 11 million who are here illegally. I believe the current path this bill is on is a path that is, by design, going to yield it to being voted down. I think that is why the Obama White House is insisting on a pathway to citizenship.

I would note in 2007 then-Senator Obama stood on the floor of this Senate and played a key role in killing immigration reform then for the same reasons, for partisan reasons. Indeed, I would suggest a moment of clarity came in the Judiciary Committee markup when a senior Democrat, who is one of the sponsors of this bill, said: If there is no path to citizenship, there can be no reform.

I think that sentence summed it up. I certainly thank that senior Democrat for his candor because he made clear there was one overwhelming partisan objective, which is a path to citizenship. In his judgment, if that partisan objective could not be accomplished 100 percent, he was willing to do nothing, zero, to improve the border. He was willing to do nothing, zero, to improve legal immigration—nothing, zero, to expand high-tech immigration; nothing, zero, to improve farmers and agricultural workers; and most telling, nothing, zero, to improve the condition of the 11 million people currently here illegally because, based on the Obama White House position that with no path to citizenship we will take our marbles and go home, we will crater this entire bill. That outcome means those 11 million remain in the shadows, have no legal status. Whereas, if the proponents of this bill actually demonstrate a commitment not to politics, not to campaigning all the time, but to actually fixing this problem, to finding a middle ground, that would fix the problem and also allow for those 11 million people who are here illegally a legal status with citizenship off the table.

I believe that is the compromise that can pass. But, at least right now, the partisan advocates of this bill are not willing to accept that. The only thing that can change that is if the American people speak out. The only thing that can change that is if the stakeholders make clear to the Obama White House, to the Senate Democrats, failure is not an option; that if this fails, because as a political matter you insisted on a path to citizenship and threw everything else overboard, that failure would be unacceptable.

I very much hope we work together in a bipartisan manner to fix this problem in a way that secures the border, in a way that respects the rule of law, and in a way that improves legal immigration so we remain a nation that welcomes and celebrates legal immigrants.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, I have a more robust statement that I intend to make later. But since I understand the time is truncated, I will wait for that because I am not going to equivocate on something that I feel passionately about and something that I have worked on a long time as part of the Gang of 8 to achieve. So, hopefully, I will get to that later today.

I did want to take advantage of the time that is available to just create a certain context having just heard from my colleague from Texas. I am glad he acknowledges this bill will pass the Senate. I believe the bill will pass the Senate because the American people are tired of a broken immigration system that neither meets our values, preserves our security, or promotes our economy. That is what is driving the American people in poll after poll and saying it is time to fix our broken system.

Now, I have heard the comments about this bill will pass the Senate, but it will not pass the House. Well, having served in the House, I am not quite sure anybody can make that determination. Part of it will be what leadership wants to achieve in the House and what it does not seek to achieve.

I would not negotiate against myself, against a process in the House which I am unaware of at this moment of exactly how they are going to pursue it. So why would I seek to diminish the Senate's prerogative to send what they think is the appropriate reform on immigration to the House for their consideration. I would not want to do that. That is what conferences are all about.

So if the House has a different view as to how we reform our broken immigration system, has a different view as to how we ensure the national security of the United States, has a different view as to how we promote the economic interests that immigration reform does promote, has a different view as to how we ensure that workers' wages are not suppressed by having an underclass of millions of people who are exploited and therefore bringing down the wages of all other American workers, fine. Let them express their view and then we can come together in a conference and negotiate what hopefully can be a final version to be sent to the President.

I find it ironic that my colleague from Texas consistently refers to Senate Democrats insisting on a pathway to citizenship. I assume he takes the mantle of the Republican Party and says all Republicans believe there should be no pathway to citizenship. That, obviously, is rejected by the four

colleagues who worked with me for months: Senator MCCAIN, Senator GRAHAM, Senator FLAKE, and Senator RUBIO, who believe a pathway to citizenship is an important ingredient toward achieving the comprehensive reform we all want, as well as others who have expressed support for that concept.

I know it may be popular with some of my colleagues to invoke President Obama's name as some type of red herring in this process. The bottom line is the bill we are debating, or I hope we will be debating after the motion to proceed shortly, is about finding the fixes to our broken immigration system that was devised by four Democrats and four Republicans and has since been supported by more. So it is not about President Obama. It is about getting the Senate to function and to solve one of the critical issues facing this country.

I heard the suggestion that only Senate Democrats got amendments they wanted and they opposed amendments of Republicans in the Judiciary Committee. My understanding is that there were 136 amendments adopted in the Judiciary Committee, of which all but three were bipartisan amendments or Republican-sponsored amendments. So I respect that the Senator had amendments and maybe his view did not prevail, but it is not true that there was not a bipartisan process that led to 136 amendments to the original proposition of the Gang of 8 put forward in order to be able to move forward. As a matter of fact, I think some of those who have opposed and still oppose comprehensive immigration reform—I know there are some that if 10 angels came swearing from above that this would be the right policy for America, they would say, no, you are wrong to the 10 angels.

I get it. I understand where they are, but the process held in the Judiciary Committee was about as open, transparent, and fair as you could have. That is why there are 136 changes to our proposal by virtue of the Judiciary Committee.

Finally, this reference to union bosses. I don't know any union bosses who were in any room. As a matter of fact, part of the compromise is that labor didn't get everything it wanted, neither did the U.S. Chamber of Commerce. But they both agreed, and they were standing behind us when we announced this legislation, in saying this is good for America.

Big business, the AFL–CIO, United Farm Workers with the big agro growers in this country, the most progressive pro-immigrant groups with Grover Norquist and the Americans for Tax Reform, all say this legislation is what is important and necessary for America.

Everybody is entitled to their opinion, but you are not entitled to your own facts. I expect, during the course of this debate, to make sure that at least when we are debating, we are debating the same facts.

This legislation is good for our country. It will reform our broken immigration system. It will let me know who is here to pursue the American dream versus who might be here to do it harm. It will create economic opportunity for all Americans. It will add more taxpayers to the rolls of this country so there can be true, shared burden at the end of the day. It will create greater enterprise, as is exhibited by the high-tech companies, of which so many have been created by immigrants in this country.

I look forward to a fuller opportunity to present all of the reasons why this legislation, including tough border security provisions, more than ever before, more money spent than ever before—that this, in fact, will be spent in an intelligent way and in a way that ultimately, cumulatively, creates for border security more money than we are spending in domestic law enforcement as a whole.

I look forward to that opportunity.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I rise to talk about four claims this bill makes, these four claims that are on the chart, to disprove those claims under certain circumstances.

Before I do that, everybody who has spoken so far has said we have to pass a bill. I don't disagree with that but not just any bill. A bill that secures the border is very necessary. The status quo is not justifiable. We have to realize the reality of the fact that we can't gather 11 or 12 million people to deport, and if we did that, we would hurt the economy. That is the reality.

To get around that, we have to get a bill that gets through the Senate, the House of Representatives, and that the President approves.

My main goal throughout these next 2 or 3 weeks is to develop a bill that accomplishes that but to stress that a lot of things that have been said by the authors of this legislation are not accurate. I will take a few minutes to discuss how the authors have tried to sell the immigration bill and what I see as false advertising.

Legislators are in the business of selling ideas. With this bill, the American people are being sold a product. They are being asked to accept legalization and, in exchange, they would be assured through this legislation that the laws are going to be enforced.

Normally consumers are able to read the labels of things they are about to purchase. They would have to read about 1,175 pages of this bill to know what it truly says. Even a quick read of the bill would leave many shaking their heads in confusion.

You have heard the phrase, ''The devil is in the details.'' At first the proposal that the bipartisan group put forward sounded very reasonable, but we need to examine the fine print and take a closer look at what the bill does.

As I noted yesterday, I thought the framework; that is, when they started working on it, held hope. I realized the assurances the Gang of 8 made didn't translate when the bill language emerged.

They professed that the border would be secured and that people would earn their legal status. However, the bill, as drafted, is legalization first, enforcement later, if at all.

I would like to dive into the details and give a little reality check to those who expect this bill to do exactly as the authors promise. What do the proponents of this bill say the legislation will do?

The first thing on my chart is, ''People will have to pay a penalty'' to obtain legal status.

The bill lays out the application procedure. On page 972, a penalty is imposed on those who apply for registered provisional immigration status. It says that those who apply must pay $1,000 to the Department of Homeland Security. It waives the penalty for anyone under 21 years. Yet on the next page it allows the applicant to pay the penalty in installments. The bill says:

> The Secretary shall establish a process for collecting payments . . . that permit the penalty to be paid in periodic installments that shall be completed before the alien may be granted an extension of status.

In effect, this says the applicant has 6 years to pay the $1,000. That is how long it takes to get RPI status. In addition to the penalty, applicants would pay a processing fee, a level set by the Secretary.

The bill says the Secretary has the discretion to waive the processing fee for any classes of individuals that she chooses and may limit the maximum fee paid by a family.

The fact is, the bill doesn't actually require everyone to pay a penalty. In view of the waiver, it doesn't require anyone to pay it when they apply for legal status. In fact, they may never have to pay a penalty.

Let's go to No. 2 on the chart. ''People will have to pay back taxes'' to receive legal status. In reality, members of the Gang of 8 stated over and over that their bill would require undocumented individuals to pay back taxes prior to being granted legal status. However, the bill before us fails to make good on the promise. Proponents of the bill point to a provision in the bill that prohibits people from filing for legal status ''unless the applicant has satisfied any applicable Federal tax liability.''

It sounds good, right? As always, the devil is in the details. There are two important weaknesses with how the bill defines ''applicable Federal tax liability.''

First, the bill limits the definition to exclude employer taxes, Social Security taxes, Medicare taxes. Think of that exclusion.

Second, the bill does not require the payment of all back taxes legally owed. What it requires is a payment of taxes assessed by the Internal Revenue Service. Think of the IRS assessing. In

order to assess a tax, the IRS first must have information on which to base this assessment. Our tax system is largely a voluntary system on self-reporting. It also relies on certain third-party reporting, such as wages reported by the employer; that is, the W–2 form.

If someone has been working unlawfully in the country and working off the books, it is likely that neither an individual return or third-party return will exist. Thus, no assessment will exist and no taxes will be paid.

Similarly, it is very unlikely that an assessment will exist for those who have worked under false Social Security numbers and never paid a tax. A legal obligation exists to pay taxes on all income from whatever sources derived. Nothing in this bill provides a requirement or a mechanism to accomplish this prior to granting legal status.

One of the gang members in January said this:

Shouldn't citizens pay back taxes? We can trace their employment back. It doesn't take a genius.

While it may seem common sense, the other side of the aisle is going to argue that establishing the requirement to pay back taxes owed, rather than assessed, is unworkable and costly. They will also claim that imposing additional tax barriers on this population could prevent undocumented workers and their families from coming forward.

The sales pitch has been clear. To get legal status, one has to pay back taxes. Let me provide a reality check. The bill doesn't make good on the promises made.

Third, they say people will have to learn English. In reality, the bill as drafted is supposed to ensure that new Americans speak a common language. Learning English is a way new residents assimilate. This is an issue that is very important. Immigrants before us made a concerted effort to learn English. The proponents are claiming the bill fulfills this wish.

However, the bill does not require people here unlawfully to learn English before receiving legal status or even a green card. Under section 2101, a person with RPI status who applies for a green card only has to pursue a course of study to achieve an understanding of English and knowledge and understanding of civics.

If the people who gain legal access ever apply for citizenship—and some doubt this will happen to a majority of the undocumented population—they would have to pass an English proficiency exam as required under current law. Yes, after 13 years one would have to pass an exam, but the bill does very little to ensure that those who come out of the shadows will cherish or use an English language. The reality is that English isn't as much of a priority for the proponents of the bill as much as they claim it is.

Fourth and last, they say, ''People won't get public benefits'' when they choose to apply for legal status. The reality is Americans are very compassionate and generous. Many people can understand providing some legal status to people here illegally. One major sticking point, for those who question a legalization program, is the fact that lawbreakers could become eligible for public benefits and taxpayer subsidies.

The authors of the bill understood this, thank God. In an attempt to show that those who receive RPI status would not receive taxpayers' benefits, they included a provision that prohibited the population from receiving certain benefits. There are two major problems with the bill on this point.

First, those who receive RPI status will be immediately eligible for State and local welfare benefits. For instance, many States offer cash, medical, and food assistance through State-only programs to lawfully present citizens.

Second, the bill contains a welfare waiver loophole that could allow those with RPI status to receive Federal welfare dollars. The Obama administration has pushed the envelope by waiving welfare laws. If this loophole isn't closed, they could waive existing laws and allow funds provided under the welfare block grant, known as Temporary Assistance to Needy Families, to be provided to noncitizens.

Senator HATCH had an amendment during committee markup that would prohibit U.S. Department of HHS from waiving certain requirements of the TANF Program. His amendment would also prohibit any Federal agency from waiving restriction on eligibility of immigrants for public benefits.

The reality check for the American people is that there are loopholes and the potential for public benefits to go to those who are legalized under the bill.

Again, the devil is in the details. I hope this reality check will encourage proponents of the bill to fix these problems before the bill is passed in the Senate.

The American people deserve truth in advertising. We can't maintain the status quo on immigration. A bill should pass, but the bill that passes should actually do what the authors say it will do. I have tried to point out some of the promises that may not be kept.

Authorized waivers in this bill—and I have used that word a few times—delegate to the Secretary to actually take action contrary to what is claimed by the authors and, hence, can undercut the intentions of the authors. We should legislate then and not delegate.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the motion to proceed to S. 744.

Mr. GRASSLEY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The bill clerk called the roll.

Mr. CORNYN. The following Senator is necessarily absent: the Senator from Arizona (Mr. MCCAIN).

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

The result was announced—yeas 84, nays 15, as follows:

[Rollcall Vote No. 147 Leg.]

YEAS—84

Alexander	Flake	Mikulski
Ayotte	Franken	Moran
Baldwin	Gillibrand	Murkowski
Baucus	Graham	Murphy
Begich	Grassley	Murray
Bennet	Hagan	Nelson
Blumenthal	Harkin	Paul
Blunt	Hatch	Portman
Boxer	Heinrich	Pryor
Brown	Heitkamp	Reed
Burr	Heller	Reid
Cantwell	Hirono	Rockefeller
Cardin	Hoeven	Rubio
Carper	Isakson	Sanders
Casey	Johanns	Schatz
Chambliss	Johnson (SD)	Schumer
Chiesa	Johnson (WI)	Shaheen
Coats	Kaine	Stabenow
Coburn	King	Tester
Collins	Klobuchar	Thune
Coons	Landrieu	Toomey
Corker	Leahy	Udall (CO)
Cornyn	Levin	Udall (NM)
Cowan	Manchin	Warner
Donnelly	McCaskill	Warren
Durbin	McConnell	Whitehouse
Feinstein	Menendez	Wicker
Fischer	Merkley	Wyden

NAYS—15

Barrasso	Enzi	Roberts
Boozman	Inhofe	Scott
Cochran	Kirk	Sessions
Crapo	Lee	Shelby
Cruz	Risch	Vitter

NOT VOTING—1

McCain

The motion was agreed to.

BORDER SECURITY, ECONOMIC OPPORTUNITY, AND IMMIGRATION MODERNIZATION ACT

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 744) to provide for comprehensive immigration reform and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, 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 ''Border Security, Economic Opportunity, and Immigration Modernization Act''.

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

SEC. 2. STATEMENT OF CONGRESSIONAL FINDINGS.

Congress makes the following findings:

(1) The passage of this Act recognizes that the primary tenets of its success depend on securing the sovereignty of the United States of America and establishing a coherent and just system for integrating those who seek to join American society.

(2) We have a right, and duty, to maintain and secure our borders, and to keep our country safe and prosperous. As a Nation founded, built and sustained by immigrants we also have a responsibility to harness the power of that tradition in a balanced way that secures a more prosperous future for America.

(3) We have always welcomed newcomers to the United States and will continue to do so. But in order to qualify for the honor and privilege of eventual citizenship, our laws must be followed. The world depends on America to be strong—economically, militarily and ethically. The establishment of a stable, just, and efficient immigration system only supports those goals. As a Nation, we have the right and responsibility to make our borders safe, to establish clear and just rules for seeking citizenship, to control the flow of legal immigration, and to eliminate illegal immigration, which in some cases has become a threat to our national security.

(4) All parts of this Act are premised on the right and need of the United States to achieve these goals, and to protect its borders and maintain its sovereignty.

SEC. 3. EFFECTIVE DATE TRIGGERS.

(a) DEFINITIONS.—In this section:

(1) COMMISSION.—The term ''Commission'' means the Southern Border Security Commission established pursuant to section 4.

(2) COMPREHENSIVE SOUTHERN BORDER SECURITY STRATEGY.—The term ''Comprehensive Southern Border Security Strategy'' means the strategy established by the Secretary pursuant to section 5(a) to achieve and maintain an effectiveness rate of 90 percent or higher in all border sectors.

(3) EFFECTIVE CONTROL.—The term ''effective control'' means the ability to achieve and maintain, in a Border Patrol sector—

(A) persistent surveillance; and

(B) an effectiveness rate of 90 percent or higher.

(4) EFFECTIVENESS RATE.—The ''effectiveness rate'', in the case of a border sector, is the percentage calculated by dividing the number of apprehensions and turn backs in the sector during a fiscal year by the total number of illegal entries in the sector during such fiscal year.

(5) SOUTHERN BORDER.—The term ''Southern border'' means the international border between the United States and Mexico.

(6) SOUTHERN BORDER FENCING STRATEGY.—The term ''Southern Border Fencing Strategy'' means the strategy established by the Secretary pursuant to section 5(b) that identifies where fencing (including double-layer fencing), infrastructure, and technology, including at ports of entry, should be deployed along the Southern border.

(b) BORDER SECURITY GOAL.—The Department's border security goal is to achieve and maintain effective control in all border sectors along the Southern border.

(c) TRIGGERS.—

(1) PROCESSING OF APPLICATIONS FOR REGISTERED PROVISIONAL IMMIGRANT STATUS.—Not earlier than the date upon which the Secretary has submitted to Congress the Notice of Commencement of implementation of the Comprehensive Southern Border Security Strategy and the Southern Border Fencing Strategy under section 5 of this Act, the Secretary may commence processing applications for registered provisional immigrant status pursuant to section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act.

(2) ADJUSTMENT OF STATUS OF REGISTERED PROVISIONAL IMMIGRANTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may not adjust the status of aliens who have been granted registered provisional immigrant status, except for aliens granted blue card status under section 2201 of this Act or described in section 245D(b) of the Immigration and Nationality Act, until the Secretary, after consultation with the Comptroller General of the United States, submits to the President and Congress a written certification that—

(i) the Comprehensive Southern Border Security Strategy has been submitted to Congress and is substantially deployed and substantially operational;

(ii) the Southern Border Fencing Strategy has been submitted to Congress, implemented, and is substantially completed;

(iii) the Secretary has implemented the mandatory employment verification system required by section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a), as amended by section 3101, for use by all employers to prevent unauthorized workers from obtaining employment in the United States; and

(iv) the Secretary is using an electronic exit system at air and sea ports of entry that operates by collecting machine-readable visa or passport information from air and vessel carriers.

(B) EXCEPTION.—The Secretary shall permit registered provisional immigrants to apply for an adjustment to lawful permanent resident status if—

(i)(I) litigation or a force majeure has prevented 1 or more of the conditions described in clauses (i) through (iv) of subparagraph (A) from being implemented; or

(II) the implementation of subparagraph (A) has been held unconstitutional by the Supreme Court of the United States or the Supreme Court has granted certiorari to the litigation on the constitutionality of implementation of subparagraph (A); and

(ii) 10 years have elapsed since the date of the enactment of this Act.

(d) WAIVER OF LEGAL REQUIREMENTS NECESSARY FOR IMPROVEMENT AT BORDERS.—Notwithstanding any other provision of law, the Secretary is authorized to waive all legal requirements that the Secretary determines to be necessary to ensure expeditious construction of the barriers, roads, or other physical tactical infrastructure needed to fulfill the requirements under this section. Any determination by the Secretary under this section shall be effective upon publication in the Federal Register of a notice that specifies each law that is being waived and the Secretary's explanation for the determination to waive that law. The waiver shall expire on the later of the date on which the Secretary submits the written certification that the Southern Border Fencing Strategy is substantially completed as specified in subsection (c)(2)(A)(ii) or the date that the Secretary submits the written certification that the Comprehensive Southern Border Security Strategy is substantially deployed and substantially operational as specified in subsection (c)(2)(A)(i).

(e) FEDERAL COURT REVIEW.—

(1) IN GENERAL.—The district courts of the United States shall have exclusive jurisdiction to hear all causes or claims arising from any action undertaken, or any decision made, by the Secretary under subsection (d). A cause of action or claim may only be brought alleging a violation of the Constitution of the United States. The court does not have jurisdiction to hear any claim not specified in this paragraph.

(2) TIME FOR FILING COMPLAINT.—If a cause or claim under paragraph (1) is not filed within 60 days after the date of the contested action or decision by the Secretary, the claim shall be barred.

(3) APPELLATE REVIEW.—An interlocutory or final judgment, decree, or order of the district court may be reviewed only upon petition for a writ of certiorari to the Supreme Court of the United States.

SEC. 4. SOUTHERN BORDER SECURITY COMMISSION.

(a) ESTABLISHMENT.—If the Secretary certifies that the Department has not achieved effective control in all border sectors during any fiscal year beginning before the date that is 5 years after the date of the enactment of this Act, not later than 60 days after such certification, there shall be established a commission to be known as the ''Southern Border Security Commission'' (referred to in this section as the ''Commission'').

(b) COMPOSITION.—

(1) IN GENERAL.—The Commission shall be composed of—

(A) 2 members who shall be appointed by the President;

(B) 2 members who shall be appointed by the President pro tempore of the Senate, of which—

(i) 1 shall be appointed upon the recommendation of the leader in the Senate of the political party that is not the political party of the President; and

(ii) 1 shall be appointed upon the recommendation of the leader in the Senate of the other political party;

(C) 2 members who shall be appointed by the Speaker of the House of Representatives, of which—

(i) 1 shall be appointed upon the recommendation of the leader in the House of Representatives of the political party that is not the political party of the President; and

(ii) 1 shall be appointed upon the recommendation of the leader in the House of Representatives of the other political party; and

(D) 4 members, consisting of 1 member from each of the States along the Southern border, who shall be—

(i) the Governor of such State; or

(ii) appointed by the Governor of each such State.

(2) QUALIFICATION FOR APPOINTMENT.—Appointed members of the Commission shall be distinguished individuals noted for their knowledge and experience in the field of border security at the Federal, State, or local level.

(3) TIME OF APPOINTMENT.—The appointments required by paragraph (1) shall be made not later than 60 days after the Secretary makes a certification described in subsection (a).

(4) CHAIR.—At the first meeting of the Commission, a majority of the members of the Commission present and voting shall elect the Chair of the Commission.

(5) VACANCIES.—Any vacancy of the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(6) RULES.—The Commission shall establish the rules and procedures of the Commission which shall require the approval of at least 6 members of the Commission.

(c) DUTIES.—The Commission's primary responsibility shall be to make recommendations to the President, the Secretary, and Congress on policies to achieve and maintain the border security goal specified in section 3(b) by achieving and maintaining—

(1) the capability to engage in, and engaging in, persistent surveillance in border sectors along the Southern border; and

(2) an effectiveness rate of 90 percent or higher in all border sectors along the Southern border.

(d) REPORT.—Not later than 180 days after the end of the 5-year period described in subsection (a), the Commission shall submit to the President, the Secretary, and Congress a report setting forth specific recommendations for policies for achieving and maintaining the border security goals specified in subsection (c). The report shall include, at a minimum, recommendations for the personnel, infrastructure, technology, and other resources required to achieve and maintain an effectiveness rate of 90 percent or higher in all border sectors.

(e) TRAVEL EXPENSES.—Members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(f) ADMINISTRATIVE SUPPORT.—The Secretary shall provide the Commission such staff and administrative services as may be necessary and appropriate for the Commission to perform its functions. Any employee of the executive branch of Government may be detailed to the Commission without reimbursement to the agency of that employee and such detail shall be without interruption or loss of civil service or status or privilege.

(g) COMPTROLLER GENERAL REVIEW.—The Comptroller General of the United States shall review the recommendations in the report submitted under subsection (d) in order to determine—

(1) whether any of the recommendations are likely to achieve effective control in all border sectors;

(2) which recommendations are most likely to achieve effective control; and

(3) whether such recommendations are feasible within existing budget constraints.

(h) TERMINATION.—The Commission shall terminate 30 days after the date on which the report is submitted under subsection (d).

SEC. 5. COMPREHENSIVE SOUTHERN BORDER SECURITY STRATEGY AND SOUTHERN BORDER FENCING STRATEGY.

(a) COMPREHENSIVE SOUTHERN BORDER SECURITY STRATEGY.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit a strategy, to be known as the ''Comprehensive Southern Border Security Strategy'', for achieving and maintaining effective control between the ports of entry in all border sectors along the Southern border, to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Homeland Security of the House of Representatives;

(C) the Committee on Appropriations of the Senate;

(D) the Committee on Appropriations of the House of Representatives;

(E) the Committee on the Judiciary of the Senate;

(F) the Committee on the Judiciary of the House of Representatives; and

(G) the Comptroller General of the United States.

(2) ELEMENTS.—The Comprehensive Southern Border Security Strategy shall specify—

(A) the priorities that must be met for the strategy to be successfully executed;

(B) the capabilities that must be obtained to meet each of the priorities referred to in subparagraph (A), including—

(i) surveillance and detection capabilities developed or used by the Department of Defense to increase situational awareness; and

(ii) the requirement for stationing sufficient Border Patrol agents and Customs and Border Protection officers between and at ports of entry along the Southern border; and

(C) the resources, including personnel, infrastructure, and technology that must be procured and successfully deployed to obtain the capabilities referred to in subparagraph (B), including—

(i) fixed, mobile, and agent portable surveillance systems; and

(ii) unarmed, unmanned aerial systems and unarmed, fixed-wing aircraft and necessary and qualified staff and equipment to fully utilize such systems.

(3) ADDITIONAL ELEMENTS REGARDING EXECUTION.—The Comprehensive Southern Border Security Strategy shall describe—

(A) how the resources referred to in paragraph (2)(C) will be properly aligned with the priorities referred to in paragraph (2)(A) to ensure that the strategy will be successfully executed;

(B) the interim goals that must be accomplished to successfully implement the strategy; and

(C) the schedule and supporting milestones under which the Department will accomplish the interim goals referred to in subparagraph (B).

(4) IMPLEMENTATION.—

(A) IN GENERAL.—The Secretary shall commence the implementation of the Comprehensive Southern Border Security Strategy immediately after submitting the strategy under paragraph (1).

(B) NOTICE OF COMMENCEMENT.—Upon commencing the implementation of the strategy, the Secretary shall submit a notice of commencement of such implementation to—

(i) Congress; and

(ii) the Comptroller General of the United States.

(5) SEMIANNUAL REPORTS.—

(A) IN GENERAL.—Not later than 180 days after the Comprehensive Southern Border Security Strategy is submitted under paragraph (1), and every 180 days thereafter, the Secretary shall submit a report on the status of the Department's implementation of the strategy to—

(i) the Committee on Homeland Security and Governmental Affairs of the Senate;

(ii) the Committee on Homeland Security of the House of Representatives;

(iii) the Committee on Appropriations of the Senate;

(iv) the Committee on Appropriations of the House of Representatives;

(v) the Committee on the Judiciary of the Senate;

(vi) the Committee on the Judiciary of the House of Representatives; and

(vii) the Comptroller General of the United States.

(B) ELEMENTS.—Each report submitted under subparagraph (A) shall include—

(i) a detailed description of the steps the Department has taken, or plans to take, to execute the strategy submitted under paragraph (1), including the progress made toward achieving the interim goals and milestone schedule established pursuant to subparagraphs (B) and (C) of paragraph (3);

(ii) a detailed description of—

(I) any impediments identified in the Department's efforts to execute the strategy;

(II) the actions the Department has taken, or plans to take, to address such impediments; and

(III) any additional measures developed by the Department to measure the state of security along the Southern border; and

(iii) for each Border Patrol sector along the Southern border—

(I) the effectiveness rate for each individual Border Patrol sector and the aggregated effectiveness rate;

(II) the number of recidivist apprehensions, sorted by Border Patrol sector; and

(III) the recidivism rate for all unique subjects that received a criminal consequence through the Consequence Delivery System process.

(C) ANNUAL REVIEW.—The Comptroller General of the United States shall conduct an annual review of the information contained in the semiannual reports submitted by the Secretary under this paragraph and submit an assessment of the status and progress of the Southern Border Security Strategy to the committees set forth in subparagraph (A).

(b) SOUTHERN BORDER FENCING STRATEGY.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall establish a strategy, to be known as the ''Southern Border Fencing Strategy'', to identify where fencing (including double-layer fencing), infrastructure, and technology, including at ports of entry, should be deployed along the Southern border.

(2) SUBMISSION.—The Secretary shall submit the Southern Border Fencing Strategy to Congress and the Comptroller General of the United States for review.

(3) NOTICE OF COMMENCEMENT.—Upon commencing the implementation of the Southern Border Fencing Strategy, the Secretary shall submit a notice of commencement of the implementation of the Strategy to Congress and the Comptroller General of the United States.

(4) CONSULTATION.—

(A) IN GENERAL.—In implementing the Southern Border Fencing Strategy required by this subsection, the Secretary shall consult with the Secretary of the Interior, the Secretary of Agriculture, States, local governments, Indian tribes, and property owners in the United States to minimize the impact on the environment, culture, commerce, and quality of life for the communities and residents located near the sites at which such fencing is to be constructed.

(B) SAVINGS PROVISION.—Nothing in this paragraph may be construed to—

(i) create or negate any right of action for a State or local government or other person or entity affected by this subsection; or

(ii) affect the eminent domain laws of the United States or of any State.

(5) LIMITATION ON REQUIREMENTS.—Notwithstanding paragraph (1), nothing in this subsection shall require the Secretary to install fencing, or infrastructure that directly results from the installation of such fencing, in a particular location along the Southern border, if the Secretary determines that the use or placement of such resources is not the most appropriate means to achieve and maintain effective control over the Southern border at such location.

SEC. 6. COMPREHENSIVE IMMIGRATION REFORM FUNDS.

(a) COMPREHENSIVE IMMIGRATION REFORM TRUST FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury a separate account, to be known as the Comprehensive Immigration Reform Trust Fund (referred to in this section as the ''Trust Fund''), consisting of—

(A) amounts transferred from the general fund of the Treasury under paragraph (2)(A); and

(B) proceeds from the fees described in paragraph (2)(B).

(2) DEPOSITS.—

(A) INITIAL FUNDING.—On the later of the date of the enactment of this Act or October 1, 2013, $8,300,000,000 shall be transferred from the general fund of the Treasury to the Trust Fund.

(B) ONGOING FUNDING.—Notwithstanding section 3302 of title 31, United States Code, in addition to the funding described in subparagraph (A), and subject to paragraphs (3)(B) and (4), the following amounts shall be deposited in the Trust Fund:

(i) ELECTRONIC TRAVEL AUTHORIZATION SYSTEM FEES.—Fees collected under section 217(h)(3)(B)(i)(II) of the Immigration and Nationality Act, as added by section 1102(c).

(ii) REGISTERED PROVISIONAL IMMIGRANT PENALTIES.—Penalties collected under section 245B(c)(10)(C) of the Immigration and Nationality Act, as added by section 2101.

(iii) BLUE CARD PENALTY.—Penalties collected under section 2211(b)(9)(C).

(iv) FINE FOR ADJUSTMENT FROM BLUE CARD STATUS.—Fines collected under section 245F(a)(5) of the Immigration and Nationality Act, as added by section 2212(a).

(v) PENALTIES FOR FALSE STATEMENTS IN APPLICATIONS.—Fines collected under section 245F(f) of the Immigration and Nationality Act, as added by section 2212(a).

(vi) MERIT SYSTEM GREEN CARD FEES.—Fees collected under section 203(c)(6) of the Immigration and Nationality Act, as amended by section 2301(a)(2).

(vii) H–1B AND L VISA FEES.—Fees collected under section 281(d) of the Immigration and Nationality Act, as added by section 4105.

(viii) H–1B OUTPLACEMENT FEE.—Fees collected under section 212(n)(1)(F)(ii) of the Immigration and Nationality Act, as amended by section 4211(d).

(ix) H–1B NONIMMIGRANT DEPENDENT EMPLOYER FEES.—Fees collected under section 4233(a)(2).

(x) L NONIMMIGRANT DEPENDENT EMPLOYER FEES.—Fees collected under section 4305(a)(2).

(xi) J–1 VISA MITIGATION FEES.—Fees collected under section 281(e) of the Immigration and Nationality Act, as added by section 4407.

(xii) F–1 VISA FEES.—Fees collected under section 281(f) of the Immigration and Nationality Act, as added by section 4408.

(xiii) RETIREE VISA FEES.—Fees collected under section 214(w)(1)(B) of the Immigration and Nationality Act, as added by section 4504(b).

(xiv) VISITOR VISA FEES.—Fees collected under section 281(g) of the Immigration and Nationality Act, as added by section 4509.

(xv) H–2B VISA FEES.—Fees collected under section 214(x)(5)(A) of the Immigration and Nationality Act, as added by section 4602(a).

(xvi) NONIMMIGRANTS PERFORMING MAINTENANCE ON COMMON CARRIERS.—Fees collected under section 214(z) of the Immigration and Nationality Act, as added by section 4604.

(xvii) X–1 VISA FEES.—Fees collected under section 214(s)(6) of the Immigration and Nationality Act, as added by section 4801.

(xviii) PENALTY FOR ADJUSTMENT FROM REGISTERED PROVISIONAL IMMIGRANT STATUS.—Penalties collected under section 245C(c)(5)(B) of the Immigration and Nationality Act, as added by section 2102.

(C) AUTHORITY TO ADJUST FEES.—As necessary to carry out the purposes of this Act, the Secretary may adjust the amounts of the fees and penalties set out under subparagraph (B), except for the fines and penalties referred to in clauses (ii), (iii), (iv), or (xviii) of such subparagraph.

(3) USE OF FUNDS.—

(A) INITIAL FUNDING.—Of the amounts transferred to the Trust Fund pursuant to paragraph (2)(A)—

(i) $3,000,000,000 shall remain available for the 5-year period beginning on the date specified in paragraph (2)(A) for use by the Secretary to carry out the Comprehensive Southern Border Security Strategy;

(ii) $2,000,000,000 shall remain available for the 10-year period beginning on the date specified in paragraph (2)(A) for use by the Secretary to carry out programs, projects, and activities recommended by the Commission pursuant to section 4(d) to achieve and maintain the border security goal specified in section 3(b);

(iii) $1,500,000,000 shall be made available to the Secretary, during the 5-year period beginning on the date of the enactment of this Act, to procure and deploy fencing, infrastructure, and technology in accordance with the Southern Border Fencing Strategy established pursuant to section 5(b), not less than $1,000,000,000 of which shall be used to deploy, repair, or replace fencing;

(iv) $750,000,000 shall remain available for the 6-year period beginning on the date specified in paragraph (2)(A) for use by the Secretary to expand and implement the mandatory employment verification system, which shall be used as required by section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a), as amended by section 3101;

(v) $900,000,000 shall remain available for the 8-year period beginning on the date specified in paragraph (2)(A) for use by the Secretary of State to pay for one-time and startup costs necessary to implement this Act; and

(vi) $150,000,000 shall remain available for the 2-year period beginning on the date specified in paragraph (2)(A) for use by the Secretary for transfer to the Secretary of Labor, the Secretary of Agriculture, or the Attorney General, for initial costs of implementing this Act.

(B) REPAYMENT OF TRUST FUND EXPENSES.—The first $8,300,000,000 collected pursuant to the fees, penalties, and fines referred to in clauses (ii), (iii), (iv), (vi), (xiii), (xvii), and (xviii) of paragraph (2)(B) shall be collected, deposited in the general fund of the Treasury, and used for Federal budget deficit reduction. Collections in excess of $8,300,000,000 shall be deposited into the Trust Fund, as specified in paragraph (2)(B).

(C) PROGRAM IMPLEMENTATION.—Amounts deposited into the Trust Fund pursuant to paragraph (2)(B) shall be available during each of fiscal years 2014 through 2018 as follows:

(i) $50,000,000 to carry out the activities referenced in section 1104(a)(1).

(ii) $50,000,000 to carry out the activities referenced in section 1104(b).

(D) ONGOING FUNDING.—Subject to the availability of appropriations, amounts deposited in the Trust Fund pursuant to paragraph (2)(B) are authorized to be appropriated as follows:

(i) Such sums as may be necessary to carry out the authorizations included in this Act.

(ii) Such sums as may be necessary to carry out the operations and maintenance of border security and immigration enforcement investments referenced in subparagraph (A).

(E) EXPENDITURE PLAN.—The Secretary, in consultation with the Attorney General and the Secretary of Defense, shall submit to the Committee on Appropriations of the Senate, the Committee on the Judiciary of the Senate, the Committee on Appropriations of the House of Representatives, and the Committee on the Judiciary of the House of Representatives, in conjunction with the Comprehensive Southern Border Strategy and the Southern Border Fencing Strategy, a plan for expenditure that describes—

(i) the types and planned deployment of fixed, mobile, video, and agent and officer portable surveillance and detection equipment, including those recommended or provided by the Department of Defense;

(ii) the number of Border Patrol agents and Customs and Border Protection officers to be hired, including a detailed description of which Border Patrol sectors and which land border ports of entry they will be stationed;

(iii) the numbers and type of unarmed, unmanned aerial systems and unarmed, fixed-wing and rotary aircraft, including pilots, air interdiction agents, and support staff to fly or otherwise operate and maintain the equipment;

(iv) the numbers, types, and planned deployment of marine and riverine vessels, if any, including marine interdiction agents and support staff to operate and maintain the vessels;

(v) the locations, amount, and planned deployment of fencing, including double layer fencing, tactical and other infrastructure, and technology, including but not limited to fixed towers, sensors, cameras, and other detection technology;

(vi) the numbers, types, and planned deployment of ground-based mobile surveillance systems;

(vii) the numbers, types, and planned deployment of tactical and other interoperable law enforcement communications systems and equipment;

(viii) required construction, including repairs, expansion, and maintenance, and location of additional checkpoints, Border Patrol stations, and forward operating bases;

(ix) the number of additional attorneys and support staff for the Office of the United States Attorney for Tucson;

(x) the number of additional support staff and interpreters in the Office of the Clerk of the Court for Tucson;

(xi) the number of additional personnel, including Marshals and Deputy Marshals for the United States Marshals Office for Tucson;

(xii) the number of additional magistrate judges for the southern border United States District Courts;

(xiii) activities to be funded by the Homeland Security Border Oversight Task Force;

(xiv) amounts and types of grants to States and other entities;

(xv) amounts and activities necessary to hire additional personnel and for start-up costs related to upgrading software and information technology necessary to transition from a voluntary E-Verify system to mandatory employment verification system under section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) within 5 years;

(xvi) the number of additional personnel and other costs associated with implementing the immigration courts and removal proceedings mandated in subtitle E of title III;

(xvii) the steps the Commissioner of Social Security plans to take to create a fraud-resistant, tamper-resistant, wear-resistant, and identity-theft resistant Social Security card, including—

(I) the types of equipment needed to create the card;

(II) the total estimated costs for completion that clearly delineates costs associated with the acquisition of equipment and transition to operation, subdivided by fiscal year and including a description of the purpose by fiscal year for design, pre-acquisition activities, production, and transition to operation;

(III) the number and type of personnel, including contract personnel, required to research, design, test, and produce the card; and

(IV) a detailed schedule for production of the card, including an estimated completion date at the projected funding level provided in this Act; and

(xviii) the operations and maintenance costs associated with the implementation of clauses (i) through (xvii).

(F) ANNUAL REVISION.—The expenditure plan required in (E) shall be revised and submitted with the President's budget proposals for fiscal year 2016, 2017, 2018, and 2019 pursuant to the requirements of section 1105(a) of title 31, United States Code.

(G) COMMISSION EXPENDITURE PLAN.—

(i) REQUIREMENT FOR PLAN.—If the Southern Border Security Commission referenced in section 4 is established, the Secretary shall submit to the appropriate committees of Congress, not later than 60 days after the submission of the review required by section 4(g), a plan for expenditure that achieves the recommendations in the report required by section 4(d) and the review required by section 4(g).

(ii) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In clause (i), the term ''appropriate committees of Congress'' means—

(I) the Committee on Appropriations, the Committee on the Judiciary, and the Committee on Finance of the Senate; and

(II) the Committee on Appropriations, the Committee on the Judiciary, and the Committee on Ways and Means of the House of Representatives.

(4) LIMITATION ON COLLECTION.—

(A) IN GENERAL.—No fee deposited in the Trust Fund may be collected except to the extent that the expenditure of the fee is provided for in advance in an appropriations Act only to pay the costs of activities and services for which appropriations are authorized to be funded from the Trust Fund.

(B) RECEIPTS COLLECTED AS OFFSETTING RECEIPTS.—Until the date of the enactment of an Act making appropriations for the activities authorized under this Act through September 30, 2014, the fees authorized by paragraph (2)(B) that are not deposited into the general fund pursuant to paragraph (3)(B) may be collected and shall be credited as to the Trust Fund to remain available until expended only to pay the costs of activities and services for which appropriations are authorized to be funded from the Trust Fund.

(b) COMPREHENSIVE IMMIGRATION REFORM STARTUP ACCOUNT.—

(1) ESTABLISHMENT.—There is established in the Treasury a separate account, to be known as the ''Comprehensive Immigration Reform Startup Account,'' (referred to in this section as the ''Startup Account''), consisting of amounts transferred from the general fund of the Treasury under paragraph (2).

(2) DEPOSITS.—There is appropriated to the Startup Account, out of any funds in the Treasury not otherwise appropriated, $3,000,000,000, to remain available until expended on the later of the date that is—

(A) the date of the enactment of this Act; or

(B) October 1, 2013.

(3) REPAYMENT OF STARTUP COSTS.—

(A) IN GENERAL.—Notwithstanding section 286(m) of the Immigration and Nationality Act (8 U.S.C. 1356(m)), 50 percent of fees collected under section 245B(c)(10)(A) of the Immigration and Nationality Act, as added by section 2101 of this Act, shall be deposited monthly in the general fund of the Treasury and used for Federal budget deficit reduction until the funding provided by paragraph (2) has been repaid.

(B) DEPOSIT IN THE IMMIGRATION EXAMINATIONS FEE ACCOUNT.—Fees collected in excess of the amount referenced in subparagraph (A) shall be deposited in the Immigration Examinations Fee Account, pursuant to section 286(m) of the Immigration and Nationality Act (8 U.S.C. 1356(m)), and shall remain available until expended pursuant to section 286(n) of the Immigration and Nationality Act (8 U.S.C. 1356(n)).

(4) USE OF FUNDS.—The Secretary shall use the amounts transferred to the Startup Account

to pay for one-time and startup costs necessary to implement this Act, including—

(A) equipment, information technology systems, infrastructure, and human resources;

(B) outreach to the public, including development and promulgation of any regulations, rules, or other public notice;

(C) grants to community and faith-based organizations; and

(D) anti-fraud programs and actions related to implementation of this Act.

(5) EXPENDITURE PLAN.—Not later than 90 days after the date of the enactment of this Act, the Secretary, in consultation with the Attorney General and the Secretary of Defense, shall submit to the Committee on Appropriations and the Committee on the Judiciary of the Senate and the Committee on Appropriations and the Committee on the Judiciary of the House of Representatives, a plan for expenditure of the one-time and startup funds in the Startup Account that provides details on—

(A) the types of equipment, information technology systems, infrastructure, and human resources;

(B) the plans for outreach to the public, including development and promulgation of any regulations, rules, or other public notice;

(C) the types and amounts of grants to community and faith-based organizations; and

(D) the anti-fraud programs and actions related to implementation of this Act.

(c) ANNUAL AUDITS.—

(1) AUDITS REQUIRED.—Not later than October 1 each year beginning on or after the date of the enactment of this Act, the Chief Financial Officer of the Department of Homeland Security shall, in conjunction with the Inspector General of the Department of Homeland Security, conduct an audit of the Trust Fund.

(2) REPORTS.—Upon completion of each audit of the Trust Fund under paragraph (1), the Chief Financial Officer shall, in conjunction with the Inspector General, submit to Congress, and make available to the public on an Internet website of the Department available to the public, a jointly audited financial statement concerning the Trust Fund.

(3) ELEMENTS.—Each audited financial statement under paragraph (2) shall include the following:

(A) The report of an independent certified public accountant.

(B) A balance sheet reporting admitted assets, liabilities, capital and surplus.

(C) A statement of cash flow.

(D) Such other information on the Trust Fund as the Chief Financial Officer, the Inspector General, or the independent certified public accountant considers appropriate to facilitate a comprehensive understanding of the Trust Fund during the year covered by the financial statement.

(d) DETERMINATION OF BUDGETARY EFFECTS.—

(1) EMERGENCY DESIGNATION FOR CONGRESSIONAL ENFORCEMENT.—In the Senate, amounts appropriated by or deposited in the general fund of the Treasury pursuant to this section are 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.

(2) EMERGENCY DESIGNATION FOR STATUTORY PAYGO.—Amounts appropriated by or deposited in the general fund of the Treasury pursuant to this section are designated as an emergency requirement under section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)).

SEC. 7. REFERENCE TO THE IMMIGRATION AND NATIONALITY ACT.

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 Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

SEC. 8. DEFINITIONS.

In this Act:

(1) DEPARTMENT.—Except as otherwise provided, the term ''Department'' means the Department of Homeland Security.

(2) SECRETARY.—Except as otherwise provided, the term ''Secretary'' means the Secretary of Homeland Security.

SEC. 9. GRANT ACCOUNTABILITY.

(a) DEFINITIONS.—In this section:

(1) AWARDING ENTITIES.—The term ''awarding entities'' means the Secretary of Homeland Security, the Director of the Federal Emergency Management Agency (FEMA), the Chief of the Office of Citizenship and New Americans, as designated by this Act, and the Director of the National Science Foundation.

(2) NONPROFIT ORGANIZATION.—The term ''nonprofit organization'' means an organization that is described in section 501(c)(3) of the Internal Revenue Code of 1986 and is exempt from taxation under section 501(a) of such Code.

(3) UNRESOLVED AUDIT FINDING.—The term ''unresolved audit finding'' means a finding in a final audit report conducted by the Inspector General of the Department of Homeland Security, or the Inspector General for the National Science Foundation for grants awarded by the Director of the National Science Foundation, that the audited grantee has utilized grant funds for an unauthorized expenditure or otherwise unallowable cost that is not closed or resolved within 1 year from the date when the final audit report is issued.

(b) ACCOUNTABILITY.—All grants awarded by awarding entities pursuant to this Act shall be subject to the following accountability provisions:

(1) AUDIT REQUIREMENT.—

(A) AUDITS.—Beginning in the first fiscal year beginning after the date of the enactment of this section, and in each fiscal year thereafter, the Inspector General of the Department of Homeland Security, or the Inspector General for the National Science Foundation for grants awarded by the Director of the National Science Foundation, shall conduct audits of recipients of grants under this Act to prevent waste, fraud, and abuse of funds by grantees. The Inspector Generals shall determine the appropriate number of grantees to be audited each year.

(B) MANDATORY EXCLUSION.—A recipient of grant funds under this Act that is found to have an unresolved audit finding shall not be eligible to receive grant funds under this Act during the first 2 fiscal years beginning after the end of the 1-year period described in subsection (a)(3).

(C) PRIORITY.—In awarding grants under this Act, the awarding entities shall give priority to eligible applicants that did not have an unresolved audit finding during the 3 fiscal years before submitting an application for a grant under this Act.

(D) REIMBURSEMENT.—If an entity is awarded grant funds under this Act during the 2-fiscal-year period during which the entity is barred from receiving grants under subparagraph (B), the awarding entity shall—

(i) deposit an amount equal to the amount of the grant funds that were improperly awarded to the grantee into the General Fund of the Treasury; and

(ii) seek to recoup the costs of the repayment to the fund from the grant recipient that was erroneously awarded grant funds.

(2) NONPROFIT ORGANIZATION REQUIREMENTS.—

(A) PROHIBITION.—An awarding entity may not award a grant under this Act to a nonprofit organization that holds money in offshore accounts for the purpose of avoiding paying the tax described in section 511(a) of the Internal Revenue Code of 1986.

(B) DISCLOSURE.—Each nonprofit organization that is awarded a grant under this Act and uses the procedures prescribed in regulations to create a rebuttable presumption of reasonableness for the compensation of its officers, directors, trustees, and key employees, shall disclose to the awarding entity, in the application for the grant, the process for determining such compensation, including the independent persons involved in reviewing and approving such compensation, the comparability data used, and contemporaneous substantiation of the deliberation and decision. Upon request, the awarding entity shall make the information disclosed under this subparagraph available for public inspection.

(3) CONFERENCE EXPENDITURES.—

(A) LIMITATION.—No amounts authorized to be appropriated to the Department of Homeland Security or the National Science Foundation for grant programs under this Act may be used by an awarding entity or by any individual or entity awarded discretionary funds through a cooperative agreement under this Act to host or support any expenditure for conferences that uses more than $20,000 in funds made available by the Department of Homeland Security or the National Science Foundation unless the Deputy Secretary for Homeland Security, or the Deputy Director of the National Science Foundation, or their designee, provides prior written authorization that the funds may be expended to host the conference.

(B) WRITTEN APPROVAL.—Written approval under subparagraph (A) shall include a written estimate of all costs associated with the conference, including the cost of all food, beverages, audio-visual equipment, honoraria for speakers, and entertainment.

(C) REPORT.—The Deputy Secretary of Homeland Security and the Deputy Director of the National Science Foundation shall submit an annual report to Congress on all conference expenditures approved under this paragraph.

(4) ANNUAL CERTIFICATION.—Beginning in the first fiscal year beginning after the date of the enactment of this subsection, each awarding entity shall submit to Congress a report—

(A) indicating whether—

(i) all audits issued by the Offices of the Inspector General under paragraph (1) have been completed and reviewed by the appropriate individuals;

(ii) all mandatory exclusions required under paragraph (1)(B) have been issued; and

(iii) all reimbursements required under paragraph (1)(D) have been made; and

(B) including a list of any grant recipients excluded under paragraph (1) from the previous year.

TITLE I—BORDER SECURITY

SEC. 1101. DEFINITIONS.

In this title:

(1) NORTHERN BORDER.—The term ''Northern border'' means the international border between the United States and Canada.

(2) RURAL, HIGH-TRAFFICKED AREAS.—The term ''rural, high-trafficked areas'' means rural areas through which drugs and undocumented aliens are routinely smuggled, as designated by the Commissioner of U.S. Customs and Border Protection.

(3) SOUTHERN BORDER.—The term ''Southern border'' means the international border between the United States and Mexico.

(4) SOUTHWEST BORDER REGION.—The term ''Southwest border region'' means the area in the United States that is within 100 miles of the Southern border.

SEC. 1102. ADDITIONAL U.S. CUSTOMS AND BORDER PROTECTION OFFICERS.

(a) IN GENERAL.—Not later than September 30, 2017, the Secretary shall increase the number of trained U.S. Customs and Border Protection officers by 3,500, compared to the number of such officers as of the date of the enactment of this Act. The Secretary shall make progress in increasing such number of officers during each of the fiscal years 2014 through 2017.

(b) CONSTRUCTION.—Nothing in subsection (a) may be construed to preclude the Secretary from

reassigning or stationing U.S. Customs and Border Protection Officers and U.S. Border Patrol Agents from the Northern border to the Southern border.

(c) FUNDING.—Section 217(h)(3)(B) (8 U.S.C. 1187(h)(3)(B)) is amended—

(1) in clause (i)—

(A) by striking ''No later than 6 months after the date of enactment of the Travel Promotion Act of 2009, the'' and inserting ''The'';

(B) in subclause (I), by striking ''and'' at the end;

(C) by redesignating subclause (II) as subclause (III); and

(D) by inserting after subclause (I) the following:

''(II) $16 for border processing; and'';

(2) in clause (ii), by striking ''Amounts collected under clause (i)(II)'' and inserting ''Amounts collected under clause (i)(II) shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act. Amounts collected under clause (i)(III)''; and

(3) by striking clause (iii).

(d) CORPORATION FOR TRAVEL PROMOTION.—Section 9(d)(2)(B) of the Travel Promotion Act of 2009 (22 U.S.C. 2131(d)(2)(B)) is amended by striking ''For each of fiscal years 2012 through 2015,'' and inserting ''For each fiscal year after 2012,''.

SEC. 1103. NATIONAL GUARD SUPPORT TO SECURE THE SOUTHERN BORDER.

(a) IN GENERAL.—With the approval of the Secretary of Defense, the Governor of a State may order any unit or personnel of the National Guard of such State to perform operations and missions under section 502(f) of title 32, United States Code, in the Southwest Border region for the purposes of assisting U.S. Customs and Border Protection in securing the Southern border.

(b) ASSIGNMENT OF OPERATIONS AND MISSIONS.—

(1) IN GENERAL.—National Guard units and personnel deployed under subsection (a) may be assigned such operations and missions specified in subsection (c) as may be necessary to secure the Southern border.

(2) NATURE OF DUTY.—The duty of National Guard personnel performing operations and missions described in paragraph (1) shall be full-time duty under title 32, United States Code.

(c) RANGE OF OPERATIONS AND MISSIONS.—The operations and missions assigned under subsection (b) shall include the temporary authority—

(1) to construct fencing, including double-layer and triple-layer fencing;

(2) to increase ground-based mobile surveillance systems;

(3) to deploy additional unmanned aerial systems and manned aircraft sufficient to maintain continuous surveillance of the Southern border;

(4) to deploy and provide capability for radio communications interoperability between U.S. Customs and Border Protection and State, local, and tribal law enforcement agencies;

(5) to construct checkpoints along the Southern border to bridge the gap to long-term permanent checkpoints; and

(6) to provide assistance to U.S. Customs and Border Protection, particularly in rural, high-trafficked areas, as designated by the Commissioner of U.S. Customs and Border Protection.

(d) MATERIEL AND LOGISTICAL SUPPORT.—The Secretary of Defense shall deploy such materiel and equipment and logistical support as may be necessary to ensure success of the operations and missions conducted by the National Guard under this section.

(e) EXCLUSION FROM NATIONAL GUARD PERSONNEL STRENGTH LIMITATIONS.—National Guard personnel deployed under subsection (a) shall not be included in—

(1) the calculation to determine compliance with limits on end strength for National Guard personnel; or

(2) limits on the number of National Guard personnel that may be placed on active duty for operational support under section 115 of title 10, United States Code.

SEC. 1104. ENHANCEMENT OF EXISTING BORDER SECURITY OPERATIONS.

(a) BORDER CROSSING PROSECUTIONS.—

(1) IN GENERAL.—From the amounts made available pursuant to the appropriations in paragraph (3), funds shall be made available—

(A) to increase the number of border crossing prosecutions in the Tucson Sector of the Southwest border region to up to 210 prosecutions per day through increasing funding available for—

(i) attorneys and administrative support staff in the Office of the United States Attorney for Tucson;

(ii) support staff and interpreters in the Office of the Clerk of the Court for Tucson;

(iii) pre-trial services;

(iv) activities of the Federal Public Defender Office for Tucson; and

(v) additional personnel, including Deputy United States Marshals in the United States Marshals Office for Tucson to perform intake, coordination, transportation, and court security; and

(B) reimburse Federal, State, local, and tribal law enforcement agencies for any detention costs related to the border crossing prosecutions carried out pursuant to subparagraph (A).

(2) ADDITIONAL MAGISTRATE JUDGES TO ASSIST WITH INCREASED CASELOAD.—The chief judge of the United States District Court for the District of Arizona is authorized to appoint additional full-time magistrate judges, who, consistent with the Constitution and laws of the United States, shall have the authority to hear cases and controversies in the judicial district in which the respective judges are appointed.

(3) FUNDING.—There are authorized to be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this subsection.

(b) OPERATION STONEGARDEN.—

(1) IN GENERAL.—The Federal Emergency Management Agency shall enhance law enforcement preparedness and operational readiness along the borders of the United States through Operation Stonegarden. The amounts available under this paragraph are in addition to any other amounts otherwise made available for Operation Stonegarden. Not less than 90 percent of the amounts made available under section 6(a)(3)(C)(ii) shall be allocated for grants and reimbursements to law enforcement agencies in the States in the Southwest border region for personnel, overtime, travel, and other costs related to combating illegal immigration and drug smuggling in the Southwest border region. Allocations for grants and reimbursements to law enforcement agencies under this paragraph shall be made by the Federal Emergency Management Agency through a competitive process.

(2) FUNDING.—There are authorized to be appropriated, from the amounts made available under section 6(a)(3)(A)(i), such sums as may be necessary to carry out this subsection.

(c) INFRASTRUCTURE IMPROVEMENTS.—

(1) BORDER PATROL STATIONS.—The Secretary shall—

(A) construct additional Border Patrol stations in the Southwest border region that U.S. Border Patrol determines are needed to provide full operational support in rural, high-trafficked areas; and

(B) analyze the feasibility of creating additional Border Patrol sectors along the Southern border to interrupt drug trafficking operations.

(2) FORWARD OPERATING BASES.—The Secretary shall enhance the security of the Southwest border region by—

(A) establishing additional permanent forward operating bases for the U.S. Border Patrol, as needed;

(B) upgrading the existing forward operating bases to include modular buildings, electricity, and potable water; and

(C) ensuring that forward operating bases surveil and interdict individuals entering the United States unlawfully immediately after such individuals cross the Southern border.

(3) SAFE AND SECURE BORDER INFRASTRUCTURE.—The Secretary and the Secretary of Transportation, in consultation with the governors of the States in the Southwest border region and the Northern border region, shall establish a grant program, which shall be administered by the Secretary of Transportation and the General Services Administration, to construct transportation and supporting infrastructure improvements at existing and new international border crossings necessary to facilitate safe, secure, and efficient cross border movement of people, motor vehicles, and cargo.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2014 through 2018 such sums as may be necessary to carry out this subsection.

(d) ADDITIONAL PERMANENT DISTRICT COURT JUDGESHIPS IN SOUTHWEST BORDER STATES.—

(1) IN GENERAL.—The President shall appoint, by and with the advice and consent of the Senate—

(A) 2 additional district judges for the district of Arizona;

(B) 3 additional district judges for the eastern district of California;

(C) 2 additional district judges for the western district of Texas; and

(D) 1 additional district judge for the southern district of Texas.

(2) CONVERSIONS OF TEMPORARY DISTRICT COURT JUDGESHIPS.—The existing judgeships for the district of Arizona and the central district of California authorized by section 312(c) of the 21st Century Department of Justice Appropriations Authorization Act (28 U.S.C. 133 note; Public Law 107–273; 116 Stat. 1788), as of the effective date of this Act, shall be authorized under section 133 of title 28, United States Code, and the incumbents in those offices shall hold the office under section 133 of title 28, United States Code, as amended by this Act.

(3) TECHNICAL AND CONFORMING AMENDMENTS.—The table contained in section 133(a) of title 28, United States Code, is amended—

(A) by striking the item relating to the district of Arizona and inserting the following:

''Arizona ..... 15'';

(B) by striking the item relating to California and inserting the following:

''California:
Northern 14
Eastern 9
Central 28
Southern ..... 13''; and

(C) by striking the item relating to Texas and inserting the following:

''Texas:	
Northern	*12*
Southern	*20*
Eastern	*7*
Western	*15''.*

(4) INCREASE IN FILING FEES.—

(A) IN GENERAL.—Section 1914(a) of title 28, United States Code, is amended by striking ''$350'' and inserting ''$360''.

(B) EXPENDITURE LIMITATION.—Incremental amounts collected by reason of the enactment of this paragraph shall be deposited as offsetting receipts in the ''Judiciary Filing Fee'' special fund of the Treasury established under section 1931 of title 28, United States Code. Such amounts shall be available solely for the purpose of facilitating the processing of civil cases, but only to the extent specifically appropriated by an Act of Congress enacted after the date of the enactment of this Act.

(5) WHISTLEBLOWER PROTECTION.—

(A) IN GENERAL.—No officer, employee, agent, contractor, or subcontractor of the judicial branch may discharge, demote, threaten, suspend, harass, or in any other manner discriminate against an employee in the terms and conditions of employment because of any lawful act done by the employee to provide information, cause information to be provided, or otherwise assist in an investigation regarding any possible violation of Federal law or regulation, or misconduct, by a judge, justice, or any other employee in the judicial branch, which may assist in the investigation of the possible violation or misconduct.

(B) CIVIL ACTION.—An employee injured by a violation of subparagraph (A) may, in a civil action, obtain appropriate relief.

SEC. 1105. BORDER SECURITY ON CERTAIN FEDERAL LAND.

(a) DEFINITIONS.—In this section:

(1) FEDERAL LANDS.—The term ''Federal lands'' includes all land under the control of the Secretary concerned that is located within the Southwest border region in the State of Arizona along the international border between the United States and Mexico.

(2) SECRETARY CONCERNED.—The term ''Secretary concerned'' means—

(A) with respect to land under the jurisdiction of the Secretary of Agriculture, the Secretary of Agriculture; and

(B) with respect to land under the jurisdiction of the Secretary of the Interior, the Secretary of the Interior.

(b) SUPPORT FOR BORDER SECURITY NEEDS.—To achieve effective control of Federal lands—

(1) the Secretary concerned, notwithstanding any other provision of law, shall authorize and provide U.S. Customs and Border Protection personnel with immediate access to Federal lands for security activities, including—

(A) routine motorized patrols; and

(B) the deployment of communications, surveillance, and detection equipment;

(2) the security activities described in paragraph (1) shall be conducted, to the maximum extent practicable, in a manner that the Secretary determines will best protect the natural and cultural resources on Federal lands; and

(3) the Secretary concerned may provide education and training to U.S. Customs and Border Protection personnel on the natural and cultural resources present on individual Federal land units.

(c) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—

(1) IN GENERAL.—After implementing subsection (b), the Secretary, in consultation with the Secretaries concerned, shall prepare and publish in the Federal Register a notice of intent to prepare a programmatic environmental impact statement in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) to analyze the impacts of the activities described in subsection (b).

(2) EFFECT ON PROCESSING APPLICATION AND SPECIAL USE PERMITS.—The pending completion of a programmatic environmental impact statement under this section shall not result in any delay in the processing or approving of applications or special use permits by the Secretaries concerned for the activities described in subsection (b).

(3) AMENDMENT OF LAND USE PLANS.—The Secretaries concerned shall amend any land use plans, as appropriate, upon completion of the programmatic environmental impact statement described in subsection (b).

(4) SCOPE OF PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—The programmatic environmental impact statement described in paragraph (1)—

(A) may be used to advise the Secretary on the impact on natural and cultural resources on Federal lands; and

(B) shall not control, delay, or restrict actions by the Secretary to achieve effective control on Federal lands.

(d) INTERMINGLED STATE AND PRIVATE LAND.—This section shall not apply to any private or State-owned land within the boundaries of Federal lands.

SEC. 1106. EQUIPMENT AND TECHNOLOGY.

(a) ENHANCEMENTS.—The Commissioner of U.S. Customs and Border Protection, working through U.S. Border Patrol, shall—

(1) deploy additional mobile, video, and agent-portable surveillance systems, and unarmed, unmanned aerial vehicles in the Southwest border region as necessary to provide 24-hour operation and surveillance;

(2) operate unarmed unmanned aerial vehicles along the Southern border for 24 hours per day and for 7 days per week;

(3) deploy unarmed additional fixed-wing aircraft and helicopters along the Southern border;

(4) acquire new rotorcraft and make upgrades to the existing helicopter fleet;

(5) increase horse patrols in the Southwest border region; and

(6) acquire and deploy watercraft and other equipment to provide support for border-related maritime anti-crime activities.

(b) LIMITATION.—

(1) IN GENERAL.—Notwithstanding paragraphs (1) and (2) of subsection (a), and except as provided in paragraph (2), U.S. Border Patrol may not operate unarmed, unmanned aerial vehicles in the San Diego and El Centro Sectors, except within 3 miles of the Southern border.

(2) EXCEPTION.—The limitation under this subsection shall not restrict the maritime operations of U.S. Customs and Border Protection.

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise authorized to be appropriated, there is authorized to be appropriated to U.S. Customs and Border Protection such sums as may be necessary to carry out subsection (a) during fiscal years 2014 through 2018.

SEC. 1107. ACCESS TO EMERGENCY PERSONNEL.

(a) SOUTHWEST BORDER REGION EMERGENCY COMMUNICATIONS GRANTS.—

(1) IN GENERAL.—The Secretary, in consultation with the governors of the States in the Southwest border region, shall establish a 2-year grant program, to be administered by the Secretary, to improve emergency communications in the Southwest border region.

(2) ELIGIBILITY FOR GRANTS.—An individual is eligible to receive a grant under this subsection if the individual demonstrates that he or she—

(A) regularly resides or works in the Southwest border region;

(B) is at greater risk of border violence due to the lack of cellular service at his or her residence or business and his or her proximity to the Southern border.

(3) USE OF GRANTS.—Grants awarded under this subsection may be used to purchase satellite telephone communications systems and service that—

(A) can provide access to 9–1–1 service; and

(B) are equipped with global positioning systems.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the grant program established under this subsection.

(b) INTEROPERABLE COMMUNICATIONS FOR LAW ENFORCEMENT.—

(1) FEDERAL LAW ENFORCEMENT.—There are authorized to be appropriated, to the Department, the Department of Justice, and the Department of the Interior, during the 5-year period beginning on the date of the enactment of this Act, such sums as may be necessary—

(A) to purchase, through a competitive procurement process, P25-compliant radios, which may include a multi-band option, for Federal law enforcement agents working in the Southwest border region in support of the activities of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement, including law enforcement agents of the Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Department of the Interior, and the Forest Service; and

(B) to upgrade, through a competitive procurement process, the communications network of the Department of Justice to ensure coverage and capacity, particularly when immediate access is needed in times of crisis, in the Southwest Border region for appropriate law enforcement personnel of the Department of Justice (including the Drug Enforcement Administration and the Bureau of Alcohol, Tobacco, Firearms and Explosives), the Department (including U.S. Immigration and Customs Enforcement and U.S. Customs and Border Protection), the United States Marshals Service, other Federal agencies, the State of Arizona, tribes, and local governments.

(2) STATE AND LOCAL LAW ENFORCEMENT.—

(A) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of Justice, during the 5-year period beginning on the date of the enactment of this Act, such sums as may be necessary to purchase, through a competitive procurement process, P25-compliant radios, which may include a multi-band option, for State and local law enforcement agents working in the Southwest border region.

(B) ACCESS TO FEDERAL SPECTRUM.—If a State, tribal, or local law enforcement agency in the Southwest border region experiences an emergency situation that necessitates immediate communication with the Department of Justice, the Department, the Department of the Interior, or any of their respective subagencies, such law enforcement agency shall have access to the spectrum assigned to such Federal agency for the duration of such emergency situation.

SEC. 1108. SOUTHWEST BORDER REGION PROSECUTION INITIATIVE.

(a) REIMBURSEMENT TO STATE AND LOCAL PROSECUTORS FOR FEDERALLY INITIATED CRIMINAL CASES.—The Attorney General shall reimburse State, county, tribal, and municipal governments for costs associated with the prosecution, pretrial services and detention, clerical

support, and public defenders' services associated with the prosecution of federally initiated immigration-related criminal cases declined by local offices of the United States Attorneys.

(b) EXCEPTION.—Reimbursement under subsection (a) shall not be available, at the discretion of the Attorney General, if the Attorney General determines that there is reason to believe that the jurisdiction seeking reimbursement has engaged in unlawful conduct in connection with immigration-related apprehensions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out subsection (a) during fiscal years 2014 through 2018.

SEC. 1109. INTERAGENCY COLLABORATION.

The Assistant Secretary of Defense for Research and Engineering shall collaborate with the Under Secretary of Homeland Security for Science and Technology to identify equipment and technology used by the Department of Defense that could be used by U.S. Customs and Border Protection to improve the security of the Southern border by—

(1) detecting border tunnels;

(2) detecting the use of ultralight aircraft;

(3) enhancing wide aerial surveillance; and

(4) otherwise improving the enforcement of such border.

SEC. 1110. STATE CRIMINAL ALIEN ASSISTANCE PROGRAM.

(a) SCAAP REAUTHORIZATION.—Section 241(i)(5)(C) (8 U.S.C. 1231(i)(5)) is amended by striking ''2011.'' and inserting ''2015.''.

(b) SCAAP ASSISTANCE FOR STATES.—

(1) ASSISTANCE FOR STATES INCARCERATING UNDOCUMENTED ALIENS CHARGED WITH CERTAIN CRIMES.—Section 241(i)(3)(A) (8 U.S.C. 1231(i)(3)(A)) is amended by inserting ''charged with or'' before ''convicted''.

(2) ASSISTANCE FOR STATES INCARCERATING UNVERIFIED ALIENS.—Section 241(i) (8 U.S.C. 1231(i)), as amended by subsection (a), is further amended—

(A) by redesignating paragraphs (4), (5), and (6), as paragraphs (5), (6), and (7), respectively;

(B) in paragraph (7), as so redesignated, by striking ''(5)'' and inserting ''(6)''; and

(C) by adding after paragraph (3) the following:

''(4) In the case of an alien whose immigration status is unable to be verified by the Secretary of Homeland Security, and who would otherwise be an undocumented criminal alien if the alien is unlawfully present in the United States, the Attorney General shall compensate the State or political subdivision of the State for incarceration of the alien, consistent with subsection (i)(2).''.

SEC. 1111. USE OF FORCE.

Not later than 180 days after the date of the enactment of this Act, the Secretary, in consultation with the Assistant Attorney General for the Civil Rights Division of the Department of Justice, shall issue policies governing the use of force by all Department personnel that—

(1) require all Department personnel to report each use of force; and

(2) establish procedures for—

(A) accepting and investigating complaints regarding the use of force by Department personnel;

(B) disciplining Department personnel who violate any law or Department policy relating to the use of force; and

(C) reviewing all uses of force by Department personnel to determine whether the use of force—

(i) complied with Department policy; or

(ii) demonstrates the need for changes in policy, training, or equipment.

SEC. 1112. TRAINING FOR BORDER SECURITY AND IMMIGRATION ENFORCEMENT OFFICERS.

(a) IN GENERAL.—The Secretary shall ensure that U.S. Customs and Border Protection officers, U.S. Border Patrol agents, U.S. Immigration and Customs Enforcement officers and agents, United States Air and Marine Division agents, and agriculture specialists stationed within 100 miles of any land or marine border of the United States or at any United States port of entry receive appropriate training, which shall be prepared in collaboration with the Assistant Attorney General for the Civil Rights Division of the Department of Justice, in—

(1) identifying and detecting fraudulent travel documents;

(2) civil, constitutional, human, and privacy rights of individuals;

(3) the scope of enforcement authorities, including interrogations, stops, searches, seizures, arrests, and detentions;

(4) the use of force policies issued by the Secretary pursuant to section 1111;

(5) immigration laws, including screening, identifying, and addressing vulnerable populations, such as children, victims of crime and human trafficking, and individuals fleeing persecution or torture;

(6) social and cultural sensitivity toward border communities;

(7) the impact of border operations on communities; and

(8) any particular environmental concerns in a particular area.

(b) TRAINING FOR BORDER COMMUNITY LIAISON OFFICERS.—The Secretary shall ensure that border communities liaison officers in Border Patrol sectors along the international borders between the United States and Mexico and between the United States and Canada receive training to better—

(1) act as a liaison between border communities and the Office for Civil Rights and Civil Liberties of the Department and the Civil Rights Division of the Department of Justice;

(2) foster and institutionalize consultation with border communities;

(3) consult with border communities on Department programs, policies, strategies, and directives; and

(4) receive Department performance assessments from border communities.

(c) HUMANE CONDITIONS OF CONFINEMENT FOR CHILDREN IN U.S. CUSTOMS AND BORDER PROTECTION CUSTODY.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall establish standards to ensure that children in the custody of U.S. Customs and Border Protection—

(1) are afforded adequate medical and mental health care, including emergency medical and mental health care, when necessary;

(2) receive adequate nutrition;

(3) are provided with climate-appropriate clothing, footwear, and bedding;

(4) have basic personal hygiene and sanitary products; and

(5) are permitted to make supervised phone calls to family members.

SEC. 1113. DEPARTMENT OF HOMELAND SECURITY BORDER OVERSIGHT TASK FORCE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established an independent task force, which shall be known as the Department of Homeland Security Border Oversight Task Force (referred to in this section as the ''DHS Task Force'').

(2) DUTIES.—The DHS Task Force shall—

(A) review and make recommendations regarding immigration and border enforcement policies, strategies, and programs that take into consideration their impact on border communities;

(B) recommend ways in which the Border Communities Liaison Offices can strengthen relations and collaboration between communities in the border regions and the Department, the Department of Justice, and other Federal agencies that carry out such policies, strategies, and programs;

(C) evaluate how the policies, strategies, and programs of Federal agencies operating along the international borders between the United States and Mexico and between the United States and Canada protect the due process, civil, and human rights of border residents, visitors, and migrants at and near such borders; and

(D) evaluate and make recommendations regarding the training of border enforcement personnel described in section 1112.

(3) MEMBERSHIP.—

(A) IN GENERAL.—The DHS Task Force shall be composed of 29 members, appointed by the President, who have expertise in migration, local crime indices, civil and human rights, community relations, cross-border trade and commerce, quality of life indicators, or other pertinent experience, of whom—

(i) 12 members shall be from the Northern border region and shall include—

(I) 2 local government elected officials;

(II) 2 local law enforcement officials;

(III) 2 civil rights advocates;

(IV) 1 business representative;

(V) 1 higher education representative;

(VI) 1 private land owner representative;

(VII) 1 representative of a faith community; and

(VIII) 2 representatives of U.S. Border Patrol; and

(ii) 17 members shall be from the Southern border region and include—

(I) 3 local government elected officials;

(II) 3 local law enforcement officials;

(III) 3 civil rights advocates;

(IV) 2 business representatives;

(V) 1 higher education representative;

(VI) 2 private land owner representatives;

(VII) 1 representative of a faith community; and

(VIII) 2 representatives of U.S. Border Patrol.

(B) TERM OF SERVICE.—Members of the Task Force shall be appointed for the shorter of—

(i) 3 years; or

(ii) the life of the DHS Task Force.

(C) CHAIR, VICE CHAIR.—The members of the DHS Task Force shall elect a Chair and a Vice Chair from among its members, who shall serve in such capacities for the life of the DHS Task Force or until removed by the majority vote of at least 14 members.

(b) OPERATIONS.—

(1) HEARINGS.—The DHS Task Force may, for the purpose of carrying out its duties, hold hearings, sit and act, take testimony, receive evidence, and administer oaths.

(2) RECOMMENDATIONS.—The DHS Task Force may make findings or recommendations to the Secretary related to the duties described in subsection (a)(2).

(3) RESPONSE.—Not later than 180 days after receiving the findings and recommendations from the DHS Task Force under paragraph (2), the Secretary shall issue a response that describes how the Department has addressed, or will address, such findings and recommendations. If the Secretary disagrees with any finding of the DHS Task Force, the Secretary shall provide an explanation for the disagreement.

(4) INFORMATION FROM FEDERAL AGENCIES.—The Chair, or 16 members of the DHS Task Force, may request statistics relating to the duties described in subsection (a)(2) directly from any Federal agency, which shall, to the extent authorized by law, furnish such information, suggestions, estimates, and statistics directly to the DHS Task Force.

(5) COMPENSATION.—Members of the DHS Task Force shall serve without pay, but shall be reimbursed for reasonable travel and subsistence expenses incurred in the performance of their duties.

(c) REPORT.—Not later than 2 years after its first meeting, the DHS Task Force shall submit a final report to the President, Congress, and the Secretary that contains—

(1) findings with respect to the duties of the DHS Task Force; and

(2) recommendations regarding border and immigration enforcement policies, strategies, and programs, including—

(A) a recommendation as to whether the DHS Task Force should continue to operate; and

(B) a description of any duties for which the DHS Task Force should be responsible after the termination date described in subsection (e).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section for each of the fiscal years 2014 through 2017.

(e) SUNSET.—The DHS Task Force shall terminate operations 60 days after the date on which the DHS Task Force submits the report described in subsection (c).

SEC. 1114. OMBUDSMAN FOR IMMIGRATION RELATED CONCERNS OF THE DEPARTMENT OF HOMELAND SECURITY.

(a) ESTABLISHMENT.—Title I of the Homeland Security Act of 2002 (6 U.S.C. 111 et seq.) is amended by adding at the end the following new section:

''SEC. 104. OMBUDSMAN FOR IMMIGRATION RELATED CONCERNS.

''(a) IN GENERAL.—There shall be within the Department an Ombudsman for Immigration Related Concerns (in this section referred to as the 'Ombudsman'). The individual appointed as Ombudsman shall have a background in immigration law as well as civil and human rights law. The Ombudsman shall report directly to the Deputy Secretary.

''(b) FUNCTIONS.—The functions of the Ombudsman shall be as follows:

''(1) To receive and resolve complaints from individuals and employers and assist in resolving problems with the immigration components of the Department.

''(2) To conduct inspections of the facilities or contract facilities of the immigration components of the Department.

''(3) To assist individuals and families who have been the victims of crimes committed by aliens or violence near the United States border.

''(4) To identify areas in which individuals and employers have problems in dealing with the immigration components of the Department.

''(5) To the extent practicable, to propose changes in the administrative practices of the immigration components of the Department to mitigate problems identified under paragraph (4).

''(6) To review, examine, and make recommendations regarding the immigration and enforcement policies, strategies, and programs of U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, and U.S. Citizenship and Immigration Services.

''(c) OTHER RESPONSIBILITIES.—In addition to the functions specified in subsection (b), the Ombudsman shall—

''(1) monitor the coverage and geographic allocation of local offices of the Ombudsman, including appointing a local ombudsman for immigration related concerns; and

''(2) evaluate and take personnel actions (including dismissal) with respect to any employee of the Ombudsman.

''(d) REQUEST FOR INVESTIGATIONS.—The Ombudsman shall have the authority to request the Inspector General of the Department of Homeland Security to conduct inspections, investigations, and audits.

''(e) COORDINATION WITH DEPARTMENT COMPONENTS.—The Director of U.S. Citizenship and Immigration Services, the Assistant Secretary of Immigration and Customs Enforcement, and the Commissioner of Customs and Border Protection shall each establish procedures to provide formal responses to recommendations submitted to such official by the Ombudsman.

''(f) ANNUAL REPORTS.—Not later than June 30 of each year, the Ombudsman shall submit a report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives on the objectives of the Ombudsman for the fiscal year beginning in such calendar year. Each report shall contain full and substantive analysis, in addition to statistical information, and shall set forth any recommendations the Ombudsman has made on improving the services and responsiveness of U.S. Citizenship and Immigration Services, U.S. Immigration and Customs Enforcement, and U.S. Customs and Border Protection and any responses received from the Department regarding such recommendations.''.

(b) REPEAL OF SUPERSEDED AUTHORITY.—Section 452 of the Homeland Security Act of 2002 (6 U.S.C. 272) is repealed.

(c) CLERICAL AMENDMENTS.—The table of contents for the Homeland Security Act of 2002 is amended—

(1) by inserting after the item relating to section 103 the following new item:

''Sec. 104. Ombudsman for Immigration Related Concerns.''; and

(2) by striking the item relating to section 452.

SEC. 1115. PROTECTION OF FAMILY VALUES IN APPREHENSION PROGRAMS.

(a) DEFINITIONS.—In this section:

(1) APPREHENDED INDIVIDUAL.—The term ''apprehended individual'' means an individual apprehended by personnel of the Department of Homeland Security or of a cooperating entity pursuant to a migration deterrence program carried out at a border.

(2) BORDER.—The term ''border'' means an international border of the United States.

(3) CHILD.—Except as otherwise specifically provided, the term ''child'' has the meaning given to the term in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1)).

(4) COOPERATING ENTITY.—The term ''cooperating entity'' means a State or local entity acting pursuant to an agreement with the Secretary.

(5) MIGRATION DETERRENCE PROGRAM.—The term ''migration deterrence program'' means an action related to the repatriation or referral for prosecution of 1 or more apprehended individuals for a suspected or confirmed violation of the Immigration and Nationality Act (8 U.S.C. 1001 et seq.) by the Secretary or a cooperating entity.

(b) PROCEDURES FOR MIGRATION DETERRENCE PROGRAMS AT THE BORDER.—

(1) PROCEDURES.—In any migration deterrence program carried out at a border, the Secretary and cooperating entities shall for each apprehended individual—

(A) as soon as practicable after such individual is apprehended—

(i) inquire as to whether the apprehended individual is—

(I) a parent, legal guardian, or primary caregiver of a child; or

(II) traveling with a spouse or child; and

(ii) ascertain whether repatriation of the apprehended individual presents any humanitarian concern or concern related to such individual's physical safety; and

(B) ensure that, with respect to a decision related to the repatriation or referral for prosecution of the apprehended individual, due consideration is given—

(i) to the best interests of such individual's child, if any;

(ii) to family unity whenever possible; and

(iii) to other public interest factors, including humanitarian concerns and concerns related to the apprehended individual's physical safety.

(c) MANDATORY TRAINING.—The Secretary, in consultation with the Secretary of Health and Human Services, the Attorney General, the Secretary of State, and independent immigration, child welfare, family law, and human rights law experts, shall—

(1) develop and provide specialized training for all personnel of U.S. Customs and Border Protection and cooperating entities who come into contact with apprehended individuals in all legal authorities, policies, and procedures relevant to the preservation of a child's best interest, family unity, and other public interest factors, including those described in this Act; and

(2) require border enforcement personnel to undertake periodic and continuing training on best practices and changes in relevant legal authorities, policies, and procedures pertaining to the preservation of a child's best interest, family unity, and other public interest factors, including those described in this Act.

(d) ANNUAL REPORT ON THE IMPACT OF MIGRATION DETERRENCE PROGRAMS AT THE BORDER.—

(1) REQUIREMENT FOR ANNUAL REPORT.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to Congress a report that describes the impact of migration deterrence programs on parents, legal guardians, primary caregivers of a child, individuals traveling with a spouse or child, and individuals who present humanitarian considerations or concerns related to the individual's physical safety.

(2) CONTENTS.—Each report submitted under paragraph (1) shall include for the previous 1-year period an assessment of—

(A) the number of apprehended individuals removed, repatriated, or referred for prosecution who are the parent, legal guardian, or primary caregiver of a child who is a citizen of the United States;

(B) the number of occasions in which both parents, or the primary caretaker of such a child was removed, repatriated, or referred for prosecution as part of a migration deterrence program;

(C) the number of apprehended individuals traveling with close family members who are removed, repatriated, or referred for prosecution.

(D) the impact of migration deterrence programs on public interest factors, including humanitarian concerns and physical safety.

(e) REGULATIONS.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall promulgate regulations to implement this section.

SEC. 1116. REPORTS.

(a) REPORT ON CERTAIN BORDER MATTERS.—The Secretary shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Homeland Security of the House of Representatives, the Committee on the Judiciary of the Senate, and the Committee on the Judiciary of the House of Representatives that sets forth—

(1) the effectiveness rate (as defined in section 2(a)(4)) for each Border Patrol sector along the Northern border and the Southern border;

(2) the number of miles along the Southern border that are under persistent surveillance;

(3) the monthly wait times per passenger, including data on averages and peaks, for crossing the Northern border and the Southern border, and the staffing of such border crossings; and

(4) the allocations at each port of entry along the Northern border and the Southern border.

(b) REPORT ON INTERAGENCY COLLABORATION.—The Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Homeland Security for Science and Technology shall jointly submit a report on the results of the interagency collaboration under section 1109 to—

(1) the Committee on Armed Services of the Senate;

(2) the Committee on Homeland Security and Governmental Affairs of the Senate;

(3) the Committee on the Judiciary of the Senate;

(4) the Committee on Armed Services of the House of Representatives;

(5) the Committee on Homeland Security of the House of Representatives; and

(6) the Committee on the Judiciary of the House of Representatives.

SEC. 1117. SEVERABILITY AND DELEGATION.

(a) SEVERABILITY.—If any provision of this Act or any amendment made by this Act, or any application of such provision or amendment to

any person or circumstance, is held to be unconstitutional, the remainder of the provisions of this Act and the amendments made by this Act and the application of the provision or amendment to any other person or circumstance shall not be affected.

(b) DELEGATION.—The Secretary may delegate any authority provided to the Secretary under this Act or an amendment made by this Act to the Secretary of Agriculture, the Attorney General, the Secretary of Defense, the Secretary of Health and Human Services, the Secretary of State, or the Commissioner of Social Security.

SEC. 1118. PROHIBITION ON LAND BORDER CROSSING FEES.

The Secretary shall not establish, collect, or otherwise impose a border crossing fee for pedestrians or passenger vehicles at land ports of entry along the Southern border or the Northern border, nor conduct any study relating to the imposition of such a fee.

SEC. 1119. HUMAN TRAFFICKING REPORTING.

(a) SHORT TITLE.—This section may be cited as the ''Human Trafficking Reporting Act of 2013''.

(b) FINDINGS.—Congress finds the following:

(1) Human trafficking is a form of modern-day slavery.

(2) According to the Trafficking Victims Protection Act of 2000 ''severe forms of trafficking in persons'' means—

(A) sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or

(B) the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) There is an acute need for better data collection of incidents of human trafficking across the United States in order to effectively combat severe forms of trafficking in persons.

(4) The State Department's 2012 Trafficking in Persons report found that—

(A) the United States is a ''source, transit and destination country for men, women, and children, subjected to forced labor, debt bondage, domestic servitude and sex trafficking,''; and

(B) the United States needs to ''improve data collection on human trafficking cases at the federal, state and local levels''.

(5) The International Organization for Migration has reported that in order to effectively combat human trafficking there must be reliable and standardized data, however, the following barriers for data collection exist:

(A) The illicit and underground nature of human trafficking.

(B) The reluctance of victims to share information with authorities.

(C) Insufficient human trafficking data collection and research efforts by governments worldwide.

(6) A 2009 report to the Department of Health and Human Services entitled Human Trafficking Into and Within the United States: A Review of the Literature found that ''the data and methodologies for estimating the prevalence of human trafficking globally and nationally are not well developed, and therefore estimates have varied widely and changed significantly over time''.

(7) The Federal Bureau of Investigation compiles national crime statistics through the Uniform Crime Reporting Program.

(8) Under current law, State and local governments receiving Edward Byrne Memorial Justice Assistance grants are required to share data on part 1 violent crimes with the Federal Bureau of Investigation for inclusion in the Uniform Crime Reporting Program.

(9) The addition of severe forms of trafficking in persons to the definition of part 1 violent crimes will ensure that statistics on this heinous crime will be compiled and available through the Federal Bureau of Investigation's Uniform Crime Report.

(c) HUMAN TRAFFICKING TO BE INCLUDED IN PART 1 VIOLENT CRIMES FOR PURPOSES OF BYRNE GRANTS.—Section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) is amended by adding at the end the following new subsection:

''(i) PART 1 VIOLENT CRIMES TO INCLUDE HUMAN TRAFFICKING.—For purposes of this section, the term 'part 1 violent crimes' shall include severe forms of trafficking in persons, as defined in section 103(8) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102(8)).''.

SEC. 1120. RULE OF CONSTRUCTION.

Nothing in this Act may be construed to authorize the deployment, procurement, or construction of fencing along the Northern border.

SEC. 1121. LIMITATIONS ON DANGEROUS DEPORTATION PRACTICES.

(a) CERTIFICATION REQUIRED.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, and every 180 days thereafter, the Secretary, except as provided in paragraph (2), shall submit written certification to Congress that the Department has only deported or otherwise removed a migrant from the United States through an entry or exit point on the Southern border during daylight hours.

(2) EXCEPTION.—The certification required under paragraph (1) shall not apply to the deportation or removal of a migrant otherwise described in that paragraph if—

(A) the manner of the deportation or removal is justified by a compelling governmental interest;

(B) the manner of the deportation or removal is in accordance with an applicable Local Arrangement for the Repatriation of Mexican Nationals entered into by the appropriate Mexican Consulate; or

(C) the migrant is not an unaccompanied minor and the migrant—

(i) is deported or removed through an entry or exit point in the same sector as the place where the migrant was apprehended; or

(ii) agrees to be deported or removed in such manner after being notified of the intended manner of deportation or removal.

(b) ADDITIONAL INFORMATION REQUIRED.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to Congress a study of the Alien Transfer Exit Program, which shall include—

(1) the specific locations on the Southern border where lateral repatriations have occurred during the 1-year period preceding the submission of the study;

(2) the performance measures developed by U.S. Customs and Border Protection to determine if the Alien Transfer Exit Program is deterring migrants from repeatedly crossing the border or otherwise reducing recidivism; and

(3) the consideration given, if any, to the rates of violent crime and the availability of infrastructure and social services in Mexico near such locations.

(c) PROHIBITION ON CONFISCATION OF PROPERTY.—Notwithstanding any other provision of law, lawful, nonperishable belongings of a migrant that are confiscated by personnel operating under Federal authority shall be returned to the migrant before repatriation, to the extent practicable.

TITLE II—IMMIGRANT VISAS

Subtitle A—Registration and Adjustment of Registered Provisional Immigrants

SEC. 2101. REGISTERED PROVISIONAL IMMIGRANT STATUS.

(a) AUTHORIZATION.—Chapter 5 of title II (8 U.S.C. 1255 et seq.) is amended by inserting after section 245A the following:

''SEC. 245B. ADJUSTMENT OF STATUS OF ELIGIBLE ENTRANTS BEFORE DECEMBER 31, 2011, TO THAT OF REGISTERED PROVISIONAL IMMIGRANT.

''(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Homeland Security (referred to in this section and in sections 245C through 245F as the 'Secretary'), after conducting the national security and law enforcement clearances required under subsection (c)(8), may grant registered provisional immigrant status to an alien who—

''(1) meets the eligibility requirements set forth in subsection (b);

''(2) submits a completed application before the end of the period set forth in subsection (c)(3); and

''(3) has paid the fee required under subsection (c)(10)(A) and the penalty required under subsection (c)(10)(C), if applicable.

''(b) ELIGIBILITY REQUIREMENTS.—

''(1) IN GENERAL.—An alien is not eligible for registered provisional immigrant status unless the alien establishes, by a preponderance of the evidence, that the alien meets the requirements set forth in this subsection.

''(2) PHYSICAL PRESENCE.—

''(A) IN GENERAL.—The alien—

''(i) shall be physically present in the United States on the date on which the alien submits an application for registered provisional immigrant status;

''(ii) shall have been physically present in the United States on or before December 31, 2011; and

''(iii) shall have maintained continuous physical presence in the United States from December 31, 2011, until the date on which the alien is granted status as a registered provisional immigrant under this section.

''(B) BREAK IN PHYSICAL PRESENCE.—

''(i) IN GENERAL.—Except as provided in clause (ii), an alien who is absent from the United States without authorization after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act does not meet the continuous physical presence requirement set forth in subparagraph (A)(iii).

''(ii) EXCEPTION.—An alien who departed from the United States after December 31, 2011, will not be considered to have failed to maintain continuous presence in the United States if the alien's absences from the United States are brief, casual, and innocent whether or not such absences were authorized by the Secretary.

''(3) GROUNDS FOR INELIGIBILITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), an alien is ineligible for registered provisional immigrant status if the Secretary determines that the alien—

''(i) has a conviction for—

''(I) an offense classified as a felony in the convicting jurisdiction (other than a State or local offense for which an essential element was the alien's immigration status or a violation of this Act);

''(II) an aggravated felony (as defined in section 101(a)(43) at the time of the conviction);

''(III) 3 or more misdemeanor offenses (other than minor traffic offenses or State or local offenses for which an essential element was the alien's immigration status or violations of this Act) if the alien was convicted on different dates for each of the 3 offenses;

''(IV) any offense under foreign law, except for a purely political offense, which, if the offense had been committed in the United States, would render the alien inadmissible under section 212(a) (excluding the paragraphs set forth in clause (ii)) or removable under section 237(a), except as provided in paragraph (3) of section 237(a);

''(V) unlawful voting (as defined in section 237(a)(6));

''(ii) is inadmissible under section 212(a), except that in determining an alien's inadmissibility—

''(I) paragraphs (4), (5), (7), and (9)(B) of section 212(a) shall not apply;

''(II) subparagraphs (A), (C), (D), (F), and (G) of section 212(a)(6) and paragraphs (9)(C) and (10)(B) of section 212(a) shall not apply unless based on the act of unlawfully entering the United States after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act; and

''(III) paragraphs (6)(B) and (9)(A) of section 212(a) shall not apply unless the relevant conduct began on or after the date on which the alien files an application for registered provisional immigrant status under this section;

''(iii) is an alien who the Secretary knows or has reasonable grounds to believe, is engaged in or is likely to engage after entry in any terrorist activity (as defined in section 212(a)(3)(B)(iv)); or

''(iv) was, on April 16, 2013—

''(I) an alien lawfully admitted for permanent residence;

''(II) an alien admitted as a refugee under section 207 or granted asylum under section 208; or

''(III) an alien who, according to the records of the Secretary or the Secretary of State, is lawfully present in the United States in any nonimmigrant status (other than an alien considered to be a nonimmigrant solely due to the application of section 244(f)(4) or the amendment made by section 702 of the Consolidated Natural Resources Act of 2008 (Public Law 110–229)), notwithstanding any unauthorized employment or other violation of nonimmigrant status.

''(B) WAIVER.—

''(i) IN GENERAL.—The Secretary may waive the application of subparagraph (A)(i)(III) or any provision of section 212(a) that is not listed in clause (ii) on behalf of an alien for humanitarian purposes, to ensure family unity, or if such a waiver is otherwise in the public interest. Any discretionary authority to waive grounds of inadmissibility under section 212(a) conferred under any other provision of this Act shall apply equally to aliens seeking registered provisional status under this section.

''(ii) EXCEPTIONS.—The discretionary authority under clause (i) may not be used to waive—

''(I) subparagraph (B), (C), (D)(ii), (E), (G), (H), or (I) of section 212(a)(2);

''(II) section 212(a)(3);

''(III) subparagraph (A), (C), (D), or (E) of section 212(a)(10); or

''(IV) with respect to misrepresentations relating to the application for registered provisional immigrant status, section 212(a)(6)(C)(i).

''(C) CONVICTION EXPLAINED.—For purposes of this paragraph, the term 'conviction' does not include a judgment that has been expunged, set aside, or the equivalent.

''(D) RULE OF CONSTRUCTION.—Nothing in this paragraph may be construed to require the Secretary to commence removal proceedings against an alien.

''(4) APPLICABILITY OF OTHER PROVISIONS.—Sections 208(d)(6) and 240B(d) shall not apply to any alien filing an application for registered provisional immigrant status under this section.

''(5) DEPENDENT SPOUSE AND CHILDREN.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may classify the spouse or child of a registered provisional immigrant as a registered provisional immigrant dependent if the spouse or child—

''(i) was physically present in the United States on or before December 31, 2012, and has maintained continuous presence in the United States from that date until the date on which the registered provisional immigrant is granted such status, with the exception of absences from the United States that are brief, casual, and innocent, whether or not such absences were authorized by the Secretary; and

''(ii) meets all of the eligibility requirements set forth in this subsection, other than the requirements of clause (ii) or (iii) of paragraph (2)(A).

''(B) EFFECT OF TERMINATION OF LEGAL RELATIONSHIP OR DOMESTIC VIOLENCE.—If the spousal or parental relationship between an alien who is granted registered provisional immigrant status under this section and the alien's spouse or child is terminated due to death or divorce or the spouse or child has been battered or subjected to extreme cruelty by the alien (regardless of whether the legal relationship terminates), the spouse or child may apply for classification as a registered provisional immigrant.

''(C) EFFECT OF DISQUALIFICATION OF PARENT.—Notwithstanding subsection (c)(3), if the application of a spouse or parent for registered provisional immigrant status is terminated or revoked, the husband, wife, or child of that spouse or parent shall be eligible to apply for registered provisional immigrant status independent of the parent or spouse.

''(c) APPLICATION PROCEDURES.—

''(1) IN GENERAL.—An alien, or the dependent spouse or child of such alien, who meets the eligibility requirements set forth in subsection (b) may apply for status as a registered provisional immigrant or a registered provisional immigrant dependent, as applicable, by submitting a completed application form to the Secretary during the application period set forth in paragraph (3), in accordance with the final rule promulgated by the Secretary under the Border Security, Economic Opportunity, and Immigration Modernization Act. An applicant for registered provisional immigrant status shall be treated as an applicant for admission.

''(2) PAYMENT OF TAXES.—

''(A) IN GENERAL.—An alien may not file an application for registered provisional immigrant status under paragraph (1) unless the applicant has satisfied any applicable Federal tax liability.

''(B) DEFINITION OF APPLICABLE FEDERAL TAX LIABILITY.—In this paragraph, the term 'applicable Federal tax liability' means all Federal income taxes assessed in accordance with section 6203 of the Internal Revenue Code of 1986.

''(C) DEMONSTRATION OF COMPLIANCE.—An applicant may demonstrate compliance with this paragraph by submitting appropriate documentation, in accordance with regulations promulgated by the Secretary, in consultation with the Secretary of the Treasury.

''(3) APPLICATION PERIOD.—

''(A) INITIAL PERIOD.—Except as provided in subparagraph (B), the Secretary may only accept applications for registered provisional immigrant status from aliens in the United States during the 1-year period beginning on the date on which the final rule is published in the Federal Register pursuant to paragraph (1).

''(B) EXTENSION.—If the Secretary determines, during the initial period described in subparagraph (A), that additional time is required to process applications for registered provisional immigrant status or for other good cause, the Secretary may extend the period for accepting applications for such status for an additional 18 months.

''(4) APPLICATION FORM.—

''(A) REQUIRED INFORMATION.—

''(i) IN GENERAL.—The application form referred to in paragraph (1) shall collect such information as the Secretary determines to be necessary and appropriate, including, for the purpose of understanding immigration trends—

''(I) an explanation of how, when, and where the alien entered the United States;

''(II) the country in which the alien resided before entering the United States; and

''(III) other demographic information specified by the Secretary.

''(ii) PRIVACY PROTECTIONS.—Information described in subclauses (I) through (III) of clause (i), which shall be provided anonymously by the applicant on the application form referred to in paragraph (1), shall be subject to the same confidentiality provisions as those set forth in section 9 of title 13, United States Code.

''(iii) REPORT.—The Secretary shall submit a report to Congress that contains a summary of the statistical data about immigration trends collected pursuant to clause (i).

''(B) FAMILY APPLICATION.—The Secretary shall establish a process through which an alien may submit a single application under this section on behalf of the alien, his or her spouse, and his or her children who are residing in the United States.

''(C) INTERVIEW.—The Secretary may interview applicants for registered provisional immigrant status under this section to determine whether they meet the eligibility requirements set forth in subsection (b).

''(5) ALIENS APPREHENDED BEFORE OR DURING THE APPLICATION PERIOD.—If an alien who is apprehended during the period beginning on the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act and the end of the application period described in paragraph (3) appears prima facie eligible for registered provisional immigrant status, to the satisfaction of the Secretary, the Secretary—

''(A) shall provide the alien with a reasonable opportunity to file an application under this section during such application period; and

''(B) may not remove the individual until a final administrative determination is made on the application.

''(6) ELIGIBILITY AFTER DEPARTURE.—

''(A) IN GENERAL.—An alien who departed from the United States while subject to an order of exclusion, deportation, or removal, or pursuant to an order of voluntary departure and who is outside of the United States, or who has reentered the United States illegally after December 31, 2011 without receiving the Secretary's consent to reapply for admission under section 212(a)(9), shall not be eligible to file an application for registered provisional immigrant status.

''(B) WAIVER.—The Secretary, in the Secretary's sole and unreviewable discretion, subject to subparagraph (D), may waive the application of subparagraph (A) on behalf of an alien if the alien—

''(i) is the spouse or child of a United States citizen or lawful permanent resident;

''(ii) is the parent of a child who is a United States citizen or lawful permanent resident;

''(iii) meets the requirements set forth in clauses (ii) and (iii) of section 245D(b)(1)(A); or

''(iv) meets the requirements set forth in section 245D(b)(1)(A)(ii), is 16 years or older on the date on which the alien applies for registered provisional immigrant status, and was physically present in the United States for an aggregate period of not less than 3 years during the 6-year period immediately preceding the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(C) ELIGIBILITY.—Subject to subparagraph (D) and notwithstanding subsection (b)(2), section 241(a)(5), or a prior order of exclusion, deportation, or removal, an alien described in subparagraph (B) who is otherwise eligible for registered provisional immigrant status may file an application for such status.

''(D) CRIME VICTIMS' RIGHTS TO NOTICE AND CONSULTATION.—Prior to applying, or exercising, any authority under this paragraph, or ruling upon an application allowed under subparagraph (C) the Secretary shall—

''(i) determine whether or not an alien described under subparagraph (B) or (C) has a conviction for any criminal offense;

''(ii) in consultation with the agency that prosecuted the criminal offense under clause (i), if the agency, in the sole discretion of the agency, is willing to cooperate with the Secretary, make all reasonable efforts to identify each victim of a crime for which an alien determined to be a criminal under clause (i) has a conviction;

''(iii) in consultation with the agency that prosecuted the criminal offense under clause (i), if the agency, in the sole discretion of the agency, is willing to cooperate with the Secretary,

make all reasonable efforts to provide each victim identified under clause (ii) with written notice that the alien is being considered for a waiver under this paragraph, specifying in such notice that the victim may—

''(I) take no further action;

''(II) request written notification by the Secretary of any subsequent application for waiver filed by the criminal alien under this paragraph and of the final determination of the Secretary regarding such application; or

''(III) not later than 60 days after the date on which the victim receives written notice under this clause, request a consultation with the Secretary relating to whether the application of the offender should be granted and if the victim cannot be located or if no response is received from the victim within the designated time period, the Secretary shall proceed with adjudication of the application; and

''(iv) at the request of a victim under clause (iii), consult with the victim to determine whether or not the Secretary should, in the case of an alien who is determined under clause (i) to have a conviction for any criminal offense, exercise waiver authority for an alien described under subparagraph (B), or grant the application of an alien described under subparagraph (C).

''(E) CRIME VICTIMS' RIGHT TO INTERVENTION.—In addition to the victim notification and consultation provided for in subparagraph (D), the Secretary shall allow the victim of a criminal alien described under subparagraph (B) or (C) to request consultation regarding, or notice of, any application for waiver filed by the criminal alien under this paragraph, including the final determination of the Secretary regarding such application.

''(F) CONFIDENTIALITY PROTECTIONS FOR CRIME VICTIMS.—The Secretary and the Attorney General may not make an adverse determination of admissibility or deportability of any alien who is a victim and not lawfully present in the United States based solely on information supplied or derived in the process of identification, notification, or consultation under this paragraph.

''(G) REPORTS REQUIRED.—Not later than September 30 of each fiscal year in which the Secretary exercises authority under this paragraph to rule upon the application of a criminal offender allowed under subparagraph (C), the Secretary shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report detailing the execution of the victim identification and notification process required under subparagraph (D), which shall include—

''(i) the total number of criminal offenders who have filed an application under subparagraph (C) and the crimes committed by such offenders;

''(ii) the total number of criminal offenders whose application under subparagraph (C) has been granted and the crimes committed by such offenders; and

''(iii) the total number of victims of criminal offenders under clause (ii) who were not provided with written notice of the offender's application and the crimes committed against the victims.

''(H) DEFINITION.—In this paragraph, the term 'victim' has the meaning given the term in section 503(e) of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. 10607(e)).

''(7) SUSPENSION OF REMOVAL DURING APPLICATION PERIOD.—

''(A) PROTECTION FROM DETENTION OR REMOVAL.—A registered provisional immigrant may not be detained by the Secretary or removed from the United States, unless—

''(i) the Secretary determines that—

''(I) such alien is, or has become, ineligible for registered provisional immigrant status under subsection (b)(3); or

''(II) the alien's registered provisional immigrant status has been revoked under subsection (d)(2).

''(B) ALIENS IN REMOVAL PROCEEDINGS.—Notwithstanding any other provision of this Act—

''(i) if the Secretary determines that an alien, during the period beginning on the date of the enactment of this section and ending on the last day of the application period described in paragraph (3), is in removal, deportation, or exclusion proceedings before the Executive Office for Immigration Review and is prima facie eligible for registered provisional immigrant status under this section—

''(I) the Secretary shall provide the alien with the opportunity to file an application for such status; and

''(II) upon motion by the Secretary and with the consent of the alien or upon motion by the alien, the Executive Office for Immigration Review shall—

''(aa) terminate such proceedings without prejudice to future proceedings on any basis; and

''(bb) provide the alien a reasonable opportunity to apply for such status; and

''(ii) if the Executive Office for Immigration Review determines that an alien, during the period beginning on the date of the enactment of this section and ending on the last day of the application period described in paragraph (3), is in removal, deportation, or exclusion proceedings before the Executive Office for Immigration Review and is prima facie eligible for registered provisional immigrant status under this section—

''(I) the Executive Office of Immigration Review shall notify the Secretary of such determination; and

''(II) if the Secretary does not dispute the determination of prima facie eligibility within 7 days after such notification, the Executive Office for Immigration Review, upon consent of the alien, shall—

''(aa) terminate such proceedings without prejudice to future proceedings on any basis; and

''(bb) permit the alien a reasonable opportunity to apply for such status.

''(C) TREATMENT OF CERTAIN ALIENS.—

''(i) IN GENERAL.—If an alien who meets the eligibility requirements set forth in subsection (b) is present in the United States and has been ordered excluded, deported, or removed, or ordered to depart voluntarily from the United States under any provision of this Act—

''(I) notwithstanding such order or section 241(a)(5), the alien may apply for registered provisional immigrant status under this section; and

''(II) if the alien is granted such status, the alien shall file a motion to reopen the exclusion, deportation, removal, or voluntary departure order, which motion shall be granted unless 1 or more of the grounds of ineligibility is established by clear and convincing evidence.

''(ii) LIMITATIONS ON MOTIONS TO REOPEN.—The limitations on motions to reopen set forth in section 240(c)(7) shall not apply to motions filed under clause (i)(II).

''(D) PERIOD PENDING ADJUDICATION OF APPLICATION.—

''(i) IN GENERAL.—During the period beginning on the date on which an alien applies for registered provisional immigrant status under paragraph (1) and the date on which the Secretary makes a final decision regarding such application, the alien—

''(I) may receive advance parole to reenter the United States if urgent humanitarian circumstances compel such travel;

''(II) may not be detained by the Secretary or removed from the United States unless the Secretary makes a prima facie determination that such alien is, or has become, ineligible for registered provisional immigrant status under subsection (b)(3);

''(III) shall not be considered unlawfully present for purposes of section 212(a)(9)(B); and

''(IV) shall not be considered an unauthorized alien (as defined in section 274A(h)(3)).

''(ii) EVIDENCE OF APPLICATION FILING.—As soon as practicable after receiving each application for registered provisional immigrant status, the Secretary shall provide the applicant with a document acknowledging the receipt of such application.

''(iii) CONTINUING EMPLOYMENT.—An employer who knows that an alien employee is an applicant for registered provisional immigrant status or will apply for such status once the application period commences is not in violation of section 274A(a)(2) if the employer continues to employ the alien pending the adjudication of the alien employee's application.

''(iv) EFFECT OF DEPARTURE.—Section 101(g) shall not apply to an alien granted—

''(I) advance parole under clause (i)(I) to reenter the United States; or

''(II) registered provisional immigrant status.

''(8) SECURITY AND LAW ENFORCEMENT CLEARANCES.—

''(A) BIOMETRIC AND BIOGRAPHIC DATA.—The Secretary may not grant registered provisional immigrant status to an alien or an alien dependent spouse or child under this section unless such alien submits biometric and biographic data in accordance with procedures established by the Secretary.

''(B) ALTERNATIVE PROCEDURES.—The Secretary shall provide an alternative procedure for applicants who cannot provide the biometric data required under subparagraph (A) because of a physical impairment.

''(C) CLEARANCES.—

''(i) DATA COLLECTION.—The Secretary shall collect, from each alien applying for status under this section, biometric, biographic, and other data that the Secretary determines to be appropriate—

''(I) to conduct national security and law enforcement clearances; and

''(II) to determine whether there are any national security or law enforcement factors that would render an alien ineligible for such status.

''(ii) ADDITIONAL SECURITY SCREENING.—The Secretary, in consultation with the Secretary of State and other interagency partners, shall conduct an additional security screening upon determining, in the Secretary's opinion based upon information related to national security, that an alien or alien dependent spouse or child is or was a citizen or long-term resident of a region or country known to pose a threat, or that contains groups or organizations that pose a threat, to the national security of the United States.

''(iii) PREREQUISITE.—The required clearances and screenings described in clauses (i)(I) and (ii) shall be completed before the alien may be granted registered provisional immigrant status.

''(9) DURATION OF STATUS AND EXTENSION.—

''(A) IN GENERAL.—The initial period of authorized admission for a registered provisional immigrant—

''(i) shall remain valid for 6 years unless revoked pursuant to subsection (d)(2); and

''(ii) may be extended for additional 6-year terms if—

''(I) the alien remains eligible for registered provisional immigrant status;

''(II) the alien meets the employment requirements set forth in subparagraph (B);

''(III) the alien has successfully passed background checks that are equivalent to the background checks described in section 245D(b)(1)(E); and

''(IV) such status was not revoked by the Secretary for any reason.

''(B) EMPLOYMENT OR EDUCATION REQUIREMENT.—Except as provided in subparagraphs (D) and (E) of section 245C(b)(3), an alien may not be granted an extension of registered provisional immigrant status under this paragraph unless the alien establishes that, during the alien's period of status as a registered provisional immigrant, the alien—

''(i)(I) was regularly employed throughout the period of admission as a registered provisional

immigrant, allowing for brief periods lasting not more than 60 days; and

''(II) is not likely to become a public charge (as determined under section 212(a)(4)); or

''(ii) is able to demonstrate average income or resources that are not less than 100 percent of the Federal poverty level throughout the period of admission as a registered provisional immigrant.

''(C) PAYMENT OF TAXES.—An applicant may not be granted an extension of registered provisional immigrant status under subparagraph (A)(ii) unless the applicant has satisfied any applicable Federal tax liability in accordance with paragraph (2).

''(10) FEES AND PENALTIES.—

''(A) STANDARD PROCESSING FEE.—

''(i) IN GENERAL.—Aliens who are 16 years of age or older and are applying for registered provisional immigrant status under paragraph (1), or for an extension of such status under paragraph (9)(A)(ii), shall pay a processing fee to the Department of Homeland Security in an amount determined by the Secretary.

''(ii) RECOVERY OF COSTS.—The processing fee authorized under clause (i) shall be set at a level that is sufficient to recover the full costs of processing the application, including any costs incurred—

''(I) to adjudicate the application;

''(II) to take and process biometrics;

''(III) to perform national security and criminal checks, including adjudication;

''(IV) to prevent and investigate fraud; and

''(V) to administer the collection of such fee.

''(iii) AUTHORITY TO LIMIT FEES.—The Secretary, by regulation, may—

''(I) limit the maximum processing fee payable under this subparagraph by a family, including spouses and unmarried children younger than 21 years of age; and

''(II) exempt defined classes of individuals, including individuals described in section 245B(c)(13), from the payment of the fee authorized under clause (i).

''(B) DEPOSIT AND USE OF PROCESSING FEES.—Fees collected under subparagraph (A)(i)—

''(i) shall be deposited into the Immigration Examinations Fee Account pursuant to section 286(m); and

''(ii) shall remain available until expended pursuant to section 286(n).

''(C) PENALTY.—

''(i) PAYMENT.—In addition to the processing fee required under subparagraph (A), aliens not described in section 245D(b)(A)(ii) who are 21 years of age or older and are filing an application under this subsection shall pay a $1,000 penalty to the Department of Homeland Security.

''(ii) INSTALLMENTS.—The Secretary shall establish a process for collecting payments required under clause (i) that permits the penalty under that clause to be paid in periodic installments that shall be completed before the alien may be granted an extension of status under paragraph (9)(A)(ii).

''(iii) DEPOSIT.—Penalties collected pursuant to this subparagraph shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(11) ADJUDICATION.—

''(A) FAILURE TO SUBMIT SUFFICIENT EVIDENCE.—The Secretary shall deny an application submitted by an alien who fails to submit—

''(i) requested initial evidence, including requested biometric data; or

''(ii) any requested additional evidence by the date required by the Secretary.

''(B) AMENDED APPLICATION.—An alien whose application for registered provisional immigrant status is denied under subparagraph (A) may file an amended application for such status to the Secretary if the amended application—

''(i) is filed within the application period described in paragraph (3); and

''(ii) contains all the required information and fees that were missing from the initial application.

''(12) EVIDENCE OF REGISTERED PROVISIONAL IMMIGRANT STATUS.—

''(A) IN GENERAL.—The Secretary shall issue documentary evidence of registered provisional immigrant status to each alien whose application for such status has been approved.

''(B) DOCUMENTATION FEATURES.—Documentary evidence provided under subparagraph (A)—

''(i) shall be machine-readable and tamper-resistant, and shall contain a digitized photograph;

''(ii) shall, during the alien's authorized period of admission, and any extension of such authorized admission, serve as a valid travel and entry document for the purpose of applying for admission to the United States;

''(iii) may be accepted during the period of its validity by an employer as evidence of employment authorization and identity under section 274A(b)(1)(B);

''(iv) shall indicate that the alien is authorized to work in the United States for up to 3 years; and

''(v) shall include such other features and information as may be prescribed by the Secretary.

''(13) DACA RECIPIENTS.—Unless the Secretary determines that an alien who was granted Deferred Action for Childhood Arrivals (referred to in this paragraph as 'DACA') pursuant to the Secretary's memorandum of June 15, 2012, has engaged in conduct since the alien was granted DACA that would make the alien ineligible for registered provisional immigrant status, the Secretary may grant such status to the alien if renewed national security and law enforcement clearances have been completed on behalf of the alien.

''(d) TERMS AND CONDITIONS OF REGISTERED PROVISIONAL IMMIGRANT STATUS.—

''(1) CONDITIONS OF REGISTERED PROVISIONAL IMMIGRANT STATUS.—

''(A) EMPLOYMENT.—Notwithstanding any other provision of law, including section 241(a)(7), a registered provisional immigrant shall be authorized to be employed in the United States while in such status.

''(B) TRAVEL OUTSIDE THE UNITED STATES.—A registered provisional immigrant may travel outside of the United States and may be admitted, if otherwise admissible, upon returning to the United States without having to obtain a visa if—

''(i) the alien is in possession of—

''(I) valid, unexpired documentary evidence of registered provisional immigrant status that complies with subsection (c)(12); or

''(II) a travel document, duly approved by the Secretary, that was issued to the alien after the alien's original documentary evidence was lost, stolen, or destroyed;

''(ii) the alien's absence from the United States did not exceed 180 days, unless the alien's failure to timely return was due to extenuating circumstances beyond the alien's control;

''(iii) the alien meets the requirements for an extension as described in subclauses (I) and (III) of paragraph (9)(A); and

''(iv) the alien establishes that the alien is not inadmissible under subparagraph (A)(i), (A)(iii), (B), or (C) of section 212(a)(3).

''(C) ADMISSION.—An alien granted registered provisional immigrant status under this section shall be considered to have been admitted and lawfully present in the United States in such status as of the date on which the alien's application was filed.

''(D) CLARIFICATION OF STATUS.—An alien granted registered provisional immigrant status—

''(i) is lawfully admitted to the United States; and

''(ii) may not be classified as a nonimmigrant or as an alien who has been lawfully admitted for permanent residence.

''(2) REVOCATION.—

''(A) IN GENERAL.—The Secretary may revoke the status of a registered provisional immigrant at any time after providing appropriate notice to the alien, and after the exhaustion or waiver of all applicable administrative review procedures under section 245E(c), if the alien—

''(i) no longer meets the eligibility requirements set forth in subsection (b);

''(ii) knowingly used documentation issued under this section for an unlawful or fraudulent purpose;

''(iii) is convicted of fraudulently claiming or receiving a Federal means-tested benefit (as defined and implemented in section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613)) after being granted registered provisional immigrant status; or

''(iv) was absent from the United States—

''(I) for any single period longer than 180 days in violation of the requirements set forth in paragraph (1)(B)(ii); or

''(II) for more than 180 days in the aggregate during any calendar year, unless the alien's failure to timely return was due to extenuating circumstances beyond the alien's control.

''(B) ADDITIONAL EVIDENCE.—In determining whether to revoke an alien's status under subparagraph (A), the Secretary may require the alien—

''(i) to submit additional evidence; or

''(ii) to appear for an interview.

''(C) INVALIDATION OF DOCUMENTATION.—If an alien's registered provisional immigrant status is revoked under subparagraph (A), any documentation issued by the Secretary to such alien under subsection (c)(12) shall automatically be rendered invalid for any purpose except for departure from the United States.

''(3) INELIGIBILITY FOR PUBLIC BENEFITS.—

''(A) IN GENERAL.—An alien who has been granted registered provisional immigrant status under this section is not eligible for any Federal means-tested public benefit (as defined and implemented in section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613)).

''(B) AUDITS.—The Secretary of Health and Human Services shall conduct regular audits to ensure that registered provisional immigrants are not fraudulently receiving any of the benefits described in subparagraph (A).

''(4) TREATMENT OF REGISTERED PROVISIONAL IMMIGRANTS.—A noncitizen granted registered provisional immigrant status under this section shall be considered lawfully present in the United States for all purposes while such noncitizen remains in such status, except that the noncitizen—

''(A) is not entitled to the premium assistance tax credit authorized under section 36B of the Internal Revenue Code of 1986 for his or her coverage;

''(B) shall be subject to the rules applicable to individuals not lawfully present that are set forth in subsection (e) of such section;

''(C) shall be subject to the rules applicable to individuals not lawfully present that are set forth in section 1402(e) of the Patient Protection and Affordable Care Act (42 U.S.C. 18071); and

''(D) shall be subject to the rules applicable to individuals not lawfully present set forth in section 5000A(d)(3) of the Internal Revenue Code of 1986.

''(5) ASSIGNMENT OF SOCIAL SECURITY NUMBER.—

''(A) IN GENERAL.—The Commissioner of Social Security, in coordination with the Secretary, shall implement a system to allow for the assignment of a Social Security number and the issuance of a Social Security card to each alien who has been granted registered provisional immigrant status under this section.

''(B) USE OF INFORMATION.—The Secretary shall provide the Commissioner of Social Security with information from the applications filed by aliens granted registered provisional immigrant status under this section and such other

information as the Commissioner determines to be necessary to assign a Social Security account number to such aliens. The Commissioner may use information received from the Secretary under this subparagraph to assign Social Security account numbers to such aliens and to administer the programs of the Social Security Administration. The Commissioner may maintain, use, and disclose such information only as permitted under section 552a of title 5, United States Code (commonly known as the Privacy Act of 1974) and other applicable Federal laws.

''(e) DISSEMINATION OF INFORMATION ON REGISTERED PROVISIONAL IMMIGRANT PROGRAM.—As soon as practicable after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary, in cooperation with entities approved by the Secretary, and in accordance with a plan adopted by the Secretary, shall broadly disseminate, in the most common languages spoken by aliens who would qualify for registered provisional immigrant status under this section, to television, radio, print, and social media to which such aliens would likely have access—

''(1) the procedures for applying for such status;

''(2) the terms and conditions of such status; and

''(3) the eligibility requirements for such status.''.

(b) ENLISTMENT IN THE ARMED FORCES.—Section 504(b)(1) of title 10, United States Code, is amended by adding at the end the following:

''(D) An alien who has been granted registered provisional immigrant status under section 245B of the Immigration and Nationality Act.''.

SEC. 2102. ADJUSTMENT OF STATUS OF REGISTERED PROVISIONAL IMMIGRANTS.

(a) IN GENERAL.—Chapter 5 of title II (8 U.S.C. 1255 et seq.) is amended by inserting after section 245B, as added by section 2101 of this title, the following:

''SEC. 245C. ADJUSTMENT OF STATUS OF REGISTERED PROVISIONAL IMMIGRANTS.

''(a) IN GENERAL.—Subject to section 245E(d) and section 2302(c)(3) of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary may adjust the status of a registered provisional immigrant to that of an alien lawfully admitted for permanent residence if the registered provisional immigrant satisfies the eligibility requirements set forth in subsection (b).

''(b) ELIGIBILITY REQUIREMENTS.—

''(1) REGISTERED PROVISIONAL IMMIGRANT STATUS.—

''(A) IN GENERAL.—The alien was granted registered provisional immigrant status under section 245B and remains eligible for such status.

''(B) CONTINUOUS PHYSICAL PRESENCE.—The alien establishes, to the satisfaction of the Secretary, that the alien was not continuously absent from the United States for more than 180 days in any calendar year during the period of admission as a registered provisional immigrant, unless the alien's absence was due to extenuating circumstances beyond the alien's control.

''(C) MAINTENANCE OF WAIVERS OF INADMISSIBILITY.—The grounds of inadmissibility set forth in section 212(a) that were previously waived for the alien or made inapplicable under section 245B(b) shall not apply for purposes of the alien's adjustment of status under this section.

''(D) PENDING REVOCATION PROCEEDINGS.—If the Secretary has notified the applicant that the Secretary intends to revoke the applicant's registered provisional immigrant status under section 245B(d)(2)(A), the Secretary may not approve an application for adjustment of status under this section unless the Secretary makes a final determination not to revoke the applicant's status.

''(2) PAYMENT OF TAXES.—

''(A) IN GENERAL.—An applicant may not file an application for adjustment of status under this section unless the applicant has satisfied any applicable Federal tax liability.

''(B) DEFINITION OF APPLICABLE FEDERAL TAX LIABILITY.—In subparagraph (A), the term 'applicable Federal tax liability' means all Federal income taxes assessed in accordance with section 6203 of the Internal Revenue Code of 1986 since the date on which the applicant was authorized to work in the United States as a registered provisional immigrant under section 245B(a).

''(C) COMPLIANCE.—The applicant may demonstrate compliance with subparagraph (A) by submitting such documentation as the Secretary, in consultation with the Secretary of the Treasury, may require by regulation.

''(3) EMPLOYMENT REQUIREMENT.—

''(A) IN GENERAL.—Except as provided in subparagraphs (D) and (E), an alien applying for adjustment of status under this section shall establish that, during his or her period of status as a registered provisional immigrant, he or she—

''(i)(I) was regularly employed throughout the period of admission as a registered provisional immigrant, allowing for brief periods lasting not more than 60 days; and

''(II) is not likely to become a public charge (as determined under section 212(a)(4)); or

''(ii) can demonstrate average income or resources that are not less than 125 percent of the Federal poverty level throughout the period of admission as a registered provisional immigrant.

''(B) EVIDENCE OF EMPLOYMENT.—

''(i) DOCUMENTS.—An alien may satisfy the employment requirement under subparagraph (A)(i) by submitting, to the Secretary, records that—

''(I) establish, by the preponderance of the evidence, compliance with such employment requirement; and

''(II) have been maintained by the Social Security Administration, the Internal Revenue Service, or any other Federal, State, or local government agency.

''(ii) OTHER DOCUMENTS.—An alien who is unable to submit the records described in clause (i) may satisfy the employment or education requirement under subparagraph (A) by submitting to the Secretary at least 2 types of reliable documents not described in clause (i) that provide evidence of employment or education, including—

''(I) bank records;

''(II) business records;

''(III) employer records;

''(IV) records of a labor union, day labor center, or organization that assists workers in employment;

''(V) sworn affidavits from nonrelatives who have direct knowledge of the alien's work or education, that contain—

''(aa) the name, address, and telephone number of the affiant;

''(bb) the nature and duration of the relationship between the affiant and the alien; and

''(cc) other verification or information;

''(VI) remittance records; and

''(VII) school records from institutions described in subparagraph (D).

''(iii) ADDITIONAL DOCUMENTS AND RESTRICTIONS.—The Secretary may—

''(I) designate additional documents that may be used to establish compliance with the requirement under subparagraph (A); and

''(II) set such terms and conditions on the use of affidavits as may be necessary to verify and confirm the identity of any affiant or to otherwise prevent fraudulent submissions.

''(C) SATISFACTION OF EMPLOYMENT REQUIREMENT.—An alien may not be required to satisfy the employment requirements under this section with a single employer.

''(D) EDUCATION PERMITTED.—An alien may satisfy the requirement under subparagraph (A), in whole or in part, by providing evidence of full-time attendance at—

''(i) an institution of higher education (as defined in section 102(a) of the Higher Education Act of 1965 (20 U.S.C. 1002(a)));

''(ii) a secondary school, including a public secondary school (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));

''(iii) an education, literacy, or career and technical training program (including vocational training) that is designed to lead to placement in postsecondary education, job training, or employment through which the alien is working toward such placement; or

''(iv) an education program assisting students either in obtaining a high school equivalency diploma, certificate, or its recognized equivalent under State law (including a certificate of completion, certificate of attendance, or alternate award), or in passing a General Educational Development exam or other equivalent State-authorized exam or completed other applicable State requirements for high school equivalency.

''(E) AUTHORIZATION OF EXCEPTIONS AND WAIVERS.—

''(i) EXCEPTIONS BASED ON AGE OR DISABILITY.—The employment and education requirements under this paragraph shall not apply to any alien who—

''(I) is younger than 21 years of age on the date on which the alien files an application for the first extension of the initial period of authorized admission as a registered provisional immigrant;

''(II) is at least 60 years of age on the date on which the alien files an application for an extension of registered provisional immigrant status or at least 65 years of age on the date on which the alien's application for adjustment of status is filed under this section; or

''(III) has a physical or mental disability (as defined in section 3(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102(2))) or as a result of pregnancy if such condition is evidenced by the submission of documentation prescribed by the Secretary.

''(ii) FAMILY EXCEPTIONS.—The employment and education requirements under this paragraph shall not apply to any alien who is a dependent registered provisional immigrant under subsection (b)(5).

''(iii) TEMPORARY EXCEPTIONS.—The employment and education requirements under this paragraph shall not apply during any period during which the alien—

''(I) was on medical leave, maternity leave, or other employment leave authorized by Federal law, State law, or the policy of the employer;

''(II) is or was the primary caretaker of a child or another person who requires supervision or is unable to care for himself or herself; or

''(III) was unable to work due to circumstances outside the control of the alien.

''(iv) WAIVER.—The Secretary may waive the employment or education requirements under this paragraph with respect to any individual alien who demonstrates extreme hardship to himself or herself or to a spouse, parent, or child who is a United States citizen or lawful permanent resident.

''(4) ENGLISH SKILLS.—

''(A) IN GENERAL.—Except as provided under subparagraph (C), a registered provisional immigrant who is 16 years of age or older shall establish that he or she—

''(i) meets the requirements set forth in section 312; or

''(ii) is satisfactorily pursuing a course of study, pursuant to standards established by the Secretary of Education, in consultation with the Secretary, to achieve an understanding of English and knowledge and understanding of the history and Government of the United States, as described in section 312(a).

''(B) RELATION TO NATURALIZATION EXAMINATION.—A registered provisional immigrant who demonstrates that he or she meets the requirements set forth in section 312 may be considered

to have satisfied such requirements for purposes of becoming naturalized as a citizen of the United States.

''(C) EXCEPTIONS.—

''(i) MANDATORY.—Subparagraph (A) shall not apply to any person who is unable to comply with the requirements under that subparagraph because of a physical or developmental disability or mental impairment.

''(ii) DISCRETIONARY.—The Secretary may waive all or part of subparagraph (A) for a registered provisional immigrant who is 70 years of age or older on the date on which an application is filed for adjustment of status under this section.

''(5) MILITARY SELECTIVE SERVICE.—The alien shall provide proof of registration under the Military Selective Service Act (50 U.S.C. App. 451 et seq.), if the alien is subject to such registration on or after the date on which the alien's application for registered provisional immigrant status is granted.

''(c) APPLICATION PROCEDURES.—

''(1) IN GENERAL.—Beginning on the date described in paragraph (2), a registered provisional immigrant, or a registered provisional immigrant dependent, who meets the eligibility requirements set forth in subsection (b) may apply for adjustment of status to that of an alien lawfully admitted for permanent residence by submitting an application to the Secretary that includes the evidence required, by regulation, to demonstrate the applicant's eligibility for such adjustment.

''(2) BACK OF THE LINE.—The status of a registered provisional immigrant may not be adjusted to that of an alien lawfully admitted for permanent residence under this section until after the Secretary of State certifies that immigrant visas have become available for all approved petitions for immigrant visas that were filed under sections 201 and 203 before the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(3) INTERVIEW.—The Secretary may interview applicants for adjustment of status under this section to determine whether they meet the eligibility requirements set forth in subsection (b).

''(4) SECURITY AND LAW ENFORCEMENT CLEARANCES.—The Secretary may not adjust the status of a registered provisional immigrant under this section until renewed national security and law enforcement clearances have been completed with respect to the registered provisional immigrant, to the satisfaction of the Secretary.

''(5) FEES AND PENALTIES.—

''(A) PROCESSING FEES.—

''(i) IN GENERAL.—The Secretary shall impose a processing fee on applicants for adjustment of status under this section at a level sufficient to recover the full cost of processing such applications, including costs associated with—

''(I) adjudicating the applications;

''(II) taking and processing biometrics;

''(III) performing national security and criminal checks, including adjudication;

''(IV) preventing and investigating fraud; and

''(V) the administration of the fees collected.

''(ii) AUTHORITY TO LIMIT FEES.—The Secretary, by regulation, may—

''(I) limit the maximum processing fee payable under this subparagraph by a family, including spouses and children; and

''(II) exempt other defined classes of individuals from the payment of the fee authorized under clause (i).

''(iii) DEPOSIT AND USE OF FEES.—Fees collected under this subparagraph—

''(I) shall be deposited into the Immigration Examinations Fee Account pursuant to section 286(m); and

''(II) shall remain available until expended pursuant to section 286(n).

''(B) PENALTIES.—

''(i) IN GENERAL.—In addition to the processing fee required under subparagraph (A) and the penalty required under section 245B(c)(6)(D), an alien who was 21 years of age or older on the date on which the Border Security, Economic Opportunity, and Immigration Modernization Act was originally introduced in the Senate and is filing an application for adjustment of status under this section shall pay a $1,000 penalty to the Secretary unless the alien meets the requirements under section 245D(b).

''(ii) INSTALLMENTS.—The Secretary shall establish a process for collecting payments required under clause (i) through periodic installments.

''(iii) DEPOSIT, ALLOCATION, AND SPENDING OF PENALTIES.—Penalties collected under this subparagraph—

''(I) shall be deposited into the Comprehensive Immigration Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act; and

''(II) may be used for the purposes set forth in section 6(a)(3)(B) of such Act.''.

(b) LIMITATION ON REGISTERED PROVISIONAL IMMIGRANTS.—An alien admitted as a registered provisional immigrant under section 245B of the Immigration and Nationality Act, as added by subsection (a), may only adjust status to an alien lawfully admitted for permanent resident status under section 245C or 245D of such Act or section 2302.

(c) NATURALIZATION.—Section 319 (8 U.S.C. 1430) is amended—

(1) in the section heading, by striking ''**and employees of certain nonprofit organizations**'' and inserting ''**, employees of certain nonprofit organizations, and other long-term lawful residents**''; and

(2) by adding at the end the following:

''(f) Any lawful permanent resident who was lawfully present in the United States and eligible for work authorization for not less than 10 years before becoming a lawful permanent resident may be naturalized upon compliance with all the requirements under this title except the provisions of section 316(a)(1) if such person, immediately preceding the date on which the person filed an application for naturalization—

''(1) has resided continuously within the United States, after being lawfully admitted for permanent residence, for at least 3 years;

''(2) during the 3-year period immediately preceding such filing date, has been physically present in the United States for periods totaling at least 50 percent of such period; and

''(3) has resided within the State or in the jurisdiction of the U.S. Citizenship and Immigration Services field office in the United States in which the applicant filed such application for at least 3 months.''.

SEC. 2103. THE DREAM ACT.

(a) SHORT TITLE.—This section may be cited as the ''Development, Relief, and Education for Alien Minors Act of 2013'' or the ''DREAM Act 2013''.

(b) ADJUSTMENT OF STATUS FOR CERTAIN ALIENS WHO ENTERED THE UNITED STATES AS CHILDREN.—Chapter 5 of title II (8 U.S.C. 1255 et seq.) is amended by inserting after section 245C, as added by section 2102 of this title, the following:

''SEC. 245D. ADJUSTMENT OF STATUS FOR CERTAIN ALIENS WHO ENTERED THE UNITED STATES AS CHILDREN.

''(a) DEFINITIONS.—In this section:

''(1) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given such term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002), except that the term does not include institutions described in subsection (a)(1)(C) of such section.

''(2) SECRETARY.—The term 'Secretary' means the Secretary of Homeland Security.

''(3) UNIFORMED SERVICES.—The term 'Uniformed Services' has the meaning given the term 'uniformed services' in section 101(a)(5) of title 10, United States Code.

''(b) ADJUSTMENT OF STATUS FOR CERTAIN ALIENS WHO ENTERED THE UNITED STATES AS CHILDREN.—

''(1) REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary may adjust the status of a registered provisional immigrant to the status of a lawful permanent resident if the immigrant demonstrates that he or she—

''(i) has been a registered provisional immigrant for at least 5 years;

''(ii) was younger than 16 years of age on the date on which the alien initially entered the United States;

''(iii) has earned a high school diploma, a commensurate alternative award from a public or private high school or secondary school, or has obtained a general education development certificate recognized under State law, or a high school equivalency diploma in the United States;

''(iv)(I) has acquired a degree from an institution of higher education or has completed at least 2 years, in good standing, in a program for a bachelor's degree or higher degree in the United States; or

''(II) has served in the Uniformed Services for at least 4 years and, if discharged, received an honorable discharge; and

''(v) has provided a list of each secondary school (as that term is defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) that the alien attended in the United States.

''(B) HARDSHIP EXCEPTION.—

''(i) IN GENERAL.—The Secretary may adjust the status of a registered provisional immigrant to the status of a lawful permanent resident if the alien—

''(I) satisfies the requirements under clauses (i), (ii), (iii), and (v) of subparagraph (A); and

''(II) demonstrates compelling circumstances for the inability to satisfy the requirement under subparagraph (A)(iv).

''(C) CITIZENSHIP REQUIREMENT.—

''(i) IN GENERAL.—Except as provided in clause (ii), the Secretary may not adjust the status of an alien to lawful permanent resident status under this section unless the alien demonstrates that the alien satisfies the requirements under section 312(a).

''(ii) EXCEPTION.—Clause (i) shall not apply to an alien whose physical or developmental disability or mental impairment prevents the alien from meeting the requirements such section.

''(D) SUBMISSION OF BIOMETRIC AND BIOGRAPHIC DATA.—The Secretary may not adjust the status of an alien to lawful permanent resident status unless the alien—

''(i) submits biometric and biographic data, in accordance with procedures established by the Secretary; or

''(ii) complies with an alternative procedure prescribed by the Secretary, if the alien is unable to provide such biometric data because of a physical impairment.

''(E) BACKGROUND CHECKS.—

''(i) REQUIREMENT FOR BACKGROUND CHECKS.—The Secretary shall utilize biometric, biographic, and other data that the Secretary determines appropriate—

''(I) to conduct national security and law enforcement background checks of an alien applying for lawful permanent resident status under this section; and

''(II) to determine whether there is any criminal, national security, or other factor that would render the alien ineligible for such status.

''(ii) COMPLETION OF BACKGROUND CHECKS.—The Secretary may not adjust an alien's status to the status of a lawful permanent resident under this subsection until the national security and law enforcement background checks required under clause (i) have been completed with respect to the alien, to the satisfaction of the Secretary.

''(2) APPLICATION FOR LAWFUL PERMANENT RESIDENT STATUS.—

''(A) IN GENERAL.—A registered provisional immigrant seeking lawful permanent resident status shall file an application for such status in such manner as the Secretary may require.

''(B) ADJUDICATION.—

''(i) IN GENERAL.—The Secretary shall evaluate each application filed by a registered provisional immigrant under this paragraph to determine whether the alien meets the requirements under paragraph (1).

''(ii) ADJUSTMENT OF STATUS IF FAVORABLE DETERMINATION.—If the Secretary determines that the alien meets the requirements under paragraph (1), the Secretary shall notify the alien of such determination and adjust the status of the alien to lawful permanent resident status, effective as of the date of such determination.

''(iii) ADVERSE DETERMINATION.—If the Secretary determines that the alien does not meet the requirements under paragraph (1), the Secretary shall notify the alien of such determination.

''(C) DACA RECIPIENTS.—The Secretary may adopt streamlined procedures for applicants for adjustment to lawful permanent resident status under this section who were granted Deferred Action for Childhood Arrivals pursuant to the Secretary's memorandum of June 15, 2012.

''(3) TREATMENT FOR PURPOSES OF NATURALIZATION.—

''(A) IN GENERAL.—An alien granted lawful permanent resident status under this section shall be considered, for purposes of title III—

''(i) to have been lawfully admitted for permanent residence; and

''(ii) to have been in the United States as an alien lawfully admitted to the United States for permanent residence during the period the alien was a registered provisional immigrant.

''(B) LIMITATION ON APPLICATION FOR NATURALIZATION.—An alien may not apply for naturalization while the alien is in registered provisional immigrant status, except for an alien described in paragraph (1)(A)(ii) pursuant to section 328 or 329.''.

(c) EXEMPTION FROM NUMERICAL LIMITATIONS.—Section 201(b)(1) (8 U.S.C. 1151(b)(1)) is amended—

(1) by redesignating subparagraph (E) as subparagraph (F); and

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

''(E) Aliens whose status is adjusted to permanent resident status under section 245C or 245D.''.

(d) RESTORATION OF STATE OPTION TO DETERMINE RESIDENCY FOR PURPOSES OF HIGHER EDUCATION.—

(1) REPEAL.—Section 505 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1623) is repealed.

(2) EFFECTIVE DATE.—The repeal under paragraph (1) shall take effect as if included in the original enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208).

(e) NATURALIZATION.—Section 328(a) (8 U.S.C. 1439(a)) is amended by inserting '', without having been lawfully admitted to the United States for permanent resident, and'' after ''naturalized''.

(f) LIMITATION ON FEDERAL STUDENT ASSISTANCE.—Notwithstanding any other provision of law, aliens granted registered provisional immigrant status and who initially entered the United States before reaching 16 years of age and aliens granted blue card status shall be eligible only for the following assistance under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.):

(1) Student loans under parts D and E of such title IV (20 U.S.C. 1087a et seq. and 1087aa et seq.), subject to the requirements of such parts.

(2) Federal work-study programs under part C of such title IV (42 U.S.C. 2751 et seq.), subject to the requirements of such part.

(3) Services under such title IV (20 U.S.C. 1070 et seq.), subject to the requirements for such services.

SEC. 2104. ADDITIONAL REQUIREMENTS.

(a) IN GENERAL.—Chapter 5 of title II (8 U.S.C. 1255 et seq.) is amended by inserting after section 245C, as added by section 2102 of this title, the following:

''SEC. 245E. ADDITIONAL REQUIREMENTS RELATING TO REGISTERED PROVISIONAL IMMIGRANTS AND OTHERS.

''(a) DISCLOSURES.—

''(1) PROHIBITED DISCLOSURES.—Except as otherwise provided in this subsection, no officer or employee of any Federal agency may—

''(A) use the information furnished in an application for lawful status under section 245B, 245C, or 245D for any purpose other than to make a determination on any application by the alien for any immigration benefit or protection;

''(B) make any publication through which information furnished by any particular applicant can be identified; or

''(C) permit anyone other than the sworn officers, employees, and contractors of such agency or of another entity approved by the Secretary to examine any individual application for lawful status under section 245B, 245C, or 245D.

''(2) REQUIRED DISCLOSURES.—The Secretary shall provide the information furnished in an application filed under section 245B, 245C, or 245D and any other information derived from such furnished information to—

''(A) a law enforcement agency, intelligence agency, national security agency, a component of the Department of Homeland Security, court, or grand jury, consistent with law, in connection with—

''(i) a criminal investigation or prosecution of any felony not related to the applicant's immigration status; or

''(ii) a national security investigation or prosecution; and

''(B) an official coroner for purposes of affirmatively identifying a deceased individual, whether or not the death of such individual resulted from a crime.

''(3) AUDITING AND EVALUATION OF INFORMATION.—The Secretary may—

''(A) audit and evaluate information furnished as part of any application filed under section 245B, 245C, or 245D for purposes of identifying immigration fraud or fraud schemes; and

''(B) use any evidence detected by means of audits and evaluations for purposes of investigating, prosecuting, referring for prosecution, or denying or terminating immigration benefits.

''(b) EMPLOYER PROTECTIONS.—

''(1) USE OF EMPLOYMENT RECORDS.—Copies of employment records or other evidence of employment provided by an alien or by an alien's employer in support of an alien's application for registered provisional immigrant status under section 245B may not be used in a civil or criminal prosecution or investigation of that employer under section 274A or the Internal Revenue Code of 1986 for the prior unlawful employment of that alien regardless of the adjudication of such application or reconsideration by the Secretary of such alien's prima facie eligibility determination. Employers that provide unauthorized aliens with copies of employment records or other evidence of employment pursuant to an application for registered provisional immigrant status shall not be subject to civil and criminal liability pursuant to section 274A for employing such unauthorized aliens.

''(2) LIMIT ON APPLICABILITY.—The protections for employers and aliens under paragraph (1) shall not apply if the aliens or employers submit employment records that are deemed to be fraudulent.

''(c) ADMINISTRATIVE REVIEW.—

''(1) EXCLUSIVE ADMINISTRATIVE REVIEW.—Administrative review of a determination respecting an application for status under section 245B, 245C, 245D, or 245F or section 2211 of the Agricultural Worker Program Act of 2013 shall be conducted solely in accordance with this subsection.

''(2) ADMINISTRATIVE APPELLATE REVIEW.—

''(A) ESTABLISHMENT OF ADMINISTRATIVE APPELLATE AUTHORITY.—The Secretary shall establish or designate an appellate authority to provide for a single level of administrative appellate review of a determination with respect to applications for, or revocation of, status under sections 245B, 245C, and 245D.

''(B) SINGLE APPEAL FOR EACH ADMINISTRATIVE DECISION.—

''(i) IN GENERAL.—An alien in the United States whose application for status under section 245B, 245C, or 245D has been denied or revoked may file with the Secretary not more than 1 appeal of each decision to deny or revoke such status.

''(ii) NOTICE OF APPEAL.—A notice of appeal filed under this subparagraph shall be filed not later than 90 days after the date of service of the decision of denial or revocation, unless the delay was reasonably justifiable.

''(C) REVIEW BY SECRETARY.—Nothing in this paragraph may be construed to limit the authority of the Secretary to certify appeals for review and final administrative decision.

''(D) DENIAL OF PETITIONS FOR DEPENDENTS.—Appeals of a decision to deny or revoke a petition filed by a registered provisional immigrant pursuant to regulations promulgated under section 245B to classify a spouse or child of such alien as a registered provisional immigrant shall be subject to the administrative appellate authority described in subparagraph (A).

''(E) STAY OF REMOVAL.—Aliens seeking administrative review shall not be removed from the United States until a final decision is rendered establishing ineligibility for status under section 245B, 245C, or 245D.

''(3) RECORD FOR REVIEW.—Administrative appellate review under paragraph (2) shall be de novo and based solely upon—

''(A) the administrative record established at the time of the determination on the application; and

''(B) any additional newly discovered or previously unavailable evidence.

''(4) UNLAWFUL PRESENCE.—During the period in which an alien may request administrative review under this subsection, and during the period that any such review is pending, the alien shall not be considered 'unlawfully present in the United States' for purposes of section 212(a)(9)(B).

''(d) PRIVACY AND CIVIL LIBERTIES.—

''(1) IN GENERAL.—The Secretary, in accordance with subsection (a)(1), shall require appropriate administrative and physical safeguards to protect the security, confidentiality, and integrity of personally identifiable information collected, maintained, and disseminated pursuant to sections 245B, 245C, and 245D.

''(2) ASSESSMENTS.—Notwithstanding the privacy requirements set forth in section 222 of the Homeland Security Act (6 U.S.C. 142) and the E-Government Act of 2002 (Public Law 107–347), the Secretary shall conduct a privacy impact assessment and a civil liberties impact assessment of the legalization program established under sections 245B, 245C, and 245D during the pendency of the interim final regulations required to be issued under section 2110 of the Border Security, Economic Opportunity, and Immigration Modernization Act.''.

(b) JUDICIAL REVIEW.—Section 242 (8 U.S.C. 1252) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (B), by inserting ''the exercise of discretion arising under'' after ''no court shall have jurisdiction to review'';

(B) in subparagraph (D), by striking ''raised upon a petition for review filed with an appropriate court of appeals in accordance with this section'';

(2) in subsection (b)(2), by inserting ''or, in the case of a decision rendered under section 245E(c), in the judicial circuit in which the petitioner resides'' after ''proceedings''; and

(3) by adding at the end the following:

''(h) JUDICIAL REVIEW OF ELIGIBILITY DETERMINATIONS RELATING TO STATUS UNDER CHAPTER 5.—

''(1) DIRECT REVIEW.—If an alien's application under section 245B, 245C, 245D, or 245F or section 2211 of the Agricultural Worker Program Act of 2013 is denied, or is revoked after the exhaustion of administrative appellate review under section 245E(c), the alien may seek review of such decision, in accordance with chapter 7 of title 5, United States Code, before the United States district court for the district in which the person resides.

''(2) STATUS DURING REVIEW.—While a review described in paragraph (1) is pending—

''(A) the alien shall not be deemed to accrue unlawful presence for purposes of section 212(a)(9);

''(B) any unexpired grant of voluntary departure under section 240B shall be tolled; and

''(C) the court shall have the discretion to stay the execution of any order of exclusion, deportation, or removal.

''(3) REVIEW AFTER REMOVAL PROCEEDINGS.—An alien may seek judicial review of a denial or revocation of approval of the alien's application under section 245B, 245C, or 245D in the appropriate United States court of appeal in conjunction with the judicial review of an order of removal, deportation, or exclusion if the validity of the denial has not been upheld in a prior judicial proceeding under paragraph (1).

''(4) STANDARD FOR JUDICIAL REVIEW.—

''(A) BASIS.—Judicial review of a denial, or revocation of an approval, of an application under section 245B, 245C, or 245D shall be based upon the administrative record established at the time of the review.

''(B) AUTHORITY TO REMAND.—The reviewing court may remand a case under this subsection to the Secretary for consideration of additional evidence if the court finds that—

''(i) the additional evidence is material; and

''(ii) there were reasonable grounds for failure to adduce the additional evidence before the Secretary.

''(C) SCOPE OF REVIEW.—Notwithstanding any other provision of law, judicial review of all questions arising from a denial, or revocation of an approval, of an application under section 245B, 245C, or 245D shall be governed by the standard of review set forth in section 706 of title 5, United States Code.

''(5) REMEDIAL POWERS.—

''(A) JURISDICTION.—Notwithstanding any other provision of law, the United States district courts shall have jurisdiction over any cause or claim arising from a pattern or practice of the Secretary in the operation or implementation of the Border Security, Economic Opportunity, and Immigration Modernization Act, or the amendments made by such Act, that is arbitrary, capricious, or otherwise contrary to law.

''(B) SCOPE OF RELIEF.—The United States district courts may order any appropriate relief in a clause or claim described in subparagraph (A) without regard to exhaustion, ripeness, or other standing requirements (other than constitutionally-mandated requirements), if the court determines that—

''(i) the resolution of such cause or claim will serve judicial and administrative efficiency; or

''(ii) a remedy would otherwise not be reasonably available or practicable.

''(6) CHALLENGES TO THE VALIDITY OF THE SYSTEM.—

''(A) IN GENERAL.—Except as provided in paragraph (5), any claim that section 245B, 245C, 245D, or 245E or any regulation, written policy, or written directive, issued or unwritten policy or practice initiated by or under the authority of the Secretary to implement such sections, violates the Constitution of the United States or is otherwise in violation of law is available exclusively in an action instituted in United States District Court in accordance with the procedures prescribed in this paragraph.

''(B) SAVINGS PROVISION.—Except as provided in subparagraph (C), nothing in subparagraph (A) may be construed to preclude an applicant under 245B, 245C, or 245D from asserting that an action taken or a decision made by the Secretary with respect to the applicant's status was contrary to law.

''(C) CLASS ACTIONS.—Any claim described in subparagraph (A) that is brought as a class action shall be brought in conformity with—

''(i) the Class Action Fairness Act of 2005 (Public Law 109–2); and

''(ii) the Federal Rules of Civil Procedure.

''(D) PRECLUSIVE EFFECT.—The final disposition of any claim brought under subparagraph (A) shall be preclusive of any such claim asserted by the same individual in a subsequent proceeding under this subsection.

''(E) EXHAUSTION AND STAY OF PROCEEDINGS.—

''(i) IN GENERAL.—No claim brought under this paragraph shall require the plaintiff to exhaust administrative remedies under section 245E(c).

''(ii) STAY AUTHORIZED.—Nothing in this paragraph may be construed to prevent the court from staying proceedings under this paragraph to permit the Secretary to evaluate an allegation of an unwritten policy or practice or to take corrective action. In determining whether to issue such a stay, the court shall take into account any harm the stay may cause to the claimant.''.

(c) RULE OF CONSTRUCTION.—Section 244(h) of the Immigration and Nationality Act (8 U.S.C. 1254a(h)) shall not limit the authority of the Secretary to adjust the status of an alien under section 245C or 245D of the Immigration and Nationality Act, as added by this subtitle.

(d) EFFECT OF FAILURE TO REGISTER ON ELIGIBILITY FOR IMMIGRATION BENEFITS.—Failure to comply with section 264.1(f) of title 8, Code of Federal Regulations or with removal orders or voluntary departure agreements based on such section for acts committed before the date of the enactment of this Act shall not affect the eligibility of an alien to apply for a benefit under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(e) CLERICAL AMENDMENT.—The table of contents is amended by inserting after the item relating to section 245A the following:

''Sec. 245B. Adjustment of status of eligible entrants before December 31, 2011, to that of registered provisional immigrant.

''Sec. 245C. Adjustment of status of registered provisional immigrants.

''Sec. 245D. Adjustment of status for certain aliens who entered the United States as children.

''Sec. 245E. Additional requirements relating to registered provisional immigrants and others.''.

SEC. 2105. CRIMINAL PENALTY.

(a) IN GENERAL.—Chapter 69 of title 18, United States Code, is amended by adding at the end the following:

''§ 1430. Improper use of information relating to registered provisional immigrant applications

''Any person who knowingly uses, publishes, or permits information described in section 245E(a) of the Immigration and Nationality Act to be examined in violation of such section shall be fined not more than $10,000.''.

(b) DEPOSIT OF FINES.—All criminal penalties collected under section 1430 of title 18, United States Code, as added by subsection (a), shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1).

(c) CLERICAL AMENDMENT.—The table of sections in chapter 69 of title 18, United States Code, is amended by adding at the end the following:

''1430. Improper use of information relating to registered provisional immigrant applications.''.

SEC. 2106. GRANT PROGRAM TO ASSIST ELIGIBLE APPLICANTS.

(a) ESTABLISHMENT.—The Secretary may establish, within U.S. Citizenship and Immigration Services, a program to award grants, on a competitive basis, to eligible nonprofit organizations that will use the funding to assist eligible applicants under section 245B, 245C, 245D, or 245F of the Immigration and Nationality Act or section 2211 of this Act by providing them with the services described in subsection (c).

(b) ELIGIBLE NONPROFIT ORGANIZATION.—The term ''eligible nonprofit organization'' means a nonprofit, tax-exempt organization, including a community, faith-based or other immigrant-serving organization, whose staff has demonstrated qualifications, experience, and expertise in providing quality services to immigrants, refugees, persons granted asylum, or persons applying for such statuses.

(c) USE OF FUNDS.—Grant funds awarded under this section may be used for the design and implementation of programs that provide—

(1) information to the public regarding the eligibility and benefits of registered provisional immigrant status authorized under section 245B of the Immigration and Nationality Act and blue card status authorized under section 2211, particularly to individuals potentially eligible for such status;

(2) assistance, within the scope of authorized practice of immigration law, to individuals submitting applications for registered provisional immigrant status or blue card status, including—

(A) screening prospective applicants to assess their eligibility for such status;

(B) completing applications and petitions, including providing assistance in obtaining the requisite documents and supporting evidence;

(C) applying for any waivers for which applicants and qualifying family members may be eligible; and

(D) providing any other assistance that the Secretary or grantees consider useful or necessary to apply for registered provisional immigrant status or blue card status;

(3) assistance, within the scope of authorized practice of immigration law, to individuals seeking to adjust their status to that of an alien admitted for permanent residence under section 245C or 245F of the Immigration and Nationality Act; and

(4) assistance, within the scope of authorized practice of immigration law, and instruction, to individuals—

(A) on the rights and responsibilities of United States citizenship;

(B) in civics and civics-based English as a second language; and

(C) in applying for United States citizenship.

(d) SOURCE OF GRANT FUNDS.—

(1) APPLICATION FEES.—The Secretary may use up to $50,000,000 from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) to carry out this section.

(2) AUTHORIZATION OF APPROPRIATIONS.—

(A) AMOUNTS AUTHORIZED.—In addition to the amounts made available under paragraph (1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2014 through 2018 to carry out this section.

(B) AVAILABILITY.—Any amounts appropriated pursuant to subparagraph (A) shall remain available until expended.

SEC. 2107. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) CORRECTION OF SOCIAL SECURITY RECORDS.—

(1) IN GENERAL.—Section 208(e)(1) of the Social Security Act (42 U.S.C. 408(e)(1)) is amended—

(A) in subparagraph (B)(ii), by striking ''or'' at the end;

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

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

''(D) who is granted status as a registered provisional immigrant under section 245B or 245D of the Immigration and Nationality Act; or

''(E) whose status is adjusted to that of lawful permanent resident under section 245C of the Immigration and Nationality Act,''; and

(D) in the undesignated matter at the end, by inserting '', or in the case of an alien described in subparagraph (D) or (E), if such conduct is alleged to have occurred before the date on which the alien submitted an application under section 245B of such Act for classification as a registered provisional immigrant'' before the period at the end.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on the first day of the tenth month that begins after the date of the enactment of this Act.

(b) STATE DISCRETION REGARDING TERMINATION OF PARENTAL RIGHTS.—

(1) IN GENERAL.—A compelling reason for a State not to file (or to join in the filing of) a petition to terminate parental rights under section 475(5)(E) of the Social Security Act (42 U.S.C. 675(5)(E)) shall include—

(A) the removal of the parent from the United States, unless the parent is unfit or unwilling to be a parent of the child; or

(B) the involvement of the parent in (including detention pursuant to) an immigration proceeding, unless the parent is unfit or unwilling to be a parent of the child.

(2) CONDITIONS.—Before a State may file to terminate the parental rights under such section 475(5)(E), the State (or the county or other political subdivision of the State, as applicable) shall make reasonable efforts—

(A) to identify, locate, and contact (including, if appropriate, through the diplomatic or consular offices of the country to which the parent was removed or in which a parent or relative resides)—

(i) any parent of the child who is in immigration detention;

(ii) any parent of the child who has been removed from the United States; and

(iii) if possible, any potential adult relative of the child (as described in section 471(a)(29));

(B) to notify such parent or relative of the intent of the State (or the county or other political subdivision of the State, as applicable) to file (or to join in the filing of) a petition referred to in paragraph (1); or

(C) to reunify the child with any such parent or relative; and

(D) to provide and document appropriate services to the parent or relative.

(3) CONFORMING AMENDMENT.—Section 475(5)(E)(ii) of the Social Security Act (42 U.S.C. 675(5)(E)) is amended by inserting '', including the reason set forth in section 2107(b)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act'' after ''child''.

(c) CHILDREN SEPARATED FROM PARENTS AND CAREGIVERS.—

(1) STATE PLAN FOR FOSTER CARE AND ADOPTION ASSISTANCE.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)) is amended—

(A) by amending paragraph (19) to read as follows:

''(19) provides that the State shall give preference to an adult relative over a nonrelated caregiver when determining a placement for a child if—

''(A) the relative caregiver meets all relevant State child protection standards; and

''(B) the standards referred to in subparagraph (A) ensure that the immigration status alone of a parent, legal guardian, or relative shall not disqualify the parent, legal guardian, or relative from being a placement for a child,''; and

(B) in paragraph (32), by striking ''and'' at the end;

(C) in paragraph (33), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(34) provides that the State shall—

''(A) ensure that the case manager for a separated child is capable of communicating in the native language of such child and of the family of such child, or an interpreter who is so capable is provided to communicate with such child and the family of such child at no cost to the child or to the family of such child;

''(B) coordinate with the Department of Homeland Security to ensure that parents who wish for their child to accompany them to their country of origin are given adequate time and assistance to obtain a passport and visa, and to collect all relevant vital documents, such as birth certificate, health, and educational records and other information;

''(C) coordinate with State agencies regarding alternate documentation requirements for a criminal records check or a fingerprint-based check for a caregiver that does not have Federal or State-issued identification;

''(D) preserve, to the greatest extent practicable, the privacy and confidentiality of all information gathered in the course of administering the care, custody, and placement of, and follow up services provided to, a separated child, consistent with the best interest of such child, by not disclosing such information to other government agencies or persons (other than a parent, legal guardian, or relative caregiver or such child), except that the head of the State agency (or the county or other political subdivision of the State, as applicable) may disclose such information, after placing a written record of the disclosure in the file of the child—

''(i) to a consular official for the purpose of reunification of a child with a parent, legal guardian, or relative caregiver who has been removed or is involved in an immigration proceeding, unless the child has refused contact with, or the sharing of personal or identifying information with, the government of his or her country of origin;

''(ii) when authorized to do so by the child (if the child has attained 18 years of age) if the disclosure is consistent with the best interest of the child; or

''(iii) to a law enforcement agency if the disclosure would prevent imminent and serious harm to another individual; and

''(E) not less frequently than annually, compile, update, and publish a list of entities in the State that are qualified to provide legal representation services for a separated child, in a language such that a child can read and understand.''.

(2) ADDITIONAL INFORMATION TO BE INCLUDED IN CASE PLAN.—Section 475 of such Act (42 U.S.C. 675) is amended—

(A) in paragraph (1), by adding at the end the following:

''(H) In the case of a separated child with respect to whom the State plan requires the State to provide services under section 471(a)(34)—

''(i) the location of the parent or legal guardian described in paragraph (9)(A) from whom the child has been separated; and

''(ii) a written record of each disclosure to a government agency or person (other than such a parent, legal guardian, or relative) of information gathered in the course of tracking the care, custody, and placement of, and follow-up services provided to, the child.''; and

(B) by adding at the end the following:

''(9) The term 'separated child' means an individual who—

''(A) has a parent or legal guardian who has been—

''(i) detained by a Federal, State, or local law enforcement agency in the enforcement of an immigration law; or

''(ii) removed from the United States as a result of a violation of such a law; and

''(B) is in foster care under the responsibility of a State.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the 1st day of the 1st calendar quarter that begins after the 1-year period that begins on the date of the enactment of this Act.

SEC. 2108. GOVERNMENT CONTRACTING AND ACQUISITION OF REAL PROPERTY INTEREST.

(a) EXEMPTION FROM GOVERNMENT CONTRACTING AND HIRING RULES.—

(1) IN GENERAL.—A determination by a Federal agency to use a procurement competition exemption under section 253(c) of title 41, United States Code, or to use the authority granted in paragraph (2), for the purpose of implementing this title and the amendments made by this title is not subject to challenge by protest to the Government Accountability Office under sections 3551 and 3556 of title 31, United States Code, or to the Court of Federal Claims, under section 1491 of title 28, United States Code. An agency shall immediately advise the Congress of the exercise of the authority granted under this paragraph.

(2) GOVERNMENT CONTRACTING EXEMPTION.—The competition requirement under section 253(a) of title 41, United States Code, may be waived or modified by a Federal agency for any procurement conducted to implement this title or the amendments made by this title if the senior procurement executive for the agency conducting the procurement—

(A) determines that the waiver or modification is necessary; and

(B) submits an explanation for such determination to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives.

(3) HIRING RULES EXEMPTION.—Notwithstanding any other provision of law, the Secretary is authorized to make term, temporary limited, and part-time appointments of employees who will implement this title and the amendments made by this title without regard to the number of such employees, their ratio to permanent full-time employees, and the duration of their employment. Nothing in chapter 71 of title 5, United States Code, shall affect the authority of any Department management official to hire term, temporary limited or part-time employees under this paragraph.

(b) AUTHORITY TO WAIVE ANNUITY LIMITATIONS.—Section 824(g)(2)(B) of the Foreign Service Act of 1980 (22 U.S.C. 4064(g)(2)(B)) is amended by striking ''2009'' and inserting ''2017''.

(c) AUTHORITY TO ACQUIRE LEASEHOLDS.—Notwithstanding any other provision of law, the Secretary may acquire a leasehold interest in real property, and may provide in a lease entered into under this subsection for the construction or modification of any facility on the leased property, if the Secretary determines that the acquisition of such interest, and such construction or modification, are necessary in order to facilitate the implementation of this title and the amendments made by this title.

SEC. 2109. LONG-TERM LEGAL RESIDENTS OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.

Section (6)(e) of the Joint Resolution entitled ''A Joint Resolution to approve the 'Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America', and for other purposes'', approved March 24, 1976 (48 U.S.C. 1806(e)), as added by section 702 of the Consolidated Natural Resources Act of 2008 (Public Law 110–229; 122 Stat. 854), is amended by adding at the end the following:

''(6) SPECIAL PROVISION REGARDING LONG-TERM RESIDENTS OF THE COMMONWEALTH.—

''(A) CNMI-ONLY RESIDENT STATUS.—Notwithstanding paragraph (1), an alien described in subparagraph (B) may, upon the application of the alien, be admitted as an immigrant to the Commonwealth subject to the following rules:

''(i) The alien shall be treated as an immigrant lawfully admitted for permanent residence in the Commonwealth only, including permitting entry to and exit from the Commonwealth, until the earlier of the date on which—

''(I) the alien ceases to permanently reside in the Commonwealth; or

''(II) the alien's status is adjusted under this paragraph or section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) to that of an alien lawfully admitted for permanent residence in accordance with all applicable eligibility requirements.

''(ii) The Secretary of Homeland Security shall establish a process for such aliens to apply for CNMI-only permanent resident status during the 90-day period beginning on the first day of the sixth month after the date of the enactment of this paragraph.

''(iii) Nothing in this subparagraph may be construed to provide any alien granted status under this subparagraph with public assistance to which the alien is not otherwise entitled.

''(B) ALIENS DESCRIBED.—An alien is described in this subparagraph if the alien—

''(i) is lawfully present in the Commonwealth under the immigration laws of the United States;

''(ii) is otherwise admissible to the United States under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.);

''(iii) resided continuously and lawfully in the Commonwealth from November 28, 2009, through the date of the enactment of this paragraph;

''(iv) is not a citizen of the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau; and

''(v)(I) was born in the Northern Mariana Islands between January 1, 1974 and January 9, 1978;

''(II) was, on May 8, 2008, and continues to be as of the date of the enactment of this paragraph, a permanent resident (as defined in section 4303 of title 3 of the Northern Mariana Islands Commonwealth Code, in effect on May 8, 2008);

''(III) is the spouse or child (as defined in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1))), of an alien described in subclauses (I) or (II);

''(IV) was, on May 8, 2008, an immediate relative (as defined in section 4303 of title 3 of the Northern Mariana Islands Commonwealth Code, in effect on May 8, 2008, of a United States citizen, notwithstanding the age of the United States citizen, and continues to be such an immediate relative on the date of the application described in subparagraph (A);

''(V) resided in the Northern Mariana Islands as a guest worker under Commonwealth immigration law for at least 5 years before May 8, 2008 and is presently resident under CW–1 status; or

''(VI) is the spouse or child (as defined in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1))), of the alien guest worker described in subclause (V) and is presently resident under CW–2 status.

''(C) ADJUSTMENT FOR LONG TERM AND PERMANENT RESIDENTS.—Beginning on the date that is 5 years after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, an alien described in subparagraph (B) may apply to receive an immigrant visa or to adjust his or her status to that of an alien lawfully admitted for permanent residence.''.

SEC. 2110. RULEMAKING.

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Secretary, the Attorney General, and the Secretary of State separately shall issue interim final regulations to implement this subtitle and the amendments made by this subtitle, which shall take effect immediately upon publication in the Federal Register.

(b) APPLICATION PROCEDURES; PROCESSING FEES; DOCUMENTATION.—The interim final regulations issued under subsection (a) shall include—

(1) the procedures by which an alien, and the dependent spouse and children of such alien may apply for status under section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, as a registered provisional immigrant or a registered provisional immigrant dependent, as applicable, including the evidence required to demonstrate eligibility for such status or to be included in each application for such status;

(2) the criteria to be used by the Secretary to determine—

(A) the maximum processing fee payable under sections 245B(c)(10)(B) and 245C(c)(5)(A) of such Act by a family, including spouses and unmarried children younger than 21 years of age; and

(B) which individuals will be exempt from such fees;

(3) the documentation required to be submitted by the applicant to demonstrate compliance with section 245C(b)(3) of such Act; and

(4) the procedures for a registered provisional immigrant to apply for adjustment of status under section 245C or 245D of such Act, including the evidence required to be submitted with such application to demonstrate the applicant's eligibility for such adjustment.

(c) EXEMPTION FROM NATIONAL ENVIRONMENTAL POLICY ACT.—Any decision by the Secretary concerning any rulemaking action, plan, or program described in this section shall not be considered to be a major Federal action subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

SEC. 2111. STATUTORY CONSTRUCTION.

Except as specifically provided, nothing in this subtitle, or any amendment made by this subtitle, may be construed to create any substantive or procedural right or benefit that is legally enforceable by any party against the United States or its agencies or officers or any other person.

Subtitle B—Agricultural Worker Program

SEC. 2201. SHORT TITLE.

This subtitle may be cited as the ''Agricultural Worker Program Act of 2013''.

SEC. 2202. DEFINITIONS.

In this subtitle:

(1) BLUE CARD STATUS.—The term ''blue card status'' means the status of an alien who has been lawfully admitted into the United States for temporary residence under section 2211.

(2) AGRICULTURAL EMPLOYMENT.—The term ''agricultural employment'' has the meaning given such term in section 3 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1802), without regard to whether the specific service or activity is temporary or seasonal.

(3) CHILD.—The term ''child'' has the meaning given the term in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1)).

(4) EMPLOYER.—The term ''employer'' means any person or entity, including any farm labor contractor and any agricultural association, that employs workers in agricultural employment.

(5) QUALIFIED DESIGNATED ENTITY.—The term ''qualified designated entity'' means—

(A) a qualified farm labor organization or an association of employers designated by the Secretary; or

(B) any other entity that the Secretary designates as having substantial experience, demonstrated competence, and a history of long-term involvement in the preparation and submission of application for adjustment of status under title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.).

(6) WORK DAY.—The term ''work day'' means any day in which the individual is employed 5.75 or more hours in agricultural employment.

CHAPTER 1—PROGRAM FOR EARNED STATUS ADJUSTMENT OF AGRICULTURAL WORKERS

Subchapter A—Blue Card Status

SEC. 2211. REQUIREMENTS FOR BLUE CARD STATUS.

(a) REQUIREMENTS FOR BLUE CARD STATUS.—Notwithstanding any other provision of law, the Secretary, after conducting the national security and law enforcement clearances required under section 245B(c)(4), may grant blue card status to an alien who—

(1)(A) performed agricultural employment in the United States for not fewer than 575 hours or 100 work days during the 2-year period ending on December 31, 2012; or

(B) is the spouse or child of an alien described in subparagraph (A) and was physically present in the United States on or before December 31, 2012, and has maintained continuous presence in the United States from that date until the date on which the alien is granted blue card status, with the exception of absences from the United States that are brief, casual, and innocent, whether or not such absences were authorized by the Secretary;

(2) submits a completed application before the end of the period set forth in subsection (b)(2); and

(3) is not ineligible under paragraph (3) or (4) of section 245B(b) of the Immigration and Nationality Act (other than a nonimmigrant alien admitted to the United States for agricultural employment described in section 101(a)(15)(H)(ii)(a) of such Act.

(b) APPLICATION.—

(1) IN GENERAL.—An alien who meets the eligibility requirements set forth in subsection (a)(1), may apply for blue card status and that alien's spouse or child may apply for blue card status as a dependent, by submitting a completed application form to the Secretary during the application period set forth in paragraph (2) in accordance with the final rule promulgated by the Secretary pursuant to subsection (e).

(2) SUBMISSION.—The Secretary shall provide that the alien shall be able to submit an application under paragraph (1)—

(A) if the applicant is represented by an attorney or a nonprofit religious, charitable, social service, or similar organization recognized by the Board of Immigration Appeals under section 292.2 of title 8, Code of Federal Regulations; or

(B) to a qualified entity if the applicant consents to the forwarding of the application to the Secretary.

(3) APPLICATION PERIOD.—

(A) INITIAL PERIOD.—Except as provided in subparagraph (B), the Secretary may only accept applications for blue card status for a 1-year period from aliens in the United States beginning on the date on which the final rule is published in the Federal Register pursuant to subsection (f), except that qualified nonimmigrants who have participated in the H–2A Program may apply from outside of the United States.

(B) EXTENSION.—If the Secretary determines, during the initial period described in subparagraph (A), that additional time is required to process applications for blue card status or for other good cause, the Secretary may extend the period for accepting applications for an additional 18 months.

(4) APPLICATION FORM.—

(A) REQUIRED INFORMATION.—The application form referred to in paragraph (1) shall collect such information as the Secretary determines necessary and appropriate.

(B) FAMILY APPLICATION.—The Secretary shall establish a process through which an alien may submit a single application under this section on behalf of the alien, his or her spouse, and his or her children, who are residing in the United States.

(C) INTERVIEW.—The Secretary may interview applicants for blue card status to determine

whether they meet the eligibility requirements set forth in subsection (a)(1).

(5) ALIENS APPREHENDED BEFORE OR DURING THE APPLICATION PERIOD.—If an alien, who is apprehended during the period beginning on the date of the enactment of this Act and ending on the application period described in paragraph (3), appears prima facie eligible for blue card status, the Secretary—

(A) shall provide the alien with a reasonable opportunity to file an application under this section during such application period; and

(B) may not remove the individual until a final administrative determination is made on the application.

(6) SUSPENSION OF REMOVAL DURING APPLICATION PERIOD.—

(A) PROTECTION FROM DETENTION OR REMOVAL.—An alien granted blue card status may not be detained by the Secretary or removed from the United States unless—

(i) such alien is, or has become, ineligible for blue card status; or

(ii) the alien's blue card status has been revoked.

(B) ALIENS IN REMOVAL PROCEEDINGS.—Notwithstanding any other provision of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.)—

(i) if the Secretary determines that an alien, during the period beginning on the date of the enactment of this section and ending on the last day of the application period described in paragraph (2), is in removal, deportation, or exclusion proceedings before the Executive Office for Immigration Review and is prima facie eligible for blue card status under this section—

(I) the Secretary shall provide the alien with the opportunity to file an application for such status; and

(II) upon motion by the Secretary and with the consent of the alien or upon motion by the alien, the Executive Office for Immigration Review shall—

(aa) terminate such proceedings without prejudice to future proceedings on any basis; and

(bb) provide the alien a reasonable opportunity to apply for such status; and

(ii) if the Executive Office for Immigration Review determines that an alien, during the application period described in paragraph (2), is in removal, deportation, or exclusion proceedings before the Executive Office for Immigration Review and is prima facie eligible for blue card status under this section—

(I) the Executive Office of Immigration Review shall notify the Secretary of such determination; and

(II) if the Secretary does not dispute the determination of prima facie eligibility within 7 days after such notification, the Executive Office for Immigration Review, upon consent of the alien, shall—

(aa) terminate such proceedings without prejudice to future proceedings on any basis; and

(bb) permit the alien a reasonable opportunity to apply for such status.

(C) TREATMENT OF CERTAIN ALIENS.—

(i) IN GENERAL.—If an alien who meets the eligibility requirements set forth in subsection (a) is present in the United States and has been ordered excluded, deported, or removed, or ordered to depart voluntarily from the United States under any provision of this Act—

(I) notwithstanding such order or section 241(a)(5) of the Immigration and Nationality Act (8 U.S.C. 1231(a)(5)), the alien may apply for blue card status under this section; and

(II) if the alien is granted such status, the alien shall file a motion to reopen the exclusion, deportation, removal, or voluntary departure order, which motion shall be granted unless 1 or more of the grounds of ineligibility is established by clear and convincing evidence.

(ii) LIMITATIONS ON MOTIONS TO REOPEN.—The limitations on motions to reopen set forth in section 240(c)(7) of the Immigration and Nationality Act (8 U.S.C. 1229a(c)(7)) shall not apply to motions filed under clause (i)(II).

(D) PERIOD PENDING ADJUDICATION OF APPLICATION.—

(i) IN GENERAL.—During the period beginning on the date on which an alien applies for blue card status under this subsection and the date on which the Secretary makes a final decision regarding such application, the alien—

(I) may receive advance parole to reenter the United States if urgent humanitarian circumstances compel such travel;

(II) may not be detained by the Secretary or removed from the United States unless the Secretary makes a prima facie determination that such alien is, or has become, ineligible for blue card status;

(III) shall not be considered unlawfully present for purposes of section 212(a)(9)(B) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(9)(B)); and

(IV) shall not be considered an unauthorized alien (as defined in section 274A(h)(3) of the Immigration and Nationality Act (8 U.S.C. 1324a(h)(3))).

(ii) EVIDENCE OF APPLICATION FILING.—As soon as practicable after receiving each application for blue card status, the Secretary shall provide the applicant with a document acknowledging the receipt of such application.

(iii) CONTINUING EMPLOYMENT.—An employer who knows an alien employee is an applicant for blue card status or will apply for such status once the application period commences is not in violation of section 274A(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1324a(a)(2)) if the employer continues to employ the alien pending the adjudication of the alien employee's application.

(iv) EFFECT OF DEPARTURE.—Section 101(g) of the Immigration and Nationality Act (8 U.S.C. 1101(g)) shall not apply to an alien granted—

(I) advance parole under clause (i)(I) to reenter the United States; or

(II) blue card status.

(7) SECURITY AND LAW ENFORCEMENT CLEARANCES.—

(A) BIOMETRIC AND BIOGRAPHIC DATA.—The Secretary may not grant blue card status to an alien or an alien dependent spouse or child under this section unless such alien submits biometric and biographic data in accordance with procedures established by the Secretary.

(B) ALTERNATIVE PROCEDURES.—The Secretary shall provide an alternative procedure for applicants who cannot provide the standard biometric data required under subparagraph (A) because of a physical impairment.

(C) CLEARANCES.—

(i) DATA COLLECTION.—The Secretary shall collect, from each alien applying for status under this section, biometric, biographic, and other data that the Secretary determines to be appropriate—

(I) to conduct national security and law enforcement clearances; and

(II) to determine whether there are any national security or law enforcement factors that would render an alien ineligible for such status.

(ii) PREREQUISITE.—The required clearances described in clause (i)(I) shall be completed before the alien may be granted blue card status.

(8) DURATION OF STATUS.—After the date that is 8 years after the date regulations are published under this section, no alien may remain in blue card status.

(9) FEES AND PENALTIES.—

(A) STANDARD PROCESSING FEE.—

(i) IN GENERAL.—Aliens who are 16 years of age or older and are applying for blue card status under paragraph (2), or for an extension of such status, shall pay a processing fee to the Department in an amount determined by the Secretary.

(ii) RECOVERY OF COSTS.—The processing fee authorized under clause (i) shall be set at a level that is sufficient to recover the full costs of processing the application, including any costs incurred—

(I) to adjudicate the application;

(II) to take and process biometrics;

(III) to perform national security and criminal checks, including adjudication;

(IV) to prevent and investigate fraud; and

(V) to administer the collection of such fee.

(iii) AUTHORITY TO LIMIT FEES.—The Secretary, by regulation, may—

(I) limit the maximum processing fee payable under this subparagraph by a family, including spouses and unmarried children younger than 21 years of age; and

(II) exempt defined classes of individuals from the payment of the fee authorized under clause (i).

(B) DEPOSIT AND USE OF PROCESSING FEES.—Fees collected pursuant to subparagraph (A)(i)—

(i) shall be deposited into the Immigration Examinations Fee Account pursuant to section 286(m); and

(ii) shall remain available until expended pursuant to section 286(n).

(C) PENALTY.—

(i) PAYMENT.—In addition to the processing fee required under subparagraph (A), aliens who are 21 years of age or older and are applying for blue card status under paragraph (2) shall pay a $100 penalty to the Department.

(ii) DEPOSIT.—Penalties collected pursuant to clause (i) shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1).

(10) ADJUDICATION.—

(A) FAILURE TO SUBMIT SUFFICIENT EVIDENCE.—The Secretary shall deny an application submitted by an alien who fails to submit—

(i) requested initial evidence, including requested biometric data; or

(ii) any requested additional evidence by the date required by the Secretary.

(B) AMENDED APPLICATION.—An alien whose application for blue card status is denied under subparagraph (A) may file an amended application for such status to the Secretary if the amended application—

(i) is filed within the application period described in paragraph (3); and

(ii) contains all the required information and fees that were missing from the initial application.

(11) EVIDENCE OF BLUE CARD STATUS.—

(A) IN GENERAL.—The Secretary shall issue documentary evidence of blue card status to each alien whose application for such status has been approved.

(B) DOCUMENTATION FEATURES.—Documentary evidence provided under subparagraph (A)—

(i) shall be machine-readable and tamper-resistant, and shall contain a digitized photograph;

(ii) shall, during the alien's authorized period of admission, and any extension of such authorized admission, serve as a valid travel and entry document for the purpose of applying for admission to the United States;

(iii) may be accepted during the period of its validity by an employer as evidence of employment authorization and identity under section 274A(b)(1)(B) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)(1)(B)); and

(iv) shall include such other features and information as the Secretary may prescribe.

(c) TERMS AND CONDITIONS OF BLUE CARD STATUS.—

(1) CONDITIONS OF BLUE CARD STATUS.—

(A) EMPLOYMENT.—Notwithstanding any other provision of law, including section 241(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1231(a)(7)), an alien with blue card status shall be authorized to be employed in the United States while in such status.

(B) TRAVEL OUTSIDE THE UNITED STATES.—An alien with blue card status may travel outside of the United States and may be admitted, if otherwise admissible, upon returning to the United States without having to obtain a visa if—

(i) the alien is in possession of—

(I) valid, unexpired documentary evidence of blue card status that complies with subsection (b)(11); or

(II) a travel document that has been approved by the Secretary and was issued to the alien after the alien's original documentary evidence was lost, stolen, or destroyed;

(ii) the alien's absence from the United States did not exceed 180 days, unless the alien's failure to timely return was due to extenuating circumstances beyond the alien's control; and

(iii) the alien establishes that the alien is not inadmissible under subparagraph (A)(i), (A)(iii), (B), or (C) of section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)).

(C) ADMISSION.—An alien granted blue card status shall be considered to have been admitted in such status as of the date on which the alien's application was filed.

(D) CLARIFICATION OF STATUS.—An alien granted blue card status—

(i) is lawfully admitted to the United States; and

(ii) may not be classified as a nonimmigrant or as an alien who has been lawfully admitted for permanent residence.

(2) REVOCATION.—

(A) IN GENERAL.—The Secretary may revoke blue card status at any time after providing appropriate notice to the alien, and after the exhaustion or waiver of all applicable administrative review procedures under section 245E(c) of the Immigration and Nationality Act, as added by section 2104(a) of this Act, if the alien—

(i) no longer meets the eligibility requirements for blue card status;

(ii) knowingly used documentation issued under this section for an unlawful or fraudulent purpose; or

(iii) was absent from the United States for—

(I) any single period longer than 180 days in violation of the requirement under paragraph (1)(B)(ii); or

(II) for more than 180 days in the aggregate during any calendar year, unless the alien's failure to timely return was due to extenuating circumstances beyond the alien's control.

(B) ADDITIONAL EVIDENCE.—

(i) IN GENERAL.—In determining whether to revoke an alien's status under subparagraph (A), the Secretary may require the alien—

(I) to submit additional evidence; or

(II) to appear for an interview.

(ii) EFFECT OF NONCOMPLIANCE.—The status of an alien who fails to comply with any requirement imposed by the Secretary under clause (i) shall be revoked unless the alien demonstrates to the Secretary's satisfaction that such failure was reasonably excusable.

(C) INVALIDATION OF DOCUMENTATION.—If an alien's blue card status is revoked under subparagraph (A), any documentation issued by the Secretary to such alien under subsection (b)(11) shall automatically be rendered invalid for any purpose except for departure from the United States.

(3) INELIGIBILITY FOR PUBLIC BENEFITS.—An alien who has been granted blue card status is not eligible for any Federal means-tested public benefit (as such term is defined and implemented in section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613)).

(4) TREATMENT OF BLUE CARD STATUS.—A noncitizen granted blue card status shall be considered lawfully present in the United States for all purposes while such noncitizen remains in such status, except that the noncitizen—

(A) is not entitled to the premium assistance tax credit authorized under section 36B of the Internal Revenue Code of 1986 for his or her coverage;

(B) shall be subject to the rules applicable to individuals who are not lawfully present set forth in subsection (e) of such section;

(C) shall be subject to the rules applicable to individuals who are not lawfully present set forth in section 1402(e) of the Patient Protection and Affordable Care Act (42 U.S.C. 18071(e)); and

(D) shall be subject to the rules applicable to individuals not lawfully present set forth in section 5000A(d)(3) of the Internal Revenue Code of 1986.

(5) ADJUSTMENT TO REGISTERED PROVISIONAL IMMIGRANT STATUS.—The Secretary may adjust the status of an alien who has been granted blue card status to the status of a registered provisional immigrant under section 245B of the Immigration and Nationality Act if the Secretary determines that the alien is unable to fulfill the agricultural service requirement set forth in section 245F(a)(1) of such Act.

(d) RECORD OF EMPLOYMENT.—

(1) IN GENERAL.—Each employer of an alien granted blue card status shall annually provide—

(A) a written record of employment to the alien; and

(B) a copy of such record to the Secretary of Agriculture.

(2) CIVIL PENALTIES.—

(A) IN GENERAL.—If the Secretary finds, after notice and an opportunity for a hearing, that an employer of an alien granted blue card status has knowingly failed to provide the record of employment required under paragraph (1) or has provided a false statement of material fact in such a record, the employer shall be subject to a civil penalty in an amount not to exceed $500 per violation.

(B) LIMITATION.—The penalty under subparagraph (A) for failure to provide employment records shall not apply unless the alien has provided the employer with evidence of employment authorization provided under subsection (c).

(C) DEPOSIT OF CIVIL PENALTIES.—Civil penalties collected under this paragraph shall be deposited in the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1).

(3) TERMINATION OF OBLIGATION.—The obligation under paragraph (1) shall terminate on the date that is 8 years after the date of the enactment of this Act.

(4) EMPLOYER PROTECTIONS.—

(A) USE OF EMPLOYMENT RECORDS.—Copies of employment records or other evidence of employment provided by an alien or by an alien's employer in support of an alien's application for blue card status may not be used in a civil or criminal prosecution or investigation of that employer under section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) or the Internal Revenue Code of 1986 for the prior unlawful employment of that alien regardless of the adjudication of such application or reconsideration by the Secretary of such alien's prima facie eligibility determination. Employers that provide unauthorized aliens with copies of employment records or other evidence of employment pursuant to an application for blue card status shall not be subject to civil and criminal liability pursuant to such section 274A for employing such unauthorized aliens.

(B) LIMIT ON APPLICABILITY.—The protections for employers and aliens under subparagraph (A) shall not apply if the aliens or employers submit employment records that are deemed to be fraudulent.

(e) RULEMAKING.—Not later than 1 year after the date of the enactment of this Act, the Secretary, in consultation with the Secretary of Agriculture, shall issue final regulations to implement this chapter.

SEC. 2212. ADJUSTMENT TO PERMANENT RESIDENT STATUS.

(a) IN GENERAL.—Chapter 5 of title II (8 U.S.C. 1255 et seq.) is amended by inserting after section 245E, as added by section 2104 of this Act, the following:

"SEC. 245F. ADJUSTMENT TO PERMANENT RESIDENT STATUS FOR AGRICULTURAL WORKERS.

''(a) IN GENERAL.—Except as provided in subsection (b), and not earlier than 5 years after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary shall adjust the status of an alien granted blue card status to that of an alien lawfully admitted for permanent residence if the Secretary determines that the following requirements are satisfied:

''(1) QUALIFYING EMPLOYMENT.—Except as provided in paragraph (3), the alien—

''(A) during the 8-year period beginning on the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, performed not less than 100 work days of agricultural employment during each of 5 years; or

''(B) during the 5-year period beginning on such date of enactment, performed not less than 150 work days of agricultural employment during each of 3 years.

''(2) EVIDENCE.—An alien may demonstrate compliance with the requirement under paragraph (1) by submitting—

''(A) the record of employment described in section 2211(d) of the Border Security, Economic Opportunity, and Immigration Modernization Act;

''(B) documentation that may be submitted under subsection (e)(4); or

''(C) any other documentation designated by the Secretary for such purpose.

''(3) EXTRAORDINARY CIRCUMSTANCES.—

''(A) IN GENERAL.—In determining whether an alien has met the requirement under paragraph (1), the Secretary may credit the alien with not more than 12 additional months of agricultural employment in the United States to meet such requirement if the alien was unable to work in agricultural employment due to—

''(i) pregnancy, disabling injury, or disease that the alien can establish through medical records;

''(ii) illness, disease, or other special needs of a child that the alien can establish through medical records;

''(iii) severe weather conditions that prevented the alien from engaging in agricultural employment for a significant period of time; or

''(iv) termination from agricultural employment, if the Secretary determines that—

''(I) the termination was without just cause; and

''(II) the alien was unable to find alternative agricultural employment after a reasonable job search.

''(B) EFFECT OF DETERMINATION.—A determination under subparagraph (A)(iv), with respect to an alien, shall not be conclusive, binding, or admissible in a separate or subsequent judicial or administrative action or proceeding between the alien and a current or prior employer of the alien or any other party.

''(4) APPLICATION PERIOD.—The alien applies for adjustment of status before the alien's blue card status expires.

''(5) FINE.—The alien pays a fine of $400 to the Secretary, which shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(b) GROUNDS FOR DENIAL OF ADJUSTMENT OF STATUS.—

''(1) IN GENERAL.—The Secretary may not adjust the status of an alien granted blue card status if the alien—

''(A) is no longer eligible for blue card status; or

''(B) failed to perform the qualifying employment requirement under subsection (a)(1), considering any amount credited by the Secretary under subsection (a)(3).

''(2) MAINTENANCE OF WAIVERS OF INADMISSIBILITY.—The grounds of inadmissibility set forth in section 212(a) that were previously waived for the alien or made inapplicable shall not apply for purposes of the alien's adjustment of status under this section.

''(3) PENDING REVOCATION PROCEEDINGS.—If the Secretary has notified the applicant that the

Secretary intends to revoke the applicant's blue card status, the Secretary may not approve an application for adjustment of status under this section unless the Secretary makes a final determination not to revoke the applicant's status.

''(4) PAYMENT OF TAXES.—

''(A) IN GENERAL.—An applicant may not file an application for adjustment of status under this section unless the applicant has satisfied any applicable Federal tax liability.

''(B) DEFINITION OF APPLICABLE FEDERAL TAX LIABILITY.—In this paragraph, the term 'applicable federal tax liability' means all Federal income taxes assessed in accordance with section 6203 of the Internal Revenue Code of 1986 since the date on which the applicant was authorized to work in the United States in blue card status.

''(C) COMPLIANCE.—The applicant may demonstrate compliance with subparagraph (A) by submitting such documentation as the Secretary, in consultation with the Secretary of the Treasury, may require by regulation.

''(c) SPOUSES AND CHILDREN.—Notwithstanding any other provision of law, the Secretary shall grant permanent resident status to the spouse or child of an alien whose status was adjusted under subsection (a) if—

''(1) the spouse or child (including any individual who was a child on the date such alien was granted blue card status) applies for such status;

''(2) the principal alien includes the spouse and children in an application for adjustment of status to that of a lawful permanent resident; and

''(3) the spouse or child is not ineligible for such status under section 245B.

''(d) NUMERICAL LIMITATIONS DO NOT APPLY.—The numerical limitations under sections 201 and 202 shall not apply to the adjustment of aliens to lawful permanent resident status under this section.

''(e) SUBMISSION OF APPLICATIONS.—

''(1) INTERVIEW.—The Secretary may interview applicants for adjustment of status under this section to determine whether they meet the eligibility requirements set forth in this section.

''(2) FEES.—

''(A) IN GENERAL.—Applicants for adjustment of status under this section shall pay a processing fee to the Secretary in an amount that will ensure the recovery of the full costs of adjudicating such applications, including—

''(i) the cost of taking and processing biometrics;

''(ii) expenses relating to prevention and investigation of fraud; and

''(iii) costs relating to the administration of the fees collected.

''(B) AUTHORITY TO LIMIT FEES.—The Secretary, by regulation—

''(i) may limit the maximum processing fee payable under this paragraph by a family, including spouses and unmarried children younger than 21 years of age; and

''(ii) may exempt individuals described in section 245B(c)(10) and other defined classes of individuals from the payment of the fee under subparagraph (A).

''(3) DISPOSITION OF FEES.—All fees collected under paragraph (2)(A)—

''(A) shall be deposited into the Immigration Examinations Fee Account pursuant to section 286(m); and

''(B) shall remain available until expended pursuant to section 286(n).

''(4) DOCUMENTATION OF WORK HISTORY.—

''(A) BURDEN OF PROOF.—An alien applying for blue card status under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act or for adjustment of status under subsection (a) shall provide evidence that the alien has worked the requisite number of hours or days required under subsection (a)(1) of such section 2211 or subsection (a)(3) of this section, as applicable.

''(B) TIMELY PRODUCTION OF RECORDS.—If an employer or farm labor contractor employing such an alien has kept proper and adequate records respecting such employment, the alien's burden of proof under subparagraph (A) may be met by securing timely production of those records under regulations to be promulgated by the Secretary.

''(C) SUFFICIENT EVIDENCE.—An alien may meet the burden of proof under subparagraph (A) to establish that the alien has performed the days or hours of work referred to in subparagraph (A) by producing sufficient evidence to show the extent of that employment as a matter of just and reasonable inference.

''(f) PENALTIES FOR FALSE STATEMENTS IN APPLICATIONS.—

''(1) CRIMINAL PENALTY.—Any person who—

''(A) files an application for blue card status under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act or an adjustment of status under this section and knowingly and willfully falsifies, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry; or

''(B) creates or supplies a false writing or document for use in making such an application,

shall be fined in accordance with title 18, United States Code, imprisoned not more than 5 years, or both.

''(2) INADMISSIBILITY.—An alien who is convicted of a crime under paragraph (1) shall be deemed inadmissible to the United States on the ground described in section 212(a)(6)(C)(i).

''(3) DEPOSIT.—Fines collected under paragraph (1) shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(g) ELIGIBILITY FOR LEGAL SERVICES.—Section 504(a)(11) of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321–55) may not be construed to prevent a recipient of funds under the Legal Services Corporation Act (42 U.S.C. 2996 et seq.) from providing legal assistance directly related to an application for blue card status under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act, to an individual who has been granted blue card status, or for an application for an adjustment of status under this section.

''(h) ADMINISTRATIVE AND JUDICIAL REVIEW.—Aliens applying for blue card status under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act or adjustment to permanent resident status under this section shall be entitled to the rights and subject to the conditions applicable to other classes of aliens under sections 242(h) and 245E.

''(i) APPLICABILITY OF OTHER PROVISIONS.—The provisions set forth in section 245E which are applicable to aliens described in section 245B, 245C, and 245D shall apply to aliens applying for blue card status under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act or adjustment to permanent resident status under this section.

''(j) LIMITATION ON BLUE CARD STATUS.—An alien granted blue card status under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act may only adjust status to an alien lawfully admitted for permanent residence under this section, section 245C of this Act, or section 2302 of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(k) DEFINITIONS.—In this section:

''(1) BLUE CARD STATUS.—The term 'blue card status' means the status of an alien who has been lawfully admitted into the United States for temporary residence under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(2) AGRICULTURAL EMPLOYMENT.—The term 'agricultural employment' has the meaning given such term in section 3 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1802), without regard to whether the specific service or activity is temporary or seasonal.

''(3) EMPLOYER.—The term 'employer' means any person or entity, including any farm labor contractor and any agricultural association, that employs workers in agricultural employment.

''(4) WORK DAY.—The term 'work day' means any day in which the individual is employed 5.75 or more hours in agricultural employment.''.

(b) CONFORMING AMENDMENT.—Section 201(b)(1) (8 U.S.C. 1151(b)(1), as amended by section 2103(c), is further amended by adding at the end the following:

''(G) Aliens granted lawful permanent resident status under section 245F.''.

(c) CLERICAL AMENDMENT.—The table of contents, as amended by section 2104(e), is further amended by inserting after the item relating to section 245E the following:

''Sec. 245F. Adjustment to permanent resident status for agricultural workers.''.

SEC. 2213. USE OF INFORMATION.

Beginning not later than the first day of the application period described in section 2211(b)(3), the Secretary, in cooperation with qualified designated entities, shall broadly disseminate information respecting the benefits that aliens may receive under this subchapter and the requirements that an alien is required to meet to receive such benefits.

SEC. 2214. REPORTS ON BLUE CARDS.

Not later than September 30, 2013, and annually thereafter for the next 8 years, the Secretary shall submit a report to Congress that identifies, for the previous fiscal year—

(1) the number of aliens who applied for blue card status;

(2) the number of aliens who were granted blue card status;

(3) the number of aliens who applied for an adjustment of status pursuant to section 245F(a) of the Immigration and Nationality Act, as added by section 2212; and

(4) the number of aliens who received an adjustment of status pursuant such section 245F(a).

SEC. 2215. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary such sums as may be necessary to implement this subchapter, including any sums needed for costs associated with the initiation of such implementation, for fiscal years 2013 and 2014.

Subchapter B—Correction of Social Security Records

SEC. 2221. CORRECTION OF SOCIAL SECURITY RECORDS.

(a) IN GENERAL.—Section 208(e)(1) of the Social Security Act (42 U.S.C. 408(e)(1)) is amended—

(1) in subparagraph (B)(ii), by striking ''or'' at the end;

(2) in subparagraph (C), by inserting ''or'' at the end;

(3) by inserting after subparagraph (C) the following:

''(D) who is granted blue card status under the Agricultural Worker Program Act of 2013,''; and

(4) by striking ''1990.'' and inserting ''1990, or in the case of an alien described in subparagraph (D), if such conduct is alleged to have occurred before the date on which the alien was granted blue card status under section 2211(a) of the Agricultural Worker Program Act of 2013.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the seventh month that begins after the date of the enactment of this Act.

CHAPTER 2—NONIMMIGRANT AGRICULTURAL VISA PROGRAM

SEC. 2231. NONIMMIGRANT CLASSIFICATION FOR NONIMMIGRANT AGRICULTURAL WORKERS.

Section 101(a)(15) (8 U.S.C. 1101(a)(15)) is amended by adding at the end the following:

''(W) an alien having a residence in a foreign country who is coming to the United States for a temporary period—

''(iii)(I) to perform services or labor in agricultural employment and who has a written contract that specifies the wages, benefits, and working conditions of such full-time employment in an agricultural occupation with a designated agricultural employer for a specified period of time; and

''(II) who meets the requirements under section 218A for a nonimmigrant visa described in this clause; or

''(iv)(I) to perform services or labor in agricultural employment and who has an offer of full-time employment in an agricultural occupation from a designated agricultural employer for such employment and is not described in clause (i); and

''(II) who meets the requirements under section 218A for a nonimmigrant visa described in this clause.''.

SEC. 2232. ESTABLISHMENT OF NONIMMIGRANT AGRICULTURAL WORKER PROGRAM.

(a) IN GENERAL.—Chapter 2 of title II (8 U.S.C. 1181 et seq.) is amended by inserting after section 218 the following:

''SEC. 218A. NONIMMIGRANT AGRICULTURAL WORKER PROGRAM.

''(a) DEFINITIONS.—In this section and in clauses (iii) and (iv) of section 101(a)(15)(W):

''(1) AGRICULTURAL EMPLOYMENT.—The term 'agricultural employment' has the meaning given such term in section 3 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1802), without regard to whether the specific service or activity is temporary or seasonal.

''(2) AT-WILL AGRICULTURAL WORKER.—The term 'at-will agricultural worker' means an alien present in the United States pursuant to section 101(a)(15)(W)(iv).

''(3) BLUE CARD.—The term 'blue card' means an employment authorization and travel document issued to an alien granted blue card status under section 2211(a) of the Agricultural Worker Program Act of 2013.

''(4) CONTRACT AGRICULTURAL WORKER.—The term 'contract agricultural worker' means an alien present in the United States pursuant to section 101(a)(15)(W)(iii).

''(5) DESIGNATED AGRICULTURAL EMPLOYER.—The term 'designated agricultural employer' means an employer who is registered with the Secretary of Agriculture pursuant to subsection (e)(1).

''(6) ELECTRONIC JOB REGISTRY.—The term 'Electronic Job Registry' means the Electronic Job Registry of a State workforce agency (or similar successor registry).

''(7) EMPLOYER.—Except as otherwise provided, the term 'employer' means any person or entity, including any farm labor contractor and any agricultural association, that employs workers in agricultural employment.

''(8) NONIMMIGRANT AGRICULTURAL WORKER.—The term 'nonimmigrant agricultural worker' mean a nonimmigrant described in clause (iii) or (iv) of section 101(a)(15)(W).

''(9) PROGRAM.—The term 'Program' means the Nonimmigrant Agricultural Worker Program established under subsection (b).

''(10) SECRETARY.—Except as otherwise specifically provided, the term 'Secretary' means the Secretary of Agriculture.

''(11) UNITED STATES WORKER.—The term 'United States worker' means an individual who—

''(A) is a national of the United States; or

''(B) is an alien who—

''(i) is lawfully admitted for permanent residence;

''(ii) is admitted as a refugee under section 207;

''(iii) is granted asylum under section 208;

''(iv) holds a blue card; or

''(v) is an immigrant otherwise authorized by this Act or by the Secretary of Homeland Security to be employed in the United States.

''(b) REQUIREMENTS.—

''(1) EMPLOYER.—An employer may not employ an alien for agricultural employment under the Program unless such employer is a designated agricultural employer and complies with the terms of this section.

''(2) WORKER.—An alien may not be employed for agricultural employment under the Program unless such alien is a nonimmigrant agricultural worker and complies with the terms of this section.

''(c) NUMERICAL LIMITATION.—

''(1) FIRST 5 YEARS OF PROGRAM.—

''(A) IN GENERAL.—Subject to paragraph (2), the worldwide level of visas for nonimmigrant agricultural workers for the fiscal year during which the first visa is issued to a nonimmigrant agricultural worker and for each of the following 4 fiscal years shall be equal to—

''(i) 112,333; and

''(ii) the numerical adjustment made by the Secretary for such fiscal year in accordance with paragraph (2).

''(B) QUARTERLY ALLOCATION.—The annual allocation of visas described in subparagraph (A) shall be evenly allocated between the 4 quarters of the fiscal year unless the Secretary determines that an alternative allocation would better accommodate the seasonal demand for visas. Any unused visas in a quarter shall be added to the allocation for the subsequent quarter of the same fiscal year.

''(C) EFFECT OF 2ND OR SUBSEQUENT DESIGNATED AGRICULTURAL EMPLOYER.—A nonimmigrant agricultural worker who has a valid visa issued under this section that counted against the allocation described in subparagraph (A) shall not be recounted against the allocation if the worker is petitioned for by a subsequent designated agricultural employer.

''(2) ANNUAL ADJUSTMENTS FOR FIRST 5 YEARS OF PROGRAM.—

''(A) IN GENERAL.—The Secretary, in consultation with the Secretary of Labor, and after reviewing relevant evidence submitted by agricultural producers and organizations representing agricultural workers, may increase or decrease, as appropriate, the worldwide level of visas under paragraph (1) for each of the 5 fiscal years referred to in paragraph (1) after considering appropriate factors, including—

''(i) a demonstrated shortage of agricultural workers;

''(ii) the level of unemployment and underemployment of agricultural workers during the preceding fiscal year;

''(iii) the number of applications for blue card status;

''(iv) the number of blue card visa applications approved;

''(v) the number of nonimmigrant agricultural workers sought by employers during the preceding fiscal year;

''(vi) the estimated number of United States workers, including blue card workers, who worked in agriculture during the preceding fiscal year;

''(vii) the number of nonimmigrant agricultural workers issued a visa in the most recent fiscal year who remain in the United States in compliance with the terms of such visa;

''(viii) the number of United States workers who accepted jobs offered by employers using the Electronic Job Registry during the preceding fiscal year;

''(ix) any growth or contraction of the United States agricultural industry that has increased or decreased the demand for agricultural workers; and

''(x) any changes in the real wages paid to agricultural workers in the United States as an indication of a shortage or surplus of agricultural labor.

''(B) NOTIFICATION; IMPLEMENTATION.—The Secretary shall notify the Secretary of Homeland Security of any change to the worldwide level of visas for nonimmigrant agricultural workers. The Secretary of Homeland Security shall implement such changes.

''(C) EMERGENCY PROCEDURES.—The Secretary shall establish, by regulation, procedures for immediately adjusting an annual allocation under paragraph (1) for labor shortages, as determined by the Secretary. The Secretary shall make a decision on a petition for an adjustment of status not later than 30 days after receiving such petition.

''(3) SIXTH AND SUBSEQUENT YEARS OF PROGRAM.—The Secretary, in consultation with the Secretary of Labor, shall establish the worldwide level of visas for nonimmigrant agricultural workers for each fiscal year following the fiscal years referred to in paragraph (1) after considering appropriate factors, including—

''(A) a demonstrated shortage of agricultural workers;

''(B) the level of unemployment and underemployment of agricultural workers during the preceding fiscal year;

''(C) the number of applications for blue card status;

''(D) the number of blue card visa applications approved;

''(E) the number of nonimmigrant agricultural workers sought by employers during the preceding fiscal year;

''(F) the estimated number of United States workers, including blue card workers, who worked in agriculture during the preceding fiscal year;

''(G) the number of nonimmigrant agricultural workers issued a visa in the most recent fiscal year who remain in the United States in compliance with the terms of such visa;

''(H) the number of United States workers who accepted jobs offered by employers using the Electronic Job Registry during the preceding fiscal year;

''(I) any growth or contraction of the United States agricultural industry that has increased or decreased the demand for agricultural workers; and

''(J) any changes in the real wages paid to agricultural workers in the United States as an indication of a shortage or surplus of agricultural labor.

''(4) EMERGENCY PROCEDURES.—The Secretary shall establish, by regulation, procedures for immediately adjusting an annual allocation under paragraph (3) for labor shortages, as determined by the Secretary. The Secretary shall make a decision on a petition for an adjustment of status not later than 30 days after receiving such petition

''(d) REQUIREMENTS FOR NONIMMIGRANT AGRICULTURAL WORKERS.—

''(1) ELIGIBILITY FOR NONIMMIGRANT AGRICULTURAL WORKER STATUS.—

''(A) IN GENERAL.—An alien is not eligible to be admitted to the United States as a nonimmigrant agricultural worker if the alien—

''(i) violated a material term or condition of a previous admission as a nonimmigrant agricultural worker during the most recent 3-year period (other than a contract agricultural worker who voluntarily abandons his or her employment before the end of the contract period or whose employment is terminated by the employer for cause);

''(ii) has not obtained successful clearance of any security and criminal background checks required by the Secretary of Homeland Security or any other examination required under this Act; or

''(iii)(I) departed from the United States while subject to an order of exclusion, deportation, or removal, or pursuant to an order of voluntary departure; and

''(II)(aa) is outside of the United States; or

''(bb) has reentered the United States illegally after December 31, 2012, without receiving consent to the alien's reapplication for admission under section 212(a)(9).

''(B) WAIVER.—The Secretary of Homeland Security may waive the application of subparagraph (A)(iii) on behalf of an alien if the alien—

''(i) is the spouse or child of a United States citizen or lawful permanent resident;

''(ii) is the parent of a child who is a United States citizen or lawful permanent resident;

''(iii) meets the requirements set forth in clause (ii) or (iii) of section 245D(b)(1)(A); or

''(iv)(I) meets the requirements set forth in section 245D(b)(1)(A)(ii);

''(II) is 16 years or older on the date on which the alien applies for nonimmigrant agricultural status; and

''(III) was physically present in the United States for an aggregate period of not less than 3 years during the 6-year period immediately preceding the date of the enactment of this section.

''(2) TERM OF STAY FOR NONIMMIGRANT AGRICULTURAL WORKERS.—

''(A) IN GENERAL.—

''(i) INITIAL ADMISSION.—A nonimmigrant agricultural worker may be admitted into the United States in such status for an initial period of 3 years.

''(ii) RENEWAL.—A nonimmigrant agricultural worker may renew such worker's period of admission in the United States for 1 additional 3-year period.

''(B) BREAK IN PRESENCE.—A nonimmigrant agricultural worker who has been admitted to the United States for 2 consecutive periods under subparagraph (A) is ineligible to renew the alien's nonimmigrant agricultural worker status until such alien—

''(i) returns to a residence outside the United States for a period of not less than 3 months; and

''(ii) seeks to reenter the United States under the terms of the Program as a nonimmigrant agricultural worker.

''(3) LOSS OF STATUS.—

''(A) IN GENERAL.—An alien admitted as a nonimmigrant agricultural worker shall be ineligible for such status and shall be required to depart the United States if such alien—

''(i) after the completion of his or her contract with a designated agricultural employer, is not employed in agricultural employment by a designated agricultural employer; or

''(ii) is an at-will agricultural worker and is not continuously employed by a designated agricultural employer in agricultural employment as an at-will agricultural worker.

''(B) EXCEPTION.—Subject to subparagraph (C), a nonimmigrant agricultural worker has not violated subparagraph (A) if the nonimmigrant agricultural worker is not employed in agricultural employment for a period not to exceed 60 days.

''(C) WAIVER.—Notwithstanding subparagraph (B), the Secretary of Homeland Security may waive the application of clause (i) or (ii) of subparagraph (A) for a nonimmigrant agricultural worker who was not employed in agricultural employment for a period of more than 60 days if such period of unemployment was due to—

''(i) the injury of such worker; or

''(ii) a natural disaster declared by the Secretary.

''(D) TOLLING OF EMPLOYMENT REQUIREMENT.—A nonimmigrant agricultural worker may leave the United States for up to 60 days in any fiscal year while in such status. During the period in which the worker is outside of the United States, the 60-day limit specified in subparagraph (B) shall be tolled.

''(4) PORTABILITY OF STATUS.—

''(A) CONTRACT AGRICULTURAL WORKERS.—

''(i) IN GENERAL.—Except as provided in clause (ii), an alien who entered the United States as a contract agricultural worker may—

''(I) seek employment as a nonimmigrant agricultural worker with a designated agricultural employer other than the designated agricultural employer with whom the employee had a contract described in section 101(a)(15)(W)(iii)(I); and

''(II) accept employment with such new employer after the date the contract agricultural worker completes such contract.

''(ii) VOLUNTARY ABANDONMENT; TERMINATION FOR CAUSE.—A contract agricultural worker who voluntarily abandons his or her employment before the end of the contract period or whose employment is terminated for cause by the employer—

''(I) may not accept subsequent employment with another designated agricultural employer without first departing the United States and reentering pursuant to a new offer of employment; and

''(II) is not entitled to the 75 percent payment guarantee described in subsection (e)(4)(B).

''(iii) TERMINATION BY MUTUAL AGREEMENT.—The termination of an employment contract by mutual agreement of the designated agricultural employer and the contract agricultural worker shall not be considered voluntary abandonment for purposes of clause (ii).

''(B) AT-WILL AGRICULTURAL WORKERS.—An alien who entered the United States as an at-will agricultural worker may seek employment as an at-will agricultural worker with any other designated agricultural employer referred to in section 101(a)(15)(W)(iv)(I).

''(5) PROHIBITION ON GEOGRAPHIC LIMITATION.—A nonimmigrant visa issued to a nonimmigrant agricultural worker—

''(A) shall not limit the geographical area within which such worker may be employed;

''(B) shall not limit the type of agricultural employment such worker may perform; and

''(C) shall restrict such worker to employment with designated agricultural employers.

''(6) TREATMENT OF SPOUSES AND CHILDREN.—A spouse or child of a nonimmigrant agricultural worker—

''(A) shall not be entitled to a visa or any immigration status by virtue of the relationship of such spouse or child to such worker; and

''(B) may be provided status as a nonimmigrant agricultural worker if the spouse or child is independently qualified for such status.

''(e) EMPLOYER REQUIREMENTS.—

''(1) DESIGNATED AGRICULTURAL EMPLOYER STATUS.—

''(A) REGISTRATION REQUIREMENT.—Each employer seeking to employ nonimmigrant agricultural workers shall register for designated agricultural employer status by submitting to the Secretary, through the Farm Service Agency in the geographic area of the employer or electronically to the Secretary, a registration that includes—

''(i) the employer's employer identification number; and

''(ii) a registration fee, in an amount determined by the Secretary, which shall be used for the costs of administering the program.

''(B) CRITERIA.—The Secretary shall grant designated agricultural employer status to an employer who submits a registration for such status that includes—

''(i) documentation that the employer is engaged in agriculture;

''(ii) the estimated number of nonimmigrant agricultural workers the employer will need each year;

''(iii) the anticipated periods during which the employer will need such workers; and

''(iv) documentation establishing need for a specified agricultural occupation or occupations.

''(C) DESIGNATION.—

''(i) REGISTRATION NUMBER.—The Secretary shall assign each employer that meets the criteria established pursuant to subparagraph (B) with a designated agricultural employer registration number.

''(ii) TERM OF DESIGNATION.—Each employer granted designated agricultural employer status under this paragraph shall retain such status for a term of 3 years. At the end of such 3-year term, the employer may renew the registration for another 3-year term if the employer meets the requirements set forth in subparagraphs (A) and (B).

''(D) ASSISTANCE.—In carrying out the functions described in this subsection, the Secretary may work through the Farm Service Agency, or any other agency in the Department of Agriculture—

''(i) to assist agricultural employers with the registration process under this paragraph by providing such employers with—

''(I) technical assistance and expertise;

''(II) internet access for submitting such applications; and

''(III) a nonelectronic means for submitting such registrations; and

''(ii) to provide resources about the Program, including best practices and compliance related assistance and resources or training to assist in retention of such workers to agricultural employers.

''(E) DEPOSIT OF REGISTRATION FEE.—Fees collected pursuant to subparagraph (A)(ii)—

''(i) shall be deposited into the Immigration Examinations Fee Account pursuant to section 286(m); and

''(ii) shall remain available until expended pursuant to section 286(n).

''(2) NONIMMIGRANT AGRICULTURAL WORKER PETITION PROCESS.—

''(A) IN GENERAL.—Not later than 45 days before the date on which nonimmigrant agricultural workers are needed, a designated agricultural employer seeking to employ such workers shall submit a petition to the Secretary of Homeland Security that includes the employer's designated agricultural employer registration number.

''(B) ATTESTATION.—An petition submitted under subparagraph (A) shall include an attestation of the following:

''(i) The number of named or unnamed nonimmigrant agricultural workers the designated agricultural employer is seeking to employ during the applicable period of employment.

''(ii) The total number of contract agricultural workers and of at-will agricultural workers the employer will require for each occupational category.

''(iii) The anticipated period, including expected beginning and ending dates, during which such employees will be needed.

''(iv) Evidence of contracts or written disclosures of employment terms and conditions in accordance with the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.), which have been disclosed or provided to the nonimmigrant agricultural workers, or a sample of such contract or disclosure for unnamed workers.

''(v) The information submitted to the State workforce agency pursuant to paragraph (3)(A)(i).

''(vi) The record of United States workers described in paragraph (3)(A)(iii) on the date of the request.

''(vii) Evidence of offers of employment made to United States workers as required under paragraph (3)(B).

''(viii) The employer will comply with the additional program requirements for designated agricultural employers described in paragraph (4).

''(C) EMPLOYMENT AUTHORIZATION WHEN CHANGING EMPLOYERS.—Nonimmigrant agricultural workers in the United States who are identified in a petition submitted pursuant to subparagraph (A) and are in lawful status may commence employment with their designated agricultural employer after such employer has submitted such petition to the Secretary of Homeland Security.

''(D) REVIEW.—The Secretary of Homeland Security shall review each petition submitted by

designated agricultural employers under this paragraph for completeness or obvious inaccuracies. Unless the Secretary of Homeland Security determines that the petition is incomplete or obviously inaccurate, the Secretary shall accept the petition. The Secretary shall establish a procedure for the processing of petitions filed under this subsection. Not later than 7 working days after the date of the filing, the Secretary, by electronic or other means assuring expedited delivery, shall submit a copy of notice of approval or denial of the petition to the petitioner and, in the case of approved petitions, to the appropriate immigration officer at the port of entry or United States consulate, as appropriate, if the petitioner has indicated that the alien beneficiary or beneficiaries will apply for a visa or admission to the United States.

''(3) EMPLOYMENT OF UNITED STATES WORKERS.—

''(A) RECRUITMENT.—

''(i) FILING A JOB OPPORTUNITY WITH LOCAL OFFICE OF STATE WORKFORCE AGENCY.—Not later than 60 days before the date on which the employer desires to employ a nonimmigrant agricultural worker, the employer shall submit the job opportunity for such worker to the local office of the State workforce agency where the job site is located and authorize the posting of the job opportunity on the appropriate Department of Labor Electronic Job Registry for a period of 45 days.

''(ii) CONSTRUCTION.—Nothing in clause (i) may be construed to cause a posting referred to in clause (i) to be treated as an interstate job order under section 653.500 of title 20, Code of Federal Regulations (or similar successor regulation).

''(iii) RECORD OF UNITED STATES WORKERS.—An employer shall keep a record of all eligible, able, willing, and qualified United States workers who apply for agricultural employment with the employer for the agricultural employment for which the nonimmigrant agricultural nonimmigrant workers are sought.

''(B) REQUIREMENT TO HIRE.—

''(i) UNITED STATES WORKERS.—An employer may not seek a nonimmigrant agricultural worker for agricultural employment unless the employer offers such employment to any equally or better qualified United States worker who will be available at the time and place of need and who applies for such employment during the 45-day recruitment period referred to in subparagraph (A)(i).

''(ii) EXCEPTION.—Notwithstanding clause (i), the employer may offer the job to a nonimmigrant agricultural worker instead of an alien in blue card status if—

''(I) such worker was previously employed by the employer as an H–2A worker;

''(II) such worker worked for the employer for 3 years during the most recent 4-year period; and

''(III) the employer pays such worker the adverse effect wage rate calculated under subsection (f)(5)(B).

''(4) ADDITIONAL PROGRAM REQUIREMENTS FOR DESIGNATED AGRICULTURAL EMPLOYERS.—Each designated agricultural employer shall comply with the following requirements:

''(A) NO DISPLACEMENT OF UNITED STATES WORKERS.—

''(i) IN GENERAL.—The employer shall not displace a United States worker employed by the employer, other than for good cause, during the period of employment of the nonimmigrant agricultural worker and for a period of 30 days preceding such period in the occupation and at the location of employment for which the employer seeks to employ nonimmigrant agricultural workers.

''(ii) LABOR DISPUTE.—The employer shall not employ a nonimmigrant agricultural worker for a specific job for which the employer is requesting a nonimmigrant agricultural worker because the former occupant of the job is on strike or being locked out in the course of a labor dispute.

''(B) GUARANTEE OF EMPLOYMENT FOR CONTRACT AGRICULTURAL WORKERS.—

''(i) OFFER TO CONTRACT WORKER.—The employer shall guarantee to offer contract agricultural workers employment for the hourly equivalent of at least 75 percent of the work days of the total period of employment, beginning with the first work day after the arrival of the worker at the place of employment and ending on the expiration date specified in the job offer. In this clause, the term 'hourly equivalent' means the number of hours in the work days as stated in the job offer and shall exclude the worker's Sabbath and Federal holidays. If the employer affords the contract agricultural worker less employment than the number of hours required under this subparagraph, the employer shall pay such worker the amount the worker would have earned had the worker worked the guaranteed number of hours.

''(ii) FAILURE TO WORK.—Any hours which the worker fails to work, up to a maximum of the number of hours specified in the job offer for a work day, when the worker has been offered an opportunity to do so, and all hours of work actually performed (including voluntary work in excess of the number of hours specified in the job offer in a work day, on the worker's Sabbath, or on Federal holidays) may be counted by the employer in calculating whether the period of guaranteed employment has been met.

''(iii) CONTRACT IMPOSSIBILITY.—If, before the expiration of the period of employment specified in the job offer, the services of a contract agricultural worker are no longer required for reasons beyond the control of the employer due to any form of natural disaster, including a flood, hurricane, freeze, earthquake, fire, drought, plant or animal disease or pest infestation, or regulatory drought, before the guarantee in clause (i) is fulfilled, the employer—

''(I) may terminate the worker's employment;

''(II) shall fulfill the employment guarantee described in clause (i) for the work days that have elapsed from the first work day after the arrival of the worker to the termination of employment;

''(III) shall make efforts to transfer the worker to other comparable employment acceptable to the worker; and

''(IV) if such a transfer does not take place, shall provide the return transportation required under subparagraph (J).

''(C) WORKERS' COMPENSATION.—

''(i) REQUIREMENT TO PROVIDE.—If a job referred to in paragraph (3) is not covered by the State workers' compensation law, the employer shall provide, at no cost to the nonimmigrant agricultural worker, insurance covering injury and disease arising out of, and in the course of, such job.

''(ii) BENEFITS.—The insurance required to be provided under clause (i) shall provide benefits at least equal to those provided under and pursuant to the State workers' compensation law for comparable employment.

''(D) PROHIBITION FOR USE FOR NONAGRICULTURAL SERVICES.—The employer may not employ a nonimmigrant agricultural worker for employment other than agricultural employment.

''(E) WAGES.—The employer shall pay not less than the wage required under subsection (f).

''(F) DEDUCTION OF WAGES.—The employer shall make only deductions from a nonimmigrant agricultural worker's wages that are authorized by law and are reasonable and customary in the occupation and area of employment of such worker.

''(G) REQUIREMENT TO PROVIDE HOUSING OR A HOUSING ALLOWANCE.—

''(i) IN GENERAL.—Except as provided in clauses (iv) and (v), a designated agricultural employer shall offer to provide a nonimmigrant agricultural worker with housing at no cost in accordance with clause (ii) or (iii).

''(ii) HOUSING.—An employer may provide housing to a nonimmigrant agricultural worker that meets—

''(I) applicable Federal standards for temporary labor camps; or

''(II) applicable local standards (or, in the absence of applicable local standards, State standards) for rental or public accommodation housing or other substantially similar class of habitation.

''(iii) HOUSING PAYMENTS.—

''(I) PUBLIC HOUSING.—If the employer arranges public housing for nonimmigrant agricultural workers through a State, county, or local government program and such public housing units normally require payments from tenants, such payments shall be made by the employer directly to the landlord.

''(II) DEPOSITS.—Deposits for bedding or other similar incidentals related to housing shall not be collected from workers by employers who provide housing for such workers.

''(III) DAMAGES.—The employer may require any worker who is responsible for damage to housing that did not result from normal wear and tear related to habitation to reimburse the employer for the reasonable cost of repairing such damage.

''(iv) HOUSING ALLOWANCE ALTERNATIVE.—

''(I) IN GENERAL.—The employer may provide a reasonable housing allowance instead of providing housing under clause (i). Upon the request of a worker seeking assistance in locating housing, the employer shall make a good faith effort to assist the worker in identifying and locating housing in the area of intended employment. An employer who offers a housing allowance to a worker or assists a worker in locating housing, which the worker occupies, shall not be deemed a housing provider under section 203 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1823) solely by virtue of providing such housing allowance. No housing allowance may be used for housing that is owned or controlled by the employer.

''(II) CERTIFICATION REQUIREMENT.—Contract agricultural workers may only be provided a housing allowance if the Governor of the State in which the place of employment is located certifies to the Secretary that there is adequate housing available in the area of intended employment for migrant farm workers and contract agricultural workers who are seeking temporary housing while employed in agricultural work. Such certification shall expire after 3 years unless renewed by the Governor of the State.

''(III) AMOUNT OF ALLOWANCE.—

''(aa) NONMETROPOLITAN COUNTIES.—If the place of employment of the workers provided an allowance under this clause is a nonmetropolitan county, the amount of the housing allowance under this clause shall be equal to the average fair market rental for existing housing in nonmetropolitan counties in the State in which the place of employment is located, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

''(bb) METROPOLITAN COUNTIES.—If the place of employment of the workers provided an allowance under this clause is a metropolitan county, the amount of the housing allowance under this clause shall be equal to the average fair market rental for existing housing in metropolitan counties in the State in which the place of employment is located, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

''(v) EXCEPTION FOR COMMUTING WORKERS.—Nothing in this subparagraph may be construed to require an employer to provide housing or a housing allowance to workers who reside outside of the United States if their place of residence is within normal commuting distance and the job site is within 50 miles of an international land border of the United States.

''(H) WORKSITE TRANSPORTATION FOR CONTRACT WORKERS.—During the period a designated agricultural employer employs a contract agricultural worker, such employer shall, at the employer's option, provide or reimburse the contract agricultural worker for the cost of daily transportation from the contract worker's living quarters to the contract agricultural worker's place of employment.

''(I) REIMBURSEMENT OF TRANSPORTATION TO THE PLACE OF EMPLOYMENT.—

''(i) IN GENERAL.—A nonimmigrant agricultural worker shall be reimbursed by the first employer for the cost of the worker's transportation and subsistence from the place from which the worker came from to the place of first employment.

''(ii) LIMITATION.—The amount of reimbursement provided under clause (i) to a worker shall not exceed the lesser of—

''(I) the actual cost to the worker of the transportation and subsistence involved; or

''(II) the most economical and reasonable common carrier transportation charges and subsistence costs for the distance involved.

''(J) REIMBURSEMENT OF TRANSPORTATION FROM PLACE OF EMPLOYMENT.—

''(i) IN GENERAL.—A contract agricultural worker who completes at least 27 months under his or her contract with the same designated agricultural employer shall be reimbursed by that employer for the cost of the worker's transportation and subsistence from the place of employment to the place from which the worker came from abroad to work for the employer.

''(ii) LIMITATION.—The amount of reimbursement required under clause (i) shall not exceed the lesser of—

''(I) the actual cost to the worker of the transportation and subsistence involved; or

''(II) the most economical and reasonable common carrier transportation charges and subsistence costs for the distance involved.

''(f) WAGES.—

''(1) WAGE RATE REQUIREMENT.—

''(A) IN GENERAL.—A nonimmigrant agricultural worker employed by a designated agricultural employer shall be paid not less than the wage rate for such employment set forth in paragraph (3).

''(B) WORKERS PAID ON A PIECE RATE OR OTHER INCENTIVE BASIS.—If an employer pays by the piece rate or other incentive method and requires 1 or more minimum productivity standards as a condition of job retention, such standards shall be specified in the job offer and be no more than those which have been normally required (at the time of the employee's first application for designated employer status) by other employers for the activity in the geographic area of the job, unless the Secretary approves a higher standard.

''(2) JOB CATEGORIES.—

''(A) IN GENERAL.—For purposes of paragraph (1), each nonimmigrant agricultural worker employed by such employer shall be assigned to 1 of the following standard occupational classifications, as defined by the Bureau of Labor Statistics:

''(i) First-Line Supervisors of Farming, Fishing, and Forestry Workers (45–1011).

''(ii) Animal Breeders (45–2021).

''(iii) Graders and Sorters, Agricultural Products (45–2041).

''(iv) Agricultural equipment operator (45–2091).

''(v) Farmworkers and Laborers, Crop, Nursery, and Greenhouse (45–2092).

''(vi) Farmworkers, Farm, Ranch and Aquacultural Animals (45–2093).

''(B) DETERMINATION OF CLASSIFICATION.—A nonimmigrant agricultural worker is employed in a standard occupational classification described in clause (i), (ii), (iii), (iv), (v), or (vi) of subparagraph (A) if the worker performs activities associated with that occupational classification, as specified on the employer's petition, for at least 75 percent of the time in a semiannual employment period.

''(3) DETERMINATION OF WAGE RATE.—

''(A) CALENDAR YEARS 2014 THROUGH 2016.—The wage rate under this subparagraph for calendar years 2014 through 2016 shall be the higher of—

''(i) the applicable Federal, State, or local minimum wage; or

''(ii)(I) for the category described in paragraph (2)(A)(iii)—

''(aa) $9.37 for calendar year 2014;

''(bb) $9.60 for calendar year 2015; and

''(cc) $9.84 for calendar year 2016;

''(II) for the category described in paragraph (2)(A)(iv)—

''(aa) $11.30 for calendar year 2014;

''(bb) $11.58 for calendar year 2015; and

''(cc) $11.87 for calendar year 2016;

''(III) for the category described in paragraph (2)(A)(v)—

''(aa) $9.17 for calendar year 2014;

''(bb) $9.40 for calendar year 2015; and

''(cc) $9.64 for calendar year 2016; and

''(IV) for the category described in paragraph (2)(A)(vi)—

''(aa) $10.82 for calendar year 2014;

''(bb) $11.09 for calendar year 2015; and

''(cc) $11.37 for calendar year 2016.

''(B) SUBSEQUENT YEARS.—The Secretary shall increase the hourly wage rates set forth in clauses (i) through (iv) of subparagraph (A), for each calendar year after the calendar years described in subparagraph (A) by an amount equal to—

''(i) 1.5 percent, if the percentage increase in the Employment Cost Index for wages and salaries during the previous calendar year, as calculated by the Bureau of Labor Statistics, is less than 1.5 percent;

''(ii) the percentage increase in such Employment Cost Index, if such percentage increase is between 1.5 percent and 2.5 percent, inclusive; or

''(iii) 2.5 percent, if such percentage increase is greater than 2.5 percent.

''(C) AGRICULTURAL SUPERVISORS AND ANIMAL BREEDERS.—Not later than September 1, 2015, and annually thereafter, the Secretary, in consultation with the Secretary of Labor, shall establish the required wage for the next calendar year for each of the job categories set out in clauses (i) and (ii) of paragraph (2)(A).

''(D) SURVEY BY BUREAU OF LABOR STATISTICS.—Not later than April 15, 2015, the Bureau of Labor Statistics shall consult with the Secretary to expand the Occupational Employment Statistics Survey to survey agricultural producers and contractors and produce improved wage data by State and the job categories set out in clauses (i) through (vi) of subparagraph (A).

''(4) CONSIDERATION.—In determining the wage rate under paragraph (3)(C), the Secretary may consider appropriate factors, including—

''(A) whether the employment of additional alien workers at the required wage will adversely affect the wages and working conditions of workers in the United States similarly employed;

''(B) whether the employment in the United States of an alien admitted under section 101(a)(15)(H)(ii)(a) or unauthorized aliens in the agricultural workforce has depressed wages of United States workers engaged in agricultural employment below the levels that would otherwise have prevailed if such aliens had not been employed in the United States;

''(C) whether wages of agricultural workers are sufficient to support such workers and their families at a level above the poverty thresholds determined by the Bureau of Census;

''(D) the wages paid workers in the United States who are not employed in agricultural employment but who are employed in comparable employment;

''(E) the continued exclusion of employers of nonimmigrant alien workers in agriculture from the payment of taxes under chapter 21 of the Internal Revenue Code of 1986 (26 U.S.C. 3101 et seq.) and chapter 23 of such Code (26 U.S.C. 3301 et seq.);

''(F) the impact of farm labor costs in the United States on the movement of agricultural production to foreign countries;

''(G) a comparison of the expenses and cost structure of foreign agricultural producers to the expenses incurred by agricultural producers based in the United States; and

''(H) the accuracy and reliability of the Occupational Employment Statistics Survey.

''(5) ADVERSE EFFECT WAGE RATE.—

''(A) PROHIBITION OF MODIFICATION.—The adverse effect wage rates in effect on April 15, 2013, for nonimmigrants admitted under 101(a)(15)(H)(ii)(a)—

''(i) shall remain in effect until the date described in section 2233 of the Agricultural Worker Program Act of 2013; and

''(ii) may not be modified except as provided in subparagraph (B).

''(B) EXCEPTION.—Until the Secretary establishes the wage rates required under paragraph (3)(C), the adverse effect wage rates in effect on the date of the enactment of the Agricultural Worker Program Act of 2013 shall be—

''(i) deemed to be such wage rates; and

''(ii) after September 1, 2015, adjusted annually in accordance with paragraph (3)(B).

''(C) NONPAYMENT OF FICA AND FUTA TAXES.—An employer employing nonimmigrant agricultural workers shall not be required to pay and withhold from such workers—

''(i) the tax required under section 3101 of the Internal Revenue Code of 1986; or

''(ii) the tax required under section 3301 of the Internal Revenue Code of 1986.

''(6) PREFERENTIAL TREATMENT OF ALIENS PROHIBITED.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), employers seeking to hire United States workers shall offer the United States workers not less than the same benefits, wages, and working conditions that the employer is offering, intends to offer, or will provide to nonimmigrant agricultural workers. No job offer may impose on United States workers any restrictions or obligations that will not be imposed on the employer's nonimmigrant agricultural workers.

''(B) EXCEPTION.—Notwithstanding subparagraph (A), a designated agricultural employer is not required to provide housing or a housing allowance to United States workers.

''(g) WORKER PROTECTIONS AND DISPUTE RESOLUTION.—

''(1) EQUALITY OF TREATMENT.—Nonimmigrant agricultural workers shall not be denied any right or remedy under any Federal, State, or local labor or employment law applicable to United States workers engaged in agricultural employment.

''(2) APPLICABILITY OF THE MIGRANT AND SEASONAL AGRICULTURAL WORKER PROTECTION ACT.—

''(A) MIGRANT AND SEASONAL AGRICULTURAL WORKER PROTECTION ACT.—Nonimmigrant agricultural workers shall be considered migrant agricultural workers for purposes of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

''(B) ELIGIBILITY OF NONIMMIGRANT AGRICULTURAL WORKERS FOR CERTAIN LEGAL ASSISTANCE.—A nonimmigrant agricultural worker shall be considered to be lawfully admitted for permanent residence for purposes of establishing eligibility for legal services under the Legal Services Corporation Act (42 U.S.C. 2996 et seq.) on matters relating to wages, housing, transportation, and other employment rights.

''(C) MEDIATION.—

''(i) FREE MEDIATION SERVICES.—The Federal Mediation and Conciliation Service shall be available to assist in resolving disputes arising under this section between nonimmigrant agricultural workers and designated agricultural employers without charge to the parties.

''(ii) COMPLAINT.—If a nonimmigrant agricultural worker files a complaint under section 504 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1854), not later than

60 days after the filing of proof of service of the complaint, a party to the action may file a request with the Federal Mediation and Conciliation Service to assist the parties in reaching a satisfactory resolution of all issues involving all parties to the dispute.

''(iii) NOTICE.—Upon filing a request under clause (ii) and giving of notice to the parties, the parties shall attempt mediation within the period specified in clause (iv).

''(iv) 90-DAY LIMIT.—The Federal Mediation and Conciliation Service may conduct mediation or other nonbinding dispute resolution activities for a period not to exceed 90 days beginning on the date on which the Federal Mediation and Conciliation Service receives a request for assistance under clause (ii) unless the parties agree to an extension of such period.

''(v) AUTHORIZATION OF APPROPRIATIONS.—

''(I) IN GENERAL.—Subject to clause (II), there are authorized to be appropriated to the Federal Mediation and Conciliation Service $500,000 for each fiscal year to carry out this subparagraph.

''(II) MEDIATION.—Notwithstanding any other provision of law, the Director of the Federal Mediation and Conciliation Service is authorized—

''(aa) to conduct the mediation or other dispute resolution activities from any other account containing amounts available to the Director; and

''(bb) to reimburse such account with amounts appropriated pursuant to subclause (I).

''(vi) PRIVATE MEDIATION.—If all parties agree, a private mediator may be employed as an alternative to the Federal Mediation and Conciliation Service.

''(3) OTHER RIGHTS.—Nonimmigrant agricultural workers shall be entitled to the rights granted to other classes of aliens under sections 242(h) and 245E.

''(4) WAIVER OF RIGHTS.—Agreements by nonimmigrant agricultural workers to waive or modify any rights or protections under this section shall be considered void or contrary to public policy except as provided in a collective bargaining agreement with a bona fide labor organization.

''(h) ENFORCEMENT AUTHORITY.—

''(1) INVESTIGATION OF COMPLAINTS.—

''(A) AGGRIEVED PERSON OR THIRD-PARTY COMPLAINTS.—

''(i) PROCESS.—The Secretary of Labor shall establish a process for the receipt, investigation, and disposition of complaints respecting a designated agricultural employer's failure to meet a condition specified in subsection (e), or an employer's misrepresentation of material facts in a petition under subsection (e)(2).

''(ii) FILING.—Any aggrieved person or organization, including bargaining representatives, may file a complaint referred to in clause (i) not later than 1 year after the date of the failure or misrepresentation, respectively.

''(iii) INVESTIGATION OR HEARING.—The Secretary of Labor shall conduct an investigation if there is reasonable cause to believe that such failure or misrepresentation has occurred.

''(B) DETERMINATION ON COMPLAINT.—Under such process, the Secretary of Labor shall provide, not later than 30 days after the date on which such a complaint is filed, for a determination as to whether or not a reasonable basis exists to make a finding described in subparagraph (C), (D), (E), or (F). If the Secretary of Labor determines that such a reasonable basis exists, the Secretary of Labor shall provide for notice of such determination to the interested parties and an opportunity for a hearing on the complaint, in accordance with section 556 of title 5, United States Code, within 60 days after the date of the determination. If such a hearing is requested, the Secretary of Labor shall make a finding concerning the matter not later than 60 days after the date of the hearing. In the case of similar complaints respecting the same applicant, the Secretary of Labor may consolidate the hearings under this subparagraph on such complaints.

''(C) FAILURE TO MEET CONDITIONS.—If the Secretary of Labor finds, after notice and opportunity for a hearing, a failure to meet a condition under subsection (e) or (f), or a material misrepresentation of fact in a petition under subsection (e)(2)—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $1,000 per violation) as the Secretary of Labor determines to be appropriate; and

''(ii) the Secretary may disqualify the designated agricultural employer from the employment of nonimmigrant agricultural workers for a period of 1 year.

''(D) WILLFUL FAILURES AND WILLFUL MISREPRESENTATIONS.—If the Secretary of Labor finds, after notice and opportunity for hearing, a willful failure to meet a condition under subsection (e) or (f) or a willful misrepresentation of a material fact in an registration or petition under paragraph (1) or (2) of subsection (e)—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $5,000 per violation) as the Secretary of Labor determines to be appropriate;

''(ii) the Secretary of Labor may seek appropriate legal or equitable relief; and

''(iii) the Secretary may disqualify the designated agricultural employer from the employment of nonimmigrant agricultural workers for a period of 2 years.

''(E) DISPLACEMENT OF UNITED STATES WORKERS.—If the Secretary of Labor finds, after notice and opportunity for hearing, a willful failure to meet a condition under subsection (e) or (f) or a willful misrepresentation of a material fact in an registration or petition under paragraph (1) or (2) of subsection (e), in the course of which failure or misrepresentation the employer displaced a United States worker employed by the employer during the period of employment on the employer's petition under subsection (e)(2) or during the period of 30 days preceding such period of employment—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $15,000 per violation) as the Secretary of Labor determines to be appropriate; and

''(ii) the Secretary may disqualify the employer from the employment of nonimmigrant agricultural workers for a period of 3 years.

''(F) FAILURES TO PAY WAGES OR REQUIRED BENEFITS.—If the Secretary of Labor finds, after notice and opportunity for a hearing, that the employer has failed to pay the wages, or provide the housing allowance, transportation, subsistence reimbursement, or guarantee of employment required under subsections (e)(4) and (f), the Secretary of Labor shall assess payment of back wages, or other required benefits, due any United States worker or nonimmigrant agricultural worker employed by the employer in the specific employment in question. The back wages or other required benefits required under subsections (e) and (f) shall be equal to the difference between the amount that should have been paid and the amount that actually was paid to such worker.

''(G) DISPOSITION OF PENALTIES.—Civil penalties collected under this paragraph shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(2) LIMITATIONS ON CIVIL MONEY PENALTIES.—The Secretary of Labor shall not impose total civil money penalties with respect to a petition under subsection (e)(2) in excess of $90,000.

''(3) ELECTION.—A nonimmigrant agricultural worker who has filed an administrative complaint with the Secretary of Labor may not maintain a civil action unless a complaint based on the same violation filed with the Secretary of Labor under paragraph (1) is withdrawn before the filing of such action, in which case the rights and remedies available under this subsection shall be exclusive.

''(4) PRECLUSIVE EFFECT.—Any settlement by a nonimmigrant agricultural worker, a designated agricultural employer, or any person reached through the mediation process required under subsection (g)(2)(C) shall preclude any right of action arising out of the same facts between the parties in any Federal or State court or administrative proceeding, unless specifically provided otherwise in the settlement agreement.

''(5) SETTLEMENTS.—Any settlement by the Secretary of Labor with a designated agricultural worker on behalf of a nonimmigrant agricultural worker of a complaint filed with the Secretary of Labor under this section or any finding by the Secretary of Labor under this subsection shall preclude any right of action arising out of the same facts between the parties under any Federal or State court or administrative proceeding, unless specifically provided otherwise in the settlement agreement.

''(6) STATUTORY CONSTRUCTION.—Nothing in this subsection may be construed as limiting the authority of the Secretary of Labor to conduct any compliance investigation under any other labor law, including any law affecting migrant and seasonal agricultural workers, or, in the absence of a complaint under this section.

''(7) DISCRIMINATION PROHIBITED.—It is a violation of this subsection for any person who has filed a petition under subsection (e) or (f) to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any other manner discriminate against an employee, including a former employee or an applicant for employment, because the employee—

''(A) has disclosed information to the employer, or to any other person, that the employee reasonably believes evidences a violation of subsection (e) or (f), or any rule or regulation relating to subsection (e) or (f); or

''(B) cooperates or seeks to cooperate in an investigation or other proceeding concerning the employer's compliance with the requirements under subsection (e) or (f) or any rule or regulation pertaining to subsection (e) or (f).

''(8) ROLE OF ASSOCIATIONS.—

''(A) VIOLATION BY A MEMBER OF AN ASSOCIATION.—

''(i) IN GENERAL.—If an association acting as the agent of an employer files an application on behalf of such employer, the employer is fully responsible for such application, and for complying with the terms and conditions of subsection (e). If such an employer is determined to have violated any requirement described in this subsection, the penalty for such violation shall apply only to that employer except as provided in clause (ii).

''(ii) COLLECTIVE RESPONSIBILITY.—If the Secretary of Labor determines that the association or other members of the association participated in, had knowledge of, or reason to know of a violation described in clause (i), the penalty shall also be invoked against the association and complicit association members.

''(B) VIOLATIONS BY AN ASSOCIATION ACTING AS AN EMPLOYER.—

''(i) IN GENERAL.—If an association filing an application as a sole or joint employer is determined to have violated any requirement described in this section, the penalty for such violation shall apply only to the association except as provided in clause (ii).

''(ii) MEMBER RESPONSIBILITY.—If the Secretary of Labor determines that 1 or more association members participated in, had knowledge of, or reason to know of the violation described in clause (i), the penalty shall be invoked against all complicit association members.

''(i) SPECIAL NONIMMIGRANT VISA PROCESSING AND WAGE DETERMINATION PROCEDURES FOR CERTAIN AGRICULTURAL OCCUPATIONS.—

''(1) FINDING.—Certain industries possess unique occupational characteristics that necessitate the Secretary of Agriculture to adopt special procedures relating to housing, pay, and visa program application requirements for those industries.

''(2) SPECIAL PROCEDURES INDUSTRY DEFINED.—In this subsection, the term 'Special Procedures Industry' means—

''(A) sheepherding and goat herding;

''(B) itinerant commercial beekeeping and pollination;

''(C) open range production of livestock;

''(D) itinerant animal shearing; and

''(E) custom combining industries.

''(3) WORK LOCATIONS.—The Secretary shall allow designated agricultural employers in a Special Procedures Industry that do not operate in a single fixed-site location to provide, as part of its registration or petition under the Program, a list of anticipated work locations, which—

''(A) may include an anticipated itinerary; and

''(B) may be subsequently amended by the employer, after notice to the Secretary.

''(4) WAGE RATES.—The Secretary may establish monthly, weekly, or biweekly wage rates for occupations in a Special Procedures Industry for a State or other geographic area. For an employer in those Special Procedures Industries that typically pay a monthly wage, the Secretary shall require that workers will be paid not less frequently than monthly and at a rate no less than the legally required monthly cash wage for such employer as of the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act and in an amount as re-determined annually by the Secretary of Agriculture through rulemaking.

''(5) HOUSING.—The Secretary shall allow for the provision of housing or a housing allowance by employers in Special Procedures Industries and allow housing suitable for workers employed in remote locations.

''(6) ALLERGY LIMITATION.—An employer engaged in the commercial beekeeping or pollination services industry may require that an applicant be free from bee pollen, venom, or other bee-related allergies.

''(7) APPLICATION.—An individual employer in a Special Procedures Industry may file a program petition on its own behalf or in conjunction with an association of employers. The employer's petition may be part of several related petitions submitted simultaneously that constitute a master petition.

''(8) RULEMAKING.—The Secretary or, as appropriate, the Secretary of Homeland Security or the Secretary of Labor, after consultation with employers and employee representatives, shall publish for notice and comment proposed regulations relating to housing, pay, and application procedures for Special Procedures Industries.

''(j) MISCELLANEOUS PROVISIONS.—

''(1) DISQUALIFICATION OF NONIMMIGRANT AGRICULTURAL WORKERS FROM FINANCIAL ASSISTANCE.—An alien admitted as a nonimmigrant agricultural worker is not eligible for any program of financial assistance under Federal law (whether through grant, loan, guarantee, or otherwise) on the basis of financial need, as such programs are identified by the Secretary in consultation with other agencies of the United States.

''(2) MONITORING REQUIREMENT.—

''(A) IN GENERAL.—The Secretary shall monitor the movement of nonimmigrant agricultural workers through—

''(i) the Employment Verification System described in section 274A(b); and

''(ii) the electronic monitoring system established pursuant to subparagraph (B).

''(B) ELECTRONIC MONITORING SYSTEM.—Not later than 2 years after the effective date of this section, the Secretary of Homeland Security, through the Director of U.S. Citizenship and Immigration Services, shall establish an electronic monitoring system, which shall—

''(i) be modeled on the Student and Exchange Visitor Information System (SEVIS) and the SEVIS II tracking system administered by U.S. Immigration and Customs Enforcement;

''(ii) monitor the presence and employment of nonimmigrant agricultural workers; and

''(iii) assist in ensuring the compliance of designated agricultural employers and nonimmigrant agricultural workers with the requirements of the Program.''.

(b) RULEMAKING.—The Secretary of Agriculture shall issue regulations to carry out section 218A of the Immigration and Nationality Act, as added by subsection (a), not later than 1 year after the date of the enactment of this Act.

(c) CLERICAL AMENDMENT.—The table of contents is amended by inserting after the item relating to section 218 the following:

''Sec. 218A. Nonimmigrant agricultural worker program.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2014.

SEC. 2233. TRANSITION OF H-2A WORKER PROGRAM.

(a) SUNSET OF PROGRAM.—

(1) IN GENERAL.—Except as provided in paragraph (2), an employer may not petition to employ an alien pursuant to section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a)) after the date that is 1 year after the date on which the regulations issued pursuant to section 2241(b) become effective.

(2) EXCEPTION.—An employer may employ an alien described in paragraph (1) for the shorter of—

(A) 10 months; or

(B) the time specified in the position.

(b) CONFORMING AMENDMENTS.—

(1) REPEAL OF H-2A NONIMMIGRANT CATEGORY.—Section 101(a)(15)(H)(ii) (8 U.S.C. 1101(a)(15)(H)(ii)) is amended by striking subclause (a).

(2) REPEAL OF ADMISSION REQUIREMENTS FOR H-2A WORKER.—Section 218 (8 U.S.C. 1188) is repealed.

(3) CONFORMING AMENDMENTS.—

(A) AMENDMENT OF PETITION REQUIREMENTS.—Section 214(c)(1) (8 U.S.C. 1184(c)(1)) is amended by striking ''For purposes of this subsection'' and all that follows.

(B) CLERICAL AMENDMENT.—The table of contents is amended by striking the item relating to section 218.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date that is 1 year after the effective date of the regulations issued pursuant to section 2241(b).

SEC. 2234. REPORTS TO CONGRESS ON NONIMMIGRANT AGRICULTURAL WORKERS.

(a) ANNUAL REPORT BY SECRETARY OF AGRICULTURE.—Not later than September 30 of each year, the Secretary of Agriculture shall submit a report to Congress that identifies, for the previous year, the number, disaggregated by State and by occupation, of—

(1) job opportunities approved for employment of aliens admitted pursuant to clause (iii) or clause (iv) of section 101(a)(15)(W) of the Immigration and Nationality Act, as added by section 2231; and

(2) aliens actually admitted pursuant to each such clause.

(b) ANNUAL REPORT BY SECRETARY OF HOMELAND SECURITY.—Not later than September 30 of each year, the Secretary shall submit a report to Congress that identifies, for the previous year, the number of aliens described in subsection (a)(2) who—

(1) violated the terms of the nonimmigrant agricultural worker program established under section 218A(b) of the Immigration and Nationality Act, as added by section 2232; and

(2) have not departed from the United States.

CHAPTER 3—OTHER PROVISIONS

SEC. 2241. RULEMAKING.

(a) CONSULTATION REQUIREMENT.—In the course of promulgating any regulation necessary to implement this subtitle, or the amendments made by this subtitle, the Secretary, the Secretary of Agriculture, the Secretary of Labor, and the Secretary of State shall regularly consult with each other.

(b) DEADLINE FOR ISSUANCE OF REGULATIONS.—Except as provided in section 2232(b), all regulations to implement this subtitle and the amendments made by this subtitle shall be issued not later than 6 months after the date of the enactment of this Act.

SEC. 2242. REPORTS TO CONGRESS.

Not later than 180 days after the date of the enactment of this Act, the Secretary and the Secretary of Agriculture shall jointly submit a report to Congress that describes the measures being taken and the progress made in implementing this subtitle and the amendments made by this subtitle.

SEC. 2243. BENEFITS INTEGRITY PROGRAMS.

(a) IN GENERAL.—Without regard to whether personal interviews are conducted in the adjudication of benefits provided for by section 210A, 218A, 245B, 245C, 245D, 245E, or 245F of the Immigration and Nationality Act, or in seeking a benefit under section 101(a)(15)(U) of the Immigration and Nationality Act, section 1242 of the Refugee Crisis in Iraq Act of 2007 (8 U.S.C. 1157 note), section 602(b) of the Afghan Allies Protection Act of 2009 (8 U.S.C. 1101 note), or section 2211 of this Act, the Secretary shall uphold and maintain the integrity of those benefits by carrying out for each of them, within the Fraud Detection and National Security Directorate of U.S. Citizenship and Immigration Services, programs as follows:

(1) A benefit fraud assessment program to quantify fraud rates, detect ongoing fraud trends, and develop appropriate countermeasures, including through a random sample of both pending and completed cases.

(2) A compliance review program, including site visits, to identify frauds and deter fraudulent and illegal activities.

(b) REPORTS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, U.S. Citizenship and Immigration Services shall annually submit to Congress a report on the programs carried out pursuant to subsection (a).

(2) ELEMENTS IN FIRST REPORT.—The initial report submitted under paragraph (1) shall include the methodologies to be used by the Fraud Detection and National Security Directorate for each of the programs specified in paragraphs (1) and (2) of subsection (a).

(3) ELEMENTS IN SUBSEQUENT REPORTS.—Each subsequent report under paragraph (1) shall include, for the calendar year covered by such report, a descriptions of examples of fraud detected, fraud rates for programs and types of applicants, and a description of the disposition of the cases in which fraud was detected or suspected.

(c) USE OF FINDINGS OF FRAUD.—Any instance of fraud or abuse detected pursuant to a program carried out pursuant to subsection (a) may be used to deny or revoke benefits, and may also be referred to U.S. Immigration and Customs Enforcement for investigation of criminal violations of section 266 of the Immigration and Nationality Act (8 U.S.C. 1306).

(d) FUNDING.—There are authorized to be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section.

SEC. 2244. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle, except for sections 2231, 2232, and 2233, shall take effect on the date on which the

regulations required under section 2241 are issued, regardless of whether such regulations are issued on an interim basis or on any other basis.

Subtitle C—Future Immigration

SEC. 2301. MERIT-BASED POINTS TRACK ONE.

(a) IN GENERAL.—

(1) WORLDWIDE LEVEL OF MERIT-BASED IMMIGRANTS.—Section 201(e) (8 U.S.C. 1151(e)) is amended to read as follows:

''(e) WORLDWIDE LEVEL OF MERIT-BASED IMMIGRANTS.—

''(1) IN GENERAL.—

''(A) NUMERICAL LIMITATION.—Subject to paragraphs (2), (3), and (4), the worldwide level of merit-based immigrants is equal to 120,000 for each fiscal year.

''(B) STATUS.—An alien admitted on the basis of a merit-based immigrant visa under this section shall have the status of an alien lawfully admitted for permanent residence.

''(2) ANNUAL INCREASE.—

''(A) IN GENERAL.—Subject to subparagraph (B) and paragraph (3), if in any fiscal year the worldwide level of visas available for merit-based immigrants under this section—

''(i) is less than 75 percent of the number of applicants for such fiscal year, the worldwide level shall increase by 5 percent for the next fiscal year; and

''(ii) is equal to or more than 75 percent of such number, the worldwide level for the next fiscal year shall be the same as the worldwide level for such fiscal year, minus any amount added to the worldwide level for such fiscal year under paragraph (4).

''(B) LIMITATION ON INCREASE.—The worldwide level of visas available for merit-based immigrants shall not exceed 250,000.

''(3) EMPLOYMENT CONSIDERATION.—The worldwide level of visas available for merit-based immigrants may not be increased for a fiscal year under paragraph (2) if the annual average unemployment rate for the civilian labor force 18 years or over in the United States, as determined by the Bureau of Labor Statistics, for such previous fiscal year is more than 8½ percent.

''(4) RECAPTURE OF UNUSED VISAS.—The worldwide level of merit-based immigrants described in paragraph (1) for a fiscal year shall be increased by the difference (if any) between the worldwide level established under paragraph (1) for the previous fiscal year and the number of visas actually issued under this subsection during that fiscal year. Such visas shall be allocated for the following year pursuant to section 203(c)(3).''.

(2) MERIT-BASED IMMIGRANTS.—Section 203 (8 U.S.C. 1153) is amended by inserting after subsection (b) the following:

''(c) MERIT-BASED IMMIGRANTS.—

''(1) FISCAL YEARS 1 THROUGH 4.—For the first 4 fiscal years beginning after the date of enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the worldwide level of merit-based immigrant visas made available under section 201(e)(1) shall be available for aliens described in section 203(b)(3) and in addition to any visas available for such aliens under such section.

''(2) SUBSEQUENT FISCAL YEARS.—Beginning with the fifth fiscal year beginning after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, aliens subject to the worldwide level specified in section 201(e) for merit-based immigrants shall be allocated as follows:

''(A) 50 percent shall be available to applicants with the highest number of points allocated under tier 1 in paragraph (4).

''(B) 50 percent shall be available to applicants with the highest number of points allocated under tier 2 in paragraph (5).

''(3) UNUSED VISAS.—If the total number of visas allocated to tier 1 or tier 2 for a fiscal year are not granted during that fiscal year, such number may be added to the number of visas available under section 201(e)(1) for the following fiscal year and allocated as follows:

''(A) If the unused visas were allocated for tier 1 in a fiscal year, ⅔ of such visas shall be available for aliens allocated visas under tier 1 in the following fiscal year and ⅓ of such visas shall be available for aliens allocated visas under either tier 1 or tier 2 in the following fiscal year.

''(B) If the unused visas were allocated for tier 2 in a fiscal year, ⅔ of such visas shall be available for aliens allocated visas under tier 2 in the following fiscal year and ⅓ of such visas shall be available for aliens allocated visas under either tier 1 or tier 2 in the following fiscal year.

''(4) TIER 1.—The Secretary shall allocate points to each alien seeking to be a tier 1 merit-based immigrant as follows:

''(A) EDUCATION.—

''(i) IN GENERAL.—An alien may receive points under only 1 of the following categories:

''(I) An alien who has received a doctorate degree from an institution of higher education in the United States or the foreign equivalent shall be allocated 15 points.

''(II) An alien who has received a master's degree from an institution of higher education in the United States or the foreign equivalent shall be allocated 10 points.

''(ii) An alien who has received a bachelor's degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) shall be allocated 5 points.

''(B) EMPLOYMENT EXPERIENCE.—An alien shall be allocated not more than 20 points as follows:

''(i) 3 points for each year the alien has been lawfully employed in a zone 5 occupation in the United States.

''(ii) 2 points for each year the alien has been lawfully employed in a zone 4 occupation in the United States.

''(C) EMPLOYMENT RELATED TO EDUCATION.—An alien who is in the United States and is employed full-time or has an offer of full-time employment in a field related to the alien's education—

''(i) in a zone 5 occupation shall be allocated 10 points; or

''(ii) in a zone 4 occupation shall be allocated 8 points.

''(D) ENTREPRENEURSHIP.—An alien who is an entrepreneur in business that employs at least 2 employees in a zone 4 occupation or a zone 5 occupation shall be allocated 10 points.

''(E) HIGH DEMAND OCCUPATION.—An alien who is employed full-time in the United States or has an offer of full-time employment in a high demand tier 1 occupation shall be allocated 10 points.

''(F) CIVIC INVOLVEMENT.—An alien who has attested that he or she has engaged in a significant amount of community service, as determined by the Secretary, shall be allocated 2 points.

''(G) ENGLISH LANGUAGE.—An alien who received a score of 80 or more on the Test of English as a Foreign Language, or an equivalent score on a similar test, as determined by the Secretary, shall be allocated 10 points.

''(H) SIBLINGS AND MARRIED SONS AND DAUGHTERS OF CITIZENS.—An alien who is the sibling of a citizen of the United States or who is over 31 years of age and is the married son or married daughter of a citizen of the United States shall be allocated 10 points.

''(I) AGE.—An alien who is—

''(i) between 18 and 24 years of age shall be allocated 8 points;

''(ii) between 25 and 32 years of age shall be allocated 6 points; or

''(iii) between 33 and 37 years of age shall be allocated 4 points.

''(J) COUNTRY OF ORIGIN.—An alien who is a national of a country of which fewer than 50,000 nationals were lawfully admitted to permanent residence in the United States in the previous 5 years shall be allocated 5 points.

''(5) TIER 2.—The Secretary shall allocate points to each alien seeking to be a tier 2 merit-based immigrant as follows:

''(A) EMPLOYMENT EXPERIENCE.—An alien shall be allocated 2 points for each year the alien has been lawfully employed in the United States, for a total of not more than 20 points.

''(B) SPECIAL EMPLOYMENT CRITERIA.—An alien who is employed full-time in the United States, or has an offer of full-time employment—

''(i) in a high demand tier 2 occupation shall be allocated 10 points; or

''(ii) in a zone 1, zone 2, or zone 3 occupation shall be allocated 10 points.

''(C) CAREGIVER.—An alien who is or has been a primary caregiver shall be allocated 10 points.

''(D) EXCEPTIONAL EMPLOYMENT RECORD.—An alien who has a record of exceptional employment, as determined by the Secretary, shall be allocated 10 points. In determining a record of exceptional employment, the Secretary shall consider factors including promotions, longevity, changes in occupations from a lower job zone to a higher job zone, participated in safety training, and increases in pay.

''(E) CIVIC INVOLVEMENT.—An alien who has demonstrated significant civic involvement shall be allocated 2 points.

''(F) ENGLISH LANGUAGE.—

''(i) ENGLISH PROFICIENCY.—An alien who has demonstrated English proficiency, as determined by a standardized test designated by the Secretary of Education, shall be allocated 10 points.

''(ii) ENGLISH KNOWLEDGE.—An alien who has demonstrated English knowledge, as determined by a standardized test designated by the Secretary of Education, shall be allocated 5 points.

''(G) SIBLINGS AND MARRIED SONS AND DAUGHTERS OF CITIZENS.—An alien who is the sibling of a citizen of the United States or is over the age of 31 and is the married son or married daughter of a citizen of the United States shall be allocated 10 points.

''(H) AGE.—An alien who is—

''(i) between 18 and 24 years of age shall be allocated 8 points;

''(ii) between 25 and 32 years of age shall be allocated 6 points; or

''(iii) between 33 and 37 years of age shall be allocated 4 points.

''(I) COUNTRY OF ORIGIN.—An alien who is a national of a country of which fewer than 50,000 nationals were lawfully admitted to permanent residence in the United States in the previous 5 years shall be allocated 5 points.

''(6) FEE.—An alien who is allocated a visa under this subsection shall pay a fee of $1,500 in addition to any fee assessed to cover the costs to process an application under this subsection. Fees collected under this paragraph shall be deposited by the Secretary into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(7) ELIGIBILITY OF ALIENS IN REGISTERED PROVISIONAL IMMIGRANT STATUS.—An alien who was granted registered provisional immigrant status under section 245B is not eligible to receive a merit-based immigrant visa under section 201(e).

''(8) INELIGIBILITY OF ALIENS WITH PENDING OR APPROVED PETITIONS.—An alien who has a petition pending or approved in another immigrant category under this section or section 201 may not apply for a merit-based immigrant visa.

''(9) DEFINITIONS.—In this subsection:

''(A) HIGH DEMAND TIER 1 OCCUPATION.—The term 'high demand tier 1 occupation' means 1 of the 5 occupations for which the highest number of nonimmigrants described in section 101(a)(15)(H)(i) were sought to be admitted by employers during the previous fiscal year.

''(B) HIGH DEMAND TIER 2 OCCUPATION.—The term 'high demand tier 2 occupation' means 1 of

the 5 occupations for which the highest number of positions were sought to become registered positions by employers under section 220(e) during the previous fiscal year.

''(C) SECRETARY.—The term 'Secretary' means the Secretary of Homeland Security.

''(D) ZONE 1 OCCUPATION.—The term 'zone 1 occupation' means an occupation that requires little or no preparation and is classified as a zone 1 occupation on—

*''(i) the Occupational Information Network Database (O*NET) on the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act; or*

''(ii) such Database or a similar successor database, as designated by the Secretary of Labor, after such date of enactment.

''(E) ZONE 2 OCCUPATION.—The term 'zone 2 occupation' means an occupation that requires some preparation and is classified as a zone 2 occupation on—

*''(i) the Occupational Information Network Database (O*NET) on the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act; or*

''(ii) such Database or a similar successor database, as designated by the Secretary of Labor, after such date of enactment.

''(F) ZONE 3 OCCUPATION.—The term 'zone 3 occupation' means an occupation that requires medium preparation and is classified as a zone 3 occupation on—

*''(i) the Occupational Information Network Database (O*NET) on the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act; or*

''(ii) such Database or a similar successor database, as designated by the Secretary of Labor, after such date of enactment.

''(G) ZONE 4 OCCUPATION.—The term 'zone 4 occupation' means an occupation that requires considerable preparation and is classified as a zone 4 occupation on—

*''(i) the Occupational Information Network Database (O*NET) on the date of the enactment of theBorder Security, Economic Opportunity, and Immigration Modernization Act; or*

''(ii) such Database or a similar successor database, as designated by the Secretary of Labor, after such date of enactment.

''(H) ZONE 5 OCCUPATION.—The term 'zone 5 occupation' means an occupation that requires extensive preparation and is classified as a zone 5 occupation on—

*''(i) the Occupational Information Network Database (O*NET) on the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act; or*

''(ii) such Database or a similar successor database, as designated by the Secretary of Labor, after such date of enactment.''.

(3) GAO STUDY AND REPORT.—

(A) STUDY.—The Comptroller General of the United States shall conduct a study of the merit-based immigration system established under section 203(c) of the Immigration and Nationality Act, as amended by paragraph (2), to determine, during the first 7 years of such system—

(i) how the points described in paragraphs (4)(H), (4)(J), (5)(G), and (5)(I) of section 203(c) of such Act were utilized;

(ii) how many of the points allocated to people lawfully admitted for permanent residence were allocated under such paragraphs;

(iii) how many people who were allocated points under such paragraphs were not lawfully admitted to permanent residence;

(iv) the countries of origin of the people who applied for a merit-based visa under section 203(c) of such Act;

(v) the number of such visas issued under tier 1 and tier 2 to males and females, respectively;

(vi) the age of individuals who were issued such visas; and

(vii) the educational attainment and occupation of people who were issued such visas.

(B) REPORT.—Not later than 7 years after the date of the enactment of this Act, the Comptroller General shall submit a report to Congress that describes the results of the study conducted pursuant to subparagraph (A).

(b) MODIFICATION OF POINTS.—The Secretary may submit to Congress a proposal to modify the number of points allocated under subsection (c) of section 203 of the Immigration and Nationality Act (8 U.S.C. 1153), as amended by subsection (a).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.

SEC. 2302. MERIT-BASED TRACK TWO.

(a) IN GENERAL.—In addition to any immigrant visa made available under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), as amended by this Act, the Secretary of State shall allocate merit-based immigrant visas as described in this section.

(b) STATUS.—An alien admitted on the basis of a merit-based immigrant visa under this section shall have the status of an alien lawfully admitted for permanent residence (as that term is defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

(c) ELIGIBILITY.—Beginning on October 1, 2014, the following aliens shall be eligible for merit-based immigrant visas under this section:

(1) EMPLOYMENT-BASED IMMIGRANTS.—An alien who is the beneficiary of a petition filed before the date of the enactment of this Act to accord status under section 203(b) of the Immigration and Nationality Act, if the visa has not been issued within 5 years after the date on which such petition was filed.

(2) FAMILY-SPONSORED IMMIGRANTS.—Subject to subsection (d), an alien who is the beneficiary of a petition filed to accord status under section 203(a) of the Immigration and Nationality Act—

(A) prior to the date of the enactment of this Act, if the visa was not issued within 5 years after the date on which such petition was filed; or

(B) after such date of enactment, to accord status under paragraph (3) or (4) of section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)), as in effect the minute before the effective date specified in section 2307(a)(3) of this Act, and the visa was not issued within 5 years after the date on which petition was filed.

(3) LONG-TERM ALIEN WORKERS AND OTHER MERIT-BASED IMMIGRANTS.—An alien who—

(A) is not admitted pursuant to subparagraph (W) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)); and

(B) has been lawfully present in the United States in a status that allows for employment authorization for a continuous period, not counting brief, casual, and innocent absences, of not less than 10 years.

(d) ALLOCATION OF EMPLOYMENT-SPONSORED MERIT-BASED IMMIGRANT VISAS.—In each of the fiscal years 2015 through and including 2021, the Secretary of State shall allocate to aliens described in subsection (c)(1) a number of merit-based immigrant visas equal to 1/7 of the number of aliens described in subsection (c)(1) whose visas had not been issued as of the date of the enactment of this Act.

(e) ALLOCATION OF FAMILY-SPONSORED MERIT-BASED IMMIGRANT VISAS.—The visas authorized by subsection (c)(2) shall be allocated as follows:

(1) SPOUSES AND CHILDREN OF PERMANENT RESIDENTS.—Petitions to accord status under section 203(a)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(2)(A)), as in effect the minute before the effective date specified in section 2307(a)(3) of this Act, are automatically converted to petitions to accord status to the same beneficiaries as immediate relatives under section 201(b)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1151(b)(2)(A)).

(2) OTHER FAMILY MEMBERS.—In each of the fiscal years 2015 through and including 2021, the Secretary of State shall allocate to the aliens described in subsection (c)(2)(A), other than those aliens described in paragraph (1), a number of transitional merit-based immigrant visas equal to 1/7 of the difference between—

(A) the number of aliens described in subsection (c)(2)(A) whose visas had not been issued as of the date of the enactment of this Act; and

(B) the number of aliens described in paragraph (1).

(3) ORDER OF ISSUANCE FOR PREVIOUSLY FILED APPLICATIONS.—Subject to paragraphs (1) and (2), the visas authorized by subsection (c)(2)(A) shall be issued without regard to a per country limitation in the order described in section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)), as amended by section 2305(b), in the order in which the petitions to accord status under such section 203(a) were filed prior to the date of the enactment of this Act.

(4) SUBSEQUENTLY FILED APPLICATIONS.—In fiscal year 2022, the Secretary of State shall allocate to the aliens described in subsection (c)(2)(B), the number of merit-based immigrant visas equal to 1/2 of the number of aliens described in subsection (c)(2)(B) whose visas had not been issued by October 1, 2021. In fiscal year 2023, the Secretary of State shall allocate to the aliens described in subsection (c)(2)(B), the number of merit-based immigrant visas equal to the number of aliens described in subsection (c)(2)(B) whose visas had not been issued by October 1, 2022.

(5) ORDER OF ISSUANCE FOR SUBSEQUENTLY FILED APPLICATIONS.—Subject to paragraph (4), the visas authorized by subsection (c)(2)(B) shall be issued in the order in which the petitions to accord status under section 203(a) of the Immigration and Nationality Act were filed, as in effect the minute before the effective date specified in section 2307(a)(3) of this Act.

(f) ELIGIBILITY IN YEARS AFTER 2028.—Beginning in fiscal year 2029, aliens eligible for adjustment of status under subsection (c)(3) must be lawfully present in an employment authorized status for 20 years prior to filing an application for adjustment of status.

SEC. 2303. REPEAL OF THE DIVERSITY VISA PROGRAM.

(a) IN GENERAL.—Title II (8 U.S.C. 1151 et seq.) is amended—

(1) in section 201(a) (8 U.S.C. 1151(a))—

(A) in paragraph (1), by adding ''and'' at the end;

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

(C) by striking paragraph (3);

(2) in section 203 (8 U.S.C. 1153)—

(A) by striking subsection (c);

(B) in subsection (e)—

(i) by striking paragraph (2); and

(ii) by redesignating paragraph (3) as paragraph (2);

(C) in subsection (f), by striking ''(a), (b), or (c) of this section'' and inserting ''(a) or (b)''; and

(D) in subsection (g), by striking ''(a), (b), and (c)'' and inserting ''(a) and (b)''; and

(3) in section 204 (8 U.S.C. 1154)—

(A) in subsection (a), as amended by section 2305(d)(6)(A)(i), by striking paragraph (8); and

(B) in subsection (e), by striking ''(a), (b), or (c)'' and inserting ''(a) or (b)''.

(b) EFFECTIVE DATE AND APPLICATION.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2014.

(2) APPLICATION.—An alien who receives a notification from the Secretary that the alien was selected to receive a diversity immigrant visa under section 203(c) of the Immigration and Nationality Act (8 U.S.C. 1153(c)) for fiscal year 2013 or fiscal year 2014 shall remain eligible to receive such visa under the rules of such section, as in effect on September 30, 2014. No alien may be allocated such a diversity immigrant visa for a fiscal year after fiscal year 2015.

SEC. 2304. WORLDWIDE LEVELS AND RECAPTURE OF UNUSED IMMIGRANT VISAS.

(a) EMPLOYMENT-BASED IMMIGRANTS.—Section 201(d) (8 U.S.C. 1151(d)) is amended to read as follows:

''(d) WORLDWIDE LEVEL OF EMPLOYMENT-BASED IMMIGRANTS.—

''(1) IN GENERAL.—

''(A) WORLDWIDE LEVEL.—For a fiscal year after fiscal year 2015, the worldwide level of employment-based immigrants under this subsection is equal to the sum of—

''(i) 140,000; and

''(ii) the number computed under paragraph (2).

''(B) FISCAL YEAR 2015.—For fiscal year 2015, the worldwide level of employment-based immigrants under this subsection is equal to the sum of—

''(i) 140,000;

''(ii) the number computed under paragraph (2); and

''(iii) the number computed under paragraph (3).

''(2) PREVIOUS FISCAL YEAR.—The number computed under this paragraph for a fiscal year is the difference, if any, between the maximum number of visas which may be issued under section 203(a) (relating to family-sponsored immigrants) during the previous fiscal year and the number of visas issued under that section during that year.

''(3) UNUSED VISAS.—The number computed under this paragraph is the difference, if any, between—

''(A) the sum of the worldwide levels established under paragraph (1), as in effect on the day before the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, for fiscal years 1992 through and including 2013; and

''(B) the number of visas actually issued under section 203(b) during such fiscal years.''.

(b) FAMILY-SPONSORED IMMIGRANTS.—Section 201(c) (8 U.S.C. 1151(c)) is amended to read as follows:

''(c) WORLDWIDE LEVEL OF FAMILY-SPONSORED IMMIGRANTS.—

''(1) IN GENERAL.—

''(A) WORLDWIDE LEVEL.—Subject to subparagraph (C), for each fiscal year after fiscal year 2015, the worldwide level of family-sponsored immigrants under this subsection for a fiscal year is equal to the sum of—

''(i) 480,000 minus the number computed under paragraph (2); and

''(ii) the number computed under paragraph (3).

''(B) FISCAL YEAR 2015.—Subject to subparagraph (C), for fiscal year 2015, the worldwide level of family-sponsored immigrants under this subsection is equal to the sum of—

''(i) 480,000 minus the number computed under paragraph (2);

''(ii) the number computed under paragraph (3); and

''(iii) the number computed under paragraph (4).

''(C) LIMITATION.—The number computed under subparagraph (A)(i) or (B)(i) may not be less than 226,000, except that beginning on the date that is 18 months after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the number computed under subparagraph (A)(i) or (B)(i) may not be less than 161,000.

''(2) IMMEDIATE RELATIVES.—The number computed under this paragraph for a fiscal year is the number of aliens described in subparagraph (A) or (B) of subsection (b)(2) who were issued immigrant visas, or who otherwise acquired the status of an alien lawfully admitted to the United States for permanent residence, in the previous fiscal year.

''(3) PREVIOUS FISCAL YEAR.—The number computed under this paragraph for a fiscal year is the difference, if any, between the maximum number of visas which may be issued under section 203(b) (relating to employment-based immigrants) during the previous fiscal year and the number of visas issued under that section during that year.

''(4) UNUSED VISAS.—The number computed under this paragraph is the difference, if any, between—

''(A) the sum of the worldwide levels established under paragraph (1) for fiscal years 1992 through and including 2013; and

''(B) the number of visas actually issued under section 203(a) during such fiscal years.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.

SEC. 2305. RECLASSIFICATION OF SPOUSES AND MINOR CHILDREN OF LAWFUL PERMANENT RESIDENTS AS IMMEDIATE RELATIVES.

(a) IMMEDIATE RELATIVES.—Section 201(b)(2) (8 U.S.C. 1151(b)(2)) is amended to read as follows:

''(2)(A) Aliens who are immediate relatives.

''(B) In this paragraph, the term 'immediate relative' means—

''(i) a child, spouse, or parent of a citizen of the United States, except that in the case of such a parent such citizen shall be at least 21 years of age;

''(ii) a child or spouse of an alien lawfully admitted for permanent residence;

''(iii) a child or spouse of an alien described in clause (i), who is accompanying or following to join the alien;

''(iv) a child or spouse of an alien described in clause (ii), who is accompanying or following to join the alien;

''(v) an alien admitted under section 211(a) on the basis of a prior issuance of a visa to the alien's accompanying parent who is an immediate relative; and

''(vi) an alien born to an alien lawfully admitted for permanent residence during a temporary visit abroad.

''(C) If an alien who was the spouse or child of a citizen of the United States or of an alien lawfully admitted for permanent residence and was not legally separated from the citizen or lawful permanent resident at the time of the citizen's or lawful permanent resident's death files a petition under section 204(a)(1)(B), the alien spouse (and each child of the alien) shall remain, for purposes of this paragraph, an immediate relative during the period beginning on the date of the citizen's or permanent resident's death and ending on the date on which the alien spouse remarries.

''(D) An alien who has filed a petition under clause (iii) or (iv) of section 204(a)(1)(A) shall remain, for purposes of this paragraph, an immediate relative if the United States citizen or lawful permanent resident spouse or parent loses United States citizenship on account of the abuse.''.

(b) ALLOCATION OF IMMIGRANT VISAS.—Section 203(a) (8 U.S.C. 1153(a)) is amended—

(1) in paragraph (1), by striking ''23,400,'' and inserting ''20 percent of the worldwide level of family-sponsored immigrants under section 201(c)'';

(2) by striking paragraph (2) and inserting the following:

''(2) UNMARRIED SONS AND UNMARRIED DAUGHTERS OF PERMANENT RESIDENT ALIENS.—Qualified immigrants who are the unmarried sons or unmarried daughters (but are not the children) of an alien lawfully admitted for permanent residence shall be allocated visas in a number not to exceed 20 percent of the worldwide level of family-sponsored immigrants under section 201(c), plus any visas not required for the class specified in paragraph (1).'';

(3) in paragraph (3)—

(A) by striking ''23,400,'' and inserting ''20 percent of the worldwide level of family-sponsored immigrants under section 201(c)''; and

(B) by striking ''classes specified in paragraphs (1) and (2).'' and inserting ''class specified in paragraph (2).''; and

(4) in paragraph (4)—

(A) by striking ''65,000,'' and inserting ''40 percent of the worldwide level of family-sponsored immigrants under section 201(c)''; and

(B) by striking ''classes specified in paragraphs (1) through (3).'' and inserting ''class specified in paragraph (3).''.

(c) TERMINATION OF REGISTRATION.—Section 203(g) (8 U.S.C. 1153(g)) is amended to read as follows:

''(g) LISTS.—

''(1) IN GENERAL.—For purposes of carrying out the orderly administration of this title, the Secretary of State may make reasonable estimates of the anticipated numbers of immigrant visas to be issued during any quarter of any fiscal year within each of the categories under subsections (a), (b), and (c) and may rely upon such estimates in authorizing the issuance of visas.

''(2) TERMINATION OF REGISTRATION.—

''(A) INFORMATION DISSEMINATION.—Not later than 180 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary of Homeland Security and the Secretary of State shall adopt a plan to broadly disseminate information to the public regarding termination of registration procedures described in subparagraphs (B) and (C), including procedures for notifying the Department of Homeland Security and the Department of State of any change of address on the part of a petitioner or a beneficiary of an immigrant visa petition.

''(B) TERMINATION FOR FAILURE TO ADJUST.—The Secretary of Homeland Security shall terminate the registration of any alien who has evidenced an intention to acquire lawful permanent residence under section 245 and who fails to apply to adjust status within 1 year following notification to the alien of the availability of an immigrant visa.

''(C) TERMINATION FOR FAILURE TO APPLY.—The Secretary of State shall terminate the registration of any alien not described in subparagraph (B) who fails to apply for an immigrant visa within 1 year following notification to the alien of the availability of such visa.

''(3) REINSTATEMENT.—The registration of any alien that was terminated under paragraph (2) shall be reinstated if, within 2 years following the date of notification of the availability of such visa, the alien demonstrates that such failure to apply was due to good cause.''.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 101(a)(15)(K)(ii) (8 U.S.C. 1101(a)(15)(K)(ii)) is amended by striking ''section 201(b)(2)(A)(i)'' and inserting ''section 201(b)(2) (other than clause (v) or (vi) of subparagraph (B))''.

(2) PER COUNTRY LEVEL.—Section 202(a)(1)(A) (8 U.S.C. 1152(a)(1)(A)) is amended by striking ''section 201(b)(2)(A)(i)'' and inserting ''section 201(b)(2) (other than clause (v) or (vi) of subparagraph (B))''.

(3) RULES FOR DETERMINING WHETHER CERTAIN ALIENS ARE IMMEDIATE RELATIVES.—Section 201(f) (8 U.S.C. 1151(f)) is amended—

(A) in paragraph (1), by striking ''paragraphs (2) and (3),'' and inserting ''paragraph (2),'';

(B) by striking paragraph (2);

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

(D) in paragraph (3), as redesignated by subparagraph (C), by striking ''through (3)'' and inserting ''and (2)''.

(4) NUMERICAL LIMITATION TO ANY SINGLE FOREIGN STATE.—Section 202(a)(4) (8 U.S.C. 1152(a)(4)) is amended—

(A) by striking subparagraphs (A) and (B);

(B) by redesignating subparagraphs (C) and (D) as subparagraphs (A) and (B), respectively; and

(C) in subparagraph (A), as redesignated by clause (ii), by striking ''section 203(a)(2)(B)'' and inserting ''section 203(a)(2)''.

(5) ALLOCATION OF IMMIGRANT VISAS.—Section 203(h) (8 U.S.C. 1153(h)) is amended—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''subsections (a)(2)(A) and (d)'' and inserting ''subsection (d)'';

(ii) in subparagraph (A), by striking ''becomes available for such alien (or, in the case of subsection (d), the date on which an immigrant visa number became available for the alien's parent),'' and inserting ''became available for the alien's parent,''; and

(iii) in subparagraph (B), by striking ''applicable'';

(B) by amending paragraph (2) to read as follows:

''(2) PETITIONS DESCRIBED.—The petition described in this paragraph is a petition filed under section 204 for classification of the alien's parent under subsection (a), (b), or (c).''; and

(C) by amending paragraph (3) to read as follows:

''(3) RETENTION OF PRIORITY DATE.—

''(A) PETITIONS FILED FOR CHILDREN.—For a petition originally filed to classify a child under subsection (d), if the age of the alien is determined under paragraph (1) to be 21 years of age or older on the date that a visa number becomes available to the alien's parent who was the principal beneficiary of the petition, then, upon the parent's admission to lawful permanent residence in the United States, the petition shall automatically be converted to a petition filed by the parent for classification of the alien under subsection (a)(2) and the petition shall retain the priority date established by the original petition.

''(B) FAMILY AND EMPLOYMENT-BASED PETITIONS.—The priority date for any family- or employment-based petition shall be the date of filing of the petition with the Secretary of Homeland Security (or the Secretary of State, if applicable), unless the filing of the petition was preceded by the filing of a labor certification with the Secretary of Labor, in which case that date shall constitute the priority date. The beneficiary of any petition shall retain his or her earliest priority date based on any petition filed on his or her behalf that was approvable when filed, regardless of the category of subsequent petitions.''.

(6) PROCEDURE FOR GRANTING IMMIGRANT STATUS.—

(A) PETITIONING PROCEDURE.—Section 204 (8 U.S.C. 1154) is amended—

(i) by striking subsection (a) and inserting the following:

''(a) PETITIONING PROCEDURE.—

''(1) IN GENERAL.—(A) Except as provided in subparagraph (H), any citizen of the United States or alien lawfully admitted for permanent residence claiming that an alien is entitled to classification by reason of a relationship described in subparagraph (A) or (B) of section 203(a)(1) or to an immediate relative status under section 201(b)(2)(A) may file a petition with the Secretary of Homeland Security for such classification.

''(B) An alien spouse or alien child described in section 201(b)(2)(C) may file a petition with the Secretary under this paragraph for classification of the alien (and the alien's children) under such section.

''(C)(i) An alien who is described in clause (ii) may file a petition with the Secretary under this subparagraph for classification of the alien (and any child of the alien) if the alien demonstrates to the Secretary that—

''(I) the marriage or the intent to marry the citizen of the United States or lawful permanent resident was entered into in good faith by the alien; and

''(II) during the marriage or relationship intended by the alien to be legally a marriage, the alien or a child of the alien has been battered or has been the subject of extreme cruelty perpetrated by the alien's spouse or intended spouse.

''(ii) For purposes of clause (i), an alien described in this clause is an alien—

''(I)(aa) who is the spouse of a citizen of the United States or lawful permanent resident;

''(bb) who believed that he or she had married a citizen of the United States or lawful permanent resident and with whom a marriage ceremony was actually performed and who otherwise meets any applicable requirements under this Act to establish the existence of and bona fides of a marriage, but whose marriage is not legitimate solely because of the bigamy of such citizen of the United States or lawful permanent resident; or

''(cc) who was a bona fide spouse of a citizen of the United States or a lawful permanent resident within the past 2 years and—

''(AA) whose spouse died within the past 2 years;

''(BB) whose spouse renounced citizenship status or renounced or lost status as a lawful permanent resident within the past 2 years related to an incident of domestic violence; or

''(CC) who demonstrates a connection between the legal termination of the marriage within the past 2 years and battering or extreme cruelty by a spouse who is a citizen of the United States or a lawful permanent resident spouse;

''(II) who is a person of good moral character;

''(III) who is eligible to be classified as an immediate relative under section 201(b)(2)(A) or who would have been so classified but for the bigamy of the citizen of the United States that the alien intended to marry; and

''(IV) who has resided with the alien's spouse or intended spouse.

''(D) An alien who is the child of a citizen or lawful permanent resident of the United States, or who was a child of a United States citizen or lawful permanent resident parent who within the past 2 years lost or renounced citizenship status related to an incident of domestic violence, and who is a person of good moral character, who is eligible to be classified as an immediate relative under section 201(b)(2)(A), and who resides, or has resided in the past, with the citizen or lawful permanent resident parent may file a petition with the Secretary of Homeland Security under this paragraph for classification of the alien (and any child of the alien) under such section if the alien demonstrates to the Secretary that the alien has been battered by or has been the subject of extreme cruelty perpetrated by the alien's citizen or lawful permanent resident parent. For purposes of this subparagraph, residence includes any period of visitation.

''(E) An alien who—

''(i) is the spouse, intended spouse, or child living abroad of a citizen or lawful permanent resident who—

''(I) is an employee of the United States Government;

''(II) is a member of the uniformed services (as defined in section 101(a) of title 10, United States Code); or

''(III) has subjected the alien or the alien's child to battery or extreme cruelty in the United States; and

''(ii) is eligible to file a petition under subparagraph (C) or (D),

shall file such petition with the Secretary of Homeland Security under the procedures that apply to self-petitioners under subparagraph (C) or (D), as applicable.

''(F) For the purposes of any petition filed under subparagraph (C) or (D), the denaturalization, loss or renunciation of citizenship or lawful permanent resident status, death of the abuser, divorce, or changes to the abuser's citizenship or lawful permanent resident status after filing of the petition shall not adversely affect the approval of the petition, and for approved petitions shall not preclude the classification of the eligible self-petitioning spouse or child as an immediate relative or affect the alien's ability to adjust status under subsections (a) and (c) of section 245 or obtain status as a lawful permanent resident based on the approved self-petition under such clauses.

''(G) An alien may file a petition with the Secretary of Homeland Security under this paragraph for classification of the alien under section 201(b)(2)(A) if the alien—

''(i) is the parent of a citizen of the United States or was a parent of a citizen of the United States who, within the past 2 years, lost or renounced citizenship status related to an incident of domestic violence or died;

''(ii) is a person of good moral character;

''(iii) is eligible to be classified as an immediate relative under section 201(b)(2)(A);

''(iv) resides, or has resided, with the citizen daughter or son; and

''(v) demonstrates that the alien has been battered or subject to extreme cruelty by the citizen daughter or son.

''(H)(i) Subparagraph (A) shall not apply to a citizen of the United States who has been convicted of a specified offense against a minor, unless the Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, determines that the citizen poses no risk to the alien with respect to whom a petition described in subparagraph (A) is filed.

''(ii) For purposes of clause (i), the term 'specified offense against a minor' has the meaning given such term in section 111 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16911).

''(2) DETERMINATION OF GOOD MORAL CHARACTER.—Notwithstanding section 101(f), an act or conviction that is waivable with respect to the petitioner for purposes of a determination of the petitioner's admissibility under section 212(a) or deportability under section 237(a) shall not bar the Secretary of Homeland Security from finding the petitioner to be of good moral character under subparagraph (C) or (D) of paragraph (1), if the Secretary finds that the act or conviction was connected to the alien's having been battered or subjected to extreme cruelty.

''(3) PREFERENCE STATUS.—(A)(i) Any child who attains 21 years of age who has filed a petition under paragraph (1)(D) that was filed or approved before the date on which the child attained 21 years of age shall be considered (if the child has not been admitted or approved for lawful permanent residence by the date the child attained 21 years of age) a petitioner for preference status under paragraph (1), (2), or (3) of section 203(a), whichever paragraph is applicable, with the same priority date assigned to the self-petition filed under paragraph (1)(D). No new petition shall be required to be filed.

''(ii) Any individual described in clause (i) is eligible for deferred action and work authorization.

''(iii) Any derivative child who attains 21 years of age who is included in a petition described in subparagraph (B) that was filed or approved before the date on which the child attained 21 years of age shall be considered (if the child has not been admitted or approved for lawful permanent residence by the date the child attained 21 years of age) a VAWA self-petitioner with the same priority date as that assigned to the petitioner in any petition described in subparagraph (B). No new petition shall be required to be filed.

''(iv) Any individual described in clause (iii) and any derivative child of a petitioner described in subparagraph (B) is eligible for deferred action and work authorization.

''(B) The petition referred to in subparagraph (A)(iii) is a petition filed by an alien under subparagraph (C) or (D) of paragraph (1) in which the child is included as a derivative beneficiary.

''(C) Nothing in the amendments made by the Child Status Protection Act (Public Law 107–208; 116 Stat. 927) shall be construed to limit or deny any right or benefit provided under this paragraph.

''(D) Any alien who benefits from this paragraph may adjust status in accordance with subsections (a) and (c) of section 245 as an alien having an approved petition for classification under subparagraph (C) or (D) of paragraph (1).

''(E) For purposes of this paragraph, an individual who is not less than 21 years of age, who qualified to file a petition under paragraph (1)(D) as of the minute before the date on which the individual attained 21 years of age, and who did not file such a petition before such day, shall be treated as having filed a petition under such paragraph as of such day if a petition is filed for the status described in such paragraph before the individual attains 25 years of age and the individual shows that the abuse was at least 1 central reason for the filing delay. Subparagraphs (A) through (D) shall apply to an individual described in this subparagraph in the same manner as an individual filing a petition under paragraph (1)(D).

''(4) CLASSIFICATION AS ALIEN WITH EXTRAORDINARY ABILITY.—Any alien desiring to be classified under subparagraph (I), (J), (K), (L), or (M) of section 201(b)(1) or section 203(b)(1)(A), or any person on behalf of such an alien, may file a petition with the Secretary of Homeland Security for such classification.

''(5) CLASSIFICATION AS EMPLOYMENT-BASED IMMIGRANT.—Any employer desiring and intending to employ within the United States an alien entitled to classification under paragraph (1)(B), (1)(C), (2), or (3) of section 203(b) may file a petition with the Secretary of Homeland Security for such classification.

''(6) CLASSIFICATION AS SPECIAL IMMIGRANT.—(A) Any alien (other than a special immigrant under section 101(a)(27)(D)) desiring to be classified under section 203(b)(4), or any person on behalf of such an alien, may file a petition with the Secretary of Homeland Security for such classification.

''(B) Aliens claiming status as a special immigrant under section 101(a)(27)(D) may file a petition only with the Secretary of State and only after notification by the Secretary that such status has been recommended and approved pursuant to such section.

''(7) CLASSIFICATION AS IMMIGRANT INVESTOR.—Any alien desiring to be classified under paragraph (5) or (6) of section 203(b) may file a petition with the Secretary of Homeland Security for such classification.

''(8) DIVERSITY VISA.—(A) Any alien desiring to be provided an immigrant visa under section 203(c) may file a petition at the place and time determined by the Secretary of State by regulation. Only 1 such petition may be filed by an alien with respect to any petitioning period established. If more than 1 petition is submitted all such petitions submitted for such period by the alien shall be voided.

''(B)(i) The Secretary of State shall designate a period for the filing of petitions with respect to visas which may be issued under section 203(c) for the fiscal year beginning after the end of the period.

''(ii) Aliens who qualify, through random selection, for a visa under section 203(c) shall remain eligible to receive such visa only through the end of the specific fiscal year for which they were selected.

''(iii) The Secretary of State shall prescribe such regulations as may be necessary to carry out this subparagraph.

''(C) A petition under this paragraph shall be in such form as the Secretary of State may by regulation prescribe and shall contain such information and be supported by such documentary evidence as the Secretary of State may require.

''(D) Each petition to compete for consideration for a visa under section 203(c) shall be accompanied by a fee equal to $30. All amounts collected under this subparagraph shall be deposited into the Treasury as miscellaneous receipts.

''(9) CONSIDERATION OF CREDIBLE EVIDENCE.—In acting on petitions filed under subparagraph (C) or (D) of paragraph (1), or in making determinations under paragraphs (2) and (3), the Secretary of Homeland Security shall consider any credible evidence relevant to the petition. The determination of what evidence is credible and the weight to be given that evidence shall be within the sole discretion of the Secretary.

''(10) WORK AUTHORIZATION.—(A) Upon the approval of a petition as a VAWA self-petitioner, the alien—

''(i) is eligible for work authorization; and

''(ii) may be provided an 'employment authorized' endorsement or appropriate work permit incidental to such approval.

''(B) Notwithstanding any provision of this Act restricting eligibility for employment in the United States, the Secretary of Homeland Security shall grant employment authorization to an alien who has filed an application for status as a VAWA self-petitioner on the date that is the earlier of—

''(i) the date on which the alien's application for such status is approved; or

''(ii) a date determined by the Secretary that is not later than 180 days after the date on which the alien filed the application.

''(11) LIMITATION.—Notwithstanding paragraphs (1) through (10), an individual who was a VAWA petitioner or who had the status of a nonimmigrant under subparagraph (T) or (U) of section 101(a)(15) may not file a petition for classification under this section or section 214 to classify any person who committed the battery or extreme cruelty or trafficking against the individual (or the individual's child), which established the individual's (or individual's child's) eligibility as a VAWA petitioner or for such nonimmigrant status.'';

(ii) in subsection (c)(1), by striking ''or preference status''; and

(iii) in subsection (h), by striking ''or a petition filed under subsection (a)(1)(B)(ii)''.

(B) CONFORMING AMENDMENTS.—The Act (8 U.S.C. 1101 et seq.) is amended—

(i) in section 101(a)—

(I) in paragraph (15)(K), by striking ''204(a)(1)(A)(viii)(I)'' each place such term appears and inserting ''204(a)(1)(H)(i)'';

(II) in paragraph (50), by striking ''204(a)(1)(A)(iii)(II)(aa)(BB), 204(a)(1)(B)(ii)(II)(aa)(BB),'' and inserting ''204(a)(1)(C)(ii)(I)(bb) or''; and

(III) in paragraph (51)—

(aa) in subparagraph (A), by striking ''204(a)(1)(A)'' and inserting ''204(a)(1)'';

(bb) by striking subparagraph (B); and

(cc) by redesignating subparagraphs (C), (D), (E), (F), and (G) as subparagraphs (B), (C), (D), (E), and (F), respectively;

(ii) in section 212(a)(4)(C)(i)—

(I) in subclause (I), by striking ''clause (ii), (iii), or (iv) of section 204(a)(1)(A), or'' and inserting ''subparagraph (B), (C), or (D) of section 204(a)(1);'';

(II) by striking subclause (II); and

(III) by redesignating subclause (III) as subclause (II);

(iii) in section 216(c)(4)(D), by striking ''204(a)(1)(A)(iii)(II)(aa)(BB)'' and inserting ''204(a)(1)(C)(ii)(I)(bb)''; and

(iv) in section 240(c)(7)(C)(iv)(I), by striking ''clause (iii) or (iv) of section 204(a)(1)(A), clause (ii) or (iii) of section 204(a)(1)(B),'' and inserting ''subparagraph (C) or (D) of section 204(a)(1),''.

(7) EXCLUDABLE ALIENS.—Section 212(d)(12)(B) (8 U.S.C. 1182(d)(12)(B)) is amended by striking ''section 201(b)(2)(A)'' and inserting ''section 201(b)(2) (other than subparagraph (B)(vi))''.

(8) ADMISSION OF NONIMMIGRANTS.—Section 214(r)(3)(A) (8 U.S.C. 1184(r)(3)(A)) is amended by striking ''section 201(b)(2)(A)(i).'' and inserting ''section 201(b)(2) (other than clause (v) or (vi) of subparagraph (B)).''.

(9) REFUGEE CRISIS IN IRAQ ACT OF 2007.—Section 1243(a)(4) of the Refugee Crisis in Iraq Act of 2007 (8 U.S.C. 1157 note) is amended by striking ''section 201(b)(2)(A)(i)'' and inserting ''section 201(b)(2) (other than clause (v) or (vi) of subparagraph (B))''.

(10) PROCESSING OF VISA APPLICATIONS.—Section 233 of the Department of State Authorization Act, Fiscal Year 2003 (8 U.S.C. 1201 note) is amended by striking ''section 201(b)(2)(A)(i)'' and inserting ''section 201(b)(2) (other than clause (v) or (vi) of subparagraph (B))''.

(11) ADJUSTMENT OF STATUS.—Section 245(a) (8 U.S.C. 1255(a)) is amended to read as follows:

''(a)(1) The status of an alien who was inspected and admitted or paroled into the United States or the status of any other alien having an approved petition for classification as a VAWA self-petitioner may be adjusted by the Attorney General or the Secretary of Homeland Security, in the Attorney General's or the Secretary's discretion and under such regulations as the Attorney General or Secretary may prescribe, to that of an alien lawfully admitted for permanent residence (regardless of whether the alien has already been admitted for permanent residence) if—

''(A) the alien makes an application for such adjustment;

''(B) the alien is eligible to receive an immigrant visa and is admissible to the United States for permanent residence; and

''(C) subject to paragraph (2), an immigrant visa is immediately available to the alien at the time the alien's application is filed.

''(2)(A) An application that is based on a petition approved or approvable under subparagraph (A) or (B) of section 204(a)(1) may be filed without regard to the limitation set forth in paragraph (1)(C).

''(B) An application for adjustment filed for an alien under this paragraph may not be approved until such time as an immigrant visa becomes available for the alien.''.

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

SEC. 2306. NUMERICAL LIMITATIONS ON INDIVIDUAL FOREIGN STATES.

(a) NUMERICAL LIMITATION TO ANY SINGLE FOREIGN STATE.—Section 202(a)(2) (8 U.S.C. 1152(a)(2)) is amended—

(1) in the paragraph heading, by striking ''AND EMPLOYMENT-BASED'';

(2) by striking ''(3), (4), and (5),'' and inserting ''(3) and (4),'';

(3) by striking ''subsections (a) and (b) of section 203'' and inserting ''section 203(a)'';

(4) by striking ''7'' and inserting ''15''; and

(5) by striking ''such subsections'' and inserting ''such section''.

(b) CONFORMING AMENDMENTS.—Section 202 (8 U.S.C. 1152) is amended—

(1) in subsection (a)—

(A) in paragraph (3), by striking ''both subsections (a) and (b) of section 203'' and inserting ''section 203(a)''; and

(B) by striking paragraph (5); and

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

''(e) SPECIAL RULES FOR COUNTRIES AT CEILING.—If it is determined that the total number of immigrant visas made available under section 203(a) to natives of any single foreign state or dependent area will exceed the numerical limitation specified in subsection (a)(2) in any fiscal year, in determining the allotment of immigrant visa numbers to natives under section 203(a), visa numbers with respect to natives of that state or area shall be allocated (to the extent practicable and otherwise consistent with this section and section 203) in a manner so that, except as provided in subsection (a)(4), the proportion of the visa numbers made available under each of paragraphs (1) through (4) of section 203(a) is equal to the ratio of the total number of visas made available under the respective paragraph to the total number of visas made available under section 203(a).''.

(c) COUNTRY-SPECIFIC OFFSET.—Section 2 of the Chinese Student Protection Act of 1992 (8 U.S.C. 1255 note) is amended—

(1) in subsection (a), by striking ''subsection (e))'' and inserting ''subsection (d))''; and

(2) by striking subsection (d) and redesignating subsection (e) as subsection (d).

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of the enactment of this Act.

SEC. 2307. ALLOCATION OF IMMIGRANT VISAS.

(a) PREFERENCE ALLOCATION FOR FAMILY-SPONSORED IMMIGRANTS.—

(1) IN GENERAL.—Section 203(a) (8 U.S.C. 1153(a)), as amended by section 2305(b), is further amended to read as follows:

''(a) PREFERENCE ALLOCATION FOR FAMILY-SPONSORED IMMIGRANTS.—Aliens subject to the worldwide level specified in section 201(c) for family-sponsored immigrants shall be allotted visas as follows:

''(1) SONS AND DAUGHTERS OF CITIZENS.—Qualified immigrants who are—

''(A) the unmarried sons or unmarried daughters but not the children of citizens of the United States shall be allocated visas in a number not to exceed 35 percent of the worldwide level authorized in section 201(c), plus the sum of—

''(i) the number of visas not required for the class specified in paragraph (2) for the current fiscal year; and

''(ii) the number of visas not required for the class specified in subparagraph (B); or

''(B) the married sons or married daughters of citizens of the United States who are 31 years of age or younger at the time of filing a petition under section 204 shall be allocated visas in a number not to exceed 25 percent of the worldwide level authorized in section 201(c), plus the number of any visas not required for the class specified in subparagraph (A) current fiscal year.

''(2) SONS AND DAUGHTERS OF PERMANENT RESIDENTS.—Qualified immigrants who are the unmarried sons or unmarried daughters of aliens admitted for permanent residence shall be allocated visas in a number not to exceed 40 percent of the worldwide level authorized in section 201(c), plus any visas not required for the class specified in paragraph (1)(A).''.

(2) CONFORMING AMENDMENTS.—

(A) PROCEDURE FOR GRANTING IMMIGRANT STATUS.—Section 204(f)(1) (8 U.S.C. 1154(f)(1)) is amended by striking ''section 201(b), 203(a)(1), or 203(a)(3),'' and inserting ''section 201(b) or subparagraph (A) or (B) of section 203(a)(1)''.

(B) AUTOMATIC CONVERSION.—For the purposes of any petition pending or approved based on a relationship described—

(i) in subparagraph (A) of section 203(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(1)), as amended by paragraph (1), and notwithstanding the age of the alien, such a petition shall be deemed reclassified as a petition based on a relationship described in subparagraph (B) of such section 203(a)(1) upon the marriage of such alien; or

(ii) in subparagraph (B) of such section 203(a)(1), such a petition shall be deemed reclassified as a petition based on a relationship described in subparagraph (A) of such section 203(a)(1) upon the legal termination of marriage or death of such alien's spouse.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the first fiscal year that begins at least 18 months following the date of the enactment of this Act.

(b) PREFERENCE ALLOCATION FOR EMPLOYMENT-BASED IMMIGRANTS.—

(1) IN GENERAL.—Section 201(b)(1) (8 U.S.C. 1151(b)(1)), as amended by sections 2103(c) and 2212(d), is further amended by adding at the end the following:

''(H) Derivative beneficiaries as described in section 203(d) of employment-based immigrants under section 203(b).

''(I) Aliens with extraordinary ability in the sciences, arts, education, business, or athletics which has been demonstrated by sustained national or international acclaim, if, with respect to any such alien—

''(i) the achievements of such alien have been recognized in the field through extensive documentation;

''(ii) such alien seeks to enter the United States to continue work in the area of extraordinary ability; and

''(iii) the entry of such alien into the United States will substantially benefit prospectively the United States.

''(J) Aliens who are outstanding professors and researchers if, with respect to any such alien—

''(i) the alien is recognized internationally as outstanding in a specific academic area;

''(ii) the alien has at least 3 years of experience in teaching or research in the academic area; and

''(iii) the alien seeks to enter the United States—

''(I) to be employed in a tenured position (or tenure-track position) within a not for profit university or institution of higher education to teach in the academic area;

''(II) for employment in a comparable position with a not for profit university or institution of higher education, or a governmental research organization, to conduct research in the area; or

''(III) for employment in a comparable position to conduct research in the area with a department, division, or institute of a private employer, if the department, division, or institute employs at least 3 persons full-time in research activities and has achieved documented accomplishments in an academic field.

''(K) Aliens who are multinational executives and managers if, with respect to any such alien—

''(i) in the 3 years preceding the time of the alien's application for classification and admission into the United States under this subparagraph, the alien has been employed for at least 1 year by a firm or corporation or other legal entity or an affiliate or subsidiary thereof; and

''(ii) the alien seeks to enter the United States in order to continue to render services to the same employer or to a subsidiary or affiliate thereof in a capacity that is managerial or executive.

''(L) Aliens who have earned a doctorate degree from an institution of higher education in the United States or the foreign equivalent.

''(M) Alien physicians who have completed the foreign residency requirements under section 212(e) or obtained a waiver of these requirements or an exemption requested by an interested State agency or by an interested Federal agency under section 214(l), including those alien physicians who completed such service before the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(N) ADVANCED DEGREES IN A STEM FIELD.—

''(i) IN GENERAL.—An immigrant who—

''(I) has earned a master's or higher degree in a field of science, technology, engineering, or mathematics included in the Department of Education's Classification of Instructional Programs taxonomy within the summary groups of computer and information sciences and support services, engineering, mathematics and statistics, biological and biomedical sciences, and physical sciences, from a United States institution of higher education;

''(II) has an offer of employment from a United States employer in a field related to such degree; and

''(III) earned the qualifying graduate degree during the 5-year period immediately before the initial filing date of the petition under which the nonimmigrant is a beneficiary.

''(ii) DEFINITION.—In this subparagraph, the term 'United States institution of higher education' means an institution that—

''(I) is described in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) or is a proprietary institution of higher education (as defined in section 102(b) of such Act (20 U.S.C. 1002(b)));

''(II) was classified by the Carnegie Foundation for the Advancement of Teaching on January 1, 2012, as a doctorate-granting university with a very high or high level of research activity or classified by the National Science Foundation after the date of enactment of this subparagraph, pursuant to an application by the institution, as having equivalent research activity to those institutions that had been classified by the Carnegie Foundation as being doctorate-granting universities with a very high or high level of research activity; and

''(III) is accredited by an accrediting body that is itself accredited either by the Department of Education or by the Council for Higher Education Accreditation.''.

(2) EXCEPTION FROM LABOR CERTIFICATION REQUIREMENT FOR STEM IMMIGRANTS.—Section 212(a)(5)(D) (8 U.S.C. 1182(a)(5)(D)) is amended to read as follows:

''(D) APPLICATION OF GROUNDS.—

''(i) IN GENERAL.—Except as provided in clause (ii), the grounds for inadmissibility of aliens under subparagraphs (A) and (B) shall apply to immigrants seeking admission or adjustment of status under paragraph (2) or (3) of section 203(b).

''(ii) SPECIAL RULE FOR STEM IMMIGRANTS.—The grounds for inadmissibility of aliens under subparagraph (A) shall not apply to an immigrant seeking admission or adjustment of status under section 203(b)(2)(B).''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TREATMENT OF DERIVATIVE FAMILY MEMBERS.—Section 203(d) (8 U.S.C. 1153(d)) is amended to read as follows:

''(d) TREATMENT OF FAMILY MEMBERS.—If accompanying or following to join a spouse or parent issued a visa under subsection (a), (b), or (c), subparagraph (I), (J), (K), (L), or (M) of section 201(b)(1), or section 201(b)(2), a spouse or child (as defined in subparagraph (A), (B), (C), (D), or (E) of section 101(b)(1)) shall be entitled to the same immigrant status and the same order of consideration provided in the respective provision.''.

(2) ALIENS WHO ARE PRIORITY WORKERS OR MEMBERS OF THE PROFESSIONS HOLDING ADVANCED DEGREES.—Section 203(b) (8 U.S.C. 1153(b)) is amended—

(A) in the matter preceding paragraph (1), by striking ''Aliens'' and inserting ''Other than aliens described in paragraph (1) or (2)(B), aliens'';

(B) in paragraph (1), by striking the matter preceding subparagraph (A) and inserting ''Aliens described in any of the following subparagraphs may be admitted to the United States without respect to the worldwide level specified in section 201(d)''; and

(C) by amending paragraph (2) to read as follows:

''(2) ALIENS WHO ARE MEMBERS OF PROFESSIONS HOLDING ADVANCED DEGREES OR PROSPECTIVE EMPLOYEES OF NATIONAL SECURITY FACILITIES.—

''(A) IN GENERAL.—Visas shall be made available, in a number not to exceed 40 percent of the worldwide level authorized in section 201(d), plus any visas not required for the classes specified in paragraph (5) to qualified immigrants who are either of the following:

''(i) Members of the professions holding advanced degrees or their equivalent whose services in the sciences, arts, professions, or business are sought by an employer in the United States, including alien physicians holding foreign medical degrees that have been deemed sufficient for acceptance by an accredited United States medical residency or fellowship program.

''(ii) Prospective employees, in a research capacity, of Federal national security, science, and technology laboratories, centers, and agencies, if such immigrants have been lawfully present in the United States for two years prior to employment (unless the Secretary of Homeland Security determines, including upon request of the prospective laboratory, center, or agency, that exceptional circumstances exist justifying waiver of the presence requirement).

''(B) WAIVER OF JOB OFFER.—

''(i) NATIONAL INTEREST WAIVER.—Subject to clause (ii), the Secretary of Homeland Security may, if the Secretary deems it to be in the national interest, waive the requirements of subparagraph (A) that an alien's services in the sciences, arts, professions, or business be sought by an employer in the United States.

''(ii) PHYSICIANS WORKING IN SHORTAGE AREAS OR VETERANS FACILITIES.—

''(I) IN GENERAL.—The Secretary shall grant a national interest waiver pursuant to clause (i) on behalf of any alien physician with respect to whom a petition for preference classification has been filed under subparagraph (A) if—

''(aa) the alien physician agrees to work on a full- time basis practicing primary care, specialty medicine, or a combination thereof, in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Secretary of Veterans Affairs; or

''(bb) the alien physician is pursuing such waiver based upon service at a facility or facilities that serve patients who reside in a geographic area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals (without regard to whether such facility or facilities are located within such an area) and a Federal agency or a local, county, regional, or State department of public health determines that the alien physician's work at such facility was or will be in the public interest.

''(II) PROHIBITION.—

''(aa) No permanent resident visa may be issued to an alien physician described in subclause (I) by the Secretary of State under section 204(b), and the Secretary of Homeland Security may not adjust the status of such an alien physician from that of a nonimmigrant alien to that of a permanent resident alien under section 245, until such time as the alien has worked full time as a physician for an aggregate of 5 years (not including the time served in the status of an alien described in section 101(a)(15)(J)), in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Secretary of Veterans Affairs, or at a facility or facilities meeting the requirements of subclause (I)(bb).

''(bb) The 5-year service requirement of item (aa) shall be counted from the date the alien physician begins work in the shortage area in any legal status and not the date an immigrant visa petition is filed or approved. Such service shall be aggregated without regard to when such service began and without regard to whether such service began during or in conjunction with a course of graduate medical education.

''(cc) An alien physician shall not be required to submit an employment contract with a term exceeding the balance of the 5-year commitment yet to be served, nor an employment contract dated within a minimum time period prior to filing of a visa petition pursuant to this subsection.

''(dd) An alien physician shall not be required to file additional immigrant visa petitions upon a change of work location from the location approved in the original national interest immigrant petition.

''(III) STATUTORY CONSTRUCTION.—Nothing in this subparagraph may be construed to prevent the filing of a petition with the Secretary of Homeland Security for classification under section 204(a), by an alien physician described in subclause (I) prior to the date by which such alien physician has completed the service described in subclause (II) or in section 214(l).

''(C) GUIDANCE AND RULES.—The Secretary may prescribe such policy guidance and rules as the Secretary considers appropriate for purposes of subparagraph (A) to ensure national security and promote the interests and competitiveness of the United States. Such rules shall include a definition of the term 'Federal national security, science, and technology laboratories, centers, and agencies' for purposes of clause (ii) of subparagraph (A), which shall include the following:

''(i) The national security, science, and technology laboratories, centers, and agencies of the Department of Defense, the Department of Energy, the Department of Homeland Security, the elements of the intelligence community (as that term is defined in section 4(3) of the National Security Act of 1947), and any other department or agency of the Federal Government that conducts or funds research and development in the essential national interest.

''(ii) Federally funded research and development centers (FFRDCs) that are primarily supported by a department or agency of the Federal Government specified in clause (i).''.

(3) SKILLED WORKERS, PROFESSIONALS, AND OTHER WORKERS.—

(A) IN GENERAL.—Section 203(b)(3)(A) (8 U.S.C. 1153(b)(3)(A)) is amended by striking ''in a number not to exceed 28.6 percent of such worldwide level, plus any visas not required for the classes specified in paragraphs (1) and (2),'' and inserting ''in a number not to exceed 40 percent of the worldwide level authorized in section 201(d), plus any visas not required for the class specified in paragraph (2),''.

(B) MEDICAL LICENSE REQUIREMENTS.—Section 214(i)(2)(A) (8 U.S.C. 1184(i)(2)(A)) is amended by adding at the end ''including in the case of a medical doctor, the licensure required to practice medicine in the United States,''.

(C) REPEAL OF LIMITATION ON OTHER WORKERS.—Section 203(b)(3) (8 U.S.C. 1153(b)(3)) is amended—

(i) by striking subparagraph (B); and

(ii) redesignated subparagraph (C) as subparagraph (B).

(4) CERTAIN SPECIAL IMMIGRANTS.—Section 203(b)(4) (8 U.S.C. 1153(b)(4)) is amended by striking ''in a number not to exceed 7.1 percent of such worldwide level,'' and inserting ''in a number not to exceed 10 percent of the worldwide level authorized in section 201(d), plus any visas not required for the class specified in paragraph (3),''.

(5) EMPLOYMENT CREATION.—Section 203(b)(5)(A) (8 U.S.C. 1153(b)(5)(A)) is amended by striking ''in a number not to exceed 7.1 percent of such worldwide level,'' and inserting ''in a number not to exceed 10 percent of the worldwide level authorized in section 201(d), plus any visas not required for the class specified in paragraph (4),''.

(d) NATURALIZATION OF EMPLOYEES OF CERTAIN NATIONAL SECURITY FACILITIES WITHOUT REGARD TO RESIDENCY REQUIREMENTS.—Section 316 (8 U.S.C. 1427) is amended by adding at the end the following:

''(g)(1) Any person who, while an alien or a noncitizen national of the United States, has been employed in a research capacity at a Federal national security, science, and technology laboratory, center, or agency (as defined pursuant to section 203(b)(2)(C)) for a period or periods aggregating one year or more may, in the discretion of the Secretary, be naturalized without regard to the residence requirements of this section if the person—

''(A) has complied with all requirements as determined by the Secretary of Homeland Security, the Secretary of Defense, the Secretary of Energy, or the head of a petitioning department or agency of the Federal Government, including contractual requirements to maintain employment in a research capacity with a Federal national security, science, and technology laboratory, center, or agency for a period not to exceed five years; and

''(B) has favorably completed and adjudicated a background investigation at the appropriate level, from the employing department or agency of the Federal Government within the last five years.

''(2) The number of aliens or noncitizen nationals naturalized in any fiscal year under this subsection shall not exceed a number as defined by the Secretary of Homeland Security, in consultation with the head of the petitioning department or agency of the Federal Government.''.

SEC. 2308. INCLUSION OF COMMUNITIES ADVERSELY AFFECTED BY A RECOMMENDATION OF THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION AS TARGETED EMPLOYMENT AREAS.

(a) IN GENERAL.—Section 203(b)(5)(B)(ii) (8 U.S.C. 1153(b)(5)(B)(ii)) is amended by inserting '', any community adversely affected by a recommendation by the Defense Base Closure and Realignment Commission,'' after ''rural area''.

(b) REGULATIONS.—The Secretary, in consultation with the Secretary of Defense, shall implement the amendment made by subsection (a) through appropriate regulations.

SEC. 2309. V NONIMMIGRANT VISAS.

(a) NONIMMIGRANT ELIGIBILITY.—Subparagraph (V) of section 101(a)(15) (8 U.S.C. 1101(a)(15)) is amended to read as follows:

''(V)(i) subject to section 214(q)(1) and section 212(a)(4), an alien who is the beneficiary of an approved petition under section 203(a) as—

''(I) the unmarried son or unmarried daughter of a citizen of the United States;

''(II) the unmarried son or unmarried daughter of an alien lawfully admitted for permanent residence; or

''(III) the married son or married daughter of a citizen of the United States and who is 31 years of age or younger; or

''(ii) subject to section 214(q)(2), an alien who is—

''(I) the sibling of a citizen of the United States; or

''(II) the married son or married daughter of a citizen of the United States and who is older than 31 years of age;''.

(b) EMPLOYMENT AND PERIOD OF ADMISSION OF NONIMMIGRANTS DESCRIBED IN SECTION 101(A)(15)(V).—Section 214(q) (8 U.S.C. 1184(q)) is amended to read as follows:

''(q) NONIMMIGRANTS DESCRIBED IN SECTION 101(A)(15)(V).—

''(1) CERTAIN SONS AND DAUGHTERS.—

''(A) EMPLOYMENT AUTHORIZATION.—The Secretary shall—

''(i) authorize a nonimmigrant admitted pursuant to section 101(a)(15)(V)(i) to engage in employment in the United States during the period of such nonimmigrant's authorized admission; and

''(ii) provide such a nonimmigrant with an 'employment authorized' endorsement or other appropriate document signifying authorization of employment.

''(B) TERMINATION OF ADMISSION.—The period of authorized admission for such a nonimmigrant shall terminate 30 days after the date on which—

''(i) such nonimmigrant's application for an immigrant visa pursuant to the approval of a petition under subsection (a) or (c) of section 203 is denied; or

''(ii) such nonimmigrant's application for adjustment of status under section 245 pursuant to the approval of such a petition is denied.

''(2) SIBLINGS AND SONS AND DAUGHTERS OF CITIZENS.—

''(A) EMPLOYMENT AUTHORIZATION.—The Secretary may not authorize a nonimmigrant admitted pursuant to section 101(a)(15)(V)(ii) to engage in employment in the United States.

''(B) PERIOD OF ADMISSION.—The period of authorized admission as such a nonimmigrant may not exceed 60 days per fiscal year.

''(C) TREATMENT OF PERIOD OF ADMISSION.—An alien admitted under section 101(a)(15)(V) may not receive an allocation of points pursuant to section 203(c) for residence in the United States while admitted as such a nonimmigrant.''.

(c) PUBLIC BENEFITS.—A noncitizen who is lawfully present in the United States pursuant to section 101(a)(15)(V) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(V)) is not eligible for any means-tested public benefits (as such term is defined and implemented in section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613)). A noncitizen admitted under this section—

(1) is not entitled to the premium assistance tax credit authorized under section 36B of the Internal Revenue Code of 1986 for his or her coverage;

(2) shall be subject to the rules applicable to individuals not lawfully present that are set forth in subsection (e) of such section;

(3) shall be subject to the rules applicable to individuals not lawfully present that are set forth in section 1402(e) of the Patient Protection and Affordable Care Act (42 U.S.C. 18071(e)); and

(4) shall be subject to the rules applicable to individuals not lawfully present set forth in section 5000A(d)(3) of the Internal Revenue Code of 1986.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.

SEC. 2310. FIANCÉE AND FIANCÉ CHILD STATUS PROTECTION.

(a) DEFINITION.—Section 101(a)(15)(K) (8 U.S.C. 1101(a)(15)(K), as amended by section 2305(d)(6)(B)(i)(I), is further amended—

(1) in clause (i), by inserting ''or of an alien lawfully admitted for permanent residence'' after ''204(a)(1)(H)(i))'';

(2) in clause (ii), by inserting ''or of an alien lawfully admitted for permanent residence'' after ''204(a)(1)(H)(i))''; and

(3) in clause (iii), by striking the semicolon and inserting '', provided that a determination of the age of such child is made using the age of the alien on the date on which the fiancé, fiancée, or immigrant visa petition is filed with the Secretary of Homeland Security to classify the alien's parent as the fiancée or fiancé of a United States citizen or of an alien lawfully admitted for permanent residence (in the case of an alien parent described in clause (i)) or as the spouse of a citizen of the United States or of an alien lawfully admitted to permanent residence under section 201(b)(2)(A) (in the case of an alien parent described in clause (ii));''.

(b) ADJUSTMENT OF STATUS AUTHORIZED.—Section 214(d) (8 U.S.C. 1184(d)) is amended—

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

(2) in paragraph (1), by striking ''In the event'' and all that follows through the end; and

(3) by inserting after paragraph (1) the following:

''(2)(A) If an alien does not marry the petitioner under paragraph (1) within 3 months after the alien and the alien's children are admitted into the United States, the visa previously issued under the provisions of section 1101(a)(15)(K)(i) shall automatically expire and such alien and children shall be required to depart from the United States. If such aliens fail to depart from the United States, they shall be placed in proceedings in accordance with sections 240 and 241.

''(B) Subject to subparagraphs (C) and (D), if an alien marries the petitioner described in section 101(a)(15)(K)(i) within 90 days after the alien is admitted into the United States, the Secretary or the Attorney General, subject to the provisions of section 245(d), may adjust the status of the alien, and any children accompanying or following to join the alien, to that of an alien lawfully admitted for permanent residence on a conditional basis under section 216 if the alien and any such children apply for such adjustment and are not determined to be inadmissible to the United States. If the alien does not apply for such adjustment within 6 months after the marriage, the visa issued under the provisions of section 1101(a)(15)(K) shall automatically expire.

''(C) Paragraphs (5) and (7)(A) of section 212(a) shall not apply to an alien who is eligible to apply for adjustment of the alien's status to an alien lawfully admitted for permanent residence under this section.

''(D) An alien eligible for a waiver of inadmissibility as otherwise authorized under this Act or the Border Security, Economic Opportunity, and Immigration Modernization Act shall be permitted to apply for adjustment of the alien's status to that of an alien lawfully admitted for permanent residence under this section.''.

(c) AGE DETERMINATION.—Section 245(d) (8 U.S.C. 1255(d)) is amended—

(1) by striking ''The Attorney General'' and inserting ''(1) The Secretary of Homeland Security'';

(2) in paragraph (1), as redesignated, by striking ''Attorney General'' and inserting ''Secretary''; and

(3) by adding at the end the following:

''(2) A determination of the age of an alien admitted to the United States under section 101(a)(15)(K)(iii) shall be made, for purposes of adjustment to the status of an alien lawfully admitted for permanent residence on a conditional basis under section 216, using the age of the alien on the date on which the fiancé, fiancée, or immigrant visa petition was filed with the Secretary of Homeland Security to classify the alien's parent as the fiancée or fiancé of a United States citizen or of an alien lawfully admitted to permanent residence (in the case of an alien parent admitted to the United States under section 101(a)(15)(K)(i)) or as the spouse of a United States citizen or of an alien lawfully admitted to permanent residence under section 201(b)(2)(A) (in the case of an alien parent admitted to the United States under section 101(a)(15)(K)(ii)).''.

(d) APPLICABILITY.—The amendments made by this section shall apply to all petitions or applications described in such amendments that are pending as of the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITIONS.—Section 101(a)(15)(K) (8 U.S.C. 1101(a)(15)(K)), as amended by subsection (a), is further amended—

(A) in clause (ii), by striking ''section 201(b)(2)(A)(i)'' and inserting ''section 201(b)(2)''; and

(B) in clause (iii), by striking ''section 201(b)(2)(A)(i)'' and inserting ''section 201(b)(2)''.

(2) AGE DETERMINATION.—Paragraph (2) of section 245(d) (8 U.S.C. 1255(d)), as added by subsection (c), is amended by striking section ''201(b)(2)(A)(i)'' and inserting ''201(b)(2)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the first day of the first fiscal year beginning no earlier than 1 year after the date of the enactment of this Act.

SEC. 2311. EQUAL TREATMENT FOR ALL STEP-CHILDREN.

Section 101(b)(1)(B) (8 U.S.C. 1101(b)(1)(B)) is amended by striking ''eighteen years'' and inserting ''21 years''.

SEC. 2312. MODIFICATION OF ADOPTION AGE REQUIREMENTS.

Section 101(b)(1) (8 U.S.C. 1101(b)(1)) is amended—

(1) in subparagraph (E)—

(A) by striking ''(E)(i)'' and inserting ''(E)'';

(B) by striking ''under the age of sixteen years'' and inserting ''younger than 18 years of age, or a child adopted when 18 years of age or older if the adopting parent or parents initiated the legal adoption process before the child reached 18 years of age'';

(C) by striking ''; or'' and inserting a semicolon; and

(D) by striking clause (ii);

(2) in subparagraph (F)—

(A) by striking ''(F)(i)'' and inserting ''(F)'';

(B) by striking ''sixteen'' and inserting ''18'';

(C) by striking ''Attorney General'' and inserting ''Secretary of Homeland Security''; and

(D) by striking clause (ii); and

(3) in subparagraph (G), by striking ''16'' and inserting ''18''.

SEC. 2313. RELIEF FOR ORPHANS, WIDOWS, AND WIDOWERS.

(a) IN GENERAL.—

(1) SPECIAL RULE FOR ORPHANS AND SPOUSES.—In applying clauses (iii) and (iv) of section 201(b)(2)(B) of the Immigration and Nationality Act, as added by section 2305(a) of this Act, to an alien whose citizen or lawful permanent resident relative died before the date of the enactment of this Act, the alien relative may file the classification petition under section 204(a)(1)(A)(ii) of the Immigration and Nationality Act not later than 2 years after the date of the enactment of this Act.

(2) ELIGIBILITY FOR PAROLE.—If an alien was excluded, deported, removed, or departed voluntarily before the date of the enactment of this Act based solely upon the alien's lack of classification as an immediate relative (as defined in section 201(b)(2)(B)(iv) of the Immigration and Nationality Act, as amended by section 2305(a) of this Act) due to the death of such citizen or resident—

(A) such alien shall be eligible for parole into the United States pursuant to the Secretary's discretionary authority under section 212(d)(5) of such Act (8 U.S.C. 1182(d)(5)); and

(B) such alien's application for adjustment of status shall be considered by the Secretary notwithstanding section 212(a)(9) of such Act (8 U.S.C. 1182(a)(9)).

(3) ELIGIBILITY FOR PAROLE.—If an alien described in section 204(l) of the Immigration and Nationality Act (8 U.S.C. 1154(l)) was excluded, deported, removed, or departed voluntarily before the date of the enactment of this Act—

(A) such alien shall be eligible for parole into the United States pursuant to the Secretary's discretionary authority under section 212(d)(5) of such Act (8 U.S.C. 1182(d)(5)); and

(B) such alien's application for adjustment of status shall be considered by the Secretary notwithstanding section 212(a)(9) of such Act (8 U.S.C. 1182(a)(9)).

(b) PROCESSING OF IMMIGRANT VISAS AND DERIVATIVE PETITIONS.—

(1) IN GENERAL.—Section 204(b) (8 U.S.C. 1154(b)) is amended—

(A) by striking ''After an investigation'' and inserting ''(1) After an investigation''; and

(B) by adding at the end the following:

''(2)(A) Any alien described in subparagraph (B) whose qualifying relative died before the completion of immigrant visa processing may have an immigrant visa application adjudicated as if such death had not occurred. An immigrant visa issued before the death of the qualifying relative shall remain valid after such death.

''(B) An alien described in this subparagraph is an alien who—

''(i) is an immediate relative (as described in section 201(b)(2)(B));

''(ii) is a family-sponsored immigrant (as described in subsection (a) or (d) of section 203);

''(iii) is a derivative beneficiary of an employment-based immigrant under section 203(b) (as described in section 203(d)); or

''(iv) is the spouse or child of a refugee (as described in section 207(c)(2)) or an asylee (as described in section 208(b)(3)).''.

(2) TRANSITION PERIOD.—

(A) IN GENERAL.—Notwithstanding a denial or revocation of an application for an immigrant visa for an alien due to the death of the qualifying relative before the date of the enactment of this Act, such application may be renewed by

the alien through a motion to reopen, without fee.

(B) INAPPLICABILITY OF BARS TO ENTRY.—Notwithstanding section 212(a)(9) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(9)), an alien's application for an immigrant visa shall be considered if the alien was excluded, deported, removed, or departed voluntarily before the date of the enactment of this Act.

(c) NATURALIZATION.—Section 319(a) (8 U.S.C. 1430(a)) is amended by striking ''States,'' and inserting ''States (or if the spouse is deceased, the spouse was a citizen of the United States),''.

(d) WAIVERS OF INADMISSIBILITY.—Section 212 (8 U.S.C. 1182) is amended by adding at the end the following:

''(v) CONTINUED WAIVER ELIGIBILITY FOR WIDOWS, WIDOWERS, AND ORPHANS.—In the case of an alien who would have been statutorily eligible for any waiver of inadmissibility under this Act but for the death of a qualifying relative, the eligibility of such alien shall be preserved as if the death had not occurred and the death of the qualifying relative shall be the functional equivalent of hardship for purposes of any waiver of inadmissibility which requires a showing of hardship.''.

(e) SURVIVING RELATIVE CONSIDERATION FOR CERTAIN PETITIONS AND APPLICATIONS.—Section 204(l)(1) (8 U.S.C. 1154(l)(1)) is amended—

(1) by striking ''who resided in the United States at the time of the death of the qualifying relative and who continues to reside in the United States''; and

(2) by striking ''related applications,'' and inserting ''related applications (including affidavits of support),''.

(f) FAMILY-SPONSORED IMMIGRANTS.—Section 212(a)(4)(C)(i) (8 U.S.C. 1182(a)(4)(C)(i)), as amended by section 2305(d)(6)(B)(iii), is further amended by adding at the end the following:

''(III) the status as a surviving relative under 204(l); or''.

SEC. 2314. DISCRETIONARY AUTHORITY WITH RESPECT TO REMOVAL, DEPORTATION, OR INADMISSIBILITY OF CITIZEN AND RESIDENT IMMEDIATE FAMILY MEMBERS.

(a) APPLICATIONS FOR RELIEF FROM REMOVAL.—Section 240(c)(4) (8 U.S.C. 1229a(c)(4)) is amended by adding at the end the following:

''(D) JUDICIAL DISCRETION.—In the case of an alien subject to removal, deportation, or inadmissibility, the immigration judge may exercise discretion to decline to order the alien removable, deportable, or inadmissible from the United States and terminate proceedings if the judge determines that such removal, deportation, or inadmissibility is against the public interest or would result in hardship to the alien's United States citizen or lawful permanent resident parent, spouse, or child, or the judge determines the alien is prima facie eligible for naturalization except that this subparagraph shall not apply to an alien whom the judge determines—

''(i) is inadmissible or deportable under—

''(I) subparagraph (B), (C), (D)(ii), (E), (H), (I), or (J) of section 212(a)(2);

''(II) section 212(a)(3);

''(III) subparagraph (A), (C), or (D) of section 212(a)(10); or

''(IV) paragraph (2)(A)(ii), (2)(A)(v), (2)(F), (4), or (6) of section 237(a); or

''(ii) has—

''(I) engaged in conduct described in paragraph (8) or (9) of section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102); or

''(II) a felony conviction described in section 101(a)(43) that would have been classified as an aggravated felony at the time of conviction.''.

(b) SECRETARY'S DISCRETION.—Section 212 (8 U.S.C. 1182), as amended by section 2313(d), is further amended by adding at the end the following:

''(w) SECRETARY'S DISCRETION.—In the case of an alien who is inadmissible under this section or deportable under section 237, the Secretary of Homeland Security may exercise discretion to waive a ground of inadmissibility or deportability if the Secretary determines that such removal or refusal of admission is against the public interest or would result in hardship to the alien's United States citizen or permanent resident parent, spouse, or child. This subsection shall not apply to an alien whom the Secretary determines—

''(1) is inadmissible or deportable under—

''(A) subparagraph (B), (C), (D)(ii), (E), (H), (I), or (J) of subsection (a)(2);

''(B) subsection (a)(3);

''(C) subparagraph (A), (C), or (D) of subsection (a)(10);

''(D) paragraphs (2)(A)(ii), (2)(A)(v), (2)(F), or (6) of section 237(a); or

''(E) section 240(c)(4)(D)(ii)(II); or

''(2) has—

''(A) engaged in conduct described in paragraph (8) or (9) of section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102); or

''(B) a felony conviction described in section 101(a)(43) that would have been classified as an aggravated felony at the time of conviction.''.

(c) REINSTATEMENT OF REMOVAL ORDERS.—Section 241(a)(5) (8 U.S.C. 1231(a)(5)) is amended by striking the period at the end and inserting '', unless the alien reentered prior to attaining the age of 18 years, or reinstatement of the prior order of removal would not be in the public interest or would result in hardship to the alien's United States citizen or permanent resident parent, spouse, or child.''.

SEC. 2315. WAIVERS OF INADMISSIBILITY.

(a) ALIENS WHO ENTERED AS CHILDREN.—Section 212(a)(9)(B)(iii) (8 U.S.C. 1182(a)(9)(B)(iii)) is amended by adding at the end the following:

''(VI) ALIENS WHO ENTERED AS CHILDREN.—Clause (i) shall not apply to an alien who is the beneficiary of an approved petition under 101(a)(15)(H) and who has earned a baccalaureate or higher degree from a United States institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), and had not yet reached the age of 16 years at the time of initial entry to the United States.''.

(b) ALIENS UNLAWFULLY PRESENT.—Section 212(a)(9)(B)(v) (8 U.S.C. 1181(a)(9)(B)(v) is amended—

(1) by striking ''spouse or son or daughter'' and inserting ''spouse, son, daughter, or parent'';

(2) by striking ''extreme''; and

(3) by inserting '', child,'' after ''lawfully resident spouse''.

(c) PREVIOUS IMMIGRATION VIOLATIONS.—Section 212(a)(9)(C)(i) (8 U.S.C. 1182(a)(9)(C)(i)) is amended by adding '', other than an alien described in clause (iii) or (iv) of subparagraph (B),'' after ''Any alien''.

(d) FALSE CLAIMS.—

(1) INADMISSIBILITY.—

(A) IN GENERAL.—Section 212(a)(6)(C) (8 U.S.C. 1182(a)(6)(C)) is amended to read as follows:

''(C) MISREPRESENTATION.—

''(i) IN GENERAL.—Any alien who, by fraud or willfully misrepresenting a material fact, seeks to procure (or within the last 3 years has sought to procure or has procured) a visa, other documentation, or admission into the United States or other benefit provided under this Act is inadmissible.

''(ii) FALSELY CLAIMING CITIZENSHIP.—

''(I) INADMISSIBILITY.—Subject to subclause (II), any alien who knowingly misrepresents himself or herself to be a citizen of the United States for any purpose or benefit under this chapter (including section 274A) or any other Federal or State law is inadmissible.

''(II) SPECIAL RULE FOR CHILDREN.—An alien shall not be inadmissible under this clause if the misrepresentation described in subclause (I) was made by the alien when the alien—

''(aa) was under 18 years of age; or

''(bb) otherwise lacked the mental competence to knowingly misrepresent a claim of United States citizenship.

''(iii) WAIVER.—The Attorney General or the Secretary of Homeland Security may, in the discretion of the Attorney General or the Secretary, waive the application of clause (i) or (ii)(I) for an alien, regardless whether the alien is within or outside the United States, if the Attorney General or the Secretary finds that a determination of inadmissibility to the United States for such alien would—

''(I) result in extreme hardship to the alien or to the alien's parent, spouse, son, or daughter who is a citizen of the United States or an alien lawfully admitted for permanent residence; or

''(II) in the case of a VAWA self-petitioner, result in significant hardship to the alien or a parent or child of the alien who is a citizen of the United States, an alien lawfully admitted for permanent residence, or a qualified alien (as defined in section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641(b))).

''(iv) LIMITATION ON REVIEW.—No court shall have jurisdiction to review a decision or action of the Attorney General or the Secretary regarding a waiver under clause (iii).''.

(B) CONFORMING AMENDMENT.—Section 212 (8 U.S.C. 1182) is amended by striking subsection (i).

(2) DEPORTABILITY.—Section 237(a)(3)(D) (8 U.S.C. 1227(a)(3)(D)) is amended to read as follows:

''(D) FALSELY CLAIMING CITIZENSHIP.—Any alien described in section 212(a)(6)(C)(ii) is deportable.''.

SEC. 2316. CONTINUOUS PRESENCE.

Section 240A(d)(1) (8 U.S.C. 1229b(d)(1)) is amended to read as follows:

''(1) TERMINATION OF CONTINUOUS PERIOD.—For purposes of this section, any period of continuous residence or continuous physical presence in the United States shall be deemed to end, except in the case of an alien who applies for cancellation of removal under subsection (b)(2), on the date that a notice to appear is filed with the Executive Office for Immigration Review pursuant to section 240.''.

SEC. 2317. GLOBAL HEALTH CARE COOPERATION.

(a) TEMPORARY ABSENCE OF ALIENS PROVIDING HEALTH CARE IN DEVELOPING COUNTRIES.—

(1) IN GENERAL.—Title III (8 U.S.C. 1401 et seq.) is amended by inserting after section 317 the following:

''SEC. 317A. TEMPORARY ABSENCE OF ALIENS PROVIDING HEALTH CARE IN DEVELOPING COUNTRIES.

''(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary of Homeland Security shall allow an eligible alien and the spouse or child of such alien to reside in a candidate country during the period that the eligible alien is working as a physician or other health care worker in a candidate country. During such period the eligible alien and such spouse or child shall be considered—

''(1) to be physically present and residing in the United States for purposes of naturalization under section 316(a); and

''(2) to meet the continuous residency requirements under section 316(b).

''(b) DEFINITIONS.—In this section:

''(1) CANDIDATE COUNTRY.—The term 'candidate country' means a country that the Secretary of State determines to be—

''(A) eligible for assistance from the International Development Association, in which the per capita income of the country is equal to or less than the historical ceiling of the International Development Association for the applicable fiscal year, as defined by the International Bank for Reconstruction and Development;

''(B) classified as a lower middle income country in the then most recent edition of the World

Development Report for Reconstruction and Development published by the International Bank for Reconstruction and Development and having an income greater than the historical ceiling for International Development Association eligibility for the applicable fiscal year; or

''(C) qualified to be a candidate country due to special circumstances, including natural disasters or public health emergencies.

''(2) ELIGIBLE ALIEN.—The term 'eligible alien' means an alien who—

''(A) has been lawfully admitted to the United States for permanent residence; and

''(B) is a physician or other healthcare worker.

''(c) CONSULTATION.—The Secretary of Homeland Security shall consult with the Secretary of State in carrying out this section.

''(d) PUBLICATION.—The Secretary of State shall publish—

''(1) not later than 180 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, a list of candidate countries;

''(2) an updated version of the list required by paragraph (1) not less often than once each year; and

''(3) an amendment to the list required by paragraph (1) at the time any country qualifies as a candidate country due to special circumstances under subsection (b)(1)(C).''.

(2) RULEMAKING.—

(A) REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall promulgate regulations to carry out the amendments made by this subsection.

(B) CONTENT.—The regulations promulgated pursuant to subparagraph (A) shall—

(i) permit an eligible alien (as defined in section 317A of the Immigration and Nationality Act, as added by subsection (a)) and the spouse or child of the eligible alien to reside in a foreign country to work as a physician or other healthcare worker as described in subsection (a) of such section 317A for not less than a 12-month period and not more than a 24-month period, and shall permit the Secretary to extend such period for an additional period not to exceed 12 months, if the Secretary determines that such country has a continuing need for such a physician or other healthcare worker;

(ii) provide for the issuance of documents by the Secretary to such eligible alien, and such spouse or child, if appropriate, to demonstrate that such eligible alien, and such spouse or child, if appropriate, is authorized to reside in such country under such section 317A; and

(iii) provide for an expedited process through which the Secretary shall review applications for such an eligible alien to reside in a foreign country pursuant to subsection (a) of such section 317A if the Secretary of State determines a country is a candidate country pursuant to subsection (b)(1)(C) of such section 317A.

(3) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) DEFINITION.—Section 101(a)(13)(C)(ii) (8 U.S.C. 1101(a)(13)(C)(ii)) is amended by adding ''except in the case of an eligible alien, or the spouse or child of such alien, who is authorized to be absent from the United States under section 317A,'' at the end.

(B) DOCUMENTARY REQUIREMENTS.—Section 211(b) (8 U.S.C. 1181(b)) is amended by inserting '', including an eligible alien authorized to reside in a foreign country under section 317A and the spouse or child of such eligible alien, if appropriate,'' after ''101(a)(27)(A),''.

(C) INELIGIBLE ALIENS.—Section 212(a)(7)(A)(i)(I) (8 U.S.C. 1182(a)(7)(A)(i)(I)) is amended by inserting ''other than an eligible alien authorized to reside in a foreign country under section 317A and the spouse or child of such eligible alien, if appropriate,'' after ''Act,''.

(4) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 317 the following:

''Sec. 317A. Temporary absence of aliens providing health care in developing countries.''.

(b) ATTESTATION BY HEALTH CARE WORKERS.—

(1) ATTESTATION REQUIREMENT.—Section 212(a)(5) (8 U.S.C. 1182(a)(5)) is amended by adding at the end the following:

''(E) HEALTH CARE WORKERS WITH OTHER OBLIGATIONS.—

''(i) IN GENERAL.—An alien who seeks to enter the United States for the purpose of performing labor as a physician or other health care worker is inadmissible unless the alien submits to the Secretary of Homeland Security or the Secretary of State, as appropriate, an attestation that the alien is not seeking to enter the United States for such purpose during any period in which the alien has an outstanding obligation to the government of the alien's country of origin or the alien's country of residence.

''(ii) OBLIGATION DEFINED.—In this subparagraph, the term 'obligation' means an obligation incurred as part of a valid, voluntary individual agreement in which the alien received financial assistance to defray the costs of education or training to qualify as a physician or other health care worker in consideration for a commitment to work as a physician or other health care worker in the alien's country of origin or the alien's country of residence.

''(iii) WAIVER.—The Secretary of Homeland Security may waive a finding of inadmissibility under clause (i) if the Secretary determines that—

''(I) the obligation was incurred by coercion or other improper means;

''(II) the alien and the government of the country to which the alien has an outstanding obligation have reached a valid, voluntary agreement, pursuant to which the alien's obligation has been deemed satisfied, or the alien has shown to the satisfaction of the Secretary that the alien has been unable to reach such an agreement because of coercion or other improper means; or

''(III) the obligation should not be enforced due to other extraordinary circumstances, including undue hardship that would be suffered by the alien in the absence of a waiver.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date that is 180 days after the date of the enactment of this Act.

(3) APPLICATION.—Not later than the effective date described in paragraph (2), the Secretary shall begin to carry out subparagraph (E) of section 212(a)(5) of the Immigration and Nationality Act, as added by paragraph (1), including the requirement for the attestation and the granting of a waiver described in clause (iii) of such subparagraph (E), regardless of whether regulations to implement such subparagraph have been promulgated.

SEC. 2318. EXTENSION AND IMPROVEMENT OF THE IRAQI SPECIAL IMMIGRANT VISA PROGRAM.

The Refugee Crisis in Iraq Act of 2007 (8 U.S.C. 1157 note) is amended—

(1) in section 1242, by amending subsection (c) to read as follows:

''(c) IMPROVED APPLICATION PROCESS.—Not later than 120 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary of State and the Secretary of Homeland Security, in consultation with the Secretary of Defense, shall improve the efficiency by which applications for special immigrant visas under section 1244(a) are processed so that all steps incidental to the issuance of such visas, including required screenings and background checks, are completed not later than 9 months after the date on which an eligible alien applies for such visa.'';

(2) in section 1244—

(A) in subsection (b)—

(i) in paragraph (1)—

(I) by amending subparagraph (B) to read as follows:

''(B) was or is employed in Iraq on or after March 20, 2003, for not less than 1 year, by, or on behalf of—

''(i) the United States Government;

''(ii) a media or nongovernmental organization headquartered in the United States; or

''(iii) an organization or entity closely associated with the United States mission in Iraq that has received United States Government funding through an official and documented contract, award, grant, or cooperative agreement;'';

(II) in subparagraph (C), by striking ''the United States Government'' and inserting ''an entity or organization described in subparagraph (B)''; and

(III) in subparagraph (D), by striking by striking ''the United States Government.'' and inserting ''such entity or organization.''; and

(ii) in paragraph (4)—

(I) by striking ''A recommendation'' and inserting the following:

''(A) IN GENERAL.—Except as provided under subparagraph (B), a recommendation'';

(II) by striking ''the United States Government prior'' and inserting ''an entity or organization described in paragraph (1)(B) prior''; and

(III) by adding at the end the following:

''(B) REVIEW PROCESS FOR DENIAL BY CHIEF OF MISSION.—

''(i) IN GENERAL.—An applicant who has been denied Chief of Mission approval required by subparagraph (A) shall—

''(I) receive a written decision; and

''(II) be provided 120 days from the date of the decision to request reopening of the decision to provide additional information, clarify existing information, or explain any unfavorable information.

''(ii) SENIOR COORDINATOR.—The Secretary of State shall designate, in the Embassy of the United States in Baghdad, Iraq, a senior coordinator responsible for overseeing the efficiency and integrity of the processing of special immigrant visas under this section, who shall be given—

''(I) sufficiently high security clearance to review Chief of Mission denials in cases that appear to have relied upon insufficient or incorrect information; and

''(II) responsibility for ensuring that an applicant described in clause (i) receives the information described in clause (i)(I).''; and

(B) in subsection (c)(3), by adding at the end the following:

''(C) SUBSEQUENT FISCAL YEARS.—Notwithstanding subparagraphs (A) and (B), and consistent with subsection (b), any unused balance of the total number of principal aliens who may be provided special immigrant status under this section in fiscal years 2008 through 2012 may be carried forward and provided through the end of fiscal year 2018.''; and

(3) in section 1248, by adding at the end the following:

''(f) REPORT ON IMPROVEMENTS.—

''(1) IN GENERAL.—Not later than 120 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary of State and the Secretary of Homeland Security, in consultation with the Secretary of Defense, shall submit a report, with a classified annex, if necessary, to—

''(A) the Committee on the Judiciary of the Senate;

''(B) the Committee on Foreign Relations of the Senate;

''(C) the Committee on the Judiciary of the House of Representatives; and

''(D) the Committee on Foreign Affairs of the House of Representatives.

''(2) CONTENTS.—The report submitted under paragraph (1) shall describe the implementation of improvements to the processing of applications for special immigrant visas under section 1244(a), including information relating to—

''(A) enhancing existing systems for conducting background and security checks of persons applying for special immigrant status, which shall—

''(i) support immigration security; and

''(ii) provide for the orderly processing of such applications without delay;

''(B) the financial, security, and personnel considerations and resources necessary to carry out this subtitle;

''(C) the number of aliens who have applied for special immigrant visas under section 1244 during each month of the preceding fiscal year;

''(D) the reasons for the failure to expeditiously process any applications that have been pending for longer than 9 months;

''(E) the total number of applications that are pending due to the failure—

''(i) to receive approval from the Chief of Mission;

''(ii) for U.S. Citizenship and Immigration Services to complete the adjudication of the Form I–360;

''(iii) to conduct a visa interview; or

''(iv) to issue the visa to an eligible alien;

''(F) the average wait times for an applicant at each of the stages described in subparagraph (E);

''(G) the number of denials or rejections at each of the stages described in subparagraph (E); and

''(H) a breakdown of reasons for denials at by the Chief of Mission based on the categories already made available to denied special immigrant visa applicants in the denial letter sent to them by the Chief of Mission.

''(g) PUBLIC QUARTERLY REPORTS.—Not later than 120 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, and every 3 months thereafter, the Secretary of State and the Secretary of Homeland Security, in consultation with the Secretary of Defense, shall publish a report on the website of the Department of State that describes the efficiency improvements made in the process by which applications for special immigrant visas under section 1244(a) are processed, including information described in subparagraphs (C) through (H) of subsection (f)(2).''.

SEC. 2319. EXTENSION AND IMPROVEMENT OF THE AFGHAN SPECIAL IMMIGRANT VISA PROGRAM.

Section 602(b) of the Afghan Allies Protection Act of 2009 (8 U.S.C. 1101 note) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

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

''(ii) was or is employed in Afghanistan on or after October 7, 2001, for not less than 1 year, by, or on behalf of—

''(I) the United States Government;

''(II) a media or nongovernmental organization headquartered in the United States; or

''(III) an organization or entity closely associated with the United States mission in Afghanistan that has received United States Government funding through an official and documented contract, award, grant, or cooperative agreement;'';

(ii) in clause (iii), by striking ''the United States Government'' and inserting ''an entity or organization described in clause (ii)''; and

(iii) in clause (iv), by striking by striking ''the United States Government.'' and inserting ''such entity or organization.'';

(B) by amending subparagraph (B) to read as follows:

''(B) FAMILY MEMBERS.—An alien is described in this subparagraph if the alien is—

''(i) the spouse or minor child of a principal alien described in subparagraph (A) who is accompanying or following to join the principal alien in the United States; or

''(ii)(I) the spouse, child, parent, or sibling of a principal alien described in subparagraph (A), whether or not accompanying or following to join; and

''(II) has experienced or is experiencing an ongoing serious threat as a consequence of the qualifying employment of a principal alien described in subparagraph (A).''; and

(C) in subparagraph (D)—

(i) by striking ''A recommendation'' and inserting the following:

''(i) IN GENERAL.—Except as provided under clause (ii), a recommendation'';

(ii) by striking ''the United States Government prior'' and inserting ''an entity or organization described in paragraph (2)(A)(ii) prior''; and

(iii) by adding at the end the following:

''(ii) REVIEW PROCESS FOR DENIAL BY CHIEF OF MISSION.—

''(I) IN GENERAL.—An applicant who has been denied Chief of Mission approval shall—

''(aa) receive a written decision; and

''(bb) be provided 120 days from the date of receipt of such opinion to request reconsideration of the decision to provide additional information, clarify existing information, or explain any unfavorable information.

''(II) SENIOR COORDINATOR.—The Secretary of State shall designate, in the Embassy of the United States in Kabul, Afghanistan, a senior coordinator responsible for overseeing the efficiency and integrity of the processing of special immigrant visas under this section, who shall be given—

''(aa) sufficiently high security clearance to review Chief of Mission denials in cases that appear to have relied upon insufficient or incorrect information; and

''(bb) responsibility for ensuring that an applicant described in subclause (I) receives the information described in subclause (I)(aa).'';

(2) in paragraph (3)(C), by amending clause (iii) to read as follows:

''(iii) FISCAL YEARS 2014 THROUGH 2018.—For each of the fiscal years 2014 through 2018, the total number of principal aliens who may be provided special immigrant status under this section may not exceed the sum of—

''(I) 5,000;

''(II) the difference between the number of special immigrant visas allocated under this section for fiscal years 2009 through 2013 and the number of such allocated visas that were issued; and

''(III) any unused balance of the total number of principal aliens who may be provided special immigrant status in fiscal years 2014 through 2018 that have been carried forward.'';

(3) in paragraph (4)—

(A) in the heading, by striking ''PROHIBITION ON FEES.—'' and inserting ''APPLICATION PROCESS.—'';

(B) by striking ''The Secretary'' and inserting the following:

''(A) IN GENERAL.—Not later than 120 days after the date of enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary of State and the Secretary of Homeland Security, in consultation with the Secretary of Defense, shall improve the efficiency by which applications for special immigrant visas under paragraph (1) are processed so that all steps incidental to the issuance of such visas, including required screenings and background checks, are completed not later than 6 months after the date on which an eligible alien applies for such visa.

''(B) PROHIBITION ON FEES.—The Secretary''; and

(4) by adding at the end the following:

''(12) REPORT ON IMPROVEMENTS.—Not later than 120 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary of State and the Secretary of Homeland Security, in consultation with the Secretary of Defense, shall submit to the appropriate committees of Congress a report, with a classified annex, if necessary, that describes the implementation of improvements to the processing of applications for special immigrant visas under this subsection, including information relating to—

''(A) enhancing existing systems for conducting background and security checks of persons applying for special immigrant status, which shall—

''(i) support immigration security; and

''(ii) provide for the orderly processing of such applications without delay;

''(B) the financial, security, and personnel considerations and resources necessary to carry out this section;

''(C) the number of aliens who have applied for special immigrant visas under this subsection during each month of the preceding fiscal year;

''(D) the reasons for the failure to expeditiously process any applications that have been pending for longer than 9 months;

''(E) the total number of applications that are pending due to the failure—

''(i) to receive approval from the Chief of Mission;

''(ii) for U.S. Citizenship and Immigration Services to complete the adjudication of the Form I–360;

''(iii) to conduct a visa interview; or

''(iv) to issue the visa to an eligible alien;

''(F) the average wait times for an applicant at each of the stages described in subparagraph (E);

''(G) the number of denials or rejections at each of the stages described in subparagraph (E); and

''(H) a breakdown of reasons for denials by the Chief of Mission based on the categories already made available to denied special immigrant visa applicants in the denial letter sent to them by the Chief of Mission.

''(13) PUBLIC QUARTERLY REPORTS.—Not later than 120 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, and every 3 months thereafter, the Secretary of State and the Secretary of Homeland Security, in consultation with the Secretary of Defense, shall publish a report on the website of the Department of State that describes the efficiency improvements made in the process by which applications for special immigrant visas under this subsection are processed, including information described in subparagraph (C) through (H) of paragraph (12).''.

SEC. 2320. SPECIAL IMMIGRANT NONMINISTER RELIGIOUS WORKER PROGRAM.

Section 101(a)(27)(C)(ii) (8 U.S.C. 1101 (a)(27)(C)(ii)) is amended in subclauses (II) and (III) by striking ''before September 30, 2015,'' both places such term appears.

SEC. 2321. SPECIAL IMMIGRANT STATUS FOR CERTAIN SURVIVING SPOUSES AND CHILDREN.

(a) IN GENERAL.—Section 101(a)(27) (8 U.S.C. 1101(a)(27)) is amended in subparagraph (D)—

(1) by inserting ''(i)'' before ''an immigrant who is an employee'';

(2) by inserting ''or'' after ''grant such status;''; and

(3) by inserting after clause (i), as designated by paragraph (1), the following:

''(ii) an immigrant who is the surviving spouse or child of an employee of the United States Government abroad killed in the line of duty, provided that the employee had performed faithful service for a total of 15 years, or more, and that the principal officer of a Foreign Service establishment (or, in the case of the American Institute of Taiwan, the Director thereof) in his or her discretion, recommends the granting of special immigrant status to the spouse or child and the Secretary of State approves such recommendation and finds that it is in the national interest to grant such status;''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect beginning on January 31, 2013, and shall have retroactive effect.

SEC. 2322. REUNIFICATION OF CERTAIN FAMILIES OF FILIPINO VETERANS OF WORLD WAR II.

(a) SHORT TITLE.—This section may be cited as the ''Filipino Veterans Family Reunification Act''.

(b) EXEMPTION FROM IMMIGRANT VISA LIMIT.—Section 201(b)(1) (8 U.S.C. 1151(b)(1)), as amended by sections 2103(c), 2212(d), and 2307(b), is further amended by adding at the end the following:

''(O) Aliens who—

''(i) are the sons or daughters of a citizen of the United States; and

''(ii) have a parent (regardless of whether the parent is living or dead) who was naturalized pursuant to—

''(I) section 405 of the Immigration Act of 1990 (Public Law 101–649; 8 U.S.C. 1440 note); or

''(II) title III of the Act of October 14, 1940 (54 Stat. 1137, chapter 876), as added by section 1001 of the Second War Powers Act, 1942 (56 Stat. 182, chapter 199).''.

Subtitle D—Conrad State 30 and Physician Access

SEC. 2401. CONRAD STATE 30 PROGRAM.

Section 220(c) of the Immigration and Nationality Technical Corrections Act of 1994 (Public Law 103–416; 8 U.S.C. 1182 note) is amended by striking ''and before September 30, 2015''.

SEC. 2402. RETAINING PHYSICIANS WHO HAVE PRACTICED IN MEDICALLY UNDERSERVED COMMUNITIES.

Section 201(b)(1) (8 U.S.C. 1151(b)(1)), as amended by sections 2103(c), 2212(d)(2), 2307(b), and 2323(b) is further amended by adding at the end the following:

''(P)(i) Alien physicians who have completed service requirements of a waiver requested under section 203(b)(2)(B)(ii), including alien physicians who completed such service before the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act and any spouses or children of such alien physicians.

''(ii) Nothing in this subparagraph may be construed—

''(I) to prevent the filing of a petition with the Secretary of Homeland Security for classification under section 204(a) or the filing of an application for adjustment of status under section 245 by an alien physician described in this subparagraph prior to the date by which such alien physician has completed the service described in section 214(l) or worked full-time as a physician for an aggregate of 5 years at the location identified in the section 214(l) waiver or in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals; or

''(II) to permit the Secretary of Homeland Security to grant such a petition or application until the alien has satisfied all the requirements of the waiver received under section 214(l).''.

SEC. 2403. EMPLOYMENT PROTECTIONS FOR PHYSICIANS.

(a) IN GENERAL.—Section 214(l)(1)(C) (8 U.S.C. 1184(l)(1)(C)) is amended by striking clauses (i) and (ii) and inserting the following:

''(i) the alien demonstrates a bona fide offer of full-time employment, at a health care organization, which employment has been determined by the Secretary of Homeland Security to be in the public interest; and

''(ii) the alien agrees to begin employment with the health facility or health care organization in a geographic area or areas which are designated by the Secretary of Health and Human Services as having a shortage of health care professionals by the later of the date that is 90 days after receiving such waiver, 90 days after completing graduate medical education or training under a program approved pursuant to section 212(j)(1), or 90 days after receiving nonimmigrant status or employment authorization, provided that the alien or the alien's employer petitions for such nonimmigrant status or employment authorization within 90 days of completing graduate medical education or training and agrees to continue to work for a total of not less than 3 years in any status authorized for such employment under this subsection, unless—

''(I) the Secretary determines that extenuating circumstances exist that justify a lesser period of employment at such facility or organization, in which case the alien shall demonstrate another bona fide offer of employment at a health facility or health care organization, for the remainder of such 3-year period;

''(II) the interested agency that requested the waiver attests that extenuating circumstances exist that justify a lesser period of employment at such facility or organization in which case the alien shall demonstrate another bona fide offer of employment at a health facility or health care organization so designated by the Secretary of Health and Human Services, for the remainder of such 3-year period; or

''(III) if the alien elects not to pursue a determination of extenuating circumstances pursuant to subclause (I) or (II), the alien terminates the alien's employment relationship with such facility or organization, in which case the alien shall be employed for the remainder of such 3-year period, and 1 additional year for each termination, at another health facility or health care organization in a geographic area or areas which are designated by the Secretary of Health and Human Services as having a shortage of health care professionals; and''.

(b) PHYSICIAN EMPLOYMENT IN UNDERSERVED AREAS.—Section 214(l)(1) (8 U.S.C. 1184(l)(1)), as amended by subsection (a), is further amended by adding at the end the following:

''(E) If a physician pursuing graduate medical education or training pursuant to section 101(a)(15)(J) applies for a Conrad J–1 waiver with an interested State department of health and the application is denied because the State has requested the maximum number of waivers permitted for that fiscal year, the physician's nonimmigrant status shall be automatically extended for 6 months if the physician agrees to seek a waiver under this subsection (except for subparagraph (D)(ii)) to work for an employer in a State that has not yet requested the maximum number of waivers. The physician shall be authorized to work only for such employer from the date on which a new waiver application is filed with the State until the date on which the Secretary of Homeland Security denies such waiver or issues work authorization for such employment pursuant to the approval of such waiver.''.

(c) GRADUATE MEDICAL EDUCATION OR TRAINING.—Section 214(h)(1), as amended by section 4401(b) of this Act, is further amended by inserting ''(J) (if entering the United States for graduate medical education or training),'' after ''(H)(i)(c),''.

(d) CONTRACT REQUIREMENTS.—Section 214(l) (8 U.S.C. 1184(l)) is amended by adding at the end the following:

''(4) An alien granted a waiver under paragraph (1)(C) shall enter into an employment agreement with the contracting health facility or health care organization that—

''(A) specifies the maximum number of on-call hours per week (which may be a monthly average) that the alien will be expected to be available and the compensation the alien will receive for on-call time;

''(B) specifies whether the contracting facility or organization will pay for the alien's malpractice insurance premiums, including whether the employer will provide malpractice insurance and, if so, the amount of such insurance that will be provided;

''(C) describes all of the work locations that the alien will work and a statement that the contracting facility or organization will not add additional work locations without the approval of the Federal agency or State agency that requested the waiver; and

''(D) does not include a non-compete provision.

''(5) An alien granted a waiver under paragraph (1)(C) whose employment relationship with a health facility or health care organization terminates during the 3-year service period required by such paragraph—

''(A) shall have a period of 120 days beginning on the date of such termination of employment to submit to the Secretary of Homeland Security applications or petitions to commence employment with another contracting health facility or health care organization in a geographic area or areas which are designated by the Secretary of Health and Human Services as having a shortage of health care professionals;

''(B) shall be considered to be maintaining lawful status in an authorized stay during the 120-day period referred to in subsection (A); and

''(C) shall not be considered to be fulfilling the 3-year term of service during the 120-day period referred to in subparagraph (A).''.

SEC. 2404. ALLOTMENT OF CONRAD 30 WAIVERS.

(a) IN GENERAL.—Section 214(l) (8 U.S.C. 1184(l)), as amended by section 2403, is further amended by adding at the end the following:

''(6)(A)(i) All States shall be allotted a total of 35 waivers under paragraph (1)(B) for a fiscal year if 90 percent of the waivers available to the States receiving at least 5 waivers were used in the previous fiscal year.

''(ii) When an allocation has occurred under clause (i), all States shall be allotted an additional 5 waivers under paragraph (1)(B) for each subsequent fiscal year if 90 percent of the waivers available to the States receiving at least 5 waivers were used in the previous fiscal year. If the States are allotted 45 or more waivers for a fiscal year, the States will only receive an additional increase of 5 waivers the following fiscal year if 95 percent of the waivers available to the States receiving at least 1 waiver were used in the previous fiscal year.

''(B) Any increase in allotments under subparagraph (A) shall be maintained indefinitely, unless in a fiscal year, the total number of such waivers granted is 5 percent lower than in the last year in which there was an increase in the number of waivers allotted pursuant to this paragraph, in which case—

''(i) the number of waivers allotted shall be decreased by 5 for all States beginning in the next fiscal year; and

''(ii) each additional 5 percent decrease in such waivers granted from the last year in which there was an increase in the allotment, shall result in an additional decrease of 5 waivers allotted for all States, provided that the number of waivers allotted for all States shall not drop below 30.''.

(b) ACADEMIC MEDICAL CENTERS.—Section 214(l)(1)(D) (8 U.S.C. 1184(l)(1)(D)) is amended—

(1) in clause (ii), by striking ''and'' at the end;

(2) in clause (iii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(iv) in the case of a request by an interested State agency—

''(I) the head of such agency determines that the alien is to practice medicine in, or be on the faculty of a residency program at, an academic medical center (as that term is defined in section 411.355(e)(2) of title 42, Code of Federal Regulations, or similar successor regulation), without regard to whether such facility is located within an area designated by the Secretary of Health and Human Services as having a shortage of health care professionals; and

''(II) the head of such agency determines that—

''(aa) the alien physician's work is in the public interest; and

''(bb) the grant of such waiver would not cause the number of the waivers granted on behalf of aliens for such State for a fiscal year (within the limitation in subparagraph (B) and subject to paragraph (6)) in accordance with the conditions of this clause to exceed 3.''.

SEC. 2405. AMENDMENTS TO THE PROCEDURES, DEFINITIONS, AND OTHER PROVISIONS RELATED TO PHYSICIAN IMMIGRATION.

(a) ALLOWABLE VISA STATUS FOR PHYSICIANS FULFILLING WAIVER REQUIREMENTS IN MEDICALLY UNDERSERVED AREAS.—Section 214(l)(2)(A) (8 U.S.C. 1184(l)(2)(A)) is amended by striking ''an alien described in section

101(a)(15)(H)(i)(b).'' and inserting ''any status authorized for employment under this Act.''.

(b) SHORT TERM WORK AUTHORIZATION FOR PHYSICIANS COMPLETING THEIR RESIDENCIES.—A physician completing graduate medical education or training as described in section 212(j) of the Immigration and Nationality Act (8 U.S.C. 1182(j)) as a nonimmigrant described in section 101(a)(15)(H)(i) of such Act (8 U.S.C. 1101(a)(15)(H)(i)) shall have such nonimmigrant status automatically extended until October 1 of the fiscal year for which a petition for a continuation of such nonimmigrant status has been submitted in a timely manner and where the employment start date for the beneficiary of such petition is October 1 of that fiscal year. Such physician shall be authorized to be employed incident to status during the period between the filing of such petition and October 1 of such fiscal year. However, the physician's status and employment authorization shall terminate 30 days from the date such petition is rejected, denied, or revoked. A physician's status and employment authorization will automatically extend to October 1 of the next fiscal year if all visas as described in such section 101(a)(15)(H)(i) authorized to be issued for the fiscal year have been issued.

(c) APPLICABILITY OF SECTION 212(e) TO SPOUSES AND CHILDREN OF J–1 EXCHANGE VISITORS.—A spouse or child of an exchange visitor described in section 101(a)(15)(J) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(J)) shall not be subject to the requirements of section 212(e) of the Immigration and Nationality Act (8 U.S.C. 1182(e)).

Subtitle E—Integration

SEC. 2501. DEFINITIONS.

In this subtitle:

(1) CHIEF.—The term ''Chief'' means the Chief of the Office.

(2) FOUNDATION.—The term ''Foundation'' means the United States Citizenship Foundation established pursuant to section 2531.

(3) IEACA GRANTS.—The term ''IEACA grants'' means Initial Entry, Adjustment, and Citizenship Assistance grants authorized under section 2537.

(4) IMMIGRANT INTEGRATION.—The term ''immigrant integration'' means the process by which immigrants—

(A) join the mainstream of civic life by engaging and sharing ownership in their local community, the United States, and the principles of the Constitution;

(B) attain financial self-sufficiency and upward economic mobility for themselves and their family members; and

(C) acquire English language skills and related cultural knowledge necessary to effectively participate in their community.

(5) LINGUISTIC INTEGRATION.—The term ''linguistic integration'' means the acquisition, by limited English proficient individuals, of English language skills and related cultural knowledge necessary to meaningfully and effectively fulfill their roles as community members, family members, and workers.

(6) OFFICE.—The term ''Office'' means the Office of Citizenship and New Americans established in U.S. Citizenship and Immigration Services under section 2511.

(7) RECEIVING COMMUNITIES.—The term ''receiving communities'' means the long-term residents of the communities in which immigrants settle.

(8) TASK FORCE.—The term ''Task Force'' means the Task Force on New Americans established pursuant to section 2521.

(9) USCF COUNCIL.—The term ''USCF Council'' means the Council of Directors of the Foundation.

CHAPTER 1—CITIZENSHIP AND NEW AMERICANS

Subchapter A—Office of Citizenship and New Americans

SEC. 2511. OFFICE OF CITIZENSHIP AND NEW AMERICANS.

(a) RENAMING OFFICE OF CITIZENSHIP.—

(1) IN GENERAL.—Beginning on the date of the enactment of this Act, the Office of Citizenship in U.S. Citizenship and Immigration Services shall be referred to as the ''Office of Citizenship and New Americans''.

(2) REFERENCES.—Any reference in a law, regulation, document, paper, or other record of the United States to the Office of Citizenship in U.S. Citizenship and Immigration Services shall be deemed to be a reference to the Office of Citizenship and New Americans.

(3) TECHNICAL AND CONFORMING AMENDMENTS.—Section 451 of the Homeland Security Act of 2002 (6 U.S.C. 271) is amended—

*(A) in the section heading, by striking ''**BUREAU OF**'' and inserting ''**U.S.**'';*

(B) in subsection (a)(1), by striking ''the 'Bureau of'' and inserting '' 'U.S.'';

(C) by striking ''the Bureau of'' each place such terms appears and inserting ''U.S.''; and

(D) in subsection (f)—

(i) by amending the subsection heading to read as follows: ''OFFICE OF CITIZENSHIP AND NEW AMERICANS''; and

(ii) by striking paragraph (1) and inserting the following:

''(1) CHIEF.—The Office of Citizenship and New Americans shall be within U.S. Citizenship and Immigration Services and shall be headed by the Chief of the Office of Citizenship and New Americans.''.

(b) FUNCTIONS.—Section 451(f) of such Act (6 U.S.C. 271(f)), as amended by subsection (a)(3)(D), is further amended by striking paragraph (2) and inserting the following:

''(2) FUNCTIONS.—The Chief of the Office of Citizenship and New Americans shall—

''(A) promote institutions and provide training on citizenship responsibilities for aliens interested in becoming naturalized citizens of the United States, including the development of educational materials for such aliens;

''(B) provide general leadership, consultation, and coordination of the immigrant integration programs across the Federal Government and with State and local entities;

''(C) in coordination with the Task Force on New Americans established under section 2521 of the Border Security, Economic Opportunity, and Immigration Modernization Act—

''(i) advise the Director of U.S. Citizenship and Immigration Services, the Secretary of Homeland Security, and the Domestic Policy Council, on—

''(I) the challenges and opportunities relating to the linguistic, economic, and civic integration of immigrants and their young children and progress in meeting integration goals and indicators; and

''(II) immigrant integration considerations relating to Federal budgets;

''(ii) establish national goals for introducing new immigrants into the United States and measure the degree to which such goals are met;

''(iii) evaluate the scale, quality, and effectiveness of Federal Government efforts in immigrant integration and provide advice on appropriate actions; and

''(iv) identify the integration implications of new or proposed immigration policies and provide recommendations for addressing such implications;

''(D) serve as a liaison and intermediary with State and local governments and other entities to assist in establishing local goals, task forces, and councils to assist in—

''(i) introducing immigrants into the United States; and

''(ii) promoting citizenship education and awareness among aliens interested in becoming naturalized citizens of the United States;

''(E) coordinate with other Federal agencies to provide information to State and local governments on the demand for existing Federal and State English education programs and best practices for immigrants who recently arrived in the United States;

''(F) assist States in coordinating the activities of the grant programs authorized under sections 2537 and 2538 of the Border Security, Economic Opportunity, and Immigration Modernization Act;

''(G) submit a biennial report to the appropriate congressional committees that describes the activities of the Office of Citizenship and New Americans; and

''(H) carry out such other functions and activities as Secretary may assign.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date that is 1 year after the date of the enactment of this Act.

Subchapter B—Task Force on New Americans

SEC. 2521. ESTABLISHMENT.

(a) IN GENERAL.—The Secretary shall establish a Task Force on New Americans.

(b) FULLY FUNCTIONAL.—The Task Force shall be fully functional not later than 18 months after the date of the enactment of this Act.

SEC. 2522. PURPOSE.

The purposes of the Task Force are—

(1) to establish a coordinated Federal program and policy response to immigrant integration issues; and

(2) to advise and assist the Federal Government in identifying and fostering policies to carry out the policies and goals established under this chapter.

SEC. 2523. MEMBERSHIP.

(a) IN GENERAL.—The Task Force shall be comprised of—

(1) the Secretary, who shall serve as Chair of the Task Force;

(2) the Secretary of the Treasury;

(3) the Attorney General;

(4) the Secretary of Commerce;

(5) the Secretary of Labor;

(6) the Secretary of Health and Human Services;

(7) the Secretary of Housing and Urban Development;

(8) the Secretary of Transportation;

(9) the Secretary of Education;

(10) the Director of the Office of Management and Budget;

(11) the Administrator of the Small Business Administration;

(12) the Director of the Domestic Policy Council;

(13) the Director of the National Economic Council; and

(14) the National Security Advisor.

(b) DELEGATION.—A member of the Task Force may delegate a senior official, at the Assistant Secretary, Deputy Administrator, Deputy Director, or Assistant Attorney General level, to perform the functions of a Task Force member described in section 2524.

SEC. 2524. FUNCTIONS.

(a) MEETINGS; FUNCTIONS.—The Task Force shall—

(1) meet at the call of the Chair; and

(2) perform such functions as the Secretary may prescribe.

(b) COORDINATED RESPONSE.—The Task Force shall work with executive branch agencies—

(1) to provide a coordinated Federal response to issues that impact the lives of new immigrants and receiving communities, including—

(A) access to youth and adult education programming;

(B) workforce training;

(C) health care policy;

(D) access to naturalization; and

(E) community development challenges; and

(2) to ensure that Federal programs and policies adequately address such impacts.

(c) LIAISONS.—Members of the Task Force shall serve as liaisons to their respective agencies to ensure the quality and timeliness of their agency's participation in activities of the Task Force, including—

(1) creating integration goals and indicators;

(2) implementing the biannual consultation process with the agency's State and local counterparts; and

(3) reporting on agency data collection, policy, and program efforts relating to achieving the goals and indicators referred to in paragraph (1).

(d) RECOMMENDATIONS.—Not later than 18 months after the end of the period specified in section 2521(b), the Task Force shall—

(1) provide recommendations to the Domestic Policy Council and the Secretary on the effects of pending legislation and executive branch policy proposals;

(2) suggest changes to Federal programs or policies to address issues of special importance to new immigrants and receiving communities;

(3) review and recommend changes to policies that have a distinct impact on new immigrants and receiving communities; and

(4) assist in the development of legislative and policy proposals of special importance to new immigrants and receiving communities.

CHAPTER 2—PUBLIC-PRIVATE PARTNERSHIP

SEC. 2531. ESTABLISHMENT OF UNITED STATES CITIZENSHIP FOUNDATION.

The Secretary, acting through the Director of U.S. Citizenship and Immigration Services, is authorized to establish a nonprofit corporation or a not-for-profit, public benefit, or similar entity, which shall be known as the ''United States Citizenship Foundation''.

SEC. 2532. FUNDING.

(a) GIFTS TO FOUNDATION.—In order to carry out the purposes set forth in section 2533, the Foundation may—

(1) solicit, accept, and make gifts of money and other property in accordance with section 501(c)(3) of the Internal Revenue Code of 1986;

(2) engage in coordinated work with the Department, including the Office and U.S. Citizenship and Immigration Services; and

(3) accept, hold, administer, invest, and spend any gift, devise, or bequest of real or personal property made to the Foundation.

(b) GIFTS TO OFFICE OF CITIZENSHIP AND NEW AMERICANS.—The Office may accept gifts from the Foundation to support the functions of the Office.

SEC. 2533. PURPOSES.

The purposes of the Foundation are—

(1) to expand citizenship preparation programs for lawful permanent residents;

(2) to provide direct assistance for aliens seeking provisional immigrant status, legal permanent resident status, or naturalization as a United States citizen; and

(3) to coordinate immigrant integration with State and local entities.

SEC. 2534. AUTHORIZED ACTIVITIES.

The Foundation shall carry out its purpose by—

(1) making United States citizenship instruction and naturalization application services accessible to low-income and other underserved lawful permanent resident populations;

(2) developing, identifying, and sharing best practices in United States citizenship preparation;

(3) supporting innovative and creative solutions to barriers faced by those seeking naturalization;

(4) increasing the use of, and access to, technology in United States citizenship preparation programs;

(5) engaging receiving communities in the United States citizenship and civic integration process;

(6) administering the New Citizens Award Program to recognize, in each calendar year, not more than 10 United States citizens who—

(A) have made outstanding contributions to the United States; and

(B) have been naturalized during the 10-year period ending on the date of such recognition;

(7) fostering public education and awareness;

(8) coordinating its immigrant integration efforts with the Office;

(9) awarding grants to eligible public or private nonprofit organizations under section 2537; and

(10) awarding grants to State and local governments under section 2538.

SEC. 2535. COUNCIL OF DIRECTORS.

(a) MEMBERS.—To the extent consistent with section 501(c)(3) of the Internal Revenue Code of 1986, the Foundation shall have a Council of Directors, which shall be comprised of—

(1) the Director of U.S. Citizenship and Immigration Services;

(2) the Chief of the Office of Citizenship and New Americans; and

(3) 10 directors, appointed by the ex-officio directors designated in paragraphs (1) and (2), from national community-based organizations that promote and assist permanent residents with naturalization.

(b) APPOINTMENT OF EXECUTIVE DIRECTOR.—The USCF Council shall appoint an Executive Director, who shall oversee the day-to-day operations of the Foundation.

SEC. 2536. POWERS.

The Executive Director is authorized to carry out the purposes set forth in section 2533 on behalf of the Foundation by—

(1) accepting, holding, administering, investing, and spending any gift, devise, or bequest of real or personal property made to the Foundation;

(2) entering into contracts and other financial assistance agreements with individuals, public or private organizations, professional societies, and government agencies to carry out the functions of the Foundation;

(3) entering into such other contracts, leases, cooperative agreements, and other transactions as the Executive Director considers appropriate to carry out the activities of the Foundation; and

(4) charging such fees for professional services furnished by the Foundation as the Executive Director determines reasonable and appropriate.

SEC. 2537. INITIAL ENTRY, ADJUSTMENT, AND CITIZENSHIP ASSISTANCE GRANT PROGRAM.

(a) AUTHORIZATION.—The Secretary, acting through the Director of U.S. Citizenship and Immigration Services, may award Initial Entry, Adjustment, and Citizenship Assistance grants to eligible public or private, nonprofit organizations.

(b) USE OF GRANT FUNDS.—IEACA grants shall be used for the design and implementation of programs that provide direct assistance, within the scope of the authorized practice of immigration law—

(1) to aliens who are preparing an initial application for registered provisional immigrant status under section 245B of the Immigration and Nationality Act and to aliens who are preparing an initial application for blue card status under section 2211, including assisting applicants in—

(A) screening to assess prospective applicants' potential eligibility or lack of eligibility;

(B) completing applications;

(C) gathering proof of identification, employment, residence, and tax payment;

(D) gathering proof of relationships of eligible family members;

(E) applying for any waivers for which applicants and qualifying family members may be eligible; and

(F) any other assistance that the Secretary or grantee considers useful to aliens who are interested in applying for registered provisional immigrant status;

(2) to aliens seeking to adjust their status under section 245, 245B, 245C, or 245F of the Immigration and Nationality Act;

(3) to legal permanent residents seeking to become naturalized United States citizens; and

(4) to applicants on—

(A) the rights and responsibilities of United States citizenship;

(B) civics-based English as a second language;

(C) civics, with a special emphasis on common values and traditions of Americans, including an understanding of the history of the United States and the principles of the Constitution; and

(D) applying for United States citizenship.

SEC. 2538. PILOT PROGRAM TO PROMOTE IMMIGRANT INTEGRATION AT STATE AND LOCAL LEVELS.

(a) GRANTS AUTHORIZED.—The Chief shall establish a pilot program through which the Chief may award grants, on a competitive basis, to States and local governments or other qualifying entities, in collaboration with State and local governments—

(1) to establish New Immigrant Councils to carry out programs to integrate new immigrants; or

(2) to carry out programs to integrate new immigrants.

(b) APPLICATION.—A State or local government desiring a grant under this section shall submit an application to the Chief at such time, in such manner, and containing such information as the Chief may reasonably require, including—

(1) a proposal to meet an objective or combination of objectives set forth in subsection (d)(3);

(2) the number of new immigrants in the applicant's jurisdiction; and

(3) a description of the challenges in introducing and integrating new immigrants into the State or local community.

(c) PRIORITY.—In awarding grants under this section, the Chief shall give priority to States and local governments or other qualifying entities that—

(1) use matching funds from non-Federal sources, which may include in-kind contributions;

(2) demonstrate collaboration with public and private entities to achieve the goals of the comprehensive plan developed pursuant to subsection (d)(3);

(3) are 1 of the 10 States with the highest rate of foreign-born residents; or

(4) have experienced a large increase in the population of immigrants during the most recent 10-year period relative to past migration patterns, based on data compiled by the Office of Immigration Statistics or the United States Census Bureau.

(d) AUTHORIZED ACTIVITIES.—A grant awarded under this subsection may be used—

(1) to form a New Immigrant Council, which shall—

(A) consist of between 15 and 19 individuals, inclusive, from the State, local government, or qualifying organization;

(B) include, to the extent practicable, representatives from—

(i) business;

(ii) faith-based organizations;

(iii) civic organizations;

(iv) philanthropic organizations;

(v) nonprofit organizations, including those with legal and advocacy experience working with immigrant communities;

(vi) key education stakeholders, such as State educational agencies, local educational agencies, community colleges, and teachers;

(vii) State adult education offices;

(viii) State or local public libraries; and

(ix) State or local governments; and

(C) meet not less frequently than once each quarter;

(2) to provide subgrants to local communities, city governments, municipalities, nonprofit organizations (including veterans' and patriotic organizations), or other qualifying entities;

(3) to develop, implement, expand, or enhance a comprehensive plan to introduce and integrate new immigrants into the State by—

(A) improving English language skills;

(B) engaging caretakers with limited English proficiency in their child's education through interactive parent and child literacy activities;

(C) improving and expanding access to workforce training programs;

(D) teaching United States history, civics education, citizenship rights, and responsibilities;

(E) promoting an understanding of the form of government and history of the United States and the principles of the Constitution;

(F) improving financial literacy; and

(G) focusing on other key areas of importance to integration in our society; and

(4) to engage receiving communities in the citizenship and civic integration process by—

(A) increasing local service capacity;

(B) building meaningful connections between newer immigrants and long-time residents;

(C) communicating the contributions of receiving communities and new immigrants; and

(D) engaging leaders from all sectors of the community.

(e) REPORTING AND EVALUATION.—

(1) ANNUAL REPORT.—Each grant recipient shall submit an annual report to the Office that describes—

(A) the activities undertaken by the grant recipient, including how such activities meet the goals of the Office, the Foundation, and the comprehensive plan described in subsection (d)(3);

(B) the geographic areas being served;

(C) the number of immigrants in such areas; and

(D) the primary languages spoken in such areas.

(2) ANNUAL EVALUATION.—The Chief shall conduct an annual evaluation of the grant program established under this section—

(A) to assess and improve the effectiveness of such grant program;

(B) to assess the future needs of immigrants and of State and local governments related to immigrants; and

(C) to ensure that grantees recipients and subgrantees are acting within the scope and purpose of this subchapter.

SEC. 2539. NATURALIZATION CEREMONIES.

(a) IN GENERAL.—The Chief, in consultation with the Director of the National Park Service, the Archivist of the United States, and other appropriate Federal officials, shall develop and implement a strategy to enhance the public awareness of naturalization ceremonies.

(b) VENUES.—In developing the strategy under subsection (a), the Secretary shall consider the use of outstanding and historic locations as venues for select naturalization ceremonies.

(c) REPORTING REQUIREMENT.—The Secretary shall annually submit a report to Congress that contains—

(1) the content of the strategy developed under subsection (a); and

(2) the progress made towards the implementation of such strategy.

CHAPTER 3—FUNDING

SEC. 2541. AUTHORIZATION OF APPROPRIATIONS.

(a) OFFICE OF CITIZENSHIP AND NEW AMERICANS.—In addition to any amounts otherwise made available to the Office, there are authorized to be appropriated to carry out the functions described in section 451(f)(2) of the Homeland Security Act of 2002 (6 U.S.C. 271(f)(2)), as amended by section 2511(b)—

(1) $10,000,000 for the 5-year period ending on September 30, 2018; and

(2) such sums as may be necessary for fiscal year 2019 and subsequent fiscal years.

(b) GRANT PROGRAMS.—There are authorized to be appropriated to implement the grant programs authorized under sections 2537 and 2538, and to implement the strategy under section 2539—

(1) $100,000,000 for the 5-year period ending on September 30, 2018; and

(2) such sums as may be necessary for fiscal year 2019 and subsequent fiscal years.

CHAPTER 4—REDUCE BARRIERS TO NATURALIZATION

SEC. 2551. WAIVER OF ENGLISH REQUIREMENT FOR SENIOR NEW AMERICANS.

Section 312 (8 U.S.C. 1423) is amended by striking subsection (b) and inserting the following:

''(b) The requirements under subsection (a) shall not apply to any person who—

''(1) is unable to comply with such requirements because of physical or mental disability, including developmental or intellectual disability; or

''(2) on the date on which the person's application for naturalization is filed under section 334—

''(A) is older than 65 years of age; and

''(B) has been living in the United States for periods totaling at least 5 years after being lawfully admitted for permanent residence.

''(c) The requirement under subsection (a)(1) shall not apply to any person who, on the date on which the person's application for naturalization is filed under section 334—

''(1) is older than 50 years of age and has been living in the United States for periods totaling at least 20 years after being lawfully admitted for permanent residence;

''(2) is older than 55 years of age and has been living in the United States for periods totaling at least 15 years after being lawfully admitted for permanent residence; or

''(3) is older than 60 years of age and has been living in the United States for periods totaling at least 10 years after being lawfully admitted for permanent residence.

''(d) The Secretary of Homeland Security may waive, on a case-by-case basis, the requirement under subsection (a)(2) on behalf of any person who, on the date on which the person's application for naturalization is filed under section 334—

''(1) is older than 60 years of age; and

''(2) has been living in the United States for periods totaling at least 10 years after being lawfully admitted for permanent residence.''.

SEC. 2552. FILING OF APPLICATIONS NOT REQUIRING REGULAR INTERNET ACCESS.

(a) ELECTRONIC FILING NOT REQUIRED.—

(1) IN GENERAL.—The Secretary may not require that an applicant or petitioner for permanent residence or citizenship of the United States use an electronic method to file any application, or access to a customer account.

(2) SUNSET DATE.—This subsection shall cease to be effective on October 1, 2020.

(b) NOTIFICATION REQUIREMENT.—Beginning on October 1, 2020, the Secretary may not require that an applicant or petitioner for permanent residence or citizenship of the United States use an electronic method to file any application or access to a customer account unless the Secretary notifies the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives of such requirement not later than 30 days before the effective date of such requirement.

SEC. 2553. PERMISSIBLE USE OF ASSISTED HOUSING BY BATTERED IMMIGRANTS.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) in subsection (a)—

(A) in paragraph (6), by striking ''; or'' and inserting a semicolon;

(B) by redesignating paragraph (7) as paragraph (8); and

(C) by inserting after paragraph (6) the following new paragraph:

''(7) a qualified alien described in section 431(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641(c)); or''; and

(2) in subsection (c)—

(A) in paragraph (1)(A), by striking ''paragraphs (1) through (6)'' and inserting ''paragraphs (1) through (7)''; and

(B) in paragraph (2)(A), by inserting ''(other than a qualified alien described in section 431(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641(c)))'' after ''any alien''.

TITLE III—INTERIOR ENFORCEMENT

Subtitle A—Employment Verification System

SEC. 3101. UNLAWFUL EMPLOYMENT OF UNAUTHORIZED ALIENS.

(a) IN GENERAL.—Section 274A (8 U.S.C. 1324a) is amended to read as follows:

''SEC. 274A. UNLAWFUL EMPLOYMENT OF ALIENS.

''(a) MAKING EMPLOYMENT OF UNAUTHORIZED ALIENS UNLAWFUL.—

''(1) IN GENERAL.—It is unlawful for an employer—

''(A) to hire, recruit, or refer for a fee an alien for employment in the United States knowing that the alien is an unauthorized alien with respect to such employment; or

''(B) to hire, recruit, or refer for a fee for employment in the United States an individual without complying with the requirements under subsections (c) and (d).

''(2) CONTINUING EMPLOYMENT.—

''(A) PROHIBITION ON CONTINUED EMPLOYMENT OF UNAUTHORIZED ALIENS.—It is unlawful for an employer, after hiring an alien for employment, to continue to employ the alien in the United States knowing that the alien is (or has become) an unauthorized alien with respect to such employment.

''(B) PROHIBITION ON CONSIDERATION OF PREVIOUS UNAUTHORIZED STATUS.—Nothing in this section may be construed to prohibit the employment of an individual who is authorized for employment in the United States if such individual was previously an unauthorized alien.

''(3) USE OF LABOR THROUGH CONTRACT.—For purposes of this section, any employer that uses a contract, subcontract, or exchange to obtain the labor of an alien in the United States while knowing that the alien is an unauthorized alien with respect to performing such labor shall be considered to have hired the alien for employment in the United States in violation of paragraph (1)(A).

''(4) USE OF STATE EMPLOYMENT AGENCY DOCUMENTATION.—For purposes of paragraphs (1)(B), (5), and (6), an employer shall be deemed to have complied with the requirements under subsection (c) with respect to the hiring of an individual who was referred for such employment by a State employment agency (as defined by the Secretary) if the employer has and retains (for the period and in the manner described in subsection (c)(3)) appropriate documentation of such referral by such agency, certifying that such agency has complied with the procedures described in subsection (c) with respect to the individual's referral. An employer that relies on a State agency's certification of compliance with subsection (c) under this paragraph may utilize and retain the State agency's certification of compliance with the procedures described in subsection (d), if any, in the manner provided under this paragraph.

''(5) GOOD FAITH DEFENSE.—

''(A) DEFENSE.—An employer, person, or entity that hires, employs, recruits, or refers individuals for employment in the United States, or is otherwise obligated to comply with the requirements under this section and establishes good faith compliance with the requirements under paragraphs (1) through (4) of subsection (c) and subsection (d)—

''(i) has established an affirmative defense that the employer, person, or entity has not violated paragraph (1)(A) with respect to hiring and employing; and

''(ii) has established compliance with its obligations under subparagraph (A) and (B) of paragraph (1) and subsection (c) unless the Secretary demonstrates that the employer had knowledge that an individuals hired, employed, recruited, or referred by the employer, person, or entity is an unauthorized alien.

''(B) EXCEPTION FOR CERTAIN EMPLOYERS.—An employer who is not required to participate in the System or who is participating in the System on a voluntary basis pursuant to subsection (d)(2)(J) has established an affirmative defense under subparagraph (A) and need not demonstrate compliance with the requirements under subsection (d).

''(6) GOOD FAITH COMPLIANCE.—

''(A) IN GENERAL.—Except as otherwise provided in this subsection, an employer, person, or entity is considered to have complied with a requirement under this subsection notwithstanding a technical or procedural failure to meet such requirement if there was a good faith attempt to comply with the requirement.

''(B) EXCEPTION IF FAILURE TO CORRECT AFTER NOTICE.—Subparagraph (A) shall not apply if—

''(i) the failure is not de minimis;

''(ii) the Secretary of Homeland Security has explained to the employer, person, or entity the basis for the failure and why it is not de minimis;

''(iii) the employer, person, or entity has been provided a period of not less than 30 days (beginning after the date of the explanation) to correct the failure; and

''(iv) the employer, person, or entity has not corrected the failure voluntarily within such period.

''(C) EXCEPTION FOR PATTERN OR PRACTICE VIOLATORS.—Subparagraph (A) shall not apply to an employer, person, or entity that has engaged or is engaging in a pattern or practice of violations of paragraph (1)(A) or (2).

''(7) PRESUMPTION.—After the date on which an employer is required to participate in the System under subsection (d), the employer is presumed to have acted with knowledge for purposes of paragraph (1)(A) if the employer hires, employs, recruits, or refers an employee for a fee and fails to make an inquiry to verify the employment authorization status of the employee through the System.

''(8) CONTINUED APPLICATION OF WORKFORCE AND LABOR PROTECTION REMEDIES DESPITE UNAUTHORIZED EMPLOYMENT.—

''(A) IN GENERAL.—Subject only to subparagraph (B), all rights and remedies provided under any Federal, State, or local law relating to workplace rights, including but not limited to back pay, are available to an employee despite—

''(i) the employee's status as an unauthorized alien during or after the period of employment; or

''(ii) the employer's or employee's failure to comply with the requirements of this section.

''(B) REINSTATEMENT.—Reinstatement shall be available to individuals who—

''(i) are authorized to work in the United States at the time such relief is ordered or effectuated; or

''(ii) lost employment-authorized status due to the unlawful acts of the employer under this section.

''(b) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DEPARTMENT.—Except as otherwise provided, the term 'Department' means the Department of Homeland Security.

''(3) EMPLOYER.—The term 'employer' means any person or entity, including an agency or department of a Federal, State, or local government, an agent, or a System service provider acting on behalf of an employer, that hires, employs, recruits, or refers for a fee an individual for employment in the United States that is not casual, sporadic, irregular, or intermittent (as defined by the Secretary).

''(4) EMPLOYMENT AUTHORIZED STATUS.—The term 'employment authorized status' means, with respect to an individual, that the individual is authorized to be employed in the United States under the immigration laws of the United States.

''(5) SECRETARY.—Except as otherwise specifically provided, the term 'Secretary' means the Secretary of Homeland Security.

''(6) SYSTEM.—The term 'System' means the Employment Verification System established under subsection (d).

''(7) UNAUTHORIZED ALIEN.—The term 'unauthorized alien' means an alien who, with respect to employment in the United States at a particular time—

''(A) is not lawfully admitted for permanent residence; or

''(B) is not authorized to be employed under this Act or by the Secretary.

''(8) WORKPLACE RIGHTS.—The term 'workplace rights' means rights guaranteed under Federal, State, or local labor or employment laws, including laws concerning wages and hours, benefits and employment standards, labor relations, workplace health and safety, work-related injuries, nondiscrimination, and retaliation for exercising rights under such laws.

''(c) DOCUMENT VERIFICATION REQUIREMENTS.—Any employer hiring an individual for employment in the United States shall comply with the following requirements and the requirements under subsection (d) to verify that the individual has employment authorized status.

''(1) ATTESTATION AFTER EXAMINATION OF DOCUMENTATION.—

''(A) IN GENERAL.—

''(i) EXAMINATION BY EMPLOYER.—An employer shall attest, under penalty of perjury on a form prescribed by the Secretary, that the employer has verified the identity and employment authorization status of the individual—

''(I) by examining—

''(aa) a document specified in subparagraph (C); or

''(bb) a document specified in subparagraph (D) and a document specified in subparagraph (E); and

''(II) by utilizing an identity authentication mechanism described in clause (iii) or (iv) of subparagraph (F).

''(ii) PUBLICATION OF DOCUMENTS.—The Secretary shall publish a picture of each document specified in subparagraphs (C) and (E) on the U.S. Citizenship and Immigration Services website.

''(B) REQUIREMENTS.—

''(i) FORM.—The form referred to in subparagraph (A)(i)—

''(I) shall be prescribed by the Secretary not later than 6 months after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act;

''(II) shall be available as—

''(aa) a paper form;

''(bb) a form that may be completed by an employer via telephone or video conference;

''(cc) an electronic form; or

''(dd) a form that is integrated electronically with the requirements under subsection (d).

''(ii) ATTESTATION.—Each such form shall require the employer to sign an attestation with a handwritten, electronic, or digital pin code signature, according to standards prescribed by the Secretary.

''(iii) COMPLIANCE.—An employer has complied with the requirements under this paragraph with respect to examination of the documents included in subclauses (I) and (II) of subparagraph (A)(i) if—

''(I) the employer has, in good faith, followed applicable regulations and any written procedures or instructions provided by the Secretary; and

''(II) a reasonable person would conclude that the documentation is genuine and relates to the individual presenting such documentation.

''(C) DOCUMENTS ESTABLISHING IDENTITY AND EMPLOYMENT AUTHORIZED STATUS.—A document is specified in this subparagraph if the document is unexpired (unless the validity of the document is extended by law) and is 1 of the following:

''(i) A United States passport or passport card issued to an individual pursuant to the Secretary of State's authority under the Act entitled 'An Act to regulate the issue and validity of passports, and for other purposes', approved July 3, 1926 (22 U.S.C. 211a).

''(ii) A document issued to an alien evidencing that the alien is lawfully admitted for permanent residence or another document issued to an individual evidencing the individual's employment authorized status, as designated by the Secretary, if the document—

''(I) contains a photograph of the individual, or such other personal identifying information relating to the individual as the Secretary determines, by regulation, to be sufficient for the purposes of this subparagraph;

''(II) is evidence of employment authorized status; and

''(III) contains security features to make the document resistant to tampering, counterfeiting, and fraudulent use.

''(iii) An enhanced driver's license or identification card issued to a national of the United States by a State, an outlying possession of the United States, or a federally recognized Indian tribe that—

''(I) meets the requirements under section 202 of the REAL ID Act of 2005 (division B of Public Law 109–13; 49 U.S.C. 30301 note); and

''(II) the Secretary has certified by notice published in the Federal Register and through appropriate notice directly to employers registered in the System 3 months prior to publication that such enhanced license or card is suitable for use under this subparagraph based upon the accuracy and security of the issuance process, security features on the document, and such other factors as the Secretary may prescribe.

''(iv) A passport issued by the appropriate authority of a foreign country accompanied by a Form I–94 or Form I–94A (or similar successor record), or other documentation as designated by the Secretary that specifies the individual's status in the United States and the duration of such status if the proposed employment is not in conflict with any restriction or limitation specified on such form or documentation.

''(v) A passport issued by the Federated States of Micronesia or the Republic of the Marshall Islands with evidence of nonimmigrant admission to the United States under the Compact of Free Association between the United States and the Federated States of Micronesia or the Republic of the Marshall Islands.

''(D) DOCUMENTS ESTABLISHING IDENTITY OF INDIVIDUAL.—A document is specified in this subparagraph if the document is unexpired (unless the validity of the document is extended by law) and is 1 of the following:

''(i) A driver's license or identity card that is not described in subparagraph (C)(iii) and is issued to an individual by a State or an outlying possession of the United States, a federally recognized Indian tribe, or an agency (including military) of the Federal Government if the driver's license or identity card includes, at a minimum—

''(I) the individual's photograph, name, date of birth, gender, and driver's license or identification card number; and

''(II) security features to make the license or card resistant to tampering, counterfeiting, and fraudulent use.

''(ii) A voter registration card.

''(iii) A document that complies with the requirements under section 7209(b)(1) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458; 8 U.S.C. 1185 note).

''(iv) For individuals under 18 years of age who are unable to present a document listed in clause (i) or (ii), documentation of personal identity of such other type as the Secretary determines will provide a reliable means of identification, which may include an attestation as to the individual's identity by a parent or legal guardian under penalty of perjury.

''(E) DOCUMENTS EVIDENCING EMPLOYMENT AUTHORIZATION.—A document is specified in this subparagraph if the document is unexpired (unless the validity of the document is extended by law) and is 1 of the following:

''(i) A social security account number card issued by the Commissioner, other than a card which specifies on its face that the card is not valid to evidence employment authorized status or has other similar words of limitation.

''(ii) Any other documentation evidencing employment authorized status that the Secretary determines and publishes in the Federal Register and through appropriate notice directly to employers registered within the System to be acceptable for purposes of this subparagraph if such documentation, including any electronic security measures linked to such documentation, contains security features to make such documentation resistant to tampering, counterfeiting, and fraudulent use.

''(F) IDENTITY AUTHENTICATION MECHANISM.—

''(i) DEFINITIONS.—In this subparagraph:

''(I) COVERED IDENTITY DOCUMENT.—The term 'covered identity document' means a valid—

''(aa) United States passport, passport card, or a document evidencing lawful permanent residence status or employment authorized status issued to an alien;

''(bb) enhanced driver's license or identity card issued by a participating State or an outlying possession of the United States; or

''(cc) photograph and appropriate identifying information provided by the Secretary of State pursuant to the granting of a visa.

''(II) PARTICIPATING STATE.—The term 'participating State' means a State that has an agreement with the Secretary to provide the Secretary, for purposes of identity verification in the System, with photographs and appropriate identifying information maintained by the State.

''(ii) REQUIREMENT FOR IDENTITY AUTHENTICATION.—In addition to verifying the documents specified in subparagraph (C), (D), or (E) and utilizing the System under subsection (d), each employer shall use an identity authentication mechanism described in clause (iii) or provided in clause (iv) after it becomes available to verify the identity of each individual the employer seeks to hire.

''(iii) PHOTO TOOL.—

''(I) USE REQUIREMENT.—An employer hiring an individual who has a covered identity document shall verify the identity of such individual using the photo tool described in subclause (II).

''(II) DEVELOPMENT REQUIREMENT.—The Secretary shall develop and maintain a photo tool that enables employers to match the photo on a covered identity document provided to the employer to a photo maintained by a U.S. Citizenship and Immigration Services database.

''(iv) ADDITIONAL SECURITY MEASURES.—

''(I) USE REQUIREMENT.—An employer seeking to hire an individual whose identity may not be verified using the photo tool described in clause (iii) shall verify the identity of such individual using the additional security measures described in subclause (II).

''(II) DEVELOPMENT REQUIREMENT.—The Secretary shall develop, after publication in the Federal Register and an opportunity for public comment, specific and effective additional security measures to adequately verify the identity of an individual whose identity may not be verified using the photo tool described in clause (iii). Such additional security measures—

''(aa) shall be kept up-to-date with technological advances; and

''(bb) shall provide a means of identity authentication in a manner that provides a high level of certainty as to the identity of such individual, using immigration and identifying information that may include review of identity documents or background screening verification techniques using publicly available information.

''(G) AUTHORITY TO PROHIBIT USE OF CERTAIN DOCUMENTS.—If the Secretary determines, after publication in the Federal Register and an opportunity for public comment, that any document or class of documents specified in subparagraph (B), (C), or (D) does not reliably establish identity or that employment authorized status is being used fraudulently to an unacceptable degree, the Secretary—

''(i) may prohibit or restrict the use of such document or class of documents for purposes of this subsection; and

''(ii) shall directly notify all employers registered within the System of the prohibition through appropriate means.

''(H) AUTHORITY TO ALLOW USE OF CERTAIN DOCUMENTS.—If the Secretary has determined that another document or class of documents, such as a document issued by a federally recognized Indian tribe, may be used to reliably establish identity or employment authorized status, the Secretary—

''(i) may allow the use of that document or class of documents for purposes of this subsection after publication in the Federal Register and an opportunity for public comment;

''(ii) shall publish a description of any such document or class of documents on the U.S. Citizenship and Immigration Services website; and

''(iii) shall directly notify all employers registered within the System of the addition through appropriate means.

''(2) INDIVIDUAL ATTESTATION OF EMPLOYMENT AUTHORIZATION.—An individual, upon commencing employment with an employer, shall—

''(A) attest, under penalty of perjury, on the form prescribed by the Secretary, that the individual is—

''(i) a citizen of the United States;

''(ii) an alien lawfully admitted for permanent residence;

''(iii) an alien who has employment authorized status; or

''(iv) otherwise authorized by the Secretary to be hired for such employment;

''(B) provide such attestation by a handwritten, electronic, or digital pin code signature; and

''(C) provide the individual's social security account number to the Secretary, unless the individual has not yet been issued such a number, on such form as the Secretary may require.

''(3) RETENTION OF VERIFICATION RECORD.—

''(A) IN GENERAL.—After completing a form for an individual in accordance with paragraphs (1) and (2), the employer shall retain a version of such completed form and make such form available for inspection by the Secretary or the Office of Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice during the period beginning on the hiring date of the individual and ending on the later of—

''(i) the date that is 3 years after such hiring date; or

''(ii) the date that is 1 year after the date on which the individual's employment with the employer is terminated.

''(B) REQUIREMENT FOR ELECTRONIC RETENTION.—The Secretary—

''(i) shall permit an employer to retain the form described in subparagraph (A) in electronic form; and

''(ii) shall permit an employer to retain such form in paper, microfiche, microfilm, portable document format, or other media.

''(4) COPYING OF DOCUMENTATION AND RECORDKEEPING.—The Secretary may promulgate regulations regarding—

''(A) copying documents and related information pertaining to employment verification presented by an individual under this subsection; and

''(B) retaining such information during a period not to exceed the required retention period set forth in paragraph (3).

''(5) PENALTIES.—An employer that fails to comply with any requirement under this subsection may be penalized under subsection (e)(4)(B).

''(6) PROTECTION OF CIVIL RIGHTS.—

''(A) IN GENERAL.—Nothing in this section may be construed to diminish any rights otherwise protected by Federal law.

''(B) PROHIBITION ON DISCRIMINATION.—An employer shall use the procedures for document verification set forth in this paragraph for all employees without regard to race, color, religion, sex, national origin, or, unless specifically permitted in this section, to citizenship status.

''(7) RECEIPTS.—The Secretary may authorize the use of receipts for replacement documents, and temporary evidence of employment authorization by an individual to meet a documentation requirement under this subsection on a temporary basis not to exceed 1 year, after which time the individual shall provide documentation sufficient to satisfy the documentation requirements under this subsection.

''(8) NO AUTHORIZATION OF NATIONAL IDENTIFICATION CARDS.—Nothing in this section may be construed to directly or indirectly authorize the issuance, use, or establishment of a national identification card.

''(d) EMPLOYMENT VERIFICATION SYSTEM.—

''(1) IN GENERAL.—

''(A) ESTABLISHMENT.—The Secretary, in consultation with the Commissioner, shall establish the Employment Verification System.

''(B) MONITORING.—The Secretary shall create the necessary processes to monitor—

''(i) the functioning of the System, including the volume of the workflow, the speed of processing of queries, the speed and accuracy of responses;

''(ii) the misuse of the System, including the prevention of fraud or identity theft;

''(iii) whether the use of the System results in wrongful adverse actions or discrimination based upon a prohibited factor against citizens or nationals of the United States or individuals who have employment authorized status; and

''(iv) the security, integrity, and privacy of the System.

''(C) PROCEDURES.—The Secretary—

''(i) shall create processes to provide an individual with direct access to the individual's case history in the System, including—

''(I) the identities of all persons or entities that have queried the individual through the System;

''(II) the date of each such query; and

''(III) the System response for each such query; and

''(ii) in consultation with the Commissioner, shall develop—

''(I) protocols to notify an individual, in a timely manner through the use of electronic correspondence or mail, that a query for the individual has been processed through the System; or

''(II) a process for the individual to submit additional queries to the System or notify the Secretary of potential identity fraud.

''(2) PARTICIPATION REQUIREMENTS.—

''(A) FEDERAL GOVERNMENT.—Except as provided in subparagraph (B), all agencies and departments in the executive, legislative, or judicial branches of the Federal Government shall participate in the System beginning on the earlier of—

''(i) the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, to the extent required under section 402(e)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a) and as already implemented by each agency or department; or

''(ii) the date that is 90 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(B) FEDERAL CONTRACTORS.—Federal contractors shall participate in the System as provided in the final rule relating to employment eligibility verification published in the Federal Register on November 14, 2008 (73 Fed. Reg. 67,651), or any similar subsequent regulation, for which purpose references to E-Verify in the final rule shall be construed to apply to the System.

''(C) CRITICAL INFRASTRUCTURE.—

''(i) IN GENERAL.—Beginning on the date that is 1 year after the date on which regulations are

published implementing this subsection, the Secretary may authorize or direct any employer, person, or entity responsible for granting access to, protecting, securing, operating, administering, or regulating part of the critical infrastructure (as defined in section 1016(e) of the Critical Infrastructure Protection Act of 2001 (42 U.S.C. 5195c(e))) to participate in the System to the extent the Secretary determines that such participation will assist in the protection of the critical infrastructure.

''(ii) NOTIFICATION TO EMPLOYERS.—The Secretary shall notify an employer required to participate in the System under this subparagraph not later than 90 days before the date on which the employer is required to participate.

''(D) EMPLOYERS WITH MORE THAN 5,000 EMPLOYEES.—Not later than 2 years after regulations are published implementing this subsection, all employers with more than 5,000 employees shall participate in the System with respect to all newly hired employees and employees with expiring temporary employment authorization documents.

''(E) EMPLOYERS WITH MORE THAN 500 EMPLOYEES.—Not later than 3 years after regulations are published implementing this subsection, all employers with more than 500 employees shall participate in the System with respect to all newly hired employees and employees with expiring temporary employment authorization documents.

''(F) AGRICULTURAL EMPLOYMENT.—Not later than 4 years after regulations are published implementing this subsection, employers of employees performing agricultural employment (as defined in section 218A of this Act and section 2202 of the Border Security, Economic Opportunity, and Immigration Modernization Act) shall participate in the System with respect to all newly hired employees and employees with expiring temporary employment authorization documents. An agricultural employee shall not be counted for purposes of subparagraph (D) or (E).

''(G) ALL EMPLOYERS.—Except as provided in subparagraph (H), not later than 4 years after regulations are published implementing this subsection, all employers shall participate in the System with respect to all newly hired employees and employees with expiring temporary employment authorization documents.

''(H) TRIBAL GOVERNMENT EMPLOYERS.—

''(i) RULEMAKING.—In developing regulations to implement this subsection, the Secretary shall—

''(I) consider the effects of this section on federally recognized Indian tribes and tribal members; and

''(II) consult with the governments of federally recognized Indian tribes.

''(ii) REQUIRED PARTICIPATION.—Not later than 5 years after regulations are published implementing this subsection, all employers owned by, or entities of, the government of a federally recognized Indian tribe shall participate in the System with respect to all newly hired employees and employees with expiring temporary employment authorization documents.

''(I) IMMIGRATION LAW VIOLATORS.—

''(i) ORDERS FINDING VIOLATIONS.—An order finding any employer to have violated this section or section 274C may, in the Secretary's discretion, require the employer to participate in the System with respect to newly hired employees and employees with expiring temporary employment authorization documents, if such employer is not otherwise required to participate in the System under this section. The Secretary shall monitor such employer's compliance with System procedures.

''(ii) PATTERN OR PRACTICE OF VIOLATIONS.—The Secretary may require an employer that is required to participate in the System with respect to newly hired employees to participate in the System with respect to the employer's current employees if the employer is determined by the Secretary or other appropriate authority to have engaged in a pattern or practice of violations of the immigration laws of the United States.

''(J) VOLUNTARY PARTICIPATION.—The Secretary may permit any employer that is not required to participate in the System under this section to do so on a voluntary basis.

''(3) CONSEQUENCE OF FAILURE TO PARTICIPATE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the failure, other than a de minimis or inadvertent failure, of an employer that is required to participate in the System to comply with the requirements of the System with respect to an individual—

''(i) shall be treated as a violation of subsection (a)(1)(B) with respect to that individual; and

''(ii) creates a rebuttable presumption that the employer has violated paragraph (1)(A) or (2) of subsection (a).

''(B) EXCEPTION.—

''(i) IN GENERAL.—Subparagraph (A) shall not apply in a criminal prosecution.

''(ii) USE AS EVIDENCE.—Nothing in this paragraph may be construed to limit the use in the prosecution of a Federal crime, in a manner otherwise consistent with Federal criminal law and procedure, of evidence relating to the employer's failure to comply with requirements of the System.

''(4) PROCEDURES FOR PARTICIPANTS IN THE SYSTEM.—

''(A) IN GENERAL.—An employer participating in the System shall register such participation with the Secretary and, when hiring any individual for employment in the United States, shall comply with the following:

''(i) REGISTRATION OF EMPLOYERS.—The Secretary, through notice in the Federal Register, shall prescribe procedures that employers shall be required to follow to register with the System.

''(ii) UPDATING INFORMATION.—The employer is responsible for providing notice of any change to the information required under subclauses (I), (II), and (III) of clause (v) before conducting any further inquiries within the System, or on such other schedule as the Secretary may prescribe.

''(iii) TRAINING.—The Secretary shall require employers to undergo such training as the Secretary determines to be necessary to ensure proper use, protection of civil rights and civil liberties, privacy, integrity, and security of the System. To the extent practicable, such training shall be made available electronically on the U.S. Citizenship and Immigration Services website.

''(iv) NOTIFICATION TO EMPLOYEES.—The employer shall inform individuals hired for employment that the System—

''(I) will be used by the employer;

''(II) may be used for immigration enforcement purposes; and

''(III) may not be used to discriminate or to take adverse action against a national of the United States or an alien who has employment authorized status.

''(v) PROVISION OF ADDITIONAL INFORMATION.—The employer shall obtain from the individual (and the individual shall provide) and shall record in such manner as the Secretary may specify—

''(I) the individual's social security account number;

''(II) if the individual does not attest to United States citizenship or status as a national of the United States under subsection (c)(2), such identification or authorization number established by the Department as the Secretary shall specify; and

''(III) such other information as the Secretary may require to determine the identity and employment authorization of an individual.

''(vi) PRESENTATION OF DOCUMENTATION.—The employer, and the individual whose identity and employment authorized status are being confirmed, shall fulfill the requirements under subsection (c).

''(B) SEEKING CONFIRMATION.—

''(i) IN GENERAL.—An employer shall use the System to confirm the identity and employment authorized status of any individual during—

''(I) the period beginning on the date on which the individual accepts an offer of employment and ending 3 business days after the date on which employment begins; or

''(II) such other reasonable period as the Secretary may prescribe.

''(ii) LIMITATION.—An employer may not make the starting date of an individual's employment or training or any other term and condition of employment dependent on the receipt of a confirmation of identity and employment authorized status by the System.

''(iii) REVERIFICATION.—If an individual has a limited period of employment authorized status, the individual's employer shall reverify such status through the System not later than 3 business days after the last day of such period.

''(iv) OTHER EMPLOYMENT.—For employers directed by the Secretary to participate in the System under paragraph (2)(C)(i) to protect critical infrastructure or otherwise specified circumstances in this section to verify their entire workforce, the System may be used for initial verification of an individual who was hired before the employer became subject to the System, and the employer shall initiate all required procedures on or before such date as the Secretary shall specify.

''(v) NOTIFICATION.—

''(I) IN GENERAL.—The Secretary shall provide, and the employer shall utilize, as part of the System, a method of notifying employers of a confirmation or nonconfirmation of an individual's identity and employment authorized status, or a notice that further action is required to verify such identity or employment eligibility (referred to in this subsection as a 'further action notice').

''(II) PROCEDURES.—The Secretary shall—

''(aa) directly notify the individual and the employer, by means of electronic correspondence, mail, text message, telephone, or other direct communication, of a nonconfirmation or further action notice;

''(bb) provide information about filing an administrative appeal under paragraph (6) and a filing for review before an administrative law judge under paragraph (7); and

''(cc) establish procedures to directly notify the individual and the employer of a confirmation.

''(III) IMPLEMENTATION.—The Secretary may provide for a phased-in implementation of the notification requirements under this clause, as appropriate. The notification system shall cover all inquiries not later than 1 year from the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(C) CONFIRMATION OR NONCONFIRMATION.—

''(i) INITIAL RESPONSE.—

''(I) IN GENERAL.—Except as provided in subclause (II), the System shall provide—

''(aa) a confirmation of an individual's identity and employment authorized status or a further action notice at the time of the inquiry; and

''(bb) an appropriate code indicating such confirmation or such further action notice.

''(II) ALTERNATIVE DEADLINE.—If the System is unable to provide immediate confirmation or further action notice for technological reasons or due to unforeseen circumstances, the System shall provide a confirmation or further action notice not later than 3 business days after the initial inquiry.

''(ii) CONFIRMATION UPON INITIAL INQUIRY.—If the employer receives an appropriate confirmation of an individual's identity and employment authorized status under the System, the employer shall record the confirmation in such manner as the Secretary may specify.

''(iii) FURTHER ACTION NOTICE AND LATER CONFIRMATION OR NONCONFIRMATION.—

''(I) NOTIFICATION AND ACKNOWLEDGMENT THAT FURTHER ACTION IS REQUIRED.—Not later

than 3 business days after an employer receives a further action notice of an individual's identity or employment eligibility under the System, or during such other reasonable time as the Secretary may prescribe, the employer shall notify the individual for whom the confirmation is sought of the further action notice and any procedures specified by the Secretary for addressing such notice. The further action notice shall be given to the individual in writing and the employer shall acknowledge in the System under penalty of perjury that it provided the employee with the further action notice. The individual shall affirmatively acknowledge in writing, or in such other manner as the Secretary may specify, the receipt of the further action notice from the employer. If the individual refuses to acknowledge the receipt of the further action notice, or acknowledges in writing that the individual will not contest the further action notice under subclause (II), the employer shall notify the Secretary in such manner as the Secretary may specify.

''(II) CONTEST.—Not later than 10 business days after receiving notification of a further action notice under subclause (I), the individual shall contact the appropriate Federal agency and, if the Secretary so requires, appear in person for purposes of verifying the individual's identity and employment eligibility. The Secretary, in consultation with the Commissioner and other appropriate Federal agencies, shall specify an available secondary verification procedure to confirm the validity of information provided and to provide a confirmation or nonconfirmation. Any procedures for reexamination shall not limit in any way an employee's right to appeal a nonconfirmation.

''(III) NO CONTEST.—If the individual refuses to acknowledge receipt of the further action notice, acknowledges that the individual will not contest the further action notice as provided in subclause (I), or does not contact the appropriate Federal agency within the period specified in subclause (II), following expiration of the period specified in subclause (II), a nonconfirmation shall be issued. The employer shall record the nonconfirmation in such manner as the Secretary may specify and terminate the individual's employment. An individual's failure to contest a further action notice shall not be considered an admission of guilt with respect to any violation of this section or any provision of law.

''(IV) CONFIRMATION OR NONCONFIRMATION.—Unless the period is extended in accordance with this subclause, the System shall provide a confirmation or nonconfirmation not later than 10 business days after the date on which the individual contests the further action notice under subclause (II). If the Secretary determines that good cause exists, after taking into account adverse impacts to the employer, and including time to permit the individual to obtain and provide needed evidence of identity or employment eligibility, the Secretary shall extend the period for providing confirmation or nonconfirmation for stated periods beyond 10 business days. When confirmation or nonconfirmation is provided, the confirmation system shall provide an appropriate code indicating such confirmation or nonconfirmation.

''(V) REEXAMINATION.—Nothing in this section shall prevent the Secretary from establishing procedures to reexamine a case where a confirmation or nonconfirmation has been provided if subsequently received information indicates that the confirmation or nonconfirmation may not have been correct. Any procedures for reexamination shall not limit in any way an employee's right to appeal a nonconfirmation.

''(VI) EMPLOYEE PROTECTIONS.—An employer may not terminate employment or take any other adverse action against an individual solely because of a failure of the individual to have identity and employment eligibility confirmed under this subsection until—

''(aa) a nonconfirmation has been issued;

''(bb) if the further action notice was contested, the period to timely file an administrative appeal has expired without an appeal or the contestation to the further action notice is withdrawn; or

''(cc) if an appeal before an administrative law judge under paragraph (7) has been filed, the nonconfirmation has been upheld or the appeal has been withdrawn or dismissed.

''(iv) NOTICE OF NONCONFIRMATION.—Not later than 3 business days after an employer receives a nonconfirmation, or during such other reasonable time as the Secretary may provide, the employer shall notify the individual who is the subject of the nonconfirmation, and provide information about filing an administrative appeal pursuant to paragraph (6) and a request for a hearing before an administrative law judge pursuant to paragraph (7). The nonconfirmation notice shall be given to the individual in writing and the employer shall acknowledge in the System under penalty of perjury that it provided the notice (or adequately attempted to provide notice, but was unable to do so despite reasonable efforts). The individual shall affirmatively acknowledge in writing, or in such other manner as the Secretary may prescribe, the receipt of the nonconfirmation notice from the employer. If the individual refuses or fails to acknowledge the receipt of the nonconfirmation notice, the employer shall notify the Secretary in such manner as the Secretary may prescribe.

''(D) CONSEQUENCES OF NONCONFIRMATION.—

''(i) TERMINATION OF CONTINUED EMPLOYMENT.—Except as provided in clause (iii), an employer that has received a nonconfirmation regarding an individual and has made reasonable efforts to notify the individual in accordance with subparagraph (C)(iv) shall terminate the employment of the individual upon the expiration of the time period specified in paragraph (7).

''(ii) CONTINUED EMPLOYMENT AFTER NONCONFIRMATION.—If the employer continues to employ an individual after receiving nonconfirmation and exhaustion of all appeals or expiration of all rights to appeal if not appealed, in violation of clause (i), a rebuttable presumption is created that the employer has violated paragraphs (1)(A) and (2) of subsection (a). Such presumption shall not apply in any prosecution under subsection (k)(1).

''(iii) EFFECT OF ADMINISTRATIVE APPEAL OR REVIEW BY ADMINISTRATIVE LAW JUDGE.—If an individual files an administrative appeal of the nonconfirmation within the time period specified in paragraph (6)(A), or files for review with an administrative law judge specified in paragraph (7)(A), the employer shall not terminate the individual's employment under this subparagraph prior to the resolution of the administrative appeal unless the Secretary or Commissioner terminates the stay under paragraph (6)(B) or (7)(B).

''(iv) WEEKLY REPORT.—The Director of U.S. Citizenship and Immigration Services shall submit a weekly report to the Assistant Secretary for Immigration and Customs Enforcement that includes, for each individual who receives final nonconfirmation through the System—

''(I) the name of such individual;

''(II) his or her social security number or alien file number;

''(III) the name and contact information for his or her current employer; and

''(IV) any other critical information that the Assistant Secretary determines to be appropriate.

''(E) OBLIGATION TO RESPOND TO QUERIES AND ADDITIONAL INFORMATION.—

''(i) IN GENERAL.—Employers shall comply with requests for information from the Secretary and the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice, including queries concerning current and former employees, within the time frame during which records are required to be maintained under this section regarding such former employees, if such information relates to the functioning of the System, the accuracy of the responses provided by the System, or any suspected misuse, discrimination, fraud, or identity theft in the use of the System. Failure to comply with a request under this clause constitutes a violation of subsection (a)(1)(B).

''(ii) ACTION BY INDIVIDUALS.—

''(I) IN GENERAL.—Individuals being verified through the System may be required to take further action to address questions identified by the Secretary or the Commissioner regarding the documents relied upon for purposes of subsection (c).

''(II) NOTIFICATION.—Not later than 3 business days after the receipt of such questions regarding an individual, or during such other reasonable time as the Secretary may prescribe, the employer shall—

''(aa) notify the individual of any such requirement for further actions; and

''(bb) record the date and manner of such notification.

''(III) ACKNOWLEDGMENT.—The individual shall acknowledge the notification received from the employer under subclause (II) in writing, or in such other manner as the Secretary may prescribe.

''(iii) RULEMAKING.—

''(I) IN GENERAL.—The Secretary, in consultation with the Commissioner and the Attorney General, is authorized to issue regulations implementing, clarifying, and supplementing the requirements under this subparagraph—

''(aa) to facilitate the functioning, accuracy, and fairness of the System;

''(bb) to prevent misuse, discrimination, fraud, or identity theft in the use of the System; or

''(cc) to protect and maintain the confidentiality of information that could be used to locate or otherwise place at risk of harm victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking, and of the applicant or beneficiary of any petition described in section 384(a)(2) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1367(a)(2)).

''(II) NOTICE.—The regulations issued under subclause (I) shall be—

''(aa) published in the Federal Register; and

''(bb) provided directly to all employers registered in the System.

''(F) DESIGNATED AGENTS.—The Secretary shall establish a process—

''(i) for certifying, on an annual basis or at such times as the Secretary may prescribe, designated agents and other System service providers seeking access to the System to perform verification queries on behalf of employers, based upon training, usage, privacy, and security standards prescribed by the Secretary;

''(ii) for ensuring that designated agents and other System service providers are subject to monitoring to the same extent as direct access users; and

''(iii) for establishing standards for certification of electronic I–9 programs.

''(G) REQUIREMENT TO PROVIDE INFORMATION.—

''(i) IN GENERAL.—No later than 3 months after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary, in consultation with the Secretary of Labor, the Secretary of Agriculture, the Commissioner, the Attorney General, the Equal Employment Opportunity Commission, and the Administrator of the Small Business Administration, shall commence a campaign to disseminate information respecting the procedures, rights, and remedies prescribed under this section.

''(ii) CAMPAIGN REQUIREMENTS.—The campaign authorized under clause (i)—

''(I) shall be aimed at increasing the knowledge of employers, employees, and the general public concerning employer and employee rights, responsibilities, and remedies under this section; and

''(II) shall be coordinated with the public education campaign conducted by U.S. Citizenship and Immigration Services.

''(iii) ASSESSMENT.—The Secretary shall assess the success of the campaign in achieving the goals of the campaign.

''(iv) AUTHORITY TO CONTRACT.—In order to carry out and assess the campaign under this subparagraph, the Secretary may, to the extent deemed appropriate and subject to the availability of appropriations, contract with public and private organizations for outreach and assessment activities under the campaign.

''(v) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this paragraph $40,000,000 for each of the fiscal years 2014 through 2016.

''(H) AUTHORITY TO MODIFY INFORMATION REQUIREMENTS.—Based on a regular review of the System and the document verification procedures to identify misuse or fraudulent use and to assess the security of the documents and processes used to establish identity or employment authorized status, the Secretary, in consultation with the Commissioner, after publication of notice in the Federal Register and an opportunity for public comment, may modify, if the Secretary determines that the modification is necessary to ensure that the System accurately and reliably determines the identity and employment authorized status of employees and maintain existing protections against misuse, discrimination, fraud, and identity theft—

''(i) the information that shall be presented to the employer by an individual;

''(ii) the information that shall be provided to the System by the employer; and

''(iii) the procedures that shall be followed by employers with respect to the process of verifying an individual through the System.

''(I) SELF-VERIFICATION.—Subject to appropriate safeguards to prevent misuse of the system, the Secretary, in consultation with the Commissioner, shall establish a secure self-verification procedure to permit an individual who seeks to verify the individual's own employment eligibility to contact the appropriate agency and, in a timely manner, correct or update the information contained in the System.

''(5) PROTECTION FROM LIABILITY FOR ACTIONS TAKEN ON THE BASIS OF INFORMATION PROVIDED BY THE SYSTEM.—An employer shall not be liable to a job applicant, an employee, the Federal Government, or a State or local government, under Federal, State, or local criminal or civil law for any employment-related action taken with respect to a job applicant or employee in good faith reliance on information provided by the System.

''(6) ADMINISTRATIVE APPEAL.—

''(A) IN GENERAL.—An individual who is notified of a nonconfirmation may, not later than 10 business days after the date that such notice is received, file an administrative appeal of such nonconfirmation with the Commissioner if the notice is based on records maintained by the Commissioner, or in any other case, with the Secretary. An individual who did not timely contest a further action notice timely received by that individual for which the individual acknowledged receipt may not be granted a review under this paragraph.

''(B) ADMINISTRATIVE STAY OF NONCONFIRMATION.—The nonconfirmation shall be automatically stayed upon the timely filing of an administrative appeal, unless the nonconfirmation resulted after the individual acknowledged receipt of the further action notice but failed to contact the appropriate agency within the time provided. The stay shall remain in effect until the resolution of the appeal, unless the Secretary or the Commissioner terminates the stay based on a determination that the administrative appeal is frivolous or filed for purposes of delay.

''(C) REVIEW FOR ERROR.—The Secretary and the Commissioner shall develop procedures for resolving administrative appeals regarding nonconfirmations based upon the information that the individual has provided, including any additional evidence or argument that was not previously considered. Any such additional evidence or argument shall be filed within 10 business days of the date the appeal was originally filed. Appeals shall be resolved within 20 business days after the individual has submitted all evidence and arguments the individual wishes to submit, or has stated in writing that there is no additional evidence that the individual wishes to submit. The Secretary and the Commissioner may, on a case by case basis for good cause, extend the filing and submission period in order to ensure accurate resolution of an appeal before the Secretary or the Commissioner.

''(D) PREPONDERANCE OF EVIDENCE.—Administrative appeal under this paragraph shall be limited to whether a nonconfirmation notice is supported by a preponderance of the evidence.

''(E) DAMAGES, FEES, AND COSTS.—No money damages, fees or costs may be awarded in the administrative appeal process under this paragraph.

''(7) REVIEW BY ADMINISTRATIVE LAW JUDGE.—

''(A) IN GENERAL.—Not later than 30 days after the date an individual receives a final determination on an administrative appeal under paragraph (6), the individual may obtain review of such determination by filing a complaint with a Department of Justice administrative law judge in accordance with this paragraph.

''(B) STAY OF NONCONFIRMATION.—The nonconfirmation related to such final determination shall be automatically stayed upon the timely filing of a complaint under this paragraph, and the stay shall remain in effect until the resolution of the complaint, unless the administrative law judge determines that the action is frivolous or filed for purposes of delay.

''(C) SERVICE.—The respondent to complaint filed under this paragraph is either the Secretary or the Commissioner, but not both, depending upon who issued the administrative order under paragraph (6). In addition to serving the respondent, the plaintiff shall serve the Attorney General.

''(D) AUTHORITY OF ADMINISTRATIVE LAW JUDGE.—

''(i) RULES OF PRACTICE.—The Secretary shall promulgate regulations regarding the rules of practice in appeals brought pursuant to this subsection.

''(ii) AUTHORITY OF ADMINISTRATIVE LAW JUDGE.—The administrative law judge shall have power to—

''(I) terminate a stay of a nonconfirmation under subparagraph (B) if the administrative law judge determines that the action is frivolous or filed for purposes of delay;

''(II) adduce evidence at a hearing;

''(III) compel by subpoena the attendance of witnesses and the production of evidence at any designated place or hearing;

''(IV) resolve claims of identity theft; and

''(V) enter, upon the pleadings and any evidence adduced at a hearing, a decision affirming or reversing the result of the agency, with or without remanding the cause for a rehearing.

''(iii) SUBPOENA.—In case of contumacy or refusal to obey a subpoena lawfully issued under this section and upon application of the administrative law judge, an appropriate district court of the United States may issue an order requiring compliance with such subpoena and any failure to obey such order may be punished by such court as a contempt of such court.

''(iv) TRAINING.—An administrative law judge hearing cases shall have special training respecting employment authorized status verification.

''(E) ORDER BY ADMINISTRATIVE LAW JUDGE.—

''(i) IN GENERAL.—The administrative law judge shall issue and cause to be served to the parties in the proceeding an order which may be appealed as provided in subparagraph (G).

''(ii) CONTENTS OF ORDER.—Such an order shall uphold or reverse the final determination on the request for reconsideration and order lost wages and other appropriate remedies as provided in subparagraph (F).

''(F) COMPENSATION FOR ERROR.—

''(i) IN GENERAL.—In cases in which the administrative law judge reverses the final determination of the Secretary or the Commissioner made under paragraph (6), and the administrative law judge finds that—

''(I) the nonconfirmation was due to gross negligence or intentional misconduct of the employer, the administrative law judge may order the employer to pay the individual lost wages, and reasonable costs and attorneys' fees incurred during administrative and judicial review; or

''(II) such final determination was erroneous by reason of the negligence of the Secretary or the Commissioner, the administrative law judge may order the Secretary or the Commissioner to pay the individual lost wages, and reasonable costs and attorneys' fees incurred during the administrative appeal and the administrative law judge review.

''(ii) CALCULATION OF LOST WAGES.—Lost wages shall be calculated based on the wage rate and work schedule that prevailed prior to termination. The individual shall be compensated for wages lost beginning on the first scheduled work day after employment was terminated and ending 120 days after completion of the administrative law judge's review described in this paragraph or the day after the individual is reinstated or obtains employment elsewhere, whichever occurs first. If the individual obtains employment elsewhere at a lower wage rate, the individual shall be compensated for the difference in wages for the period ending 120 days after completion of the administrative law judge review process. No lost wages shall be awarded for any period of time during which the individual was not in employment authorized status.

''(iii) PAYMENT OF COMPENSATION.—Notwithstanding any other law, payment of compensation for lost wages, costs, and attorneys' fees under this paragraph, or compromise settlements of the same, shall be made as provided by section 1304 of title 31, United States Code. Appropriations made available to the Secretary or the Commissioner, accounts provided for under section 286, and funds from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund shall not be available to pay such compensation.

''(G) APPEAL.—No later than 45 days after the entry of such final order, any person adversely affected by such final order may seek review of such order in the United States Court of Appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

''(8) MANAGEMENT OF THE SYSTEM.—

''(A) IN GENERAL.—The Secretary is authorized to establish, manage, and modify the System, which shall—

''(i) respond to inquiries made by participating employers at any time through the internet, or such other means as the Secretary may designate, concerning an individual's identity and whether the individual is in employment authorized status;

''(ii) maintain records of the inquiries that were made, of confirmations provided (or not provided), and of the codes provided to employers as evidence of their compliance with their obligations under the System; and

''(iii) provide information to, and require action by, employers and individuals using the System.

''(B) DESIGN AND OPERATION OF SYSTEM.—The System shall be designed and operated—

''(i) to maximize its reliability and ease of use by employers consistent with protecting the privacy and security of the underlying information, and ensuring full notice of such use to employees;

''(ii) to maximize its ease of use by employees, including direct notification of its use, of results, and ability to challenge results;

''(iii) to respond accurately to all inquiries made by employers on whether individuals are authorized to be employed and to register any times when the system is unable to receive inquiries;

''(iv) to maintain appropriate administrative, technical, and physical safeguards to prevent unauthorized disclosure of personal information, misuse by employers and employees, and discrimination;

''(v) to require regularly scheduled refresher training of all users of the System to ensure compliance with all procedures;

''(vi) to allow for auditing of the use of the System to detect misuse, discrimination, fraud, and identity theft, to protect privacy and assess System accuracy, and to preserve the integrity and security of the information in all of the System, including—

''(I) to develop and use tools and processes to detect or prevent fraud and identity theft, such as multiple uses of the same identifying information or documents to fraudulently gain employment;

''(II) to develop and use tools and processes to detect and prevent misuse of the system by employers and employees;

''(III) to develop tools and processes to detect anomalies in the use of the system that may indicate potential fraud or misuse of the system;

''(IV) to audit documents and information submitted by employees to employers, including authority to conduct interviews with employers and employees, and obtain information concerning employment from the employer;

''(vii) to confirm identity and employment authorization through verification and comparison of records as determined necessary by the Secretary;

''(viii) to confirm electronically the issuance of the employment authorization or identity document and—

''(I) if such photograph is available, to display the digital photograph that the issuer placed on the document so that the employer can compare the photograph displayed to the photograph on the document presented by the employee; or

''(II) if a photograph is not available from the issuer, to confirm the authenticity of the document using such alternative procedures as the Secretary may specify; and

''(ix) to provide appropriate notification directly to employers registered with the System of all changes made by the Secretary or the Commissioner related to allowed and prohibited documents, and use of the System.

''(C) SAFEGUARDS TO THE SYSTEM.—

''(i) REQUIREMENT TO DEVELOP.—The Secretary, in consultation with the Commissioner and other appropriate Federal and State agencies, shall develop policies and procedures to ensure protection of the privacy and security of personally identifiable information and identifiers contained in the records accessed or maintained by the System. The Secretary, in consultation with the Commissioner and other appropriate Federal and State agencies, shall develop and deploy appropriate privacy and security training for the Federal and State employees accessing the records under the System.

''(ii) PRIVACY AUDITS.—The Secretary, acting through the Chief Privacy Officer of the Department, shall conduct regular privacy audits of the policies and procedures established under clause (i), including any collection, use, dissemination, and maintenance of personally identifiable information and any associated information technology systems, as well as scope of requests for this information. The Chief Privacy Officer shall review the results of the audits and recommend to the Secretary any changes necessary to improve the privacy protections of the program.

''(iii) ACCURACY AUDITS.—

''(I) IN GENERAL.—Not later than November 30 of each year, the Inspector General of the Department of Homeland Security shall submit a report to the Secretary, with a copy to the President of the Senate and the Speaker of the House of Representatives, that sets forth the error rate of the System for the previous fiscal year and the assessments required to be submitted by the Secretary under subparagraphs (A) and (B) of paragraph (10). The report shall describe in detail the methodology employed for purposes of the report, and shall make recommendations for how error rates may be reduced.

''(II) ERROR RATE DEFINED.—In this clause, the term 'error rate' means the percentage determined by dividing—

''(aa) the number of employment authorized individuals who received further action notices, contested such notices, and were subsequently found to be employment authorized; by

''(bb) the number of System inquiries submitted for employment authorized individuals.

''(III) REDUCTION OF PENALTIES FOR RECORDKEEPING OR VERIFICATION PRACTICES FOLLOWING PERSISTENT SYSTEM INACCURACIES.—Notwithstanding subsection (e)(4)(C)(i), in any calendar year following a report by the Inspector General under subclause (I) that the System had an error rate higher than 0.3 percent for the previous fiscal year, the civil penalty assessable by the Secretary or an administrative law judge under that subsection for each first-time violation by an employer who has not previously been penalized under this section may not exceed $1,000.

''(iv) RECORDS SECURITY PROGRAM.—Any person, including a private third party vendor, who retains document verification or System data pursuant to this section shall implement an effective records security program that—

''(I) ensures that only authorized personnel have access to document verification or System data; and

''(II) ensures that whenever such data is created, completed, updated, modified, altered, or corrected in electronic format, a secure and permanent record is created that establishes the date of access, the identity of the individual who accessed the electronic record, and the particular action taken.

''(v) RECORDS SECURITY PROGRAM.—In addition to the security measures described in clause (iv), a private third party vendor who retains document verification or System data pursuant to this section shall implement an effective records security program that—

''(I) provides for backup and recovery of any records maintained in electronic format to protect against information loss, such as power interruptions; and

''(II) ensures that employees are trained to minimize the risk of unauthorized or accidental alteration or erasure of such data in electronic format.

''(vi) AUTHORIZED PERSONNEL DEFINED.—In this subparagraph, the term 'authorized personnel' means anyone registered as a System user, or anyone with partial or full responsibility for completion of employment authorization verification or retention of data in connection with employment authorization verification on behalf of an employer.

''(D) AVAILABLE FACILITIES AND ALTERNATIVE ACCOMMODATIONS.—The Secretary shall make appropriate arrangements and develop standards to allow employers or employees, including remote hires, who are otherwise unable to access the System to use electronic and telephonic formats (including video conferencing, scanning technology, and other available technologies), Federal Government facilities, public facilities, or other available locations in order to utilize the System.

''(E) RESPONSIBILITIES OF THE SECRETARY.—

''(i) IN GENERAL.—As part of the System, the Secretary shall maintain a reliable, secure method, which, operating through the System and within the time periods specified, compares the name, alien identification or authorization number, or other information as determined relevant by the Secretary, provided in an inquiry against such information maintained or accessed by the Secretary in order to confirm (or not confirm) the validity of the information provided, the correspondence of the name and number, whether the alien has employment authorized status (or, to the extent that the Secretary determines to be feasible and appropriate, whether the records available to the Secretary verify the identity or status of a national of the United States), and such other information as the Secretary may prescribe.

''(ii) PHOTOGRAPH DISPLAY.—As part of the System, the Secretary shall establish a reliable, secure method, which, operating through the System, displays the digital photograph described in subparagraph (B)(viii)(I).

''(iii) TIMING OF NOTICES.—The Secretary shall have authority to prescribe when a confirmation, nonconfirmation, or further action notice shall be issued.

''(iv) USE OF INFORMATION.—The Secretary shall perform regular audits under the System, as described in subparagraph (B)(vi) and shall utilize the information obtained from such audits, as well as any information obtained from the Commissioner pursuant to part E of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), for the purposes of this section and to administer and enforce the immigration laws.

''(v) IDENTITY FRAUD PROTECTION.—To prevent identity fraud, not later than 18 months after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary shall—

''(I) in consultation with the Commissioner, establish a program to provide a reliable, secure method for an individual to temporarily suspend or limit the use of the individual's social security account number or other identifying information for verification by the System; and

''(II) for each individual being verified through the System—

''(aa) notify the individual that the individual has the option to limit the use of the individual's social security account number or other identifying information for verification by the System; and

''(bb) provide instructions to the individuals for exercising the option referred to in item (aa).

''(vi) ALLOWING PARENTS TO PREVENT THEFT OF THEIR CHILD'S IDENTITY.—The Secretary, in consultation with the Commissioner, shall establish a program that provides a reliable, secure method by which parents or legal guardians may suspend or limit the use of the social security account number or other identifying information of a minor under their care for the purposes of the System. The Secretary may implement the program on a limited pilot program basis before making it fully available to all individuals.

''(vii) PROTECTION FROM MULTIPLE USE.—The Secretary and the Commissioner shall establish a procedure for identifying and handling a situation in which a social security account number has been identified to be subject to unusual multiple use in the System or is otherwise suspected or determined to have been compromised by identity fraud.

''(viii) MONITORING AND COMPLIANCE UNIT.—The Secretary shall establish or designate a monitoring and compliance unit to detect and reduce identity fraud and other misuse of the System.

''(ix) CIVIL RIGHTS AND CIVIL LIBERTIES ASSESSMENTS.—

''(I) REQUIREMENT TO CONDUCT.—The Secretary shall conduct regular civil rights and civil liberties assessments of the System, including participation by employers, other private entities, and Federal, State, and local government entities.

''(II) REQUIREMENT TO RESPOND.—Employers, other private entities, and Federal, State, and local entities shall timely respond to any request in connection with such an assessment.

''(III) ASSESSMENT AND RECOMMENDATIONS.—The Officer for Civil Rights and Civil Liberties

of the Department shall review the results of each such assessment and recommend to the Secretary any changes necessary to improve the civil rights and civil liberties protections of the System.

''(F) GRANTS TO STATES.—

''(i) IN GENERAL.—The Secretary shall create and administer a grant program to help provide funding for States that grant—

''(I) the Secretary access to driver's license information as needed to confirm that a driver's license presented under subsection (c)(1)(D)(i) confirms the identity of the subject of the System check, and that a driver's license matches the State's records; and

''(II) such assistance as the Secretary may request in order to resolve further action notices or nonconfirmations relating to such information.

''(ii) CONSTRUCTION WITH THE DRIVER'S PRIVACY PROTECTION ACT OF 1994.—The provision of a photograph to the Secretary as described in clause (i) may not be construed as a violation of section 2721 of title 18, United States Code, and is a permissible use under subsection (b)(1) of that section.

''(iii) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary $250,000,000 to carry out this subparagraph.

''(G) RESPONSIBILITIES OF THE SECRETARY OF STATE.—As part of the System, the Secretary of State shall provide to the Secretary access to passport and visa information as needed to confirm that a passport, passport card, or visa presented under subsection (c)(1)(C) confirms the identity of the subject of the System check, and that a passport, passport card, or visa photograph matches the Secretary of State's records, and shall provide such assistance as the Secretary may request in order to resolve further action notices or nonconfirmations relating to such information.

''(H) UPDATING INFORMATION.—The Commissioner, the Secretary, and the Secretary of State shall update their information in a manner that promotes maximum accuracy and shall provide a process for the prompt correction of erroneous information.

''(9) LIMITATION ON USE OF THE SYSTEM.—Notwithstanding any other provision of law, nothing in this subsection may be construed to permit or allow any department, bureau, or other agency of the United States Government or any other entity to utilize any information, database, or other records assembled under this subsection for any purpose other than for employment verification or to ensure secure, appropriate and nondiscriminatory use of the System.

''(10) ANNUAL REPORT AND CERTIFICATION.—Not later than 18 months after the promulgation of regulations to implement this subsection, and annually thereafter, the Secretary shall submit to Congress a report that includes the following:

''(A) An assessment, as submitted to the Secretary by the Inspector General of the Department of Homeland Security pursuant to paragraph (8)(C)(iii)(I), of the accuracy rates of further action notices and other System notices provided by employers to individuals who are authorized to be employed in the United States.

''(B) An assessment, as submitted to the Secretary by the Inspector General of the Department of Homeland Security pursuant to paragraph (8)(C)(iii)(I), of the accuracy rates of further action notices and other System notices provided directly (by the System) in a timely fashion to individuals who are not authorized to be employed in the United States.

''(C) An assessment of any challenges faced by small employers in utilizing the System.

''(D) An assessment of the rate of employer noncompliance (in addition to failure to provide required notices in a timely fashion) in each of the following categories:

''(i) Taking adverse action based on a further action notice.

''(ii) Use of the System for nonemployees or other individuals before they are offered employment.

''(iii) Use of the System to reverify employment authorized status of current employees except if authorized to do so.

''(iv) Use of the System selectively, except in cases in which such use is authorized.

''(v) Use of the System to deny employment or post-employment benefits or otherwise interfere with labor rights.

''(vi) Requiring employees or applicants to use any self-verification feature or to provide self-verification results.

''(vii) Discouraging individuals who receive a further action notice from challenging the further action notice or appealing a determination made by the System.

''(E) An assessment of the rate of employee noncompliance in each of the following categories:

''(i) Obtaining employment when unauthorized with an employer complying with the System in good faith.

''(ii) Failure to provide required documents in a timely manner.

''(iii) Attempting to use fraudulent documents or documents not related to the individual.

''(iv) Misuse of the administrative appeal and judicial review process.

''(F) An assessment of the amount of time taken for—

''(i) the System to provide the confirmation or further action notice;

''(ii) individuals to contest further action notices;

''(iii) the System to provide a confirmation or nonconfirmation of a contested further action notice;

''(iv) individuals to file an administrative appeal of a nonconfirmation; and

''(v) resolving administrative appeals regarding nonconfirmations.

''(11) ANNUAL GAO STUDY AND REPORT.—

''(A) REQUIREMENT.—The Comptroller General shall, for each year, undertake a study to evaluate the accuracy, efficiency, integrity, and impact of the System.

''(B) REPORT.—Not later than 18 months after the promulgation of regulations to implement this subsection, and yearly thereafter, the Comptroller General shall submit to Congress a report containing the findings of the study carried out under this paragraph. Each such report shall include, at a minimum, the following:

''(i) An assessment of System performance with respect to the rate at which individuals who are eligible for employment in the United States are correctly approved within the required periods, including a separate assessment of such rate for naturalized United States citizens, nationals of the United States, and aliens.

''(ii) An assessment of the privacy and confidentiality of the System and of the overall security of the System with respect to cybertheft and theft or misuse of private data.

''(iii) An assessment of whether the System is being implemented in a manner that is not discriminatory or used for retaliation against employees.

''(iv) An assessment of the most common causes for the erroneous issuance of nonconfirmations by the System and recommendations to correct such causes.

''(v) The recommendations of the Comptroller General regarding System improvements.

''(vi) An assessment of the frequency and magnitude of changes made to the System and the impact on the ability for employers to comply in good faith.

''(vii) An assessment of the direct and indirect costs incurred by employers in complying with the System, including costs associated with retaining potential employees through the administrative appeals process and receiving a nonconfirmation.

''(viii) An assessment of any backlogs or delays in the System providing the confirmation or further action notice and impacts to hiring by employers.

''(e) COMPLIANCE.—

''(1) COMPLAINTS AND INVESTIGATIONS.—The Secretary shall establish procedures—

''(A) for individuals and entities to file complaints respecting potential violations of subsections (a) or (f)(1);

''(B) for the investigation of those complaints which the Secretary deems appropriate to investigate; and

''(C) for providing notification to the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice of potential violations of section 274B.

''(2) AUTHORITY IN INVESTIGATIONS.—In conducting investigations and proceedings under this subsection—

''(A) immigration officers shall have reasonable access to examine evidence of the employer being investigated;

''(B) immigration officers designated by the Secretary, and administrative law judges and other persons authorized to conduct proceedings under this section, may compel by subpoena the attendance of relevant witnesses and the production of relevant evidence at any designated place in an investigation or case under this subsection. In case of refusal to fully comply with a subpoena lawfully issued under this paragraph, the Secretary may request that the Attorney General apply in an appropriate district court of the United States for an order requiring compliance with the subpoena, and any failure to obey such order may be punished by the court as contempt. Failure to cooperate with the subpoena shall be subject to further penalties, including further fines and the voiding of any mitigation of penalties or termination of proceedings under paragraph (4)(E); and

''(C) the Secretary, in cooperation with the Commissioner and Attorney General, and in consultation with other relevant agencies, shall establish a Joint Employment Fraud Task Force consisting of, at a minimum—

''(i) the System's compliance personnel;

''(ii) immigration law enforcement officers;

''(iii) personnel of the Office of Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice;

''(iv) personnel of the Office for Civil Rights and Civil Liberties of the Department; and

''(v) personnel of Office of Inspector General of the Social Security Administration.

''(3) COMPLIANCE PROCEDURES.—

''(A) PRE-PENALTY NOTICE.—If the Secretary has reasonable cause to believe that there has been a civil violation of this section in the previous 3 years, the Secretary shall issue to the employer concerned a written notice of the Department's intention to issue a claim for a monetary or other penalty. Such pre-penalty notice shall—

''(i) describe the violation;

''(ii) specify the laws and regulations allegedly violated;

''(iii) disclose the material facts which establish the alleged violation;

''(iv) describe the penalty sought to be imposed; and

''(v) inform such employer that such employer shall have a reasonable opportunity to make representations as to why a monetary or other penalty should not be imposed.

''(B) EMPLOYER'S RESPONSE.—Whenever any employer receives written pre-penalty notice of a fine or other penalty in accordance with subparagraph (A), the employer may, within 60 days from receipt of such notice, file with the Secretary its written response to the notice. The response may include any relevant evidence or proffer of evidence that the employer wishes to present with respect to whether the employer violated this section and whether, if so, the penalty should be mitigated, and shall be filed and considered in accordance with procedures to be established by the Secretary.

''(C) RIGHT TO A HEARING.—Before issuance of an order imposing a penalty on any employer,

person, or entity, the employer, person, or entity shall be entitled to a hearing before an administrative law judge, if requested within 60 days of the notice of penalty. The hearing shall be held at the nearest location practicable to the place where the employer, person, or entity resides or of the place where the alleged violation occurred.

''(D) ISSUANCE OF ORDERS.—If no hearing is so requested, the Secretary's imposition of the order shall constitute a final and unappealable order. If a hearing is requested and the administrative law judge determines, upon clear and convincing evidence received, that there was a violation, the administrative law judge shall issue the final determination with a written penalty claim. The penalty claim shall specify all charges in the information provided under clauses (i) through (iii) of subparagraph (A) and any mitigation of the penalty that the administrative law judge deems appropriate under paragraph (4)(E).

''(4) CIVIL PENALTIES.—

''(A) HIRING OR CONTINUING TO EMPLOY UNAUTHORIZED ALIENS.—Any employer that violates any provision of subsection (a)(1)(A) or (a)(2) shall—

''(i) pay a civil penalty of not less than $3,500 and not more than $7,500 for each unauthorized alien with respect to which each violation of either subsection (a)(1)(A) or (a)(2) occurred;

''(ii) if the employer has previously been fined as a result of a previous enforcement action or previous violation under this paragraph, pay a civil penalty of not less than $5,000 and not more than $15,000 for each unauthorized alien with respect to which a violation of either subsection (a)(1)(A) or (a)(2) occurred; and

''(iii) if the employer has previously been fined more than once under this paragraph, pay a civil penalty of not less than $10,000 and not more than $25,000 for each unauthorized alien with respect to which a violation of either subsection (a)(1)(A) or (a)(2) occurred.

''(B) ENHANCED PENALTIES.—After the Secretary certifies to Congress that the System has been established, implemented, and made mandatory for use by all employers in the United States, the Secretary may establish an enhanced civil penalty for an employer who—

''(i) fails to query the System to verify the identify and work authorized status of an individual; and

''(ii) violates a Federal, State, or local law related to—

''(I) the payment of wages;

''(II) hours worked by employees; or

''(III) workplace health and safety.

''(C) RECORDKEEPING OR VERIFICATION PRACTICES.—Any employer that violates or fails to comply with any requirement under subsection (a)(1)(B), other than a minor or inadvertent failure, as determined by the Secretary, shall pay a civil penalty of—

''(i) not less than $500 and not more than $2,000 for each violation;

''(ii) if an employer has previously been fined under this paragraph, not less than $1,000 and not more than $4,000 for each violation; and

''(iii) if an employer has previously been fined more than once under this paragraph, not less than $2,000 and not more than $8,000 for each violation.

''(D) OTHER PENALTIES.—The Secretary may impose additional penalties for violations, including cease and desist orders, specially designed compliance plans to prevent further violations, suspended fines to take effect in the event of a further violation, and in appropriate cases, the remedy provided by paragraph (f)(2).

''(E) MITIGATION.—The Secretary or, if an employer requests a hearing, the administrative law judge, is authorized, upon such terms and conditions as the Secretary or administrative law judge deems reasonable and just and in accordance with such procedures as the Secretary may establish or any procedures established governing the administrative law judge's assessment of penalties, to reduce or mitigate penalties imposed upon employers, based upon factors including, the employer's hiring volume, compliance history, good-faith implementation of a compliance program, the size and level of sophistication of the employer, and voluntary disclosure of violations of this subsection to the Secretary. The Secretary or administrative law judge shall not mitigate a penalty below the minimum penalty provided by this section, except that the Secretary may, in the case of an employer subject to penalty for recordkeeping or verification violations only who has not previously been penalized under this section, in the Secretary's or administrative law judge's discretion, mitigate the penalty below the statutory minimum or remit it entirely. In any case where a civil money penalty has been imposed on an employer under section 274B for an action or omission that is also a violation of this section, the Secretary or administrative law judge shall mitigate any civil money penalty under this section by the amount of the penalty imposed under section 274B.

''(F) EFFECTIVE DATE.—The civil money penalty amounts and the enhanced penalties provided by subparagraphs (A), (B), and (C) of this paragraph and by subsection (f)(2) shall apply to violations of this section committed on or after the date that is 1 year after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act. For violations committed prior to such date of enactment, the civil money penalty amounts provided by regulations implementing this section as in effect the minute before such date of enactment with respect to knowing hiring or continuing employment, verification, or indemnity bond violations, as appropriate, shall apply.

''(5) ORDER OF INTERNAL REVIEW AND CERTIFICATION OF COMPLIANCE.—

''(A) EMPLOYER COMPLIANCE.—If the Secretary has reasonable cause to believe that an employer has failed to comply with this section, the Secretary is authorized, at any time, to require that the employer certify that it is in compliance with this section, or has instituted a program to come into compliance.

''(B) EMPLOYER CERTIFICATION.—

''(i) REQUIREMENT.—Except as provided in subparagraph (C), not later than 60 days after receiving a notice from the Secretary requiring a certification under subparagraph (A), an official with responsibility for, and authority to bind the company on, all hiring and immigration compliance notices shall certify under penalty of perjury that the employer is in conformance with the requirements of paragraphs (1) through (4) of subsection (c), pertaining to document verification requirements, and with subsection (d), pertaining to the System (once the System is implemented with respect to that employer according to the requirements under subsection (d)(2)), and with any additional requirements that the Secretary may promulgate by regulation pursuant to subsection (c) or (d) or that the employer has instituted a program to come into compliance with these requirements.

''(ii) APPLICATION.—Clause (i) shall not apply until the date that the Secretary certifies to Congress that the System has been established, implemented, and made mandatory for use by all employers in the United States.

''(C) EXTENSION OF DEADLINE.—At the request of the employer, the Secretary may extend the 60-day deadline for good cause.

''(D) STANDARDS OR METHODS.—The Secretary is authorized to publish in the Federal Register standards or methods for such certification, require specific recordkeeping practices with respect to such certifications, and audit the records thereof at any time. This authority shall not be construed to diminish or qualify any other penalty provided by this section.

''(6) REQUIREMENTS FOR REVIEW OF A FINAL DETERMINATION.—With respect to judicial review of a final determination or penalty order issued under paragraph (3)(D), the following requirements apply:

''(A) DEADLINE.—The petition for review must be filed no later than 30 days after the date of the final determination or penalty order issued under paragraph (3)(D).

''(B) VENUE AND FORMS.—The petition for review shall be filed with the court of appeals for the judicial circuit where the employer's principal place of business was located when the final determination or penalty order was made. The record and briefs do not have to be printed. The court shall review the proceeding on a typewritten or electronically filed record and briefs.

''(C) SERVICE.—The respondent is the Secretary. In addition to serving the respondent, the petitioner shall serve the Attorney General.

''(D) PETITIONER'S BRIEF.—The petitioner shall serve and file a brief in connection with a petition for judicial review not later than 40 days after the date on which the administrative record is available, and may serve and file a reply brief not later than 14 days after service of the brief of the respondent, and the court may not extend these deadlines, except for good cause shown. If a petitioner fails to file a brief within the time provided in this paragraph, the court shall dismiss the appeal unless a manifest injustice would result.

''(E) SCOPE AND STANDARD FOR REVIEW.—The court of appeals shall conduct a de novo review of the administrative record on which the final determination was based and any additional evidence that the Court finds was previously unavailable at the time of the administrative hearing.

''(F) EXHAUSTION OF ADMINISTRATIVE REMEDIES.—A court may review a final determination under paragraph (3)(C) only if—

''(i) the petitioner has exhausted all administrative remedies available to the petitioner as of right, including any administrative remedies established by regulation, and

''(ii) another court has not decided the validity of the order, unless the reviewing court finds that the petition presents grounds that could not have been presented in the prior judicial proceeding or that the remedy provided by the prior proceeding was inadequate or ineffective to test the validity of the order.

''(G) ENFORCEMENT OF ORDERS.—If the final determination issued against the employer under this subsection is not subjected to review as provided in this paragraph, the Attorney General, upon request by the Secretary, may bring a civil action to enforce compliance with the final determination in any appropriate district court of the United States. The court, on a proper showing, shall issue a temporary restraining order or a preliminary or permanent injunction requiring that the employer comply with the final determination issued against that employer under this subsection. In any such civil action, the validity and appropriateness of the final determination shall not be subject to review.

''(7) CREATION OF LIEN.—If any employer liable for a fee or penalty under this section neglects or refuses to pay such liability after demand and fails to file a petition for review (if applicable) as provided in paragraph (6), the amount of the fee or penalty shall be a lien in favor of the United States on all property and rights to property, whether real or personal, belonging to such employer. If a petition for review is filed as provided in paragraph (6), the lien shall arise upon the entry of a final judgment by the court. The lien continues for 20 years or until the liability is satisfied, remitted, set aside, or terminated.

''(8) FILING NOTICE OF LIEN.—

''(A) PLACE FOR FILING.—The notice of a lien referred to in paragraph (7) shall be filed as described in 1 of the following:

''(i) UNDER STATE LAWS.—

''(I) REAL PROPERTY.—In the case of real property, in 1 office within the State (or the county, or other governmental subdivision), as

designated by the laws of such State, in which the property subject to the lien is situated.

''(II) PERSONAL PROPERTY.—In the case of personal property, whether tangible or intangible, in 1 office within the State (or the county, or other governmental subdivision), as designated by the laws of such State, in which the property subject to the lien is situated, except that State law merely conforming to or reenacting Federal law establishing a national filing system does not constitute a second office for filing as designated by the laws of such State.

''(ii) WITH CLERK OF DISTRICT COURT.—In the office of the clerk of the United States district court for the judicial district in which the property subject to the lien is situated, whenever the State has not by law designated 1 office which meets the requirements of clause (i).

''(iii) WITH RECORDER OF DEEDS OF THE DISTRICT OF COLUMBIA.—In the office of the Recorder of Deeds of the District of Columbia, if the property subject to the lien is situated in the District of Columbia.

''(B) SITUS OF PROPERTY SUBJECT TO LIEN.—For purposes of subparagraph (A), property shall be deemed to be situated as follows:

''(i) REAL PROPERTY.—In the case of real property, at its physical location.

''(ii) PERSONAL PROPERTY.—In the case of personal property, whether tangible or intangible, at the residence of the taxpayer at the time the notice of lien is filed.

''(C) DETERMINATION OF RESIDENCE.—For purposes of subparagraph (B)(ii), the residence of a corporation or partnership shall be deemed to be the place at which the principal executive office of the business is located, and the residence of a taxpayer whose residence is outside the United States shall be deemed to be in the District of Columbia.

''(D) EFFECT OF FILING NOTICE OF LIEN.—

''(i) IN GENERAL.—Upon filing of a notice of lien in the manner described in this paragraph, the lien shall be valid against any purchaser, holder of a security interest, mechanic's lien, or judgment lien creditor, except with respect to properties or transactions specified in subsection (b), (c), or (d) of section 6323 of the Internal Revenue Code of 1986 for which a notice of tax lien properly filed on the same date would not be valid.

''(ii) NOTICE OF LIEN.—The notice of lien shall be considered a notice of lien for taxes payable to the United States for the purpose of any State or local law providing for the filing of a notice of a tax lien. A notice of lien that is registered, recorded, docketed, or indexed in accordance with the rules and requirements relating to judgments of the courts of the State where the notice of lien is registered, recorded, docketed, or indexed shall be considered for all purposes as the filing prescribed by this section.

''(iii) OTHER PROVISIONS.—The provisions of section 3201(e) of title 28, United States Code, shall apply to liens filed as prescribed by this paragraph.

''(E) ENFORCEMENT OF A LIEN.—A lien obtained through this paragraph shall be considered a debt as defined by section 3002 of title 28, United States Code and enforceable pursuant to chapter 176 of such title.

''(9) ATTORNEY GENERAL ADJUDICATION.—The Attorney General shall have jurisdiction to adjudicate administrative proceedings under this subsection. Such proceedings shall be conducted in accordance with requirements of section 554 of title 5, United States Code.

''(f) CRIMINAL AND CIVIL PENALTIES AND INJUNCTIONS.—

''(1) PROHIBITION OF INDEMNITY BONDS.—It is unlawful for an employer, in the hiring of any individual, to require the individual to post a bond or security, to pay or agree to pay an amount, or otherwise to provide a financial guarantee or indemnity, against any potential liability arising under this section relating to such hiring of the individual.

''(2) CIVIL PENALTY.—Any employer who is determined, after notice and opportunity for mitigation of the monetary penalty under subsection (e), to have violated paragraph (1) shall be subject to a civil penalty of $10,000 for each violation and to an administrative order requiring the return of any amounts received in violation of such paragraph to the employee or, if the employee cannot be located, to the general fund of the Treasury.

''(g) GOVERNMENT CONTRACTS.—

''(1) CONTRACTORS AND RECIPIENTS.—Whenever an employer who is a Federal contractor (meaning an employer who holds a Federal contract, grant, or cooperative agreement, or reasonably may be expected to submit an offer for or be awarded a government contract) is determined by the Secretary to have violated this section on more than 3 occasions or is convicted of a crime under this section, the employer shall be considered for debarment from the receipt of Federal contracts, grants, or cooperative agreements in accordance with the procedures and standards and for the periods prescribed by the Federal Acquisition Regulation. However, any administrative determination of liability for civil penalty by the Secretary or the Attorney General shall not be reviewable in any debarment proceeding.

''(2) INADVERTENT VIOLATIONS.—Inadvertent violations of recordkeeping or verification requirements, in the absence of any other violations of this section, shall not be a basis for determining that an employer is a repeat violator for purposes of this subsection.

''(3) OTHER REMEDIES AVAILABLE.—Nothing in this subsection shall be construed to modify or limit any remedy available to any agency or official of the Federal Government for violation of any contractual requirement to participate in the System, as provided in the final rule relating to employment eligibility verification published in the Federal Register on November 14, 2008 (73 Fed. Reg. 67,651), or any similar subsequent regulation.

''(h) PREEMPTION.—The provisions of this section preempt any State or local law, ordinance, policy, or rule, including any criminal or civil fine or penalty structure, relating to the hiring, continued employment, or status verification for employment eligibility purposes, of unauthorized aliens. A State, locality, municipality, or political subdivision may exercise its authority over business licensing and similar laws as a penalty for failure to use the System.

''(i) DEPOSIT OF AMOUNTS RECEIVED.—Except as otherwise specified, civil penalties collected under this section shall be deposited by the Secretary into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(j) CHALLENGES TO VALIDITY OF THE SYSTEM.—

''(1) IN GENERAL.—Any right, benefit, or claim not otherwise waived or limited pursuant to this section is available in an action instituted in the United States District Court for the District of Columbia, but shall be limited to determinations of—

''(A) whether this section, or any regulation issued to implement this section, violates the Constitution of the United States; or

''(B) whether such a regulation issued by or under the authority of the Secretary to implement this section, is contrary to applicable provisions of this section or was issued in violation of chapter 5 of title 5, United States Code.

''(2) DEADLINES FOR BRINGING ACTIONS.—Any action instituted under this subsection must be filed no later than 180 days after the date the challenged section or regulation described in subparagraph (A) or (B) of paragraph (1) becomes effective. No court shall have jurisdiction to review any challenge described in subparagraph (B) after the time period specified in this subsection expires.

''(k) CRIMINAL PENALTIES AND INJUNCTIONS FOR PATTERN OR PRACTICE VIOLATIONS.—

''(1) PATTERN AND PRACTICE.—Any employer who engages in a pattern or practice of knowing violations of subsection (a)(1)(A) or (a)(2) shall be fined under title 18, United States Code, no more than $10,000 for each unauthorized alien with respect to whom such violation occurs, imprisoned for not more than 2 years for the entire pattern or practice, or both.

''(2) TERM OF IMPRISONMENT.—The maximum term of imprisonment of a person convicted of any criminal offense under the United States Code shall be increased by 5 years if the offense is committed as part of a pattern or practice of violations of subsection (a)(1)(A) or (a)(2).

''(3) ENJOINING OF PATTERN OR PRACTICE VIOLATIONS.—Whenever the Secretary or the Attorney General has reasonable cause to believe that an employer is engaged in a pattern or practice of employment in violation of subsection (a)(1)(A) or (a)(2), the Attorney General may bring a civil action in the appropriate district court of the United States requesting such relief, including a permanent or temporary injunction, restraining order, or other order against the employer, as the Secretary or Attorney General deems necessary.

''(l) CRIMINAL PENALTIES FOR UNLAWFUL AND ABUSIVE EMPLOYMENT.—

''(1) IN GENERAL.—Any person who, during any 12-month period, knowingly employs or hires, employs, recruits, or refers for a fee for employment 10 or more individuals within the United States who are under the control and supervision of such person—

''(A) knowing that the individuals are unauthorized aliens; and

''(B) under conditions that violate section 5(a) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 654(a) (relating to occupational safety and health), section 6 or 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 and 207) (relating to minimum wages and maximum hours of employment), section 3142 of title 40, United States Code, (relating to required wages on construction contracts), or sections 6703 or 6704 of title 41, United States Code, (relating to required wages on service contracts),

shall be fined under title 18, United States Code, or imprisoned for not more than 10 years, or both.

''(2) ATTEMPT AND CONSPIRACY.—Any person who attempts or conspires to commit any offense under this section shall be punished in the same manner as a person who completes the offense.''.

(b) REPORT ON USE OF THE SYSTEM IN THE AGRICULTURAL INDUSTRY.—Not later than 18 months after the date of the enactment of this Act, the Secretary, in consultation with the Secretary of Agriculture, shall submit a report to Congress that assesses implementation of the Employment Verification System established under section 274A(d) of the Immigration and Nationality Act, as amended by subsection (a), in the agricultural industry, including the use of such System technology in agriculture industry hiring processes, user, contractor, and third-party employer agent employment practices, timing and logistics regarding employment verification and reverification processes to meet agriculture industry practices, and identification of potential challenges and modifications to meet the unique needs of the agriculture industry. Such report shall review—

(1) the modality of access, training and outreach, customer support, processes for further action notices and secondary verifications for short-term workers, monitoring, and compliance procedures for such System;

(2) the interaction of such System with the process to admit nonimmigrant workers pursuant to section 218 or 218A of the Immigration and Nationality Act (8 U.S.C. 1188 et seq.) and with enforcement of the immigration laws; and

(3) the collaborative use of processes of other Federal and State agencies that intersect with the agriculture industry.

(c) REPORT ON IMPACT OF THE SYSTEM ON EMPLOYERS.—Not later than 18 months after the

date of the enactment of this Act, the Secretary shall submit to Congress a report that assesses—

(1) the implementation of the Employment Verification System established under section 274A(d) of the Immigration and Nationality Act, as amended by subsection (a), by employers;

(2) any adverse impact on the revenues, business processes, or profitability of employers required to use such System; and

(3) the economic impact of such System on small businesses.

(d) GOVERNMENT ACCOUNTABILITY OFFICE STUDY OF THE EFFECTS OF DOCUMENT REQUIREMENTS ON EMPLOYMENT AUTHORIZED PERSONS AND EMPLOYERS.—

(1) STUDY.—The Comptroller General of the United States shall carry out a study of—

(A) the effects of the documentary requirements of section 274A of the Immigration and Nationality Act, as amended by subsection (a), on employers, naturalized United States citizens, nationals of the United States, and individuals with employment authorized status; and

(B) the challenges such employers, citizens, nationals, or individuals may face in obtaining the documentation required under that section.

(2) REPORT.—Not later than 4 years after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report containing the findings of the study carried out under paragraph (1). Such report shall include, at a minimum, the following:

(A) An assessment of available information regarding the number of working age nationals of the United States and individuals who have employment authorized status who lack documents required for employment by such section 274A.

(B) A description of the additional steps required for individuals who have employment authorized status and do not possess the documents required by such section 274A to obtain such documents.

(C) A general assessment of the average financial costs for individuals who have employment authorized status who do not possess the documents required by such section 274A to obtain such documents.

(D) A general assessment of the average financial costs and challenges for employers who have been required to participate in the Employment Verification System established by subsection (d) of such section 274A.

(E) A description of the barriers to individuals who have employment authorized status in obtaining the documents required by such section 274A, including barriers imposed by the executive branch of the Government.

(F) Any particular challenges facing individuals who have employment authorized status who are members of a federally recognized Indian tribe in complying with the provisions of such section 274A.

(e) REPEAL OF PILOT PROGRAMS AND E-VERIFY AND TRANSITION PROCEDURES.—

(1) REPEAL.—Sections 401, 402, 403, 404, and 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note) are repealed.

(2) TRANSITION PROCEDURES.—

(A) CONTINUATION OF E-VERIFY PROGRAM.—Notwithstanding the repeals made by paragraph (1), the Secretary shall continue to operate the E-Verify Program as described in section 403 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note), as in effect the minute before the date of the enactment of this Act, until the transition to the System described in section 274A(d) of the Immigration and Nationality Act, as amended by subsection (a), is determined by the Secretary to be complete.

(B) TRANSITION TO THE SYSTEM.—Any employer who was participating in the E-Verify Program described in section 403 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note), as in effect the minute before the date of the enactment of this Act, shall participate in the System described in section 274A(d) of the Immigration and Nationality Act, as amended by subsection (a), to the same extent and in the same manner that the employer participated in such E-Verify Program.

(3) CONSTRUCTION.—The repeal made by paragraph (1) may not be construed to limit the authority of the Secretary to allow or continue to allow the participation in such System of employers who have participated in such E-Verify Program, as in effect on the minute before the date of the enactment of this Act.

(f) CONFORMING AMENDMENT.—Section 274(a) (8 U.S.C. 1324(a)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

SEC. 3102. INCREASING SECURITY AND INTEGRITY OF SOCIAL SECURITY CARDS.

(a) FRAUD-RESISTANT, TAMPER-RESISTANT, WEAR-RESISTANT, AND IDENTITY THEFT-RESISTANT SOCIAL SECURITY CARDS.—

(1) ISSUANCE.—

(A) PRELIMINARY WORK.—Not later than 180 days after the date of the enactment of this Act, the Commissioner of Social Security shall begin work to administer and issue fraud-resistant, tamper-resistant, wear-resistant, and identity theft-resistant social security cards.

(B) COMPLETION.—Not later than 5 years after the date of the enactment of this Act, the Commissioner of Social Security shall issue only social security cards determined to be fraud-resistant, tamper-resistant, wear-resistant, and identity theft-resistant.

(2) AMENDMENT.—

(A) IN GENERAL.—Section 205(c)(2)(G) of the Social Security Act (42 U.S.C. 405(c)(2)(G)) is amended by striking the second sentence and inserting the following: ''The social security card shall be fraud-resistant, tamper-resistant, wear-resistant, and identity theft-resistant.''.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on the date that is 5 years after the date of the enactment of this Act.

(3) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section and the amendments made by this section.

(4) EMERGENCY DESIGNATION FOR CONGRESSIONAL ENFORCEMENT.—In the Senate, amounts made available under this subsection are 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.

(5) EMERGENCY DESIGNATION FOR STATUTORY PAYGO.—Amounts made available under this subsection are designated as an emergency requirement under section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)).

(b) MULTIPLE CARDS.—Section 205(c)(2)(G) of the Social Security Act (42 U.S.C. 405(c)(2)(G)), as amended by subsection (a)(2), is amended—

(1) by inserting ''(i)'' after ''(G)''; and

(2) by adding at the end the following:

''(ii) The Commissioner of Social Security shall restrict the issuance of multiple replacement social security cards to any individual to 3 per year and 10 for the life of the individual, except that the Commissioner may allow for reasonable exceptions from the limits under this clause on a case-by-case basis in compelling circumstances.''.

(c) CRIMINAL PENALTIES.—

(1) SOCIAL SECURITY FRAUD.—

(A) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by inserting at the end the following:

''§ 1041. Social security fraud

''Any person who—

''(1) knowingly possesses or uses a social security account number or social security card knowing that the number or card was obtained from the Commissioner of Social Security by means of fraud or false statement;

''(2) knowingly and falsely represents a number to be the social security account number assigned by the Commissioner of Social Security to him or her or to another person, when such number is known not to be the social security account number assigned by the Commissioner of Social Security to him or her or to such other person;

''(3) knowingly, and without lawful authority, buys, sells, or possesses with intent to buy or sell a social security account number or a social security card that is or purports to be a number or card issued by the Commissioner of Social Security;

''(4) knowingly alters, counterfeits, forges, or falsely makes a social security account number or a social security card;

''(5) knowingly uses, distributes, or transfers a social security account number or a social security card knowing the number or card to be intentionally altered, counterfeited, forged, falsely made, or stolen; or

''(6) without lawful authority, knowingly produces or acquires for any person a social security account number, a social security card, or a number or card that purports to be a social security account number or social security card,

shall be fined under this title, imprisoned not more than 5 years, or both.''.

(B) TABLE OF SECTIONS AMENDMENT.—The table of sections for chapter 47 of title 18, United States Code, is amended by adding after the item relating to section 1040 the following:

''Sec. 1041. Social security fraud.''.

(2) INFORMATION DISCLOSURE.—

(A) IN GENERAL.—Notwithstanding any other provision of law and subject to subparagraph (B), the Commissioner of Social Security shall disclose for the purpose of investigating a violation of section 1041 of title 18, United States Code, or section 274A, 274B, or 274C of the Immigration and Nationality Act (8 U.S.C. 1324a, 1324b, and 1324c), after receiving a written request from an officer in a supervisory position or higher official of any Federal law enforcement agency, the following records of the Social Security Administration:

(i) Records concerning the identity, address, location, or financial institution accounts of the holder of a social security account number or social security card.

(ii) Records concerning the application for and issuance of a social security account number or social security card.

(iii) Records concerning the existence or nonexistence of a social security account number or social security card.

(B) LIMITATION.—The Commissioner of Social Security shall not disclose any tax return or tax return information pursuant to subparagraph (A) except as authorized by section 6103 of the Internal Revenue Code of 1986.

SEC. 3103. INCREASING SECURITY AND INTEGRITY OF IMMIGRATION DOCUMENTS.

Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to Congress on the feasibility, advantages, and disadvantages of including, in addition to a photograph, other biometric information on each employment authorization document issued by the Department.

SEC. 3104. RESPONSIBILITIES OF THE SOCIAL SECURITY ADMINISTRATION.

Title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding at the end the following new part:

''PART E—EMPLOYMENT VERIFICATION

''RESPONSIBILITIES OF THE COMMISSIONER OF SOCIAL SECURITY

''SEC. 1186. (a) CONFIRMATION OF EMPLOYMENT VERIFICATION DATA.—As part of the employment verification system established by the

Secretary of Homeland Security under the provisions of section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) (in this section referred to as the 'System'), the Commissioner of Social Security shall, subject to the provisions of section 274A(d) of the Immigration and Nationality Act (8 U.S.C. 1324a(d)), establish a reliable, secure method that, operating through the System and within the time periods specified in section 274A(d) of such Act—

''(1) compares the name, date of birth, social security account number, and available citizenship information provided in an inquiry against such information maintained by the Commissioner in order to confirm (or not confirm) the validity of the information provided regarding an individual whose identity and employment eligibility must be confirmed;

''(2) determines the correspondence of the name, date of birth, and number;

''(3) determines whether the name and number belong to an individual who is deceased according to the records maintained by the Commissioner;

''(4) determines whether an individual is a national of the United States, as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)); and

''(5) determines whether the individual has presented a social security account number that is not valid for employment.

''(b) PROHIBITION.—The System shall not disclose or release social security information to employers through the confirmation system (other than such confirmation or nonconfirmation, information provided by the employer to the System, or the reason for the issuance of a further action notice).''.

SEC. 3105. IMPROVED PROHIBITION ON DISCRIMINATION BASED ON NATIONAL ORIGIN OR CITIZENSHIP STATUS.

(a) IN GENERAL.—Section 274B(a) (8 U.S.C. 1324b(a)) is amended to read as follows:

''(a) PROHIBITION ON DISCRIMINATION BASED ON NATIONAL ORIGIN OR CITIZENSHIP STATUS.—

''(1) PROHIBITION ON DISCRIMINATION GENERALLY.—It is an unfair immigration-related employment practice for a person, other entity, or employment agency, to discriminate against any individual (other than an unauthorized alien defined in section 274A(b)) because of such individual's national origin or citizenship status, with respect to the following:

''(A) The hiring of the individual for employment.

''(B) The verification of the individual's eligibility to work in the United States.

''(C) The discharging of the individual from employment.

''(2) EXCEPTIONS.—Paragraph (1) shall not apply to the following:

''(A) A person, other entity, or employer that employs 3 or fewer employees, except for an employment agency.

''(B) A person's or entity's discrimination because of an individual's national origin if the discrimination with respect to that employer, person, or entity and that individual is covered under section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2), unless the discrimination is related to an individual's verification of employment authorization.

''(C) Discrimination because of citizenship status which—

''(i) is otherwise required in order to comply with a provision of Federal, State, or local law related to law enforcement;

''(ii) is required by Federal Government contract; or

''(iii) the Secretary or Attorney General determines to be essential for an employer to do business with an agency or department of the Federal Government or a State, local, or tribal government.

''(3) ADDITIONAL EXCEPTION PROVIDING RIGHT TO PREFER EQUALLY QUALIFIED CITIZENS.—Notwithstanding any other provision of this section, it is not an unfair immigration-related employment practice for an employer (as defined in section 274A(b)) to prefer to hire, recruit, or refer for a fee an individual who is a citizen or national of the United States over another individual who is an alien if the 2 individuals are equally qualified.

''(4) UNFAIR IMMIGRATION-RELATED EMPLOYMENT PRACTICES RELATING TO THE SYSTEM.—It is also an unfair immigration-related employment practice for a person, other entity, or employment agency—

''(A) to discharge or constructively discharge an individual solely due to a further action notice issued by the Employment Verification System created by section 274A until the administrative appeal described in section 274A(d)(6) is completed;

''(B) to use the System with regard to any person for any purpose except as authorized by section 274A(d);

''(C) to use the System to reverify the employment authorization of a current employee, including an employee continuing in employment, other than reverification upon expiration of employment authorization, or as otherwise authorized under section 274A(d) or by regulation;

''(D) to use the System selectively for employees, except where authorized by law;

''(E) to fail to provide to an individual any notice required in section 274A(d) within the relevant time period;

''(F) to use the System to deny workers' employment or post-employment benefits;

''(G) to misuse the System to discriminate based on national origin or citizenship status;

''(H) to require an employee or prospective employee to use any self-verification feature of the System or provide, as a condition of application or employment, any self-verification results;

''(I) to use an immigration status verification system, service, or method other than those described in section 274A for purposes of verifying employment eligibility; or

''(J) to grant access to document verification or System data, to any individual or entity other than personnel authorized to have such access, or to fail to take reasonable safeguards to protect against unauthorized loss, use, alteration, or destruction of System data.

''(5) PROHIBITION OF INTIMIDATION OR RETALIATION.—It is also an unfair immigration-related employment practice for a person, other entity, or employment agency to intimidate, threaten, coerce, or retaliate against any individual—

''(A) for the purpose of interfering with any right or privilege secured under this section; or

''(B) because the individual intends to file or has filed a charge or a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this section.

''(6) TREATMENT OF CERTAIN DOCUMENTARY PRACTICES AS EMPLOYMENT PRACTICES.—A person's, other entity's, or employment agency's request, for purposes of verifying employment eligibility, for more or different documents than are required under section 274A, or for specific documents, or refusing to honor documents tendered that reasonably appear to be genuine shall be treated as an unfair immigration-related employment practice.

''(7) PROHIBITION OF WITHHOLDING EMPLOYMENT RECORDS.—It is an unfair immigration-related employment practice for an employer that is required under Federal, State, or local law to maintain records documenting employment, including dates or hours of work and wages received, to fail to provide such records to any employee upon request.

''(8) PROFESSIONAL, COMMERCIAL, AND BUSINESS LICENSES.—An individual who is authorized to be employed in the United States may not be denied a professional, commercial, or business license on the basis of his or her immigration status.

''(9) EMPLOYMENT AGENCY DEFINED.—In this section, the term 'employment agency' means any employer, person, or entity regularly undertaking with or without compensation to procure employees for an employer or to procure for employees opportunities to work for an employer and includes an agent of such employer, person, or entity.''.

(b) REFERRAL BY EEOC.—Section 274B(b) (8 U.S.C. 1324b(b)) is amended by adding at the end the following:

''(3) REFERRAL BY EEOC.—The Equal Employment Opportunity Commission shall refer all matters alleging immigration-related unfair employment practices filed with the Commission, including those alleging violations of paragraphs (1), (4), (5), and (6) of subsection (a) to the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 274B(l)(3) (8 U.S.C. 1324b(l)(3)) is amended by striking the period at the end and inserting ''and an additional $40,000,000 for each of fiscal years 2014 through 2016.''.

(d) FINES.—

(1) IN GENERAL.—Section 274B(g)(2)(B) (8 U.S.C. 1324b(g)(2)(B)) is amended by striking clause (iv) and inserting the following:

''(iv) to pay any applicable civil penalties prescribed below, the amounts of which may be adjusted periodically to account for inflation as provided by law—

''(I) except as provided in subclauses (II) through (IV), to pay a civil penalty of not less than $2,000 and not more than $5,000 for each individual subjected to an unfair immigration-related employment practice;

''(II) except as provided in subclauses (III) and (IV), in the case of an employer, person, or entity previously subject to a single order under this paragraph, to pay a civil penalty of not less than $4,000 and not more than $10,000 for each individual subjected to an unfair immigration-related employment practice;

''(III) except as provided in subclause (IV), in the case of an employer, person, or entity previously subject to more than 1 order under this paragraph, to pay a civil penalty of not less than $8,000 and not more than $25,000 for each individual subjected to an unfair immigration-related employment practice; and

''(IV) in the case of an unfair immigration-related employment practice described in paragraphs (4) through (7) of subsection (a), to pay a civil penalty of not less than $500 and not more than $2,000 for each individual subjected to an unfair immigration-related employment practice.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date that is 1 year after the date of the enactment of this Act and apply to violations occurring on or after such date of enactment.

SEC. 3106. RULEMAKING.

(a) INTERIM FINAL REGULATIONS.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act—

(A) the Secretary, shall issue regulations implementing sections 3101 and 3104 and the amendments made by such sections (except for section 274A(d)(7) of the Immigration and Nationality Act); and

(B) the Attorney General shall issue regulations implementing section 274A(d)(7) of the Immigration and Nationality Act, as added by section 3101, section 3105, and the amendments made by such sections.

(2) EFFECTIVE DATE.—Regulations issued pursuant to paragraph (1) shall be effective immediately on an interim basis, but are subject to change and revision after public notice and opportunity for a period for public comment.

(b) FINAL REGULATIONS.—Within a reasonable time after publication of the interim regulations under subsection (a), the Secretary, in consultation with the Commissioner of Social Security and the Attorney General, shall publish final regulations implementing this subtitle.

SEC. 3107. OFFICE OF THE SMALL BUSINESS AND EMPLOYEE ADVOCATE.

(a) ESTABLISHMENT OF SMALL BUSINESS AND EMPLOYEE ADVOCATE.—The Secretary shall establish and maintain within U.S. Citizenship and Immigration Services the Office of the Small Business and Employee Advocate (in this section referred to as the ''Office''). The purpose of the Office shall be to assist small businesses and individuals in complying with the requirements of section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a), as amended by this Act, including the resolution of conflicts arising in the course of attempted compliance with such requirements.

(b) FUNCTIONS.—The functions of the Office shall include, but not be limited to, the following:

(1) Informing small businesses and individuals about the verification practices required by section 274A of the Immigration and Nationality Act, including, but not limited to, the document verification requirements and the employment verification system requirements under subsections (c) and (d) of that section.

(2) Assisting small businesses and individuals in addressing allegedly erroneous further action notices and nonconfirmations issued under subsection (d) of section 274A of the Immigration and Nationality Act.

(3) Informing small businesses and individuals of the financial liabilities and criminal penalties that apply to violations and failures to comply with the requirements of section 274A of the Immigration and Nationality Act, including, but not limited to, by issuing best practices for compliance with that section.

(4) To the extent practicable, proposing changes to the Secretary in the administrative practices of the employment verification system required under subsection (d) of section 274A of the Immigration and Nationality Act to mitigate the problems identified under paragraph (2).

(5) Making recommendations through the Secretary to Congress for legislative action to mitigate such problems.

(c) AUTHORITY TO ISSUE ASSISTANCE ORDER.—

(1) IN GENERAL.—Upon application filed by a small business or individual with the Office (in such form, manner, and at such time as the Secretary shall by regulations prescribe), the Office may issue an assistance order if—

(A) the Office determines the small business or individual is suffering or about to suffer a significant hardship as a result of the manner in which the employment verification laws under subsections (c) and (d) of section 274A of the Immigration and Nationality Act are being administered by the Secretary; or

(B) the small business or individual meets such other requirements as are set forth in regulations prescribed by the Secretary.

(2) DETERMINATION OF HARDSHIP.—For purposes of paragraph (1), a significant hardship shall include—

(A) an immediate threat of adverse action;

(B) a delay of more than 60 days in resolving employment verification system problems;

(C) the incurring by the small business or individual of significant costs if relief is not granted; or

(D) irreparable injury to, or a long-term adverse impact on, the small business or individual if relief is not granted.

(3) STANDARDS WHEN ADMINISTRATIVE GUIDANCE NOT FOLLOWED.—In cases where a U.S. Citizenship and Immigration Services employee is not following applicable published administrative guidance, the Office shall construe the factors taken into account in determining whether to issue an assistance order under this subsection in the manner most favorable to the small business or individual.

(4) TERMS OF ASSISTANCE ORDER.—The terms of an assistance order under this subsection may require the Secretary within a specified time period—

(A) to determine whether any employee is or is not authorized to work in the United States; or

(B) to abate any penalty under section 274A of the Immigration and Nationality Act that the Office determines is arbitrary, capricious, or disproportionate to the underlying offense.

(5) AUTHORITY TO MODIFY OR RESCIND.—Any assistance order issued by the Office under this subsection may be modified or rescinded—

(A) only by the Office, the Director or Deputy Director of U.S. Citizenship and Immigration Services, or the Secretary or the Secretary's designee; and

(B) if rescinded by the Director or Deputy Director of U.S. Citizenship and Immigration Services, only if a written explanation of the reasons of such official for the modification or rescission is provided to the Office.

(6) SUSPENSION OF RUNNING OF PERIOD OF LIMITATION.—The running of any period of limitation with respect to an action described in paragraph (4)(A) shall be suspended for—

(A) the period beginning on the date of the small business or individual's application under paragraph (1) and ending on the date of the Office's decision with respect to such application; and

(B) any period specified by the Office in an assistance order issued under this subsection pursuant to such application.

(7) INDEPENDENT ACTION OF OFFICE.—Nothing in this subsection shall prevent the Office from taking any action in the absence of an application under paragraph (1).

(d) ACCESSIBILITY TO THE PUBLIC.—

(1) IN PERSON, ONLINE, AND TELEPHONE ASSISTANCE.—The Office shall provide information and assistance specified in subsection (b) in person at locations designated by the Secretary, online through an Internet website of the Department available to the public, and by telephone.

(2) AVAILABILITY TO ALL EMPLOYERS.—In making information and assistance available, the Office shall prioritize the needs of small businesses and individuals. However, the information and assistance available through the Office shall be available to any employer.

(e) AVOIDING DUPLICATION THROUGH COORDINATION.—In the discharge of the functions of the Office, the Secretary shall consult with the Secretary of Labor, the Secretary of Agriculture, the Commissioner, the Attorney General, the Equal Employment Opportunity Commission, and the Administrator of the Small Business Administration in order to avoid duplication of efforts across the Federal Government.

(f) DEFINITIONS.—In this section:

(1) The term ''employer'' has the meaning given that term in section 274A(b) of the Immigration and Nationality Act.

(2) The term ''small business'' means an employer with 49 or fewer employees.

(g) FUNDING.—There shall be appropriated, from the Comprehensive Immigration Reform Trust Fund established by section 6(a)(1) of this Act, such sums as may be necessary to carry out the functions of the Office.

Subtitle B—Protecting United States Workers

SEC. 3201. PROTECTIONS FOR VICTIMS OF SERIOUS VIOLATIONS OF LABOR AND EMPLOYMENT LAW OR CRIME.

(a) IN GENERAL.—Section 101(a)(15)(U) (8 U.S.C. 1101(a)(15)(U)) is amended—

(1) in clause (i)—

(A) by amending subclause (I) to read as follows:

''(I) the alien—

''(aa) has suffered substantial physical or mental abuse or substantial harm as a result of having been a victim of criminal activity described in clause (iii) or of a covered violation described in clause (iv); or

''(bb) is a victim of criminal activity described in clause (iii) or of a covered violation described in clause (iv) and would suffer extreme hardship upon removal;'';

(B) in subclause (II), by inserting '', or a covered violation resulting in a claim described in clause (iv) that is not the subject of a frivolous lawsuit by the alien'' before the semicolon at the end; and

(C) by amending subclauses (III) and (IV) to read as follows:

''(III) the alien (or in the case of an alien child who is younger than 16 years of age, the parent, legal guardian, or next friend of the alien) has been helpful, is being helpful, or is likely to be helpful to—

''(aa) a Federal, State, or local law enforcement official, a Federal, State, or local prosecutor, a Federal, State, or local judge, the Department of Homeland Security, the Equal Employment Opportunity Commission, the Department of Labor, or other Federal, State, or local authorities investigating or prosecuting criminal activity described in clause (iii); or

''(bb) any Federal, State, or local governmental agency or judge investigating, prosecuting, or seeking civil remedies for any cause of action, whether criminal, civil, or administrative, arising from a covered violation described in clause (iv) and presents a certification from such Federal, State, or local governmental agency or judge attesting that the alien has been helpful, is being helpful, or is likely to be helpful to such agency in the investigation, prosecution, or adjudication arising from a covered violation described in clause (iv); and

''(IV) the criminal activity described in clause (iii) or the covered violation described in clause (iv)—

''(aa) violated the laws of the United States; or

''(bb) occurred in the United States (including Indian country and military installations) or the territories and possessions of the United States;'';

(2) in clause (ii)(II), by striking ''and'' at the end;

(3) by moving clause (iii) 2 ems to the left;

(4) in clause (iii), by inserting ''child abuse; elder abuse;'' after ''stalking;'';

(5) by adding at the end the following:

''(iv) a covered violation referred to in this clause is—

''(I) a serious violation involving 1 or more of the following or any similar activity in violation of any Federal, State, or local law: serious workplace abuse, exploitation, retaliation, or violation of whistleblower protections;

''(II) a violation giving rise to a civil cause of action under section 1595 of title 18, United States Code; or

''(III) a violation resulting in the deprivation of due process or constitutional rights.''.

(b) SAVINGS PROVISION.—Nothing in section 101(a)(15)(U)(iv)(I) of the Immigration and Nationality Act, as added by subsection (a), may be construed as altering the definition of retaliation or discrimination under any other provision of law.

(c) TEMPORARY STAY OF REMOVAL.—Section 274A (8 U.S.C. 1324a), as amended by section 3101, is further amended—

(1) in subsection (e) by adding at the end the following:

''(10) CONDUCT IN ENFORCEMENT ACTIONS.—If the Secretary undertakes an enforcement action at a facility about which a bona fide workplace claim has been filed or is contemporaneously filed, or as a result of information provided to the Secretary in retaliation against employees for exercising their rights related to a bona fide workplace claim, the Secretary shall ensure that—

''(A) any aliens arrested or detained who are necessary for the investigation or prosecution of a bona fide workplace claim or criminal activity (as described in subparagraph (T) or (U) of section 101(a)(15)) are not removed from the United States until after the Secretary—

''(i) notifies the appropriate law enforcement agency with jurisdiction over such violations or criminal activity; and

''(ii) provides such agency with the opportunity to interview such aliens;

''(B) no aliens entitled to a stay of removal or abeyance of removal proceedings under this section are removed; and

''(C) the Secretary shall stay the removal of an alien who—

''(i) has filed a claim regarding a covered violation described in clause (iv) of section 101(a)(15)(U) and is the victim of the same violations under an existing investigation;

''(ii) is a material witness in any pending or anticipated proceeding involving a bona fide workplace claim or civil rights claim; or

''(iii) has filed for relief under such section if the alien is working with law enforcement as described in clause (i)(III) of such section.''; and

(2) by adding at the end the following:

''(m) VICTIMS OF CRIMINAL ACTIVITY OR LABOR AND EMPLOYMENT VIOLATIONS.—The Secretary of Homeland Security may permit an alien to remain temporarily in the United States and authorize the alien to engage in employment in the United States if the Secretary determines that the alien—

''(1) has filed for relief under section 101(a)(15)(U); or

''(2)(A) has filed, or is a material witness to, a bona fide claim or proceedings resulting from a covered violation (as defined in section 101(a)(15)(U)(iv)); and

''(B) has been helpful, is being helpful, or is likely to be helpful, in the investigation, prosecution of, or pursuit of civil remedies related to the claim arising from a covered violation, to—

''(i) a Federal, State, or local law enforcement official;

''(ii) a Federal, State, or local prosecutor;

''(iii) a Federal, State, or local judge;

''(iv) the Department of Homeland Security;

''(v) the Equal Employment Opportunity Commission; or

''(vi) the Department of Labor.''.

(d) CONFORMING AMENDMENTS.—Section 214(p) (8 U.S.C. 1184(p)) is amended—

(1) in paragraph (1), by striking ''in section 101(a)(15)(U)(iii).'' both places it appears and inserting ''in clause (iii) of section 101(a)(15)(U) or investigating, prosecuting, or seeking civil remedies for claims resulting from a covered violation described in clause (iv) of such section.''; and

(2) in the first sentence of paragraph (6)—

(A) by striking ''in section 101(a)(15)(U)(iii)'' and inserting ''in clause (iii) of section 101(a)(15)(U) or claims resulting from a covered violation described in clause (iv) of such section''; and

(B) by inserting ''or claim arising from a covered violation'' after ''prosecution of such criminal activity''.

(e) MODIFICATION OF LIMITATION ON AUTHORITY TO ADJUST STATUS FOR VICTIMS OF CRIMES.—Section 245(m)(1) (8 U.S.C. 1255(m)(1)) is amended, in the matter before subparagraph (A), by inserting ''or an investigation or prosecution regarding a workplace or civil rights claim'' after ''prosecution''.

(f) EXPANSION OF LIMITATION ON SOURCES OF INFORMATION THAT MAY BE USED TO MAKE ADVERSE DETERMINATIONS.—

(1) IN GENERAL.—Section 384(a)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1367(a)(1)) is amended—

(A) in each of subparagraphs (A) through (D), by striking the comma at the end and inserting a semicolon;

(B) subparagraph (E), by striking ''the criminal activity,'' and inserting ''abuse and the criminal activity or bona fide workplace claim (as defined in subsection (e));'';

(C) in subparagraph (F), by striking '', the trafficker or perpetrator,'' and inserting '), the trafficker or perpetrator; or''; and

(D) by inserting after subparagraph (F) the following:

''(G) the alien's employer; or''.

(2) WORKPLACE CLAIM DEFINED.—Section 384 of such Act (8 U.S.C. 1367) is amended by adding at the end the following:

''(e) WORKPLACE CLAIMS.—

''(1) WORKPLACE CLAIMS DEFINED.—

''(A) IN GENERAL.—In subsection (a)(1), the term 'workplace claim' means any claim, petition, charge, complaint, or grievance filed with, or submitted to, a Federal, State, or local agency or court, relating to the violation of applicable Federal, State, or local labor or employment laws.

''(B) CONSTRUCTION.—Subparagraph (A) may not be construed to alter what constitutes retaliation or discrimination under any other provision of law.

''(2) PENALTY FOR FALSE CLAIMS.—Any person who knowingly presents a false or fraudulent claim to a law enforcement official in relation to a covered violation described in section 101(a)(15)(U)(iv) of the Immigration and Nationality Act for the purpose of obtaining a benefit under this section shall be subject to a civil penalty of not more than $1,000.

''(3) LIMITATION ON STAY OF ADVERSE DETERMINATIONS.—In the case of an alien applying for status under section 101(a)(15)(U) of the Immigration and Nationality Act and seeking relief under that section, the prohibition on adverse determinations under subsection (a) shall expire on the date that the alien's application for status under such section is denied and all opportunities for appeal of the denial have been exhausted.''.

(g) REMOVAL PROCEEDINGS.—Section 239(e) (8 U.S.C. 1229(e)) is amended—

(1) in paragraph (1)—

(A) by striking ''In cases where'' and inserting ''If''; and

(B) by striking ''paragraph (2),'' and inserting ''paragraph (2) or as a result of information provided to the Secretary of Homeland Security in retaliation against individuals for exercising or attempting to exercise their employment rights or other legal rights,''; and

(2) in paragraph (2), by adding at the end the following:

''(C) At a facility about which a bona fide workplace claim has been filed or is contemporaneously filed.''.

SEC. 3202. EMPLOYMENT VERIFICATION SYSTEM EDUCATION FUNDING.

(a) DISPOSITION OF CIVIL PENALTIES.—Penalties collected under subsections (e)(4) and (f)(3) of section 274A of the Immigration and Nationality Act, amended by section 3101, shall be deposited, as offsetting receipts, into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1).

(b) EXPENDITURES.—Amounts deposited into the Trust Fund under subsection (a) shall be made available to the Secretary and the Attorney General to provide education to employers and employees regarding the requirements, obligations, and rights under the Employment Verification System.

(c) DETERMINATION OF BUDGETARY EFFECTS.—

(1) EMERGENCY DESIGNATION FOR CONGRESSIONAL ENFORCEMENT.—In the Senate, amounts made available under this section are 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.

(2) EMERGENCY DESIGNATION FOR STATUTORY PAYGO.—Amounts made available under this section are designated as an emergency requirement under section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)).

SEC. 3203. DIRECTIVE TO THE UNITED STATES SENTENCING COMMISSION.

(a) IN GENERAL.—Pursuant to its authority under section 994 of title 28, United States Code, and in accordance with subsection (b), the United States Sentencing Commission shall promulgate sentencing guidelines or amend existing sentencing guidelines to modify, if appropriate, the penalties imposed on persons convicted of offenses under—

(1) section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a), as amended by section 3101;

(2) section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216); and

(3) any other Federal law covering similar conduct.

(b) REQUIREMENTS.—In carrying out subsection (a), the Sentencing Commission shall provide sentencing enhancements for any person convicted of an offense described in subsection (a) if such offense involves—

(1) the intentional confiscation of identification documents;

(2) corruption, bribery, extortion, or robbery;

(3) sexual abuse;

(4) serious bodily injury;

(5) an intent to defraud; or

(6) a pattern of conduct involving multiple violations of law that—

(A) creates, through knowing and intentional conduct, a risk to the health or safety of any victim; or

(B) denies payments due to victims for work completed.

Subtitle C—Other Provisions

SEC. 3301. FUNDING.

(a) ESTABLISHMENT OF THE INTERIOR ENFORCEMENT ACCOUNT.—There is hereby established in the Treasury of the United States an account which shall be known as the Interior Enforcement Account.

(b) APPROPRIATIONS.—There are authorized to be appropriated to the Interior Enforcement Account $1,000,000,000 to carry out this title and the amendments made by this title, including the following appropriations:

(1) In each of the 5 years beginning on the date of the enactment of this Act, the appropriations necessary to increase to a level not less than 5,000, by the end of such 5-year period, the total number of personnel of the Department assigned exclusively or principally to an office or offices in U.S. Citizenship and Immigration Services and U.S. Immigration and Customs Enforcement (and consistent with the missions of such agencies), dedicated to administering the System, and monitoring and enforcing compliance with sections 274A, 274B, and 274C of the Immigration and Nationality Act (8 U.S.C. 1324a, 1324b, and 1324c), including compliance with the requirements of the Electronic Verification System established under section 274A(d) of the Immigration and Nationality Act (8 U.S.C. 1324a(d)), as amended by section 3101. Such personnel shall perform compliance and monitoring functions, including the following:

(A) Verify compliance of employers participating in such System with the requirements for participation that are prescribed by the Secretary.

(B) Monitor such System for multiple uses of social security account numbers and immigration identification numbers that could indicate identity theft or fraud.

(C) Monitor such System to identify discriminatory or unfair practices.

(D) Monitor such System to identify employers who are not using such System properly, including employers who fail to make available appropriate records with respect to their queries and any notices of confirmation, nonconfirmation, or further action.

(E) Identify instances in which an employee alleges that an employer violated the employee's privacy or civil rights, or misused such System, and create procedures for an employee to report such an allegation.

(F) Analyze and audit the use of such System and the data obtained through such System to identify fraud trends, including fraud trends across industries, geographical areas, or employer size.

(G) Analyze and audit the use of such System and the data obtained through such System to develop compliance tools as necessary to respond to changing patterns of fraud.

(H) Provide employers with additional training and other information on the proper use of such System, including training related to privacy and employee rights.

(I) Perform threshold evaluation of cases for referral to the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice or the Equal Employment Opportunity Commission, and other officials or agencies with responsibility for enforcing anti-discrimination, civil rights, privacy, or worker protection laws, as may be appropriate.

(J) Any other compliance and monitoring activities that the Secretary determines are necessary to ensure the functioning of such System.

(K) Investigate identity theft and fraud detected through such System and undertake the necessary enforcement or referral actions.

(L) Investigate use of or access to fraudulent documents and undertake the necessary enforcement actions.

(M) Perform any other investigations that the Secretary determines are necessary to ensure the lawful functioning of such System, and undertake any enforcement actions necessary as a result of such investigations.

(2) The appropriations necessary to acquire, install, and maintain technological equipment necessary to support the functioning of such System and the connectivity between U.S. Citizenship and Immigration Services and U.S. Immigration and Customs Enforcement, the Department of Justice, and other agencies or officials with respect to the sharing of information to support such System and related immigration enforcement actions.

(3) The appropriations necessary to establish a robust redress process for employees who wish to appeal contested nonconfirmations to ensure the accuracy and fairness of such System.

(4) The appropriations necessary to provide a means by which individuals may access their own employment authorization data to ensure the accuracy of such data, independent of an individual's employer.

(5) The appropriations necessary to carry out the identity authentication mechanisms described in section 274A(c)(1)(F) of the Immigration and Nationality Act, as amended by section 3101(a).

(6) The appropriations necessary for the Office for Civil Rights and Civil Liberties and the Office of Privacy of the Department to perform the responsibilities of such Offices related to such System.

(7) The appropriations necessary to make grants to States to support the States in assisting the Federal Government in carrying out the provisions of this title and the amendments made by this title.

(c) ESTABLISHMENT OF REIMBURSABLE AGREEMENT BETWEEN THE DEPARTMENT OF HOMELAND SECURITY AND THE SOCIAL SECURITY ADMINISTRATION.—Effective for fiscal years beginning on or after the date of enactment of this Act, the Secretary and the Commissioner of Social Security shall enter into and maintain an agreement that—

(1) provides funds to the Commissioner for the full costs of the responsibilities of the Commissioner under this section, including—

(A) acquiring, installing, and maintaining technological equipment and systems necessary for the fulfillment of the responsibilities of the Commissioner under this section; and

(B) responding to individuals who contest a further action notice provided by the employment verification system established under section 274A of the Immigration and Nationality Act, as amended by section 3101;

(2) provides such funds quarterly in advance of the applicable quarter based on estimating methodology agreed to by the Commissioner and the Secretary; and

(3) requires an annual accounting and reconciliation of the actual costs incurred and the funds provided under the agreement which shall be reviewed by the Office of the Inspector General of the Social Security Administration and the Department.

(d) AUTHORIZATION OF APPROPRIATIONS TO THE ATTORNEY GENERAL.—There are authorized to be appropriated to the Attorney General such sums as may be necessary to carry out the provisions of this title and the amendments made by this title, including enforcing compliance with section 274B of the Immigration and Nationality Act, as amended by section 3105.

(e) AUTHORIZATION OF APPROPRIATIONS TO THE SECRETARY OF STATE.—There are authorized to be appropriated to the Secretary of State such sums as may be necessary to carry out the provisions of this title and the amendments made by this title.

SEC. 3302. EFFECTIVE DATE.

Except as otherwise specifically provided, this title and the amendments made by this title shall take effect on the date of the enactment of this Act.

SEC. 3303. MANDATORY EXIT SYSTEM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Not later than December 31, 2015, the Secretary shall establish a mandatory exit data system that shall include a requirement for the collection of data from machine-readable visas, passports, and other travel and entry documents for all categories of aliens who are exiting from air and sea ports of entry.

(2) BIOMETRIC EXIT DATA SYSTEM.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall establish a mandatory biometric exit data system at the 10 United States airports that support the highest volume of international air travel, as determined by Department of Transportation international flight departure data.

(3) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall submit a report to Congress that analyzes the effectiveness of biometric exit data collection at the 10 airports referred to in paragraph (2).

(4) MANDATORY BIOMETRIC EXIT DATA SYSTEM.—Absent intervening action by Congress, the Secretary, not later than 6 years after the date of the enactment of this Act, shall establish a mandatory biometric exit data system at all the Core 30 international airports in the United States, as so designated by the Federal Aviation Administration.

(5) EXPANSION OF BIOMETRIC EXIT DATA SYSTEM TO MAJOR SEA AND LAND PORTS.—Not later than 6 years after the date of the enactment of this Act, the Secretary shall submit a plan to Congress for the expansion of the biometric exit system to major sea and land entry and exit points within the United States based upon—

(A) the performance of the program established pursuant to paragraph (2);

(B) the findings of the study conducted pursuant to paragraph (3); and

(C) the projected costs to develop and deploy an effective biometric exit data system.

(6) DATA COLLECTION.—There are authorized to be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section

(b) INTEGRATION AND INTEROPERABILITY.—

(1) INTEGRATION OF DATA SYSTEM.—The Secretary shall fully integrate all data from databases and data systems that process or contain information on aliens, which are maintained by—

(A) the Department, at—

(i) the U.S. Immigration and Customs Enforcement;

(ii) the U.S. Customs and Border Protection; and

(iii) the U.S. Citizenship and Immigration Services;

(B) the Department of Justice, at the Executive Office for Immigration Review; and

(C) the Department of State, at the Bureau of Consular Affairs.

(2) INTEROPERABLE COMPONENT.—The fully integrated data system under paragraph (1) shall be an interoperable component of the exit data system.

(3) INTEROPERABLE DATA SYSTEM.—The Secretary shall fully implement an interoperable electronic data system to provide current and immediate access to information in the databases of Federal law enforcement agencies and the intelligence community that is relevant to determine—

(A) whether to issue a visa; or

(B) the admissibility or deportability of an alien.

(4) TRAINING.—The Secretary shall establish ongoing training modules on immigration law to improve adjudications at United States ports of entry, consulates, and embassies.

(c) INFORMATION SHARING.—The Secretary shall report to the appropriate Federal law enforcement agency, intelligence agency, national security agency, or component of the Department of Homeland Security any alien who was lawfully admitted into the United States and whose individual data in the integrated exit data system shows that he or she has not departed the country when he or she was legally required to do so, and shall ensure that—

(1) if the alien has departed the United States when he or she was legally required to do so, the information contained in the integrated exit data system is updated to reflect the alien's departure; or

(2) if the alien has not departed the United States when he or she was legally required to do so, reasonably available enforcement resources are employed to locate the alien and to commence removal proceedings against the alien.

SEC. 3304. IDENTITY-THEFT RESISTANT MANIFEST INFORMATION FOR PASSENGERS, CREW, AND NON-CREW ONBOARD DEPARTING AIRCRAFT AND VESSELS.

(a) DEFINITIONS.—Except as otherwise specifically provided, in this section:

(1) IDENTITY-THEFT RESISTANT COLLECTION LOCATION.—The term ''identity-theft resistant collection location'' means a location within an airport or seaport—

(A) within the path of the departing alien, such that the alien would not need to significantly deviate from that path to comply with exit requirements at which air or vessel carrier employees, as applicable, either presently or routinely are available if an alien needs processing assistance; and

(B) which is equipped with technology that can securely collect and transmit identity-theft resistant departure information to the Department.

(2) US-VISIT.—The term ''US-VISIT'' means the United States-Visitor and Immigrant Status Indicator Technology system.

(b) IDENTITY THEFT RESISTANT MANIFEST INFORMATION.—

(1) PASSPORT OR VISA COLLECTION REQUIREMENT.—Except as provided in subsection (c), an appropriate official of each commercial aircraft or vessel departing from the United States to any port or place outside the United States shall ensure transmission to U.S. Customs and Border Protection of identity-theft resistant departure manifest information covering alien passengers, crew, and non-crew. Such identity-theft resistant departure manifest information—

(A) shall be transmitted to U.S. Customs and Border Protection at the place and time specified in paragraph (3) by means approved by the Secretary; and

(B) shall set forth the information specified in paragraph (4) or other information as required by the Secretary.

(2) MANNER OF COLLECTION.—Carriers boarding alien passengers, crew, and noncrew subject to the requirement to provide information upon departure for US-VISIT processing shall collect identity-theft resistant departure manifest information from each alien at an identity-theft resistant collection location at the airport or seaport before boarding that alien on transportation for departure from the United States, at a time as close to the originally scheduled departure of that passenger's aircraft or sea vessel as practicable.

(3) TIME AND MANNER OF SUBMISSION.—

(A) IN GENERAL.—The appropriate official specified in paragraph (1) shall ensure transmission of the identity-theft resistant departure manifest information required and collected under paragraphs (1) and (2) to the Data Center or Headquarters of U.S. Customs and Border Protection, or such other data center as may be designated.

(B) TRANSMISSION.—The biometric departure information may be transmitted to the Department over any means of communication authorized by the Secretary for the transmission of other electronic manifest information containing personally identifiable information and under transmission standards currently applicable to other electronic manifest information.

(C) SUBMISSION ALONG WITH OTHER INFORMATION.—Files containing the identity-theft resistant departure manifest information—

(i) may be sent with other electronic manifest data prior to departure or may be sent separately from any topically related electronic manifest data; and

(ii) may be sent in batch mode.

(4) INFORMATION REQUIRED.—The identity-theft resistant departure information required under paragraphs (1) through (3) for each covered passenger or crew member shall contain alien data from machine-readable visas, passports, and other travel and entry documents issued to the alien.

(c) EXCEPTION.—The identity-theft resistant departure information specified in this section is not required for any alien active duty military personnel traveling as passengers on board a departing Department of Defense commercial chartered aircraft.

(d) CARRIER MAINTENANCE AND USE OF IDENTITY-THEFT RESISTANT DEPARTURE MANIFEST INFORMATION.—Carrier use of identity-theft resistant departure manifest information for purposes other than as described in standards set by the Secretary is prohibited. Carriers shall immediately notify the Chief Privacy Officer of the Department in writing in the event of unauthorized use or access, or breach, of identity-theft resistant departure manifest information.

(e) COLLECTION AT SPECIFIED LOCATION.—If the Secretary determines that an air or vessel carrier has not adequately complied with the provisions of this section, the Secretary may, in the Secretary's discretion, require the air or vessel carrier to collect identity-theft resistant departure manifest information at a specific location prior to the issuance of a boarding pass or other document on the international departure, or the boarding of crew, in any port through which the carrier boards aliens for international departure under the supervision of the Secretary for such period as the Secretary considers appropriate to ensure the adequate collection and transmission of biometric departure manifest information.

(f) FUNDING.—There shall be appropriated to the Interior Enforcement Account $500,000,000 to reimburse carriers for their reasonable actual expenses in carrying out their duties as described in this section.

(g) DETERMINATION OF BUDGETARY EFFECTS.—

(1) EMERGENCY DESIGNATION FOR CONGRESSIONAL ENFORCEMENT.—In the Senate, amounts made available under this section are 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.

(2) EMERGENCY DESIGNATION FOR STATUTORY PAYGO.—Amounts made available under this section are designated as an emergency requirement under section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (Public Law 111–139; 2 U.S.C. 933(g)).

SEC. 3305. PROFILING.

(a) PROHIBITION.—In making routine or spontaneous law enforcement decisions, such as ordinary traffic stops, Federal law enforcement officers may not use race or ethnicity to any degree, except that officers may rely on race and ethnicity if a specific suspect description exists.

(b) EXCEPTIONS.—

(1) SPECIFIC INVESTIGATION.—In conducting activities in connection with a specific investigation, Federal law enforcement officers may consider race and ethnicity only to the extent that there is trustworthy information, relevant to the locality or time frame, that links persons of a particular race or ethnicity to an identified criminal incident, scheme, or organization. This standard applies even where the use of race or ethnicity might otherwise be lawful.

(2) NATIONAL SECURITY.—In investigating or preventing threats to national security or other catastrophic events (including the performance of duties related to air transportation security), or in enforcing laws protecting the integrity of the Nation's borders, Federal law enforcement officers may not consider race or ethnicity except to the extent permitted by the Constitution and laws of the United States.

(3) DEFINED TERM.—In this section, the term ''Federal law enforcement officer'' means any officer, agent, or employee of the United States authorized by law or by a Government agency to engage in or supervise the prevention, detection, investigation, or prosecution of any violation of Federal law.

(c) STUDY AND REGULATIONS.—

(1) DATA COLLECTION.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall begin collecting data regarding the individualized immigration enforcement activities of covered Department officers.

(2) STUDY.—Not later than 180 days after data collection under paragraph (1) commences, the Secretary shall complete a study analyzing the data.

(3) REGULATIONS.—Not later than 90 days after the date the study required by paragraph (2) is completed, the Secretary, in consultation with the Attorney General, shall issue regulations regarding the use of race, ethnicity, and any other suspect classifications the Secretary deems appropriate by covered Department officers.

(4) REPORTS.—Not later than 30 days after completion of the study required by paragraph (2), the Secretary shall submit the study to—

(A) the Committee on Homeland Security and Governmental Affairs of the Senate;

(B) the Committee on Homeland Security of the House of Representatives;

(C) the Committee on Appropriations of the Senate;

(D) the Committee on Appropriations of the House of Representatives;

(E) the Committee on the Judiciary of the Senate; and

(F) the Committee on the Judiciary of the House of Representatives.

(5) DEFINED TERM.—In this subsection, the term ''covered Department officer'' means any officer, agent, or employee of United States Customs and Border Protection, United States Immigration and Customs Enforcement, or the Transportation Security Administration.

SEC. 3306. ENHANCED PENALTIES FOR CERTAIN DRUG OFFENSES ON FEDERAL LANDS.

(a) CULTIVATING OR MANUFACTURING CONTROLLED SUBSTANCES ON FEDERAL PROPERTY.—Section 401(b)(5) of the Controlled Substances Act (21 U.S.C. 841(b)(5)) is amended by striking ''as provided in this subsection'' and inserting ''for not more than 10 years, in addition to any other term of imprisonment imposed under this subsection,''.

(b) USE OF HAZARDOUS SUBSTANCES.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall amend the Federal Sentencing Guidelines and policy statements to ensure that the guidelines provide an additional penalty increase of 2 offense levels above the sentence otherwise applicable for a violation of section 401(a) of the Controlled Substances Act (21 U.S.C. 841(a)) if the offense—

(1) includes the use of a poison, chemical, or other hazardous substance to cultivate or manufacture controlled substances on Federal property;

(2) creates a hazard to humans, wildlife, or domestic animals;

(3) degrades or harms the environment or natural resources; or

(4) pollutes an aquifer, spring, stream, river, or body of water.

(c) STREAM DIVERSION OR CLEAR CUTTING ON FEDERAL PROPERTY.—

(1) PROHIBITION ON STREAM DIVERSION OR CLEAR CUTTING ON FEDERAL PROPERTY.—Section 401(b) of the Controlled Substances Act is amended by adding at the end the following:

''(8) DESTRUCTION OF BODIES OF WATER.—Any person who violates subsection (a) in a manner that diverts, redirects, obstructs, or drains an aquifer, spring, stream, river, or body of water or clear cuts timber while cultivating or manufacturing a controlled substance on Federal property shall be fined in accordance with title 18, United States Code.''.

(2) FEDERAL SENTENCING GUIDELINES ENHANCEMENT.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall amend the Federal Sentencing Guidelines and policy statements to ensure that the guidelines provide an additional penalty increase of 2 offense levels for above the sentence otherwise applicable for a violation of section 401(a) of the Controlled Substances Act (21 U.S.C. 841(a)) if the offense involves the diversion, redirection, obstruction, or draining of an aquifer, spring, stream, river, or body of water or the clear cut of timber while cultivating or manufacturing a controlled substance on Federal property.

(d) BOOBY TRAPS ON FEDERAL LAND.—Section 401(d)(1) of the Controlled Substances Act (21 U.S.C. 841(d)(1)) is amended by inserting ''cultivated,'' after ''is being''.

(e) USE OR POSSESSION OF FIREARMS IN CONNECTION WITH DRUG OFFENSES ON FEDERAL LANDS.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall amend the Federal Sentencing Guidelines and policy statements to ensure that the guidelines provide an additional penalty increase of 2 offense levels above the sentence otherwise applicable for a violation of section 401(a) of the Controlled Substances Act (21 U.S.C. 841(a)) if the offense involves the possession of a firearm while cultivating or manufacturing controlled substances on Federal lands.

Subtitle D—Asylum and Refugee Provisions

SEC. 3401. TIME LIMITS AND EFFICIENT ADJUDICATION OF GENUINE ASYLUM CLAIMS.

Section 208(a)(2) (8 U.S.C. 1158(a)(2)) is amended—

(1) in subparagraph (A), by inserting ''or the Secretary of Homeland Security'' after ''Attorney General'' both places such term appears;

(2) by striking subparagraphs (B) and (D);

(3) by redesignating subparagraph (C) as subparagraph (B);

(4) in subparagraph (B), as redesignated, by striking ''subparagraph (D)'' and inserting ''subparagraphs (C) and (D)''; and

(5) by inserting after subparagraph (B), as redesignated, the following:

''(C) CHANGED CIRCUMSTANCES.—Notwithstanding subparagraph (B), an application for asylum of an alien may be considered if the alien demonstrates, to the satisfaction of the Attorney General or the Secretary of Homeland Security, the existence of changed circumstances that materially affect the applicant's eligibility for asylum.

''(D) MOTION TO REOPEN CERTAIN MERITORIOUS CLAIMS.—Notwithstanding subparagraph (B) or section 240(c)(7), an alien may file

a motion to reopen an asylum claim during the 2-year period beginning on the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act if the alien—

''(i) was denied asylum based solely upon a failure to meet the 1-year application filing deadline in effect on the date on which the application was filed;

''(ii) was granted withholding of removal pursuant to section 241(b)(3) and has not obtained lawful permanent residence in the United States pursuant to any other provision of law;

''(iii) is not subject to the safe third country exception under subparagraph (A) or a bar to asylum under subsection (b)(2) and should not be denied asylum as a matter of discretion; and

''(iv) is physically present in the United States when the motion is filed.''.

SEC. 3402. REFUGEE FAMILY PROTECTIONS.

(a) CHILDREN OF REFUGEE OR ASYLEE SPOUSES AND CHILDREN.—A child of an alien who qualifies for admission as a spouse or child under section 207(c)(2)(A) or 208(b)(3) of the Immigration and Nationality Act (8 U.S.C. 1157(c)(2)(A) and 1158(b)(3)) shall be entitled to the same status as such alien if the child—

(1) is accompanying or following to join such alien; and

(2) is otherwise eligible under section 207(c)(2)(A) or 208(b)(3) of the Immigration and Nationality Act.

SEC. 3403. CLARIFICATION ON DESIGNATION OF CERTAIN REFUGEES.

(a) TERMINATION OF CERTAIN PREFERENTIAL TREATMENT IN IMMIGRATION OF AMERASIANS.—Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (8 U.S.C. 1101 note) is amended by adding at the end the following:

''(f) No visa may be issued under this section if the petition or application for such visa is submitted on or after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.''.

(b) REFUGEE DESIGNATION.—Section 207(c)(1) (8 U.S.C. 1157(c)(1)) is amended—

(1) by inserting ''(A)'' before ''Subject to the numerical limitations''; and

(2) by adding at the end the following:

''(B)(i) The President, upon a recommendation of the Secretary of State made in consultation with the Secretary of Homeland Security, and after appropriate consultation, may designate specifically defined groups of aliens—

''(I) whose resettlement in the United States is justified by humanitarian concerns or is otherwise in the national interest; and

''(II) who—

''(aa) share common characteristics that identify them as targets of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion; or

''(bb) having been identified as targets as described in item (aa), share a common need for resettlement due to a specific vulnerability.

''(ii) An alien who establishes membership in a group designated under clause (i) to the satisfaction of the Secretary of Homeland Security shall be considered a refugee for purposes of admission as a refugee under this section unless the Secretary determines that such alien ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion.

''(iii) A designation under clause (i) is for purposes of adjudicatory efficiency and may be revoked by the President at any time after notification to Congress.

''(iv) Categories of aliens established under section 599D of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167; 8 U.S.C. 1157 note)—

''(I) shall be designated under clause (i) until the end of the first fiscal year commencing after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act; and

''(II) shall be eligible for designation thereafter at the discretion of the President, considering, among other factors, whether a country under consideration has been designated by the Secretary of State as a 'Country of Particular Concern' for engaging in or tolerating systematic, ongoing, and egregious violations of religious freedom.

''(v) A designation under clause (i) shall not influence decisions to grant, to any alien, asylum under section 208, protection under section 241(b)(3), or protection under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York December 10, 1984.

''(vi) A decision to deny admission under this section to an alien who establishes to the satisfaction of the Secretary that the alien is a member of a group designated under clause (i) shall—

''(I) be in writing; and

''(II) state, to the maximum extent feasible, the reason for the denial.

''(vii) Refugees admitted pursuant to a designation under clause (i) shall be subject to the number of admissions and be admissible under this section.''.

SEC. 3404. ASYLUM DETERMINATION EFFICIENCY.

Section 235(b)(1)(B)(ii) (8 U.S.C. 1225(b)(1)(B)(ii)) is amended by striking ''asylum.'' and inserting ''asylum by an asylum officer. The asylum officer, after conducting a nonadversarial asylum interview and seeking supervisory review, may grant asylum to the alien under section 208 or refer the case to a designee of the Attorney General, for a de novo asylum determination, for relief under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York December 10, 1984, or for protection under section 241(b)(3).''.

SEC. 3405. STATELESS PERSONS IN THE UNITED STATES.

(a) IN GENERAL.—Chapter 1 of title II (8 U.S.C. 1151 et seq.) is amended by adding at the end the following:

''SEC. 210A. PROTECTION OF CERTAIN STATELESS PERSONS IN THE UNITED STATES.

''(a) STATELESS PERSONS.—

''(1) IN GENERAL.—In this section, the term 'stateless person' means an individual who is not considered a national under the operation of the laws of any country.

''(2) DESIGNATION OF SPECIFIC STATELESS GROUPS.—The Secretary of Homeland Security, in consultation with the Secretary of State, may, in the discretion of the Secretary, designate specific groups of individuals who are considered stateless persons, for purposes of this section.

''(b) STATUS OF STATELESS PERSONS.—

''(1) RELIEF FOR CERTAIN INDIVIDUALS DETERMINED TO BE STATELESS PERSONS.—The Secretary of Homeland Security or the Attorney General may, in his or her discretion, provide conditional lawful status to an alien who is otherwise inadmissible or deportable from the United States if the alien—

''(A) is a stateless person present in the United States;

''(B) applies for such relief;

''(C) has not lost his or her nationality as a result of his or her voluntary action or knowing inaction after arrival in the United States;

''(D) except as provided in paragraphs (2) and (3), is not inadmissible under section 212(a); and

''(E) is not described in section 241(b)(3)(B)(i).

''(2) INAPPLICABILITY OF CERTAIN PROVISIONS.—The provisions under paragraphs (4), (5), (7), and (9)(B) of section 212(a) shall not apply to any alien seeking relief under paragraph (1).

''(3) WAIVER.—The Secretary or the Attorney General may waive any other provisions of such section, other than subparagraphs (B), (C), (D)(ii), (E), (G), (H), or (I) of paragraph (2), paragraph (3), paragraph (6)(C)(i) (with respect to misrepresentations relating to the application for relief under paragraph (1)), or subparagraphs (A), (C), (D), or (E) of paragraph (10) of section 212(a), with respect to such an alien for humanitarian purposes, to assure family unity, or if it is otherwise in the public interest.

''(4) SUBMISSION OF PASSPORT OR TRAVEL DOCUMENT.—Any alien who seeks relief under this section shall submit to the Secretary of Homeland Security or the Attorney General—

''(A) any available passport or travel document issued at any time to the alien (whether or not the passport or document has expired or been cancelled, rescinded, or revoked); or

''(B) an affidavit, sworn under penalty of perjury—

''(i) stating that the alien has never been issued a passport or travel document; or

''(ii) identifying with particularity any such passport or travel document and explaining why the alien cannot submit it.

''(5) WORK AUTHORIZATION.—The Secretary of Homeland Security may authorize an alien who has applied for and is found prima facie eligible for or been granted relief under paragraph (1) to engage in employment in the United States.

''(6) TRAVEL DOCUMENTS.—The Secretary may issue appropriate travel documents to an alien who has been granted relief under paragraph (1) that would allow him or her to travel abroad and be admitted to the United States upon return, if otherwise admissible.

''(7) TREATMENT OF SPOUSE AND CHILDREN.—The spouse or child of an alien who has been granted conditional lawful status under paragraph (1) shall, if not otherwise eligible for admission under paragraph (1), be granted conditional lawful status under this section if accompanying, or following to join, such alien if—

''(A) the spouse or child is admissible (except as otherwise provided in paragraphs (2) and (3)) and is not described in section 241(b)(3)(B)(i); and

''(B) the qualifying relationship to the principal beneficiary existed on the date on which such alien was granted conditional lawful status.

''(c) ADJUSTMENT OF STATUS.—

''(1) INSPECTION AND EXAMINATION.—At the end of the 1-year period beginning on the date on which an alien has been granted conditional lawful status under subsection (b), the alien may apply for lawful permanent residence in the United States if—

''(A) the alien has been physically present in the United States for at least 1 year;

''(B) the alien's conditional lawful status has not been terminated by the Secretary of Homeland Security or the Attorney General, pursuant to such regulations as the Secretary or the Attorney General may prescribe; and

''(C) the alien has not otherwise acquired permanent resident status.

''(2) REQUIREMENTS FOR ADJUSTMENT OF STATUS.—The Secretary of Homeland Security or the Attorney General, under such regulations as the Secretary or the Attorney General may prescribe, may adjust the status of an alien granted conditional lawful status under subsection (b) to that of an alien lawfully admitted for permanent residence if such alien—

''(A) is a stateless person;

''(B) properly applies for such adjustment of status;

''(C) has been physically present in the United States for at least 1 year after being granted conditional lawful status under subsection (b);

''(D) is not firmly resettled in any foreign country; and

''(E) is admissible (except as otherwise provided under paragraph (2) or (3) of subsection (b)) as an immigrant under this chapter at the time of examination of such alien for adjustment of status.

''(3) RECORD.—Upon approval of an application under this subsection, the Secretary of

Homeland Security shall establish a record of the alien's admission for lawful permanent residence as of the date that is 1 year before the date of such approval.

''(4) NUMERICAL LIMITATION.—The number of aliens who may receive an adjustment of status under this section for a fiscal year shall be subject to the numerical limitation of section 203(b)(4).

''(d) PROVING THE CLAIM.—In determining an alien's eligibility for lawful conditional status or adjustment of status under this subsection, the Secretary of Homeland Security or the Attorney General shall consider any credible evidence relevant to the application. The determination of what evidence is credible and the weight to be given that evidence shall be within the sole discretion of the Secretary or the Attorney General.

''(e) REVIEW.—

''(1) ADMINISTRATIVE REVIEW.—No appeal shall lie from the denial of an application by the Secretary, but such denial will be without prejudice to the alien's right to renew the application in proceedings under section 240.

''(2) MOTIONS TO REOPEN.—Notwithstanding any limitation imposed by law on motions to reopen removal, deportation, or exclusion proceedings, any individual who is eligible for relief under this section may file a motion to reopen proceedings in order to apply for relief under this section. Any such motion shall be filed within 2 years of the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(f) LIMITATION.—

''(1) APPLICABILITY.—The provisions of this section shall only apply to aliens present in the United States.

''(2) SAVINGS PROVISION.—Nothing in this section may be construed to authorize or require—

''(A) the admission of any alien to the United States;

''(B) the parole of any alien into the United States; or

''(C) the grant of any motion to reopen or reconsider filed by an alien after departure or removal from the United States.''.

(b) JUDICIAL REVIEW.—Section 242(a)(2)(B)(ii) (8 U.S.C. 1252(a)(2)(B)(ii)) is amended by striking ''208(a).'' and inserting ''208(a) or 210A.''.

(c) CONFORMING AMENDMENT.—Section 203(b)(4) (8 U.S.C. 1153(b)(4)) is amended by inserting ''to aliens granted an adjustment of status under section 210A(c) or'' after ''level,''.

(d) CLERICAL AMENDMENT.—The table of contents for the Immigration and Nationality Act is amended by inserting after the item relating to section 210 the following:

''Sec. 210A. Protection of stateless persons in the United States.''.

SEC. 3406. U VISA ACCESSIBILITY.

Section 214(p)(2)(A) (8 U.S.C. 1184(p)(2)(A)) is amended by striking ''10,000.'' and inserting ''18,000, of which not more than 3,000 visas may be issued for aliens who are victims of a covered violation described in section 101(a)(15)(U).''.

SEC. 3407. WORK AUTHORIZATION WHILE APPLICATIONS FOR U AND T VISAS ARE PENDING.

(a) U VISAS.—Section 214(p) (8 U.S.C. 1184(p)), as amended by section 3406 of this Act, is further amended—

(1) in paragraph (6), by striking the last sentence; and

(2) by adding at the end the following:

''(7) WORK AUTHORIZATION.—Notwithstanding any provision of this Act granting eligibility for employment in the United States, the Secretary of Homeland Security shall grant employment authorization to an alien who has filed an application for nonimmigrant status under section 101(a)(15)(U) on the date that is the earlier of—

''(A) the date on which the alien's application for such status is approved; or

''(B) a date determined by the Secretary that is not later than 180 days after the date on which the alien filed the application.''.

(b) T VISAS.—Section 214(o) (8 U.S.C. 1184(o)) is amended by adding at the end the following:

''(8) Notwithstanding any provision of this Act granting eligibility for employment in the United States, the Secretary of Homeland Security shall grant employment authorization to an alien who has filed an application for nonimmigrant status under section 101(a)(15)(T) on the date that is the earlier of—

''(A) the date on which the alien's application for such status is approved; or

''(B) a date determined by the Secretary that is not later than 180 days after the date on which the alien filed the application.''.

SEC. 3408. REPRESENTATION AT OVERSEAS REFUGEE INTERVIEWS.

Section 207(c) (8 U.S.C. 1157(c)) is amended by adding at the end the following:

''(5) The adjudicator of an application for refugee status under this section shall consider all relevant evidence and maintain a record of the evidence considered.

''(6) An applicant for refugee status may be represented, including at a refugee interview, at no expense to the Government, by an attorney or accredited representative who—

''(A) was chosen by the applicant; and

''(B) is authorized by the Secretary of Homeland Security to be recognized as the representative of such applicant in an adjudication under this section.

''(7)(A) A decision to deny an application for refugee status under this section—

''(i) shall be in writing; and

''(ii) shall provide, to the maximum extent feasible, information on the reason for the denial, including—

''(I) the facts underlying the determination; and

''(II) whether there is a waiver of inadmissibility available to the applicant.

''(B) The basis of any negative credibility finding shall be part of the written decision.

''(8)(A) An applicant who is denied refugee status under this section may file a request with the Secretary for a review of his or her application not later than 120 days after such denial.

''(B) A request filed under subparagraph (A) shall be adjudicated by refugee officers who have received training on considering requests for review of refugee applications that have been denied.

''(C) The Secretary shall publish the standard applied to a request for review.

''(D) A request for review may result in the decision being granted, denied, or reopened for a further interview.

''(E) A decision on a request for review under this paragraph—

''(i) shall be in writing; and

''(ii) shall provide, to the maximum extent feasible, information on the reason for the denial.''.

SEC. 3409. LAW ENFORCEMENT AND NATIONAL SECURITY CHECKS.

(a) REFUGEES.—Section 207(c)(1) (8 U.S.C. 1157(c)(1)) is amended by adding at the end the following: ''No alien shall be admitted as a refugee until the identity of the applicant, including biographic and biometric data, has been checked against all appropriate records or databases maintained by the Secretary of Homeland Security, the Attorney General, the Secretary of State, and other Federal records or databases that the Secretary of Homeland Security considers necessary, to determine any national security, law enforcement, or other grounds on which the alien may be inadmissible to the United States or ineligible to apply for or be granted refugee status.''.

(b) ASYLEES.—Section 208(d)(5)(A)(i) (8 U.S.C. 1158(d)(5)(A)(i)) is amended to read as follows:

''(i) asylum shall not be granted until the identity of the applicant, using biographic and biometric data, has been checked against all appropriate records or databases maintained by the Secretary of Homeland Security, the Attorney General, the Secretary of State, and other Federal records or databases that the Secretary of Homeland Security considers necessary, to determine any national security, law enforcement, or other grounds on which the alien may be inadmissible to the United States or ineligible to apply for or be granted asylum;''.

SEC. 3410. TIBETAN REFUGEE ASSISTANCE.

(a) SHORT TITLE.—This section may be cited as the ''Tibetan Refugee Assistance Act of 2013''.

(b) TRANSITION FOR DISPLACED TIBETANS.—Notwithstanding the numerical limitations specified in sections 201 and 202 of the Immigration and Nationality Act (8 U.S.C. 1151 and 1152), 5,000 immigrant visas shall be made available to qualified displaced Tibetans described in subsection (c) during the 3-year period beginning on October 1, 2013.

(c) QUALIFIED DISPLACED TIBETAN DESCRIBED.—

(1) IN GENERAL.—An individual is a qualified displaced Tibetan if such individual—

(A) is a native of Tibet; and

(B) has been continuously residing in India or Nepal since before the date of the enactment of this Act.

(2) NATIVE OF TIBET DESCRIBED.—For purposes of paragraph (1)(A), an individual shall be considered a native of Tibet if such individual—

(A) was born in Tibet; or

(B) is the son, daughter, grandson, or granddaughter of an individual who was born in Tibet.

(d) DERIVATIVE STATUS FOR SPOUSES AND CHILDREN.—A spouse or child (as defined in subparagraphs (A), (B), (C), (D), or (E) of section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1))) shall, if not otherwise entitled to an immigrant status and the immediate issuance of a visa under this section, be entitled to the same status, and the same order of consideration, provided under this section, if accompanying, or following to join, the spouse or parent of such spouse or child.

(e) DISTRIBUTION OF VISA NUMBERS.—The Secretary of State shall ensure that immigrant visas provided under subsection (b) are made available to qualified displaced Tibetans described in subsection (c) or (d) in an equitable manner, giving preference to those qualified displaced Tibetans who—

(1) are not resettled in India or Nepal; or

(2) are most likely to be resettled successfully in the United States.

SEC. 3411. TERMINATION OF ASYLUM OR REFUGEE STATUS.

(a) TERMINATION OF STATUS.—Except as provided in subsections (b) and (c), any alien who is granted asylum or refugee status under this Act or the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), who, without good cause as determined by the Secretary or the Attorney General, subsequently returns to the country of such alien's nationality or, in the case of an alien having no nationality, returns to any country in which such alien last habitually resided, and who applied for such status because of persecution or a well-founded fear of persecution in that country on account of race, religion, nationality, membership in a particular social group, or political opinion, shall have his or her refugee or asylum status terminated.

(b) WAIVER.—The Secretary has discretion to waive subsection (a) if it is established to the satisfaction of the Secretary or the Attorney General that the alien had good cause for the return. The waiver may be sought prior to departure from the United States or upon return.

(c) EXCEPTION FOR CERTAIN ALIENS FROM CUBA.—Subsection (a) shall not apply to an alien who is eligible for adjustment to that of an alien lawfully admitted for permanent residence pursuant to the Cuban Adjustment Act of 1966 (Public Law 89–732).

SEC. 3412. ASYLUM CLOCK.

Section 208(d)(2) (8 U.S.C. 1158(d)(2)) is amended by striking ''is not entitled to employment authorization'' and all that follows through ''prior to 180 days after'' and inserting ''shall be provided employment authorization 180 days after''.

Subtitle E—Shortage of Immigration Court Resources for Removal Proceedings

SEC. 3501. SHORTAGE OF IMMIGRATION COURT PERSONNEL FOR REMOVAL PROCEEDINGS.

(a) IMMIGRATION COURT JUDGES.—The Attorney General shall increase the total number of immigration judges to adjudicate current pending cases and efficiently process future cases by at least—

(1) 75 in fiscal year 2014;

(2) 75 in fiscal year 2015; and

(3) 75 in fiscal year 2016.

(b) NECESSARY SUPPORT STAFF FOR IMMIGRATION COURT JUDGES.—The Attorney General shall address the shortage of support staff for immigration judges by ensuring that each immigration judge has the assistance of the necessary support staff, including the equivalent of 1 staff attorney or law clerk and 1 legal assistant.

(c) ANNUAL INCREASES IN BOARD OF IMMIGRATION APPEALS PERSONNEL.—The Attorney General shall increase the number of Board of Immigration Appeals staff attorneys (including the necessary additional support staff) to efficiently process cases by at least—

(1) 30 in fiscal year 2014;

(2) 30 in fiscal year 2015; and

(3) 30 in fiscal year 2016.

(d) FUNDING.—There shall be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section.

SEC. 3502. IMPROVING IMMIGRATION COURT EFFICIENCY AND REDUCING COSTS BY INCREASING ACCESS TO LEGAL INFORMATION.

(a) CLARIFICATION REGARDING THE AUTHORITY OF THE ATTORNEY GENERAL TO APPOINT COUNSEL TO ALIENS IN IMMIGRATION PROCEEDINGS.—Section 292 (8 U.S.C. 1362) is amended—

(1) by inserting ''(a)'' before ''In any'';

(2) by striking ''(at no expense to the Government)'';

(3) by striking ''he shall'' and inserting ''the person shall''; and

(4) by adding at the end the following:

''(b) The Government is not required to provide counsel to aliens under subsection (a). However, the Attorney General may, in the Attorney General's sole and unreviewable discretion, appoint or provide counsel to aliens in immigration proceedings conducted under section 240 of this Act.''.

(b) APPOINTMENT OF COUNSEL IN CERTAIN CASES; RIGHT TO REVIEW CERTAIN DOCUMENTS IN REMOVAL PROCEEDINGS.—Section 240(b) (8 U.S.C. 1229a(b)) is amended—

(1) in paragraph (4)—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(B) in subparagraph (A), by striking '', at no expense to the Government,'';

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

''(B) the alien shall, at the beginning of the proceedings or at a reasonable time thereafter, automatically receive a complete copy of all relevant documents in the possession of the Department of Homeland Security, including all documents (other than documents protected from disclosure by privilege, including national security information referenced in subparagraph (C), law enforcement sensitive information, and information prohibited from disclosure pursuant to any other provision of law) contained in the file maintained by the Government that includes information with respect to all transactions involving the alien during the immigration process (commonly referred to as an 'A-file'), and all documents pertaining to the alien that the Department of Homeland Security has obtained or received from other government agencies, unless the alien waives the right to receive such documents by executing a knowing and voluntary waiver in a language that he or she understands fluently,''; and

(D) by adding at the end the following:

''The Government is not required to provide counsel to aliens under this paragraph. However, the Attorney General may, in the Attorney General's sole and unreviewable discretion, appoint or provide counsel at government expense to aliens in immigration proceedings.''; and

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

''(8) FAILURE TO PROVIDE ALIEN REQUIRED DOCUMENTS.—In the absence of a waiver under subparagraph (B) of paragraph (4), a removal proceeding may not proceed until the alien has received the documents as required under such subparagraph.''.

(c) APPOINTMENT OF COUNSEL FOR UNACCOMPANIED ALIEN CHILDREN AND ALIENS WITH A SERIOUS MENTAL DISABILITY.—Section 292 (8 U.S.C. 1362), as amended by subsection (a), is further amended by adding at the end the following:

''(c) Notwithstanding subsection (b), the Attorney General shall appoint counsel, at the expense of the Government if necessary, to represent an alien in a removal proceeding who has been determined by the Secretary to be an unaccompanied alien child, is incompetent to represent himself or herself due to a serious mental disability that would be included in section 3(1) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102(1)), or is considered particularly vulnerable when compared to other aliens in removal proceedings, such that the appointment of counsel is necessary to help ensure fair resolution and efficient adjudication of the proceedings.''.

(d) FUNDING.—There shall be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section and the amendments made by this section.

SEC. 3503. OFFICE OF LEGAL ACCESS PROGRAMS.

(a) ESTABLISHMENT OF OFFICE OF LEGAL ACCESS PROGRAMS.—The Attorney General shall maintain, within the Executive Office for Immigration Review, an Office of Legal Access Programs to develop and administer a system of legal orientation programs to make immigration proceedings more efficient and cost effective by educating aliens regarding administrative procedures and legal rights under United States immigration law and to establish other programs to assist in providing aliens access to legal information.

(b) LEGAL ORIENTATION PROGRAMS.—The legal orientation programs—

(1) shall provide programs to assist detained aliens in making informed and timely decisions regarding their removal and eligibility for relief from removal in order to increase efficiency and reduce costs in immigration proceedings and Federal custody processes and to improve access to counsel and other legal services;

(2) may provide services to detained aliens in immigration proceedings under sections 235, 238, 240, and 241(a)(5) of the Immigration and Nationality Act (8 U.S.C. 1225, 1228, 1229a, and 1231(a)(5)) and to other aliens in immigration and asylum proceedings under sections 235, 238, and 240 of the Immigration and Nationality Act (8 U.S.C. 1225, 1228, and 1229a); and

(3) shall identify unaccompanied alien children, aliens with a serious mental disability, and other particularly vulnerable aliens for consideration by the Attorney General pursuant to section 292(c) of the Immigration and Nationality Act, as added by section 3502(c).

(c) PROCEDURES.—The Secretary, in consultation with the Attorney General, shall establish procedures that ensure that legal orientation programs are available for all detained aliens within 5 days of arrival into custody and to inform such aliens of the basic procedures of immigration hearings, their rights relating to those hearings under the immigration laws, information that may deter such aliens from filing frivolous legal claims, and any other information deemed appropriate by the Attorney General, such as a contact list of potential legal resources and providers.

(d) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to create any substantive or procedural right or benefit that is legally enforceable by any party against the United States or its agencies or officers or any other person.

(e) FUNDING.—There shall be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section.

SEC. 3504. CODIFYING BOARD OF IMMIGRATION APPEALS.

(a) DEFINITION OF BOARD MEMBER.—Section 101(a) (8 U.S.C. 1101(a)) is amended by adding at the end the following:

''(53) The term 'Board Member' means an attorney whom the Attorney General appoints to serve on the Board of Immigration Appeals within the Executive Office of Immigration Review, and is qualified to review decisions of immigration judges and other matters within the jurisdiction of the Board of Immigration Appeals.''.

(b) BOARD OF IMMIGRATION APPEALS.—Section 240(a)(1) (8 U.S.C. 1229a(a)(1)) is amended by adding at the end the following: ''The Board of Immigration Appeals and its Board Members shall review decisions of immigration judges under this section.''.

(c) APPEALS.—Section 240(b)(4) (8 U.S.C. 1229a(b)(4)), as amended by section 3502(b), is further amended—

(1) in subparagraph (B), by striking '', and'' and inserting a semicolon;

(2) in subparagraph (C), by striking the period and inserting ''; and''; and

(3) by inserting after subparagraph (C) the following:

''(D) the alien or the Department of Homeland Security may appeal the immigration judge's decision to a 3-judge panel of the Board of Immigration Appeals.''.

(d) DECISION AND BURDEN OF PROOF.—Section 240(c)(1)(A) (8 U.S.C. 1229a(c)(1)(A)) is amended to read as follows:

''(A) IN GENERAL.—At the conclusion of the proceeding, the immigration judge shall decide whether an alien is removable from the United States. The determination of the immigration judge shall be based only on the evidence produced at the hearing. On appeal, the Board of Immigration Appeals shall issue a written opinion. The opinion shall address all dispositive arguments raised by the parties. The panel may incorporate by reference the opinion of the immigration judge whose decision is being reviewed, provided that the panel also addresses any arguments made by the nonprevailing party regarding purported errors of law, fact, or discretion.''.

SEC. 3505. IMPROVED TRAINING FOR IMMIGRATION JUDGES AND BOARD MEMBERS.

(a) IN GENERAL.—Section 240 (8 U.S.C. 1229a) is amended by adding at the end the following:

''(f) IMPROVED TRAINING.—

''(1) IMPROVED TRAINING FOR IMMIGRATION JUDGES AND BOARD MEMBERS.—

''(A) IN GENERAL.—In consultation with the Attorney General and the Director of the Federal Judicial Center, the Director of the Executive Office for Immigration Review shall review and modify, as appropriate, training programs for immigration judges and Board Members.

''(B) ELEMENTS OF REVIEW.—Each such review shall study—

''(i) the expansion of the training program for new immigration judges and Board Members;

''(ii) continuing education regarding current developments in the field of immigration law; and

''(iii) methods to ensure that immigration judges are trained on properly crafting and dictating decisions.

''(2) IMPROVED TRAINING AND GUIDANCE FOR STAFF.—The Director of the Executive Office for Immigration Review shall—

''(A) modify guidance and training regarding screening standards and standards of review; and

''(B) ensure that Board Members provide staff attorneys with appropriate guidance in drafting decisions in individual cases, consistent with the policies and directives of the Director of the Executive Office for Immigration Review and the Chairman of the Board of Immigration Appeals.''.

(b) FUNDING.—There shall be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section and the amendment made by this section.

SEC. 3506. IMPROVED RESOURCES AND TECHNOLOGY FOR IMMIGRATION COURTS AND BOARD OF IMMIGRATION APPEALS.

(a) IMPROVED ON-BENCH REFERENCE MATERIALS AND DECISION TEMPLATES.—The Director of the Executive Office for Immigration Review shall ensure that immigration judges are provided with updated reference materials and standard decision templates that conform to the law of the circuits in which they sit.

(b) PRACTICE MANUAL.—The Director of the Executive Office for Immigration Review shall produce a practice manual describing best practices for the immigration courts and shall make such manual available electronically to counsel and litigants who appear before the immigration courts.

(c) RECORDING SYSTEM AND OTHER TECHNOLOGIES.—

(1) PLAN REQUIRED.—The Director of the Executive Office for Immigration Review shall provide the Attorney General with a plan and a schedule to replace the immigration courts' tape recording system with a digital recording system that is compatible with the information management systems of the Executive Office for Immigration Review.

(2) AUDIO RECORDING SYSTEM.—Consistent with the plan described in paragraph (1), the Director shall pilot a digital audio recording system not later than 1 year after the enactment of this Act, and shall begin nationwide implementation of that system as soon as practicable.

(d) IMPROVED TRANSCRIPTION SERVICES.—Not later than 1 year after the enactment of this Act, the Director of the Executive Office for Immigration Review shall report to the Attorney General on the current transcription services utilized by the Office and recommend improvements to this system regarding quality and timeliness of transcription.

(e) IMPROVED INTERPRETER SELECTION.—Not later than 1 year after the enactment of this Act, the Director of the Executive Office for Immigration Review shall report to the Attorney General on the current interpreter selection process utilized by the Office and recommend improvements to this process regarding screening, hiring, certification, and evaluation of staff and contract interpreters.

(f) FUNDING.—There shall be appropriated, from the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1), such sums as may be necessary to carry out this section.

SEC. 3507. TRANSFER OF RESPONSIBILITY FOR TRAFFICKING PROTECTIONS.

(a) TRANSFER OF RESPONSIBILITY.—

(1) IN GENERAL.—All unexpended balances appropriated or otherwise available to the Department of Health and Human Services and its Office of Refugee Resettlement in connection with the functions provided for in paragraphs (5) and (6) of section 235(c) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C. 1232(c)), shall, subject to section 202 of the Budget and Accounting Procedures Act of 1950, be transferred to the Department of Justice. Funds transferred pursuant to this paragraph shall remain available until expended and shall be used only for the purposes for which the funds were originally authorized and appropriated.

(2) CONTRACT AUTHORITY.—The Attorney General may award grants to, and enter into contracts to carry out the functions set forth in paragraphs (5) and (6) of Section 235(c) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008.

(b) CONFORMING AMENDMENTS.—Section 235(c) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C. 1232(c)) is amended—

(1) in paragraph (5)—

(A) by striking ''Secretary of Health and Human Services'' each place it appears and inserting ''Attorney General''; and

(B) by striking the last sentence; and

(2) in paragraph (6)—

(A) by striking ''Secretary of Health and Human Services'' each place it appears and inserting ''Attorney General'';

(B) in subparagraphs (B)(ii), (D), and (F), by striking ''Secretary'' each place it appears and inserting ''Attorney General''; and

(C) in subparagraph (F), by striking ''and Human Services''.

Subtitle F—Prevention of Trafficking in Persons and Abuses Involving Workers Recruited Abroad

SEC. 3601. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided by this subtitle, the terms used in this subtitle shall have the same meanings, respectively, as are given those terms in section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203).

(b) OTHER DEFINITIONS.—

(1) FOREIGN LABOR CONTRACTOR.—The term ''foreign labor contractor'' means any person who performs foreign labor contracting activity, including any person who performs foreign labor contracting activity wholly outside of the United States, except that the term does not include any entity of the United States Government.

(2) FOREIGN LABOR CONTRACTING ACTIVITY.—The term ''foreign labor contracting activity'' means recruiting, soliciting, or related activities with respect to an individual who resides outside of the United States in furtherance of employment in the United States, including when such activity occurs wholly outside of the United States.

(3) PERSON.—The term ''person'' means any natural person or any corporation, company, firm, partnership, joint stock company or association or other organization or entity (whether organized under law or not), including municipal corporations.

(4) WORKER.—the term ''worker'' means an individual or exchange visitor who is the subject of foreign labor contracting activity.

SEC. 3602. DISCLOSURE.

(a) REQUIREMENT FOR DISCLOSURE.—Any person who engages in foreign labor contracting activity shall ascertain and disclose in writing in English and in the primary language of the worker at the time of the worker's recruitment, the following information:

(1) The identity and address of the employer and the identity and address of the person conducting the recruiting on behalf of the employer, including any subcontractor or agent involved in such recruiting.

(2) All assurances and terms and conditions of employment, from the prospective employer for whom the worker is being recruited, including the work hours, level of compensation to be paid, the place and period of employment, a description of the type and nature of employment activities, any withholdings or deductions from compensation and any penalties for terminating employment.

(3) A signed copy of the work contract between the worker and the employer.

(4) The type of visa under which the foreign worker is to be employed, the length of time for which the visa will be valid, the terms and conditions under which the visa may be renewed, and a clear statement of any expenses associated with securing or renewing the visa.

(5) An itemized list of any costs or expenses to be charged to the worker and any deductions to be taken from wages, including any costs for housing or accommodation, transportation to and from the worksite, meals, health insurance, workers' compensation, costs of benefits provided, medical examinations, healthcare, tools, or safety equipment costs.

(6) The existence of any labor organizing effort, strike, lockout, or other labor dispute at the place of employment.

(7) Whether and the extent to which workers will be compensated through workers' compensation, private insurance, or otherwise for injuries or death, including work-related injuries and death, during the period of employment and, if so, the name of the State workers' compensation insurance carrier or the name of the policyholder of the private insurance, the name and the telephone number of each person who must be notified of an injury or death, and the time period within which such notice must be given.

(8) A statement, in a form specified by the Secretary—

(A) stating that—

(i) no foreign labor contractor, agent, or employee of a foreign labor contractor, may lawfully assess any fee (including visa fees, processing fees, transportation fees, legal expenses, placement fees, and other costs) to a worker for any foreign labor contracting activity; and

(ii) the employer may bear such costs or fees for the foreign labor contractor, but that these fees cannot be passed along to the worker;

(B) explaining that—

(i) no additional significant requirements or changes may be made to the original contract signed by the worker without at least 24 hours to consider such changes and the specific consent of the worker, obtained voluntarily and without threat of penalty; and

(ii) any significant changes made to the original contract that do not comply with clause (i) shall be a violation of this subtitle and be subject to the provisions of section 3610 of this Act; and

(C) describing the protections afforded the worker by this section and by section 202 of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C. 1375b) and any applicable visa program, including—

(i) relevant information about the procedure for filing a complaint provided for in section 3610; and

(ii) the telephone number for the national human trafficking resource center hotline number.

(9) Any education or training to be provided or required, including—

(A) the nature, timing, and cost of such training;

(B) the person who will pay such costs;

(C) whether the training is a condition of employment, continued employment, or future employment; and

(D) whether the worker will be paid or remunerated during the training period, including the rate of pay.

(b) RELATIONSHIP TO LABOR AND EMPLOYMENT LAWS.—Nothing in the disclosure required by subsection (a) shall constitute a legal conclusion as to the worker's status or rights under the labor and employment laws.

(c) PROHIBITION ON FALSE AND MISLEADING INFORMATION.—No foreign labor contractor or employer who engages in any foreign labor contracting activity shall knowingly provide materially false or misleading information to any worker concerning any matter required to be disclosed under subsection (a). The disclosure required by this section is a document concerning the proper administration of a matter within the jurisdiction of a department or agency of the United States for the purposes of section 1519 of title 18, United States Code.

SEC. 3603. PROHIBITION ON DISCRIMINATION.

(a) IN GENERAL.—It shall be unlawful for an employer or a foreign labor contractor to fail or refuse to hire, discharge, intimidate, threaten, restrain, coerce, or blacklist any individual or otherwise discriminate against an individual with respect to compensation, terms, conditions, or privileges of employment, because of such individual's race, color, creed, sex, national origin, religion, age, or disability.

(b) DETERMINATIONS OF DISCRIMINATION.—For the purposes of determining the existence of unlawful discrimination under subsection (a)—

(1) in the case of a claim of discrimination based on race, color, creed, sex, national origin, or religion, the same legal standards shall apply as are applicable under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.);

(2) in the case of a claim of discrimination based on unlawful discrimination based on age, the same legal standards shall apply as are applicable under the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.); and

(3) in the case of a claim of discrimination based on disability, the same legal standards shall apply as are applicable under title I of the Americans With Disabilities Act of 1990 (42 U.S.C. 12111 et seq.).

SEC. 3604. RECRUITMENT FEES.

No employer, foreign labor contractor, or agent or employee of a foreign labor contractor, shall assess any fee (including visa fees, processing fees, transportation fees, legal expenses, placement fees, and other costs) to a worker for any foreign labor contracting activity.

SEC. 3605. REGISTRATION.

(a) REQUIREMENT TO REGISTER.—

(1) IN GENERAL.—Subject to paragraph (2), prior to engaging in any foreign labor contracting activity, any person who is a foreign labor contractor or who, for any money or other valuable consideration paid or promised to be paid, performs a foreign labor contracting activity on behalf of a foreign labor contractor, shall obtain a certificate of registration from the Secretary of Labor pursuant to regulations promulgated by the Secretary under subsection (c).

(2) EXCEPTION FOR CERTAIN EMPLOYERS.—An employer, or employee of an employer, who engages in foreign labor contracting activity solely to find employees for that employer's own use, and without the participation of any other foreign labor contractor, shall not be required to register under this section.

(b) NOTIFICATION.—

(1) ANNUAL EMPLOYER NOTIFICATION.—Each employer shall notify the Secretary, not less frequently than once every year, of the identity of any foreign labor contractor involved in any foreign labor contracting activity for, or on behalf of, the employer, including at a minimum, the name and address of the foreign labor contractor, a description of the services for which the foreign labor contractor is being used, whether the foreign labor contractor is to receive any economic compensation for the services, and, if so, the identity of the person or entity who is paying for the services.

(2) ANNUAL FOREIGN LABOR CONTRACTOR NOTIFICATION.—Each foreign labor contractor shall notify the Secretary, not less frequently than once every year, of the identity of any subcontractee, agent, or foreign labor contractor employee involved in any foreign labor contracting activity for, or on behalf of, the foreign labor contractor.

(3) NONCOMPLIANCE NOTIFICATION.—An employer shall notify the Secretary of the identity of a foreign labor contractor whose activities do not comply with this subtitle.

(4) AGREEMENT.—Not later than 7 days after receiving a request from the Secretary, an employer shall provide the Secretary with the identity of any foreign labor contractor with which the employer has a contract or other agreement.

(c) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall promulgate regulations to establish an efficient electronic process for the timely investigation and approval of an application for a certificate of registration of foreign labor contractors, including—

(1) a declaration, subscribed and sworn to by the applicant, stating the applicant's permanent place of residence, the foreign labor contracting activities for which the certificate is requested, and such other relevant information as the Secretary may require;

(2) a set of fingerprints of the applicant;

(3) an expeditious means to update registrations and renew certificates;

(4) providing for the consent of any foreign labor recruiter to the designation by a court of the Secretary as an agent available to accept service of summons in any action against the applicant, if the applicant has left the jurisdiction in which the action is commenced, otherwise has become unavailable to accept service, or is subject to personal jurisdiction in no State;

(5) providing for the consent of any foreign labor recruiter to jurisdiction in the Department or any Federal or State court in the United States for any action brought by any aggrieved individual or worker;

(6) providing for cooperation in any investigation by the Secretary or other appropriate authorities;

(7) providing for consent to the forfeiture of the bond for failure to cooperate with these provisions;

(8) providing for consent to be liable for violations of this subtitle by any agents or subcontractees of any level in relation to the foreign labor contracting activity of the agent or subcontractee to the same extent as if the foreign labor contractor had committed the violation; and

(9) providing for consultation with other appropriate Federal agencies to determine whether any reason exists to deny registration to a foreign labor contractor.

(d) TERM OF REGISTRATION.—Unless suspended or revoked, a certificate under this section shall be valid for 2 years.

(e) APPLICATION FEE.—

(1) REQUIREMENT FOR FEE.—In addition to any other fees authorized by law, the Secretary shall impose a fee, to be deposited in the general fund of the Treasury, on a foreign labor contractor that submits an application for a certificate of registration under this section.

(2) AMOUNT OF FEE.—The amount of the fee required by paragraph (1) shall be set at a level that the Secretary determines sufficient to cover the full costs of carrying out foreign labor contract registration activities under this subtitle, including worker education and any additional costs associated with the administration of the fees collected.

(f) REFUSAL TO ISSUE; REVOCATION.—In accordance with regulations promulgated by the Secretary, the Secretary shall refuse to issue or renew, or shall revoke and debar from eligibility to obtain a certificate of registration for a period of not greater than 5 years, after notice and an opportunity for a hearing, a certificate of registration under this section if—

(1) the applicant for, or holder of, the certification has knowingly made a material misrepresentation in the application for such certificate;

(2) the applicant for, or holder of, the certification is not the real party in interest in the application or certificate of registration and the real party in interest—

(A) is a person who has been refused issuance or renewal of a certificate;

(B) has had a certificate revoked; or

(C) does not qualify for a certificate under this section;

(3) the applicant for, or holder of, the certification has been convicted within the preceding 5 years of—

(A) any felony under State or Federal law or crime involving robbery, bribery, extortion, embezzlement, grand larceny, burglary, arson, violation of narcotics laws, murder, rape, assault with intent to kill, assault which inflicts grievous bodily injury, prostitution, peonage, or smuggling or harboring individuals who have entered the United States illegally; or

(B) any crime relating to gambling, or to the sale, distribution or possession of alcoholic beverages, in connection with or incident to any labor contracting activities; or

(4) the applicant for, or holder of, the certification has materially failed to comply with this section.

(g) RE-REGISTRATION OF VIOLATORS.—The Secretary shall establish a procedure by which a foreign labor contractor that has had its registration revoked under subsection (f) may seek to re-register under this subsection by demonstrating to the Secretary's satisfaction that the foreign labor contractor has not violated this subtitle in the previous 5 years and that the foreign labor contractor has taken sufficient steps to prevent future violations of this subtitle.

SEC. 3606. BONDING REQUIREMENT.

(a) IN GENERAL.—The Secretary shall require a foreign labor contractor to post a bond in an amount sufficient to ensure the ability of the foreign labor contractor to discharge its responsibilities and to ensure protection of workers, including wages.

(b) REGULATIONS.—The Secretary, by regulation, shall establish the conditions under which the bond amount is determined, paid, and forfeited.

(c) RELATIONSHIP TO OTHER REMEDIES.—The bond requirements and forfeiture of the bond under this section shall be in addition to other remedies under 3610 or any other law.

SEC. 3607. MAINTENANCE OF LISTS.

(a) IN GENERAL.—The Secretary shall maintain—

(1) a list of all foreign labor contractors registered under this subsection, including—

(A) the countries from which the contractors recruit;

(B) the employers for whom the contractors recruit;

(C) the visa categories and occupations for which the contractors recruit; and

(D) the States where recruited workers are employed; and

(2) a list of all foreign labor contractors whose certificate of registration the Secretary has revoked.

(b) UPDATES; AVAILABILITY.—The Secretary shall—

(1) update the lists required by subsection (a) on an ongoing basis, not less frequently than every 6 months; and

(2) make such lists publicly available, including through continuous publication on Internet websites and in written form at and on the websites of United States embassies in the official language of that country.

(c) INTER-AGENCY AVAILABILITY.—The Secretary shall share the information described in subsection (a) with the Secretary of State.

SEC. 3608. AMENDMENT TO THE IMMIGRATION AND NATIONALITY ACT.

Section 214 (8 U.S.C. 1184) is amended by adding at the end the following:

''(s) A visa shall not be issued under the subparagraph (A)(iii), (B)(i) (but only for domestic servants described in clause (i) or (ii) of section 274a.12(c)(17) of title 8, Code of Federal Regulations (as in effect on December 4, 2007)), (G)(v),

(H), (J), (L), (Q), (R), or (W) of section 101(a)(15) until the consular officer—

''(1) has provided to and reviewed with the applicant, in the applicant's language (or a language the applicant understands), a copy of the information and resources pamphlet required by section 202 of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C. 1375b); and

''(2) has reviewed and made a part of the visa file the foreign labor recruiter disclosures required by section 3602 of the Border Security, Economic Opportunity, and Immigration Modernization Act, including whether the foreign labor recruiter is registered pursuant to that section.''.

SEC. 3609. RESPONSIBILITIES OF SECRETARY OF STATE.

(a) IN GENERAL.—The Secretary of State shall ensure that each United States diplomatic mission has a person who shall be responsible for receiving information from any worker who has been subject to violations of this subtitle.

(b) PROVISION OF INFORMATION.—The responsible person referred to in subsection (a) shall ensure that the information received is provided to the Department of Justice, the Department of Labor, or any other relevant Federal agency.

(c) MECHANISMS.—The Attorney General and the Secretary shall ensure that there is a mechanism for any actions that need to be taken in response to information received under subsection (a).

(d) ASSISTANCE FROM FOREIGN GOVERNMENT.—The person designated for receiving information pursuant to subsection (a) is strongly encouraged to coordinate with governments and civil society organizations in the countries of origin to ensure the worker receives additional support.

(e) MAINTENANCE AND AVAILABILITY OF INFORMATION.—The Secretary of State shall ensure that consulates maintain information regarding the identities of foreign labor contractors and the employers to whom the foreign labor contractors supply workers. The Secretary of State shall make such information publicly available in written form and online, including on the websites of United States embassies in the official language of that country.

(f) ANNUAL PUBLIC DISCLOSE.—The Secretary of State shall make publicly available online, on an annual basis, data disclosing the gender, country of origin and state, if available, date of birth, wage, level of training, and occupation category, disaggregated by job and by visa category and subcategory.

SEC. 3610. ENFORCEMENT PROVISIONS.

(a) COMPLAINTS AND INVESTIGATIONS.—The Secretary—

(1) shall establish a process for the receipt, investigation, and disposition of complaints filed by any person, including complaints respecting a foreign labor contractor's compliance with this subtitle; and

(2) either pursuant to the process required by paragraph (1) or otherwise, may investigate employers or foreign labor contractors, including actions occurring in a foreign country, as necessary to determine compliance with this subtitle.

(b) ENFORCEMENT.—

(1) IN GENERAL.—A worker who believes that he or she has suffered a violation of this subtitle may seek relief from an employer by—

(A) filing a complaint with the Secretary within 3 years after the date on which the violation occurred or date on which the employee became aware of the violation; or

(B) if the Secretary has not issued a final decision within 120 days of the filing of the complaint and there is no showing that such delay is due to the bad faith of the claimant, bringing an action at law or equity for de novo review in the appropriate district court of the United States, which shall have jurisdiction over such an action without regard to the amount in controversy.

(2) PROCEDURE.—

(A) IN GENERAL.—Unless otherwise provided herein, a complaint under paragraph (1)(A) shall be governed under the rules and procedures set forth in paragraphs (1) and (2)(A) of section 42121(b) of title 49, United States Code.

(B) EXCEPTION.—Notification of a complaint under paragraph (1)(A) shall be made to each person or entity named in the complaint as a defendant and to the employer.

(C) STATUTE OF LIMITATIONS.—An action filed in a district court of the United States under paragraph (1)(B) shall be commenced not later than 180 days after the last day of the 120-day period referred to in that paragraph.

(D) JURY TRIAL.—A party to an action brought under paragraph (1)(B) shall be entitled to trial by jury.

(c) ADMINISTRATIVE ENFORCEMENT.—

(1) IN GENERAL.—If the Secretary finds, after notice and an opportunity for a hearing, any foreign labor contractor or employer failed to comply with any of the requirements of this subtitle, the Secretary may impose the following against such contractor or employer—

(A) a fine in an amount not more than $10,000 per violation; and

(B) upon the occasion of a third violation or a failure to comply with representations, a fine of not more than $25,000 per violation.

(d) AUTHORITY TO ENSURE COMPLIANCE.—The Secretary is authorized to take other such actions, including issuing subpoenas and seeking appropriate injunctive relief and recovery of damages, as may be necessary to assure compliance with the terms and conditions of this subtitle.

(e) BONDING.—Pursuant to the bonding requirement in section 3606, bond liquidation and forfeitures shall be in addition to other remedies under this section or any other law.

(f) CIVIL ACTION.—

(1) IN GENERAL.—The Secretary or any person aggrieved by a violation of this subtitle may bring a civil action against any foreign labor contractor that does not meet the requirements under subsection (g)(2) in any court of competent jurisdiction—

(A) to seek remedial action, including injunctive relief;

(B) to recover damages on behalf of any worker harmed by a violation of this subsection; and

(C) to ensure compliance with requirements of this section.

(2) ACTIONS BY THE SECRETARY OF HOMELAND SECURITY.—

(A) SUMS RECOVERED.—Any sums recovered by the Secretary on behalf of a worker under paragraph (1) or through liquidation of the bond held pursuant to section 3606 shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to each worker affected. Any such sums not paid to a worker because of inability to do so within a period of 5 years shall be credited as an offsetting collection to the appropriations account of the Secretary for expenses for the administration of this section and shall remain available to the Secretary until expended or may be used for enforcement of the laws within the jurisdiction of the wage and hour division or may be transferred to the Secretary of Health and Human Services for the purpose of providing support to programs that provide assistance to victims of trafficking in persons or other exploited persons. The Secretary shall work with any attorney or organization representing workers to locate workers owed sums under this section.

(B) REPRESENTATION.—Except as provided in section 518(a) of title 28, United States Code, the Attorney General may appear for and represent the Secretary in any civil litigation brought under this paragraph. All such litigation shall be subject to the direction and control of the Attorney General.

(3) ACTIONS BY INDIVIDUALS.—

(A) AWARD.—If the court finds in a civil action filed by an individual under this section that the defendant has violated any provision of this subtitle (or any regulation issued pursuant to this subtitle), the court may award—

(i) damages, up to and including an amount equal to the amount of actual damages, and statutory damages of up to $1,000 per plaintiff per violation, or other equitable relief, except that with respect to statutory damages—

(I) multiple infractions of a single provision of this subtitle (or of a regulation under this subtitle) shall constitute only 1 violation for purposes of section 3602(a) to determine the amount of statutory damages due a plaintiff; and

(II) if such complaint is certified as a class action the court may award—

(aa) damages up to an amount equal to the amount of actual damages; and

(bb) statutory damages of not more than the lesser of up to $1,000 per class member per violation, or up to $500,000; and other equitable relief;

(ii) reasonable attorneys' fees and costs; and

(iii) such other and further relief, including declaratory and injunctive relief, as necessary to effectuate the purposes of this subtitle.

(B) CRITERIA.—In determining the amount of statutory damages to be awarded under subparagraph (A), the court is authorized to consider whether an attempt was made to resolve the issues in dispute before the resort to litigation.

(C) BOND.—To satisfy the damages, fees, and costs found owing under this clause, the Secretary shall release as much of the bond held pursuant to section 3606 as necessary.

(D) APPEAL.—Any civil action brought under this section shall be subject to appeal as provided in chapter 83 of title 28, United States Code (28 U.S.C. 1291 et seq.).

(E) ACCESS TO LEGAL SERVICES CORPORATION.—Notwithstanding any other provision of law, the Legal Services Corporation and recipients of its funding may provide legal assistance on behalf of any alien with respect to any provision of this subtitle.

(g) AGENCY LIABILITY.—

(1) IN GENERAL.—Beginning 180 days after the Secretary has promulgated regulations pursuant to section 3605(c), an employer who retains the services of a foreign labor contractor shall only use those foreign labor contractors who are registered under section 3605.

(2) SAFE HARBOR.—An employer shall not have any liability under this section if the employer hires workers referred by a foreign labor contractor that has a valid registration with the Department pursuant to section 3604.

(3) LIABILITY FOR AGENTS.—Foreign labor contractors shall be subject to the provisions of this section for violations committed by the foreign labor contractor's agents or subcontractees of any level in relation to their foreign labor contracting activity to the same extent as if the foreign labor contractor had committed the violation.

(h) RETALIATION.—

(1) IN GENERAL.—No person shall intimidate, threaten, restrain, coerce, discharge, or in any other manner discriminate or retaliate against any worker or their family members (including a former employee or an applicant for employment) because such worker disclosed information to any person that the worker reasonably believes evidences a violation of this section (or any rule or regulation pertaining to this section), including seeking legal assistance of counsel or cooperating with an investigation or other proceeding concerning compliance with this section (or any rule or regulation pertaining to this section).

(2) ENFORCEMENT.—An individual who is subject to any conduct described in paragraph (1) may, in a civil action, recover appropriate relief, including reasonable attorneys' fees and costs, with respect to that violation. Any civil action under this subparagraph shall be stayed during the pendency of any criminal action arising out of the violation.

(i) WAIVER OF RIGHTS.—Agreements by employees purporting to waive or to modify their rights under this subtitle shall be void as contrary to public policy.

(j) PRESENCE DURING PENDENCY OF ACTIONS.—

(1) IN GENERAL.—If other immigration relief is not available, the Attorney General and the Secretary shall grant advance parole to permit a nonimmigrant to remain legally in the United States for time sufficient to fully and effectively participate in all legal proceedings related to any action taken pursuant to this section.

(2) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall promulgate regulations to carry out paragraph (1).

SEC. 3611. DETECTING AND PREVENTING CHILD TRAFFICKING.

The Secretary shall mandate the live training of all U.S. Customs and Border Protection personnel who are likely to come into contact with unaccompanied alien children. Such training shall incorporate the services of child welfare professionals with expertise in culturally competent, trauma-centered, and developmentally appropriate interviewing skills to assist U.S. Customs and Border Protection in the screening of children attempting to enter the United States.

SEC. 3612. PROTECTING CHILD TRAFFICKING VICTIMS.

(a) SHORT TITLE.—This section may be cited as the ''Child Trafficking Victims Protection Act''.

(b) DEFINED TERM.—In this section, the term ''unaccompanied alien children'' has the meaning given such term in section 462 of the Homeland Security Act of 2002 (6 U.S.C. 279).

(c) CARE AND TRANSPORTATION.—Notwithstanding any other provision of law, the Secretary shall ensure that all unaccompanied alien children who will undergo any immigration proceedings before the Department or the Executive Office for Immigration Review are duly transported and placed in the care and legal and physical custody of the Office of Refugee Resettlement not later than 72 hours after their apprehension absent exceptional circumstances, including a natural disaster or comparable emergency beyond the control of the Secretary or the Office of Refugee Resettlement. The Secretary, to the extent practicable, shall ensure that female officers are continuously present during the transfer and transport of female detainees who are in the custody of the Department.

(d) QUALIFIED RESOURCES.—

(1) IN GENERAL.—The Secretary shall provide adequately trained and qualified staff and resources, including the accommodation of child welfare officials, in accordance with subsection (e), at U.S. Customs and Border Protection ports of entry and stations.

(2) CHILD WELFARE PROFESSIONALS.—The Secretary of Health and Human Services, in consultation with the Secretary, shall hire, on a full- or part-time basis, child welfare professionals who will provide assistance, either in person or by other appropriate methods of communication, in not fewer than 7 of the U.S. Customs and Border Protection offices or stations with the largest number of unaccompanied alien child apprehensions in the previous fiscal year.

(e) CHILD WELFARE PROFESSIONALS.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Health and Human Services, shall ensure that qualified child welfare professionals with expertise in culturally competent, trauma-centered, and developmentally appropriate interviewing skills are available at each major port of entry described in subsection (d).

(2) DUTIES.—Child welfare professionals described in paragraph (1) shall—

(A) develop guidelines for treatment of unaccompanied alien children in the custody of the Department;

(B) conduct screening of all unaccompanied alien children in accordance with section 235(a)(4) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C. 1232(a)(4));

(C) notify the Department and the Office of Refugee Resettlement of children that potentially meet the notification and transfer requirements set forth in subsections (a) and (b) of section 235 of such Act (8 U.S.C. 1232);

(D) interview adult relatives accompanying unaccompanied alien children;

(E) provide an initial family relationship and trafficking assessment and recommendations regarding unaccompanied alien children's initial placements to the Office of Refugee Resettlement, which shall be conducted in accordance with the time frame set forth in subsections (a)(4) and (b)(3) of section 235 of such Act (8 U.S.C. 1232); and

(F) ensure that each unaccompanied alien child in the custody of U.S. Customs and Border Protection—

(i) receives emergency medical care when necessary;

(ii) receives emergency medical and mental health care that complies with the standards adopted pursuant to section 8(c) of the Prison Rape Elimination Act of 2003 (42 U.S.C. 15607(c)) whenever necessary, including in cases in which a child is at risk to harm himself, herself, or others;

(iii) is provided with climate appropriate clothing, shoes, basic personal hygiene and sanitary products, a pillow, linens, and sufficient blankets to rest at a comfortable temperature;

(iv) receives adequate nutrition;

(v) enjoys a safe and sanitary living environment;

(vi) has access to daily recreational programs and activities if held for a period longer than 24 hours;

(vii) has access to legal services and consular officials; and

(viii) is permitted to make supervised phone calls to family members.

(3) FINAL DETERMINATIONS.—The Office of Refugee Resettlement in accordance with applicable policies and procedures for sponsors, shall submit final determinations on family relationships to the Secretary, who shall consider such adult relatives for community-based support alternatives to detention.

(4) REPORT.—Not later than 18 months after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit a report to Congress that—

(A) describes the screening procedures used by the child welfare professionals to screen unaccompanied alien children;

(B) assesses the effectiveness of such screenings; and

(C) includes data on all unaccompanied alien children who were screened by child welfare professionals;

(f) IMMEDIATE NOTIFICATION.—The Secretary shall notify the Office of Refugee Resettlement of an unaccompanied alien child in the custody of the Department as soon as practicable, but generally not later than 48 hours after the Department encounters the child, to effectively and efficiently coordinate the child's transfer to and placement with the Office of Refugee Resettlement.

(g) NOTICE OF RIGHTS AND RIGHT TO ACCESS TO COUNSEL.—

(1) IN GENERAL.—The Secretary shall ensure that all unaccompanied alien children, upon apprehension, are provided—

(A) an interview and screening with a child welfare professional described in subsection (e)(1); and

(B) an orientation and oral and written notice of their rights under the Immigration and Nationality Act, including—

(i) their right to relief from removal;

(ii) their right to confer with counsel (as guaranteed under section 292 of such Act (8 U.S.C. 1362)), family, or friends while in the temporary custody of the Department; and

(iii) relevant complaint mechanisms to report any abuse or misconduct they may have experienced.

(2) LANGUAGES.—The Secretary shall ensure that—

(A) the video orientation and written notice of rights described in paragraph (1) is available in English and in the 5 most common native languages spoken by the unaccompanied children held in custody at that location during the preceding fiscal year; and

(B) the oral notice of rights is available in English and in the most common native language spoken by the unaccompanied children held in custody at that location during the preceding fiscal year.

(h) CONFIDENTIALITY.—The Secretary of Health and Human Services shall maintain the privacy and confidentiality of all information gathered in the course of providing care, custody, placement, and follow-up services to unaccompanied alien children, consistent with the best interest of the unaccompanied alien child, by not disclosing such information to other government agencies or nonparental third parties unless such disclosure is—

(1) recorded in writing and placed in the child's file;

(2) in the child's best interest; and

(3)(A) authorized by the child or by an approved sponsor in accordance with section 235 of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C. 1232) and the Health Insurance Portability and Accountability Act (Public Law 104–191); or

(B) provided to a duly recognized law enforcement entity to prevent imminent and serious harm to another individual.

(i) OTHER POLICIES AND PROCEDURES.—The Secretary shall adopt fundamental child protection policies and procedures—

(1) for reliable age determinations of children, developed in consultation with medical and child welfare experts, which exclude the use of fallible forensic testing of children's bone and teeth;

(2) to utilize all legal authorities to defer the child's removal if the child faces a risk of life-threatening harm upon return including due to the child's mental health or medical condition; and

(3) to ensure, in accordance with the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601 et seq.), that unaccompanied alien children, while in detention, are—

(A) physically separated from any adult who is not an immediate family member; and

(B) separated from—

(i) immigration detainees and inmates with criminal convictions;

(ii) pretrial inmates facing criminal prosecution; and

(iii) inmates exhibiting violent behavior.

(j) REPATRIATION AND REINTEGRATION PROGRAM.—

(1) IN GENERAL.—The Administrator of the United States Agency for International Development, in conjunction with the Secretary, the Secretary of Health and Human Services, the Attorney General, international organizations, and nongovernmental organizations in the United States with expertise in repatriation and reintegration, shall create a multi-year program to develop and implement best practices and sustainable programs in the United States and within the country of return to ensure the safe and sustainable repatriation and reintegration of unaccompanied alien children into their country of nationality or of last habitual residence, including placement with their families, legal guardians, or other sponsoring agencies.

(2) REPORT ON REPATRIATION AND REINTEGRATION OF UNACCOMPANIED ALIEN CHILDREN.—Not later than 18 months after the date of the enactment of this Act, and annually thereafter, the Administrator of the Agency for International

Development shall submit a substantive report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives on efforts to improve repatriation and reintegration programs for unaccompanied alien children.

(k) TRANSFER OF FUNDS.—

(1) AUTHORIZATION.—The Secretary, in accordance with a written agreement between the Secretary and the Secretary of Health and Human Services, shall transfer such amounts as may be necessary to carry out the duties described in subsection (f)(2) from amounts appropriated for U.S. Customs and Border Protection to the Department of Health and Human Services.

(2) REPORT.—Not later than 15 days before any proposed transfer under paragraph (1), the Secretary of Health and Human Services, in consultation with the Secretary, shall submit a detailed expenditure plan that describes the actions proposed to be taken with amounts transferred under such paragraph to—

(A) the Committee on Appropriations of the Senate; and

(B) the Committee on Appropriations of the House of Representatives.

SEC. 3613. RULE OF CONSTRUCTION.

Nothing in this subtitle shall be construed to preempt or alter any other rights or remedies, including any causes of action, available under any other Federal or State law.

SEC. 3614. REGULATIONS.

The Secretary shall, in consultation with the Secretary of Labor, prescribe regulations to implement this subtitle and to develop policies and procedures to enforce the provisions of this subtitle.

Subtitle G—Interior Enforcement

SEC. 3701. CRIMINAL STREET GANGS.

(a) INADMISSIBILITY.—Section 212(a)(2) (8 U.S.C. 1182(a)(2)) is amended by inserting after subparagraph (I) the following:

''(J) ALIENS IN CRIMINAL STREET GANGS.—

''(i) IN GENERAL.—Any alien is inadmissible—

''(I) who has been convicted of an offense for which an element was active participation in a criminal street gang (as defined in section 521(a) of title 18, United States Code) and the alien—

''(aa) had knowledge that the gang's members engaged in or have engaged in a continuing series of offenses described in section 521(c) of title 18, United States Code; and

''(bb) acted with the intention to promote or further the felonious activities of the criminal street gang or maintain or increase his or her position in the gang; or

''(II) subject to clause (ii), who is 18 years of age or older, who is physically present outside the United States, whom the Secretary determines by clear and convincing evidence, based upon law enforcement information deemed credible by the Secretary, has, since the age of 18, knowingly and willingly participated in a criminal street gang with knowledge that such participation promoted or furthered the illegal activity of the gang.

''(ii) WAIVER.—The Secretary may waive clause (i)(II) if the alien has renounced all association with the criminal street gang, is otherwise admissible, and is not a threat to the security of the United States.''.

(b) GROUNDS FOR DEPORTATION.—Section 237(a)(2) (8 U.S.C. 1227(a)(2)) is amended by adding at the end the following:

''(G) ALIENS ASSOCIATED WITH CRIMINAL STREET GANGS.—Any alien is removable who has been convicted of an offense for which an element was active participation in a criminal street gang (as defined in section 521(a) of title 18, United States Code), and the alien—

''(i) had knowledge that the gang's members engaged in or have engaged in a continuing series of offenses described in section 521(c) of title 18, United States Code; and

''(ii) acted with the intention to promote or further the felonious activities the criminal street gang or increase his or her position in such gang.''.

(c) GROUND OF INELIGIBILITY FOR REGISTERED PROVISIONAL IMMIGRANT STATUS.—

(1) IN GENERAL.—An alien who is 18 years of age or older is ineligible for registered provisional immigrant status if the Secretary determines that the alien—

(A) has been convicted of an offense for which an element was active participation in a criminal street gang (as defined in section 521(a) of title 18, United States Code, and the alien—

(i) had knowledge that the gang's members engaged in or have engaged in a continuing series of offenses described in section 521(c) of title 18, United States Code; and

(ii) acted with the intention to promote or further the felonious activities of the criminal street gang or maintain or increase his or her position in such gang; or

(B) subject to paragraph (2), any alien who is 18 years of age or older whom the Secretary determines by clear and convincing evidence, based upon law enforcement information deemed credible by the Secretary, has, since the age of 18, knowingly and willingly participated in a such gang with knowledge that such participation promoted or furthered the illegal activity of such gang.

(2) WAIVER.—The Secretary may waive the application of paragraph (1)(B) if the alien has renounced all association with the criminal street gang, is otherwise admissible, and is not a threat to the security of the United States.

SEC. 3702. BANNING HABITUAL DRUNK DRIVERS FROM THE UNITED STATES.

(a) GROUNDS FOR INADMISSIBILITY.—Section 212(a)(2) (8 U.S.C. 1182(a)(2)), as amended by section 3701(a), is further amended—

(1) by redesignating subparagraph (F) as subparagraph (L); and

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

''(F) HABITUAL DRUNK DRIVERS.—An alien convicted of 3 or more offenses for driving under the influence or driving while intoxicated on separate dates is inadmissible.''.

(b) GROUNDS FOR DEPORTATION.—Section 237(a)(2) (8 U.S.C. 1227(a)(2)), as amended by section 3701(b), is further amended by adding at the end the following:

''(H) HABITUAL DRUNK DRIVERS.—An alien convicted of 3 or more offenses for driving under the influence or driving while intoxicated, at least 1 of which occurred after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, is deportable.''.

(c) IN GENERAL.—

(1) AGGRAVATED FELONY.—Section 101(a)(43)(F) (8 U.S.C. 1101(a)(43)(F)) is amended by striking ''for which the term of imprisonment'' and inserting '', including a third drunk driving conviction, for which the term of imprisonment is''.

(2) EFFECTIVE DATE AND APPLICATION.—

(A) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act.

(B) APPLICATION.—

(i) IN GENERAL.—Except as provided in subparagraph (ii), the amendment made by paragraph (1) shall apply to a conviction for drunk driving that occurred before, on, or after such date of enactment.

(ii) TWO OR MORE PRIOR CONVICTIONS.—An alien who received 2 or more convictions for drunk driving before the date of the enactment of this Act may not be subject to removal for the commission of an aggravated felony pursuant to section 237(a)(2)(A)(iii) of the Immigration and Nationality Act (8 U.S.C. 1227(a)(2)(A)(iii)) on the basis of such convictions until the date on which the alien is convicted of a drunk driving offense after such date of enactment.

SEC. 3703. SEXUAL ABUSE OF A MINOR.

Section 101(a)(43)(A) (8 U.S.C. 1101(a)(43)(A)) is amended by striking ''murder, rape, or sexual abuse of a minor;'' and inserting ''murder, rape, or sexual abuse of a minor, whether or not the minority of the victim is established by evidence contained in the record of conviction or by credible evidence extrinsic to the record of conviction;''.

SEC. 3704. ILLEGAL ENTRY.

(a) IN GENERAL.—Section 275 (8 U.S.C. 1325) is amended to read as follows:

''SEC. 275. ILLEGAL ENTRY.

''(a) IN GENERAL.—

''(1) CRIMINAL OFFENSES.—An alien shall be subject to the penalties set forth in paragraph (2) if the alien—

''(A) enters or crosses the border into the United States at any time or place other than as designated by the Secretary of Homeland Security;

''(B) eludes examination or inspection by an immigration officer, or a customs or agriculture inspection at a port of entry; or

''(C) enters or crosses the border to the United States by means of a knowingly false or misleading representation or the concealment of a material fact.

''(2) CRIMINAL PENALTIES.—Any alien who violates any provision under paragraph (1)—

''(A) shall, for the first violation, be fined under title 18, United States Code, imprisoned not more than 12 months, or both;

''(B) shall, for a second or subsequent violation, or following an order of voluntary departure, be fined under such title, imprisoned not more than 3 years, or both;

''(C) if the violation occurred after the alien had been convicted of 3 or more misdemeanors with the convictions occurring on different dates or of a felony for which the alien served a term of imprisonment of 15 days or more, shall be fined under such title, imprisoned not more than 10 years, or both; and

''(D) if the violation occurred after the alien had been convicted of a felony for which the alien was sentenced to a term of imprisonment of not less than 30 months, shall be fined under such title, imprisoned not more than 15 years, or both.

''(3) PRIOR CONVICTIONS.—The prior convictions described in subparagraphs (C) and (D) of paragraph (2) are elements of the offenses described in that paragraph and the penalties in such subparagraphs shall apply only in cases in which the conviction or convictions that form the basis for the additional penalty are—

''(A) alleged in the indictment or information; and

''(B) proven beyond a reasonable doubt at trial or admitted by the defendant under oath as part of a plea agreement.

''(b) IMPROPER TIME OR PLACE; CIVIL PENALTIES.—Any alien older than 18 years of age who is apprehended while knowingly entering, attempting to enter, or crossing or attempting to cross the border to the United States at a time or place other than as designated by immigration officers shall be subject to a civil penalty, in addition to any criminal or other civil penalties that may be imposed under any other provision of law, in an amount equal to—

''(1) not less than $250 or more than $5,000 for each such entry, crossing, attempted entry, or attempted crossing; or

''(2) twice the amount specified in paragraph (1) if the alien had previously been subject to a civil penalty under this subsection.

''(c) FRAUDULENT MARRIAGE.—An individual who knowingly enters into a marriage for the purpose of evading any provision of the immigration laws shall be imprisoned for not more than 5 years, fined not more than $250,000, or both.

''(d) COMMERCIAL ENTERPRISES.—Any individual who knowingly establishes a commercial enterprise for the purpose of evading any provision of the immigration laws shall be imprisoned for not more than 5 years, fined in accordance with title 18, United States Code, or both.''.

(b) CLERICAL AMENDMENT.—The table of contents is amended by striking the item relating to section 275 and inserting the following:

''Sec. 275. Illegal entry.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of the enactment of this Act.

SEC. 3705. REENTRY OF REMOVED ALIEN.

Section 276 (8 U.S.C. 1326) is amended to read as follows:

''SEC. 276. REENTRY OF REMOVED ALIEN.

''(a) REENTRY AFTER REMOVAL.—Any alien who has been denied admission, excluded, deported, or removed, or who has departed the United States while an order of exclusion, deportation, or removal is outstanding, and subsequently enters, attempts to enter, crosses the border to, attempts to cross the border to, or is at any time found in the United States, shall be fined under title 18, United States Code, and imprisoned not more than 2 years.

''(b) REENTRY OF CRIMINAL OFFENDERS.—Notwithstanding the penalty provided in subsection (a), if an alien described in that subsection—

''(1) was convicted for 3 or more misdemeanors, with the convictions occurring on different dates, before such removal or departure, the alien shall be fined under title 18, United States Code, and imprisoned not more than 10 years, or both;

''(2) was convicted for a felony before such removal or departure for which the alien was sentenced to a term of imprisonment of not less than 30 months, the alien shall be fined under such title, and imprisoned not more than 15 years, or both;

''(3) was convicted for a felony before such removal or departure for which the alien was sentenced to a term of imprisonment of not less than 60 months, the alien shall be fined under such title, and imprisoned not more than 20 years, or both;

''(4) was convicted for 3 felonies, with the convictions occurring on different dates before such removal or departure, the alien shall be fined under such title, and imprisoned not more than 20 years, or both; or

''(5) was convicted, before such removal or departure, for murder, rape, kidnapping, or a felony offense described in chapter 77 (relating to peonage and slavery) or 113B (relating to terrorism) of such title, the alien shall be fined under such title, and imprisoned not more than 20 years, or both.

''(c) REENTRY AFTER REPEATED REMOVAL.—Any alien who has been denied admission, excluded, deported, or removed 3 or more times and thereafter enters, attempts to enter, crosses the border to, attempts to cross the border to, or is at any time found in the United States, shall be fined under title 18, United States Code, and imprisoned not more than 10 years, or both.

''(d) PROOF OF PRIOR CONVICTIONS.—The prior convictions described in subsection (b) are elements of the offenses described in that subsection, and the penalties in such subsection shall apply only in cases in which the conviction or convictions that form the basis for the additional penalty are—

''(1) alleged in the indictment or information; and

''(2) proven beyond a reasonable doubt at trial or admitted by the defendant under oath as part of a plea agreement.

''(e) AFFIRMATIVE DEFENSES.—It shall be an affirmative defense to a violation of this section that—

''(1) prior to the alleged violation, the alien had sought and received the express consent of the Secretary of Homeland Security to reapply for admission into the United States; or

''(2) at the time of the prior exclusion, deportation, removal, or denial of admission alleged in the violation, the alien had not yet reached 18 years of age and had not been convicted of a crime or adjudicated a delinquent minor by a court of the United States, or a court of a state or territory, for conduct that would constitute a felony if committed by an adult.

''(f) LIMITATION ON COLLATERAL ATTACK ON UNDERLYING DEPORTATION ORDER.—In a criminal proceeding under this section, an alien may not challenge the validity of the deportation order described in subsection (a) or subsection (c) unless the alien demonstrates that—

''(1) the alien exhausted any administrative remedies that may have been available to seek relief against the order;

''(2) the deportation proceedings at which the order was issued improperly deprived the alien of the opportunity for judicial review; and

''(3) the entry of the order was fundamentally unfair.

''(g) REENTRY OF ALIEN REMOVED PRIOR TO COMPLETION OF TERM OF IMPRISONMENT.—Any alien removed pursuant to section 241(a)(4) who enters, attempts to enter, crosses the border to, attempts to cross the border to, or is at any time found in, the United States shall be incarcerated for the remainder of the sentence of imprisonment which was pending at the time of deportation without any reduction for parole or supervised release unless the alien affirmatively demonstrates that the Secretary of Homeland Security has expressly consented to the alien's reentry or the alien is prima facie eligible for protection from removal. Such alien shall be subject to such other penalties relating to the reentry of removed aliens as may be available under this section or any other provision of law.

''(h) LIMITATION.—It is not aiding and abetting a violation of this section for an individual to provide an alien with emergency humanitarian assistance, including emergency medical care and food, or to transport the alien to a location where such assistance can be rendered without compensation or the expectation of compensation.

''(i) DEFINITIONS.—In this section:

''(1) FELONY.—The term 'felony' means any criminal offense punishable by a term of imprisonment of more than 1 year under the laws of the United States, any State, or a foreign government.

''(2) MISDEMEANOR.—The term 'misdemeanor' means any criminal offense punishable by a term of imprisonment of not more than 1 year under the applicable laws of the United States, any State, or a foreign government.

''(3) REMOVAL.—The term 'removal' includes any denial of admission, exclusion, deportation, or removal, or any agreement by which an alien stipulates or agrees to exclusion, deportation, or removal.

''(4) STATE.—The term 'State' means a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.''.

SEC. 3706. PENALTIES RELATING TO VESSELS AND AIRCRAFT.

Section 243(c) (8 U.S.C. 1253(c)) is amended—

(1) by striking ''Attorney General'' each place such term appears and inserting ''Secretary of Homeland Security'';

(2) by striking ''Commissioner'' each place such term appears and inserting ''Secretary of Homeland Security''; and

(3) in paragraph (1)—

(A) in subparagraph (A), by striking ''$2,000'' and inserting ''$5,000'';

(B) in subparagraph (B), by striking ''$5,000'' and inserting ''$10,000'';

(C) by amending subparagraph (C) to read as follows:

''(C) COMPROMISE.—The Secretary of Homeland Security, in the Secretary's unreviewable discretion and upon the receipt of a written request, may mitigate the monetary penalties required under this subsection for each alien stowaway to an amount equal to not less than $2,000, upon such terms that the Secretary determines to be appropriate.''; and

(D) by inserting at the end the following:

''(D) EXCEPTION.—A person, acting without compensation or the expectation of compensation, is not subject to penalties under this paragraph if the person is—

''(i) providing, or attempting to provide, an alien with humanitarian assistance, including emergency medical care or food or water; or

''(ii) transporting the alien to a location where such humanitarian assistance can be rendered without compensation or the expectation of compensation.''.

SEC. 3707. REFORM OF PASSPORT, VISA, AND IMMIGRATION FRAUD OFFENSES.

(a) TRAFFICKING IN PASSPORTS.—Section 1541 of title 18, United States Code, is amended to read as follows:

''§ 1541. Trafficking in passports

''(a) MULTIPLE PASSPORTS.—Subject to subsection (b), any person who, during any period of 3 years or less, knowingly—

''(1) and without lawful authority produces, issues, or transfers 3 or more passports;

''(2) forges, counterfeits, alters, or falsely makes 3 or more passports;

''(3) secures, possesses, uses, receives, buys, sells, or distributes 3 or more passports, knowing the passports to be forged, counterfeited, altered, falsely made, stolen, procured by fraud, or produced or issued without lawful authority; or

''(4) completes, mails, prepares, presents, signs, or submits 3 or more applications for a United States passport, knowing the applications to contain any materially false statement or representation,

shall be fined under this title, imprisoned not more than 20 years, or both.

''(b) USE IN A TERRORISM OFFENSE.—Any person who commits an offense described in subsection (a) to facilitate an act of international terrorism (as defined in section 2331) shall be fined under this title, imprisoned not more than 25 years, or both.

''(c) PASSPORT MATERIALS.—Any person who knowingly and without lawful authority produces, buys, sells, possesses, or uses any official material (or counterfeit of any official material) used to make 10 or more passports, including any distinctive paper, seal, hologram, image, text, symbol, stamp, engraving, or plate, shall be fined under this title, imprisoned not more than 20 years, or both.''.

(b) FALSE STATEMENT IN AN APPLICATION FOR A PASSPORTS.—Section 1542 of title 18, United States Code, is amended to read as follows:

''§ 1542. False statement in an application for a passport

''(a) IN GENERAL.—Any person who knowingly makes any material false statement or representation in an application for a United States passport, or mails, prepares, presents, or signs an application for a United States passport knowing the application to contain any material false statement or representation, shall be fined under this title, imprisoned not more than 25 years (if the offense was committed to facilitate an act of international terrorism (as defined in section 2331 of this title)), 20 years (if the offense was committed to facilitate a drug trafficking crime (as defined in section 929(a) of this title)), 15 years (in the case of any other offense), or both.

''(b) VENUE.—

''(1) IN GENERAL.—An offense under subsection (a) may be prosecuted in any district—

''(A) in which the false statement or representation was made or the application for a United States passport was prepared or signed; or

''(B) in which or to which the application was mailed or presented.

''(2) OFFENSES OUTSIDE THE UNITED STATES.—An offense under subsection (a) involving an application prepared and adjudicated outside the United States may be prosecuted in the district in which the resultant passport was or would have been produced.

''(c) SAVINGS CLAUSE.—Nothing in this section may be construed to limit the venue otherwise available under sections 3237 and 3238 of this title.''.

(c) MISUSE OF A PASSPORT.—Section 1544 of title 18, United States Code, is amended to read as follows:

"§ 1544. Misuse of a passport

"Any person who knowingly—

"(1) misuses or attempts to misuse for their own purposes any passport issued or designed for the use of another;

"(2) uses or attempts to use any passport in violation of the laws, regulations, or rules governing the issuance and use of the passport;

"(3) secures, possesses, uses, receives, buys, sells, or distributes or attempts to secure, possess, use, receive, buy, sell, or distribute any passport knowing the passport to be forged, counterfeited, altered, falsely made, procured by fraud, or produced or issued without lawful authority; or

"(4) substantially violates the terms and conditions of any safe conduct duly obtained and issued under the authority of the United States,

shall be fined under this title, imprisoned not more than 25 years (if the offense was committed to facilitate an act of international terrorism (as defined in section 2331 of this title)), 20 years (if the offense was committed to facilitate a drug trafficking crime (as defined in section 929(a) of this title)), 15 years (in the case of any other offense), or both.".

(d) SCHEMES TO PROVIDE FRAUDULENT IMMIGRATION SERVICES.—Section 1545 of title 18, United States Code, is amended to read as follows:

"§ 1545. Schemes to provide fraudulent immigration services

"(a) IN GENERAL.—Any person who knowingly executes a scheme or artifice, in connection with any matter that is authorized by or arises under any Federal immigration law or any matter the offender claims or represents is authorized by or arises under any Federal immigration law, to—

"(1) defraud any person; or

"(2) obtain or receive money or anything else of value from any person by means of false or fraudulent pretenses, representations, or promises,

shall be fined under this title, imprisoned not more than 10 years, or both.

"(b) MISREPRESENTATION.—Any person who knowingly and falsely represents that such person is an attorney or an accredited representative (as that term is defined in section 1292.1 of title 8, Code of Federal Regulations (or any successor regulation)) in any matter arising under any Federal immigration law shall be fined under this title, imprisoned not more than 15 years, or both.".

(e) IMMIGRATION AND VISA FRAUD.—Section 1546 of title 18, United States Code, is amended—

(1) by amending the section heading to read as follows:

"§ 1546. Immigration and visa fraud";

(2) by redesignating subsection (b) as subsection (d); and

(3) by inserting after subsection (a) the following new subsections:

"(b) TRAFFICKING.—Any person who, during any period of 3 years or less, knowingly—

"(1) and without lawful authority produces, issues, or transfers 3 or more immigration documents;

"(2) forges, counterfeits, alters, or falsely makes 3 or more immigration documents;

"(3) secures, possesses, uses, buys, sells, or distributes 3 or more immigration documents, knowing the immigration documents to be forged, counterfeited, altered, stolen, falsely made, procured by fraud, or produced or issued without lawful authority; or

"(4) completes, mails, prepares, presents, signs, or submits 3 or more immigration documents knowing the documents to contain any materially false statement or representation,

shall be fined under this title, imprisoned not more than 20 years, or both.

"(c) IMMIGRATION DOCUMENT MATERIALS.—Any person who knowingly and without lawful authority produces, buys, sells, possesses, or uses any official material (or counterfeit of any official material) used to make 10 or more immigration documents, including any distinctive paper, seal, hologram, image, text, symbol, stamp, engraving, or plate, shall be fined under this title, imprisoned not more than 20 years, or both.".

(f) ALTERNATIVE IMPRISONMENT MAXIMUM FOR CERTAIN OFFENSES.—Section 1547 of title 18, United States Code, is amended—

(1) in the matter preceding paragraph (1), by striking "(other than an offense under section 1545)";

(2) in paragraph (1), by striking "15" and inserting "20"; and

(3) in paragraph (2), by striking "20" and inserting "25".

(g) AUTHORIZED LAW ENFORCEMENT ACTIVITIES.—Chapter 75 of title 18, United States Code, is amended by adding after section 1547 the following:

"§ 1548. Authorized law enforcement activities

"Nothing in this chapter may be construed to prohibit—

"(1) any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or an intelligence agency of the United States; or

"(2) any activity authorized under title V of the Organized Crime Control Act of 1970 (Public Law 91–452; 84 Stat. 933).".

(h) TABLE OF SECTIONS AMENDMENT.—The table of sections for chapter 75 of title 18, United States Code, is amended to read as follows:

"Sec.
"1541. Trafficking in passports.
"1542. False statement in an application for a passport.
"1543. Forgery or false use of a passport.
"1544. Misuse of a passport.
"1545. Schemes to provide fraudulent immigration services.
"1546. Immigration and visa fraud.
"1547. Alternative imprisonment maximum for certain offenses.
"1548. Authorized law enforcement activities.".

SEC. 3708. COMBATING SCHEMES TO DEFRAUD ALIENS.

(a) REGULATIONS, FORMS, AND PROCEDURES.—The Secretary and the Attorney General, for matters within their respective jurisdictions arising under the immigration laws, shall promulgate appropriate regulations, forms, and procedures defining the circumstances in which—

(1) persons submitting applications, petitions, motions, or other written materials relating to immigration benefits or relief from removal under the immigration laws will be required to identify who (other than immediate family members) assisted them in preparing or translating the immigration submissions; and

(2) any person or persons who received compensation (other than a nominal fee for copying, mailing, or similar services) in connection with the preparation, completion, or submission of such materials will be required to sign the form as a preparer and provide identifying information.

(b) CIVIL INJUNCTIONS AGAINST IMMIGRATION SERVICE PROVIDER.—The Attorney General may commence a civil action in the name of the United States to enjoin any immigration service provider from further engaging in any fraudulent conduct that substantially interferes with the proper administration of the immigration laws or who willfully misrepresents such provider's legal authority to provide representation before the Department of Justice or the Department.

(c) DEFINITIONS.—In this section:

(1) IMMIGRATION LAWS.—The term "immigration laws" has the meaning given that term in section 101(a)(17) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(17)).

(2) IMMIGRATION SERVICE PROVIDER.—The term "immigration service provider" means any individual or entity (other than an attorney or individual otherwise authorized to provide representation in immigration proceedings as provided in Federal regulation) who, for a fee or other compensation, provides any assistance or representation to aliens in relation to any filing or proceeding relating to the alien which arises, or which the provider claims to arise, under the immigration laws, executive order, or presidential proclamation.

SEC. 3709. INADMISSIBILITY AND REMOVAL FOR PASSPORT AND IMMIGRATION FRAUD OFFENSES.

(a) INADMISSIBILITY.—Section 212(a)(2)(A)(i) (8 U.S.C. 1182(a)(2)(A)(i)) is amended—

(1) in subclause (I), by striking ", or" at the end and inserting a semicolon;

(2) in subclause (II), by striking the comma at the end and inserting "; or"; and

(3) by inserting after subclause (II) the following:

"(III) a violation of section 1541, 1545, and subsection (b) of section 1546 of title 18, United States Code,".

(b) REMOVAL.—Section 237(a)(3)(B)(iii) (8 U.S.C. 1227(a)(3)(B)(iii)) is amended to read as follows:

"(iii) of a violation of section 1541, 1545, and subsection (b) of section 1546 of title 18, United States Code,".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to proceedings pending on or after the date of the enactment of this Act, with respect to conduct occurring on or after that date.

SEC. 3710. DIRECTIVES RELATED TO PASSPORT AND DOCUMENT FRAUD.

(a) DIRECTIVE TO THE UNITED STATES SENTENCING COMMISSION.—

(1) IN GENERAL.—Pursuant to the authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall promulgate or amend the sentencing guidelines, policy statements, and official commentaries, if appropriate, related to passport fraud offenses, including the offenses described in chapter 75 of title 18, United States Code, as amended by section 3707, to reflect the serious nature of such offenses.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the United States Sentencing Commission shall submit a report on the implementation of this subsection to—

(A) the Committee on the Judiciary of the Senate; and

(B) the Committee on the Judiciary of the House of Representatives.

(b) PROTECTION FOR LEGITIMATE REFUGEES AND ASYLUM SEEKERS.—

(1) IN GENERAL.—

(A) REQUIREMENT FOR GUIDELINES.—The Attorney General, in consultation with the Secretary, shall develop binding prosecution guidelines for Federal prosecutors to ensure that each prosecution of an alien seeking entry into the United States by fraud is consistent with the United States treaty obligations under Article 31(1) of the Convention Relating to the Status of Refugees, done at Geneva July 28, 1951 (as made applicable by the Protocol Relating to the Status of Refugees, done at New York January 31, 1967 (19 UST 6223)).

(B) NO PRIVATE RIGHT OF ACTION.—The guidelines developed pursuant to subparagraph (A), and any internal office procedures related to such guidelines—

(i) are intended solely for the guidance of attorneys of the United States; and

(ii) are not intended to, do not, and may not be relied upon to, create any right or benefit, substantive or procedural, enforceable at law by any party in any administrative, civil, or criminal matter.

(2) PROTECTION OF VULNERABLE PERSONS.—A person described in paragraph (3) may not be

prosecuted under chapter 75 of title 18, United States Code, or under section 275 or 276 of the Immigration and Nationality Act (8 U.S.C. 1325 and 1326), in connection with the person's entry or attempted entry into the United States until after the date on which the person's application for such protection, classification, or status has been adjudicated and denied in accordance with the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(3) PERSONS SEEKING PROTECTION, CLASSIFICATION, OR STATUS.—A person described in this paragraph is a person who—

(A) is seeking protection, classification, or status; and

(B)(i) has filed an application for asylum under section 208 of the Immigration and Nationality Act (8 U.S.C. 1158), withholding of removal under section 241(b)(3) of such Act (8 U.S.C. 1231(b)(3)), or relief under the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York, December 10, 1994, pursuant to title 8, Code of Federal Regulations;

(ii) indicates immediately after apprehension, that he or she intends to apply for such asylum, withholding of removal, or relief and promptly files the appropriate application;

(iii) has been referred for a credible fear interview, a reasonable fear interview, or an asylum-only hearing under section 235 of the Immigration and Nationality Act (8 U.S.C. 1225) or part 208 of title 8, Code of Federal Regulations; or

(iv) has filed an application for classification or status under—

(I) subparagraph (T) or (U) of paragraph (15), paragraph (27)(J), or paragraph (51) of section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)); or

(II) section 216(c)(4)(C) or 240A(b)(2) of such Act (8 U.S.C. 1186a(c)(4)(C) and 1229b(b)(2)).

SEC. 3711. INADMISSIBLE ALIENS.

(a) DETERRING ALIENS ORDERED REMOVED FROM REMAINING IN THE UNITED STATES UNLAWFULLY.—Section 212(a)(9)(A) (8 U.S.C. 1182(a)(9)(A)) is amended—

(1) in clause (i), by striking ''seeks admission within 5 years of the date of such removal (or within 20 years'' and inserting ''seeks admission not later than 5 years after the date of the alien's removal (or not later than 20 years after the alien's removal''; and

(2) in clause (ii), by striking ''seeks admission within 10 years of the date of such alien's departure or removal (or within 20 years of'' and inserting ''seeks admission not later than 10 years after the date of the alien's departure or removal (or not later than 20 years after''.

(b) BIOMETRIC SCREENING.—Section 212 (8 U.S.C. 1182) is amended—

(1) in subsection (a)(7), by adding at the end the following:

''(C) WITHHOLDING INFORMATION.—Except as provided in subsection (d)(2), any alien who willfully, through his or her own fault, refuses to comply with a lawful request for biometric information is inadmissible.''; and

(2) in subsection (d), by inserting after paragraph (1) the following:

''(2) The Secretary may waive the application of subsection (a)(7)(C) for an individual alien or a class of aliens.''.

(c) PRECLUDING ADMISSIBILITY OF ALIENS CONVICTED OF SERIOUS CRIMINAL OFFENSES AND DOMESTIC VIOLENCE, STALKING, CHILD ABUSE, AND VIOLATION OF PROTECTION ORDERS.—

(1) INADMISSIBILITY ON CRIMINAL AND RELATED GROUNDS; WAIVERS.—Section 212 (8 U.S.C. 1182), as amended by this Act, is further amended—

(A) in subsection (a)(2), as amended by sections 3401 and 3402, is further amended by inserting after subparagraph (J) the following:

''(K) CRIMES OF DOMESTIC VIOLENCE, STALKING, OR VIOLATION OF PROTECTIVE ORDERS; CRIMES AGAINST CHILDREN.—

''(i) DOMESTIC VIOLENCE, STALKING, AND CHILD ABUSE.—

''(I) IN GENERAL.—Any alien who has been convicted of a crime of domestic violence, a crime of stalking, or a crime of child abuse, child neglect, or child abandonment, provided the alien served at least 1 year imprisonment for the crime, or provided the alien was convicted of offenses constituting more than 1 such crime, not arising out of a single scheme of criminal misconduct, is inadmissible.

''(II) CRIME OF DOMESTIC VIOLENCE DEFINED.—In this clause, the term 'crime of domestic violence' means any crime of violence (as defined in section 16 of title 18, United States Code) against a person committed by a current or former spouse of the person, by an individual with whom the person shares a child in common, by an individual who is cohabiting with or has cohabited with the person as a spouse, by an individual similarly situated to a spouse of the person under the domestic or family violence laws of the jurisdiction where the offense occurs, or by any other individual against a person who is protected from that individual's acts under the domestic or family violence laws of the United States or any State, Indian tribal government, or unit of local or foreign government.

''(ii) VIOLATORS OF PROTECTION ORDERS.—

''(I) IN GENERAL.—Any alien who at any time is enjoined under a protection order issued by a court and whom the court determines has engaged in conduct that constitutes criminal contempt of the portion of a protection order that involves protection against credible threats of violence, repeated harassment, or bodily injury to the person or persons for whom the protection order was issued, is inadmissible.

''(II) PROTECTION ORDER DEFINED.—In this clause, the term 'protection order' means any injunction issued for the purpose of preventing violent or threatening acts of domestic violence, including temporary or final orders issued by civil or criminal courts (other than support or child custody orders or provisions) whether obtained by filing an independent action or as an independent order in another proceeding.

''(iii) APPLICABILITY.—This subparagraph shall not apply to an alien who has been battered or subjected to extreme cruelty and who is not and was not the primary perpetrator of violence in the relationship, upon a determination by the Attorney General or the Secretary of Homeland Security that—

''(I) the alien was acting in self-defense;

''(II) the alien was found to have violated a protection order intended to protect the alien; or

''(III) the alien committed, was arrested for, was convicted of, or pled guilty to committing a crime that did not result in serious bodily injury.''; and

(B) in subsection (h)—

(i) by striking ''The Attorney General may, in his discretion, waive the application of subparagraphs (A)(i)(I), (B), (D), and (E) of subsection (a)(2)'' and inserting ''The Attorney General or the Secretary of Homeland Security may waive the application of subparagraphs (A)(i)(I), (B), (D), and (E) of subsection (a)(2)''; and

(ii) by inserting ''or the Secretary of Homeland Security'' after ''the Attorney General'' each place that term appears.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to any acts that occurred on or after the date of the enactment of this Act.

SEC. 3712. ORGANIZED AND ABUSIVE HUMAN SMUGGLING ACTIVITIES.

(a) ENHANCED PENALTIES.—

(1) IN GENERAL.—Title II (8 U.S.C. 1151 et seq.) is amended by adding at the end the following:

''SEC. 295. ORGANIZED HUMAN SMUGGLING.

''(a) PROHIBITED ACTIVITIES.—Whoever, while acting for profit or other financial gain, knowingly directs or participates in an effort or scheme to assist or cause 5 or more persons (other than a parent, spouse, or child of the offender)—

''(1) to enter, attempt to enter, or prepare to enter the United States—

''(A) by fraud, falsehood, or other corrupt means;

''(B) at any place other than a port or place of entry designated by the Secretary; or

''(C) in a manner not prescribed by the immigration laws and regulations of the United States; or

''(2) to travel by air, land, or sea toward the United States (whether directly or indirectly)—

''(A) knowing that the persons seek to enter or attempt to enter the United States without lawful authority; and

''(B) with the intent to aid or further such entry or attempted entry; or

''(3) to be transported or moved outside of the United States—

''(A) knowing that such persons are aliens in unlawful transit from 1 country to another or on the high seas; and

''(B) under circumstances in which the persons are in fact seeking to enter the United States without official permission or legal authority;

shall be punished as provided in subsection (c) or (d).

''(b) CONSPIRACY AND ATTEMPT.—Any person who attempts or conspires to violate subsection (a) of this section shall be punished in the same manner as a person who completes a violation of such subsection.

''(c) BASE PENALTY.—Except as provided in subsection (d), any person who violates subsection (a) or (b) shall be fined under title 18, imprisoned for not more than 20 years, or both.

''(d) ENHANCED PENALTIES.—Any person who violates subsection (a) or (b) shall—

''(1) in the case of a violation during and in relation to which a serious bodily injury (as defined in section 1365 of title 18) occurs to any person, be fined under title 18, imprisoned for not more than 30 years, or both;

''(2) in the case of a violation during and in relation to which the life of any person is placed in jeopardy, be fined under title 18, imprisoned for not more than 30 years, or both;

''(3) in the case of a violation involving 10 or more persons, be fined under title 18, imprisoned for not more than 30 years, or both;

''(4) in the case of a violation involving the bribery or corruption of a U.S. or foreign government official, be fined under title 18, imprisoned for not more than 30 years, or both;

''(5) in the case of a violation involving robbery or extortion (as those terms are defined in paragraph (1) or (2), respectively, of section 1951(b)) be fined under title 18, imprisoned for not more than 30 years, or both;

''(6) in the case of a violation during and in relation to which any person is subjected to an involuntary sexual act (as defined in section 2246(2) of title 18), be fined under title 18, imprisoned for not more than 30 years, or both; or

''(7) in the case of a violation resulting in the death of any person, be fined under title 18, imprisoned for any term of years or for life, or both.

''(e) LAWFUL AUTHORITY DEFINED.—

''(1) IN GENERAL.—In this section, the term 'lawful authority'—

''(A) means permission, authorization, or license that is expressly provided for in the immigration laws of the United States or accompanying regulations; and

''(B) does not include any such authority secured by fraud or otherwise obtained in violation of law, nor does it include authority sought, but not approved.

''(2) APPLICATION TO TRAVEL OR ENTRY.—No alien shall be deemed to have lawful authority to travel to or enter the United States if such travel or entry was, is, or would be in violation of law.

''(f) EFFORT OR SCHEME.—For purposes of this section, 'effort or scheme to assist or cause 5 or more persons' does not require that the 5 or more persons enter, attempt to enter, prepare to

enter, or travel at the same time so long as the acts are completed within 1 year.

''SEC. 296. UNLAWFULLY HINDERING IMMIGRATION, BORDER, AND CUSTOMS CONTROLS.

''(a) ILLICIT SPOTTING.—Whoever knowingly transmits to another person the location, movement, or activities of any Federal, State, or tribal law enforcement agency with the intent to further a Federal crime relating to United States immigration, customs, controlled substances, agriculture, monetary instruments, or other border controls shall be fined under title 18, imprisoned not more than 10 years, or both.

''(b) DESTRUCTION OF UNITED STATES BORDER CONTROLS.—Whoever knowingly and without lawful authorization destroys, alters, or damages any fence, barrier, sensor, camera, or other physical or electronic device deployed by the Federal Government to control the border or a port of entry or otherwise seeks to construct, excavate, or make any structure intended to defeat, circumvent or evade any such fence, barrier, sensor camera, or other physical or electronic device deployed by the Federal government to control the border or a port of entry shall be fined under title 18, imprisoned not more than 10 years, or both, and if, at the time of the offense, the person uses or carries a firearm or who, in furtherance of any such crime, possesses a firearm, that person shall be fined under title 18, imprisoned not more than 20 years, or both.

''(c) CONSPIRACY AND ATTEMPT.—Any person who attempts or conspires to violate subsection (a) or (b) of this section shall be punished in the same manner as a person who completes a violation of such subsection.''.

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents is amended by adding after the item relating to section 294 the following:

''Sec. 295. Organized human smuggling.
''Sec. 296. Unlawfully hindering immigration, border, and customs controls.''.

(b) PROHIBITING CARRYING OR USE OF A FIREARM DURING AND IN RELATION TO AN ALIEN SMUGGLING CRIME.—Section 924(c) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting '', alien smuggling crime,'' after ''crime of violence'' each place that term appears; and

(B) in subparagraph (D)(ii), by inserting '', alien smuggling crime,'' after ''crime of violence''; and

(2) by adding at the end the following:

''(6) For purposes of this subsection, the term 'alien smuggling crime' means any felony punishable under section 274(a), 277, or 278 of the Immigration and Nationality Act (8 U.S.C. 1324(a), 1327, and 1328).''.

(c) STATUTE OF LIMITATIONS.—Section 3298 of title 18, United States Code, is amended by inserting '', 295, 296, or 297'' after ''274(a)''.

SEC. 3713. PREVENTING CRIMINALS FROM RENOUNCING CITIZENSHIP DURING WARTIME.

Section 349(a) (8 U.S.C. 1481(a)) is amended—

(1) by striking paragraph (6) ; and

(2) redesignating paragraph (7) as paragraph (6).

SEC. 3714. DIPLOMATIC SECURITY SERVICE.

Paragraph (1) of section 37(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2709(a)) is amended to read as follows:

''(1) conduct investigations concerning—

''(A) illegal passport or visa issuance or use;

''(B) identity theft or document fraud affecting or relating to the programs, functions, and authorities of the Secretary of State;

''(C) violations of chapter 77 of title 18, United States Code; and

''(D) Federal offenses committed within the special maritime and territorial jurisdiction of the United States (as defined in section 7(9) of title 18, United States Code);''.

SEC. 3715. SECURE ALTERNATIVES PROGRAMS.

(a) IN GENERAL.—The Secretary shall establish secure alternatives programs that incorporate case management services in each field office of the Department to ensure appearances at immigration proceedings and public safety.

(b) CONTRACT AUTHORITY.—The Secretary shall contract with nongovernmental community-based organizations to conduct screening of detainees, provide appearance assistance services, and operate community-based supervision programs. Secure alternatives shall offer a continuum of supervision mechanisms and options, including community support, depending on an assessment of each individual's circumstances. The Secretary may contract with nongovernmental organizations to implement secure alternatives that maintain custody over the alien.

(c) INDIVIDUALIZED DETERMINATIONS.—In determining whether to use secure alternatives, the Secretary shall make an individualized determination, and for each individual placed on secure alternatives, shall review the level of supervision on a monthly basis. Secure alternatives shall not be used when release on bond or recognizance is determined to be a sufficient measure to ensure appearances at immigration proceedings and public safety.

(d) CUSTODY.—The Secretary may use secure alternatives programs to maintain custody over any alien detained under the Immigration and Nationality Act, except for aliens detained under section 236A of such Act (8 U.S.C. 1226a). If an individual is not eligible for release from custody or detention, the Secretary shall consider the alien for placement in secure alternatives that maintain custody over the alien, including the use of electronic ankle devices.

SEC. 3716. OVERSIGHT OF DETENTION FACILITIES.

(a) DEFINITIONS.—In this section:

(1) APPLICABLE STANDARDS.—The term ''applicable standards'' means the most recent version of detention standards and detention-related policies issued by the Secretary or the Director of U.S. Immigration and Customs Enforcement.

(2) DETENTION FACILITY.—The term ''detention facility'' means a Federal, State, or local government facility, or a privately owned and operated facility, that is used, in whole or in part, to hold individuals under the authority of the Director of U.S. Immigration and Customs Enforcement, including facilities that hold such individuals under a contract or agreement with the Director.

(b) DETENTION REQUIREMENTS.—The Secretary shall ensure that all persons detained pursuant to the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) are treated humanely and benefit from the protections set forth in this section.

(c) OVERSIGHT REQUIREMENTS.—

(1) ANNUAL INSPECTION.—All detention facilities shall be inspected by the Secretary on a regular basis, but not less than annually, for compliance with applicable detention standards issued by the Secretary and other applicable regulations.

(2) ROUTINE OVERSIGHT.—In addition to annual inspections, the Secretary shall conduct routine oversight of detention facilities, including unannounced inspections.

(3) AVAILABILITY OF RECORDS.—All detention facility contracts, memoranda of agreement, and evaluations and reviews shall be considered records for purposes of section 552(f)(2) of title 5, United States Code.

(4) CONSULTATION.—The Secretary shall seek input from nongovernmental organizations regarding their independent opinion of specific facilities.

(d) COMPLIANCE MECHANISMS.—

(1) AGREEMENTS.—

(A) NEW AGREEMENTS.—Compliance with applicable standards of the Secretary and all applicable regulations, and meaningful financial penalties for failure to comply, shall be a material term in any new contract, memorandum of agreement, or any renegotiation, modification, or renewal of an existing contract or agreement, including fee negotiations, executed with detention facilities.

(B) EXISTING AGREEMENTS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall secure a modification incorporating these terms for any existing contracts or agreements that will not be renegotiated, renewed, or otherwise modified.

(C) CANCELLATION OF AGREEMENTS.—Unless the Secretary provides a reasonable extension to a specific detention facility that is negotiating in good faith, contracts or agreements with detention facilities that are not modified within 1 year of the date of the enactment of this Act will be cancelled.

(D) PROVISION OF INFORMATION.—In making modifications under this paragraph, the Secretary shall require that detention facilities provide to the Secretary all contracts, memoranda of agreement, evaluations, and reviews regarding the facility on a regular basis. The Secretary shall make these materials publicly available.

(2) FINANCIAL PENALTIES.—

(A) REQUIREMENT TO IMPOSE.—Subject to subparagraph (C), the Secretary shall impose meaningful financial penalties upon facilities that fail to comply with applicable detention standards issued by the Secretary and other applicable regulations.

(B) TIMING OF IMPOSITION.—Financial penalties imposed under subparagraph (A) shall be imposed immediately after a facility fails to achieve an adequate or the equivalent median score in any performance evaluation.

(C) WAIVER.—The requirements of subparagraph (A) may be waived if the facility corrects the noted deficiencies and receives an adequate score in not more than 90 days.

(D) MULTIPLE OFFENDERS.—In cases of persistent and substantial noncompliance, including scoring less than adequate or the equivalent median score in 2 consecutive inspections, the Secretary shall terminate contracts or agreements with such facilities within 60 days, or in the case of facilities operated by the Secretary, such facilities shall be closed within 90 days.

(e) REPORTING REQUIREMENTS.—

(1) OBJECTIVES.—Not later than June 30 of each year, the Secretary shall prepare and submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report on inspection and oversight activities of detention facilities.

(2) CONTENTS.—Each report submitted under paragraph (1) shall include—

(A) a description of each detention facility found to be in noncompliance with applicable detention standards issued by the Department and other applicable regulations;

(B) a description of the actions taken by the Department to remedy any findings of noncompliance or other identified problems, including financial penalties, contract or agreement termination, or facility closure; and

(C) information regarding whether the actions described in subparagraph (B) resulted in compliance with applicable detention standards and regulations.

SEC. 3717. PROCEDURES FOR BOND HEARINGS AND FILING OF NOTICES TO APPEAR.

(a) ALIENS IN CUSTODY.—Section 236 (8 U.S.C. 1226) is amended by adding at the end the following:

''(f) PROCEDURES FOR CUSTODY HEARINGS.—For any alien taken into custody under any provision of this Act, with the exception of minors being transferred to or in the custody of the Office of Refugee Resettlement, the following shall apply:

''(1) The Secretary of Homeland Security shall, without unnecessary delay and not later than 72 hours after the alien is taken into custody, file the Notice to Appear or other relevant charging document with the immigration court having jurisdiction over the location where the alien was apprehended, and serve such notice on the alien.

''(2) The Secretary shall immediately determine whether the alien shall remain in custody

or be released and, without unnecessary delay and not later than 72 hours after the alien was taken into custody, serve upon the alien the custody decision specifying the reasons for continued custody and the amount of bond if any.

''(3) The Attorney General shall ensure the alien has the opportunity to appear before an immigration judge for a custody determination hearing promptly after service of the Secretary's custody decision. The immigration judge may, on the Secretary's motion and upon a showing of good cause, postpone a custody redetermination hearing for no more than 72 hours after service of the custody decision, except that in no case shall the hearing occur more than 6 days (including weekends and holidays) after the alien was taken into custody.

''(4) The immigration judge shall advise the alien of the right to postpone the custody determination hearing and shall, on the oral or written request of the individual, postpone the custody determination hearing for a period of not more than 14 days.

''(5) Except for aliens that the immigration judge has determined are deportable under section 236(c) or certified under section 236A, the immigration judge shall review the custody determination de novo and may continue to detain the alien only if the Secretary demonstrates that no conditions, including the use of alternatives to detention that maintain custody over the alien, will reasonably assure the appearance of the alien as required and the safety of any other person and the community. For aliens whom the immigration judge has determined are deportable under section 236(c), the immigration judge may review the custody determination if the Secretary agrees the alien is not a danger to the community, and alternatives to detention exist that ensure the appearance of the alien, as required, and the safety of any other person and the community.

''(6) In the case of any alien remaining in custody after a custody determination, the Attorney General shall provide de novo custody determination hearings before an immigration judge every 90 days so long as the alien remains in custody. An alien may also obtain a de novo custody redetermination hearing at any time upon a showing of good cause.

''(7) The Secretary shall inform the alien of his or her rights under this paragraph at the time the alien is first taken into custody.''.

(b) LIMITATIONS ON SOLITARY CONFINEMENT.—

(1) IN GENERAL.—Section 236(d) (8 U.S.C. 1226(d)) is amended by adding at the end the following:

''(3) NATURE OF DETENTION.—

''(A) DEFINITIONS.—In this paragraph:

''(i) ADMINISTRATIVE SEGREGATION.—The term 'administrative segregation' means a nonpunitive form of solitary confinement for administrative reasons.

''(ii) DISCIPLINARY SEGREGATION.—The term 'disciplinary segregation' means a punitive form of solitary confinement for disciplinary reasons.

''(iii) SERIOUS MENTAL ILLNESS.—The term 'serious mental illness' means a substantial disorder of thought or mood that significantly impairs judgment, behavior, capacity to recognize reality, or ability to cope with the ordinary demands of life.

''(iv) SOLITARY CONFINEMENT.—The term 'solitary confinement' means cell confinement of 22 hours or more per day.

''(B) LIMITATIONS ON SOLITARY CONFINEMENT.—

''(i) IN GENERAL.—The use of solitary confinement of an alien in custody pursuant to this section, section 235, or section 241 shall be limited to situations in which such confinement—

''(I) is necessary—

''(aa) to control a threat to detainees, staff, or the security of the facility;

''(bb) to discipline the alien for a serious disciplinary infraction if alternative sanctions would not adequately regulate the alien's behavior; or

''(cc) for good order during the last 24 hours before an alien is released, removed, or transferred from the facility;

''(II) is limited to the briefest term and under the least restrictive conditions practicable and consistent with the rationale for placement and with the progress achieved by the alien; and

''(III) complies with the requirements set forth in this subparagraph.

''(ii) CHILDREN.—Children who are younger than 18 years of age may not be placed in solitary confinement.

''(iii) SERIOUS MENTAL ILLNESS.—

''(I) IN GENERAL.—An alien with a serious mental illness may not be placed in involuntary solitary confinement due to mental illness unless—

''(aa) such confinement is necessary for the alien's own protection; or

''(bb) if the alien requires emergency stabilization or poses a significant threat to staff or others in general population.

''(II) MAXIMUM PERIOD.—An alien diagnosed with serious mental illness may not be placed in solitary confinement for more than 15 days unless the Secretary of Homeland Security determines that—

''(aa) any less restrictive alternative is more likely than not to cause greater harm to the alien than the solitary confinement period imposed; or

''(bb) the likely harm to the alien is not substantial and the period of solitary confinement is the least restrictive alternative necessary to protect the alien, other detainees, or others.

''(iv) OWN PROTECTION.—

''(I) IN GENERAL.—Involuntary solitary confinement for an alien's own protection may be used only for the least amount of time practicable and if no readily available and less restrictive alternative will maintain the alien's safety.

''(II) MAXIMUM PERIOD.—An alien may not be placed in involuntary solitary confinement for the alien's own protection for longer than 15 days unless the Secretary of Homeland Security determines that any less restrictive alternative is more likely than not to cause greater harm to the alien than the solitary confinement period imposed.

''(III) PROHIBITED FACTORS.—The Secretary of Homeland Security may not rely solely on an alien's age, physical disability, sexual orientation, gender identity, race, or religion. The Secretary shall make an individualized assessment in each case.

''(v) MEDICAL CARE.—An alien placed in solitary confinement—

''(I) shall be visited by a medical professional at least 3 times each week;

''(II) shall receive at least weekly mental health monitoring by a licensed mental health clinician; and

''(III) shall be removed from solitary confinement if—

''(aa) a mental health clinician determines that such detention is having a significant negative impact on the alien's mental health; and

''(bb) an appropriate alternative is available.

''(vi) NOTIFICATION; ACCESS TO COUNSEL.—If an alien is placed in solitary confinement, the alien—

''(I) shall be informed verbally, and in writing, of the reason for such confinement and the intended duration of such confinement, if specified at the time of initial placement; and

''(II) shall be offered access to counsel on the same basis as detainees in the general population.

''(vii) LONGER SOLITARY CONFINEMENT PERIODS.—If an alien has been subject to involuntary solitary confinement for more than 14 consecutive days, the Secretary of Homeland Security shall conduct a timely review to determine whether continued placement is justified by an extreme disciplinary infraction or is the least restrictive means of protecting the alien or others. Any alien held in solitary confinement for more than 7 days shall be given a reasonable opportunity to challenge such placement with the detention facility administrator, which will promptly respond to such challenge in writing.

''(viii) OVERSIGHT.—The Secretary of Homeland Security shall ensure that—

''(I) he or she is regularly informed about the use of solitary confinement in all facilities at which aliens are detained; and

''(II) the Department fully complies with the provisions under this paragraph.

''(C) DISCIPLINARY SEGREGATION.—Disciplinary segregation is authorized only pursuant to the order of a facility disciplinary panel following a hearing in which the detainee is determined to have violated a facility rule.

''(D) ADMINISTRATIVE SEGREGATION.—Administrative segregation is authorized only as necessary to ensure the safety of the detainee or others, the protection of property, or the security or good order of the facility. Detainees in administrative segregation shall be offered programming opportunities and privileges consistent with those available in the general population, except where precluded by safety or security concerns.''.

(2) ANNUAL REPORT.—The Secretary shall—

(A) collect and compile information regarding the prevalence, reasons for, and duration of solitary confinement in all facilities described in paragraph (3);

(B) submit an annual report containing the information described in subparagraph (A) to Congress not later than 30 days after the end of the reporting period; and

(C) make the data contained in the report submitted under subparagraph (B) publicly available.

(3) RULEMAKING.—The Secretary shall adopt regulations or policies to carry out section 236(d)(3) of the Immigration and Nationality Act, as amended by paragraph (1), at all facilities at which aliens are detained pursuant to section 235, 236, or 241 of such Act.

(c) STIPULATED REMOVAL.—Section 240(d) (8 U.S.C. 1229a) is amended to read as follows:

''(d) STIPULATED REMOVAL.—The Attorney General shall provide by regulation for the entry by an immigration judge of an order of removal stipulated to by the alien (or the alien's representative) and the Service. An immigration judge may enter a stipulated removal order only upon a finding at an in-person hearing that the stipulation is voluntary, knowing, and intelligent. A stipulated order shall constitute a conclusive determination of the alien's removability from the United States.''.

SEC. 3718. SANCTIONS FOR COUNTRIES THAT DELAY OR PREVENT REPATRIATION OF THEIR NATIONALS.

Section 243(d) (8 U.S.C. 1253(d)) is amended to read as follows:

''(d) DISCONTINUING GRANTING VISAS TO NATIONALS OF COUNTRIES THAT DENY OR DELAY ACCEPTING ALIENS.—Notwithstanding section 221(c), if the Secretary of Homeland Security determines, in consultation with the Secretary of State, that the government of a foreign country denies or unreasonably delays accepting aliens who are citizens, subjects, nationals, or residents of that country after the Secretary asks whether the government will accept an alien under this section, or after a determination that the alien is inadmissible under paragraph (6) or (7) of section 212(a), the Secretary of State shall order consular officers in that foreign country to discontinue granting visas, or classes of visas, until the Secretary of Homeland Security notifies the Secretary of State that the country has accepted the aliens.''.

SEC. 3719. GROSS VIOLATIONS OF HUMAN RIGHTS.

(a) INADMISSIBILITY OF CERTAIN ALIENS.—Section 212(a)(3)(E) (8 U.S.C. 1182(a)(3)(E)) is amended by striking clause (iii) and inserting the following:

''(iii) COMMISSION OF ACTS OF TORTURE, EXTRAJUDICIAL KILLINGS, WAR CRIMES, OR WIDESPREAD OR SYSTEMATIC ATTACKS ON CIVILIANS.—

Any alien who planned, ordered, assisted, aided and abetted, committed, or otherwise participated, including through command responsibility, in the commission of—

''(I) any act of torture (as defined in section 2340 of title 18, United States Code);

''(II) any extrajudicial killing (as defined in section 3(a) of the Torture Victim Protection Act of 1991 (28 U.S.C. 1350 note)) under color of law of any foreign nation;

''(III) a war crime (as defined in section 2441 of title 18, United States Code); or

''(IV) any of the following acts as a part of a widespread or systematic attack directed against a civilian population, with knowledge of the attack: murder, extermination, enslavement, forcible transfer of population, arbitrary detention, rape, sexual slavery, enforced prostitution, forced pregnancy, enforced sterilization, or any other form of sexual violence of comparable gravity; persecution on political racial, national, ethnic, cultural, religious, or gender grounds; enforced disappearance of persons; or other inhumane acts of a similar character intentionally causing great suffering or serious bodily or mental injury,

is inadmissible.

''(iv) LIMITATION.—Clause (iii) shall not apply to an alien if the Secretary of Homeland Security or the Attorney General determine that the actions giving rise to the alien's inadmissibility under such clause were committed under duress. In determining whether the alien was subject to duress, the Secretary may consider, among relevant factors, the age of the alien at the time such actions were committed.''.

(b) DENYING SAFE HAVEN TO FOREIGN HUMAN RIGHTS VIOLATORS.—Section 2(a)(2) of the Torture Victim Protection Act of 1991 (28 U.S.C. 1350 note) is amended—

(1) by inserting after ''killing'' the following: '', a war crime (as defined in subsections (c) and (d) of section 2441 of title 18, United States Code), a widespread or systematic attack on civilians (as defined in section 212(a)(3)(E)(iii)(IV) of the Immigration and Nationality Act), or genocide (as defined in section 1091(a) of such title 18)''; and

(2) by striking ''to the individual's legal representative'' and inserting ''to that individual or to that individual's legal representative''.

(c) NONAPPLICABILITY OF CONFIDENTIALITY REQUIREMENT WITH RESPECT TO VISA RECORDS.—The President may make public, without regard to the requirements under section 222(f) of the Immigration and Nationality Act (8 U.S.C. 1202(f)), with respect to confidentiality of records pertaining to the issuance or refusal of visas or permits to enter the United States, the names of aliens deemed inadmissible on the basis of section 212(a)(3)(E)(iii) of such Act, as amended by subsection (a).

SEC. 3720. REPORTING AND RECORD KEEPING REQUIREMENTS RELATING TO THE DETENTION OF ALIENS.

(a) IN GENERAL.—In order for Congress and the public to assess the full costs of apprehending, detaining, processing, supervising, and removing aliens, and how the money Congress appropriates for detention is allocated by Federal agencies, the Assistant Secretary for Immigration and Customs and Enforcement (referred to in this section as the ''Assistant Secretary''), the Director of the Executive Office of Immigration Review, and the Commissioner responsible for U.S. Customs and Border Protection (referred to in this section as the ''Commissioner'') shall—

(1) maintain the information required under subsections (b), (c), and (d); and

(2) submit reports on that information to Congress and make that information available to the public in accordance with subsection (e).

(b) MAINTENANCE OF INFORMATION BY U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT.—The Assistant Secretary shall record and maintain, in the database of U.S. Immigration and Customs Enforcement relating to detained aliens, the following information with respect to each alien detained pursuant to the Immigration and Nationality Act (8 U.S.C. 1101 et seq.):

(1) The provision of law that provides specific authority for the alien's detention and the beginning and end dates of the alien's detention pursuant to that authority. If the alien's detention is authorized by different provisions of law during different periods of time, the Assistant Secretary shall record and maintain the provision of law that provides authority for the alien's detention during each such period.

(2) The place where the alien was apprehended or where U.S. Immigration and Customs Enforcement assumed custody of the alien.

(3) Each location where U.S. Immigration and Customs Enforcement detains the alien until the alien is released from custody or removed from the United States, including any period of redetention.

(4) The gender and age of each detained alien in the custody of U.S. Immigration and Customs Enforcement.

(5) The number of days the alien is detained, including the number of days spent in any given detention facility and the total amount of time spent in detention.

(6) The immigration charges that are the basis for the alien's removal proceedings.

(7) The status of the alien's removal proceedings and each date on which those proceedings progress from 1 stage of proceeding to another.

(8) The length of time the alien was detained following a final administrative order of removal and the reasons for the continued detention.

(9) The initial custody determination or review made by U.S. Immigration and Customs Enforcement, including whether the alien received notice of a custody determination or review and when the custody determination or review took place.

(10) The risk assessment results for the alien, including if the alien is subject to mandatory custody or detention.

(11) The reason for the alien's release from detention and the conditions of release imposed on the alien, if applicable.

(c) MAINTENANCE OF INFORMATION BY EXECUTIVE OFFICE OF IMMIGRATION REVIEW.—The Director of the Executive Office of Immigration Review shall record and maintain, in the database of the Executive Office of Immigration Review relating to detained aliens in removal proceedings, the following information with respect to each such alien:

(1) The immigration charges that are the basis for the alien's removal proceedings, including any revision of the immigration charges and the date of each such revision.

(2) The gender and age of the alien.

(3) The status of the alien's removal proceedings and each date on which those proceedings progress from one stage of proceeding to another.

(4) The statutory basis for any bond hearing conducted and the outcomes of the bond hearing.

(5) Whether each court hearing is conducted in person, by audio link, or by video conferencing.

(6) The date of each attorney entry of appearance before an immigration judge using Form EOIR–28 and the scope of the appearance to which the form related.

(d) MAINTENANCE OF INFORMATION BY U.S. CUSTOMS AND BORDER PROTECTION.—The Commissioner shall record and maintain in the database of U.S. Customs and Border Protection relating to detained aliens the following information with respect to each alien detained pursuant to the Immigration and Nationality Act (8 U.S.C. 1101 et seq.):

(1) The provision of law that provides specific authority for the alien's detention and the beginning and end dates of the alien's detention.

(2) The place where the alien was apprehended.

(3) The gender and age of the alien.

(4) Each location where U.S. Customs and Border Protection detains the alien until the alien is released from custody or removed from the United States, including any period of redetention.

(5) The number of days that the alien is detained in the custody of U.S. Customs and Border Protection.

(6) The immigration charges that are the basis for the alien's removal proceedings while the alien is in the custody of U.S. Customs and Border Protection.

(7) The initial custody determination by U.S. Customs and Border Protection, including whether the alien received notice of a custody determination or review, when the custody determination or review took place, and whether U.S. Customs and Border Protection offered the option of stipulated removal to a detained alien.

(8) The reason for the alien's release from detention and the conditions of release to detention imposed on the alien, if applicable.

(e) REPORTING REQUIREMENTS.—

(1) PERIODIC REPORTS.—The Assistant Secretary, the Director of the Executive Office of Immigration Review, and the Commissioner shall periodically, but not less frequently than annually, submit to Congress a report containing a summary of the information required to be maintained by this section. Each such report shall include summaries of national-level data as well as summaries of the information required by this section by State and county.

(2) OTHER REPORTS.—The Assistant Secretary shall report to Congress not less frequently than annually on—

(A) the number of aliens detained for more than 3 months, 6 months, 1 year, and 2 years; and

(B) the average period of detention before receipt of a final administrative order of removal and after receipt of such an order.

(3) AVAILABILITY TO PUBLIC.—The reports required under this subsection and the information for each alien on which the reports are based shall be made available to the public without the need to submit a request under section 552 of title 5, United States Code (commonly referred to as the ''Freedom of Information Act'').

(4) PRIVACY PROTECTIONS.—No alien's identity may be disclosed when information described in paragraph (3) is made publicly available.

(f) DEFINITIONS.—In this section:

(1) CASE OUTCOME.—The term ''case outcome'' includes a grant of relief from deportation under section 240A of the Immigration and Nationality Act (8 U.S.C. 1229b), voluntary departure pursuant to section 240B of that Act (8 U.S.C. 1229c), removal pursuant to section 238 of that Act (8 U.S.C. 1228), judicial termination of proceedings, termination of proceedings by U.S. Immigration and Customs Enforcement, cancellation of the notice to appear, or permission to withdraw application for admission without any removal order being issued.

(2) PLACE WHERE THE ALIEN WAS APPREHENDED.—The term ''place where the alien was apprehended'' refers to the city, county, and State where an alien is apprehended.

(3) REASON FOR THE ALIEN'S RELEASE FROM DETENTION.—The term ''reason for the alien's release from detention'' refers to release on bond, on an alien's own recognizance, on humanitarian grounds, after grant of relief, or due to termination of proceedings or removal.

(4) REMOVAL PROCEEDINGS.—The term ''removal proceedings'' refers to a removal case of any kind, including expedited removal, administrative removal, stipulated removal, reinstatement, and voluntary removal and removals in which an applicant is permitted to withdraw his or her application for admission.

(5) STAGE.—The term ''stage'', with respect to a proceeding, refers to whether the alien is in proceedings before an immigration judge, the Board of Immigration Appeals, a United States

court of appeals, or on remand from a United States court of appeals.

SEC. 3721. POWERS OF IMMIGRATION OFFICERS AND EMPLOYEES AT SENSITIVE LOCATIONS.

Section 287 (8 U.S.C. 1357) is amended by adding at the end the following:

''(i)(1) In order to ensure individuals' access to sensitive locations, this subsection applies to enforcement actions by officers and agents of U.S. Immigration and Customs Enforcement and officers and agents of U.S. Customs and Border Protection.

''(2)(A) An enforcement action may not take place at, or be focused on, a sensitive location, except as follows:

''(i) Under exigent circumstances.

''(ii) If prior approval is obtained.

''(B) If an enforcement action is taking place pursuant to subparagraph (A) and the condition permitting the enforcement action ceases, the enforcement action shall cease.

''(3)(A) When proceeding with an enforcement action at or near a sensitive location, officers and agents referred to in paragraph (1) shall conduct themselves as discreetly as possible, consistent with officer and public safety, and make every effort to limit the time at or focused on the sensitive location.

''(B) If, in the course of an enforcement action that is not initiated at or focused on a sensitive location, officers or agents are led to or near a sensitive location, and no exigent circumstance exists, such officers or agents shall conduct themselves in a discreet manner, maintain surveillance, and immediately consult their supervisor before taking any further enforcement action, in order to determine whether such action should be discontinued.

''(C) This section not apply to the transportation of an individual apprehended at or near a land or sea border to a hospital or healthcare provider for the purpose of providing such individual medical care.

''(4)(A) Each official specified in subparagraph (B) shall ensure that the employees under the supervision of such official receive annual training on compliance with the requirements of this subsection in enforcement actions at or focused on sensitive locations and enforcement actions that lead officers or agents to or near a sensitive location.

''(B) The officials specified in ths subparagraph are the following:

''(i) The Chief Counsel of U.S. Immigration and Customs Enforcement.

''(ii) The Field Office Directors of U.S. Immigration and Customs Enforcement.

''(iii) Each Special Agent in Charge of U.S. Immigration and Customs Enforcement.

''(iv) Each Chief Patrol Agent of U.S. Customs and Border Protection.

''(v) The Director of Field Operations of U.S. Customs and Border Protection.

''(vi) The Director of Air and Marine Operations of U.S. Customs and Border Protection.

''(vii) The Internal Affairs Special Agent in Charge of U.S. Customs and Border Protection.

''(5)(A) The Director of U.S. Immigration and Customs Enforcement and the Commissioner of U.S. Customs and Border Protection shall each submit to the appropriate committees of Congress each year a report on the enforcement actions undertaken by U.S. Immigration and Customs Enforcement and U.S. Customs and Border Protection, respectively, during the preceding year that were covered by this subsection.

''(B) Each report on an agency for a year under this paragraph shall set forth the following:

''(i) The number of enforcement actions at or focused on a sensitive location.

''(ii) The number of enforcement actions where officers or agents were subsequently led to or near a sensitive location.

''(iii) The date, site, and State, city, and county in which each enforcement action covered by clause (i) or (ii) occurred.

''(iv) The component of the agency responsible for each such enforcement action.

''(v) A description of the intended target of each such enforcement action.

''(vi) The number of individuals, if any, arrested or taken into custody through each such enforcement action.

''(vii) The number of collateral arrests, if any, from each such enforcement action and the reasons for each such arrest.

''(viii) A certification of whether the location administrator was contacted prior to, during, or after each such enforcement action.

''(C) Each report under this paragraph shall be made available to the public without the need to submit a request under section 552 of title 5, United States Code (commonly referred to as the 'Freedom of Information Act').

''(6) In this subsection:

''(A) The term 'appropriate committees of Congress' means—

''(i) the Committee on Homeland Security and Governmental Affairs of the Senate;

''(ii) the Committee on the Judiciary of the Senate;

''(iii) the Committee on Homeland Security of the House of Representatives; and

''(iv) the Committee on the Judiciary of the House of Representatives.

''(B) The term 'enforcement action' means an arrest, interview, search, or surveillance for the purposes of immigration enforcement, and includes an enforcement action at, or focused on, a sensitive location that is part of a joint case led by another law enforcement agency.

''(C) The term 'exigent circumstances' means a situation involving the following:

''(i) The imminent risk of death, violence, or physical harm to any person, including a situation implicating terrorism or the national security of the United States in some other manner.

''(ii) The immediate arrest or pursuit of a dangerous felon, terrorist suspect, or other individual presenting an imminent danger or public safety risk.

''(iii) The imminent risk of destruction of evidence that is material to an ongoing criminal case.

''(D) The term 'prior approval' means the following:

''(i) In the case of officers and agents of U.S. Immigration and Customs Enforcement, prior written approval for a specific, targeted operation from one of the following officials:

''(I) The Assistant Director of Operations, Homeland Security Investigations.

''(II) The Executive Associate Director of Homeland Security Investigations.

''(III) The Assistant Director for Field Operations, Enforcement, and Removal Operations.

''(IV) The Executive Associate Director for Field Operations, Enforcement, and Removal Operations.

''(ii) In the case of officers and agents of U.S. Customs and Border Protection, prior written approval for a specific, targeted operation from one of the following officials:

''(I) A Chief Patrol Agent.

''(II) The Director of Field Operations.

''(III) The Director of Air and Marine Operations

''(IV) The Internal Affairs Special Agent in Charge.

''(E) The term 'sensitive location' includes the following:

''(i) Hospitals and health clinics.

''(ii) Public and private schools (including pre-schools, primary schools, secondary schools, postsecondary schools (including colleges and universities), and other institutions of learning such as vocational or trade schools).

''(iii) Organizations assisting children, pregnant women, victims of crime or abuse, or individuals with mental or physical disabilities.

''(iv) Churches, synagogues, mosques, and other places of worship, such as buildings rented for the purpose of religious services.

''(v) Such other locations as the Secretary of Homeland Security shall specify for purposes of this subsection.''.

Subtitle H—Protection of Children Affected by Immigration Enforcement

SEC. 3801. SHORT TITLE.

This subtitle may be cited as the ''Humane Enforcement and Legal Protections for Separated Children Act'' or the ''HELP Separated Children Act''.

SEC. 3802. DEFINITIONS.

In this subtitle:

(1) APPREHENSION.—The term ''apprehension'' means the detention or arrest by officials of the Department or cooperating entities.

(2) CHILD.—The term ''child'' means an individual who has not attained 18 years of age.

(3) CHILD WELFARE AGENCY.—The term ''child welfare agency'' means a State or local agency responsible for child welfare services under subtitles B and E of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(4) COOPERATING ENTITY.—The term ''cooperating entity'' means a State or local entity acting under agreement with the Secretary.

(5) DETENTION FACILITY.—The term ''detention facility'' means a Federal, State, or local government facility, or a privately owned and operated facility, that is used, in whole or in part, to hold individuals under the authority of the Director of U.S. Immigration and Customs Enforcement, including facilities that hold such individuals under a contract or agreement with the Director.

(6) IMMIGRATION ENFORCEMENT ACTION.—The term ''immigration enforcement action'' means the apprehension of 1 or more individuals whom the Department has reason to believe are removable from the United States by the Secretary or a cooperating entity.

(7) PARENT.—The term ''parent'' means a biological or adoptive parent of a child, whose parental rights have not been relinquished or terminated under State law or the law of a foreign country, or a legal guardian under State law or the law of a foreign country.

SEC. 3803. APPREHENSION PROCEDURES FOR IMMIGRATION ENFORCEMENT-RELATED ACTIVITIES.

(a) APPREHENSION PROCEDURES.—In any immigration enforcement action, the Secretary and cooperating entities shall—

(1) as soon as possible, but generally not later than 2 hours after an immigration enforcement action, inquire whether an individual is a parent or primary caregiver of a child in the United States and provide any such individuals with—

(A) the opportunity to make a minimum of 2 telephone calls to arrange for the care of such child in the individual's absence; and

(B) contact information for—

(i) child welfare agencies and family courts in the same jurisdiction as the child; and

(ii) consulates, attorneys, and legal service providers capable of providing free legal advice or representation regarding child welfare, child custody determinations, and immigration matters;

(2) notify the child welfare agency with jurisdiction over the child if the child's parent or primary caregiver is unable to make care arrangements for the child or if the child is in imminent risk of serious harm;

(3) ensure that personnel of the Department and cooperating entities do not, absent medical necessity or extraordinary circumstances, compel or request children to interpret or translate for interviews of their parents or of other individuals who are encountered as part of an immigration enforcement action; and

(4) ensure that any parent or primary caregiver of a child in the United States—

(A) absent medical necessity or extraordinary circumstances, is not transferred from his or her area of apprehension until the individual—

(i) has made arrangements for the care of such child; or

(ii) if such arrangements are unavailable or the individual is unable to make such arrangements, is informed of the care arrangements

made for the child and of a means to maintain communication with the child;

(B) absent medical necessity or extraordinary circumstances, and to the extent practicable, is placed in a detention facility either—

(i) proximate to the location of apprehension; or

(ii) proximate to the individual's habitual place of residence; and

(C) receives due consideration of the best interests of such child in any decision or action relating to his or her detention, release, or transfer between detention facilities.

(b) REQUESTS TO STATE AND LOCAL ENTITIES.—If the Secretary requests a State or local entity to hold in custody an individual whom the Department has reason to believe is removable pending transfer of that individual to the custody of the Secretary or to a detention facility, the Secretary shall also request that the State or local entity provide the individual the protections specified in paragraphs (1) and (2) of subsection (a), if that individual is found to be the parent or primary caregiver of a child in the United States.

(c) PROTECTIONS AGAINST TRAFFICKING PRESERVED.—The provisions of this section shall not be construed to impede, delay, or in any way limit the obligations of the Secretary, the Attorney General, or the Secretary of Health and Human Services under section 235 of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C. 1232) or section 462 of the Homeland Security Act of 2002 (6 U.S.C. 279).

SEC. 3804. ACCESS TO CHILDREN, STATE AND LOCAL COURTS, CHILD WELFARE AGENCIES, AND CONSULAR OFFICIALS.

At all detention facilities, the Secretary shall—

(1) prominently post in a manner accessible to detainees and visitors and include in detainee handbooks information on the protections of this subtitle as well as information on potential eligibility for parole or release;

(2) absent extraordinary circumstances, ensure that individuals who are detained by the Department and are parents of children in the United States are—

(A) permitted regular phone calls and contact visits with their children;

(B) provided with contact information for child welfare agencies and family courts in the relevant jurisdictions;

(C) able to participate fully and, to the extent possible, in person in all family court proceedings and any other proceedings that may impact their right to custody of their children;

(D) granted free and confidential telephone calls to relevant child welfare agencies and family courts as often as is necessary to ensure that the best interest of their children, including a preference for family unity whenever appropriate, can be considered in child welfare agency or family court proceedings;

(E) able to fully comply with all family court or child welfare agency orders impacting custody of their children;

(F) provided access to United States passport applications or other relevant travel document applications for the purpose of obtaining travel documents for their children;

(G) afforded timely access to a notary public for the purpose of applying for a passport for their children or executing guardianship or other agreements to ensure the safety of their children; and

(H) granted adequate time before removal to obtain passports, apostilled birth certificates, travel documents, and other necessary records on behalf of their children if such children will accompany them on their return to their country of origin or join them in their country of origin; and

(3) where doing so would not impact public safety or national security, facilitate the ability of detained alien parents and primary caregivers to share information regarding travel arrangements with their consulate, children, child welfare agencies, or other caregivers in advance of the detained alien individual's departure from the United States.

SEC. 3805. MANDATORY TRAINING.

The Secretary, in consultation with the Secretary of Health and Human Services, the Secretary of State, the Attorney General, and independent child welfare and family law experts, shall develop and provide training on the protections required under sections 3803 and 3804 to all personnel of the Department, cooperating entities, and detention facilities operated by or under agreement with the Department who regularly engage in immigration enforcement actions and in the course of such actions come into contact with individuals who are parents or primary caregivers of children in the United States.

SEC. 3806. RULEMAKING.

Not later than 180 days after the date of the enactment of this Act, the Secretary shall promulgate regulations to implement sections 3803 and 3804 of this Act.

SEC. 3807. SEVERABILITY.

If any provision of this subtitle or amendment made by this subtitle, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this subtitle and amendments made by this subtitle, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

TITLE IV—REFORMS TO NONIMMIGRANT VISA PROGRAMS

Subtitle A—Employment-based Nonimmigrant Visas

SEC. 4101. MARKET-BASED H–1B VISA LIMITS.

(a) IN GENERAL.—Section 214(g) (8 U.S.C. 1184(g)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking ''(beginning with fiscal year 1992)''; and

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

''(A) under section 101(a)(15)(H)(i)(b) may not exceed the sum of—

''(i) the base allocation calculated under paragraph (9)(A); and

''(ii) the allocation adjustment calculated under paragraph (9)(B); and'';

(2) by redesignating paragraph (10) as subparagraph (D) of paragraph (9);

(3) by redesignating paragraph (9) as paragraph (10); and

(4) by inserting after paragraph (8) the following:

''(9)(A) Except as provided in subparagraph (C), the base allocation of nonimmigrant visas under section 101(a)(15)(H)(i)(b) for each fiscal year shall be equal to—

''(i) the sum of—

''(I) the base allocation for the most recently completed fiscal year; and

''(II) the allocation adjustment under subparagraph (B) for the most recently completed fiscal year;

''(ii) if the number calculated under clause (i) is less than 115,000, 115,000; or

''(iii) if the number calculated under clause (i) is more than 180,000, 180,000.

''(B)(i) If the number of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) during the first 45 days petitions may be filed for a fiscal year is equal to the base allocation for such fiscal year, an additional 20,000 such visas shall be made available beginning on the 46th day on which petitions may be filed for such fiscal year.

''(ii) If the base allocation of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) for a fiscal year is reached during the 15-day period ending on the 60th day on which petitions may be filed for such fiscal year, an additional 15,000 such visas shall be made available beginning on the 61st day on which petitions may be filed for such fiscal year.

''(iii) If the base allocation of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) for a fiscal year is reached during the 30-day period ending on the 90th day on which petitions may be filed for such fiscal year, an additional 10,000 such visas shall be made available beginning on the 91st day on which petitions may be filed for such fiscal year.

''(iv) If the base allocation of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) for a fiscal year is reached during the 185-day period ending on the 275th day on which petitions may be filed for such fiscal year, an additional 5,000 such visas shall be made available beginning on the date on which such allocation is reached.

''(v) If the number of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) for a fiscal year is at least 5,000 fewer than the base allocation, but is not more than 9,999 fewer than the base allocation, the allocation adjustment for the following fiscal year shall be -5,000.

''(vi) If the number of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) for a fiscal year is at least 10,000 fewer than the base allocation, but not more than 14,999 fewer than the base allocation, the allocation adjustment for the following fiscal year shall be -10,000.

''(vii) If the number of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) for a fiscal year is at least 15,000 fewer than the base allocation, but not more than 19,999 fewer than the base allocation, the allocation adjustment for the following fiscal year shall be -15,000.

''(viii) If the number of cap-subject nonimmigrant visa petitions accepted for filing under section 101(a)(15)(H)(i)(b) for a fiscal year is at least 20,000 fewer than the base allocation, the allocation adjustment for the following fiscal year shall be -20,000.

''(C) No allocation adjustment may take place under any of clauses (i) through (iv) of subparagraph (B) to make additional visas available for any fiscal year in which the national occupational unemployment rate for 'Management, Professional, and Related Occupations', as published by the Bureau of Labor Statistics each month, averages 4.5 percent or greater over the 12-month period preceding the date of the Secretary's determination of whether the cap should be increased or decreased.''.

(b) INCREASE IN ALLOCATION FOR STEM NONIMMIGRANTS.—Section 214(g)(5)(C) (8 U.S.C. 1184(g)(5)(C)) is amended to read as follows:

''(C) has earned a master's or higher degree, in a field of science, technology, engineering, or math included in the Department of Education's Classification of Instructional Programs taxonomy within the summary groups of computer and information sciences and support services, engineering, mathematics and statistics, biological and biomedical sciences, and physical sciences, from a United States institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)) until the number of aliens who are exempted from such numerical limitation during such year exceed 25,000.''.

(c) PUBLICATION.—

(1) DATA SUMMARIZING PETITIONS.—The Secretary shall timely upload to a public website data that summarizes the adjudication of nonimmigrant petitions under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)(b)) during each fiscal year.

(2) ANNUAL NUMERICAL LIMITATION.—As soon as practicable and no later than March 2 of each fiscal year, the Secretary shall publish in the Federal Register the numerical limitation

determined under section 214(g)(1)(A) for such fiscal year.

(d) EFFECTIVE DATE AND APPLICATION.—The amendments made by subsection (a) shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act and apply to applications for nonimmigrant visas under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)(b)) for such fiscal year.

SEC. 4102. EMPLOYMENT AUTHORIZATION FOR DEPENDENTS OF EMPLOYMENT-BASED NONIMMIGRANTS.

Section 214(c) (8 U.S.C. 1184(c)) is amended—

(1) by striking ''Attorney General'' each place such term appears and inserting ''Secretary of Homeland Security''; and

(2) in paragraph (2), by amending subparagraph (E) to read as follows:

''(E)(i) In the case of an alien spouse admitted under section 101(a)(15)(L), who is accompanying or following to join a principal alien admitted under such section, the Secretary of Homeland Security shall—

''(I) authorize the alien spouse to engage in employment in the United States; and

''(II) provide the spouse with an 'employment authorized' endorsement or other appropriate work permit.

''(ii) In the case of an alien spouse admitted under section 101(a)(15)(H)(i)(b), who is accompanying or following to join a principal alien admitted under such section, the Secretary of Homeland Security shall—

''(I) authorize the alien spouse to engage in employment in the United States; and

''(II) provide such a spouse with an 'employment authorized' endorsement or other appropriate work permit, if appropriate.

''(iii)(I) Upon the request of the Secretary of State, the Secretary of Homeland Security may suspend employment authorizations under clause (ii) to nationals of a foreign country that does not permit reciprocal employment to nationals of the United States who are accompanying or following to join the employment-based nonimmigrant husband or wife of such spouse to be employed in such foreign country based on that status.

''(II) In subclause (I), the term 'employment-based nonimmigrant' means an individual who is admitted to a foreign country to perform employment similar to the employment described in section 101(a)(15)(H)(i)(b).''.

SEC. 4103. ELIMINATING IMPEDIMENTS TO WORKER MOBILITY.

(a) DEFERENCE TO PRIOR APPROVALS.—Section 214(c) (8 U.S.C. 1184(c)), as amended by section 4102, is further amended by adding at the end the following:

''(15) Subject to paragraph (2)(D) and subsection (g) and section 104(c) and subsections (a) and (b) of section 106 of the American Competitiveness in the Twenty-first Century Act of 2000 (Public Law 106–313; 8 U.S.C. 1184 note), the Secretary of Homeland Security shall give deference to a prior approval of a petition in reviewing a petition to extend the status of a nonimmigrant admitted under subparagraph (H)(i)(b) or (L) of section 101(a)(15) if the petition involves the same alien and petitioner unless the Secretary determines that—

''(A) there was a material error with regard to the previous petition approval;

''(B) a substantial change in circumstances has taken place;

''(C) new material information has been discovered that adversely impacts the eligibility of the employer or the nonimmigrant; or

''(D) in the Secretary's discretion, such extension should not be approved.''.

(b) EFFECT OF EMPLOYMENT TERMINATION.—Section 214(n) (8 U.S.C. 1184(n)) is amended by adding at the end the following:

''(3) A nonimmigrant admitted under section 101(a)(15)(H)(i)(b) whose employment relationship terminates before the expiration of the nonimmigrant's period of authorized admission shall be deemed to have retained such legal status throughout the entire 60-day period beginning on the date such employment is terminated. A nonimmigrant who files a petition to extend, change, or adjust their status at any point during such period shall be deemed to have lawful status under section 101(a)(15)(H)(i)(b) while that petition is pending.''.

(c) VISA REVALIDATION.—Section 222(c) (8 U.S.C. 1202(c)) is amended—

(1) by inserting ''(1)'' before ''Every alien''; and

(2) by adding at the end the following:

''(2) The Secretary of State may, at the Secretary's discretion, renew in the United States the visa of an alien admitted under subparagraph (A), (E), (G), (H), (I), (L), (N), (O), (P), (R), or (W) of section 101(a)(15) if the alien has remained eligible for such status and qualifies for a waiver of interview as provided for in subsection (h)(1)(D).''.

(d) INTERVIEW WAIVERS FOR LOW RISK VISA APPLICANTS.—Section 222(h)(1) (8 U.S.C. 1202(h)(1)) is amended—

(1) in subparagraph (B)(iv), by striking ''or'' at the end;

(2) in subparagraph (C)(ii), by striking ''and'' at the end and inserting ''or''; and

(3) by adding at the end the following:

''(D) by the Secretary of State, in consultation with the Secretary of Homeland Security, for such aliens or classes of aliens—

''(i) that the Secretary determines generally represent a low security risk;

''(ii) for which an in-person interview would not add material benefit to the adjudication process;

''(iii) unless the Secretary of State, after a review of all standard database and biometric checks, the visa application, and other supporting documents, determines that an interview is unlikely to reveal derogatory information; and

''(iv) except that in every case, the Secretary of State retains the right to require an applicant to appear for an interview; and''.

SEC. 4104. STEM EDUCATION AND TRAINING.

(a) FEE.—Section 212(a)(5)(A) (8 U.S.C. 1182(a)(5)(A)) is amended by adding at the end the following:

''(v) FEE.—An employer shall submit, along with an application for a certification under this subparagraph, a fee of $1,000, which shall be deposited in the STEM Education and Training Account established under section 286(w).''.

(b) H–1B NONIMMIGRANT PETITIONER ACCOUNT.—Section 286(s) (8 U.S.C. 1356(s)) is amended by striking paragraphs (3) and (4) and inserting the following:

''(3) LOW-INCOME STEM SCHOLARSHIP PROGRAM.—

''(A) IN GENERAL.—Thirty percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Director of the National Science Foundation until expended for scholarships described in section 414(d) of the American Competitiveness and Workforce Improvement Act of 1998 (42 U.S.C. 1869c) for low-income students enrolled in a program of study leading to a degree in science, technology, engineering, or mathematics.

''(B) STEM EDUCATION FOR UNDERREPRESENTED.—The Director shall work in consultation with, or direct scholarship funds through, national nonprofit organizations that primarily focus on science, technology, engineering, or mathematics education for underrepresented groups, such as women and minorities.

''(C) LOAN FORGIVENESS.—The Director may expend funds from the Account for purposes of loan forgiveness or repayment of student loans which led to a low-income student obtaining a degree in science, technology, engineering, mathematics, or other high demand fields.

''(4) NATIONAL SCIENCE FOUNDATION GRANT PROGRAM FOR K–12 SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION.—

''(A) IN GENERAL.—Ten percent of the amounts deposited into the H–1B Nonimmigrant Petitioner Account shall remain available to the Director of the National Science Foundation until expended to carry out a direct or matching grant program to support improvement in K–12 education, including through private-public partnerships. Grants awarded pursuant to this paragraph shall include formula based grants that target lower income populations with a focus on reaching women and minorities.

''(B) TYPES OF PROGRAMS COVERED.—The Director shall award grants to programs that—

''(i) support the development and implementation of standards-based instructional materials models and related student assessments that enable K–12 students to acquire an understanding of science, technology, engineering, and mathematics, and to develop critical thinking skills;

''(ii) provide systemic improvement in training K–12 teachers and education for students in science, technology, engineering, and mathematics, including by supporting efforts to promote gender-equality among students receiving such instruction;

''(iii) support the professional development of K–12 science, technology, engineering, and mathematics teachers in the use of technology in the classroom;

''(iv) stimulate systemwide K–12 reform of science, technology, engineering, and mathematics in urban, rural, and economically disadvantaged regions of the United States;

''(v) provide externships and other opportunities for students to increase their appreciation and understanding of science, technology, engineering, and mathematics (including summer institutes sponsored by an institution of higher education for students in grades 7 through 12 that provide instruction in such fields);

''(vi) involve partnerships of industry, educational institutions, and national or regional community based organizations with demonstrated experience addressing the educational needs of disadvantaged communities;

''(vii) provide college preparatory support to expose and prepare students for careers in science, technology, engineering, and mathematics; or

''(viii) provide for carrying out systemic reform activities under section 3(a)(1) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)(1)).''.

(c) USE OF FEE.—Section 286 (8 U.S.C. 1356) is amended by adding at the end the following:

''(w) STEM EDUCATION AND TRAINING ACCOUNT.—

''(1) IN GENERAL.—There is established in the general fund of the Treasury a separate account, which shall be known as the 'STEM Education and Training Account'. Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the Account all of the fees collected under section 212(a)(5)(A)(v).

''(2) PURPOSES.—

''(A) IN GENERAL.—The purposes of the STEM Education and Training Account are to enhance the economic competitiveness of the United States by—

''(i) strengthening STEM education, including in computer science, at all levels;

''(ii) ensuring that schools have access to well-trained and effective STEM teachers;

''(iii) supporting efforts to strengthen the elementary and secondary curriculum, including efforts to make courses in computer science more broadly available; and

''(iv) helping colleges and universities produce more graduates in fields needed by American employers.

''(B) DEFINED TERM.—In this paragraph, the term 'STEM education' means instruction in a field of science, technology, engineering or math included in the Department of Education's Classification of Instructional Programs taxonomy within the summary groups of computer and information sciences and support services, engineering, mathematics and statistics, biological and biomedical sciences, and physical sciences.

''(3) ALLOCATIONS TO STATES AND TERRITORIES.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of Education shall proportionately allocate 70 percent of the amounts deposited into the STEM Education and Training Account each fiscal year to the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Northern Mariana Islands in an amount that bears the same relationship as the proportion the State, district, or territory received under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the preceding fiscal year bears to the amount all States and territories received under that subpart for the preceding fiscal year.

''(B) MINIMUM ALLOCATIONS.—No State or territory shall receive less than an amount equal to 0.5 percent of the total amount made available to all States from the STEM Education and Training Account. If a State or territory does not request an allocation from the Account for a fiscal year, the Secretary shall reallocate the State's allocation to the remaining States and territories in accordance with this paragraph.

''(C) USE OF FUNDS.—Amounts allocated pursuant to this paragraph may be used for the activities described in section 4104(c) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(4) STEM CAPACITY BUILDING AT MINORITY-SERVING INSTITUTIONS.—

''(A) IN GENERAL.—The Secretary of Education shall allocate 20 percent of the amounts deposited into the STEM Education and Training Account to establish or expand programs to award grants to institutions described in subparagraph (C)—

''(i) to enhance the quality of undergraduate science, technology, engineering, and mathematics education at such institutions; and

''(ii) to increase the retention and graduation rates of students pursuing degrees in such fields at such institutions.

''(B) TYPES OF PROGRAMS COVERED.—Grants awarded under this paragraph shall be awarded to—

''(i) minority-serving institutions of higher education for—

''(I) activities to improve courses and curriculum in science, technology, engineering, and mathematics;

''(II) efforts to promote gender equality among students enrolled in such courses;

''(III) faculty development;

''(IV) stipends for undergraduate students participating in research; and

''(V) other activities consistent with subparagraph (A), as determined by the Secretary of Education; and

''(ii) to other institutions of higher education to partner with the institutions described in clause (i) for—

''(I) faculty and student development and exchange;

''(II) research infrastructure development;

''(III) joint research projects; and

''(IV) identification and development of minority and low-income candidates for graduate studies in science, technology, engineering, and mathematics degree programs.

''(C) INSTITUTIONS INCLUDED.—In this paragraph, the term 'institutions' shall include—

''(i) colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326a and 328), including Tuskegee University;

''(ii) 1994 Institutions, as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note);

''(iii) part B institutions (as defined in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061)); and

''(iv) Hispanic-serving institutions, as defined in section 502(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1101a(a)(5)).

''(D) GRANTING OF BONDING AUTHORITY.—A recipient of a grant awarded under this paragraph is authorized to utilize such funds for the issuance of bonds to fund research infrastructure development.

''(E) LOAN FORGIVENESS.—The Director may expend funds from the allocation under this paragraph for purposes of loan forgiveness or repayment of student loans which led to a low-income student obtaining a degree in science, technology, engineering, mathematics, or other high demand fields.

''(5) WORKFORCE INVESTMENT.—The Secretary of Education shall allocate 5 percent of the amounts deposited into the STEM Education and Training Account to the Secretary of Labor until expended for statewide workforce investment activities that may also benefit veterans and their spouses, including youth activities and statewide employment and training and activities for adults and dislocated workers described in section 128(a) of the Workforce Investment Act of 1998 (29 U.S.C. 2853(a)), and the development of licensing and credentialing programs.

''(6) AMERICAN DREAM ACCOUNTS.—The Secretary of Education shall allocate 3 percent of the amounts deposited into the STEM Education and Training Account to award grants, on a competitive basis, to eligible entities to enable such eligible entities to establish and administer American Dream Accounts under section 4104(e) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

''(7) ADMINISTRATION EXPENSES.—The Secretary of Education may expend up to 2 percent of the amounts deposited into the STEM Education and Training Account for administrative expenses, including conducting an annual evaluation of the implementation and impact of the activities funded by the STEM Education and Training Account as required under section 4104(c)(3) of the Border Security, Economic Opportunity, and Immigration Modernization Act.''.

(d) STEM EDUCATION GRANTS.—

(1) APPLICATION PROCESS.—

(A) IN GENERAL.—Each Governor and Chief State School Officer desiring an allocation from the STEM Education and Training Account under section 286(w)(3) of the Immigration and Nationality Act, as added by subsection (b), shall jointly submit a plan, including a proposed budget, signed by the Governor and Chief State School Officer, to the Secretary of Education at such time, in such form, and including such information as the Secretary of Education may prescribe pursuant to subparagraph (B). The plan shall describe how the State plans to improve STEM education to meet the needs of students and employers in the State.

(B) RULEMAKING.—The Secretary of Education shall issue a rule, through a rulemaking procedure that complies with section 553 of title 5, United States Code, prescribing the information that should be included in the State plans submitted under subparagraph (A).

(2) ALLOWABLE ACTIVITIES.—A State, district, or territory that receives funding from the STEM Education and Training Account may use such funding to develop and implement science, technology, engineering, and mathematics (STEM) activities to serve students, including students of underrepresented groups such as minorities, economically disadvantaged, and females by—

(A) strengthening the State's STEM academic achievement standards;

(B) implementing strategies for the recruitment, training, placement, and retention of teachers in STEM fields, including computer science;

(C) carrying out initiatives designed to assist students in succeeding and graduating from postsecondary STEM programs;

(D) improving the availability and access to STEM-related worker training programs, including community college courses and programs;

(E) forming partnerships with higher education, economic development, workforce, industry, and local educational agencies; or

(F) engaging in other activities, as determined by the State, in consultation with businesses and State agencies, to improve STEM education.

(3) NATIONAL EVALUATION.—

(A) IN GENERAL.—Using amounts allocated under section 286(w)(7) of the Immigration and Nationality Act, as added by subsection (b), the Secretary of Education shall conduct, directly or through a grant or contract, an annual evaluation of the implementation and impact of the activities funded by the STEM Education and Training Account.

(B) ANNUAL REPORT.—The Secretary shall submit a report describing the results of each evaluation conducted under subparagraph (A) to—

(i) the President;

(ii) the Committee on the Judiciary of the Senate;

(iii) the Committee on the Judiciary of the House of Representatives;

(iv) the Committee on Health, Education, Labor, and Pensions of the Senate; and

(v) the Committee on Education and the Workforce of the House of Representatives.

(C) DISSEMINATION.—The Secretary shall make the findings of the evaluation widely available to educators, the business community, and the public.

(4) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to permit the Secretary of Education or any other Federal official to approve the content or academic achievement standards of a State.

(e) AMERICAN DREAM ACCOUNTS.—

(1) DEFINITIONS.—In this subsection:

(A) AMERICAN DREAM ACCOUNT.—The term ''American Dream Account'' means a personal online account for low-income students that monitors higher education readiness and includes a college savings account.

(B) APPROPRIATE COMMITTEES OF CONGRESS.—The term ''appropriate committees of Congress'' means—

(i) the Committee on Health, Education, Labor, and Pensions of the Senate;

(ii) the Committee on Appropriations of the Senate;

(iii) the Committee on Finance of the Senate;

(iv) the Committee on Education and the Workforce of the House of Representatives;

(v) the Committee on Appropriations of the House of Representatives;

(vi) the Committee on Ways and Means of the House of Representatives; and

(vii) any other committee of the Senate or House of Representatives that the Secretary determines appropriate.

(C) COLLEGE SAVINGS ACCOUNT.—The term ''college savings account'' means a savings account that—

(i) provides some tax-preferred accumulation;

(ii) is widely available (such as Qualified Tuition Programs under section 529 of the Internal Revenue Code of 1986 or Coverdell Education Savings Accounts under section 530 of the Internal Revenue Code of 1986); and

(iii) contains funds that may be used only for the costs associated with attending an institution of higher education, including—

(I) tuition and fees;

(II) room and board;

(III) textbooks;

(IV) supplies and equipment; and

(V) internet access.

(D) DUAL ENROLLMENT PROGRAM.—The term ''dual enrollment program'' means an academic program through which a secondary school student is able simultaneously to earn credit toward a secondary school diploma and a postsecondary degree or credential.

(E) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(i) a State educational agency;

(ii) a local educational agency;

(iii) a charter school or charter management organization;

(iv) an institution of higher education;

(v) a nonprofit organization;

(vi) an entity with demonstrated experience in educational savings or in assisting low-income students to prepare for, and attend, an institution of higher education; or

(vii) a consortium of 2 or more of the entities described in clause (i) through (vi).

(F) ESEA DEFINITIONS.—The terms ''local educational agency'', ''parent'', and ''State educational agency'' have the meanings given the terms in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801) and the term ''charter school'' has the meaning given the term in section 5210 of such Act.

(G) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(H) LOW-INCOME STUDENT.—The term ''low-income student'' means a student who is eligible to receive a free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

(2) GRANT PROGRAM.—

(A) PROGRAM AUTHORIZED.—The Secretary of Education is authorized to award grants, on a competitive basis, to eligible entities to enable such eligible entities to establish and administer American Dream Accounts for a group of low-income students.

(B) RESERVATION.—From the amount made available each fiscal year to carry out this section under section 286(w)(6) of the Immigration and Nationality Act, the Secretary of Education shall reserve not more than 5 percent of such amount to carry out the evaluation activities described in paragraph (5)(A).

(C) DURATION.—A grant awarded under this subsection shall be for a period of not more than 3 years. The Secretary of Education may extend such grant for an additional 2-year period if the Secretary of Education determines that the eligible entity has demonstrated significant progress, based on the factors described in paragraph (3)(B)(xi).

(3) APPLICATIONS; PRIORITY.—

(A) IN GENERAL.—Each eligible entity desiring a grant under this subsection shall submit an application to the Secretary of Education at such time, in such manner, and containing such information as the Secretary of Education may require.

(B) CONTENTS.—The application described in subparagraph (A) shall include—

(i) a description of the characteristics of a group of not less than 30 low-income public school students who—

(I) are, at the time of the application, attending a grade not higher than grade 9; and

(II) will, under the grant, receive an American Dream Account;

(ii) a description of how the eligible entity will engage, and provide support (such as tutoring and mentoring for students, and training for teachers and other stakeholders) either online or in person, to—

(I) the students in the group described in clause (i);

(II) the family members and teachers of such students; and

(III) other stakeholders such as school administrators and school counselors;

(iii) an identification of partners who will assist the eligible entity in establishing and sustaining American Dream Accounts;

(iv) a description of what experience the eligible entity or the eligible entity's partners have in managing college savings accounts, preparing low-income students for postsecondary education, managing online systems, and teaching financial literacy;

(v) a description of how the eligible entity will help increase the value of the college savings account portion of each American Dream Account, such as by providing matching funds or incentives for academic achievement;

(vi) a description of how the eligible entity will notify each participating student in the group described in subparagraph (A), on a semi-annual basis, of the current balance and status of the student's college savings account portion of the student's American Dream Account;

(vii) a plan that describes how the eligible entity will monitor participating students in the group described in clause (i) to ensure that each student's American Dream Account will be maintained if a student in such group changes schools before graduating from secondary school;

(viii) a plan that describes how the American Dream Accounts will be managed for not less than 1 year after a majority of the students in the group described in clause (i) graduate from secondary school;

(ix) a description of how the eligible entity will encourage students in the group described in clause (i) who fail to graduate from secondary school to continue their education;

(x) a description of how the eligible entity will evaluate the grant program, including by collecting, as applicable, data about the students in the group described in clause (i) during the grant period, and, if sufficient grant funds are available, after the grant period, including

(I) attendance rates;

(II) progress reports;

(III) grades and course selections;

(IV) the student graduation rate (as defined in section 1111 (b)(2)(C)(vi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C)(vi)));

(V) rates of student completion of the Free Application for Federal Student Aid described in section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090);

(VI) rates of enrollment in an institution of higher education; and

(VII) rates of completion at an institution of higher education;

(xi) a description of what will happen to the funds in the college savings account portion of the American Dream Accounts that are dedicated to participating students described in clause (i) who have not matriculated at an institution of higher education at the time of the conclusion of the period of American Dream Account management described in clause (viii);

(xii) a description of how the eligible entity will ensure that funds in the college savings account portion of the American Dream Accounts will not make families ineligible for public assistance; and

(xiii) a description of how the eligible entity will ensure that participating students described in clause (i) will have access to the Internet;

(C) PRIORITY.—In awarding grants under this subsection, the Secretary of Education shall give priority to applications from eligible entities that—

(i) are described in paragraph (1)(E)(vii);

(ii) serve the largest number of low-income students;

(iii) emphasize preparing students to pursue careers in science, technology, engineering, or mathematics; or

(iv) in the case of an eligible entity described in clause (i) or (ii) of paragraph (1)(E), provide opportunities for participating students described in clause (i) to participate in a dual enrollment program at no cost to the student.

(4) AUTHORIZED ACTIVITIES.—

(A) IN GENERAL.—An eligible entity that receives a grant under this subsection shall use such grant funds to establish an American Dream Account for each participating student described in paragraph (3)(B)(i), which will be used to—

(i) open a college savings account for such student;

(ii) monitor the progress of such student online, which—

(I) shall include monitoring student data relating to—

(aa) grades and course selections;

(bb) progress reports; and

(cc) attendance and disciplinary records; and

(II) may also include monitoring student data relating to a broad range of information, provided by teachers and family members, related to postsecondary education readiness, access, and completion;

(iii) provide opportunities for such students, either online or in person, to learn about financial literacy, including by—

(I) assisting such students in financial planning for enrollment in an institution of higher education; and

(II) assisting such students in identifying and applying for financial aid (such as loans, grants, and scholarships) for an institution of higher education;

(iv) provide opportunities for such students, either online or in person, to learn about preparing for enrollment in an institution of higher education, including by providing instruction to students about—

(I) choosing the appropriate courses to prepare for postsecondary education;

(II) applying to an institution of higher education;

(III) building a student portfolio, which may be used when applying to an institution of higher education;

(IV) selecting an institution of higher education;

(V) choosing a major for the student's postsecondary program of education or a career path, including specific instruction on pursuing science, technology, engineering, and mathematics majors; and

(VI) adapting to life at an institution of higher education; and

(v) provide opportunities for such students, either online or in person, to identify skills or interests, including career interests.

(B) ACCESS TO AMERICAN DREAM ACCOUNT.—

(i) IN GENERAL.—Subject to clause (iii) and (iv), and in accordance with applicable Federal laws and regulations relating to privacy of information and the privacy of children, an eligible entity that receives a grant under this subsection shall allow vested stakeholders described in clause (ii), to have secure access, through the Internet, to an American Dream Account.

(ii) VESTED STAKEHOLDERS.—The vested stakeholders that an eligible entity shall permit to access an American Dream Account are individuals (such as the student's teachers, school counselors, counselors at an institution of higher education, school administrators, or other individuals) that are designated, in accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g), by the parent of a participating student in whose name such American Dream Account is held, as having permission to access the account. A student's parent may withdraw such designation from an individual at any time.

(iii) EXCEPTION FOR COLLEGE SAVINGS ACCOUNT.—An eligible entity that receives a grant under this subsection shall not be required to give vested stakeholders described in clause (ii), access to the college savings account portion of a student's American Dream Account.

(iv) ADULT STUDENTS.—Notwithstanding clause (i) through (iii), if a participating student is age 18 or older, an eligible entity that receives a grant under this subsection shall not provide access to such participating student's American Dream Account without the student's consent, in accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. 1232g).

(v) INPUT OF STUDENT INFORMATION.—Student data collected pursuant to subparagraph (A)(ii)(I) may only be entered into an American Dream Account by a school administrator or such administrator's designee.

(C) PROHIBITION ON USE OF STUDENT INFORMATION.—An eligible entity that receives a grant under this subsection may not use any student-level information or data for the purpose of soliciting, advertising, or marketing any financial or nonfinancial consumer product or service

that is offered by such eligible entity, or on behalf of any other person.

(D) LIMITATION ON THE USE OF GRANT FUNDS.—An eligible entity shall not use more than 25 percent of the grant funds provided under this subsection to provide the initial deposit into a college savings account portion of a student's American Dream Account.

(5) REPORTS AND EVALUATIONS.—

(A) IN GENERAL.—Not later than 1 year after the Secretary of Education has disbursed grants under this subsection, and annually thereafter, the Secretary of Education shall prepare and submit a report to the appropriate committees of Congress that includes an evaluation of the effectiveness of the grant program established under this subsection.

(B) CONTENTS.—The report described in subparagraph (A) shall—

(i) list the grants that have been awarded under paragraph (2)(A);

(ii) include the number of students who have an American Dream Account established through a grant awarded under paragraph (2)(A);

(iii) provide data (including the interest accrued on college savings accounts that are part of an American Dream Account) in the aggregate, regarding students who have an American Dream Account established through a grant awarded under paragraph (2)(A), as compared to similarly situated students who do not have an American Dream Account;

(iv) identify best practices developed by the eligible entities receiving grants under this subsection;

(v) identify any issues related to student privacy and stakeholder accessibility to American Dream Accounts;

(vi) provide feedback from participating students and the parents of such students about the grant program, including—

(I) the impact of the program;

(II) aspects of the program that are successful;

(III) aspects of the program that are not successful; and

(IV) any other data required by the Secretary of Education; and

(vii) provide recommendations for expanding the American Dream Accounts program.

(6) ELIGIBILITY TO RECEIVE FEDERAL STUDENT FINANCIAL AID.—Notwithstanding any other provision of law, any funds that are in the college savings account portion of a student's American Dream Account shall not affect such student's eligibility to receive Federal student financial aid, including any Federal student financial aid under the Higher Education Act of 1965 (20 U.S.C. 1001), and shall not be considered in determining the amount of any such Federal student aid.

(f) CONFORMING AMENDMENT.—Section 480(j) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(j)) is amended by adding at the end the following:

''(5) Notwithstanding paragraph (1), amounts made available under the college savings account portion of an American Dream Account under section 4105(e)(4) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 shall not be treated as estimated financial assistance for purposes of section 471(3).''.

SEC. 4105. H–1B AND L VISA FEES.

Section 281 (8 U.S.C. 1351) is amended—

(1) by striking ''The fees'' and inserting the following:

''(a) IN GENERAL.—The fees'';

(2) by striking '': Provided, That nonimmigrant visas'' and inserting the following: ''.

''(b) UNITED NATIONS VISITORS.—Nonimmigrant visas'';

(3) by striking ''Subject to'' and inserting the following:

''(c) FEE WAIVERS OR REDUCTIONS.—Subject to''; and

(4) by adding at the end the following:

''(d) H–1B AND L VISA FEES.—In addition to the fees authorized under subsection (a), the Secretary of Homeland Security shall collect, from each employer (except for nonprofit research institutions and nonprofit educational institutions) filing a petition to hire nonimmigrants described in subparagraph (H)(i)(B) or (L) of section 101(a)(15), a fee in an amount equal to—

''(1) $1,250 for each such petition filed by any employer with not more than 25 full-time equivalent employees in the United States; and

''(2) $2,500 for each such petition filed by any employer with more than 25 such employees.''.

Subtitle B—H–1B Visa Fraud and Abuse Protections

CHAPTER 1—H–1B EMPLOYER APPLICATION REQUIREMENTS

SEC. 4211. MODIFICATION OF APPLICATION REQUIREMENTS.

(a) GENERAL APPLICATION REQUIREMENTS.—

(1) WAGE RATES.—Section 212(n)(1)(A) (8 U.S.C. 1182(n)(1)(A)) is amended—

(A) in clause (i)—

(i) in the matter preceding subclause (I), by inserting ''if the employer is not an H–1B-dependent employer,'' before ''is offering'';

(ii) in subclause (I), by striking ''question, or'' and inserting ''question; or'';

(iii) in subclause (II), by striking ''employment,'' and inserting ''employment;'' and

(iv) in the undesignated material following subclause (II), by striking ''application, and'' and inserting ''application;''; and

(B) by striking clause (ii) and inserting the following:

''(ii) if the employer is an H–1B-dependent employer, is offering and will offer to H–1B nonimmigrants, during the period of authorized employment for each H–1B nonimmigrant, wages that are not less than the level 2 wages set out in subsection (p); and

''(iii) will provide working conditions for H–1B nonimmigrants that will not adversely affect the working conditions of other workers similarly employed.''.

(2) STRENGTHENING THE PREVAILING WAGE SYSTEM.—Section 212(p) (8 U.S.C. 1182(p)) is amended to read as follows:

''(p) COMPUTATION OF PREVAILING WAGE LEVEL.—

''(1) IN GENERAL.—

''(A) SURVEYS.—For employers of nonimmigrants admitted pursuant to section 101(a)(15)(H)(i)(b), the Secretary of Labor shall make available to employers a governmental survey to determine the prevailing wage for each occupational classification by metropolitan statistical area in the United States. Such survey, or other survey approved by the Secretary of Labor, shall provide 3 levels of wages commensurate with experience, education, and level of supervision. Such wage levels shall be determined as follows:

''(i) The first level shall be the mean of the lowest two-thirds of wages surveyed, but in no case less than 80 percent of the mean of the wages surveyed.

''(ii) The second level shall be the mean of wages surveyed.

''(iii) The third level shall be the mean of the highest two-thirds of wages surveyed.

''(B) EDUCATIONAL, NONPROFIT, RESEARCH, AND GOVERNMENTAL ENTITIES.—In computing the prevailing wage level for an occupational classification in an area of employment for purposes of section 203(b)(1)(D) and subsections (a)(5)(A), (n)(1)(A)(i)(II), and (t)(1)(A)(i)(II) of this section in the case of an employee of—

''(i) an institution of higher education, or a related or affiliated nonprofit entity; or

''(ii) a nonprofit research organization or a governmental research organization;

the prevailing wage level shall only take into account employees at such institutions and organizations in the area of employment.

''(2) PAYMENT OF PREVAILING WAGE.—The prevailing wage level required to be paid pursuant to section 203(b)(1)(D) and subsections (a)(5)(A), (n)(1)(A)(i)(II), and (t)(1)(A)(i)(II) of this section shall be 100 percent of the wage level determined pursuant to those sections.

''(3) PROFESSIONAL ATHLETE.—With respect to a professional athlete (as defined in subsection (a)(5)(A)(iii)(II)) when the job opportunity is covered by professional sports league rules or regulations, the wage set forth in those rules or regulations shall be considered as not adversely affecting the wages of United States workers similarly employed and shall be considered the prevailing wage.

''(4) WAGES FOR H–2B EMPLOYEES.—

''(A) IN GENERAL.—The wages paid to H–2B nonimmigrants employed by the employer will be the greater of—

''(i) the actual wage level paid by the employer to other employees with similar experience and qualifications for such position; or

''(ii) the prevailing wage level for the occupational classification of the position in the geographic area of the employment, based on the best information available as of the time of filing the application.

''(B) BEST INFORMATION AVAILABLE.—In subparagraph (A), the term 'best information available', with respect to determining the prevailing wage for a position, means—

''(i) a controlling collective bargaining agreement or Federal contract wage, if applicable;

''(ii) if there is no applicable wage under clause (i), the wage level commensurate with the experience, training, and supervision required for the job based on Bureau of Labor Statistics data; or

''(iii) if the data referred to in clause (ii) is not available, a legitimate and recent private survey of the wages paid for such positions in the metropolitan statistical area.''.

(3) WAGES FOR EDUCATIONAL, NONPROFIT, RESEARCH, AND GOVERNMENTAL ENTITIES.—Section 212 (8 U.S.C. 1182), as amended by sections 2312 and 2313, is further amended by adding at the end the following:

''(x) DETERMINATION OF PREVAILING WAGE.—In the case of a nonprofit institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))), a related or affiliated nonprofit entity, a nonprofit research organization, or a governmental research organization, the Secretary of Labor shall determine such wage levels as follows:

''(1) If the Secretary of Labor uses, or makes available to employers, a governmental survey to determine the prevailing wage, such survey shall provide at least 4 levels of wages commensurate with experience, education, and the level of supervision.

''(2) If an existing government survey has only 2 levels, 2 intermediate levels may be created by dividing by 3, the difference between the 2 levels offered, adding the quotient thus obtained to the first level and subtracting that quotient from the second level.

''(3) For institutions of higher education, only teaching positions and research positions may be paid using this special educational wage level.

''(4) In computing the prevailing wage level for an occupational classification in an area of employment for purposes of subsections (a)(5)(A), (n)(1)(A)(i)(II), and (t)(1)(A)(i)(II) and section 203(b)(1)(D) for an employee of an institution of higher education, or a related or affiliated nonprofit entity or a nonprofit research organization or a governmental research organization, the prevailing wage level shall only take into account employees at such institutions and organizations in the area of employment.''.

(b) INTERNET POSTING REQUIREMENT.—Section 212(n)(1)(C) (8 U.S.C. 1182(n)(1)(C)) is amended—

(1) by redesignating clause (ii) as subclause (II);

(2) by striking ''(i) has provided'' and inserting the following:

''(ii)(I) has provided'';

(3) by striking ''sought, or'' and inserting ''sought; or''; and

(4) by inserting before clause (ii), as redesignated by paragraph (2), the following:

''(i) has advertised on the Internet website maintained by the Secretary of Labor for the purpose of such advertising, for at least 30 calendar days, a detailed description of each position for which a nonimmigrant is sought that includes a description of—

''(I) the wage ranges and other terms and conditions of employment;

''(II) the minimum education, training, experience, and other requirements for the position;

''(III) the process for applying for the position;

''(IV) the title and description of the position, including the location where the work will be performed; and

''(V) the name, city, and zip code of the employer; and''.

(c) APPLICATION OF REQUIREMENTS TO ALL EMPLOYERS.—

(1) NONDISPLACEMENT.—Section 212(n)(1)(E) (8 U.S.C. 1182(n)(1)(E)) is amended to read as follows:

''(E)(i)(I) In the case of an application filed by an employer that is an H–1B skilled worker dependent employer, and is not an H–1B dependent employer, the employer did not displace and will not displace a United States worker employed by the employer during the period beginning 90 days before the date on which a visa petition supported by the application is filed and ending 90 days after such filing.

''(II) An employer that is not an H–1B skilled worker dependent employer shall not be subject to subclause (I) unless—

''(aa) the employer is filing the H–1B petition with the intent or purpose of displacing a specific United States worker from the position to be occupied by the beneficiary of the petition; or

''(bb) workers are displaced who—

''(AA) provide services, in whole or in part, at 1 or more worksites owned, operated, or controlled by a Federal, State, or local government entity that directs and controls the work of the H–1B worker; or

''(BB) are employed as public school kindergarten, elementary, middle school, or secondary school teachers.

''(ii)(I) In the case of an application filed by an H–1B-dependent employer, the employer did not displace and will not displace a United States worker employed by the employer within the period beginning 180 days before the date on which a visa petition supported by the application is filed and ending 180 days after such filing.

''(II) An application described in this clause is an application filed on or after the date final regulations are first promulgated to carry out this subparagraph, and before by an H–1B-dependent employer (as defined in paragraph (3)) or by an employer that has been found, on or after the date of the enactment of the American Competitiveness and Workforce Improvement Act of 1998, under paragraph (2)(C) or (5) to have committed a willful failure or misrepresentation during the 5-year period preceding the filing of the application.

''(iii) In this subparagraph, the term 'job zone' means a zone assigned to an occupation by—

''(I) the Occupational Information Network Database (O*NET) on the date of the enactment of this Act; or

''(II) such database or a similar successor database, as designated by the Secretary of Labor, after the date of the enactment of Border Security, Economic Opportunity, and Immigration Modernization Act.''.

(2) RECRUITMENT.—Section 212(n)(1)(G) (8 U.S.C. 1182(n)(1)(G)) is amended to read as follows:

''(G) An employer, prior to filing the application—

''(i) has taken good faith steps to recruit United States workers for the occupational classification for which the nonimmigrant or nonimmigrants is or are sought, using procedures that meet industry-wide standards and offering compensation that is at least as great as that required to be offered to H–1B nonimmigrants under subparagraph (A);

''(ii) has advertised the job on an Internet website maintained by the Secretary of Labor for the purpose of such advertising; and

''(iii) if the employer is an H–1B skilled worker dependent employer, has offered the job to any United States worker who applies and is equally or better qualified for the job for which the nonimmigrant or nonimmigrants is or are sought.''.

(d) OUTPLACEMENT.—Section 212(n)(1)(F) (8 U.S.C. 1182(n)(1)(F)) is amended to read as follows:

''(F)(i) An H–1B-dependent employer may not place, outsource, lease, or otherwise contract for the services or placement of an H–1B nonimmigrant employee.

''(ii) An employer that is not an H–1B-dependent employer and not described in paragraph (3)(A)(i) may not place, outsource, lease, or otherwise contract for the services or placement of an H–1B nonimmigrant employee unless the employer pays a fee of $500 per outplaced worker.

''(iii) A fee collected under clause (ii) shall be deposited in the Comprehensive Immigration Reform Trust Fund established under section 6 of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(iv) An H–1B dependent employer shall be exempt from the prohibition on outplacement under clause (i) if the employer is a nonprofit institution of higher education, a nonprofit research organization, or primarily a health care business and is petitioning for a physician, a nurse, or a physical therapist or a substantially equivalent health care occupation. Such employer shall be subject to the fee set forth in clause (ii).''.

(e) H–1B-DEPENDENT EMPLOYER DEFINED.—Section 212(n)(3) (8 U.S.C. 1182(n)(3)) is amended to read as follows:

''(3)(A) The term 'H–1B-dependent employer' means an employer that—

''(i) in the case of an employer that has 25 or fewer full-time equivalent employees who are employed in the United States, employs more than 7 H–1B nonimmigrants;

''(ii) in the case of an employer that has at least 26 but not more than 50 full-time equivalent employees who are employed in the United States, employs more than 12 H–1B nonimmigrants; or

''(iii) in the case of an employer that has at least 51 full-time equivalent employees who are employed in the United States, employs H–1B nonimmigrants in a number that is equal to at least 15 percent of the number of such full-time equivalent employees.

''(B) In determining the number of employees who are H–1B nonimmigrants under subparagraph (A)(ii), an intending immigrant employee shall not count toward such number.''.

(f) H–1B SKILLED WORKER DEPENDENT DEFINED.—Section 212(n)(3) (8 U.S.C. 1182(n)(3)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (D); and

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

''(B)(i) For purposes of this subsection, an 'H–1B skilled worker dependent employer' means an employer who employs H–1B nonimmigrants in the United States in a number that in total is equal to at least 15 percent of the number of its full-time equivalent employees in the United States employed in occupations contained within Occupational Information Network Database (O*NET) Job Zone 4 and Job Zone 5.

''(ii) An H–1B nonimmigrant who is an intending immigrant shall be counted as a United States worker in making a determination under clause (i).''.

(g) INTENDING IMMIGRANTS DEFINED.—Section 101(a) (8 U.S.C. 1101(a)), as amended by section 3504(a), is further amended by adding at the end the following:

''(54)(A) The term 'intending immigrant' means, with respect to the number of aliens employed by an employer, an alien who intends to work and reside permanently in the United States, as evidenced by—

''(i) a pending or approved application for a labor certification filed for such alien by a covered employer; or

''(ii) a pending or approved immigrant status petition filed for such alien by a covered employer.

''(B) In this paragraph:

''(i) The term 'covered employer' means an employer that has filed immigrant status petitions for not less than 90 percent of current employees who were the beneficiaries of applications for labor certification that were approved during the 1-year period ending 6 months before the filing of an application or petition for which the number of intending immigrants is relevant.

''(ii) The term 'immigrant status petition' means a petition filed under paragraph (1), (2), or (3) of section 203(b).

''(iii) The term 'labor certification' means an employment certification under section 212(a)(5)(A).

''(C) Notwithstanding any other provision of law—

''(i) for all calculations under this Act, of the number of aliens admitted pursuant to subparagraph (H)(i)(b) or (L) of paragraph (15), an intending immigrant shall be counted as an alien lawfully admitted for permanent residence and shall not be counted as an employee admitted pursuant to such a subparagraph; and

''(ii) for all determinations of the number of employees or United States workers employed by an employer, all of the employees in any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 shall be counted.''.

SEC. 4212. REQUIREMENTS FOR ADMISSION OF NONIMMIGRANT NURSES IN HEALTH PROFESSIONAL SHORTAGE AREAS.

(a) EXTENSION OF PERIOD OF AUTHORIZED ADMISSION.—Section 212(m)(3) (8 U.S.C. 1182(m)(3)) is amended to read as follows:

''(3) The initial period of authorized admission as a nonimmigrant under section 101(a)(15)(H)(i)(c) shall be 3 years, and may be extended once for an additional 3-year period.''.

(b) NUMBER OF VISAS.—Section 212(m)(4) (8 U.S.C. 1182(m)(4)) is amended by striking ''500.'' and inserting ''300.''.

(c) PORTABILITY.—Section 214(n) (8 U.S.C. 1184(n)), as amended by section 4103(b), is further amended by adding at the end the following:

''(4)(A) A nonimmigrant alien described in subparagraph (B) who was previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(c) is authorized to accept new employment performing services as a registered nurse for a facility described in section 212(m)(6) upon the filing by the prospective employer of a new petition on behalf of such nonimmigrant as provided under subsection (c). Employment authorization shall continue for such alien until the new petition is adjudicated. If the new petition is denied, such authorization shall cease.

''(B) A nonimmigrant alien described in this paragraph is a nonimmigrant alien—

''(i) who has been lawfully admitted into the United States;

''(ii) on whose behalf an employer has filed a nonfrivolous petition for new employment before the date of expiration of the period of stay authorized by the Secretary of Homeland Security, except that, if a nonimmigrant described in section 101(a)(15)(H)(i)(c) is terminated or laid off by the nonimmigrant's employer, or otherwise ceases employment with the employer, such petition for new employment shall be filed during

the 60-day period beginning on the date of such termination, lay off, or cessation; and

''(iii) who, subsequent to such lawful admission, has not been employed without authorization in the United States before the filing of such petition.''.

(d) APPLICABILITY.—

(1) IN GENERAL.—Beginning on the commencement date described in paragraph (2), the amendments made by section 2 of the Nursing Relief for Disadvantaged Areas Act of 1999 (Public Law 106–95; 113 Stat. 1313), and the amendments made by this section, shall apply to classification petitions filed for nonimmigrant status. This period shall be in addition to the period described in section 2(e) of the Nursing Relief for Disadvantaged Areas Act of 1999 (8 U.S.C. 1182 note).

(2) COMMENCEMENT DATE.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall determine whether regulations are necessary to implement the amendments made by this section. If the Secretary determines that no such regulations are necessary, the commencement date described in this paragraph shall be the date of such determination. If the Secretary determines that regulations are necessary to implement any amendment made by this section, the commencement date described in this paragraph shall be the date on which such regulations (in final form) take effect.

SEC. 4213. NEW APPLICATION REQUIREMENTS.

Section 212(n)(1) (8 U.S.C. 1182(n)(1)) is amended by inserting after clause (iii) of subparagraph (G), as amended by section 4211(c)(2), the following:

''(H)(i) The employer has not advertised any available position specified in the application in an advertisement that states or indicates that—

''(I) such position is only available to an individual who is or will be an H–1B nonimmigrant or an alien participating in optional practical training pursuant to section 101(a)(15)(F)(i); or

''(II) an individual who is or will be an H–1B nonimmigrant or participant in such optional practical training shall receive priority or a preference in the hiring process for such position.

''(ii) The employer has not solely recruited individuals who are or who will be H–1B nonimmigrants or participants in optional practical training pursuant to section 101(a)(15)(F)(i) to fill such position.

''(I)(i) If the employer (other than an educational or research employer) employs 50 or more employees in the United States, the sum of the number of such employees who are H–1B nonimmigrants plus the number of such employees who are nonimmigrants described in section 101(a)(15)(L) may not exceed—

''(I) 75 percent of the total number of employees, for fiscal year 2015;

''(II) 65 percent of the total number of employees, for fiscal year 2016; and

''(III) 50 percent of the total number of employees, for each fiscal year after fiscal year 2016.

''(ii) In this subparagraph:

''(I) The term 'educational or research employer' means an employer that is a nonprofit institution of higher education or a nonprofit research organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of that Code.

''(II) The term 'H–1B nonimmigrant' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(H)(i)(b).

''(III) The term 'L nonimmigrant' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(L) to provide services to his or her employer involving specialized knowledge.

''(iii) In determining the percentage of employees of an employer that are H–1B nonimmigrants or L nonimmigrants under clause (i), an intending immigrant employee shall not count toward such percentage.

''(J) The employer shall submit to the Secretary of Homeland Security an annual report that includes the Internal Revenue Service Form W–2 Wage and Tax Statement filed by the employer for each H–1B nonimmigrant employed by the employer during the previous year.''.

SEC. 4214. APPLICATION REVIEW REQUIREMENTS.

(a) TECHNICAL AMENDMENT.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)), as amended by section 4213, is further amended in the undesignated paragraph at the end, by striking ''The employer'' and inserting the following:

''(K) The employer''.

(b) APPLICATION REVIEW REQUIREMENTS.—Subparagraph (K) of such section 212(n)(1), as designated by subsection (a), is amended—

(1) by inserting ''and through the Department of Labor's website, without charge.'' after ''D.C.'';

(2) by striking ''only for completeness'' and inserting ''for completeness and evidence of fraud or misrepresentation of material fact,'';

(3) by striking ''or obviously inaccurate'' and inserting '', presents evidence of fraud or misrepresentation of material fact, or is obviously inaccurate'';

(4) by striking ''within 7 days of the'' and inserting ''not later than 14 days after''; and

(5) by adding at the end the following: ''If the Secretary's review of an application identifies evidence of fraud or misrepresentation of material fact, the Secretary may conduct an investigation and hearing in accordance with paragraph (2).''.

(c) FILING OF PETITION FOR NONIMMIGRANT WORKER.—Section 212(n)(1) (8 U.S.C. 1182(n)(1)), as amended by section 4213, is further amended by adding at the end the following:

''(L) An I–129 Petition for Nonimmigrant Worker (or similar successor form)—

''(i) may be filed by an employer with the Secretary of Homeland Security prior to the date the employer receives an approved certification described in section 101(a)(15)(H)(i)(b) from the Secretary of Labor; and

''(ii) may not be approved by the Secretary of Homeland Security until the date such certification is approved.''.

CHAPTER 2— INVESTIGATION AND DISPOSITION OF COMPLAINTS AGAINST H–1B EMPLOYERS

SEC. 4221. GENERAL MODIFICATION OF PROCEDURES FOR INVESTIGATION AND DISPOSITION.

Section 212(n) (8 U.S.C. 1182(n)) is amended—

(1) in paragraph (2)(A)—

(A) by striking ''(A) Subject'' and inserting ''(A)(i) Subject'';

(B) by inserting after the first sentence the following: ''Such process shall include publicizing a dedicated toll-free number and publicly available Internet website for the submission of such complaints.'';

(C) by striking ''12 months'' and inserting ''24 months'';

(D) by striking the last sentence and inserting the following: ''The Secretary shall issue regulations requiring that employers that employ H–1B nonimmigrants, other than nonprofit institutions of higher education and nonprofit research organizations, through posting of notices or other appropriate means, inform their employees of such toll-free number and Internet website and of their right to file complaints pursuant to this paragraph.''; and

(E) by adding at the end the following:

''(ii)(I) Upon the receipt of such a complaint, the Secretary may initiate an investigation to determine if such a failure or misrepresentation has occurred.

''(II) The Secretary may conduct voluntary surveys of the degree to which employers comply with the requirements of this subsection.

''(III) The Secretary shall—

''(aa) conduct annual compliance audits of each employer with more than 100 employees who work in the United States if more than 15 percent of such employees are H–1B nonimmigrants; and

''(bb) make available to the public an executive summary or report describing the general findings of the audits carried out pursuant to this subclause.''; and

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

''(6) REPORT REQUIRED.—Not later than 1 year after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, and every 5 years thereafter, the Inspector General of the Department of Labor shall submit a report regarding the Secretary's enforcement of the requirements of this section to the Committee on the Judiciary and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on the Judiciary and the Committee on Education and the Workforce of the House of Representatives.''.

SEC. 4222. INVESTIGATION, WORKING CONDITIONS, AND PENALTIES.

Subparagraph (C) of section 212(n)(2) (8 U.S.C. 1182(n)(2)) is amended—

(1) in clause (i)—

(A) in the matter preceding subclause (I)—

(i) by striking ''a condition of paragraph (1)(B), (1)(E), or (1)(F)'' and inserting ''a condition under subparagraph (A), (B), (C)(i), (E), (F), (G), (H), (I), or (J) of paragraph (1)''; and

(ii) by striking ''(1)(C)'' and inserting ''(1)(C)(ii)'';

(B) in subclause (I)—

(i) by striking ''$1,000'' and inserting ''$2,000''; and

(ii) by striking ''and'' at the end;

(C) in subclause (II), by striking the period at the end and inserting a semicolon and ''and''; and

(D) by adding at the end the following:

''(III) an employer that violates such subparagraph (A) shall be liable to any employee harmed by such violations for lost wages and benefits.''; and

(2) in clause (ii)—

(A) in subclause (I)—

(i) by striking ''may'' and inserting ''shall''; and

(ii) by striking ''$5,000'' and inserting ''$10,000'';

(B) in subclause (II), by striking the period at the end and inserting a semicolon and ''and''; and

(C) by adding at the end the following:

''(III) an employer that violates such subparagraph (A) shall be liable to any employee harmed by such violations for lost wages and benefits.'';

(3) in clause (iii)—

(A) in the matter preceding subclause (I), by striking ''90 days'' both places it appears and inserting ''180 days'';

(B) in subclause (I)—

(i) by striking ''may'' and inserting ''shall''; and

(ii) by striking ''and'' at the end;

(C) in subclause (II), by striking the period at the end and inserting a semicolon and ''and''; and

(D) by adding at the end the following:

''(III) an employer that violates subparagraph (A) of such paragraph shall be liable to any employee harmed by such violations for lost wages and benefits.'';

(4) in clause (iv)—

(A) by inserting ''to take, or threaten to take, a personnel action, or'' before ''to intimidate'';

(B) by inserting ''(I)'' after ''(iv)''; and

(C) by adding at the end the following:

''(II) An employer that violates this clause shall be liable to any employee harmed by such violation for lost wages and benefits.''; and

(5) in clause (vi)—

(A) by amending subclause (I) to read as follows:

''(I) It is a violation of this clause for an employer who has filed an application under this subsection—

''(aa) to require an H–1B nonimmigrant to pay a penalty for ceasing employment with the employer prior to a date agreed to by the nonimmigrant and the employer (the Secretary shall determine whether a required payment is a penalty, and not liquidated damages, pursuant to relevant State law); and

''(bb) to fail to offer to an H–1B nonimmigrant, during the nonimmigrant's period of authorized employment, on the same basis, and in accordance with the same criteria, as the employer offers to similarly situated United States workers, benefits and eligibility for benefits, including—

''(AA) the opportunity to participate in health, life, disability, and other insurance plans;

''(BB) the opportunity to participate in retirement and savings plans; and

''(CC) cash bonuses and noncash compensation, such as stock options (whether or not based on performance).''; and

(B) in subclause (III), by striking ''$1,000'' and inserting ''$2,000''.

SEC. 4223. INITIATION OF INVESTIGATIONS.

Subparagraph (G) of section 212(n)(2) (8 U.S.C. 1182(n)(2)) is amended—

(1) in clause (i), by striking ''if the Secretary'' and all that follows and inserting ''with regard to the employer's compliance with the requirements of this subsection.'';

(2) in clause (ii), by striking ''and whose identity'' and all that follows through ''failure or failures.'' and inserting ''the Secretary of Labor may conduct an investigation into the employer's compliance with the requirements of this subsection.'';

(3) in clause (iii), by striking the last sentence;

(4) by striking clauses (iv) and (v);

(5) by redesignating clauses (vi), (vii), and (viii) as clauses (iv), (v), and (vi), respectively;

(6) in clause (iv), as so redesignated, by striking ''meet a condition described in clause (ii), unless the Secretary of Labor receives the information not later than 12 months'' and inserting ''comply with the requirements under this subsection, unless the Secretary of Labor receives the information not later than 24 months'';

(7) by amending clause (v), as so redesignated, to read as follows:

''(v) The Secretary of Labor shall provide notice to an employer of the intent to conduct an investigation. The notice shall be provided in such a manner, and shall contain sufficient detail, to permit the employer to respond to the allegations before an investigation is commenced. The Secretary is not required to comply with this clause if the Secretary determines that such compliance would interfere with an effort by the Secretary to investigate or secure compliance by the employer with the requirements of this subsection. A determination by the Secretary under this clause shall not be subject to judicial review.'';

(8) in clause (vi), as so redesignated, by striking ''An investigation'' and all that follows through ''the determination.'' and inserting ''If the Secretary of Labor, after an investigation under clause (i) or (ii), determines that a reasonable basis exists to make a finding that the employer has failed to comply with the requirements under this subsection, the Secretary shall provide interested parties with notice of such determination and an opportunity for a hearing in accordance with section 556 of title 5, United States Code, not later than 120 days after the date of such determination.''; and

(9) by adding at the end the following:

''(vii) If the Secretary of Labor, after a hearing, finds a reasonable basis to believe that the employer has violated the requirements under this subsection, the Secretary shall impose a penalty under subparagraph (C).''.

SEC. 4224. INFORMATION SHARING.

Section 212(n)(2) (8 U.S.C. 1182(n)(2)), as amended by sections 4222 and 4223, is further amended by adding at the end the following:

''(J) The Director of U.S. Citizenship and Immigration Services shall provide the Secretary of Labor with any information contained in the materials submitted by employers of H–1B nonimmigrants as part of the adjudication process that indicates that the employer is not complying with visa program requirements for H–1B nonimmigrants. The Secretary of Labor may initiate and conduct an investigation related to H–1B nonimmigrants and a hearing under this paragraph after receiving information of noncompliance under this subparagraph. This subparagraph may not be construed to prevent the Secretary of Labor from taking action related to wage and hour and workplace safety laws.

''(K) The Secretary of Labor shall facilitate the posting of the descriptions described in paragraph (1)(C)(i) on the Internet website of the State labor or workforce agency for the State in which the position will be primarily located during the same period as the posting under paragraph (1)(C)(i).''.

SEC. 4225. TRANSPARENCY OF HIGH-SKILLED IMMIGRATION PROGRAMS.

Section 416(c) of the American Competitiveness and Workforce Improvement Act of 1998 (8 U.S.C. 1184 note) is amended—

(1) by amending paragraph (2) to read as follows:

''(2) ANNUAL H–1B NONIMMIGRANT CHARACTERISTICS REPORT.—The Bureau of Immigration and Labor Market Research shall submit an annual report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives that contains—

''(A) information on the countries of origin of, occupations of, educational levels attained by, and compensation paid to, aliens who were issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)(b)) during the previous fiscal year;

''(B) a list of all employers who petition for H–1B visas, the number of such petitions filed and approved for each such employer, the occupational classifications for the approved positions, and the number of H–1B nonimmigrants for whom each such employer files for adjustment to permanent resident status;

''(C) the number of immigrant status petitions filed during the prior year on behalf of H–1B nonimmigrants;

''(D) a list of all employers who are H–1B-dependent employers;

''(E) a list of all employers who are H–1B skilled worker dependent employers;

''(F) a list of all employers for whom more than 30 percent of their United States workforce is H–1B or L–1 nonimmigrants;

''(G) a list of all employers for whom more than 50 percent of their United States workforce is H–1B or L–1 nonimmigrants;

''(H) a gender breakdown by occupation and by country of H–1B nonimmigrants;

''(I) a list of all employers who have been approved to conduct outplacement of H–1B nonimmigrants; and

''(J) the number of H–1B nonimmigrants categorized by their highest level of education and whether such education was obtained in the United States or in a foreign country.'';

(2) by redesignating paragraph (3) as paragraph (5);

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

''(3) ANNUAL L–1 NONIMMIGRANT CHARACTERISTICS REPORT.—The Bureau of Immigration and Labor Market Research shall submit an annual report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives that contains—

''(A) information on the countries of origin of, occupations of, educational levels attained by, and compensation paid to, aliens who were issued visas or otherwise provided –nonimmigrant status under section 101(a)(15)(L) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(L)) during the previous fiscal year;

''(B) a list of all employers who petition for L–1 visas, the number of such petitions filed and approved for each such employer, the occupational classifications for the approved positions, and the number of L–1 nonimmigrants for whom each such employer files for adjustment to permanent resident status;

''(C) the number of immigrant status petitions filed during the prior year on behalf of L–1 nonimmigrants;

''(D) a list of all employers who are L–1 dependent employers;

''(E) a gender breakdown by occupation and by country of L–1 nonimmigrants;

''(F) a list of all employers who have been approved to conduct outplacement of L–1 nonimmigrants; and

''(G) the number of L–1 nonimmigrants categorized by their highest level of education and whether such education was obtained in the United States or in a foreign country.

''(4) ANNUAL EMPLOYER SURVEY.—The Bureau of Immigration and Labor Market Research shall—

''(A) conduct an annual survey of employers hiring foreign nationals under the L–1 visa program; and

''(B) shall issue an annual report that—

''(i) describes the methods employers are using to meet the requirement of taking good faith steps to recruit United States workers for the occupational classification for which the nonimmigrants are sought, using procedures that meet industry-wide standards;

''(ii) describes the best practices for recruiting among employers; and

''(iii) contains recommendations on which recruiting steps employers can take to maximize the likelihood of hiring American workers.''; and

(4) in paragraph (5), as redesignated, by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)''.

CHAPTER 3—OTHER PROTECTIONS

SEC. 4231. POSTING AVAILABLE POSITIONS THROUGH THE DEPARTMENT OF LABOR.

(a) DEPARTMENT OF LABOR WEBSITE.—Section 212(n) (8 U.S.C. 1182(n)), as amended by section 4221(2), is further amended by adding at the end following:

''(7)(A) Not later than 90 days after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, the Secretary of Labor shall establish a searchable Internet website for posting positions as required by paragraph (1)(C). Such website shall be available to the public without charge.

''(B) The Secretary may work with private companies or nonprofit organizations to develop and operate the Internet website described in subparagraph (A).

''(C) The Secretary may promulgate rules, after notice and a period for comment, to carry out the requirements of this paragraph.''.

(b) REQUIREMENT FOR PUBLICATION.—The Secretary of Labor shall submit to Congress and publish in the Federal Register and other appropriate media a notice of the date that the Internet website required by paragraph (6) of section 212(n) of the Immigration and Nationality Act, as amended by subsection (a), will be operational.

(c) APPLICATION.—The amendments made by subsection (a) shall apply to an application filed on or after the date that is 30 days after the date described in subsection (b).

SEC. 4232. REQUIREMENTS FOR INFORMATION FOR H–1B AND L NONIMMIGRANTS.

(a) IN GENERAL.—Section 214 (8 U.S.C. 1184), as amended by section 3608, is further amended by adding at the end the following:

''(t) REQUIREMENTS FOR INFORMATION FOR H–1B AND L NONIMMIGRANTS.—

''(1) IN GENERAL.—Upon issuing a visa to an applicant for nonimmigrant status pursuant to

subparagraph (H)(i)(b) or (L) of section 101(a)(15) who is outside the United States, the issuing office shall provide the applicant with—

''(A) a brochure outlining the obligations of the applicant's employer and the rights of the applicant with regard to employment under Federal law, including labor and wage protections; and

''(B) the contact information for appropriate Federal agencies or departments that offer additional information or assistance in clarifying such obligations and rights.

''(2) PROVISION OF MATERIAL.—Upon the approval of an application of an applicant referred to in paragraph (1), the applicant shall be provided with the material described in subparagraphs (A) and (B) of paragraph (1)—

''(A) by the issuing officer of the Department of Homeland Security, if the applicant is inside the United States; or

''(B) by the appropriate official of the Department of State, if the applicant is outside the United States.

''(3) EMPLOYER TO PROVIDE IMMIGRATION PAPERWORK EXCHANGED WITH FEDERAL AGENCIES.—

''(A) IN GENERAL.—Not later than 30 days after a labor condition application is filed under section 212(n)(1), an employer shall provide an employee or beneficiary of such application who is or seeking nonimmigrant status under subparagraph (H)(i)(b) or (L) of section 101(a)(15) with a copy the original of all applications and petitions filed by the employer with the Department of Labor or the Department of Homeland Security for such employee or beneficiary.

''(B) WITHHOLDING OF FINANCIAL OR PROPRIETARY INFORMATION.—If a document required to be provided to an employee or beneficiary under subparagraph (A) includes any financial or propriety information of the employer, the employer may redact such information from the copies provided to such employee or beneficiary.''.

(b) REPORT ON JOB CLASSIFICATION AND WAGE DETERMINATIONS.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall prepare a report analyzing the accuracy and effectiveness of the Secretary of Labor's current job classification and wage determination system. The report shall—

(1) specifically address whether the systems in place accurately reflect the complexity of current job types as well as geographic wage differences; and

(2) make recommendations concerning necessary updates and modifications.

SEC. 4233. FILING FEE FOR H–1B-DEPENDENT EMPLOYERS.

(a) IN GENERAL.—Notwithstanding any other provision of law, there shall be a fee required to be submitted by an employer with an application for admission of an H–1B nonimmigrant as follows:

(1) For each fiscal year beginning in fiscal year 2015, $5,000 for applicants that employ 50 or more employees in the United States if more than 30 percent and less than 50 percent of the applicant's employees are H–1B nonimmigrants or L nonimmigrants.

(2) For each of the fiscal years 2015 through 2017, $10,000 for applicants that employ 50 or more employees in the United States if more than 50 percent and less than 75 percent of the applicant's employees are H–1B nonimmigrants or L nonimmigrants. Fees collected under this paragraph shall be deposited in the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1).

(b) DEFINITIONS.—In this section:

(1) EMPLOYER.—The term ''employer''—

(A) means any entity or entities treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986; and

(B) does not include a nonprofit institution of higher education or a nonprofit research organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of that Code that is—

(i) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))); or

(ii) a research organization.

(2) H–1B NONIMMIGRANT.—The term ''H–1B nonimmigrant'' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)(b)).

(3) INTENDING IMMIGRANT.—The term ''intending immigrant'' has the meaning given that term in paragraph (54)(A) of section 101(a)(54)(A) of the Immigration and Nationality Act (8 U.S.C. 1101(a)).

(4) L NONIMMIGRANT.—The term ''L nonimmigrant'' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(L) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(L)) to provide services to the alien's employer involving specialized knowledge.

(c) EXCEPTION FOR INTENDING IMMIGRANTS.—In determining the percentage of employees of an employer that are H–1B nonimmigrants or L nonimmigrants under subsection (a), an intending immigrant employee shall not count toward such percentage.

(d) CONFORMING AMENDMENT.—Section 402 of the Act entitled ''An Act making emergency supplemental appropriations for border security for the fiscal year ending September 30, 2010, and for other purposes'', approved August 13, 2010 (Public Law 111–230; 8 U.S.C. 1101 note) is amended by striking subsection (b).

SEC. 4234. PROVIDING PREMIUM PROCESSING OF EMPLOYMENT-BASED VISA PETITIONS.

Pursuant to section 286(u) of the Immigration and Nationality Act (8 U.S.C. 1356(u)), the Secretary shall establish and collect—

(1) a fee for premium processing of employment-based immigrant petitions; and

(2) a fee for premium processing of an administrative appeal of any decision on a permanent employment-based immigrant petition.

SEC. 4235. TECHNICAL CORRECTION.

Section 212 (8 U.S.C. 1182) is amended by redesignating the second subsection (t), as added by section 1(b)(2)(B) of the Act entitled ''An Act to amend and extend the Irish Peace Process Cultural and Training Program Act of 1998'' (Public Law 108–449 (118 Stat. 3470)), as subsection (u).

SEC. 4236. APPLICATION.

(a) IN GENERAL.—Except as otherwise specifically provided, the amendments made by this subtitle shall apply to applications filed on or after the date of the enactment of this Act.

(b) SPECIAL REQUIREMENTS.—Notwithstanding any other provision of law, the amendments made by section 4211(c) shall not apply to any application or petition filed by an employer on behalf of an existing employee.

SEC. 4237. PORTABILITY FOR BENEFICIARIES OF IMMIGRANT PETITIONS.

(a) INCREASED PORTABILITY.—Section 204(j) (8 U.S.C. 1154(j)) is amended—

(1) by amending the subsection heading to read as follows:

''(j) INCREASED PORTABILITY.—'';

(2) by striking ''A petition'' and inserting the following:

''(1) LONG DELAYED APPLICANTS FOR ADJUSTMENT OF STATUS.—A petition''; and

(3) by adding at the end the following:

''(2) PORTABILITY FOR BENEFICIARIES OF IMMIGRANT PETITIONS.—Regardless of whether an employer withdraws a petition approved under paragraph (1), (2), or (3) of section 203(b)—

''(A) the petition shall remain valid with respect to a new job if—

''(i) the beneficiary changes jobs or employers after the petition is approved; and

''(ii) the new job is in the same or a similar occupational classification as the job for which the petition was approved; and

''(B) the employer's legal obligations with respect to the petition shall terminate at the time the beneficiary changes jobs or employers.

''(3) DOCUMENTATION.—The Secretary of Labor shall develop a mechanism to provide the beneficiary or prospective employer with sufficient information to determine whether a new position or job is in the same or similar occupation as the job for which the petition was approved. The Secretary of Labor shall provide confirmation of application approval if required for eligibility under this subsection. The Secretary of Homeland Security shall provide confirmation of petition approval if required for eligibility under this subsection.''.

(b) ADJUSTMENT OF STATUS FOR EMPLOYMENT-BASED IMMIGRANTS.—Section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) is amended by adding at the end the following:

''(n) ADJUSTMENT OF STATUS FOR EMPLOYMENT-BASED IMMIGRANTS.—

''(1) PETITION.—An alien, and any eligible dependents of such alien, who has filed a petition for immigrant status, may concurrently, or at any time thereafter, file an application with the Secretary of Homeland Security for adjustment of status if such petition is pending or has been approved, regardless of whether an immigrant visa is immediately available at the time the application is filed.

''(2) SUPPLEMENTAL FEE.—If a visa is not immediately available at the time an application is filed under paragraph (1), the beneficiary of such application shall pay a supplemental fee of $500, which shall be deposited in the STEM Education and Training Account established under section 286(w). This fee shall not be collected from any dependent accompanying or following to join such beneficiary.

''(3) AVAILABILITY.—An application filed pursuant to paragraph (2) may not be approved until the date on which an immigrant visa becomes available.''.

Subtitle C—L Visa Fraud and Abuse Protections

SEC. 4301. PROHIBITION ON OUTPLACEMENT OF L NONIMMIGRANTS.

Section 214(c)(2)(F) (8 U.S.C. 1184(c)(2)(F)) is amended to read as follows:

''(F)(i) An employer who employs L-1 nonimmigrants in a number that is equal to at least 15 percent of the total number of full-time equivalent employees employed by the employer shall not place, outsource, lease, or otherwise contract for the services or placement of such alien with another employer. In determining the number of employees who are L-1 nonimmigrants, an intending immigrant shall count as a United States worker.

''(ii) The employer of an alien described in section 101(a)(15)(L) shall not place, outsource, lease, or otherwise contract for the services or placement of such alien with another employer unless—

''(I) such alien will not be controlled or supervised principally by the employer with whom such alien would be placed;

''(II) the placement of such alien at the worksite of the other employer is not essentially an arrangement to provide labor for hire for the other employer; and

''(III) the employer of such alien pays a fee of $500, which shall be deposited in the STEM Education and Training Account established under section 286(w).''.

SEC. 4302. L EMPLOYER PETITION REQUIREMENTS FOR EMPLOYMENT AT NEW OFFICES.

Section 214(c)(2) (8 U.S.C. 1184(c)(2)) is amended by adding at the end the following:

''(G)(i) If the beneficiary of a petition under this paragraph is coming to the United States to open, or be employed in, a new office, the petition may be approved for up to 12 months only if—

''(I) the alien has not been the beneficiary of 2 or more petitions under this subparagraph during the immediately preceding 2 years; and

''(II) the employer operating the new office has—

''(aa) an adequate business plan;

''(bb) sufficient physical premises to carry out the proposed business activities; and

''(cc) the financial ability to commence doing business immediately upon the approval of the petition.

''(ii) An extension of the approval period under clause (i) may not be granted until the importing employer submits an application to the Secretary of Homeland Security that contains—

''(I) evidence that the importing employer meets the requirements of this subsection;

''(II) evidence that the beneficiary of the petition is eligible for nonimmigrant status under section 101(a)(15)(L);

''(III) a statement summarizing the original petition;

''(IV) evidence that the importing employer has complied with the business plan submitted under clause (i)(I);

''(V) evidence of the truthfulness of any representations made in connection with the filing of the original petition;

''(VI) evidence that the importing employer has been doing business at the new office through regular, systematic, and continuous provision of goods and services;

''(VII) a statement of the duties the beneficiary has performed at the new office during the approval period under clause (i) and the duties the beneficiary will perform at the new office during the extension period granted under this clause;

''(VIII) a statement describing the staffing at the new office, including the number of employees and the types of positions held by such employees;

''(IX) evidence of wages paid to employees;

''(X) evidence of the financial status of the new office; and

''(XI) any other evidence or data prescribed by the Secretary.

''(iii) A new office employing the beneficiary of an L–1 petition approved under this paragraph shall do business only through regular, systematic, and continuous provision of goods and services.

''(iv) Notwithstanding clause (ii), and subject to the maximum period of authorized admission set forth in subparagraph (D), the Secretary of Homeland Security, in the Secretary's discretion, may approve a subsequently filed petition on behalf of the beneficiary to continue employment at the office described in this subparagraph for a period beyond the initially granted 12-month period if the importing employer has been doing business at the new office through regular, systematic, and continuous provision of goods and services for the 6 months immediately preceding the date of extension of petition filing and demonstrates that the failure to satisfy any of the requirements described in those subclauses was directly caused by extraordinary circumstances, as determined by the Secretary in the Secretary's discretion.''.

SEC. 4303. COOPERATION WITH SECRETARY OF STATE.

Section 214(c)(2) (8 U.S.C. 1184(c)(2)), as amended by section 4302, is further amended by adding at the end the following:

''(H) For purposes of approving petitions under this paragraph, the Secretary of Homeland Security shall work cooperatively with the Secretary of State to verify the existence or continued existence of a company or office in the United States or in a foreign country.''.

SEC. 4304. LIMITATION ON EMPLOYMENT OF L NONIMMIGRANTS.

Section 214(c)(2) (8 U.S.C. 1184(c)(2)), as amended by sections 4302 and 4303, is further amended by adding at the end the following:

''(I)(i) If the employer employs 50 or more employees in the United States, the sum of the number of such employees who are H–1B nonimmigrants plus the number of such employees who are L nonimmigrants may not exceed—

''(I) 75 percent of the total number of employees, for fiscal year 2015;

''(II) 65 percent of the total number of employees, for fiscal year 2016; and

''(III) 50 percent of the total number of employees, for each fiscal year after fiscal year 2016.

''(ii) In this subparagraph:

''(I) The term 'employer' does not include a nonprofit institution of higher education or a nonprofit research organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of that Code that is—

''(aa) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))); or

''(bb) a research organization.

''(II) The term 'H–1B nonimmigrant' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(H)(i)(b).

''(III) The term 'L nonimmigrant' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(L) to provide services to the alien's employer involving specialized knowledge.

''(iii) In determining the percentage of employees of an employer that are H–1B nonimmigrants or L nonimmigrants under clause (i), an intending immigrant employee shall not count toward such percentage.''.

SEC. 4305. FILING FEE FOR L NONIMMIGRANTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the filing fee for an application for admission of an L nonimmigrant shall be as follows:

(1) For each of the fiscal years beginning in fiscal year 2014, $5,000 for applicants that employ 50 or more employees in the United States if more than 30 percent and less than 50 percent of the applicant's employees are H–1B nonimmigrants or L nonimmigrants.

(2) For each of the fiscal years 2014 through 2017, $10,000 for applicants that employ 50 or more employees in the United States if more than 50 percent and less than 75 percent of the applicant's employees are H–1B nonimmigrants or L nonimmigrants. Fees collected under this paragraph shall be deposited in the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1).

(b) DEFINITIONS.—In this section:

(1) EMPLOYER.—The term ''employer'' does not include a nonprofit institution of higher education or a nonprofit research organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of that Code that is—

(A) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))); or

(B) a research organization.

(2) H–1B NONIMMIGRANT.—The term ''H–1B nonimmigrant'' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(i)(b)).

(3) L NONIMMIGRANT.—The term ''L nonimmigrant'' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(L) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(L)) to provide services to the alien's employer involving specialized knowledge.

(c) EXCEPTION FOR INTENDING IMMIGRANTS.—In determining the percentage of employees of an employer that are H–1B nonimmigrants or L nonimmigrants under subsection (a), an intending immigrant employee (as defined in section 101(a)(54)(A) of the Immigration and Nationality Act shall not count toward such percentage.

(d) CONFORMING AMENDMENT.—Section 402 of the Act entitled ''An Act making emergency supplemental appropriations for border security for the fiscal year ending September 30, 2010, and for other purposes'', approved August 13, 2010 (Public Law 111–230; 8 U.S.C. 1101 note), as amended by section 4233(d), is further amended by striking subsections (a) and (c).

SEC. 4306. INVESTIGATION AND DISPOSITION OF COMPLAINTS AGAINST L NONIMMIGRANT EMPLOYERS.

Section 214(c)(2) (8 U.S.C. 1184(c)(2)), as amended by sections 4302, 4303, and 4304 is further amended by adding at the end the following:

''(J)(i) The Secretary of Homeland Security may initiate an investigation of any employer that employs nonimmigrants described in section 101(a)(15)(L) with regard to the employer's compliance with the requirements of this subsection.

''(ii)(I) If the Secretary receives specific credible information from a source who is likely to have knowledge of an employer's practices, employment conditions, or compliance with the requirements under this subsection, the Secretary may conduct an investigation into the employer's compliance with the requirements of this subsection.

''(II) The Secretary may withhold the identity of a source referred to in subclause (I) from an employer and the identity of such source shall not be subject to disclosure under section 552 of title 5, United States Code.

''(iii) The Secretary shall establish a procedure for any person desiring to provide to the Secretary information described in clause (ii)(I) that may be used, in whole or in part, as the basis for the commencement of an investigation described in such clause, to provide the information in writing on a form developed and provided by the Secretary and completed by or on behalf of the person.

''(iv) No investigation described in clause (ii)(I) (or hearing described in clause (vi) based on such investigation) may be conducted with respect to information about a failure to comply with the requirements under this subsection, unless the Secretary receives the information not later than 24 months after the date of the alleged failure.

''(v)(I) Subject to subclause (III), before commencing an investigation of an employer under clause (i) or (ii), the Secretary shall provide notice to the employer of the intent to conduct such investigation.

''(II) The notice required by subclause (I) shall be provided in such a manner, and shall contain sufficient detail, to permit the employer to respond to the allegations before an investigation is commenced.

''(III) The Secretary is not required to comply with this clause if the Secretary determines that to do so would interfere with an effort by the Secretary to investigate or secure compliance by the employer with the requirements of this subsection.

''(IV) There shall be no judicial review of a determination by the Secretary under this clause.

''(vi) If the Secretary, after an investigation under clause (i) or (ii), determines that a reasonable basis exists to make a finding that the employer has failed to comply with the requirements under this subsection, the Secretary shall provide the interested parties with notice of such determination and an opportunity for a hearing in accordance with section 556 of title 5, United States Code, not later than 120 days after the date of such determination. If such a hearing is requested, the Secretary shall make a finding concerning the matter by not later than 120 days after the date of the hearing.

''(vii) If the Secretary, after a hearing, finds a reasonable basis to believe that the employer has violated the requirements under this subsection, the Secretary shall impose a penalty under subparagraph (K).

''(viii)(I) The Secretary may conduct voluntary surveys of the degree to which employers comply with the requirements under this section.

''(II) The Secretary shall—

''(aa) conduct annual compliance audits of each employer with more than 100 employees who work in the United States if more than 15

percent of such employees are nonimmigrants described in 101(a)(15)(L); and

''(bb) make available to the public an executive summary or report describing the general findings of the audits carried out pursuant to this subclause.''.

SEC. 4307. PENALTIES.

Section 214(c)(2) (8 U.S.C. 1184(c)(2)), as amended by sections 4302, 4303, 4304, and 4306, is further amended by adding at the end the following:

''(K)(i) If the Secretary of Homeland Security finds, after notice and an opportunity for a hearing, a failure by an employer to meet a condition under subparagraph (F), (G), or (L) or a misrepresentation of material fact in a petition to employ 1 or more aliens as nonimmigrants described in section 101(a)(15)(L)—

''(I) the Secretary shall impose such administrative remedies (including civil monetary penalties in an amount not to exceed $2,000 per violation) as the Secretary determines to be appropriate;

''(II) the Secretary may not, during a period of at least 1 year, approve a petition for that employer to employ 1 or more aliens as such nonimmigrants; and

''(III) in the case of a violation of subparagraph (J), the employer shall be liable to the employees harmed by such violation for lost wages and benefits.

''(ii) If the Secretary finds, after notice and an opportunity for a hearing, a willful failure by an employer to meet a condition under subparagraph (F), (G), or (L) or a willful misrepresentation of material fact in a petition to employ 1 or more aliens as nonimmigrants described in section 101(a)(15)(L)—

''(I) the Secretary shall impose such administrative remedies (including civil monetary penalties in an amount not to exceed $10,000 per violation) as the Secretary determines to be appropriate;

''(II) the Secretary may not, during a period of at least 2 years, approve a petition filed for that employer to employ 1 or more aliens as such nonimmigrants; and

''(III) in the case of a violation of subparagraph (J), the employer shall be liable to the employees harmed by such violation for lost wages and benefits.''.

SEC. 4308. PROHIBITION ON RETALIATION AGAINST L NONIMMIGRANTS.

Section 214(c)(2) (8 U.S.C. 1184(c)(2)), as amended by sections 4302, 4303, 4303, 4306, and 4307, is further amended by adding at the end the following:

''(L)(i) It is a violation of this subparagraph for an employer who has filed a petition to import 1 or more aliens as nonimmigrants described in section 101(a)(15)(L) to take, fail to take, or threaten to take or fail to take, a personnel action, or to intimidate, threaten, restrain, coerce, blacklist, discharge, or discriminate in any other manner against an employee because the employee—

''(I) has disclosed information that the employee reasonably believes evidences a violation of this subsection, or any rule or regulation pertaining to this subsection; or

''(II) cooperates or seeks to cooperate with the requirements of this subsection, or any rule or regulation pertaining to this subsection.

''(ii) In this subparagraph, the term 'employee' includes—

''(I) a current employee;

''(II) a former employee; and

''(III) an applicant for employment.''.

SEC. 4309. REPORTS ON L NONIMMIGRANTS.

Section 214(c)(8) (8 U.S.C. 1184(c)(8)) is amended by inserting ''(L),'' after ''(H),''.

SEC. 4310. APPLICATION.

The amendments made by this subtitle shall apply to applications filed on or after the date of the enactment of this Act.

SEC. 4311. REPORT ON L BLANKET PETITION PROCESS.

Not later than 6 months after the date of the enactment of this Act, the Inspector General of the Department shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report regarding the use of blanket petitions under section 214(c)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(2)(A)). Such report shall assess the efficiency and reliability of the process for reviewing such blanket petitions, including whether the process includes adequate safeguards against fraud and abuse.

Subtitle D—Other Nonimmigrant Visas

SEC. 4401. NONIMMIGRANT VISAS FOR STUDENTS.

(a) AUTHORIZATION OF DUAL INTENT FOR F NONIMMIGRANTS SEEKING BACHELOR'S OR GRADUATE DEGREES.—Section 101(a)(15)(F) (8 U.S.C. 1101(a)(15)(F)) is amended to read as follows:

''(F)(i) an alien having a residence in a foreign country who is a bona fide student qualified to pursue a full course of study and who seeks to enter the United States temporarily and solely for the purpose of pursuing such a course of study consistent with section 214(m) at an accredited college, university, or language training program, or at an established seminary, conservatory, academic high school, elementary school, or other academic institution in the United States, particularly designated by the alien and approved by the Secretary of Homeland Security after consultation with the Secretary of Education, which institution or place of study shall have agreed to report to the Secretary of Homeland Security the termination of attendance of each nonimmigrant student, and if any such institution of learning or place of study fails to make reports promptly the approval shall be withdrawn, except that such an alien who is not seeking to pursue a degree that is a bachelor's degree or a graduate degree shall have a residence in a foreign country that the alien has no intention of abandoning;

''(ii) the alien spouse and minor children of any alien described in clause (i) if accompanying or following to join such an alien; and

''(iii) an alien who is a national of Canada or Mexico, who maintains actual residence and place of abode in the country of nationality, who is described in clause (i) except that the alien's qualifications for and actual course of study may be full or part-time, and who commutes to the United States institution or place of study from Canada or Mexico.''.

(b) DUAL INTENT.—Section 214(h) (8 U.S.C. 1184(h)) is amended to read as follows:

''(h) DUAL INTENT.—The fact that an alien is, or intends to be, the beneficiary of an application for a preference status filed under section 204, seeks a change or adjustment of status after completing a legitimate period of nonimmigrant stay, or has otherwise sought permanent residence in the United States shall not constitute evidence of intent to abandon a foreign residence that would preclude the alien from obtaining or maintaining—

''(1) a visa or admission as a nonimmigrant described in subparagraph (E), (F)(i), (F)(ii), (H)(i)(b), (H)(i)(c), (L), (O), (P), (V), or (W) of section 101(a)(15); or

''(2) the status of a nonimmigrant described in any such subparagraph.''.

(c) REQUIREMENT OF STUDENT VISA DATA TRANSFER AND CERTIFICATION.—

(1) IN GENERAL.—The Secretary shall implement real-time transmission of data from the Student and Exchange Visitor Information System to databases used by U.S. Customs and Border Protection.

(2) CERTIFICATION.—

(A) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall certify to Congress that the transmission of data referred to in paragraph (1) has been implemented.

(B) TEMPORARY SUSPENSION OF VISA ISSUANCE.—If the Secretary has not made the certification referred to in subparagraph (A) during the 120-day period, the Secretary shall suspend issuance of visas under subparagraphs (F) and (M) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)) until the certification is made.

SEC. 4402. CLASSIFICATION FOR SPECIALTY OCCUPATION WORKERS FROM FREE TRADE COUNTRIES.

(a) NONIMMIGRANT STATUS.—Section 101(a)(15)(E)(8 U.S.C. 1101(a)(15)(E)) is amended—

(1) in the matter preceding clause (i), by inserting '', bilateral investment treaty, or free trade agreement'' after ''treaty of commerce and navigation'';

(2) in clause (ii), by striking ''or'' at the end; and

(3) by adding at the end the following:

''(iv) solely to perform services in a specialty occupation in the United States if the alien is a national of a country, other than Chile, Singapore, or Australia, with which the United States has entered into a free trade agreement (regardless of whether such an agreement is a treaty of commerce and navigation) and with respect to whom the Secretary of Labor determines and certifies to the Secretary of Homeland Security and the Secretary of State that the intending employer has filed with the Secretary of Labor an attestation under section 212(t);

''(v) solely to perform services in a specialty occupation in the United States if the alien is a national of the Republic of Korea and with respect to whom the Secretary of Labor determines and certifies to the Secretary of Homeland Security and the Secretary of State that the intending employer has filed with the Secretary of Labor an attestation under section 212(t); or

''(vi) solely to perform services as an employee and who has at least a high school education or its equivalent, or has, during the most recent 5-year period, at least 2 years of work experience in an occupation which requires at least 2 years of training or experience if the alien is a national of a country—

''(I) designated as an eligible sub-Saharan African country under section 104 of the African Growth and Opportunity Act (19 U.S.C. 3703); or

''(II) designated as a beneficiary country for purposes of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.);''.

(b) NUMERICAL LIMITATION.—Section 214(g)(11) (8 U.S.C. 1184(g)(11)) is amended—

(1) in subparagraph (A), by striking ''section 101(a)(15)(E)(iii)'' and inserting ''clauses (iii) and (vi) of section 101(a)(15)(E)''; and

(2) in subparagraph (B), by striking the period at the end and inserting ''for each of the nationalities identified under clause (iii) of section 101(a)(15)(E) and for all visas issued pursuant to clause (vi) of such section.''.

(c) FREE TRADE AGREEMENTS.—Section 214(g) (8 U.S.C. 1184(g)) is amended by adding at the end the following:

''(12)(A) The free trade agreements referred to in section 101(a)(15)(E)(iv) are defined as any free trade agreement designated by the Secretary of Homeland Security with the concurrence of the United States Trade Representative and the Secretary of State.

''(B) The Secretary of State may not approve a number of initial applications submitted for aliens described in clause (iv) or (v) of section 101(a)(15)(E) that is more than 5,000 per fiscal year for each country with which the United States has entered into a Free Trade Agreement.

''(C) The applicable numerical limitation referred to in subparagraph (A) shall apply only to principal aliens and not to the spouses or children of such aliens.''.

(d) NONIMMIGRANT PROFESSIONALS.—Section 212(t) (8 U.S.C. 1182(t)) is amended by striking ''section 101(a)(15)(E)(iii)'' each place that term appears and inserting ''clause (iv) or (v) of section 101(a)(15)(E)''.

SEC. 4403. E–VISA REFORM.

(a) NONIMMIGRANT CATEGORY.—Section 101(a)(15)(E)(iii) (8 U.S.C. 1101(a)(15)(E)(iii)) is

amended by inserting '', or solely to perform services as an employee and who has at least a high school education or its equivalent, or has, within 5 years, at least 2 years of work experience in an occupation which requires at least 2 years of training or experience if the alien is a national of the Republic of Ireland,'' after ''Australia''.

(b) TEMPORARY ADMISSION.—Section 212(d)(3)(A) (8 U.S.C. 1182(d)(3)(A)) is amended to read as follows:

''(A) Except as otherwise provided in this subsection—

''(i) an alien who is applying for a nonimmigrant visa and who the consular officer knows or believes to be ineligible for such visa under subsection (a) (other than subparagraphs (A)(i)(I), (A)(ii), (A)(iii), (C), (E)(i), and (E)(ii) of paragraph (3) of such subsection)—

''(I) after approval by the Secretary of Homeland Security of a recommendation by the Secretary of State or by the consular officer that the alien be admitted temporarily despite the alien's inadmissibility, may be granted such a visa and may be admitted into the United States temporarily as a nonimmigrant, in the discretion of the Secretary of Homeland Security; or

''(II) absent such recommendation and approval, be granted a nonimmigrant visa pursuant to section 101(a)(15)(E) if such ineligibility is based solely on conduct in violation of paragraph (6), (7), or (9) of section 212(a) that occurred before the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act; and

''(ii) an alien who is inadmissible under subsection (a) (other than subparagraphs (A)(i)(I), (A)(ii), (A)(iii), (C), (E)(i), and (E)(ii) of paragraph (3) of such subsection), is in possession of appropriate documents or was granted a waiver from such document requirement, and is seeking admission, may be admitted into the United States temporarily as a nonimmigrant, in the discretion of the Secretary of Homeland Security, who shall prescribe conditions, including exaction of such bonds as may be necessary, to control and regulate the admission and return of inadmissible aliens applying for temporary admission under this paragraph.''.

(c) NUMERICAL LIMITATION.—Section 214(g)(11)(B) (8 U.S.C. 1184(g)(11)(B)) is amended by striking the period at the end and inserting ''for each of the nationalities identified under section 101(a)(15)(E)(iii).''.

SEC. 4404. OTHER CHANGES TO NONIMMIGRANT VISAS.

(a) PORTABILITY.—Paragraphs (1) and (2) of section 214(n) (8 U.S.C. 1184(n)) are amended to read as follows:

''(1) A nonimmigrant alien described in paragraph (2) who was previously issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) or 101(a)(15)(O)(i) is authorized to accept new employment pursuant to such section upon the filing by the prospective employer of a new petition on behalf of such nonimmigrant as provided under subsection (a). Employment authorization shall continue for such alien until the new petition is adjudicated. If the new petition is denied, such authorization shall cease.

''(2) A nonimmigrant alien described in this paragraph is a nonimmigrant alien—

''(A) who has been lawfully admitted into the United States;

''(B) on whose behalf an employer has filed a nonfrivolous petition for new employment before the date of expiration of the period of stay authorized by the Secretary of Homeland Security; and

''(C) who, subsequent to such lawful admission, has not been employed without authorization in the United States before the filing of such petition.''.

(b) WAIVER.—The undesignated material at the end of section 214(c)(3) (8 U.S.C. 1184(c)(3)) is amended to read as follows:

''The Secretary of Homeland Security shall provide by regulation for the waiver of the consultation requirement under subparagraph (A) in the case of aliens who have been admitted as nonimmigrants under section 101(a)(15)(O)(i) because of extraordinary ability in the arts or extraordinary achievement in motion picture or television production and who seek readmission to perform similar services within 3 years after the date of a consultation under such subparagraph provided that, in the case of aliens admitted because of extraordinary achievement in motion picture or television production, such waiver shall apply only if the prior consultations by the appropriate union and management organization were favorable or raised no objection to the approval of the petition. Not later than 5 days after such a waiver is provided, the Secretary shall forward a copy of the petition and all supporting documentation to the national office of an appropriate labor organization. In the case of an alien seeking entry for a motion picture or television production (i) any opinion under the previous sentence shall only be advisory; (ii) any such opinion that recommends denial must be in writing; (iii) in making the decision the Attorney General shall consider the exigencies and scheduling of the production; (iv) the Attorney General shall append to the decision any such opinion; and (v) upon making the decision, the Attorney General shall immediately provide a copy of the decision to the consulting labor and management organizations.''.

SEC. 4405. TREATMENT OF NONIMMIGRANTS DURING ADJUDICATION OF APPLICATION.

Section 214 (8 U.S.C. 1184), as amended by sections 3609 and 4233, is further amended by adding at the end the following:

''(u) TREATMENT OF NONIMMIGRANTS DURING ADJUDICATION OF APPLICATION.—A nonimmigrant alien granted employment authorization pursuant to sections 101(a)(15)(A), 101(a)(15)(E), 101(a)(15)(G), 101(a)(15)(H), 101(a)(15)(I), 101(a)(15)(J), 101(a)(15)(L), 101(a)(15)(O), 101(a)(15)(P), 101(a)(15)(Q), 101(a)(15)(R), 214(e), and such other sections as the Secretary of Homeland Security may by regulations prescribe whose status has expired but who has, or whose sponsoring employer or authorized agent has, filed a timely application or petition for an extension of such employment authorization and nonimmigrant status as provided under subsection (a) is authorized to continue employment with the same employer until the application or petition is adjudicated. Such authorization shall be subject to the same conditions and limitations as the initial grant of employment authorization.''.

SEC. 4406. NONIMMIGRANT ELEMENTARY AND SECONDARY SCHOOL STUDENTS.

Section 214(m)(1)(B) (8 U.S.C. 1184(m)(1)(B)) is amended striking ''unless—'' and all that follows through ''(ii)'' and inserting ''unless''.

SEC. 4407. J–1 SUMMER WORK TRAVEL VISA EXCHANGE VISITOR PROGRAM FEE.

Section 281 (8 U.S.C. 1351), as amended by section 4105, is further amended by adding at the end the following:

''(e) J–1 VISA EXCHANGE VISITOR PROGRAM FEE.—

''(1) IN GENERAL.—In addition to the fees authorized under subsection (a), the Secretary of State shall collect from designated program sponsors, a $500 fee for each nonimmigrant entering under the Summer Work Travel program conducted by the Secretary of State pursuant to the Foreign Affairs Reform and Restructuring Act of 1998 (division G of Public Law 105–277; 112 Stat. 2681–761). Fees collected under this subsection shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(2) REGULATIONS AND LIMITATIONS.—The Secretary of Homeland Security, in conjunction with the Secretary of State, shall promulgate regulations ensuring that a fee required by paragraph (1) is paid on behalf of all summer work travel nonimmigrants under section 101(a)(15)(J) seeking entry into the United States. A fee related to the hiring of such a summer work travel nonimmigrant shall be paid by the designated program sponsor and may not be charged to such summer work travel nonimmigrant. There shall not be more than 1 fee collected per such summer work travel nonimmigrant.''.

SEC. 4408. J VISA ELIGIBILITY FOR SPEAKERS OF CERTAIN FOREIGN LANGUAGES.

(a) IN GENERAL.—Section 101(a)(15)(J) (8 U.S.C. 1101(a)(15)(J)) is amended to read as follows:

''(J) an alien having a residence in a foreign country which he has no intention of abandoning who—

''(i) is a bona fide student, scholar, trainee, teacher, professor, research assistant, specialist, or leader in a field of specialized knowledge or skill, or other person of similar description, who is coming temporarily to the United States as a participant in a program designated by the Director of the United States Information Agency, for the purpose of teaching, instructing or lecturing, studying, observing, conducting research, consulting, demonstrating special skills, or receiving training and who, if such alien is coming to the United States to participate in a program under which such alien will receive graduate medical education or training, also meets the requirements of section 212(j), and the alien spouse and minor children of any such alien if accompanying such alien or following to join such alien; or

''(ii) is coming to the United States to perform work involving specialized knowledge or skill, including teaching on a full-time or part-time basis, that requires proficiency of languages spoken as a native language in countries of which fewer than 5,000 nationals were lawfully admitted for permanent residence in the United States in the previous year;''.

(b) REQUIREMENT FOR ANNUAL LIST OF COUNTRIES.—The Secretary of State shall publish an annual list of the countries described in clause (ii) of section 101(a)(15)(J) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(J)), as added by subsection (a).

SEC. 4409. F–1 VISA FEE.

Section 281 (8 U.S.C. 1351), as amended by sections 4105 and 4407, is further amended by adding at the end the following:

''(f) F–1 VISA FEE.—

''(1) IN GENERAL.—In addition to the fees authorized under subsection (a), the Secretary of Homeland Security shall collect a $100 fee from each nonimmigrant admitted under section 101(a)(15)(F)(i). Fees collected under this subsection shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(2) RULEMAKING.—The Secretary of Homeland Security, in conjunction with the Secretary of State, shall promulgate regulations to ensure that—

''(A) the fee authorized under paragraph (1) is paid on behalf of all J–1 nonimmigrants seeking entry into the United States;

''(B) a fee related to the hiring of a J–1 nonimmigrant is not deducted from the wages or other compensation paid to the J–1 nonimmigrant; and

''(C) not more than 1 fee is collected per J–1 nonimmigrant.''.

SEC. 4410. PILOT PROGRAM FOR REMOTE B NONIMMIGRANT VISA INTERVIEWS.

Section 222 (8 U.S.C. 1202) is amended by adding at the end the following:

''(i)(1) Except as provided in paragraph (3), the Secretary of State—

''(A) shall develop and conduct a pilot program for processing visas under section

101(a)(15)(B) using secure remote videoconferencing technology as a method for conducting any required in person interview of applicants; and

''(B) in consultation with the heads of other Federal agencies that use such secure communications, shall help ensure the security of the videoconferencing transmission and encryption conducted under subparagraph (A).

''(2) Not later than 90 days after the termination of the pilot program authorized under paragraph (1), the Secretary of State shall submit to the appropriate committees of Congress a report that contains—

''(A) a detailed description of the results of such program, including an assessment of the efficacy, efficiency, and security of the remote videoconferencing technology as a method for conducting visa interviews of applicants; and

''(B) recommendations for whether such program should be continued, broadened, or modified.

''(3) The pilot program authorized under paragraph (1) may not be conducted if the Secretary of State determines that such program—

''(A) poses an undue security risk; and

''(B) cannot be conducted in a manner consistent with maintaining security controls.

''(4) If the Secretary of State makes a determination under paragraph (3), the Secretary shall submit a report to the appropriate committees of Congress that describes the reasons for such determination.

''(5) In this subsection:

''(A) The term 'appropriate committees of Congress' means—

''(i) the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

''(ii) the Committee on the Judiciary, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives.

''(B) The term 'in person interview' includes interviews conducted using remote video technology.''.

SEC. 4411. PROVIDING CONSULAR OFFICERS WITH ACCESS TO ALL TERRORIST DATABASES AND REQUIRING HEIGHTENED SCRUTINY OF APPLICATIONS FOR ADMISSION FROM PERSONS LISTED ON TERRORIST DATABASES.

Section 222 (8 U.S.C. 1202), as amended by section 4410, is further amended by adding at the end the following:

''(j) PROVIDING CONSULAR OFFICERS WITH ACCESS TO ALL TERRORIST DATABASES AND REQUIRING HEIGHTENED SCRUTINY OF APPLICATIONS FOR ADMISSION FROM PERSONS LISTED ON TERRORIST DATABASES.—

''(1) ACCESS TO THE SECRETARY OF STATE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary of State shall have access to all terrorism records and databases maintained by any agency or department of the United States for the purposes of determining whether an applicant for admission poses a security threat to the United States.

''(B) EXCEPTION.—The head of such an agency or department may only withhold access to terrorism records and databases from the Secretary of State if such head is able to articulate that withholding is necessary to prevent the unauthorized disclosure of information that clearly identifies, or would reasonably permit ready identification of, intelligence or sensitive law enforcement sources, methods, or activities.

''(2) BIOGRAPHIC AND BIOMETRIC SCREENING.—

''(A) REQUIREMENT FOR BIOGRAPHIC AND BIOMETRIC SCREENING.—Notwithstanding any other provision of this Act, the Secretary of State shall require every alien applying for admission to the United States to submit to biographic and biometric screening to determine whether the alien's name or biometric information is listed in any terrorist watch list or database maintained by any agency or department of the United States.

''(B) EXCLUSIONS.—No alien applying for a visa to the United States shall be granted such visa by a consular officer if the alien's name or biometric information is listed in any terrorist watch list or database referred to in subparagraph (A) unless—

''(i) screening of the alien's visa application against interagency counterterrorism screening systems which compare the applicant's information against data in all counterterrorism watch lists and databases reveals no potentially pertinent links to terrorism;

''(ii) the consular officer submits the application for further review to the Secretary of State and the heads of other relevant agencies, including the Secretary of Homeland Security and the Director of National Intelligence; and

''(iii) the Secretary of State, after consultation with the Secretary of Homeland Security, the Director of National Intelligence, and the heads of other relevant agencies, certifies that the alien is admissible to the United States.''.

SEC. 4412. VISA REVOCATION INFORMATION.

Section 428 of the Homeland Security Act of 2002 (6 U.S.C. 236) is amended by adding at the end the following:

''(j) VISA REVOCATION INFORMATION.—If the Secretary of State or the Secretary of Homeland Security revoke a visa—

''(1) the fact of the revocation shall be immediately provided to the relevant consular officers, law enforcement, and terrorist screening databases; and

''(2) a notice of such revocation shall be posted to all Department of Homeland Security port inspectors and to all consular officers.''.

SEC. 4413. STATUS FOR CERTAIN BATTERED SPOUSES AND CHILDREN.

(a) NONIMMIGRANT STATUS FOR CERTAIN BATTERED SPOUSES AND CHILDREN.—Section 101(a)(51) (8 U.S.C. 1101(a)(51)), as amended by section 2305(d)(6)(B)(i)(III), is further amended—

(1) in subparagraph (E), by striking ''or'' at the end;

(2) in subparagraph (F), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(G) section 106 as an abused derivative alien.''.

(b) RELIEF FOR ABUSED DERIVATIVE ALIENS.—

(1) IN GENERAL.—Section 106 (8 U.S.C. 1105a) is amended to read as follows:

''SEC. 106. RELIEF FOR ABUSED DERIVATIVE ALIENS.

''(a) ABUSED DERIVATIVE ALIEN DEFINED.—In this section, the term 'abused derivative alien' means an alien who—

''(1) is the spouse or child admitted under section 101(a)(15) or pursuant to a blue card status granted under section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act;

''(2) is accompanying or following to join a principal alien admitted under such a section; and

''(3) has been subjected to battery or extreme cruelty by such principal alien.

''(b) RELIEF FOR ABUSED DERIVATIVE ALIENS.—The Secretary of Homeland Security—

''(1) shall grant or extend the status of admission of an abused derivative alien under section 101(a)(15) or section 2211 of the Border Security, Economic Opportunity, and Immigration Modernization Act under which the principal alien was admitted for the longer of—

''(A) the same period for which the principal was initially admitted; or

''(B) a period of 3 years;

''(2) may renew a grant or extension of status made under paragraph (1);

''(3) shall grant employment authorization to an abused derivative alien; and

''(4) may adjust the status of the abused derivative alien to that of an alien lawfully admitted for permanent residence if—

''(A) the alien is admissible under section 212(a) or the Secretary of Homeland Security finds the alien's continued presence in the United States is justified on humanitarian grounds, to ensure family unity, or is otherwise in the public interest; and

''(B) the status under which the principal alien was admitted to the United States would have potentially allowed for eventual adjustment of status.

''(c) EFFECT OF TERMINATION OF RELATIONSHIP.—Termination of the relationship with principal alien shall not affect the status of an abused derivative alien under this section if battery or extreme cruelty by the principal alien was 1 central reason for termination of the relationship.

''(d) PROCEDURES.—Requests for relief under this section shall be handled under the procedures that apply to aliens seeking relief under section 204(a)(1)(C).''.

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section is amended by striking the item relating to section 106 and inserting the following:

''Sec. 106. Relief for abused derivative aliens.''.

SEC. 4414. NONIMMIGRANT CREWMEN LANDING TEMPORARILY IN HAWAII.

(a) IN GENERAL.—Section 101(a)(15)(D)(ii) (8 U.S.C. 1101(a)(15)(D)(ii)) is amended—

(1) by striking ''Guam'' both places that term appears and inserting ''Hawaii, Guam,''; and

(2) by striking the semicolon at the end and inserting ''or some other vessel or aircraft;''.

(b) TREATMENT OF DEPARTURES.—In the administration of section 101(a)(15)(D)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(D)(ii)), an alien crewman shall be considered to have departed from Hawaii, Guam, or the Commonwealth of the Northern Mariana Islands after leaving the territorial waters of Hawaii, Guam, or the Commonwealth of the Northern Mariana Islands, respectively, without regard to whether the alien arrives in a foreign state before returning to Hawaii, Guam, or the Commonwealth of the Northern Mariana Islands.

(c) CONFORMING AMENDMENT.—The Act entitled ''An Act to amend the Immigration and Nationality Act to permit nonimmigrant alien crewmen on fishing vessels to stop temporarily at ports in Guam'', approved October 21, 1986 (Public Law 99–505; 8 U.S.C. 1101 note) is amended by striking section 2.

SEC. 4415. TREATMENT OF COMPACT OF FREE ASSOCIATION MIGRANTS.

(a) IN GENERAL.—Title II (8 U.S.C. 1151 et seq.) is amended by inserting after section 214 the following:

''SEC. 214A. TREATMENT OF COMPACT OF FREE ASSOCIATION MIGRANTS.

''Notwithstanding any other provision of law, with respect to eligibility for benefits for the Federal program defined in 402(b)(3)(C) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(3)(C)) (relating to the Medicaid program), sections 401(a), 402(b)(1), and 403(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1611(a), 1612(b)(1), 1613(a)) shall not apply to any individual who lawfully resides in the United States in accordance with the Compacts of Free Association between the Government of the United States and the Governments of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. Any individual to which the preceding sentence applies shall be considered to be a qualified alien for purposes of title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1601 et seq.), but only with respect to the designated Federal program defined in section 402(b)(3)(C) of such Act (relating to the Medicaid program) (8 U.S.C. 1612(b)(3)(C)).''.

(b) CONFORMING AMENDMENTS.—Section 1108 of the Social Security Act (42 U.S.C. 1308) is amended—

(1) in subsection (f), in the matter preceding paragraph (1), by striking ''subsection (g)'' and inserting ''subsections (g) and (h)''; and

(2) by adding at the end the following:

''(h) The limitations of subsections (f) and (g) shall not apply with respect to medical assistance provided to an individual described in section 214A of the Immigration and Nationality Act.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for items and services furnished on or after the date of the enactment of this Act.

Subtitle E—JOLT Act

SEC. 4501. SHORT TITLES.

This subtitle may be cited as the ''Jobs Originated through Launching Travel Act of 2013'' or the ''JOLT Act of 2013''.

SEC. 4502. PREMIUM PROCESSING.

Section 221 (8 U.S.C. 1201) is amended by inserting at the end the following:

''(j) PREMIUM PROCESSING.—

''(1) PILOT PROCESSING SERVICE.—Recognizing that the best solution for expedited processing is low interview wait times for all applicants, the Secretary of State shall nevertheless establish, on a limited, pilot basis only, a fee-based premium processing service to expedite interview appointments. In establishing a pilot processing service, the Secretary may—

''(A) determine the consular posts at which the pilot service will be available;

''(B) establish the duration of the pilot service;

''(C) define the terms and conditions of the pilot service, with the goal of expediting visa appointments and the interview process for those electing to pay said fee for the service; and

''(D) resources permitting, during the pilot service, consider the addition of consulates in locations advantageous to foreign policy objectives or in highly populated locales.

''(2) FEES.—

''(A) AUTHORITY TO COLLECT.—The Secretary of State is authorized to collect, and set the amount of, a fee imposed for the premium processing service. The Secretary of State shall set the fee based on all relevant considerations including, the cost of expedited service.

''(B) USE OF FEES.—Fees collected under the authority of subparagraph (A) shall be deposited as an offsetting collection to any Department of State appropriation, to recover the costs of providing consular services. Such fees shall remain available for obligation until expended.

''(C) RELATIONSHIP TO OTHER FEES.—Such fee is in addition to any existing fee currently being collected by the Department of State.

''(D) NONREFUNDABLE.—Such fee will be nonrefundable to the applicant.

''(3) DESCRIPTION OF PREMIUM PROCESSING.—Premium processing pertains solely to the expedited scheduling of a visa interview. Utilizing the premium processing service for an expedited interview appointment does not establish the applicant's eligibility for a visa. The Secretary of State shall, if possible, inform applicants utilizing the premium processing of potential delays in visa issuance due to additional screening requirements, including necessary security-related checks and clearances.

''(4) REPORT TO CONGRESS.—

''(A) REQUIREMENT FOR REPORT.—Not later than 18 months after the date of the enactment of the JOLT Act of 2013, the Secretary of State shall submit to the appropriate committees of Congress a report on the results of the pilot service carried out under this section.

''(B) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this paragraph, the term 'appropriate committees of Congress' means—

''(i) the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

''(ii) the Committee on the Judiciary, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives.''.

SEC. 4503. ENCOURAGING CANADIAN TOURISM TO THE UNITED STATES.

Section 214 (8 U.S.C. 1184), as amended by sections 3609, 4233, and 4405, is further amended by adding at the end the following:

''(v) CANADIAN RETIREES.—

''(1) IN GENERAL.—The Secretary of Homeland Security may admit as a visitor for pleasure as described in section 101(a)(15)(B) any alien for a period not to exceed 240 days, if the alien demonstrates, to the satisfaction of the Secretary, that the alien—

''(A) is a citizen of Canada;

''(B) is at least 55 years of age;

''(C) maintains a residence in Canada;

''(D) owns a residence in the United States or has signed a rental agreement for accommodations in the United States for the duration of the alien's stay in the United States;

''(E) is not inadmissible under section 212;

''(F) is not described in any ground of deportability under section 237;

''(G) will not engage in employment or labor for hire in the United States; and

''(H) will not seek any form of assistance or benefit described in section 403(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(a)).

''(2) SPOUSE.—The spouse of an alien described in paragraph (1) may be admitted under the same terms as the principal alien if the spouse satisfies the requirements of paragraph (1), other than subparagraphs (B) and (D).

''(3) IMMIGRANT INTENT.—In determining eligibility for admission under this subsection, maintenance of a residence in the United States shall not be considered evidence of intent by the alien to abandon the alien's residence in Canada.

''(4) PERIOD OF ADMISSION.—During any single 365-day period, an alien may be admitted as described in section 101(a)(15)(B) pursuant to this subsection for a period not to exceed 240 days, beginning on the date of admission. Unless an extension is approved by the Secretary, periods of time spent outside the United States during such 240-day period shall not toll the expiration of such 240-day period.''.

SEC. 4504. RETIREE VISA.

(a) NONIMMIGRANT STATUS.—Section 101(a)(15), as amended, is further amended by inserting after subparagraph (X) the following:

''(Y) subject to section 214(w), an alien who, after the date of the enactment of the JOLT Act of 2013—

''(i)(I) uses at least $500,000 in cash to purchase 1 or more residences in the United States, which each sold for more than 100 percent of the most recent appraised value of such residence, as determined by the property assessor in the city or county in which the residence is located;

''(II) maintains ownership of residential property in the United States worth at least $500,000 during the entire period the alien remains in the United States as a nonimmigrant described in this subparagraph; and

''(III) resides for more than 180 days per year in a residence in the United States that is worth at least $250,000; and

''(ii) the alien spouse and children of the alien described in clause (i) if accompanying or following to join the alien.''.

(b) VISA APPLICATION PROCEDURES.—Section 214 (8 U.S.C. 1184), as amended by sections 3609, 4233, 4405, and 4503, is further amended by adding at the end the following:

''(w) VISAS OF NONIMMIGRANTS DESCRIBED IN SECTION 101(a)(15)(Y).—

''(1) The Secretary of Homeland Security shall authorize the issuance of a nonimmigrant visa to any alien described in section 101(a)(15)(Y) who submits a petition to the Secretary that—

''(A) demonstrates, to the satisfaction of the Secretary, that the alien—

''(i) has purchased a residence in the United States that meets the criteria set forth in section 101(a)(15)(Y)(i);

''(ii) is at least 55 years of age;

''(iii) possesses health insurance coverage;

''(iv) is not inadmissible under section 212; and

''(v) will comply with the terms set forth in paragraph (2); and

''(B) includes payment of a fee in an amount equal to $1,000.

''(2) An alien who is issued a visa under this subsection—

''(A) shall reside in the United States at a residence that meets the criteria set forth in section 101(a)(15)(Y)(i) for more than 180 days per year;

''(B) is not authorized to engage in employment in the United States, except for employment that is directly related to the management of the residential property described in section 101(Y)(i)(II);

''(C) is not eligible for any form of assistance or benefit described in section 403(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(a)); and

''(D) may renew such visa every 3 years under the same terms and conditions.''.

(c) USE OF FEE.—Fees collected under section 214(w)(1)(B) of the Immigration and Nationality Act, as added by subsection (b), shall be deposited in the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1).

SEC. 4505. INCENTIVES FOR FOREIGN VISITORS VISITING THE UNITED STATES DURING LOW PEAK SEASONS.

The Secretary of State shall make publically available, on a monthly basis, historical data, for the previous 2 years, regarding the availability of visa appointments for each visa processing post, to allow applicants to identify periods of low demand, when wait times tend to be lower.

SEC. 4506. VISA WAIVER PROGRAM ENHANCED SECURITY AND REFORM.

(a) DEFINITIONS.—Section 217(c)(1) (8 U.S.C. 1187(c)(1)) is amended to read as follows:

''(1) AUTHORITY TO DESIGNATE; DEFINITIONS.—

''(A) AUTHORITY TO DESIGNATE.—The Secretary of Homeland Security, in consultation with the Secretary of State, may designate any country as a program country if that country meets the requirements under paragraph (2).

''(B) DEFINITIONS.—In this subsection:

''(i) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means—

''(I) the Committee on Foreign Relations, the Committee on Homeland Security and Governmental Affairs, and the Committee on the Judiciary of the Senate; and

''(II) the Committee on Foreign Affairs, the Committee on Homeland Security, and the Committee on the Judiciary of the House of Representatives.

''(ii) OVERSTAY RATE.—

''(I) INITIAL DESIGNATION.—The term 'overstay rate' means, with respect to a country being considered for designation in the program, the ratio of—

''(aa) the number of nationals of that country who were admitted to the United States on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during a fiscal year but who remained unlawfully in the United States beyond such periods; to

''(bb) the number of nationals of that country who were admitted to the United States on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during that fiscal year.

''(II) CONTINUING DESIGNATION.—The term 'overstay rate' means, for each fiscal year after initial designation under this section with respect to a country, the ratio of—

''(aa) the number of nationals of that country who were admitted to the United States under this section or on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during a fiscal year but who remained unlawfully in the United States beyond such periods; to

''(bb) the number of nationals of that country who were admitted to the United States under this section or on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during that fiscal year.

''(III) COMPUTATION OF OVERSTAY RATE.—In determining the overstay rate for a country, the Secretary of Homeland Security may utilize information from any available databases to ensure the accuracy of such rate.

''(iii) PROGRAM COUNTRY.—The term 'program country' means a country designated as a program country under subparagraph (A).''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 217 (8 U.S.C. 1187) is amended—

(1) by striking ''Attorney General'' each place the term appears (except in subsection (c)(11)(B)) and inserting ''Secretary of Homeland Security''; and

(2) in subsection (c)—

(A) in paragraph (2)(C)(iii), by striking ''Committee on the Judiciary and the Committee on International Relations of the House of Representatives and the Committee on the Judiciary and the Committee on Foreign Relations of the Senate'' and inserting ''appropriate congressional committees'';

(B) in paragraph (5)(A)(i)(III), by striking ''Committee on the Judiciary, the Committee on Foreign Affairs, and the Committee on Homeland Security, of the House of Representatives and the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Homeland Security and Governmental Affairs of the Senate'' and inserting ''appropriate congressional committees''; and

(C) in paragraph (7), by striking subparagraph (E).

(c) DESIGNATION OF PROGRAM COUNTRIES BASED ON OVERSTAY RATES.—

(1) IN GENERAL.—Section 217(c)(2)(A) (8 U.S.C. 1187(c)(2)(A)) is amended to read as follows:

''(A) GENERAL NUMERICAL LIMITATIONS.—

''(i) LOW NONIMMIGRANT VISA REFUSAL RATE.—The percentage of nationals of that country refused nonimmigrant visas under section 101(a)(15)(B) during the previous full fiscal year was not more than 3 percent of the total number of nationals of that country who were granted or refused nonimmigrant visas under such section during such year.

''(ii) LOW NONIMMIGRANT OVERSTAY RATE.—The overstay rate for that country was not more than 3 percent during the previous fiscal year.''.

(2) QUALIFICATION CRITERIA.—Section 217(c)(3) (8 U.S.C. 1187(c)(3)) is amended to read as follows:

''(3) QUALIFICATION CRITERIA.—After designation as a program country under section 217(c)(2), a country may not continue to be designated as a program country unless the Secretary of Homeland Security, in consultation with the Secretary of State, determines, pursuant to the requirements under paragraph (5), that the designation will be continued.''.

(3) INITIAL PERIOD.—Section 217(c) (8 U.S.C. 1187(c)) is amended by striking paragraph (4).

(4) CONTINUING DESIGNATION.—Section 217(c)(5)(A)(i)(II) (8 U.S.C. 1187(c)(5)(A)(i)(II)) is amended to read as follows:

''(II) shall determine, based upon the evaluation in subclause (I), whether any such designation under subsection (d) or (f), or probation under subsection (f), ought to be continued or terminated;''.

(5) COMPUTATION OF VISA REFUSAL RATES; JUDICIAL REVIEW.—Section 217(c)(6) (8 U.S.C. 1187(c)(6)) is amended to read as follows:

''(6) COMPUTATION OF VISA REFUSAL RATES AND JUDICIAL REVIEW.—

''(A) COMPUTATION OF VISA REFUSAL RATES.—For purposes of determining the eligibility of a country to be designated as a program country, the calculation of visa refusal rates shall not include any visa refusals which incorporate any procedures based on, or are otherwise based on, race, sex, or disability, unless otherwise specifically authorized by law or regulation.

''(B) JUDICIAL REVIEW.—No court shall have jurisdiction under this section to review any visa refusal, the Secretary of State's computation of a visa refusal rate, the Secretary of Homeland Security's computation of an overstay rate, or the designation or nondesignation of a country as a program country.''.

(6) VISA WAIVER INFORMATION.—Section 217(c)(7) (8 U.S.C. 1187(c)(7)), as amended by subsection (b)(2)(C), is further amended—

(A) by striking subparagraphs (B) through (D); and

(B) by striking ''WAIVER INFORMATION.—'' and all that follows through ''In refusing'' and inserting ''WAIVER INFORMATION.—In refusing''.

(7) WAIVER AUTHORITY.—Section 217(c)(8) (8 U.S.C. 1187(c)(8)) is amended to read as follows:

''(8) WAIVER AUTHORITY.—The Secretary of Homeland Security, in consultation with the Secretary of State, may waive the application of paragraph (2)(A)(i) for a country if—

''(A) the country meets all other requirements of paragraph (2);

''(B) the Secretary of Homeland Security determines that the totality of the country's security risk mitigation measures provide assurance that the country's participation in the program would not compromise the law enforcement, security interests, or enforcement of the immigration laws of the United States;

''(C) there has been a general downward trend in the percentage of nationals of the country refused nonimmigrant visas under section 101(a)(15)(B);

''(D) the country consistently cooperated with the Government of the United States on counterterrorism initiatives, information sharing, preventing terrorist travel, and extradition to the United States of individuals (including the country's own nationals) who commit crimes that violate United States law before the date of its designation as a program country, and the Secretary of Homeland Security and the Secretary of State assess that such cooperation is likely to continue; and

''(E) the percentage of nationals of the country refused a nonimmigrant visa under section 101(a)(15)(B) during the previous full fiscal year was not more than 10 percent of the total number of nationals of that country who were granted or refused such nonimmigrant visas.''.

(d) TERMINATION OF DESIGNATION; PROBATION.—Section 217(f) (8 U.S.C. 1187(f)) is amended to read as follows:

''(f) TERMINATION OF DESIGNATION; PROBATION.—

''(1) DEFINITIONS.—In this subsection:

''(A) PROBATIONARY PERIOD.—The term 'probationary period' means the fiscal year in which a probationary country is placed in probationary status under this subsection.

''(B) PROGRAM COUNTRY.—The term 'program country' has the meaning given that term in subsection (c)(1)(B).

''(2) DETERMINATION, NOTICE, AND INITIAL PROBATIONARY PERIOD.—

''(A) DETERMINATION OF PROBATIONARY STATUS AND NOTICE OF NONCOMPLIANCE.—As part of each program country's periodic evaluation required by subsection (c)(5)(A), the Secretary of Homeland Security shall determine whether a program country is in compliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2).

''(B) INITIAL PROBATIONARY PERIOD.—If the Secretary of Homeland Security determines that a program country is not in compliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2), the Secretary of Homeland Security shall place the program country in probationary status for the fiscal year following the fiscal year in which the periodic evaluation is completed.

''(3) ACTIONS AT THE END OF THE INITIAL PROBATIONARY PERIOD.—At the end of the initial probationary period of a country under paragraph (2)(B), the Secretary of Homeland Security shall take 1 of the following actions:

''(A) COMPLIANCE DURING INITIAL PROBATIONARY PERIOD.—If the Secretary determines that all instances of noncompliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2) that were identified in the latest periodic evaluation have been remedied by the end of the initial probationary period, the Secretary shall end the country's probationary period.

''(B) NONCOMPLIANCE DURING INITIAL PROBATIONARY PERIOD.—If the Secretary determines that any instance of noncompliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2) that were identified in the latest periodic evaluation has not been remedied by the end of the initial probationary period—

''(i) the Secretary may terminate the country's participation in the program; or

''(ii) on an annual basis, the Secretary may continue the country's probationary status if the Secretary, in consultation with the Secretary of State, determines that the country's continued participation in the program is in the national interest of the United States.

''(4) ACTIONS AT THE END OF ADDITIONAL PROBATIONARY PERIODS.—At the end of all probationary periods granted to a country pursuant to paragraph (3)(B)(ii), the Secretary shall take 1 of the following actions:

''(A) COMPLIANCE DURING ADDITIONAL PERIOD.—The Secretary shall end the country's probationary status if the Secretary determines during the latest periodic evaluation required by subsection (c)(5)(A) that the country is in compliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2).

''(B) NONCOMPLIANCE DURING ADDITIONAL PERIODS.—The Secretary shall terminate the country's participation in the program if the Secretary determines during the latest periodic evaluation required by subsection (c)(5)(A) that the program country continues to be in noncompliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2).

''(5) EFFECTIVE DATE.—The termination of a country's participation in the program under paragraph (3)(B) or (4)(B) shall take effect on the first day of the first fiscal year following the fiscal year in which the Secretary determines that such participation shall be terminated. Until such date, nationals of the country shall remain eligible for a waiver under subsection (a).

''(6) TREATMENT OF NATIONALS AFTER TERMINATION.—For purposes of this subsection and subsection (d)—

''(A) nationals of a country whose designation is terminated under paragraph (3) or (4) shall remain eligible for a waiver under subsection (a) until the effective date of such termination; and

''(B) a waiver under this section that is provided to such a national for a period described in subsection (a)(1) shall not, by such termination, be deemed to have been rescinded or otherwise rendered invalid, if the waiver is granted prior to such termination.

''(7) CONSULTATIVE ROLE OF THE SECRETARY OF STATE.—In this subsection, references to subparagraphs (A)(ii) through (F) of subsection (c)(2) and subsection (c)(5)(A) carry with them the consultative role of the Secretary of State as provided in those provisions.''.

(e) REVIEW OF OVERSTAY TRACKING METHODOLOGY.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall conduct a review of the methods used by the Secretary—

(1) to track aliens entering and exiting the United States; and

(2) to detect any such alien who stays longer than such alien's period of authorized admission.

(f) EVALUATION OF ELECTRONIC SYSTEM FOR TRAVEL AUTHORIZATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress—

(1) an evaluation of the security risks of aliens who enter the United States without an approved Electronic System for Travel Authorization verification; and

(2) a description of any improvements needed to minimize the number of aliens who enter the United States without the verification described in paragraph (1).

(g) SENSE OF CONGRESS ON PRIORITY FOR REVIEW OF PROGRAM COUNTRIES.—It is the sense of Congress that the Secretary, in the process of conducting evaluations of countries participating in the visa waiver program under section 217 of the Immigration and Nationality Act (8 U.S.C. 1187), should prioritize the reviews of countries in which circumstances indicate that such a review is necessary or desirable.

(h) ELIGIBILITY OF HONG KONG SPECIAL ADMINISTRATIVE REGION FOR DESIGNATION FOR PARTICIPATION IN VISA WAIVER PROGRAM FOR CERTAIN VISITORS TO THE UNITED STATES.—Section 217(c) (8 U.S.C. 1187(c)) is amended by adding at the end the following new paragraph:

''(12) ELIGIBILITY OF CERTAIN REGION FOR DESIGNATION AS PROGRAM COUNTRY.—The Hong Kong Special Administrative Region of the People's Republic of China—

''(A) shall be eligible for designation as a program country for purposes of this subsection; and

''(B) may be designated as a program country for purposes of this subsection if such region meets requirements applicable for such designation in this subsection.''.

SEC. 4507. EXPEDITING ENTRY FOR PRIORITY VISITORS.

Section 7208(k)(4) of the Intelligence Reform and Terrorism Prevention Act of 2004 (8 U.S.C. 1365b(k)(4)) is amended to read as follows:

''(4) EXPEDITING ENTRY FOR PRIORITY VISITORS.—

''(A) IN GENERAL.—The Secretary of Homeland Security may expand the enrollment across registered traveler programs to include eligible individuals employed by international organizations, selected by the Secretary, which maintain strong working relationships with the United States.

''(B) REQUIREMENTS.—An individual may not be enrolled in a registered traveler program unless—

''(i) the individual is sponsored by an international organization selected by the Secretary under subparagraph (A); and

''(ii) the government that issued the passport that the individual is using has entered into a Trusted Traveler Arrangement with the Department of Homeland Security to participate in a registered traveler program.

''(C) SECURITY REQUIREMENTS.—An individual may not be enrolled in a registered traveler program unless the individual has successfully completed all applicable security requirements established by the Secretary, including cooperation from the applicable foreign government, to ensure that the individual does not pose a risk to the United States.

''(D) DISCRETION.—Except as provided in subparagraph (E), the Secretary shall retain unreviewable discretion to offer or revoke enrollment in a registered traveler program to any individual.

''(E) INELIGIBLE TRAVELERS.—An individual who is a citizen of a state sponsor of terrorism (as defined in section 301(13) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8541(13)) may not be enrolled in a registered traveler program.''.

SEC. 4508. VISA PROCESSING.

(a) IN GENERAL.—Notwithstanding any other provision of law and not later than 90 days after the date of the enactment of this Act, the Secretary of State shall—

(1) require United States diplomatic and consular missions—

(A) to conduct visa interviews for nonimmigrant visa applications determined to require a consular interview in an expeditious manner, consistent with national security requirements, and in recognition of resource allocation considerations, such as the need to ensure provision of consular services to citizens of the United States;

(B) to set a goal of interviewing 80 percent of all nonimmigrant visa applicants, worldwide, within 3 weeks of receipt of application, subject to the conditions outlined in subparagraph (A); and

(C) to explore expanding visa processing capacity in China and Brazil, with the goal of maintaining interview wait times under 15 work days on a consistent, year-round basis, recognizing that demand can spike suddenly and unpredictably and that the first priority of United States missions abroad is the protection of citizens of the United States; and

(2) submit to the appropriate committees of Congress a detailed strategic plan that describes the resources needed to carry out paragraph (1)(A).

(b) APPROPRIATE COMMITTEES OF CONGRESS.—In this section, the term ''appropriate committees of Congress'' means—

(1) the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

(2) the Committee on the Judiciary, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives.

(c) SEMI-ANNUAL REPORT.—Not later than 30 days after the end of the first 6 months after the implementation of subsection (a), and not later than 30 days after the end of each subsequent quarter, the Secretary of State shall submit to the appropriate committees of Congress a report that provides—

(1) data substantiating the efforts of the Secretary of State to meet the requirements and goals described in subsection (a);

(2) any factors that have negatively impacted the efforts of the Secretary to meet such requirements and goals; and

(3) any measures that the Secretary plans to implement to meet such requirements and goals.

(d) SAVINGS PROVISION.—

(1) IN GENERAL.—Nothing in subsection (a) may be construed to affect a consular officer's authority—

(A) to deny a visa application under section 221(g) of the Immigration and Nationality Act (8 U.S.C. 1201(g)); or

(B) to initiate any necessary or appropriate security-related check or clearance.

(2) SECURITY CHECKS.—The completion of a security-related check or clearance shall not be subject to the time limits set out in subsection (a).

SEC. 4509. B VISA FEE.

Section 281 (8 U.S.C. 1351), as amended by sections 4105, 4407, and 4408, is further amended by adding at the end the following:

''(g) B VISA FEE.—In addition to the fees authorized under subsection (a), the Secretary of Homeland Security shall collect a $5 fee from each nonimmigrant admitted under section 101(a)(15)(B). Fees collected under this subsection shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.''.

Subtitle F—Reforms to the H–2B Visa Program

SEC. 4601. EXTENSION OF RETURNING WORKER EXEMPTION TO H–2B NUMERICAL LIMITATION.

(a) IN GENERAL.—

(1) IN GENERAL.—Subparagraph (A) of paragraph (10) of section 214(g) (8 U.S.C. 1184(g)), as redesignated by section 4101(a)(3), is amended by striking ''fiscal year 2004, 2005, or 2006 shall not again be counted toward such limitation during fiscal year 2007.'' and inserting ''fiscal year 2013 shall not again be counted toward such limitation during fiscal years 2014 through 2018.''.

(2) EFFECTIVE PERIOD.—The amendment made by paragraph (1) shall be effective during the period beginning on the effective date described in subsection (c) and ending on September 30, 2018.

(b) TECHNICAL AND CLARIFYING AMENDMENTS.—

(1) NONIMMIGRANT STATUS.—Section 101(a)(15)(P) (8 U.S.C. 1101(a)(15)(P)) is amended—

(A) in clause (iii), by striking ''or'' at the end;

(B) in clause (iv), by striking ''clause (i), (ii), or (iii),'' and inserting ''clause (i), (ii), (iii), or (iv)'';

(C) by redesignating clause (iv) as clause (v); and

(D) by inserting after clause (iii) the following:

''(iv) is a ski instructor, who has been certified as a level I, II, or III ski and snowboard instructor by the Professional Ski Instructors of America or the American Association of Snowboard Instructors, or received an equivalent certification in the alien's country of origin, and is seeking to enter the United States temporarily to perform instructing services; or''.

(2) AUTHORIZED PERIOD OF STAY; NUMERICAL LIMITATION.—Section 214(a)(2)(B) (8 U.S.C. 1184(a)(2)(B)) is amended in the second sentence—

(A) by inserting ''or ski instructors'' after ''athletes''; and

(B) by inserting ''or ski instructor'' after ''athlete''.

(3) CONSTRUCTION.—Nothing in the amendments made by this subsection may be construed as preventing an alien who is a ski instructor from obtaining nonimmigrant status under section 101(a)(15)(H)(ii)(b) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(b)) if such alien is otherwise qualified for such status.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if enacted on January 1, 2013.

SEC. 4602. OTHER REQUIREMENTS FOR H–2B EMPLOYERS.

Section 214 (8 U.S.C. 1184), as amended by sections 3609, 4233, 4405, 4503, and 4504, is further amended by adding at the end the following:

''(x) REQUIREMENTS FOR H–2B EMPLOYERS.—

''(1) H–2B NONIMMIGRANT DEFINED.—In this subsection the term 'H–2B nonimmigrant' means an alien admitted to the United States pursuant to section 101(a)(15)(H)(ii)(B).

''(2) NON-DISPLACEMENT OF UNITED STATES WORKERS.—An employer who seeks to employ an H–2B nonimmigrant admitted in an occupational classification shall certify and attest that the employer did not displace and will not displace a United States worker employed by the employer in the same metropolitan statistical area where such nonimmigrant will be hired within the period beginning 90 days before the start date and ending on the end date for which the employer is seeking the services of such nonimmigrant as specified on an application for labor certification under this Act.

''(3) TRANSPORTATION COSTS.—The employer shall pay the transportation costs, including reasonable subsistence costs during the period of travel, for an H–2B nonimmigrant hired by the employer—

''(A) from the place of recruitment to the place of such nonimmigrant's employment; and

''(B) from the place of employment to such nonimmigrant's place of permanent residence or a subsequent worksite.

''(4) PAYMENT OF FEES.—A fee related to the hiring of an H–2B nonimmigrant required to be paid by an employer under this Act shall be paid by the employer and may not be deducted from the wages or other compensation paid to an H–2B nonimmigrant.

''(5) H–2B NONIMMIGRANT LABOR CERTIFICATION APPLICATION FEE.—

''(A) IN GENERAL.—To recover costs of carrying out labor certification activities under the

H–2B program, the Secretary of Labor shall impose a $500 fee on an employer that submits an application for an employment certification for aliens granted H–2B nonimmigrant status to the Secretary of Labor under this subparagraph on or after the date that is 30 days after the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.''.

''(B) USE OF FEES.—The fees collected under subparagraph (A) shall be deposited in the Comprehensive Immigration Reform Trust Fund established under section 6 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.''.

SEC. 4603. EXECUTIVES AND MANAGERS.

Section 214(a)(1) (8 U.S.C. 1184(a)(1)) is amended by adding at the end the following: ''Aliens admitted under section 101(a)(15) should include—

''(A) executives and managers employed by a firm or corporation or other legal entity or an affiliate or subsidiary thereof who are principally stationed abroad and who seek to enter the United States for periods of 90 days or less to oversee and observe the United States operations of their related companies, and establish strategic objectives when needed; or

''(B) employees of multinational corporations who enter the United States to observe the operations of a related United States company and participate in select leadership and development training activities, whether or not the activity is part of a formal or classroom training program for a period not to exceed 180 days.

Nonimmigrant aliens admitted pursuant to section 101(a)(15) and engaged in the activities described in the subparagraph (A) or (B) may not receive a salary from a United States source, except for incidental expenses for meals, travel, lodging and other basic services.''.

SEC. 4604. HONORARIA.

Section 212(q) (8 U.S.C. 1182(q)) is amended to read as follows:

''(q)(1) Any alien admitted under section 101(a)(15)(B) may accept an honorarium payment and associated incidental expenses, for a usual academic activity or activities (lasting not longer than 9 days at any single institution), as defined by the Attorney General in consultation with the Secretary of Education, or for a performance, appearance and participation in United States based programming, including scripted or unscripted programming (with services not rendered for more than 60 days in a 6 month period) if the alien has received a letter of invitation from the institution, organization, or media outlet, such payment is offered by an institution, organization, or media outlet described in paragraph (2) and is made for services conducted for the benefit of that institution, entity or media outlet and if the alien has not accepted such payment or expenses from more than 5 institutions, organizations, or media outlets in the previous 6-month period. Any alien who is admitted under section 101(a)(15)(B) or any other valid visa may perform services under this section without reentering the United States and without a letter of invitation, if the alien does not receive any remuneration including an honorarium payment or incidental expenses, but may receive prize money.

''(2) An institution, organization, or media outlet described in this paragraph—

''(A) an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))) or a related or affiliated nonprofit entity;

''(B) a nonprofit research organization or a governmental research organization; and

''(C) a broadcast network, cable entity, production company, new media, internet and mobile based companies, who create or distribute programming content.''.

SEC. 4605. NONIMMIGRANTS PARTICIPATING IN RELIEF OPERATIONS.

Section 214 (8 U.S.C. 1184), as amended by sections 3609, 4233, 4405, 4503, 4504, and 4602, is further amended by adding at the end following:

''(y) NONIMMIGRANTS PARTICIPATING IN RELIEF OPERATIONS.—

''(1) IN GENERAL.—An alien coming individually, or aliens coming as a group, to participate in relief operations, including critical infrastructure repairs or improvements, needed in response to a Federal or State declared emergency or disaster, may be admitted to the United States pursuant to section 101(a)(15)(B) for a period of not more than 90 days if each such alien has been employed in a foreign country by 1 employer for not less than 1 year prior to the date the alien is so admitted.

''(2) PROHIBITION ON INCOME FROM A UNITED STATES SOURCE.—During a period of admission pursuant to paragraph (1), an alien may not receive income from a United States source, except for incidental expenses for meals, travel, lodging, and other basic services.''.

SEC. 4606. NONIMMIGRANTS PERFORMING MAINTENANCE ON COMMON CARRIERS.

Section 214 (8 U.S.C. 1184), as amended by sections 3609, 4233, 4405, 4503, 4504, 4602, and 4603, is further amended by adding at the end following:

''(z) NONIMMIGRANTS PERFORMING MAINTENANCE ON COMMON CARRIER.—

''(1) IN GENERAL.—An alien coming individually, or aliens coming as a group, who possess specialized knowledge to perform maintenance or repairs for common carriers, including to airlines, cruise lines, and railways, if such maintenance or repairs are occurring to equipment or machinery manufactured outside of the United States and are needed for purposes relating to life, health, and safety, may be admitted to the United States pursuant to section 101(a)(15)(B) for a period of not more than 90 days if each such alien has been employed in a foreign country by 1 employer for not less than 1 year prior to the date the alien is so admitted.

''(2) PROHIBITION ON INCOME FROM A UNITED STATES SOURCE.—During a period of admission pursuant to paragraph (1), an alien may not receive income from a United States source, except for incidental expenses for meals, travel, lodging, and other basic services.

''(3) FEE.—

''(A) IN GENERAL.—An alien admitted pursuant to paragraph (1) shall pay a fee of $500 in addition to any fee assessed to cover the costs to process an application under this subsection.

''(B) USE OF FEE.—The fees collected under subparagraph (A) shall be deposited in the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.''.

Subtitle G—W Nonimmigrant Visas

SEC. 4701. BUREAU OF IMMIGRATION AND LABOR MARKET RESEARCH.

(a) DEFINITIONS.—In this section:

(1) BUREAU.—Except as otherwise specifically provided, the term ''Bureau'' means the Bureau of Immigration and Labor Market Research established under subsection (b).

(2) COMMISSIONER.—The term ''Commissioner'' means the Commissioner of the Bureau.

(3) CONSTRUCTION OCCUPATION.—The term ''construction occupation'' means an occupation classified by the Bureau of Labor Statistics as being within the construction industry for the purposes of publishing the Bureau's workforce statistics.

(4) METROPOLITAN STATISTICAL AREA.—The term ''metropolitan statistical area'' means a geographic area designated as a metropolitan statistical area by the Director of the Office of Management and Budget.

(5) SHORTAGE OCCUPATION.—The term ''shortage occupation'' means an occupation that the Commissioner determines is experiencing a shortage of labor—

(A) throughout the United States; or

(B) in a specific metropolitan statistical area.

(6) W VISA PROGRAM.—The term ''W Visa Program'' means the program for the admission of nonimmigrant aliens described in subparagraph (W)(i) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)), as added by section 4702.

(7) ZONE 1 OCCUPATION.—The term ''zone 1 occupation'' means an occupation that requires little or no preparation and is classified as a zone 1 occupation on—

*(A) the Occupational Information Network Database (O*NET) on the date of the enactment of this Act; or*

(B) such Database or a similar successor database, as designated by the Secretary of Labor, after the date of the enactment of this Act.

(8) ZONE 2 OCCUPATION.—The term ''zone 2 occupation'' means an occupation that requires some preparation and is classified as a zone 2 occupation on—

*(A) the Occupational Information Network Database (O*NET) on the date of the enactment of this Act; or*

(B) such Database or a similar successor database, as designated by the Secretary of Labor, after the date of the enactment of this Act.

(9) ZONE 3 OCCUPATION.—The term ''zone 3 occupation'' means an occupation that requires medium preparation and is classified as a zone 3 occupation on—

*(A) the Occupational Information Network Database (O*NET) on the date of the enactment of this Act; or*

(B) such Database or a similar successor database, as designated by the Secretary of Labor, after the date of the enactment of this Act.

(b) ESTABLISHMENT.—There is established a Bureau of Immigration and Labor Market Research as an independent statistical agency within U.S. Citizenship and Immigration Services.

(c) COMMISSIONER.—The head of the Bureau of Immigration and Labor Market Research is the Commissioner, who shall be appointed by the President, by and with the advice and consent of the Senate.

(d) DUTIES.—The duties of the Commissioner are limited to the following:

(1) To devise a methodology subject to publication in the Federal Register and an opportunity for public comment regarding the calculation for the index referred to in section 220(g)(2)(C) of the Immigration and Nationality Act, as added by section 4703.

(2) To determine and to publish in the Federal Register the annual change to the numerical limitation for nonimmigrant aliens described in subparagraph (W)(i) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)), as added by section 4702.

(3) With respect to the W Visa Program, to supplement the recruitment methods employers may use to attract United States workers and current nonimmigrant aliens described in paragraph (2).

(4) With respect to the W Visa Program, to devise a methodology subject to publication in the Federal Register and an opportunity for public comment to designate shortage occupations in zone 1 occupations, zone 2 occupations, and zone 3 occupations.

(5) With respect to the W Visa Program, to designate shortage occupations in any zone 1 occupation, zone 2 occupation, or zone 3 occupation and publish such occupations in the Federal Register.

(6) With respect to the W Visa Program, to conduct a survey once every 3 months of the unemployment rate of zone 1 occupations, zone 2 occupations, or zone 3 occupations that are construction occupations in each metropolitan statistical area.

(7) To study and report to Congress on employment-based immigrant and nonimmigrant visa programs in the United States and to make annual recommendations to improve such programs.

(8) To carry out any functions required to perform the duties described in paragraphs (1) through (7).

(e) DETERMINATION OF CHANGES TO NUMERICAL LIMITATIONS.—The methodology required under subsection (d)(1) shall be published in the Federal Register not later than 18 months after the date of the enactment of this Act.

(f) DESIGNATION OF SHORTAGE OCCUPATIONS.—

(1) METHODS TO DETERMINE.—The Commissioner shall—

(A) establish the methodology to designate shortage occupations under subsection (d)(4); and

(B) publish such methodology in the Federal Register not later than 18 months after the date of the enactment of this Act.

(2) PETITION BY EMPLOYER.—The methodology established under paragraph (1) shall permit an employer to petition the Commissioner for a determination that a particular occupation in a particular metropolitan statistical area is a shortage occupation.

(3) REQUIREMENT FOR NOTICE AND COMMENT.—The methodology established under paragraph (1) shall be effective only after publication in the Federal Register and an opportunity for public comment.

(g) EMPLOYEE EXPERTISE.—The employees of the Bureau shall have the expertise necessary to identify labor shortages in the United States and make recommendations to the Commissioner on the impact of immigrant and nonimmigrant aliens on labor markets in the United States, including expertise in economics, labor markets, demographics and methods of recruitment of United States workers.

(h) INTERAGENCY COOPERATION.—At the request of the Commissioner, the Secretary of Commerce, the Director of the Bureau of the Census, the Secretary of Labor, and the Commissioner of the Bureau of Labor Statistics shall—

(1) provide data to the Commissioner;

(2) conduct appropriate surveys; and

(3) assist the Commissioner in preparing the recommendations referred to subsection (d)(5).

(i) BUDGET.—

(1) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Director of U.S. Citizenship and Immigration Services shall submit to Congress a report of the estimated budget that the Bureau will need to carry out the duties described in subsection (d).

(2) AUDIT.—The Comptroller General of the United States shall submit to Congress a report that is an audit of the budget prepared by the Director under paragraph (1).

(j) FUNDING.—

(1) APPROPRIATION OF FUNDS.—There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $20,000,000 to establish the Bureau.

(2) USE OF W NONIMMIGRANT FEES.—The amounts collected for fees under section 220(e)(6)(B) of the Immigration and Nationality Act, as added by section 4703, shall be used to establish and fund the Bureau.

(3) OTHER FEES.—The Secretary may establish other fees for the sole purpose of funding the W Visa Program, including the Bureau, that are related to the hiring of alien workers.

SEC. 4702. NONIMMIGRANT CLASSIFICATION FOR W NONIMMIGRANTS.

Section 101(a)(15)(W), as added by section 2211, is amended by inserting before clause (iii) the following:

''(i) to perform services or labor for a registered nonagricultural employer in a registered position (as those terms are defined in section 220(a)) in accordance with the requirements under section 220;

''(ii) to accompany or follow to join such an alien described in clause (i) as the spouse or child of such alien;''.

SEC. 4703. ADMISSION OF W NONIMMIGRANT WORKERS.

(a) IN GENERAL.—Chapter 2 of title II (8 U.S.C. 1181 et seq.) is amended by adding at the end the following:

''SEC. 220. ADMISSION OF W NONIMMIGRANT WORKERS.

''(a) DEFINITIONS.—In this section:

''(1) BUREAU.—The term 'Bureau' means the Bureau of Immigration and Labor Market Research established by section 4701 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

''(2) CERTIFIED ALIEN.—The term 'certified alien' means an alien that the Secretary of State has certified is eligible to be a W nonimmigrant if the alien is hired by a registered employer for a registered position.

''(3) COMMISSIONER.—The term 'Commissioner' means the Commissioner of the Bureau.

''(4) CONSTRUCTION OCCUPATION.—The term 'construction occupation' means an occupation defined by the Bureau of Labor Statistics as being within the construction industry for the purposes of publishing the Bureau's workforce statistics.

''(5) DEPARTMENT.—Except as otherwise provided, the term 'Department' means the Department of Homeland Security.

''(6) ELIGIBLE OCCUPATION.—The term 'eligible occupation' means an eligible occupation described in subsection (e)(3).

''(7) EMPLOYER.—

''(A) IN GENERAL.—The term 'employer' means any person or entity hiring an individual for employment in the United States.

''(B) TREATMENT OF SINGLE EMPLOYER.—For purposes of determining the number of employees or United States workers employed by an employer, a single entity shall be treated as 1 employer.

''(8) EXCLUDED GEOGRAPHIC LOCATION.—The term 'excluded geographic location' means an excluded geographic location described in subsection (f).

''(9) INITIAL W NONIMMIGRANT.—The term 'initial W nonimmigrant' means a certified alien issued a W nonimmigrant visa by the Secretary of State pursuant to section 101(a)(15)(W)(i) in order to seek initial admission to the United States to commence employment for a registered employer in a registered position subject to the numerical limit at section 220(g).

''(10) METROPOLITAN STATISTICAL AREA.—The term 'metropolitan statistical area' means a geographic area designated as a metropolitan statistical area by the Director of the Office of Management and Budget.

''(11) REGISTERED EMPLOYER.—The term 'registered employer' means a nonagricultural employer that the Secretary has designated as a registered employer under subsection (d).

''(12) SECRETARY.—Except as otherwise specifically provided, the term 'Secretary' means the Secretary of Homeland Security.

''(13) SINGLE ENTITY.—The term 'single entity' means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986.

''(14) SHORTAGE OCCUPATION.—The term 'shortage occupation' means a shortage occupation designated by the Commissioner pursuant to section 4701(d)(4) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

''(15) SMALL BUSINESS.—The term 'small business' means an employer that employs 25 or fewer full-time equivalent employees.

''(16) UNITED STATES WORKER.—The term 'United States worker' means an individual who is—

''(A) employed or seeking employment in the United States; and

''(B)(i) a national of the United States;

''(ii) an alien lawfully admitted for permanent residence;

''(iii) an alien in Registered Provisional Immigrant Status; or

''(iv) any other alien authorized to work in the United States with no limitation as to the alien's employer.

''(17) W NONIMMIGRANT.—The term 'W nonimmigrant' means an alien admitted as a nonimmigrant pursuant to section 101(a)(15)(W)(i).

''(18) W NONIMMIGRANT VISA.—The term 'W nonimmigrant visa' means a visa issued to a certified alien by the Secretary of State pursuant to section 101(a)(15)(W)(i).

''(19) W VISA PROGRAM.—The term 'W Visa Program' means the program for the admission of nonimmigrant aliens described in section 101(a)(15)(W)(i).

''(20) ZONE 1 OCCUPATION.—The term 'zone 1 occupation' means an occupation that requires little or no preparation and is classified as a zone 1 occupation on—

''(A) the Occupational Information Network Database (O*NET) on the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; or

''(B) such Database or a similar successor database, as designated by the Secretary of Labor, after the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

''(21) ZONE 2 OCCUPATION.—The term 'zone 2 occupation' means an occupation that requires some preparation and is classified as a zone 2 occupation on—

''(A) the Occupational Information Network Database (O*NET) on the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; or

''(B) such Database or a similar successor database, as designated by the Secretary of Labor, after the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

''(22) ZONE 3 OCCUPATION.—The term 'zone 3 occupation' means an occupation that requires medium preparation and is classified as a zone 3 occupation on—

''(A) the Occupational Information Network Database (O*NET) on the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; or

''(B) such Database or a similar successor database, as designated by the Secretary of Labor, after the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

''(b) ADMISSION INTO THE UNITED STATES.—

''(1) W NONIMMIGRANTS.—Subject to this section, a certified alien is eligible to be admitted to the United States as a W nonimmigrant if the alien is hired by a registered employer for employment in a registered position in a location that is not an excluded geographic location.

''(2) SPOUSE AND MINOR CHILDREN.—The—

''(A) alien spouse and minor children of a W nonimmigrant may be admitted to the United States pursuant to clause (ii) of section 101(a)(15)(W) during the period of the principal W nonimmigrant's admission; and

''(B) such alien spouse shall be—

''(i) authorized to engage in employment in the United States during such period of admission; and

''(ii) provided with an employment authorization document, stamp, or other appropriate work permit.

''(c) W NONIMMIGRANTS.—

''(1) CERTIFIED ALIEN.—

''(A) APPLICATION.—An alien seeking to be a W nonimmigrant shall apply to the Secretary of State at a United States embassy or consulate in a foreign country to be a certified alien.

''(B) CRITERIA.—An alien is eligible to be a certified alien if the alien—

''(i) is not inadmissible under this Act;

''(ii) passes a criminal background check;

''(iii) agrees to accept only registered positions in the United States; and

''(iv) meets other criteria as established by the Secretary.

''(2) W NONIMMIGRANT STATUS.—Only an alien that is a certified alien may be admitted to the United States as a W nonimmigrant.

''(3) INITIAL EMPLOYMENT.—A W nonimmigrant shall report to such nonimmigrant's initial employment in a registered position not later than 14 days after such nonimmigrant is admitted to the United States.

''(4) TERM OF ADMISSION.—

''(A) INITIAL TERM.—A certified alien may be granted W nonimmigrant status for an initial period of 3 years.

''(B) RENEWAL.—A W nonimmigrant may renew his or her status as a W nonimmigrant for additional 3-year periods. Such a renewal may be made while the W nonimmigrant is in the United States and shall not require the alien to depart the United States.

''(5) PERIODS OF UNEMPLOYMENT.—A W nonimmigrant—

''(A) may be unemployed for a period of not more than 60 consecutive days; and

''(B) shall depart the United States if such W nonimmigrant is unable to obtain employment during such period.

''(6) TRAVEL.—A W nonimmigrant may travel outside the United States and be readmitted to the United States. Such travel may not extend the period of authorized admission of such W nonimmigrant.

''(d) REGISTERED EMPLOYER.—

''(1) APPLICATION.—An employer seeking to be a registered employer shall submit an application to the Secretary. Each such application shall include the following:

''(A) Documentation to establish that the employer is a bona-fide employer.

''(B) The employer's Federal tax identification number or employer identification number issued by the Internal Revenue Service.

''(C) The number of W nonimmigrants the employer estimates it will seek to employ annually.

''(2) REFERRAL FOR FRAUD INVESTIGATION.—The Secretary may refer an application submitted under paragraph (1) or subsection (e)(1)(A) to the Fraud Detection and National Security Directorate of U.S. Citizenship and Immigration Services if there is evidence of fraud for potential investigation.

''(3) INELIGIBLE EMPLOYERS.—

''(A) IN GENERAL.—Notwithstanding any other applicable penalties under law, the Secretary may deny an employer's application to be a registered employer if the Secretary determines, after notice and an opportunity for a hearing, that the employer submitting such application—

''(i) has, with respect to the application required under paragraph (1), including any attestations required by law—

''(I) knowingly misrepresented a material fact;

''(II) knowingly made a fraudulent statement; or

''(III) knowingly failed to comply with the terms of such attestations; or

''(ii) failed to cooperate in the audit process in accordance with regulations promulgated by the Secretary;

''(iii) has been convicted of an offense set out in chapter 77 of title 18, United States Code, or any conspiracy to commit such offenses, or any human trafficking offense under State or territorial law;

''(iv) has, within 2 years prior to the date of application—

''(I) received a final adjudication of having committed any hazardous occupation orders violation resulting in injury or death under the child labor provisions contained in section 12 of the Fair Labor Standards Act of 1938 (29 U.S.C. 211) and any pertinent regulation;

''(II) received a final adjudication assessing a civil money penalty for any repeated or willful violation of the minimum wage provisions of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206); or

''(III) received a final adjudication assessing a civil money penalty for any willful violation of the overtime provisions of section 7 of the Fair Labor Standards Act of 1938 or any regulations thereunder; or

''(v) has, within 2 years prior to the date of application, received a final adjudication for a willful violation or repeated serious violations involving injury or death—

''(I) of section 5 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 654);

''(II) of any standard, rule, or order promulgated pursuant to section 6 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655); or

''(III) of a plan approved under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667).

''(B) LENGTH OF INELIGIBILITY.—

''(i) TEMPORARY INELIGIBILITY.—An employer described in subparagraph (A) may be ineligible to be a registered employer for a period that is not less than the time period determined by the Secretary and not more than 3 years.

''(ii) PERMANENT INELIGIBILITY.—An employer who has been convicted of any offense set out in chapter 77 of title 18, United States Code, or any conspiracy to commit such offenses, or any human trafficking offense under State or territorial law shall be permanently ineligible to be a registered employer.

''(4) TERM OF REGISTRATION.—The Secretary shall approve applications meeting the criteria of this subsection for a term of 3 years.

''(5) RENEWAL.—An employer may submit an application to renew the employer's status as a registered employer for additional 3-year periods.

''(6) FEE.—At the time an employer's application to be a registered employer or to renew such status is approved, such employer shall pay a fee in an amount determined by the Secretary to be sufficient to cover the costs of the registry of such employers.

''(7) CONTINUED ELIGIBILITY.—Each registered employer shall submit to the Secretary an annual report that demonstrates that the registered employer has provided the wages and working conditions the registered employer agreed to provide to its employees.

''(e) REGISTERED POSITIONS.—

''(1) IN GENERAL.—

''(A) APPLICATION.—Each registered employer shall submit to the Secretary an application to designate a position for which the employer is seeking a W nonimmigrant as a registered position. The Secretary is authorized to determine if the wage to be paid by the employer complies with subparagraph (B)(iv). Each such application shall include a description of each such position.

''(B) ATTESTATION.—An application submitted under subparagraph (A) shall include an attestation of the following:

''(i) The number of full-time equivalent employees of the employer.

''(ii) The occupational category, as classified by the Secretary of Labor, for which the registered position is sought.

''(iii) Whether the occupation for which the registered position is sought is a shortage occupation.

''(iv) Except as provided in subsection (g)(4)(C)(i), the wages to be paid to W nonimmigrants employed by the employer in the registered position, including a position in a shortage occupation, will be the greater of—

''(I) the actual wage level paid by the employer to other employees with similar experience and qualifications for such position; or

''(II) the prevailing wage level for the occupational classification of the position in the metropolitan statistical area of the employment, as determined by the Secretary, based on the best information available as of the time of filing the application.

''(v) The working conditions for W nonimmigrants will not adversely affect the working conditions of other workers employed in similar positions.

''(vi) The employer has carried out the recruiting activities required by paragraph (2)(B).

''(vii) There is no qualified United States worker who has applied for the position and who is ready, willing, and able to fill such position pursuant to the requirements in subparagraphs (B) and (C) of paragraph (2).

''(viii) There is not a strike, lockout, or work stoppage in the course of a labor dispute in the occupation at the place of employment at which the W nonimmigrant will be employed. If such strike, lockout, or work stoppage occurs following submission of the application, the employer will provide notification in accordance with all applicable regulations.

''(ix)(I) The employer has not laid off and will not layoff a United States worker during the period beginning 90 days prior to and ending 90 days after the date the employer files an application for designation of a position for which the W nonimmigrant is sought or hires such W nonimmigrant, unless the employer has notified such United States worker of the position and documented the legitimate reasons that such United States worker is not qualified or available for the position.

''(II) A United States worker is not laid off for purposes of this subparagraph if, at the time such worker's employment is terminated, such worker is not employed in the same occupation and in the same metropolitan statistical area where the registered position referred to in subclause (I) is located.

''(C) BEST INFORMATION AVAILABLE.—In subparagraph (B)(iv)(II), the term 'best information available', with respect to determining the prevailing wage for a position, means—

''(i) a controlling collective bargaining agreement or Federal contract wage, if applicable;

''(ii) if there is no applicable wage under clause (i), the wage level commensurate with the experience, training, and supervision required for the job based on Bureau of Labor Statistics data; or

''(iii) if the data referred to in clause (ii) is not available, a legitimate and recent private survey of the wages paid for such positions in the metropolitan statistical area.

''(D) PERMIT.—The Secretary shall provide each registered employer whose application submitted under subparagraph (A) is approved with a permit that includes the number and description of such employer's approved registered positions.

''(E) TERM OF REGISTRATION.—The approval of a registered position under subparagraph (A) is for a term that begins on the date of such approval and ends on the earlier of—

''(i) the date the employer's status as a registered employer is terminated;

''(ii) 3 years after the date of such approval; or

''(iii) upon proper termination of the registered position by the employer.

''(F) REGISTRY OF REGISTERED POSITIONS.—

''(i) MAINTENANCE OF REGISTRY.—The Secretary shall develop and maintain a registry of approved registered positions for which the Secretary has issued a permit under subparagraph (D).

''(ii) AVAILABILITY ON WEBSITE.—The registry required by clause (i) shall be accessible on a website maintained by the Secretary.

''(iii) AVAILABILITY ON STATE WORKFORCE AGENCY WEBSITES.—Each State workforce agency shall be linked to such registry and provide access to such registry through the website maintained by such agency.

''(iv) CONDITIONS OF AVAILABILITY ON WEBSITE.—

''(I) IN GENERAL.—Each approved registered position for which the Secretary has issued a permit shall be included in the registry of registered positions maintained by the Secretary and shall remain available for viewing on such registry throughout the term of registration referred to in subparagraph (E) or paragraph (5).

''(II) INDICATION OF VACANCY.—The Secretary shall ensure that such registry indicates whether each approved registered position in the registry is filled or unfilled.

''(III) REQUIREMENT FOR 10-DAY POSTING.—If a W nonimmigrant's employment in a registered position ends, either voluntarily or involuntarily, the Secretary shall ensure that such registry indicates that the registered position is unfilled for a period of 10 calendar days, unless

such registered position is filled by a United States worker.

''(2) REQUIREMENTS.—

''(A) ELIGIBLE OCCUPATION.—Each registered position shall be for a position in an eligible occupation as described in paragraph (3).

''(B) RECRUITMENT OF UNITED STATES WORKERS.—

''(i) REQUIREMENTS.—A position may not be a registered position unless the registered employer—

''(I) advertises the position for a period of 30 days, including the wage range, location, and proposed start date—

''(aa) on the Internet website maintained by the Secretary of Labor for the purpose of such advertising; and

''(bb) with the workforce agency of the State where the position will be located; and

''(II) except as provided for in subsection (g)(4)(B)(i), carries out not less than 3 of the recruiting activities described in subparagraph (C).

''(ii) DURATION OF ADVERTISING.—The 30 day periods required by item (aa) of (bb) of clause (i)(I) may occur at the same time.

''(C) RECRUITING ACTIVITIES.—The recruiting activities described in this subparagraph, with respect to a position for which the employer is seeking a W nonimmigrant, shall consist of any combination of the following as defined by the Secretary of Homeland Security:

''(i) Advertising such position at job fairs.

''(ii) Advertising such position on the employer's external website.

''(iii) Advertising such position on job search Internet websites.

''(iv) Advertising such position using presentations or postings at vocational, career technical schools, community colleges, high schools, or other educational or training sites.

''(v) Posting such position with trade associations.

''(vi) Utilizing a search firm to seek applicants for such position.

''(vii) Advertising such position through recruitment programs with placement offices at vocational schools, career technical schools, community colleges, high schools, or other educational or training sites.

''(viii) Advertising such position through advertising or postings with local libraries, journals, or newspapers.

''(ix) Seeking a candidate for such position through an employee referral program with incentives.

''(x) Advertising such position on radio or television.

''(xi) Advertising such position through advertising, postings, or presentations with newspapers, Internet websites, job fairs, or community events targeted to constituencies designed to increase employee diversity.

''(xii) Advertising such position through career day presentations at local high schools or community organizations.

''(xiii) Providing in-house training.

''(xiv) Providing third-party training.

''(xv) Advertising such position through recruitment, educational, or other cooperative programs offered by the employer and a local economic development authority.

''(xvi) Advertising such position twice in the Sunday ads in the primary daily circulation newspaper in the area.

''(xvii) Any other recruitment activities determined to be appropriate to be added by the Commissioner.

''(3) ELIGIBLE OCCUPATION.—

''(A) IN GENERAL.—An occupation is an eligible occupation if the occupation—

''(i) is a zone 1 occupation, a zone 2 occupation, or zone 3 occupation; and

''(ii) is not an excluded occupation under subparagraph (B).

''(B) EXCLUDED OCCUPATIONS.—

''(i) OCCUPATIONS REQUIRING COLLEGE DEGREES.—An occupation that is listed in the Occupational Outlook Handbook published by the Bureau of Labor Statistics (or similar successor publication) that is classified as requiring an individual with a bachelor's degree or higher level of education may not be an eligible occupation.

''(ii) COMPUTER OCCUPATIONS.—An occupation in the field of computer operation, computer programming, or computer repair may not be an eligible occupation.

''(C) PUBLICATION.—The Secretary of Labor shall publish the eligible occupations, designated as zone 1 occupations, zone 2 occupations, or zone 3 occupations, on an on-going basis on a publicly available website.

''(4) FILLING OF VACANCIES.—If a W nonimmigrant's employment in a registered position ends, such employer may fill that vacancy—

''(A) by hiring a United States worker; or

''(B) after the 10 calendar day posting period in subsection (e)(1)(F)(iv)(III) by hiring—

''(i) a W nonimmigrant; or

''(ii) if available under subsection (g)(4), a certified alien.

''(5) PERIOD OF APPROVAL.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), a registered position shall be approved by the Secretary for a period of 3 years.

''(B) RETURNING W NONIMMIGRANTS.—

''(i) EXTENSION OF PERIOD.—A registered position shall continue to be a registered position at the end of the 3-year period referred to in subparagraph (A) if the W nonimmigrant hired for such position is the beneficiary of a petition for immigrant status filed by the registered employer pursuant to this Act or is returning to the same registered employer.

''(ii) TERMINATION OF PERIOD.—The term of a registration position extended under clause (i) shall terminate on the date that is the earlier of—

''(I) the date an application or petition by or for a W nonimmigrant to obtain immigrant status is approved or denied by the Secretary; or

''(II) the date of the termination of such W nonimmigrant's employment with the registered employer.

''(6) FEES.—

''(A) REGISTRATION FEE.—

''(i) IN GENERAL.—At the time a W nonimmigrant commences employment in the registered position for a registered employer, such employer shall pay a registration fee in an amount determined by the Secretary.

''(ii) USE OF FEE.—A fee collected under clause (i) shall be used to fund any aspect of the operation of the W Visa Program.

''(B) ADDITIONAL FEE.—

''(i) IN GENERAL.—In addition to the fee required by subparagraph (A), a registered employer, at the time a W nonimmigrant commences employment in the registered position for the registered employer, shall pay an additional fee for each such approved registered position as follows:

''(I) A fee of $1,750 for the registered position if the registered employer, at the time of filing the application for the registered position, is a small business and more than 50 percent and less than 75 percent of the employees of the registered employer are not United States workers.

''(II) A fee of $3,500 for the registered position if the registered employer, at the time of filing the application for the registered position, is a small business and more than 75 percent of the employees of the registered employer are not United States workers.

''(III) A fee of $3,500 for the registered position if the registered employer, at the time of filing the application for the registered position, is not a small business and more than 15 percent and less than 30 percent of the employees of the registered employer are not United States workers.

''(ii) USE OF FEE.—A fee collected under clause (i) shall be used to fund the operations of the Bureau.

''(C) PROHIBITION ON OTHER FEES.—A registered employer may not be required to pay an additional fee other than any fees specified in this Act if the registered employer is a small business.

''(7) PROHIBITION ON REGISTERED POSITIONS FOR CERTAIN EMPLOYERS.—The Secretary may not approve an application for a registered position for an employer if the employer is not a small business and 30 percent or more of the employees of the employer are not United States workers.

''(f) EXCLUDED GEOGRAPHIC LOCATION.—No application for a registered position filed by a registered employer for an eligible occupation may be approved if the registered position is located in a metropolitan statistical area that has an unemployment rate that is more than 8½ percent as reported in the most recent month preceding the date that the application is submitted to the Secretary unless—

''(1) the Commissioner has identified the eligible occupation as a shortage occupation; or

''(2) the Secretary approves the registered position under subsection (g)(4).

''(g) NUMERICAL LIMITATION.—

''(1) REGISTERED POSITIONS.—

''(A) IN GENERAL.—Subject to paragraphs (3) and (4), the maximum number of registered positions that may be approved by the Secretary for a year is as follows:

''(i) For the first year aliens are admitted as W nonimmigrants, 20,000.

''(ii) For the second such year, 35,000.

''(iii) For the third such year, 55,000.

''(iv) For the fourth such year, 75,000.

''(v) For each year after the fourth such year, the level calculated for that year under paragraph (2).

''(B) DATES.—The first year referred to in subparagraph (A)(i) shall begin on April 1, 2015, and end on March 31, 2016, unless the Secretary determines that such first year shall begin on October 1, 2015, and end on September 30, 2016.

''(2) YEARS AFTER YEAR 4.—

''(A) CURRENT YEAR AND PRECEDING YEAR.—In this paragraph—

''(i) the term 'current year' shall refer to the 12-month period for which the calculation of the numerical limits under this paragraph is being performed; and

''(ii) the term 'preceding year' shall refer to the 12-month period immediately preceding the current year.

''(B) NUMERICAL LIMITATION.—Subject to subparagraph (D), the number of registered positions that may be approved by the Secretary for a year after the fourth year referred to in paragraph (1)(A)(iv) shall be equal to the sum of—

''(i) the number of such registered positions available under this paragraph for the preceding year; and

''(ii) the product of—

''(I) the number of such registered positions available under this paragraph for the preceding year; multiplied by

''(II) the index for the current year calculated under subparagraph (C).

''(C) INDEX.—The index calculated under this subparagraph for a current year equals the sum of—

''(i) one-fifth of a fraction—

''(I) the numerator of which is the number of registered positions that registered employers applied to have approved under subsection (e)(1) for the preceding year minus the number of registered positions approved under subsection (e) for the preceding year; and

''(II) the denominator of which is the number of registered positions approved under subsection (e) for the preceding year;

''(ii) one-fifth of a fraction—

''(I) the numerator of which is the number of registered positions the Commissioner recommends be available under this subparagraph for the current year minus the number of registered positions available under this subsection for the preceding year; and

''(II) the denominator of which is the number of registered positions available under this subsection for the preceding year;

''(iii) three-tenths of a fraction—

''(I) the numerator of which is the number of unemployed United States workers for the preceding year minus the number of unemployed United States workers for the current year; and

''(II) the denominator of which is the number of unemployed United States workers for the preceding year; and

''(iv) three-tenths of a fraction—

''(I) the numerator of which is the number of job openings as set out in the Job Openings and Labor Turnover Survey of the Bureau of Labor Statistics for the current year minus such number of job openings for the preceding year; and

''(II) the denominator of which is the number of such job openings for the preceding year;

''(D) MINIMUM AND MAXIMUM LEVELS.—The number of registered positions calculated under subparagraph (B) for a 12-month period may not be less than 20,000 nor more than 200,000.

''(3) ADDITIONAL REGISTERED POSITIONS FOR SHORTAGE OCCUPATIONS.—In addition to the number of registered positions made available for a year under paragraph (1), the Secretary shall make available for a year an additional number of registered positions for shortage occupations in a particular metropolitan statistical area.

''(4) SPECIAL ALLOCATIONS OF REGISTERED POSITIONS.—

''(A) AUTHORITY TO MAKE AVAILABLE.—In addition to the number of registered positions made available for a year under paragraph (1) or (3), the Secretary shall make additional registered positions available for the year for a specific registered employer as described in this paragraph, if—

''(i) the maximum number of registered positions available under paragraph (1) have been approved for the year and none remain available for allocation; or

''(ii) such registered employer is located in a metropolitan statistical area that has an unemployment rate that is more than 8½ percent as reported in the most recent month preceding the date that the application is submitted to the Secretary.

''(B) RECRUITMENT.—

''(i) IN GENERAL.—Except as provided in clause (ii), an initial W nonimmigrant may only enter the United States for initial employment pursuant to a special allocation under this paragraph if the registered employer has carried out at least 7 of the recruiting activities described in subsection (e)(2)(C).

''(ii) REQUIREMENT TO RECRUIT W NONIMMIGRANTS IN THE UNITED STATES.—A registered employer may register a position pursuant to a special allocation under this paragraph by conducting at least 3 of the recruiting activities described in subsection (e)(2)(C), however a position registered pursuant to this clause may not be filled by an initial W nonimmigrant entering the United States for initial employment.

''(iii) 30 DAY POSTING.—

''(I) REQUIREMENT.—Any registered employer registering any position under the special allocation authority shall post the position, including the wage range, location, and initial date of employment, for not less than 30 days—

''(aa) on the Internet website maintained by the Secretary of Labor for the purpose of such advertising; and

''(bb) with the workforce agency of the State where the position will be located.

''(II) CONTEMPORANEOUS POSTING.—The 30 day periods required by items (aa) and (bb) of subclause (I) may occur at the same time.

''(C) WAGES.—

''(i) INITIAL W NONIMMIGRANTS.—An initial W nonimmigrant entering the United States for initial employment pursuant to a registered position made available under this paragraph may not be paid less than the greater of—

''(I) the level 4 wage set out in the Foreign Labor Certification Data Center Online Wage Library (or similar successor website) maintained by the Secretary of Labor for such occupation in that metropolitan statistical area; or

''(II) the mean of the highest two-thirds of wages surveyed for such occupation in that metropolitan statistical area.

''(ii) OTHER W NONIMMIGRANTS.—A W nonimmigrant employed in a registered position referred to in subsection (g)(4)(B)(ii) may not be paid less than the wages required under subsection (e)(1)(B)(iv).

''(D) REDUCTION OF FUTURE REGISTERED POSITIONS.—Each registered position made available for a year subject to the wage conditions of subparagraph (C)(i) shall reduce by 1 the number of registered positions made available under paragraph (g)(1) for the following year or the earliest possible year for which a registered position is available. The limitation contained in subsection (h)(4) shall not be reduced by any registered position made available under this paragraph.

''(h) ALLOCATION OF REGISTERED POSITIONS.—

''(1) IN GENERAL.—

''(A) FIRST 6-MONTH PERIOD.—The number of registered positions available for the 6-month period beginning on the first day of a year is 50 percent of the maximum number of registered positions available for such year under paragraph (1) or (2) of subsection (g). Such registered positions shall be allocated as described in this subsection.

''(B) SECOND 6-MONTH PERIOD.—The number of registered positions available for the 6-month period ending on the last day of a year is the maximum number of registered positions available for such year under paragraph (1) or (2) of subsection (g) minus the number of registered positions approved during the 6-month period referred to in subsection (A). Such registered positions shall be allocated as described in this subsection.

''(2) SHORTAGE OCCUPATIONS.—

''(A) IN GENERAL.—For the first month of each 6-month period referred to in subparagraph (A) or (B) of paragraph (1) a registered position may not be created in an occupation that is not a shortage occupation.

''(B) INITIAL DESIGNATIONS.—Subparagraph (A) shall not apply in any period for which the Commissioner has not designated any shortage occupations.

''(3) SMALL BUSINESSES.—During the second, third, and fourth months of each 6-month period referred to in subparagraph (A) or (B) of paragraph (1), one-third of the number of registered positions allocated for such period shall be approved only for a registered employer that is a small business. Any such registered positions not approved for such small businesses during such months shall be available for any registered employer during the last 2 months of each such 6-month period.

''(4) ANIMAL PRODUCTION SUBSECTORS.—In addition to the number of registered positions made available for a year under paragraph (1) or (3) of such section (g), the Secretary shall make additional registered positions available for the year for occupations designated by the Secretary of Labor as Animal Production Subsectors. The numerical limitation for such additional registered positions shall be no more than 10 percent of the annual numerical limitation provided for in such paragraph (1).

''(5) LIMITATION FOR CONSTRUCTION OCCUPATIONS.—

''(A) IN GENERAL.—Subject to subparagraph (B), not more than 33 percent of the registered positions made available under paragraph (1) or (2) of subsection (g) for a year may be granted to perform work in a construction occupation.

''(B) MAXIMUM LEVEL.—Notwithstanding subparagraph (A), the number of registered positions granted to perform work in a construction occupation under subsection (g)(1) may not exceed 15,000 for a year and 7,500 for any 6-month period.

''(C) PROHIBITION FOR OCCUPATIONS WITH HIGH UNEMPLOYMENT.—

''(i) IN GENERAL.—A registered employer may not hire a certified alien for a registered position to perform work in a construction occupation if the unemployment rate for construction occupations in the corresponding occupational job zone in that metropolitan statistical area was more than 8½ percent.

''(ii) DETERMINATION OF UNEMPLOYMENT RATE.—The unemployment rate used in clause (i) shall be determined—

''(I) using the most recent survey taken by the Bureau; or

''(II) if a survey referred to in subclause (I) is not available, using a recent and legitimate private survey.

''(i) PORTABILITY.—A W nonimmigrant who is admitted to the United States for employment by a registered employer may—

''(1) terminate such employment for any reason; and

''(2) seek and accept employment with another registered employer in any other registered position within the terms and conditions of the W nonimmigrant's visa.

''(j) PROMOTION.—A registered employer may promote a W nonimmigrant if the W nonimmigrant has been employed with that employer for a period of not less than 12 months. Such a promotion shall not increase the total number of registered positions available to that employer.

''(k) PROHIBITION ON OUTPLACEMENT.—A registered employer may not place, outsource, lease, or otherwise contract for the services or placement of a W nonimmigrant employee with another employer if more than 15 percent of the employees of the registered employer are W nonimmigrants.

''(l) W NONIMMIGRANT PROTECTIONS.—

''(1) APPLICABILITY OF LAWS.—A W nonimmigrant shall not be denied any right or any remedy under Federal, State, or local labor or employment law that would be applicable to a United States worker employed in a similar position with the employer because of the alien's status as a nonimmigrant worker.

''(2) WAIVER OF RIGHTS PROHIBITED.—

''(A) IN GENERAL.—A W nonimmigrant may not be required to waive any substantive rights or protections under this Act.

''(B) CONSTRUCTION.—Nothing under this paragraph may be construed to affect the interpretation of any other law.

''(3) PROHIBITION ON TREATMENT AS INDEPENDENT CONTRACTORS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law—

''(i) a W nonimmigrant is prohibited from being treated as an independent contractor under any Federal or State law; and

''(ii) no person, including an employer or labor contractor and any persons who are affiliated with or contract with an employer or labor contractor, may treat a W nonimmigrant as an independent contractor.

''(B) CONSTRUCTION.—Subparagraph (A) may not be construed to prevent registered employers who operate as independent contractors from employing W nonimmigrants.

''(4) PAYMENT OF FEES.—

''(A) IN GENERAL.—A fee related to the hiring of a W nonimmigrant required to be paid by an employer under this Act shall be paid by the employer and may not be deducted from the wages or other compensation paid to a W nonimmigrant.

''(B) EXCLUDED COSTS.—The cost of round trip transportation from a certified alien's home to the location of a registered position and the cost of obtaining a foreign passport are not fees required to be paid by the employer.

''(5) TAX RESPONSIBILITIES.—An employer shall comply with all applicable Federal, State, and local tax laws with respect to each W nonimmigrant employed by the employer.

''(6) PROHIBITED ACTIVITIES.—It shall be unlawful for an employer of a W nonimmigrant to intimidate, threaten, restrain, coerce, retaliate, discharge, or in any other manner, discriminate against an employee or former employee because the employee or former employee—

''(A) discloses information to the employer or any other person that the employee or former employee reasonably believes demonstrates a violation of this section; or

''(B) cooperates or seeks to cooperate in an investigation or other proceeding concerning compliance with the requirements of this section.

''(m) COMPLAINT PROCESS.—The Secretary shall establish a process for the receipt, investigation, and disposition of complaints by an aggrieved applicant, employee, or nonimmigrant (or a person acting on behalf of such applicant, employee, or nonimmigrant) with respect to—

''(1) the failure of a registered employer to meet a condition of this section; or

''(2) the lay off or nonhiring of a United States worker as prohibited under this section.

''(n) ENFORCEMENT.—

''(1) IN GENERAL.—The Secretary shall promulgate regulations for the receipt, investigation, and disposition of complaints by an aggrieved W nonimmigrant respecting a violation of this section.

''(2) FILING DEADLINE.—No investigation or hearing shall be conducted on a complaint concerning a violation under this section unless the complaint was filed not later than 6 months after the date of such violation.

''(3) REASONABLE BASIS.—The Secretary shall conduct an investigation under this subsection if there is reasonable basis to believe that a violation of this section has occurred. The process established under this subsection shall provide that, not later than 30 days after a complaint is filed, the Secretary shall determine if there is reasonable cause to find such a violation.

''(4) NOTICE AND HEARING.—

''(A) IN GENERAL.—Not later than 60 days after the Secretary makes a determination of reasonable basis under paragraph (3), the Secretary shall issue a notice to the interested parties and offer an opportunity for a hearing on the complaint, in accordance with section 556 of title 5, United States Code.

''(B) HEARING DEADLINE.—Not later than 60 days after the date of a hearing under this paragraph, the Secretary shall make a finding on the matter.

''(5) ATTORNEY'S FEES.—

''(A) AWARD.—A complainant who prevails in an action under this subsection with respect to a claim related to wages or compensation for employment, or a claim for a violation of subsection (l) or (m), shall be entitled to an award of reasonable attorney's fees and costs.

''(B) FRIVOLOUS COMPLAINTS.—A complainant who files a frivolous complaint for an improper purpose under this subsection shall be liable for the reasonable attorney's fees and costs of the person named in the complaint.

''(6) POWER OF THE SECRETARY.—The Secretary may bring an action in any court of competent jurisdiction—

''(A) to seek remedial action, including injunctive relief;

''(B) to recover the damages described in this subsection and subsection (o); or

''(C) to ensure compliance with terms and conditions described in subsection (l)(6).

''(7) OTHER RIGHTS OF EMPLOYEES.—The rights and remedies provided to W nonimmigrants under this section are in addition to any other contractual or statutory rights and remedies of the workers, and are not intended to alter or affect such rights and remedies.

''(o) PENALTIES.—

''(1) IN GENERAL.—If, after notice and an opportunity for a hearing, the Secretary finds a violation of this section, the Secretary may impose administrative remedies and penalties, including—

''(A) back wages;

''(B) benefits; and

''(C) civil monetary penalties.

''(2) CIVIL PENALTIES.—The Secretary may impose, as a civil penalty—

''(A) for a violation of this subsection—

''(i) a fine in an amount not more than $2,000 per violation per affected worker and $4,000 per violation per affected worker for each subsequent violation;

''(ii) if the violation was willful, a fine in an amount not more than $5,000 per violation per affected worker; and

''(iii) if the violation was willful and if in the course of such violation a United States worker was harmed, a fine in an amount not more than $25,000 per violation per affected worker; or

''(B) for knowingly failing to materially comply with the terms of representations made in petitions, applications, certifications, or attestations under this section—

''(i) a fine in an amount not more than $4,000 per aggrieved worker; and

''(ii) upon the occasion of a third offense of failure to comply with representations, a fine in an amount not to exceed $5,000 per affected worker and designation as an ineligible employer, recruiter, or broker for purposes of any immigrant or nonimmigrant program.

''(3) CRIMINAL PENALTY.—Any person who knowingly misrepresents the number of full-time equivalent employees of an employer or the number of employees of a person who are United States workers for the purpose of reducing a fee under subsection (e)(6) or avoiding the limitation in subsection (e)(7), shall be fined in accordance with title 18, United States Code, in an amount up to $25,000 or imprisoned not more than 1 year, or both.

''(p) MONITORING.—

''(1) REQUIREMENT TO MONITOR.—The Secretary shall monitor the movement of W nonimmigrants in registered positions through—

''(A) the Employment Verification System described in section 274A(d); and

''(B) the electronic monitoring system described in paragraph (2).

''(2) ELECTRONIC MONITORING SYSTEM.—

''(A) REQUIREMENT FOR SYSTEM.—The Secretary, through U.S. Citizenship and Immigration Services, shall implement an electronic monitoring system to monitor presence and employment of W nonimmigrants, including a requirement that registered employers update the system when W nonimmigrants start and end employment in registered positions.

''(B) SYSTEM DESCRIPTION.—Such system shall be modeled on the Student and Exchange Visitor Information System (SEVIS) and SEVIS II tracking system of U.S. Immigration and Customs Enforcement.

''(C) INTERACTION WITH REGISTRY.—Such system shall interact with the registry referred to in subsection (e)(1)(F) to ensure that the Secretary designates and updates approved registered positions as being filled or unfilled.''.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section (8 U.S.C. 1101 et seq.) is amended by adding after the item relating to section 219 the following:

''Sec. 220. Admission of W nonimmigrant workers.''.

Subtitle H—Investing in New Venture, Entrepreneurial Startups, and Technologies

SEC. 4801. NONIMMIGRANT INVEST VISAS.

(a) INVEST NONIMMIGRANT CATEGORY.—Section 101(a)(15) (8 U.S.C. 1101(a)(15)), as amended by sections 2231, 2308, 2309, 3201, 4402, 4504, 4601, and 4702, is further amended by inserting after subparagraph (W) the following:

''(X) in accordance with the definitions in section 203(b)(6)(A), a qualified entrepreneur who has demonstrated that, during the 3-year period ending on the date on which the alien filed an initial petition for nonimmigrant status described in this clause—

''(i) a qualified venture capitalist, a qualified super angel investor, a qualified government entity, a qualified community development financial institution, qualified startup accelerator, or such other type of entity or investors, as determined by the Secretary, or any combination of such entities or investors, has made a qualified investment or combination of qualified investments of not less than $100,000 in total in the alien's United States business entity; or

''(ii) the alien's United States business entity has created no fewer than 3 qualified jobs and during the 2-year period ending on such date has generated not less than $250,000 in annual revenue arising from business conducted in the United States; or''.

(b) ADMISSION OF INVEST NONIMMIGRANTS.—Section 214 (8 U.S.C. 1184), as amended by sections 3608, 4232, 4405, 4503, 4504, 4602, 4605, and 4606, is further amended by adding at the end the following:

''(aa) INVEST NONIMMIGRANT VISAS.—

''(1) DEFINITIONS.—The definitions in section 203(b)(6)(A) apply to this subsection.

''(2) INITIAL PERIOD OF AUTHORIZED ADMISSION.—The initial period of authorized status as a nonimmigrant described in section 101(a)(15)(X) shall be for an initial 3-year period.

''(3) RENEWAL OF ADMISSION.—Subject to paragraph (4), the initial period of authorized nonimmigrant status described in paragraph (2) may be renewed for additional 3-year periods if during the most recent 3-year period that the alien was granted such status—

''(A) the alien's United States business entity has created no fewer than 3 qualified jobs and a qualified venture capitalist, a qualified super angel investor, a qualified government entity, a qualified community development financial institution, qualified startup accelerator, or such other type of entity or investors, as determined by the Secretary, or any combination of such entities or investors, has made a qualified investment or combination of qualified investments of not less than $250,000 in total to the alien's United States business entity; or

''(B) the alien's United States business entity has created no fewer than 3 qualified jobs and, during the 2-year period ending on the date that the alien petitioned for an extension, has generated not less than $250,000 in annual revenue arising from business conducted within the United States.

''(4) WAIVER OF RENEWAL REQUIREMENTS.—The Secretary may renew an alien's status as a nonimmigrant described in section 101(a)(15)(X) for not more than 1 year at a time, up to an aggregate of 2 years if the alien—

''(A) does not meet the criteria under paragraph (3); and

''(B) meets the criteria established by the Secretary, in consultation with the Secretary of Commerce, for approving renewals under this subsection, which shall include a finding that—

''(i) the alien has made substantial progress in meeting such criteria; and

''(ii) such renewal is economically beneficial to the United States.

''(5) ATTESTATION.—The Secretary may require an alien seeking status as a nonimmigrant described in section 101(a)(15)(X) to attest, under penalty of perjury, that the alien meets the application criteria.

''(6) X–1 VISA FEE.—In addition to processing fees, the Secretary shall collect a $1,000 fee from each nonimmigrant admitted under section 101(a)(15)(X). Fees collected under this paragraph shall be deposited into the Comprehensive Immigration Reform Trust Fund established under section 6(a)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.''.

SEC. 4802. INVEST IMMIGRANT VISA.

Section 203(b) (8 U.S.C. 1153(b)) is amended—

(1) by redesignating paragraph (6) as paragraph (7); and

(2) by inserting after paragraph (5) the following:

''(6) INVEST IMMIGRANTS.—

''(A) DEFINITIONS.—In this paragraph, section 101(a)(15)(X), and section 214(s):

''(i) QUALIFIED COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term 'qualified community development financial institution' is defined as provided under section 1805.201 45D(c) of title 12, Code of Federal Regulations, or any similar successor regulations.

''(ii) QUALIFIED ENTREPRENEUR.—The term 'qualified entrepreneur' means an individual who—

''(I) has a significant ownership interest, which need not constitute a majority interest, in a United States business entity;

''(II) is employed in a senior executive position of such United States business entity;

''(III) submits a business plan to U.S. Citizenship and Immigration Services; and

''(IV) had a substantial role in the founding or early-stage growth and development of such United States business entity.

''(iii) QUALIFIED GOVERNMENT ENTITY.—The term 'qualified government entity' means an agency or instrumentality of the United States or of a State, local, or tribal government.

''(iv) QUALIFIED INVESTMENT.—The term 'qualified investment'—

''(I) means an investment in a qualified entrepreneur's United States business entity that is—

''(aa) a purchase from the United States business entity or equity or convertible debt issued by such entity;

''(bb) a secured loan;

''(cc) a convertible debt note;

''(dd) a public securities offering;

''(ee) a research and development award from a qualified government entity to the United States entity;

''(ff) other investment determined appropriate by the Secretary; or

''(gg) a combination of the investments described in items (aa) through (ff); and

''(II) may not include an investment from such qualified entrepreneur, the parents, spouse, son, or daughter of such qualified entrepreneur, or from any corporation, company, association, firm, partnership, society, or joint stock company over which such qualified entrepreneur has a substantial ownership interest.

''(v) QUALIFIED JOB.—The term 'qualified job' means a full-time position of a United States business entity owned by a qualified entrepreneur that—

''(I) is located in the United States;

''(II) has been filled for at least 2 years by an individual who is not the qualified entrepreneur or the spouse, son, or daughter of the qualified entrepreneur; and

''(III) pays a wage that is not less than 250 percent of the Federal minimum wage.

''(vi) QUALIFIED STARTUP ACCELERATOR.—The term 'qualified startup accelerator' means a corporation, company, association, firm, partnership, society, or joint stock company that—

''(I) is organized under the laws of the United States or any State and conducts business in the United States;

''(II) in the ordinary course of business, provides a program of training, mentorship, and logistical support to assist entrepreneurs in growing their businesses;

''(III) is managed by individuals, the majority of whom are citizens of the United States or aliens lawfully admitted for permanent residence;

''(IV)(aa) regularly acquires an equity interest in companies that participate in its programs, where the majority of the capital so invested is committed from individuals who are United States citizens or aliens lawfully admitted for permanent residence, or from entities organized under the laws of the United States or any State; or

''(bb) is an entity that has received not less than $250,000 in funding from a qualified government entity or entities during the previous 5 years and regularly makes grants to companies that participate in its programs (in which case, such grant shall be treated as a qualified investment for purposes of clause (iv));

''(V) during the previous 5 years, has acquired an equity interest in, or, in the case of an entity described in subclause (IV)(bb), regularly made grants to, not fewer than 10 United States business entities that have participated in its programs and that have—

''(aa) each secured at least $100,000 in initial investments; or

''(bb) during any 2-year period following the date of such acquisition, generated not less than $500,000 in aggregate annual revenue within the United States;

''(VI) has its primary location in the United States; and

''(VII) satisfies such other criteria as may be established by the Secretary.

''(vii) QUALIFIED SUPER ANGEL INVESTOR.—The term 'qualified super angel investor' means an individual or organized group of individuals investing directly or through a legal entity—

''(I) each of whom is an accredited investor, as defined in section 230.501(a) of title 17, Code of Federal Regulations, or any similar successor regulation, investing the funds owned by such individual or organized group in a qualified entrepreneur's United States business entity;

''(II)(aa) if an individual, is a citizen of the United States or an alien lawfully admitted for permanent residence; or

''(bb) if an organized group or legal entity, a majority of the individuals investing through such group or entity are citizens of the United States or aliens lawfully admitted for permanent residence; and

''(III) each of whom in the previous 3 years has made qualified investments in a total amount determined to be appropriate by the Secretary, that is not less than $50,000, in United States business entities which are less than 5 years old.

''(viii) QUALIFIED VENTURE CAPITALIST.—The term 'qualified venture capitalist' means an entity—

''(I) that—

''(aa) is a venture capital operating company (as defined in section 2510.3–101(d) of title 29, Code of Federal Regulations (or any successor to such regulation)); or

''(bb) has management rights, as defined in, and to the extent required by, such section 2510.3–101(d) (or successor regulation), in its portfolio companies;

''(II) that has capital commitments of not less than $10,000,000; and

''(III) the investment adviser, that is registered under the Investment Advisers Act of 1940 (15 U.S.C. 80b–2), for which—

''(aa) has its primary office location in the United States;

''(bb) is owned, directly or indirectly, by individuals, the majority of whom are citizens of the United States or aliens lawfully admitted for permanent residence in the United States;

''(cc) has been advising such entity or other similar funds or entities for at least 2 years; and

''(dd) has advised such entity or a similar fund or entity with respect to at least 2 investments of not less than $500,000 made by such entity or similar fund or entity during each of the most recent 2 years.

''(ix) SECRETARY.—Except as otherwise specifically provided, the term 'Secretary' means the Secretary of Homeland Security.

''(x) SENIOR EXECUTIVE POSITION.—The term 'senior executive position' includes the position of chief executive officer, chief technology officer, and chief operating officer.

''(xi) UNITED STATES BUSINESS ENTITY.—The term 'United States business entity' means any corporation, company, association, firm, partnership, society, or joint stock company that is organized under the laws of the United States or any State and that conducts business in the United States that is not—

''(I) a private fund, as defined in 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2);

''(II) a commodity pool, as defined in section 1a of the Commodity Exchange Act (7 U.S.C. 1a);

''(III) an investment company, as defined in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3); or

''(IV) an issuer that would be an investment company but for an exemption provided in—

''(aa) section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c); or

''(bb) section 270.3a–7 of title 17 of the Code of Federal Regulations or any similar successor regulation.

''(B) IN GENERAL.—Visas shall be available, in a number not to exceed 10,000 for each fiscal year, to qualified immigrants seeking to enter the United States for the purpose of creating new businesses, as described in this paragraph.

''(C) ELIGIBILITY.—An alien is eligible for a visa under this paragraph if—

''(i)(I) the alien is a qualified entrepreneur;

''(II) the alien maintained valid nonimmigrant status in the United States for at least 2 years;

''(III) during the 3-year period ending on the date the alien files an initial petition for such status under this section—

''(aa)(AA) the alien has a significant ownership in a United States business entity that has created no fewer than 5 qualified jobs; and

''(BB) a qualified venture capitalist, a qualified super angel investor, a qualified government entity, a qualified community development financial institution, qualified startup accelerator, or such other entity or type of investors, as determined by the Secretary, or any combination of such entities or investors, has devoted a qualified investment or combination of qualified investments of not less than $500,000 in total to the alien's United States business entity; or

''(bb)(AA) the alien has a significant ownership interest in a United States business entity that has created no fewer than 5 qualified jobs; and

''(BB) during the 2-year period ending on such date has generated not less than $750,000 in annual revenue within the United States; and

''(IV) no more than 2 other aliens have received nonimmigrant status under this section on the basis of an alien's ownership of such United States business entity;

''(ii)(I) the alien is a qualified entrepreneur;

''(II) the alien maintained valid nonimmigrant status in the United States for at least 3 years prior to the date of filing an application for such status;

''(III) the alien holds an advanced degree in a field of science, technology, engineering, or mathematics, approved by the Secretary; and

''(IV) during the 3-year period ending on the date the alien files an initial petition for such status under this section—

''(aa)(AA) the alien has a significant ownership interest in a United States business entity that has created no fewer than 4 qualified jobs; and

''(BB) a qualified venture capitalist, a qualified super angel investor, a qualified government entity, a qualified community development financial institution, qualified startup accelerator, or such other entity or type of investors, as determined by the Secretary, or any combination of such entities or investors, has devoted a qualified investment or combination of qualified investments of not less than $500,000 in total to the alien's United States business entity; or

''(bb)(AA) the alien has a significant ownership interest in a United States business entity that has created no fewer than 3 qualified jobs; and

''(BB) during the 2-year period ending on such date has generated not less than $500,000 in annual revenue within the United States; and

''(V) no more than 3 other aliens have received nonimmigrant status under this section on the basis of an alien's ownership of such United States business entity.

''(D) ATTESTATION.—The Secretary may require an alien seeking a visa under this paragraph to attest, under penalties of perjury, to the alien's qualifications.''.

SEC. 4803. ADMINISTRATION AND OVERSIGHT.

(a) REGULATIONS.—Not later than 16 months after the date of the enactment of this Act, the

Secretary, in consultation with the Secretary of Commerce, the Administrator of the Small Business Administration, and other heads of other relevant Federal agencies and departments, shall promulgate regulations to carry out the amendments made by this subtitle. Such regulations shall ensure that such amendments are implemented in a manner that is consistent with the protection of national security and promotion of United States economic growth, job creation, and competitiveness.

(b) MODIFICATION OF DOLLAR AMOUNTS.—

(1) IN GENERAL.—The Secretary may from time to time prescribe regulations increasing or decreasing any dollar amount specified in section 203(b)(6) of the Immigration and Nationality Act, as added by section 4802, section 101(a)(15)(X) of such Act, as added by section 4801, or section 214(s), as added by section 4801.

(2) AUTOMATIC ADJUSTMENT.—Unless a dollar amount referred to in paragraph (1) is adjusted by the Secretary under paragraph (1), such dollar amount shall automatically adjust on January 1, 2016, by the percentage change in the Consumer Price Index (CPI–U) during fiscal year 2015, and on every fifth subsequent January 1 by the percentage change in the CPI–U during the previous 5 fiscal years, for any petition filed to classify an alien under this paragraph on or after the date of each automatic adjustment.

(c) OTHER AUTHORITY.—The Secretary, in the Secretary's unreviewable discretion, may deny or revoke the approval of a petition seeking classification of an alien under paragraph (6) of section 203(b) of the Immigration and Nationality Act, as added by section 4802, or any other petition, application, or benefit based upon the previous or concurrent filing or approval of a petition for classification of an alien under such paragraph (6), if the Secretary determines, in the Secretary's sole and unreviewable discretion, that the approval or continuation of such petition, application, or benefit is contrary to the national interest of the United States or for other good cause.

(d) REPORTS.—Once every 3 years, the Secretary shall submit to Congress a report on this subtitle and the amendments made by this subtitle. Each such report shall include—

(1) the number and percentage of entrepreneurs able to meet thresholds for nonimmigrant renewal and adjustment to green card status under the amendments made by this subtitle;

(2) an analysis of the program's economic impact including job and revenue creation, increased investments and growth within business sectors and regions;

(3) a description and breakdown of types of businesses that entrepreneurs granted nonimmigrant or immigrant status are creating;

(4) for each report following the Secretary's initial report submitted under this subsection, a description of the percentage of the businesses initially created by the entrepreneurs granted immigrant and nonimmigrant status under this subtitle and the amendments made by this subtitle, that are still in operation; and

(5) any recommendations for improving the program established by this subtitle and the amendments made by this subtitle.

SEC. 4804. PERMANENT AUTHORIZATION OF EB–5 REGIONAL CENTER PROGRAM.

(a) REPEAL.—Section 610 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993 (8 U.S.C. 1153 note) is repealed.

(b) AUTHORIZATION.—Section 203(b)(5) (8 U.S.C. 1153(b)(5)) is amended by adding at the end the following:

''(E) REGIONAL CENTER PROGRAM.—

''(i) IN GENERAL.—Visas under this paragraph shall be made available to qualified immigrants participating in a program implementing this paragraph that involves a regional center in the United States, which has been designated by the Secretary of Homeland Security, in consultation with the Secretary of Commerce, on the basis of a general proposal for the promotion of economic growth, including—

''(I) increased export sales;

''(II) improved regional productivity;

''(III) job creation; or

''(IV) increased domestic capital investment.

''(ii) ESTABLISHMENT OF A REGIONAL CENTER.—A regional center shall have jurisdiction over a defined geographic area, which shall be described in the proposal and consistent with the purpose of concentrating pooled investment in defined economic zones. The establishment of a regional center may be based on general predictions, contained in the proposal, concerning—

''(I) the kinds of commercial enterprises that will receive investments from aliens;

''(II) the jobs that will be created directly or indirectly as a result of such investments; and

''(III) other positive economic effects such investments will have.

''(iii) COMPLIANCE.—In determining compliance with subparagraph (A)(ii), the Secretary of Homeland Security shall permit aliens admitted under the program described in this subparagraph to establish reasonable methodologies for determining the number of jobs created by the program, including jobs estimated to have been created indirectly through—

''(I) revenues generated from increased exports, improved regional productivity, job creation; or

''(II) increased domestic capital investment resulting from the program, including jobs created outside of the geographic boundary of the regional center as a result of the immigrant's investment in regional center-affiliated commercial enterprises.

''(iv) INDIRECT JOB CREATION.—The Secretary shall permit immigrants admitted under this paragraph to satisfy the requirements under subparagraph (A)(ii) with jobs that are estimated to be created indirectly through investment under this paragraph in accordance with this subparagraph.

''(F) PREAPPROVAL OF BUSINESS PLANS FOR REGIONAL CENTER INVESTMENTS.—

''(i) PETITION.—Before the filing of a petition under this subparagraph by an alien investor, a commercial enterprise affiliated with a regional center may file a petition with the Secretary of Homeland Security to preapprove a particular investment in the commercial enterprise, as provided in—

''(I) a business plan for a specific capital investment project;

''(II) investment documents, such as subscription, investment, partnership, and operating agreements; and

''(III) a credible economic analysis regarding estimated job creation that is based upon reasonable methodologies.

''(ii) PREAPPROVAL PROCEDURE.—The Secretary shall establish a process to facilitate the preapproval of business plans under this subparagraph related to investment in a regional center commercial enterprise, which shall include an opportunity for the applicant to address and cure any deficiencies identified by the Secretary in the applicant's business plan, investment documents, or statement regarding job creation prior to a final determination. The Secretary shall impose a fee for the use of the process described in this clause sufficient to recover the costs of its administration.

''(iii) EFFECT OF PREAPPROVAL OF BUSINESS PLAN FOR INVESTMENT IN REGIONAL CENTER COMMERCIAL ENTERPRISE.—The preapproval of a petition under this subparagraph shall be binding for purposes of the adjudication of petitions filed under this subparagraph by immigrants investing in the commercial enterprise unless the Secretary determines that there is evidence of fraud, misrepresentation, criminal misuse, a threat to national security, or other evidence affecting program eligibility that was not disclosed by the petitioner during the preapproval process.

''(iv) EXPEDITED PROCESSING OPTION FOR ALIEN INVESTOR PETITIONS AFFILIATED WITH PREAPPROVED BUSINESS PLANS.—The Secretary may establish a premium processing option for alien investors who are investing in a commercial enterprise that has received preapproval under this subparagraph and may impose a fee for the use of that option sufficient to recover all costs of the option.

''(v) CONSIDERATION OF CRIMINAL ACTIVITY IN ESTABLISHING ELIGIBILITY CRITERIA.—The Secretary shall consider the potential for fraud, misrepresentation, criminal misuse, and threats to national security in establishing eligibility criteria for any program the Secretary may establish under this subparagraph.

''(G) REGIONAL CENTER FINANCIAL STATEMENTS.—

''(i) IN GENERAL.—Each regional center designated under subparagraph (E) shall annually submit, to the Director of U.S. Citizenship and Immigration Services (referred to in this subparagraph as the 'Director'), in a manner prescribed by the Secretary of Homeland Security, financial statements, including—

''(I) an accounting of all foreign investor money invested through the regional center; and

''(II) for each capital investment project—

''(aa) an accounting of the aggregate capital invested through the regional center or affiliated commercial enterprises by immigrants under this paragraph;

''(bb) a description of how such funds are being used to execute the approved business plan;

''(cc) evidence that 100 percent of such investor funds have been dedicated to the project;

''(dd) detailed evidence of the progress made toward the completion of the project;

''(ee) an accounting of the aggregate direct and indirect jobs created or preserved; and

''(ff) a certification by the regional center that such statements are accurate.

''(ii) AMENDMENT OF FINANCIAL STATEMENTS.—If the Director determines that a financial statement required under clause (i) is deficient, the Director may require the regional center to amend or supplement such financial statement.

''(iii) SANCTIONS.—

''(I) EFFECT OF VIOLATION.—If the Director determines, after reviewing the financial statements submitted under clause (i), that a regional center, director, or other individual involved with a regional center (other than an alien investor) has violated any requirement under clause (i) or that the regional center is conducting itself in a manner inconsistent with its designation, the Director may sanction the violating entity or individual under subclause (II).

''(II) AUTHORIZED SANCTIONS.—The Director shall establish a graduated set of sanctions for violations referred to in subclause (I), including—

''(aa) fines equal to not more than 5 percent of the total capital invested by immigrant investors in the commercial enterprise's approved business plan;

''(bb) temporary suspension from participation in the program described in subparagraph (E), which may be lifted by the Director if the individual or entity cures the alleged violation after being provided such an opportunity by the Director;

''(cc) permanent bar from program participation for 1 or more individuals affiliated with the regional center; and

''(dd) termination of regional center status.

''(H) BONA FIDES OF PERSONS INVOLVED IN REGIONAL CENTERS.—

''(i) IN GENERAL.—No person shall be permitted by any regional center to be involved with the regional center as its principal, representative, administrator, owner, officer, board member, manager, executive, general partner, fiduciary, marketer, promoter, or other similar position of substantive authority for the operations, management or promotion of the regional center if the Secretary of Homeland Security—

''(I) determines such person has been found liable within the previous 5 years for any criminal or civil violation of any law relating to fraud or deceit, or at any time if such violation involved a criminal conviction with a term of imprisonment of at least 1 year or a criminal or civil violation of any law or agency regulation in connection with the purchase or sale of a security; or

''(II) knows or has reasonable cause to believe that the person is engaged in, has ever been engaged in, or seeks to engage in any—

''(aa) illicit trafficking in any controlled substance;

''(bb) activity relating to espionage or sabotage;

''(cc) activity related to money laundering (as described in section 1956 or 1957 of title 18, United States Code);

''(dd) terrorist activity (as defined in clauses (iii) and (iv) of section 212(a)(3)(B));

''(ee) human trafficking or human rights offense; or

''(ff) violation of any statute, regulation, or Executive Order regarding foreign financial transactions or foreign asset control.

''(ii) INFORMATION REQUIRED.—The Secretary shall require such attestations and information, including, the submission of fingerprints to the Federal Bureau of Investigation, and shall perform such criminal record checks and other background checks with respect to a regional center, and persons involved in a regional center as described in clause (i), as the Secretary considers appropriate to determine whether the regional center is in compliance with clause (i). The Secretary may require the information and attestations described in this clause from such regional center, and any person involved in the regional center, at any time on or after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act.

''(iii) TERMINATION.—The Secretary is authorized, in his or her unreviewable discretion, to terminate any regional center from the program under this paragraph if he or she determines that—

''(I) the regional center is in violation of clause (i);

''(II) the regional center or any person involved with the regional center has provided any false attestation or information under clause (ii);

''(III) the regional center or any person involved with the regional center fails to provide an attestation or information requested by the Secretary under clause (ii); or

''(IV) the regional center or any person involved with the regional center is engaged in fraud, misrepresentation, criminal misuse, or threats to national security.

''(I) REGIONAL CENTER COMPLIANCE WITH SECURITIES LAWS.—

''(i) CERTIFICATION REQUIRED.—The Secretary of Homeland Security shall not approve an application for regional center designation or regional center amendment that does not certify that the regional center and, to the best knowledge of the applicant, all parties to the regional center are in, and will maintain, compliance with the securities laws of the United States.

''(ii) TERMINATION OR SUSPENSION.—The Secretary shall terminate the designation of any regional center that does not provide the certification described in subclause (i) on an annual basis. In addition to any other authority provided to the Secretary regarding the regional center program described in subparagraph (E), the Secretary may, in his or her unreviewable discretion, suspend or terminate the designation of any regional center if he or she determines that the regional center or any party to the regional center—

''(I) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction in connection with the purchase or sale of a security;

''(II) is subject to any final order of the Securities and Exchange Commission that—

''(aa) bars such person from association with an entity regulated by the Securities and Exchange Commission; or

''(bb) constitutes a final order based on violations in connection with the purchase or sale of a security; or

''(III) knowingly submitted or caused to be submitted a certification described in clause (i) that contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

''(iii) SAVINGS PROVISION.—Nothing in this subparagraph may be construed to impair or limit the authority of the Securities and Exchange Commission under the Federal securities laws.

''(iv) DEFINED TERM.—For the purpose of this subparagraph, the term 'party to the regional center' shall include the regional center, its agents, employees, and attorneys, and any persons in active concert or participation with the regional center.

''(J) DENIAL OR REVOCATION.—If the Secretary of Homeland Security determines, in his or her unreviewable discretion, that the approval of a petition, application, or benefit described in this subparagraph is contrary to the national interest of the United States for reasons relating to fraud, misrepresentation, criminal misuse, or threats to national security, the Secretary may deny or revoke the approval of—

''(i) a petition seeking classification of an alien as an alien investor under this paragraph;

''(ii) a petition to remove conditions under section 216A before granting lawful permanent resident status or any other petition, application, or benefit based upon the previous or concurrent filing or approval of a petition for classification of an alien under this paragraph; or

''(iii) an application for designation as a regional center.''.

(c) ASSISTANCE BY THE SECRETARY OF COMMERCE.—

(1) IN GENERAL.—The Secretary of Commerce, upon the request of the Secretary, shall provide consultation assistance for determining whether—

(A) a proposed regional center should be designated, terminated, or subject to other adjudicative action; or

(B) a petitioner or applicant for a benefit under section 203(b)(5) of the Immigration and Nationality Act, as amended by subsection (b), has met the requirements under such paragraph with respect to job creation.

(2) RULEMAKING.—The Secretary and the Secretary of Commerce may each adopt such rules and regulations as are necessary to carry out the consultation process provided for in paragraph (1).

(3) SAVINGS PROVISION.—Nothing in this subsection shall be construed to require consultation with the Secretary of Commerce to continue the designation of a regional center approved before the date of the enactment of this Act.

(d) EFFECTIVE DATE.—The amendments made by this section—

(1) shall be effective upon the enactment of this Act; and

(2) shall apply to—

(A) any application to designate a regional center, and any person involved with the regional center, that is pending or approved on or after the date of the enactment of this Act; and

(B) any regional center approved before the date of the enactment of this Act, on or after a delayed effective date that is 1 year after such date of enactment with respect to any person involved in the regional center on or after such delayed effective date.

SEC. 4805. CONDITIONAL PERMANENT RESIDENT STATUS FOR CERTAIN EMPLOYMENT-BASED IMMIGRANTS, SPOUSES, AND CHILDREN.

(a) IN GENERAL.—Section 216A (8 U.S.C. 1186b) is amended to read as follows:

''SEC. 216A. CONDITIONAL PERMANENT RESIDENT STATUS FOR CERTAIN EMPLOYMENT-BASED IMMIGRANTS, SPOUSES, AND CHILDREN.

''(a) IN GENERAL.—

''(1) CONDITIONAL BASIS FOR STATUS.—Notwithstanding any other provision of this Act, employment-based immigrants (as defined in subsection (f) (1) or (2)), alien spouses, and alien children (as defined in subsection (f)(3)) shall be considered, at the time of obtaining the status of an alien lawfully admitted for permanent residence, to have obtained such status on a conditional basis subject to the provisions of this section.

''(2) NOTICE OF REQUIREMENTS.—

''(A) AT TIME OF OBTAINING PERMANENT RESIDENCE.—At the time an employment-based immigrant, alien spouse, or alien child obtains permanent resident status on a conditional basis under paragraph (1), the Secretary of Homeland Security shall provide for notice to the alien, spouse, or child respecting the provisions of this section and the requirements of subsection (c)(1) to have the conditional basis of such status removed.

''(B) AT TIME OF REQUIRED PETITION.—In addition, the Secretary of Homeland Security shall attempt to provide notice to an employment-based immigrant, alien spouse, or alien child, at or about the beginning of the 90-day period described in subsection (d)(3), of the requirements of subsection (c)(1).

''(C) EFFECT OF FAILURE TO PROVIDE NOTICE.—The failure of the Secretary of Homeland Security to provide a notice under this paragraph shall not affect the enforcement of the provisions of this section with respect to an employment-based immigrant, alien spouse, or alien child.

''(b) TERMINATION OF STATUS IF FINDING THAT QUALIFYING EMPLOYMENT IMPROPER.—

''(1) ALIEN INVESTOR.—In the case of an alien investor with permanent resident status on a conditional basis under subsection (a), if the Secretary of Homeland Security determines, before the second anniversary of the alien's obtaining the status of lawful admission for permanent residence, that—

''(A) the investment in the commercial enterprise was intended as a means of evading the immigration laws of the United States;

''(B)(i) the alien did not invest, or was not actively in the process of investing, the requisite capital; or

''(ii) the alien was not sustaining the actions described in clause (i) throughout the period of the alien's residence in the United States; or

''(C) subject to the exception in subsection (d)(4), the alien was otherwise not conforming to the requirements under section 203(b)(5),

the Secretary shall so notify the alien investor and, subject to paragraph (3), shall terminate the permanent resident status of the alien (and the alien spouse and alien child) involved as of the date of the determination.

''(2) EMPLOYEE OF A FEDERAL NATIONAL SECURITY, SCIENCE, AND TECHNOLOGY LABORATORY, CENTER OR AGENCY.—In the case of an employee of a Federal national security, science, and technology laboratory, center, or agency (as defined pursuant to section 203(b)(2)(C)) with permanent resident status on a conditional basis under subsection (a), if the Secretary of Homeland Security, in consultation with the relevant employing department or agency, determines, before the first anniversary of the alien's obtaining the status of lawful admission for permanent residence, that—

''(A) the qualifying employment was intended as a means of evading the immigration laws of the United States;

''(B) the alien has not completed or is not likely to complete 12 months of qualifying continuous employment; or

''(C) the alien did not otherwise conform with the requirements of section 203(b)(2),

the Secretary shall so notify the alien involved and, subject to paragraph (3), shall terminate

the permanent resident status of the alien (and the alien spouse and alien child) involved as of the date of the determination.

''(3) HEARING IN REMOVAL PROCEEDING.—Any alien whose permanent resident status is terminated under paragraph (1) or (2) may request a review of such determination in a proceeding to remove the alien. In such proceeding, the burden of proof shall be on the Secretary of Homeland Security to establish, by a preponderance of the evidence, that a condition described in paragraph (1) or (2), as appropriate, is met.

''(c) REQUIREMENTS OF TIMELY PETITION AND INTERVIEW FOR REMOVAL OF CONDITION.—

''(1) IN GENERAL.—

''(A) PETITION AND INTERVIEW.—In order for the conditional basis established under subsection (a) for an employment-based immigrant, alien spouse, or alien child to be removed—

''(i) the employment-based immigrant shall submit to the Secretary of Homeland Security, during the period described in subsection (d)(3), a petition which requests the removal of such conditional basis and which states, under penalty of perjury, the facts and information described in paragraph (1) or (2) of subsection (d), as appropriate; and

''(ii) in accordance with subsection (d)(3), the employment-based immigrant must appear for a personal interview before an officer or employee of U.S. Citizenship and Immigration Services respecting such facts and information.

''(B) SEPARATE PETITION NOT REQUIRED.—An alien spouse or alien child shall not be required to file separate petitions under subparagraph (A)(i) if the employment-based immigrant's petition includes such alien spouse or alien child.

''(C) EFFECT ON SPOUSE OR CHILD.—If the alien spouse or alien child obtains permanent residence on a conditional basis after the employment-based immigrant files a petition under subparagraph (A)(i)—

''(i) the conditional basis of the permanent residence of the alien spouse or alien child shall be removed upon approval of the employment-based immigrant's petition under this subsection;

''(ii) the permanent residence of the alien spouse or alien child shall be unconditional if—

''(I) the employment-based immigrant's petition is approved before the date on which the spouse or child obtains permanent residence; or

''(II) the employment-based immigrant dies after the approval of a petition under section 203(b)(5); and

''(iii) the alien child shall not be deemed ineligible for approval under section 203(b)(5) or removal of conditions under this section if the alien child reaches 21 years of age during—

''(I) the pendency of the employment-based immigrant's petition under section 203(b)(5); or

''(II) conditional residency under such section.

''(D) ADDITIONAL FEE.—Notwithstanding any other provision under this section, the Secretary may require the employment-based immigrant to pay an additional fee for a petition filed under subparagraph (A)(i) that includes the alien's spouse and child or children.

''(2) TERMINATION OF PERMANENT RESIDENT STATUS FOR FAILURE TO FILE PETITION OR HAVE PERSONAL INTERVIEW.—

''(A) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if—

''(i) no petition is filed with respect to the alien in accordance with the provisions of paragraph (1)(A); or

''(ii) unless there is good cause shown, the employment-based immigrant fails to appear at the interview described in paragraph (1)(B) (if required under subsection (d)(4)),

the Secretary of Homeland Security shall terminate the permanent resident status of the alien (and the alien's spouse and children if it was obtained on a conditional basis under this section or section 216) as of the second anniversary of the alien's lawful admission for permanent residence.

''(B) HEARING IN REMOVAL PROCEEDING.—In any removal proceeding with respect to an alien whose permanent resident status is terminated under subparagraph (A), the burden of proof shall be on the alien to establish compliance with the conditions of paragraphs (1)(A) and (1)(B).

''(3) DETERMINATION AFTER PETITION AND INTERVIEW.—

''(A) IN GENERAL.—If—

''(i) a petition is filed in accordance with the provisions of paragraph (1)(A); and

''(ii) the employment-based immigrant appears at any interview described in paragraph (1)(B), the Secretary of Homeland Security shall make a determination, not later than 90 days after the date of such filing or interview (whichever is later), as to whether the facts and information described in paragraph (1) or (2) of subsection (d), as appropriate, and alleged in the petition are true.

''(B) REMOVAL OF CONDITIONAL BASIS IF FAVORABLE DETERMINATION.—

''(i) HEADER.—If the Secretary of Homeland Security determines with respect to a petition filed by an alien investor that such facts and information are true, the Secretary shall so notify the alien investor and shall remove the conditional basis of the alien's status effective as of the second anniversary of the alien's lawful admission for permanent residence.

''(ii) REMOVAL OF CONDITIONAL BASIS FOR EMPLOYEE OF A FEDERAL NATIONAL SECURITY, SCIENCE, AND TECHNOLOGY LABORATORY, CENTER OR AGENCY.—If the Secretary of Homeland Security determines with respect to a petition filed by an employee of a Federal national security, science, and technology laboratory, center, or agency that such facts and information are true, the Secretary shall so notify the alien and shall remove the conditional basis of the alien's status effective as of the first anniversary of the alien's lawful admission for permanent residence.

''(C) TERMINATION IF ADVERSE DETERMINATION.—If the Secretary of Homeland Security determines that such facts and information are not true, the Secretary shall so notify the alien involved and, subject to subparagraph (D), shall terminate the permanent resident status of an employment-based immigrant, alien spouse, or alien child as of the date of the determination.

''(D) HEARING IN REMOVAL PROCEEDING.—Any alien whose permanent resident status is terminated under subparagraph (C) may request a review of such determination in a proceeding to remove the alien. In such proceeding, the burden of proof shall be on the Secretary of Homeland Security to establish, by a preponderance of the evidence, that the facts and information described in subsection (d)(1) and alleged in the petition are not true.

''(d) DETAILS OF PETITION AND INTERVIEW.—

''(1) CONTENTS OF PETITION BY ALIEN INVESTOR.—Each petition filed by an alien investor under section (c)(1)(A) shall contain facts and information demonstrating that the alien—

''(A)(i) invested, or is actively in the process of investing, the requisite capital; and

''(ii) sustained the actions described in clause (i) throughout the period of the alien's residence in the United States; and

''(B) except as provided in paragraph (4), is otherwise conforming to the requirements under section 203(b)(5).

''(2) CONTENTS OF PETITION BY EMPLOYEE OF A FEDERAL NATIONAL SECURITY, SCIENCE, AND TECHNOLOGY LABORATORY, CENTER, OR AGENCY.—Each petition under subsection (c)(1)(A) filed by an employee of a Federal national security, science, and technology laboratory, center, or agency shall contain facts and information demonstrating that the alien is conforming to the requirements of section 203(b)(2).

''(3) PERIOD FOR FILING PETITION.—

''(A) 90-DAY PERIOD BEFORE ANNIVERSARY.—Except as provided in subparagraph (B), the petition under subsection (c)(1)(A) must be filed as follows:

''(i) In the case of an alien investor, during the 90-day period before the second anniversary of the alien's lawful admission for permanent residence.

''(ii) In the case of an employee of a Federal national security, science, and technology laboratory, center, or agency, during the 90-day period before the first anniversary of the alien's lawful admission for permanent residence.

''(B) LATE PETITIONS.—Such a petition may be considered if filed after such date, but only if the alien establishes to the satisfaction of the Secretary of Homeland Security good cause and extenuating circumstances for failure to file the petition during the period described in subparagraph (A).

''(C) FILING OF PETITIONS DURING REMOVAL.—In the case of an alien who is the subject of removal hearings as a result of failure to file a petition on a timely basis in accordance with subparagraph (A), the Secretary of Homeland Security may stay such removal proceedings against an alien pending the filing of the petition under subparagraph (B).

''(4) PERSONAL INTERVIEW.—The interview under subsection (c)(1)(B) shall be conducted within 90 days after the date of submitting a petition under subsection (c)(1)(A) and at a local office of U.S. Citizenship and Immigration Services, designated by the Secretary of Homeland Security, which is convenient to the parties involved. The Secretary, in the discretion of the Secretary, may waive the deadline for such an interview or the requirement for such an interview in such cases as may be appropriate.

''(5) SPECIAL RULE FOR ALIEN INVESTORS IN A REGIONAL CENTER.—Each petition under subsection (c)(1)(A) filed by an alien investor who invests in accordance with section 203(b)(5)(E) shall contain facts and information demonstrating that the alien is complying with the requirements under section 203(b)(5), except—

''(A) the alien shall not be subject to the requirements under section 203(b)(5)(A)(ii); and

''(B) the petition shall contain the most recent financial statement filed by the regional center in which the alien has invested in accordance with section 203(b)(5)(G).

''(e) TREATMENT OF PERIOD FOR PURPOSES OF NATURALIZATION.—For purposes of title III, in the case of an alien who is in the United States as a lawful permanent resident on a conditional basis under this section, the alien shall be considered to have been admitted as an alien lawfully admitted for permanent residence and to be in the United States as an alien lawfully admitted to the United States for permanent residence, if the alien has had the conditional basis removed pursuant to this section.

''(f) FRAUD, MISREPRESENTATION, CRIMINAL MISUSE, OR THREATS TO THE PUBLIC SAFETY OR NATIONAL SECURITY.—If the Secretary of Homeland Security determines, in his or her sole and unreviewable discretion, that the conditional permanent resident status granted to an employment-based immigrant under subsection (a), or to an alien researcher described in section 203(b)(2)(A)(ii) is contrary to the national interest of the United States for reasons relating to fraud, misrepresentation, criminal misuse, or threats to national security, the Secretary shall—

''(1) notify the immigrant involved of such determination; and

''(2) terminate the permanent resident status of the immigrant involved (and the alien spouse and alien children of such immigrant) as of the date of such determination.

''(g) DEFINITIONS.—In this section:

''(1) The term 'alien investor' means an alien who obtains the status of an alien lawfully admitted for permanent residence (whether on a conditional basis or otherwise) under section 203(b)(5).

''(2) The term 'alien spouse' and the term 'alien child' mean an alien who obtains the status of an alien lawfully admitted for permanent residence (whether on a conditional basis or

otherwise) by virtue of being the spouse or child, respectively, of an alien investor or an employee of a Federal national security, science, and technology laboratory, center, or agency.

''(3) The term 'commercial enterprise' includes a limited partnership.

''(4) The term 'employment-based immigrant' means an alien described in paragraph (1) or (5).

''(5) The term 'employee of a Federal national security, science, and technology laboratory, center, or agency' means an alien who obtains the status of an alien lawfully admitted for permanent residence (whether on a conditional basis or otherwise) under section 203(b)(2)(A)(ii).''.

(b) CONFORMING AMENDMENT.—Section 216(e) (8 U.S.C. 1186a(e)) is amended by inserting before the period at the end the following: '', if the alien has had the conditional basis removed pursuant to this section''.

(c) CLERICAL AMENDMENT.—The table of contents is amended by striking the item relating to section 216A and inserting the following:

''Sec. 216A. Conditional permanent resident status for certain employment-based immigrants, spouses, and children.''.

SEC. 4806. EB–5 VISA REFORMS.

(a) ALIENS NOT SUBJECT TO DIRECT NUMERICAL LIMITATION.—Section 201(b)(1) (8 U.S.C. 1151(b)(1)), as amended by sections 2103(c)(2), 2212(d)(2), 2307(b), and 2402, is further amended by adding at the end the following:

''(P) Aliens who are the spouse or a child of an alien admitted as an employment-based immigrant under section 203(b)(5).''.

(b) TECHNICAL AMENDMENT.—Section 203(b)(5), as amended by this Act, is further amended by striking ''Attorney General'' each place it appears and inserting ''Secretary of Homeland Security''.

(c) TARGETED EMPLOYMENT AREAS.—

(1) IN GENERAL.—Section 203(b)(5)(B) (8 U.S.C. 1153(b)(5)(B)) is amended to read as follows:

''(B) SET-ASIDE FOR TARGETED EMPLOYMENT AREAS.—

''(i) IN GENERAL.—Not fewer than 5,000 of the visas made available under this paragraph in each fiscal year shall be reserved for qualified immigrants who invest in a new commercial enterprise described in subparagraph (A), which—

''(I) is investing such capital in a targeted employment area; and

''(II) will create employment in such targeted employment area.

''(ii) DURATION OF HIGH UNEMPLOYMENT AND POVERTY AREA DESIGNATION.—A designation of a high unemployment or poverty area as a targeted employment area shall be valid for 5 years and may be renewed for additional 5-year periods if the area continues to meet the definition of a high unemployment or poverty area. An investor who has made the required amount of investment in such a targeted employment area during its period of designation shall not be required to increase the amount of investment based upon expiration of the designation.''.

(d) ADJUSTMENT OF MINIMUM EB–5 INVESTMENT AMOUNT.—Section 203(b)(5)(C)(i) (8 U.S.C. 1153(b)(5)(C)(i)) is amended—

(1) by striking ''The Attorney General'' and inserting ''The Secretary of Commerce'';

(2) by striking ''Secretary of State'' and inserting ''Secretary of Homeland Security''; and

(3) by adding at the end the following: ''Unless adjusted by the Secretary of Commerce, the amount specified in this clause shall automatically adjust, on January 1, 2016, by the percentage change in the Consumer Price Index (CPI–U) during fiscal year 2015, and on every fifth subsequent January 1 by the cumulative percentage change in the CPI–U during the previous 5 fiscal years, for any petition filed to classify an alien under this paragraph on or after the date of each automatic adjustment.''.

(e) DEFINITIONS.—

(1) IN GENERAL.—Section 203(b)(5) (8 U.S.C. 1153(b)(5)), as amended by subsections (b) and (c) and section 4804, is further amended—

(A) by striking subparagraph (D) and inserting following:

''(D) CALCULATION OF FULL-TIME EMPLOYMENT.—Job creation under this paragraph may consist of employment measured in full-time equivalents, such as intermittent or seasonal employment opportunities and construction jobs. A full-time employment position is not a requirement for indirect job creation.''; and

(B) by adding at the end the following:

''(K) DEFINITIONS.—In this paragraph:

''(i) The term 'capital' means all real, personal, or mixed assets, whether tangible or intangible, owned or controlled by the investor, or held in trust for the benefit of the investor, to which the investor has unrestricted access, which shall be valued at fair market value in United States dollars, in accordance with Generally Accepted Accounting Principles, at the time it is invested under this paragraph.

''(ii) The term 'full-time employment' means employment in a position that requires at least 35 hours of service per week, regardless of how many employees fill the position.

''(iii) The term 'high unemployment and poverty area' means—

''(I) an area consisting of a census tract or contiguous census tracts that has an unemployment rate that is at least 150 percent of the national average unemployment rate and includes at least 1 census tract with 20 percent of its residents living below the poverty level as determined by the Bureau of the Census; or

''(II) an area that is within the boundaries established for purposes of a Federal or State economic development incentive program, including areas defined as Enterprise Zones, Renewal Communities, Promise Zones, and Empowerment Zones.

''(iv) The term 'rural area' means—

''(I) any area other than an area within a metropolitan statistical area or within the outer boundary of any city or town having a population of 20,000 or more (based on the most recent decennial census of the United States); or

''(II) any city or town having a population of fewer than 20,000 (based on the most recent decennial census of the United States) that is located within a State having a population of fewer than 1,500,000 (based on the most recent decennial census of the United States).

''(v) The term 'targeted employment area' means a rural area or a high unemployment and poverty area.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to any application for a visa under section 203(b)(5) of the Immigration and Nationality Act that is filed on or after the date that is 1 year after the date of the enactment of this Act.

(f) AGE DETERMINATION FOR CHILDREN OF ALIEN INVESTORS.—Section 203(h) (8 U.S.C. 1153(h)) is amended by adding at the end the following:

''(5) AGE DETERMINATION FOR CHILDREN OF ALIEN INVESTORS.—An alien admitted under subsection (d) as a lawful permanent resident on a conditional basis as the child of an alien lawfully admitted for permanent residence under subsection (b)(5), whose lawful permanent resident status on a conditional basis is terminated under section 216A, shall continue to be considered a child of the principal alien for the purpose of a subsequent immigrant petition by such alien under subsection (b)(5) if the alien remains unmarried and the subsequent petition is filed by the principal alien not later than 1 year after the termination of conditional lawful permanent resident status. No alien shall be considered a child under this paragraph with respect to more than 1 petition filed after the alien's 21st birthday.''.

(g) ENHANCED PAY SCALE FOR CERTAIN FEDERAL EMPLOYEES ADMINISTERING THE EB–5 PROGRAM.—The Secretary may establish, fix the compensation of, and appoint individuals to, designated critical administrative, technical, and professional positions needed to administer sections 203(b)(5) and 216A of the Immigration and Nationality Act (8 U.S.C. 1153(b)(5) and 1186b).

(h) DELEGATION OF CERTAIN EB–5 AUTHORITY.—

(1) IN GENERAL.—The Secretary of Homeland Security may delegate to the Secretary of Commerce authority and responsibility for determinations under sections 203(b)(5) and 216A (with respect to alien entrepreneurs) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(5) and 1186a), including determining whether an alien has met employment creation requirements.

(2) REGULATIONS.—The Secretary of Homeland Security and the Secretary of Commerce may each adopt such rules and regulations as are necessary to carry out the delegation authorized under paragraph (1), including regulations governing the eligibility criteria for obtaining benefits pursuant to the amendments made by this section.

(3) USE OF FEES.—Adjudication fees described in section 286(m) of the Immigration and Nationality Act (8 U.S.C. 1356(m)) shall remain available until expended to reimburse the Secretary of Commerce for the costs of any determinations made by the Secretary of Commerce under paragraph (1).

(i) CONCURRENT FILING OF EB–5 PETITIONS AND APPLICATIONS FOR ADJUSTMENT OF STATUS.—Section 245 (8 U.S.C. 1255), as amended by section 4237(b), is further amended—

(1) in subsection (k), in the matter preceding paragraph (1), by striking ''or (3)'' and inserting ''(3), (5), or (7)''; and

(2) by adding at the end the following:

''(o) At the time a petition is filed for classification under section 203(b)(5), if the approval of such petition would make a visa immediately available to the alien beneficiary, the alien beneficiary's application for adjustment of status under this section shall be considered to be properly filed whether the application is submitted concurrently with, or subsequent to, the visa petition.''.

SEC. 4807. AUTHORIZATION OF APPROPRIATIONS.

(a) FUNDING.—There are authorized to be appropriated from the Trust Fund established under section 6(a) such sums as may be necessary to carry out sections 1110, 2101, 2104, 2212, 2213, 2221, 2232, 3301, 3501, 3502, 3503, 3504, 3505, 3506, 3605, 3610, 4221, and 4401 of this Act.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to this section shall remain available until expended unless otherwise specified in this Act.

Subtitle I—Student and Exchange Visitor Programs

SEC. 4901. SHORT TITLE.

This subtitle may be cited as the ''Student Visa Integrity Act''.

SEC. 4902. SEVIS AND SEVP DEFINED.

In this subtitle:

(1) SEVIS.—The term ''SEVIS'' means the Student and Exchange Visitor Information System of the Department of Homeland Security.

(2) SEVP.—The term ''SEVP'' means the Student and Exchange Visitor Program of the Department of Homeland Security.

SEC. 4903. INCREASED CRIMINAL PENALTIES.

Section 1546(a) of title 18, United States Code, is amended by striking ''10 years'' and inserting ''15 years (if the offense was committed by an owner, official, employee, or agent of an educational institution with respect to such institution's participation in the Student and Exchange Visitor Program), 10 years''.

SEC. 4904. ACCREDITATION REQUIREMENT.

Section 101(a)(52) (8 U.S.C. 1101(a)(52)) is amended to read as follows:

''(52) Except as provided in section 214(m)(4), the term 'accredited college, university, or language training program' means a college, university, or language training program that is accredited by an accrediting agency recognized by the Secretary of Education.''.

SEC. 4905. OTHER ACADEMIC INSTITUTIONS.

Section 214(m) (8 U.S.C. 1184(m)) is amended by adding at the end the following:

''(3) The Secretary of Homeland Security shall require accreditation of an academic institution (except for seminaries or other religious institutions) for purposes of section 101(a)(15)(F) if—

''(A) that institution is not already required to be accredited under section 101(a)(15)(F)(i); and

''(B) an appropriate accrediting agency recognized by the Secretary of Education is able to provide such accreditation.

''(4) The Secretary of Homeland Security, in the Secretary's discretion, may waive the accreditation requirement in section 101(a)(15)(F)(i) with respect to an accredited college, university, or language training program if the academic institution—

''(A) is otherwise in compliance with the requirements of such section; and

''(B) is, on the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, a candidate for accreditation or, after such date, has been a candidate for accreditation for at least 1 year and continues to progress toward accreditation by an accreditation agency recognized by the Secretary of Education.''.

SEC. 4906. PENALTIES FOR FAILURE TO COMPLY WITH SEVIS REPORTING REQUIREMENTS.

Section 641 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372) is amended—

(1) in subsection (c)(1)—

(A) by striking ''institution,,'' each place it appears and inserting ''institution,''; and

(B) in subparagraph (D), by striking ''and'' at the end;

(2) in subsection (d)(2), by striking ''fails to provide the specified information'' and all that follows and inserting ''does not comply with the reporting requirements set forth in this section, the Secretary of Homeland Security may—

''(A) impose a monetary fine on such institution in an amount to be determined by the Secretary; and

''(B) suspend the authority of such institution to issue a Form I–20 to any alien.''.

SEC. 4907. VISA FRAUD.

(a) IMMEDIATE WITHDRAWAL OF SEVP CERTIFICATION.—Section 641(d) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372(d)) is amended—

(1) in paragraph (1)(A), by striking ''institution,,'' and inserting ''institution,''; and

(2) by adding at the end the following:

''(3) EFFECT OF REASONABLE SUSPICION OF FRAUD.—If the Secretary of Homeland Security has reasonable suspicion that an owner of, or a designated school official at, an approved institution of higher education, an other approved educational institution, or a designated exchange visitor program has committed fraud or attempted to commit fraud relating to any aspect of the Student and Exchange Visitor Program, or if such owner or designated school official is indicted for such fraud, the Secretary may immediately—

''(A) suspend such certification without prior notification; and

''(B) suspend such official's or such school's access to the Student and Exchange Visitor Information System (SEVIS).''.

(b) EFFECT OF CONVICTION FOR VISA FRAUD.—Section 641(d) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended by subsection (a), is further amended by adding at the end the following:

''(5) PERMANENT DISQUALIFICATION FOR FRAUD.—A designated school official at, or an owner of, an approved institution of higher education, an other approved educational institution, or a designated exchange visitor program who is convicted for fraud relating to any aspect of the Student and Exchange Visitor Program shall be permanently disqualified from filing future petitions and from having an ownership interest or a management role (including serving as a principal, owner, officer, board member, general partner, designated school official, or any other position of substantive authority for the operations or management of the institution) in any United States educational institution that enrolls nonimmigrant alien students described in subparagraph (F) or (M) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)).''.

SEC. 4908. BACKGROUND CHECKS.

(a) IN GENERAL.—Section 641(d) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1372(d)), as amended by section 4907 of this Act, is further amended by adding at the end the following:

''(6) BACKGROUND CHECK REQUIREMENT.—

''(A) IN GENERAL.—An individual may not serve as a designated school official or be granted access to SEVIS unless the individual is a national of the United States or an alien lawfully admitted for permanent residence and during the most recent 3-year period—

''(i) the Secretary of Homeland Security has—

''(I) conducted a thorough background check on the individual, including a review of the individual's criminal and sex offender history and the verification of the individual's immigration status; and

''(II) determined that the individual—

''(aa) has not been convicted of any violation of United States immigration law; and

''(bb) is not a risk to the national security of the United States; and

''(ii) the individual has successfully completed an on-line training course on SEVP and SEVIS, which has been developed by the Secretary.

''(B) INTERIM DESIGNATED SCHOOL OFFICIAL.—

''(i) IN GENERAL.—An individual may serve as an interim designated school official during the period that the Secretary is conducting the background check required by subparagraph (A)(i)(I).

''(ii) REVIEWS BY THE SECRETARY.—If an individual serving as an interim designated school official under clause (i) does not successfully complete the background check required by subparagraph (A)(i)(I), the Secretary shall review each Form I–20 issued by such interim designated school official.

''(7) FEE.—The Secretary is authorized to collect a fee from an approved school for each background check conducted under paragraph (6)(A)(i). The amount of such fee shall be equal to the average amount expended by the Secretary to conduct such background checks.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date that is 1 year after the date of the enactment of this Act.

SEC. 4909. REVOCATION OF AUTHORITY TO ISSUE FORM I–20 OF FLIGHT SCHOOLS NOT CERTIFIED BY THE FEDERAL AVIATION ADMINISTRATION.

Immediately upon the enactment of this Act, the Secretary shall prohibit any flight school in the United States from accessing SEVIS or issuing a Form I–20 to an alien seeking a student visa pursuant to subparagraph (F)(i) or (M)(i) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)) if the flight school has not been certified to the satisfaction of the Secretary and by the Federal Aviation Administration pursuant to part 141 or part 142 of title 14, Code of Federal Regulations (or similar successor regulations).

SEC. 4910. REVOCATION OF ACCREDITATION.

At the time an accrediting agency or association is required to notify the Secretary of Education and the appropriate State licensing or authorizing agency of the final denial, withdrawal, suspension, or termination of accreditation of an institution pursuant to section 496 of the Higher Education Act of 1965 (20 U.S.C. 1099b), such accrediting agency or association shall notify the Secretary of Homeland Security of such determination and the Secretary of Homeland Security shall immediately withdraw the school from the SEVP and prohibit the school from accessing SEVIS.

SEC. 4911. REPORT ON RISK ASSESSMENT.

Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report that contains the risk assessment strategy that will be employed by the Secretary to identify, investigate, and take appropriate action against schools and school officials that are facilitating the issuance of Form I–20 and the maintenance of student visa status in violation of the immigration laws of the United States.

SEC. 4912. IMPLEMENTATION OF GAO RECOMMENDATIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report that describes—

(1) the process in place to identify and assess risks in the SEVP;

(2) a risk assessment process to allocate SEVP's resources based on risk;

(3) the procedures in place for consistently ensuring a school's eligibility, including consistently verifying in lieu of letters;

(4) how SEVP identified and addressed missing school case files;

(5) a plan to develop and implement a process to monitor State licensing and accreditation status of all SEVP-certified schools;

(6) whether all flight schools that have not been certified to the satisfaction of the Secretary and by the Federal Aviation Administration have been removed from the program and have been restricted from accessing SEVIS;

(7) the standard operating procedures that govern coordination among SEVP, Counterterrorism and Criminal Exploitation Unit, and U.S. Immigration and Customs Enforcement field offices; and

(8) the established criteria for referring cases of a potentially criminal nature from SEVP to the counterterrorism and intelligence community.

SEC. 4913. IMPLEMENTATION OF SEVIS II.

Not later than 2 years after the date of the enactment of this Act, the Secretary shall complete the deployment of both phases of the second generation Student and Exchange Visitor Information System (commonly known as ''SEVIS II'').

AMENDMENT NO. 1183

Mr. LEAHY. Mr. President, I call up my amendment No. 1183, which is at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 1183.

Mr. LEAHY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To encourage and facilitate international participation in the performing arts)

At the end of subtitle D of title IV, add the following:

SEC. 4416. INTERNATIONAL PARTICIPATION IN THE PERFORMING ARTS.

Section 214(c)(6)(D) (8 U.S.C. 1184(c)(6)(D)) is amended—

(1) in the first sentence, by inserting ''(i)'' before ''Any person'';

(2) in the second sentence—

(A) by striking ''Once'' and inserting ''Except as provided in clause (ii), once''; and

(B) by striking ''Attorney General shall'' and inserting ''Secretary of Homeland Security shall'';

(3) in the third sentence, by striking ''The Attorney General'' and inserting ''The Secretary''; and

(4) by adding at the end the following:

''(ii) The Secretary of Homeland Security shall adjudicate each petition for an alien with extraordinary ability in the arts (as described in section 101(a)(15)(O)(i)), an alien accompanying such an alien (as described in clauses (ii) and (iii) of section 101(a)(15)(O)), or an alien described in section 101(a)(15)(P) (other than an alien described in paragraph (4)(A) (relating to athletes)) not later than 14 days after—

''(I) the date on which the petitioner submits the petition with a written advisory opinion, letter of no objection, or request for a waiver; or

''(II) the date on which the 15-day period described in clause (i) has expired, if the petitioner has had an appropriate opportunity to supply rebuttal evidence.

''(iii) If a petition described in clause (ii) is not adjudicated before the end of the 14-day period described in clause (ii) and the petitioner is an arts organization described in paragraph (3), (5), or (6) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code for the taxable year preceding the calendar year in which the petition is submitted, or an individual or entity petitioning primarily on behalf of such an organization, the Secretary of Homeland Security shall provide the petitioner with the premium processing services referred to in section 286(u), without a fee.''.

Mr. LEAHY. Mr. President, I note that amendment is on behalf of Senator HATCH and myself.

Mr. REED. Mr. President, I ask through the Chair if the Senator from Vermont would yield for the purpose of a unanimous consent request.

Mr. LEAHY. I will yield for that purpose.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—S. 953

Mr. REED. Mr. President, July 1 is less than 3 weeks away, and unless Congress acts, the interest rate on need-based student loans will double from 3.4 percent to 6.8 percent, making college more expensive for more than 7 million students across the Nation. Therefore, I ask unanimous consent that at a time to be determined by the majority leader, following consultation with the Republican leader, the Senate proceed to the immediate consideration of Calendar No. 74, S. 953, the Student Loan Affordability Act; that the bill be read a third time, the Senate proceed to vote on passage of the bill, and the motions to reconsider be considered made and laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

The Senator from Oklahoma.

Mr. COBURN. Mr. President, reserving the right to object, I appreciate the intent of my colleague and that he wants to try to solve this problem. As he knows, several of us have another proposal. What I suggest is that we compromise on the President's proposal. It is a combination, it is a hybrid, and the President is trying to address this matter.

Rather than us having dueling unanimous consent requests and playing the political game, I propose that we need to solve the problem. I would be happy to work with the Senator to try to bring the President's proposal to the Senate, which does fix this permanently. It fixes it for all of the loans, not just 40 percent of the loans, and it gives people certainty.

If my colleague hasn't yet seen the CBO's accounting today, it shows that there are no savings in this; rather, there is a cost. No matter whose program it is, there is a cost, and this is on accurate accounting. This should give us all pause to try to fix this for the long term.

I object to the Senator's unanimous consent but would offer a unanimous consent for the President's proposal or work with my colleague to try to get us to a point where we can solve this problem for those who are in the student loan program.

The PRESIDING OFFICER. The objection is heard.

Mr. REED. Mr. President, I certainly respect my colleague's words about working together. I think we have to work together. I also respect the fact that he has made a proposal and the President has made a proposal. In my mind, both proposals fall very short on several issues. First, they use a baseline rate of the 10-year T-bill, which we have not generally used before for setting student loan interest rates. There is no cap on either proposal. One of the advantages the President's proposal has, I will admit, is income-based repayment. So I have serious reservations about both proposals.

I think the issue that faces us now is when we talk about trying to create a long-term solution, it is not just about structuring interest rates, it is also about refinancing loans that exist today and those that may come due in the future. Student loan debt is one of the greatest hindrances to young people today and ultimately to our economy in terms of buying homes and doing the things we expect college graduates could do before they turn 30—things that are going to be put on hold because they are paying off huge debts.

The other thing we have to do is look at the structure of costs for colleges and the extraordinary growth in college costs.

So rather than simply saying we fix the problem by going to a higher market rate, which, by the way, will cost all borrowers, particularly low- and middle-income borrowers, significantly more money—that is not fixing the problem. In many cases, it is creating a new set of problems. It will saddle present students with higher interest payments and higher loans. In the long run, it will not deal with this crushing debt that already exists for those people who have been borrowing.

I recognize that we have to work together. My concern is one of calendar. We have less than 3 weeks. There is no doubt that we are going to be on the floor with this very important historic immigration bill for all of those 3 weeks. I don't think we will have the time to fashion a balanced approach for all of these different issues, bring it to the floor, and have the kind of vigorous debate that is very important.

So I clearly recognize that we need long-term solutions, but what we don't need to do is double interest rates on students. It is going to immediately impact families across this Nation.

Again, the Senator has been very forthright but also thoughtful in terms of making a proposal. We disagree, but he has come to the floor with a long-term solution. I believe we have to work toward a long-term solution. My sense is that it will not be done in 3 weeks. It cannot possibly even get to the floor. Even if we came to a meeting of the minds, there is always a possibility that one or two of our colleagues will say: I have a different approach, and therefore we won't have the procedural means to reach the floor.

So I am actually asking simply to let us have the time to work thoughtfully on a bipartisan basis to craft not a solution to a rate issue but a comprehensive approach to the issues that burden every family in this country, which include, how do I afford college? What do the colleges do to make it more affordable? What do we do to make loans be more consistent with market rates but with protections for borrowers?

On a final point, I was in law school and had the benefit of Federal assistance. In 1981 market-based rates under the Republican proposal would have reached about 17 percent. With the cost of college now, I cannot imagine borrowing that kind of money at a 17-percent fixed-interest rate. Students would be financially flattened before they got their degree.

Again, I appreciate the objection. The objection has been made, and I thank the Presiding Officer.

Mr. LEAHY. Mr. President, I believe I still have the floor.

Mr. COBURN. Mr. President, I ask if the Senator would mind yielding to me before I go to my next meeting. I will only take 3 or 4 minutes.

Mr. LEAHY. Mr. President, I will yield to the Senator for that purpose without losing my right to the floor.

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

The Senator from Oklahoma.

Mr. COBURN. We are going to borrow $1.6 trillion over the next 10 years to fund student loans. The differential between what that costs the Treasury

and what somebody pays—we are going to have subsidies in this no matter what. The question is, How much are the subsidies? We are talking about subsidized student loans, but all of these end up with a cap of 8.25 percent when the student loans are consolidated, which all of them are. We can have an income-based repayment plan, but there is still a cap when a student ultimately gets through school.

The whole purpose behind this is to get some long-term plan so we can control the cost. If, in fact, we have 3.4 percent and the rates go to that, that means the average American taxpayer is subsidizing at 14 percent of that cost.

I agree with the Senator that we, in fact, need to fix the cost drivers in a collegiate education, but one of the cost drivers is us. Senator ALEXANDER and Senator HARKIN have major bills on both of those. I agree that we are not going to get that debate done. I do think we can come to a compromise between what we have proposed and what the President proposed and what the Senator from Rhode Island is proposing that will solve the long-term problem. A 2-year extension doesn't do us any good, and it only does 40 percent. The cost the Senator outlined is a subscription to Netflix at $14 a month. That is the cost differential between my colleague's bill and what we are proposing. Somewhere in between there has to be a compromise.

My colleague from Rhode Island has my commitment that I will work with him to do that. If we—myself, Senator ALEXANDER, Senator BURR, the Senator from Rhode Island, and those on the Democratic side—can forge something out in the next 3 weeks, we are more than happy to do it.

I yield the floor, and I thank the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I appreciate the comments from the Senator from Oklahoma. As far as the legislation that has been passed by the House Republicans, we know that for the 4 years of borrowing at the maximum loan amounts, for students entering college in 2018 and 2019, it would be $5,650 more. Whatever subsidy we are giving, those families are going to see $5,650 more in costs to their student loans. I am told the Senate Republican version would increase costs, versus current rates, by $6,700.

So talking about the subsidies we are giving and not giving disguises the fact that if we don't act by July 1, we are going to see students over the next several years increasing their debt, not decreasing it and not even holding it constant.

The other remarkable thing is that we score things based on budget CBO scoring. I am also informed that based upon the cost of borrowing, the Federal Government and their lending—they are making billions of dollars a year now on student loans. It is a profit center for the Federal Government. And, indeed, in looking at the 10-year projections for the bill that I believe was submitted by my Republican colleagues, there is a projected $15.6 billion in additional savings or income to the Federal Government.

We are in this irony where students are now going to be contributing billions of dollars to deficit reduction, weapons platforms, and other programs, but the reality they are going to see is that this mountain of debt they have today is much higher. Too many of them will not be able to climb it, and too many others won't even begin the trip. It will result in an economy that is underperforming and potential students who don't go to college, and therefore their income will be a fraction of what it would be, and in the long run our economy will suffer grievously. Again, these are extraordinarily complicated, challenging, interrelated, and difficult issues.

I would like to believe we could get this done in 3 weeks. With the 100 Senators who are with us, the possibility of getting anything done in 3 weeks is virtually nil.

I thank the chairman from Vermont, and I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, on amendment No. 1183, I ask unanimous consent that the distinguished senior Senator from Utah, Mr. HATCH, be a cosponsor.

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

Mr. LEAHY. Mr. President, I will speak on this amendment at greater length just before the vote. It makes a small but important improvement in the processing of visas that are required by foreign performing artists before performing in American orchestras and other arts organizations. It has to be processed in a timely way.

We have had instances where orchestras, for example, in this country have had the privilege of having a visiting artist, maybe the best in their field—violinist, pianist, or whatever else—but the process of getting a visa is slowed up. Yet they plan performances on a certain date. This measure was included in the comprehensive immigration bills of 2006 and 2007 but not enacted. This would not give an automatic visa to these artists but simply says their application, instead of being in the bottom of the pile, would be considered in a timely fashion.

On another matter, as we get into this debate, I have defended the First Amendment, American's right to speak. I have done it even when people have said things about me that I wish they didn't. But I also have a right as a Senator to comment on such speech. I saw a couple of paid political advertisements today in Politico, one that personally attacks Senator RUBIO and the other directly attacks the Senators who drafted the legislative proposal before us, four Republicans and four Democrats. The attacks are so far off the mark. They have a right to make the attacks, and certainly the publication has the right to print them. I would suggest that something this far out of line, this completely unfair type of attack, doesn't do anything to help the public debate we are having.

We had a debate with the 18 members of the Senate Judiciary Committee and had before us some 300 amendments, passed 141, including second-degree amendments, and we did it in a respectful way. Both Republican and Democratic amendments came up. In some areas we had major disagreements among the members, but we did it respectfully and did not impugn the motives of people on either side. I would say this kind of personal insult, this level of discourse, is not conducive to real debate. It helps neither side. It helps neither side.

I don't think this is a time for name-calling. Let's work together. We know the immigration system we now have in this country is not adequate for the needs of the country or the people in this country. So let's stop the name calling. Let's stop the false accusations. I say this in defense of Senator RUBIO, as well as all members of the Gang of 8, the four Republicans and four Democrats named in these ads. Let's work together to have a better debate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 1195

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the pending amendment be set aside to call up amendment No. 1195.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, and Mr. BLUNT, proposes an amendment numbered 1195.

Mr. GRASSLEY. I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To prohibit the granting of registered provisional immigrant status until the Secretary has maintained effective control of the borders for 6 months)

On page 855, strike line 24 and all that follows through page 856, line 9, and insert the following:

(1) PROCESSING OF APPLICATIONS FOR REGISTERED PROVISIONAL IMMIGRANT STATUS.—Not earlier than the date upon which the Secretary has submitted to Congress a certification that the Secretary has maintained effective control of the Southern border for a period of not less 6 months, the Secretary

may commence processing applications for registered provisional immigrant status pursuant to section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act.

Mr. GRASSLEY. Mr. President, this amendment is the first of many that will improve the bill and do what the American people expect us to do.

The American people are being asked to accept a legalization program and, in exchange for that—and that is a very compassionate approach—we would be assured and the American people would be assured that the laws were going to be enforced. But as we read the details of the bill, it is clear the approach taken is to legalize first and enforce later.

My amendment would fundamentally change that. The amendment now pending would require the Secretary to certify to Congress that the Secretary has maintained effective control over the entire southern border for 6 months before proceeding and processing applications for registered provisional immigration status. It is a commonsense approach: Border security first. Legalize second.

To summarize, the bill requires the Secretary of Homeland Security, within 6 months that a bill is signed into law, to submit a ''comprehensive southern border security strategy'' as well as another plan called the ''southern border fencing strategy.''

After those so-called plans are submitted to Congress, the Secretary can start processing applications to legalize the 12 million people who are in the United States. The result is that those who are undocumented would become legal after a mere plan is submitted—not even considering if the plan will work.

There are two major flaws. The first is, Why do we need legislation to have the Secretary submit a border security strategy? Isn't that already the Secretary's responsibility? Do we really need to pass a law to tell her to do her job? We shouldn't have to.

This is a reminder of what comes up in my town meetings in the State of Iowa. I have had 73 of those in the 99 counties already. When I start, somebody will ask me about immigration. So I try to give them an update on where we are on the immigration legislation and what I believe about it. But invariably, without a doubt, somebody, before I start to explain, says, We don't need any more legislation. All we have to do is enforce what is already on the books and we wouldn't have a problem. So that gets kind of back to the point: Why do we need more plans? Isn't it the Secretary's responsibility already to enforce the law?

Second, the bill would start legalization even if the Secretary's strategies are flawed and inadequate. What if this Secretary isn't committed to fencing? What if this Secretary believes the border is more secure than ever? Well, in fact, Secretary Napolitano told the committee she thought our borders were secure. That ought to concern all of us, and for sure we couldn't sell that proposition to some of the people who come to my town meetings in Iowa.

RPI status is more than probation. RPI status is legalization. Once a person gets RPI, they get the freedom to live in the United States. They can travel, work, and benefit from everything our country offers. RPI status is de facto permanent legalization. We all know it will never be taken away. Given the history of these types of programs, we know it will never end.

My amendment improves the trigger and fulfills the wishes of the American people: Secure the borders. My amendment ensures the border is secured before one person gets legal status under this act.

If we pass the bill as is, there will be no pressure on this administration or any future administration to secure the borders. There will be no push by the legalization advocates to get that job done. We need to work together to secure the border first, including Members of Congress, members of the administration, business leaders, union leaders, and advocates for all kinds of immigration people. We need to be in the same boat to push for secure borders. But if we have legalization before we know the border is secure, then we break up and balkanize the advocates for immigration reform and the promise that goes with it of border security. So we need to secure the border for several reasons so we are not back in the same position 20 years from now. We need to protect U.S. sovereignty. We need to protect homeland security and improve national security.

There are a variety of threats to our border. There are potential terrorists and transnational criminals. Foreign nationals use the porous border to import threatening goods such as weapons of mass destruction, illegal drugs, contraband, counterfeit products, and other products meant to harm Americans or hurt our economy.

Under my amendment the Secretary would have to prove that we have ''effective control''—and I have not changed that definition of ''effective control;'' it is as defined in the bill—and to do it for at least 6 months before applications for RPI status are processed.

I agree with at least one of the authors of this bill. If this border security title is not improved, this bill does not stand a chance of making it all the way to the President of the United States.

My amendment is this very necessary first step of fixing this issue.

People do not trust the government will get this right or that this administration is dedicated to securing the border. We do not need a new bill to do that. All we need to do is prove to the American people that we are sincere and we will secure the border. That is what is promised by the authors. I do not doubt their good intentions. But when you have a plan submitted, and that is the basis for legalization, it seems to me we ought to have proof that the border is secure. So let's wait until the border is secure and then legalize.

I thank the chairman for the courtesy of offering this first amendment. Also, the chairman was not here when I spoke yesterday, but I said that he promised an open and transparent process in committee, and we had that transparent, open process, and I thank the chairman for doing that and seeing that it was done. I hope that process can continue on the floor.

I yield the floor.

The PRESIDING OFFICER (Ms. WARREN). The Senator from Vermont.

Mr. LEAHY. Madam President, I appreciate the words of my friend of decades, the Senator from Iowa. He and I worked very closely to have an open and transparent process. Whether we agreed or disagreed on an issue, we tried to move it on. After all, it worked better that way because of the 18 members of the committee, we were the two who had to spend the most time during it.

Mr. GRASSLEY. All the time.

Mr. LEAHY. All the time. I appreciate working with him. We were able to pretty well decide when matters would come up and make sure that both Republicans and Democrats had a chance to bring up all their amendments, and we adopted 136 or so amendments, including second-degree amendments, and all but one or two of them were bipartisan votes. I appreciate what he said and I enjoyed working with him on that.

I will have more to say at another time about his amendment. But I just note for the past several days Senators have been discussing the immigration bill, and I am glad the Senate has now turned to actually consider it. We have had a lot of talk about getting to it, including, of course, the time spent in the Judiciary Committee.

I intend to file a handful of amendments to the bill today, and I would encourage others to do the same so we can get to work without further delay.

The bipartisan immigration bill is a measure the Senate should come together on to pass. We should send to the House the best bill we can, and I think the large majority of Senators want to do that.

We should do what is right, what is fair, and what is just. The House has to consider comprehensive immigration reform legislation without any further delay.

This year one of the most important bills we enacted into law was the Violence Against Women Reauthorization Act. From the outset I worked with my Republican colleague Senator CRAPO to develop that legislation in a bipartisan way. We called in Senators from both sides of the aisle. We had cosponsors from both parties. We took suggestions and amendments from both Democrats and Republicans. Then we built a majority of Senators in support.

I worked very hard to keep that as a bipartisan issue when, frankly, we had

some on both sides of the aisle who wanted to make it a partisan issue.

Last year we were able to have our bill considered. It passed the Senate with 68 votes—obviously, a bipartisan majority. Parenthetically, I would note that yesterday we passed the farm bill with fewer votes than that, but the New York Times described that farm bill, and rightly so, as having ''overwhelming bipartisan support.''

In fact, last fall, when the House of Representatives would not take up our VAWA legislation—the violence against women legislation—we redoubled our efforts during the lameduck session. We had many meetings in my office between Republicans and Democrats to find where we could go. We then reintroduced our bill with some modifications at the beginning of this year.

I sought to make it our first legislative priority of the new Congress. With the strong support and leadership of the majority leader Senator REID, the Senate turned to it, we considered it, and we passed it as one of our very first legislative matters in February. We actually passed it with an even stronger bipartisan majority this year than last, although many of those who now oppose immigration reform continued voting against reauthorizing the Violence Against Women Act. But we passed a strong, principled, bipartisan bill.

I had people urge me to abandon my efforts in the Violence Against Women Act to protect all victims. I was glad to see they were proven wrong. I was told repeatedly that the House of Representatives would never consider, let alone pass, our bill that provided fairness for gay and lesbian victims and that we would never be able to provide meaningful protections for Native American women being brutalized by non-Indians on reservations.

But I said from my own experience early as a prosecutor and since as chairman of the Judiciary Committee: A victim is a victim is a victim. When I would go to crime scenes, I never heard a police officer, who would see a victim of violence against women, say: Wait a minute. Before we can get involved, is this victim gay or straight? Is this victim Native American? They said a victim is a victim is a victim, and let us see what we can do to protect not only this person but others.

In spite of all the dire predictions and political naysayers, our bipartisan group of Senators stuck to our principles. The Senate stood firm. We did the right thing.

What happened then? How were we able to enact this bill into law?

The American people spoke up. They supported our bill. They demanded action. There were some Republican Members of the House, such as TOM COLE of Oklahoma, who knew the right thing to do and were willing to say they wanted to do it. Then more and more House Republicans came around to our view.

The House, to its credit, changed its stance and considered our bill. They passed it with no changes whatsoever—exactly as it came out of the Senate—and it is now law.

I was proud to stand with President Obama on March 7 in an emotional ceremony in which he thanked legislators from both sides of the aisle for protecting all victims of domestic violence and human trafficking.

Relevant to the pending immigration bill, there was one piece of the original Leahy-Crapo VAWA bill that was requested by law enforcement to help immigrant victims of violence. We sought to increase U visas for abused immigrant women so they could be protected and help law enforcement go after their abusers.

So often immigrant women are afraid to go and report their abusers because they think they themselves may be deported. In fact, we have had evidence and testimony that people are being abused. If they are immigrants, they are told: If you report what I am doing to you, I will get you deported.

That provision had a technical budget affect that last year the House used as an excuse not to consider our bill.

I promised at the beginning of this year that I would continue fighting to enact that measure. We would take it out of the VAWA bill to avoid the technicality of having it blocked by the House, but I never forgot that. I never forgot my promise to those immigrant women. I am happy to report that these important U visas are now part of comprehensive immigration reform legislation before us.

I tell this history because some have argued the Senate immigration reform bill has to be undermined from what we brought out of committee. We have to do that to conform to demands intended to appease some in the House Republican majority. I disagree. I disagree. Just as we did not back off on VAWA, I say: Do not do it now. Let's consider not a partisan reason, but let's consider America. The Senate should pass the best bill for the economy, for our families, and for our Nation. We should do what we think is right.

The House of Representatives is clearly in a different place than those who support the Senate bill. Just last Thursday House Republicans voted to end President Obama's administrative program to help DREAMers, the Deferred Action for Childhood Arrivals Program, until such time as we can pass the DREAM Act.

The DREAM Act is in our Senate immigration reform bill. It recognizes that young people here without fault of their own, who are in school or in the military, and in good standing should not be deported because they are undocumented. They are Americans. They should be part of this Nation's future.

Senator DURBIN—I am so proud of him for this—has been right to fight for them, as he has for years. He is a national voice for those who want the DREAM Act to pass. Senator DURBIN has insisted on the DREAM Act being included in our legislation, and President Obama was right today to highlight the achievements and contributions these young people make to our country and will continue to make if the bill becomes law.

Should we now abandon them? Should we say let's just strike those measures from the Senate bill because Representative KING of Iowa and other House Republicans do not like them? Of course not. The Senate is a separate body—100 people to represent over 300 million Americans—and we should be the conscience of our Nation. That means the Senate should do what is right if we are to reflect the conscience of the Nation.

I am inspired by the young DREAMers I have met over the last several years and by the courageous testimony of Juan Antonio Vargas and Gaby Pacheco during our hearings this year.

Our bill should include the DREAM Act, just as we should protect and include the fair but tough pathway to citizenship included in the bill reported by the Senate Judiciary Committee.

These provisions are the core of our bill. Let's not start negotiating against ourselves. Let's not start backing off what we came together to pass. The vote by the Republicans in the House of Representatives to prevent DREAMers from being able to stay in the United States is not the example that the Senate should follow, especially if we really want to be the conscience of the Nation.

A few days ago the New York Times had a lead editorial that accurately describes where we are. It cautions against making bad modifications to the bill. It urges bipartisanship and courage and that we stand up to bad politics and bad policy. I hope the Senate will heed this call.

I ask unanimous consent that a copy of this past Sunday's editorial be printed in the RECORD.

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

[From the New York Times, June 8, 2013]

IMMIGRATION HEADWINDS

(By the Editorial Board)

The bipartisan immigration bill that passed the Senate Judiciary Committee last month is now being sent to meet its fate on the Senate floor. While its chances of passage there look promising, there remains much uncertainty about how much—and how badly—the bill will be changed in the coming three weeks of debate.

The bill is imperfect as it is, adding too many layers of border enforcement and too many obstacles on its overlong path to citizenship. But at least it has a path, one that gives 11 million people a reasonable chance to get on the right side of the law. Democratic leaders and the bipartisan coalition that brought the bill this far need to stand firm to protect its carefully drawn compromises and to ensure that its irreplaceable core—the citizenship path—survives.

We know how opponents view the bill—as an irredeemable ''amnesty'' measure—and

some of the ways they will try to kill it. Senator Jeff Sessions, a Republican of Alabama, began the barrage early, with a long floor speech on Friday full of dire warnings and outright falsehoods. For instance, he accused the Obama administration of failing to enforce existing immigration laws, saying that ''virtually no one is being deported,'' which would no doubt surprise a million-and-a-half deportees. He complained that the bill didn't do enough at the border, even though it lavishes billions of dollars on border drones and troops on top of decades' worth of existing militarization. As The Times reported on Friday, defense contractors are slavering over immigration reform as the best thing for their bottom lines since Iraq.

Mr. Sessions may be outnumbered, but he does have allies. Senator John Cornyn of Texas last week proposed a toxic amendment that would have required drastic and unachievable new border-security benchmarks to be met before a single person could be legalized. That would essentially kill reform, which, to be successful, depends on bringing millions of people into the legal immigration system, not on shutting them out from it indefinitely. Mr. Cornyn's strategy is one way to make the bill fail; there are many others.

One issue in dispute is the earned-income tax credit, one of the most effective means to lift people out of poverty and a perennial target for Republicans. Some Republicans are insisting that people legalized under the bill should not qualify for the credit. That would severely strain the fragile finances of many immigrants who are going to have to pay $2,000 each in penalties to get green cards and citizenship. Preserving the credit for all legal immigrants is crucial for fairness and keeping families out of destitution.

As the Senate debates these and other points in this crucial-but-vulnerable bill, we can only hope that bipartisanship and courage will prevail and that opponents and skeptics finally recognize the cost of failure.

Many Republicans still don't see the political recklessness of killing reform that most Americans support. If the Republican Party doesn't care about destroying its viability with a generation of Hispanic voters, why should anyone else?

But there is also the danger that the bill's supporters, desperate to pass something, will be too willing to yield to the die-hard obstructionists and accept compromises that warp the bill beyond recognition or usefulness.

The perils in the House are already evident, even if a solid bill is approved in the Senate. The House has its own bipartisan group working on a bill, but it has immigration dead-enders, too. One of them, Representative Steve King of Iowa, recently offered a spiteful amendment to a homeland security financing bill that would effectively kill the Obama administration's program that halts deportations of blameless young immigrants known as Dreamers. The amendment passed, sending an unsettling message about the depth of House Republican resistance to reform.

The House battle will be fought later this summer. This month, the reform leaders in the Senate will have to stand up against bad politics and bad policy for a bill that could change this country.

Mr. LEAHY. Madam President, over the past weekend, I was happy to hear from my neighboring State of New Hampshire that Senator AYOTTE pledged her support to this bipartisan legislation. I know how much I appreciated working with her and Senator SHAHEEN earlier this year to get the Leahy-Crapo Violence Against Women Act reauthorized. Senator AYOTTE, of course, was an important leader in her caucus on that bipartisan bill. I hope and expect she will be on the bipartisan immigration bill as well, especially since it also contains several protections for victims of domestic violence and human trafficking.

Just this morning the President of the United States spoke to all of us in this country, to all of America, about the need for Congress to pass comprehensive immigration reform. He called our commonsense bipartisan bill the best chance we have had in years to fix the broken immigration system. He urged us to do the right thing and do it now. He was joined by a cross-section of distinguished Americans, Democrats and Republicans alike, from DREAMers to former President Bush administration officials to business leaders and law enforcement representatives and clergy and laymen. It was interesting to see the coalition that oftentimes will not stand together on an issue or be opposed to each other standing together in unity on this issue.

I know I am meeting later this week with the President along with a bipartisan group of Senators so we can work together to pass comprehensive immigration reform. I would encourage him to keep on speaking about this because there are Senators in both parties who want real immigration reform.

Because it is an important economic issue, it is also a civil rights issue. It is an issue of fundamental fairness. It speaks to where we are as a nation. The other day when I was speaking about this bill, and they referenced the fact that—something I never expected when I came to the Senate—I have become the President pro tempore of the Senate. It means I have been here a long time.

The distinguished Presiding Officer that day, the Acting President pro tempore, a colleague of ours, she herself is an immigrant. She came to this country with her mother. She has explained that they had all of their possessions in one suitcase. Her mother was fleeing an abusive spouse and came to this country. Now that mother's daughter is a Senator.

I think of my wife. She was born in this country, but her parents came here from Canada speaking a different language and became very successful in their careers, helped employ a lot of people in our State of Vermont. My maternal grandparents came from Italy not speaking the language, had a business, employed a lot of people, became a very important part of our country. Their children, one became the highest decorated pilot in World War II, other distinguished careers, one, of course, I am closest to is my mother.

I remember her pride and my father's pride when they saw their son, one generation removed, become a Senator. Well, there is going to be success stories all over this country if we stand for true immigration reform, if we make it possible for people of different backgrounds and different races, different cultures to come here and make this country a better country. They speak of us as being the melting pot but the melting pot that brings about a wonderful combination. We see that in a nation—not a nation of such unity of thought and religion and politics and appearance that becomes bland and not vibrant. Instead, we are a country of different cultures and languages and backgrounds, and we all become Americans. The sum of the whole is greater than the parts. We are a better country for it.

So if we stand together, if we stay true to our values and agreements, I believe we can pass legislation that will be a continuing renewal of our spirit, our creativity, our vitality as a nation, which upholds our great traditions and compassion in humanity as a welcoming nation. That is what I believe the Senate should do, what I believe our ancestors should have done, I believe generations before us that made this a great country should have done, and I believe we will be a better country if we will because of the people who have become citizens in this country.

I look forward to the day when we come together, we 100 Senators come together and pass a bill that reflects the conscience of our Nation, the conscience of the Senate, a bill that will make us all proud and America proud.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Madam President, let me first recognize the incredible work of the distinguished chairman of the Judiciary Committee who worked through a very open, transparent, fair process that led to 130-some-odd amendments being considered and voted upon, in many cases adopted, and almost all of them adopted, from what I understand, many of them bipartisan.

I think even those who oppose immigration reform acknowledge the chairman's evenhandedness and his willingness to have an open and free debate. That got us to where we are today. So he has my appreciation and my admiration for the way in which he conducted that process that brings us to today.

As a member of the Senate bipartisan Gang of 8, I believe we come to this floor if not in complete harmony, at least on the same sheet of music with a very solid legislative process. Let me take this opportunity to thank our staffs who have worked extraordinarily hard to put all of the pieces of this bill together and make this day possible.

You know, Senator SCHUMER calls Leon Fresco his genius. I like to think of my counsel, Kerri Talbot, as the conscience of the Gang of 8. I want to thank Kerri for her dedication, for always believing that if we put our heads in the yoke and pull hard enough we could pull our plow all of the way to a workable compromise, and we have.

I want to thank all of those other staffers who put in so many hours and who will no doubt put in many more until this bill is passed and put on the President's desk.

This bill before us is the essence of compromise. During this long process, no one in the Gang of 8 got everything they wanted. But everyone got a workable bill worthy of support. That is the very definition in my mind of compromise. We did what we were elected to do. That is democracy in action. We may not all agree all the time, but all of us were elected to govern, and the hard work of compromise is the only way to get things done in a democracy.

We all bring certain core principles to our job. Those are the things we should not compromise. But there is a difference between compromising your principles and compromising on issues. It is not about holding out for political or ideological gain but letting your core principles guide you to a compromise that benefits the Nation. We were all elected. It is up to all of us to govern together.

So I urge my colleagues to stand with us on this comprehensive reform package that is so critical to the national security of the United States, to the national economy of the United States, and to preserve our values as a nation of immigrants. Let's come together as we have in the Gang of 8 and give every American what they have been asking for, which is a way to fix our broken immigration system.

Now, we need to know who is here to pursue the American dream versus who is here to do it harm. That is what immigration reform will do. It will bring people out of the shadows, into the light, and they will have to register with the government, go through a criminal background check, pay taxes, learn English, and go to the back of the line after all of those who are waiting under the existing system so that they would be processed first. So they are not going to break into the line and get to the top of the line.

It is not only in the national security interests of the United States, it is in the economic interests of the United States to harness the economic power of millions of new Americans. Let's be honest with ourselves about who these new Americans are. If you had fruit for breakfast this morning, it was probably picked in the hot Sun by an immigrant worker with a bent back and sunburned skin.

If you had chicken for dinner last night, it was probably plucked by the calloused, cut-up hands of an immigrant worker. If you have someone in your family who is infirm and needs constant care, chances are, it is an immigrant worker who works the third shift to attend to their needs with a warm heart and steady hand.

If you are wondering who is spurring American innovation, chances are it is an immigrant high-tech, startup entrepreneur who, according to the National Venture Capital Association, has started 25 percent of public U.S. companies backed by venture capital investors. In fact, as of 2010 nearly one-fifth, 18 percent, of all Fortune 500 companies had at least one founder who was an immigrant. That is who the new Americans are. You know it, I know it. Immigrant workers have been there every day working hard, providing services, an integral part of our economy in tourism and farming and the restaurant industry, in small businesses and high-tech startups. The simple fact is immigration reform is good for our economy.

We want to be sure every American who wants to work hard at any job has the opportunity in America to do it first. We also do not want to exploit an underclass in America that would suppress all wages of workers in the economy. And if, in fact, you have an underclass of undocumented individuals who can be exploited, and very often are very much exploited, you create a system in which you suppress the wages of all workers. Eliminating that is an opportunity to ensure that wages rise.

The fact is that immigration reform will increase tax revenue. As we can see from this chart, as a direct result of this legislation, we will increase tax revenues over 10 years by $109 billion. That is $69 billion in Federal revenue and $40 billion in badly needed increases in revenue to the States.

Our second chart shows cumulative economic gains over 10 years after passage of this legislation. Look at these numbers. Just look at them. Fixing the broken immigration system would increase America's GDP, its gross domestic product, by $832 billion over the next 10 years.

It will increase wages of all Americans by $470 billion over 10 years, and it will increase the number of jobs created in America by 121,000 per year. Immigrants will start small businesses, and they will create jobs for all American workers. In fact, small businesses owned by immigrants employed an estimated 4.7 million people in 2007 and created more than $776 billion in revenue annually.

I ask my colleagues, knowing we have a broken immigration system, knowing millions of families are in the shadows, knowing we have to address this problem now, can we, in good conscience, afford not to pass a bill that would increase GDP over 10 years by $832 billion? Really, can we? Can we afford not to pass a bill that will increase wages of all Americans by $470 billion? Can we afford not to pass a bill that will create 121,000 jobs every year for the next 10 years, 1.2 million more jobs in the next decade, because we had the wisdom and the will to act?

Immigrants have been a silent force on this economy, working in the shadows. It is time to bring them into the light. It is time to harness that economic power. They are working hard providing services, working in every industry at every level, even sacrificing their lives to serve in our military.

In wave after wave, season after season, immigrants have been the backbone of the agricultural industry, willing to work the fields and pull the crops that feed our families. That work is being done by immigrant workers, and God bless them for their willingness to do it.

God bless men such as LCpl Jose Gutierrez, who was not even a citizen of the United States when he became the first American soldier to die in Iraq. He wore the uniform of this Nation. He was willing to do battle for this Nation. He died on behalf of the country. He was not, although he aspired to be, even a citizen of the United States.

Let's send a message to every American to stand with us on immigration reform in memory of LCpl Jose Gutierrez and every soldier like him. Let's send a message that no longer will immigrant families be separated from loved ones. No longer will U.S. citizens and lawful permanent residents be caught up in immigration raids and detained unlawfully in violation of their constitutional rights simply because of the way they look, the way they speak, or the color of their skin.

We have many cases of U.S. citizens and legal permanent residents who have been unlawfully detained in immigration raids until their citizenship was established or their permanent residency was established. Who among us in this Chamber would be willing to be a second-class citizen in this country? I don't know about others, but right now I have nothing in my possession that says I am a U.S. citizen. I am not carrying my passport. I was born in the United States, but I don't carry my birth certificate. I certainly don't expect to be stopped because, as some said in this Chamber in 2007, I am one of those people—one of those people—that I am different, that I am somehow not American.

We know the history of this Nation. History has taught us when there is a story of one group of people becoming a suspect class, when one group of people is blamed for all the ills of the Nation, that story always has a sad ending. We cannot let that happen again in the greatest country on the face of the Earth.

As the son of Cuban-American immigrants growing up in Union City, I understand too many families have waited too long for commonsense immigration reform, too long to have the chance to raise their hands, take the oath, and say they ''will support and defend the Constitution and laws of the United States of America against all enemies, foreign and domestic,'' and ''bear true faith and allegiance to the same.''

Too many have waited too long to say those words that will change their lives. They changed my mother's life and, in turn, changed mine, giving me the chance to stand here today, one of 100 U.S. Senators, one of eight who has spent months negotiating a very tough

but fair proposal to fix our broken immigration system.

I know what is at stake. We know what is at stake. We have lived it, and we see it every day. I believe we can finally say today there is some light at the end of the long dark tunnel that has been before us.

This bill represents a lot of hard work. It is the essence of compromise. We have come a long way in the Gang of 8, but there is still a long way to go.

Are there legitimate amendments that can improve this bill? Of course. Are there still those who would amend this bill solely to undermine immigration reform? Absolutely. They may cloak their words in suggesting they want to see reform, but the reality is they are dead set against it. Are there those who still decry this as amnesty? We hear it every day. We have already heard it in this debate. Some of these roles are being reprised from 2007. Every day they are still wrong and could not be more wrong.

Amnesty means you did something wrong and are forgiven without having to make yourself right. This bill is certainly not amnesty. This bill says you must make yourself right by registering with the government, going through criminal background checks, and if you are a criminal, or you are found to be a criminal under that background check, you will get deported, as you should. It says you have to pay taxes, you have to learn English, and you have to wait your turn and go to the back of the line.

Are there those who think we have not done enough to control the border? Yes, there are those voices, even though we have included $6.5 billion to increase technology and finish the job. We have already started to secure our borders, even though the border provisions of this bill were largely written by Senators representing border States. They live it with every day. They had some of the biggest input in the Gang of 8 to say this is what we feel we need to deal with border security—so much so, on these provisions and with these dollars, that the New York Times reported on Friday that defense contractors favor immigration reform because of what we have included for border security. The facts are clear. The truth is here for all to see.

Let me show you our next chart.

Since 1986, spending on border security has increased. As you can see from this chart, immigration enforcement spending, adjusted to 2012 dollars, has dramatically increased over the last 26 years, over two decades. Border spending has gone from $1.2 billion in 1986 to $6.2 billion in the year 2002, peaking in 2009 at $20 billion annually. We are increasing it again in this legislation by over $6.5 billion. That is more than four times as much as 2002 and more than 20 times as much border spending as in 1986. No one can say we have neglected border security in this bill.

Here is another chart to put it in a different context. Let's put this in this context. When we look at spending, as you can see from this chart, we now spend more on immigration enforcement than all other criminal enforcement agencies combined—all of them combined.

In 2012 we spent almost $18 billion on Immigration and Customs Enforcement, Customs and Border Patrol, and US–VISIT, $18 billion, compared to about $14 billion, $4 billion less on all other principal law enforcement agencies such as the FBI.

As I said, we are adding over $6.5 billion to the immigration and enforcement side of the ledger in this bill. That will put us in the position of spending twice as much on border security as we do on all other law enforcement agencies in this country.

It is not only the money we spend but how we spend it.

The fact is border enforcement is at an all-time high. We are enacting a strategy to have 100 percent surveillance and prevent at least 90 percent of all illegal border crossings across the highest risk areas of our southern border, but there are still those who say it is not enough.

We are investing in new technologies to secure the borders. The number of Border Patrol agents has doubled over the past 8 years, but there are still those who say not enough.

Let's be clear, we are making significant additional investments in border security and technology to make sure at least 90 percent of all illegal border crossings are prevented. There are some who say: Oh, we have to have 100 percent. I don't know anything the Federal Government does 100 percent. Do we catch 100 percent of all the criminals? Do we collect 100 percent of all taxes? Do we do 100 percent of anything? No. Those who try to invoke that type of standard are simply trying to undermine the pathway toward citizenship.

Let's be clear. We are making very significant strides and this is very tough in all of the border provisions. I have only mentioned a few. There are a lot more.

On the flip side, there are those who believe we have done all we can on border security in this legislation but have not gone far enough in other areas, that there are too many obstacles to citizenship and a 13-year path is too long. A 13-year path—certainly not an easy road or anything anyone could call amnesty—is a compromise I am willing to accept so we can finally bring 11 million people out of the shadows and give them a chance for better lives for themselves, their families, to earn their way here in America to fulfill their hopes, dreams, and aspirations, as well as our hopes, dreams, and aspirations as a country.

The fact is, at the end of the day, when all of the political posturing has subsided, we have an obligation to govern. We have met, in this proposal, that obligation. We have come up with a good, solid, bipartisan product. The time has come and the moment is here. The opportunity is before us to make history, and I hope we don't miss that opportunity.

Let me urge my colleagues, let's not begin this debate with toxic amendments that would test the basic values and principles of those on one side or the other, force us all to our respective corners, no lines in the sand. Let's get the job done. We don't need amendments that would establish manipulable border security benchmarks before we could even bring one person out of the shadows. This is not finding a way to govern, that is about killing the bill.

We do not need to retreat to lines drawn in the sand on every issue covered by this legislation. We can either come together, both sides, both parties, and govern, as the American people want to see us do, or once again blow it up and do nothing.

I believe we have come too far and the demands of the American people in poll after poll are rather clear: It is time to fix our broken immigration system. Join us and make history.

Eleven million people live in the shadows of fear and hope they will one day—if they do all the right things—have a chance, however difficult it will be, to become American citizens. This bill would give them that chance. Citizenship will not be easy, but the rules are clear: It will take up to 13 years to complete after background checks, fines, penalties, paying taxes, working, and learning English.

They want to reunite their families, and this bill will finally—finally—do what we should have done long ago to keep families together under a provision to allow immediate reunification of green card holders with their spouses and minor children. How can we in good conscience not support the reunification of families who have been separated for far too long? For those who come to this floor and proclaim their commitment to family values, this is the time to show it.

This bill will clear the current backlog for those already waiting in line—those who have been patient and waiting in line—and put the additional 11 million at the back of that line. It is a long line indeed. Let no one come to this floor and misrepresent this compromise language as amnesty. It clearly isn't amnesty. This is not a free ride but a pathway for undocumented individuals to earn; for those who have been here contributing to America's economy while living in constant fear of deportation, constant fear of exploitation, constant fear of waking up in the morning and wondering if they will see their family at night.

The bill provides a simple, fair opportunity for DREAMers. These are young people who, through no fault of their own, came to America because their parents brought them here. The only country they know is that of the United States. The only flag they have ever pledged allegiance to is the American flag. The only national anthem

they know is the ''Star-Spangled Banner.'' How can we not give them a chance, when they were brought here by their families and they want to belong to the only country they have ever known?

Madam President, this has been a hard road to compromise, with months of hard work and hard negotiations. But the hard work of trying to achieve comprehensive immigration reform has paid off with the support of the broadest spectrum of groups and organizations I have seen in my nearly 20 years between the House and the Senate. From the U.S. Chamber of Commerce representing business in this country, to the AFL–CIO representing labor; from agro-growers to farm workers, from high-tech entrepreneurs to restaurant owners and every religious sector—the evangelical community is strongly supportive of this, as are Christians and Jews and everything in between. People on all sides of every issue are finding common ground to say this is the right legislation for America.

We have a chance to make history, but we cannot make history without uniting behind a deep and abiding belief in the need to govern, the need to fulfill our responsibilities to the people we represent. The time has come. If we cannot come together on comprehensive immigration reform at a time when the American people have clearly spoken, if we cannot push back against the extremes that will always prevent us from ever finding the center, if we choose only to obstruct and not solve, destroy and not build, then we will have lost a perfect chance not only to make history but to do what is right by our country.

This is a good bill. It is a fair compromise, a chance for us to come together and govern and do what a majority of the American people are demanding we do. Last year's national election evidenced a new American demographic, and the new America spoke resoundingly about who they will support and not support based on how they vote on comprehensive immigration reform. Let's listen to what that new America had to say and do the right thing.

I am confident we can get this bill passed, and I hope—I sincerely hope—our colleagues in the House will take our lead and pass comprehensive immigration reform this year. I hope they will join us in realizing the time has come.

Si, se puede—yes, we can.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

USA PATRIOT ACT

Mr. SANDERS. Madam President, I just wanted to say a few words on an issue that is of deep concern to many Americans. In 2001, 2006, and in 2011, I voted against the USA PATRIOT Act. I voted against that legislation because I believed in a democratic and constitutional form of government we can effectively combat terrorism without sacrificing the civil liberties and the constitutional protections which make us a free country.

The President has said he welcomes a debate on this issue, and I agree with him. There should be a debate. And the debate should center on whether the Fourth Amendment to the U.S. Constitution is still relevant. If it is, let's abide by it. If it isn't, let's not be hypocrites and let's acknowledge we live in a society, in a nation, where our freedoms and liberties have been severely compromised. But let's not pretend the protections the Fourth Amendment guarantees exist when in fact they do not exist.

Here is what the Fourth Amendment to the Constitution states:

> The right of the people to be secure in their persons, houses, papers and effects against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or Affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

That is the Fourth Amendment to the Constitution of the United States.

Now, let's talk about what we learned in the last week about the National Security Agency's activities. We learned it is likely that virtually every phone call made by every American is being collected and stored by the United States Government. The time you made that phone call, where you made that phone call, how long you were on the phone, and to whom you made that phone call is now part of the record of the United States Government. Every husband calling a wife, every businessman making a deal, every elected official talking to a constituent, every candidate talking to a campaign manager, every doctor talking to a patient, every lawyer talking to a client, every journalist tracking a story—all of that information and more—is now on file with the United States Government.

What is even more alarming is that it is not just the government officials who have access to that information. It turns out it is also available to private contractors such as Booze-Allen, and I assume many other contractors.

A few weeks ago, Madam President, you will recall there was a huge uproar in the media, including front-page stories about the Obama administration tracking the phone calls made by reporters from the Associated Press. It was a big deal. Everybody was really concerned about that. While not listening to the calls, they learned who the reporters were speaking to, how long they were speaking, and where the reporters were located. Well, guess what. It turns out what the Obama administration was doing to the AP is nothing unusual. This appears to be exactly what the government has the capability to do to every single American.

Furthermore, we have also recently learned the government has the capability to monitor every Web site we visit, every video we see, and every item we search for online.

Madam President, everybody understands terrorism is a serious issue and the United States Government—and governments throughout the world—must do everything it can to protect its people. We do not want another 9/11. We do not want another bombing such as the one at the Boston Marathon. We do, however, want our government, our intelligence agencies and law enforcement authorities to be strong and effective in combating terrorism. But it is my very strong opinion we can do that without living in an Orwellian world where the government and private corporations know every telephone call we make, every Web site we visit, every place we go.

Is that really the country we want to be? Let's be clear: The technology for monitoring every aspect of our daily lives will only increase in years to come as that technology becomes ever more sophisticated.

Opposition to the current NSA policy is coming from across the political spectrum. Representative JIM SENSENBRENNER, a conservative Republican from Wisconsin, and one of the authors of the original PATRIOT Act, said in a Thursday letter to Attorney General Eric Holder that he is ''extremely troubled'' by the National Security Agency's seizure of the phone records of millions of Verizon customers through a secret court ruling. Representative SENSENBRENNER also said:

> I do not believe the released FISA order is consistent with the requirements of the PATRIOT Act. How could the phone records of so many innocent Americans be relevant to an authorized investigation as required by the act? Seizing phone records of millions of innocent people is excessive and un-American.

That is what Republican Congressman JIM SENSENBRENNER said in a press release that accompanied his letter to the Attorney General.

It is clear to me the United States Congress has to take a very hard look at the USA PATRIOT Act, and specifically section 215. The bottom line is we must be strong and effective in combating terrorism, but it is absolutely my view we can do that without undermining the constitutional rights that make us a free country.

With that, Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BENNET. Madam President, I want to first thank the Senator from South Dakota for his indulgence for 5 minutes or so to do this, and the Senator from Indiana for yielding his time to me. We got a little out of order on the floor, but I wanted to speak before the night was out about this incredible chance we have with respect to fixing our broken immigration system.

Over the next few weeks, the Senate has a golden opportunity to do something great, to do something that is important, to do something that shows

that Washington can actually work; that we are aligned with the priorities of the American people; and that we can take on hard challenges and solve them. That is the opportunity before us.

I have to say thank you to all of my colleagues who served on this so-called Gang of 8 and worked not even in a bipartisan way but in a nonpartisan way to fix problems that afflict our economy and our democracy throughout the country in different ways.

I particularly want to thank Senator JOHN MCCAIN and Senator SCHUMER for their leadership during good times, but particularly during the tough times during this negotiation. A lot of people I represent sometimes wonder whether Washington is just irretrievably broken, whether we can actually do something in the regular order instead of just in the middle of the night. To them I can come to the floor tonight and say: Finally, we have a process of which we can be proud. We have a bipartisan bill. We had a dozen hearings on this issue, with almost a month between the introduction of the bill and the committee markup. We had 37 hours of consideration in the Senate Judiciary Committee, with 300 amendments filed and 212 considered. I think 141 of these amendments from our colleagues were actually approved.

Even some of the harshest critics of the bill have commended the open and transparent process, and I am grateful to Chairman LEAHY for his work as well as the members of the Judiciary Committee.

In the coming weeks, many more amendments will come before this body. Voices on every side of the issue will continue to have the chance to be heard, which is the way democracy ought to work. At the end of the day, I hope we will not squander the greatest chance we have had in a generation, in 25 years, to fix our broken immigration system.

No one understands this better than the people of Colorado—the people I represent, who even though they do not think of themselves this way particularly, are one-third Democrat, one-third Republican, and one-third Independent. From end to end and corner to corner of our great western State, people have said to me: Michael, when are these guys going to fix this broken immigration system? With agriculture on the west slope in northern Colorado and on the eastern plains, this has a $40 billion impact to our State.

We have great high-tech in Colorado, with people inventing the future as we stand here today in bioscience, aerospace, engineering, and a growing startup community. Colorado's high-tech sector includes more than 10,000 companies. My hope is that 5 years from now there will be 10,000 more, and 5 years after that 10,000 more than that. We have 150,000 workers today who produce almost $3 billion in exports each year, as well as a new patent office opening soon.

We have a huge tourism industry. Hotels, restaurants, and the ski industry struggle to find the workers they need. The ski industry alone brings in 57 million visitors to the country each year, many of these people traveling to Colorado year after year.

We have a growing Latino population. It is almost 21 percent of our State's population. In places such as the Denver Public Schools—a place I had the privilege to work before I came to the Senate—over half our students are Latino. That is why we set out several years ago to have a conversation in Colorado, in the rural parts of the State, in the urban parts of the State, with our high-tech community, with our agriculture community, saying: What needs to be done? We brought together business leaders, farmers, faith leaders, law enforcement, advocates, and community leaders and we said: Washington is broken. We can't wait for them to act. What can we do in Colorado?

We came up with seven principles for immigration reform which are now reflected in the legislation before us. It turns out that actually for once we underestimated this place. This place was willing to approach this work with the seriousness of purpose that Colorado citizens were.

I wish to tell one Colorado story to reflect this. Wayne Mininger, an onion farmer from Greeley, CO, also represents onion farmers across the Nation as head of the National Onion Association. Growing up on his father's farm in California's San Joaquin Valley and now owning his own farm in Greeley, CO, he has witnessed the farmer's struggle to find reliable labor his entire working life. The farmers he represents have long voiced their frustration with a visa system that results in serious delays hiring workers or not having enough labor altogether to harvest crops.

They are not interested in the politics in the Nation's Capitol. They are interested in running their farms and ranches. They are interested in knowing they have a steady supply of labor. Wayne took the trouble to write a letter to the Greeley Tribune about why he is supporting this bill. Since he said it better than I could say it myself, I ask unanimous consent it be printed in the RECORD.

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

[From the Greeley Tribune]

COLORADO'S DELEGATION MUST SUPPORT IMMIGRATION REFORM

(By Wayne Mininger, Executive Vice President of the National Onion Association)

Growing up in California's San Joaquin Valley, from very early on I saw the critical role seasonal workers played on my father's fruit, nut and vegetable farm. Due to diminishing domestic worker availability, it became a constant struggle to obtain sufficient immigrant seasonal help because the visa process was cumbersome, complex and convoluted.

Later in life, I experienced seasonal labor struggles as a business partner with my father in Greeley on our onion farm.

Now as a leader of the National Onion Association, I represent onion farmers from coast to coast and border to border. Through the years, I've heard countless stories about how difficult it is to work within our immigration system.

That's why I support the immigration overhaul bill making its way through Congress. It is an excellent opportunity to address rural America's ability to attain a reliable, stable and legal workforce.

This bill isn't perfect, and I don't agree with everything in it. Thanks to the Group of Eight, which includes Sen. MICHAEL BENNET, D-Colo., for finally coming together in a bipartisan way to craft a common-sense bill that attempts to fix a broken immigration system. I encourage Colorado's other representatives, including Sen. MARK UDALL, D-Colo., and Rep. CORY GARDNER, R-Colo., to support it as well. Agriculture is the backbone of our state and national economies; we need policies that help farmers, not hinder them.

Mr. BENNET. Madam President, some critics will not be surprised people around here are using the same old, tired talking points in an effort to delay and kill this bill altogether. But the people of Colorado know better and the people across this country know better. They know that passing this bill is critical to strengthening our country's borders. It will make us safer, add to our security, aligning our immigration system with the needs not of a 20th century economy or a 19th century economy but of the 21st century economy our children are expecting us to build and honoring our heritage of a nation of laws and a nation of immigrants. That is why a growing number of Americans support fixing our broken immigration system and 70 percent support a tough but fair pathway to citizenship. That is what is contained in this bill.

I look forward to working with my colleagues in the days and weeks ahead to find ways we can even improve this bill and, at the end of the day, pass legislation that will make us stronger as a nation and better serve the next generation of Americans and the generation after that. Since our founding, there are a number of aspects that have made us spectacular as a country, but there are two that are hard to find anywhere else. We are a nation that subscribes to the rule of law and we are a nation of immigrants. With this bill, we will assert both of those principles, and I think we have a golden opportunity to come together again and say that Washington is not just about playing our own politics, it is about doing the people's business so we can show this place can actually work together again to accomplish something very important for all of America.

I yield the floor, probably considerably later than I should have.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. THUNE. Madam President, I also would like to thank the Senator from Colorado for his generosity with his time and for giving me the opportunity

to make some remarks. I have an amendment I filed which I do not think we are going to get an opportunity to have pending tonight. I hope we can get it pending at some point. I hope we can have a number of amendments pending and voted on. That is, after all, what the Senate should be about. Clearly, on an issue of this consequence to the American people and for those of us who represent States from all across the country, this is an issue that needs to be debated. That is why many of us voted to get on the bill today. I think we can all acknowledge that we have an immigration system that is broken and it needs to be fixed.

As I come to the floor to discuss this particular amendment, I am reminded that each time Congress has tried to fix our immigration system, there have been promises and more promises of a more secure border. Unfortunately, those promises are never upheld. The bill before us is well intended, but it is following the same path as past immigration bills. Under this bill, it is certain that 12 million undocumented workers will receive legal status soon after the bill is enacted. However, the border security provisions are nothing more than promises which, again, may never be upheld.

When I talk to my constituents back in South Dakota, they ask a couple of questions. The first one is: When will our Federal Government keep its promises on border security? I think that is first and foremost the issue most people see when they look at the immigration debate. They want to know why it is that we continue to talk about enforcing the law and securing the border, but we do not follow through on the steps that are necessary to do that.

They also ask the second question: Why do we need more laws? Why do we need more laws when we are not enforcing the laws that are currently on the books? It is time we follow through on the promises that have been made in the past of a more secure border. The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 required 700 miles of reinforced double-layered fencing along the southern border. This goal was reaffirmed when Congress passed the Secure Fence Act in 2006. To date, less than 40 miles out of the 700 miles of fencing required by law has been completed. My amendment, amendment No. 1197, simply requires that we implement current law prior to legalization as an indication that we are serious about border security. As specified by this amendment, 350 miles of the fencing would be required prior to RPI status being granted. The completion of this section of the fence would be a tangible demonstration that this administration is serious about border security.

After RPI status is granted, the remaining 350 miles required by current law would have to be constructed during the 10-year period before registered provisional immigrants can apply for green cards.

There are a lot of issues associated with this bill. It has a lot of moving parts. There are lots of things, as this debate continues, that need to be addressed and hopefully amendments that will be offered on the floor can make this bill stronger and improve it as it goes through the process. I say to my colleagues in the Senate that if we are serious about wanting to show that we get this whole issue of border security and we are not just talking about it but actually making real changes to make our border more secure, then this amendment is one way to show it. After all, many of us acknowledge that of the many components and elements of this debate, first and foremost is that we have to address the issue of border security.

It gets talked about. There is a lot of rhetoric surrounding it. There is a lot of rhetoric in the Senate, as I mentioned earlier about this very subject where promises and commitments have been made, promises and commitments that have never been fulfilled with respect to border security.

This amendment, No. 1197, as I said, is very simple, very straightforward, and only follows through on commitments that have been made by Congress in the past and which I think the American people expect and, frankly, have a right to expect, that we would follow through on: 350 miles of fence before RPI status is granted and another 350 miles of fence prior to a green card being issued.

It is not complicated. I think in a lot of respects this issue is not complicated. It is certainly not complicated in the minds of the American people who think first and foremost this is about border security, about border enforcement, about a nation that is able to control its very borders for so many reasons, many of which have been discussed and talked about and I hope will be talked about even more in the days ahead.

I understand I do not have the opportunity to get this amendment up and pending to where it could be voted on this evening, but I certainly hope, at least as we get underway in this debate tomorrow, that those of us who have amendments we think would strengthen and improve this bill will have the opportunity to put them forward and to get them voted on.

Amendment No. 1197 is one of those. I certainly hope tomorrow the managers of the bill will be able to allow us a pathway where we can get amendments voted on. I think this will improve the bill. I think it strengthens the bill and it certainly follows through on a commitment that has been made to the American people many times over and has not yet been followed through on.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FLAKE. Madam President, I ask unanimous consent that the quorum call be rescinded.

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

Mr. FLAKE. Madam President, the Senate has taken an important and historic step today by adopting a motion to proceed to legislation reforming our broken immigration system. I look forward to moving through this debate over the next couple of days and weeks in regular order.

This bill received a thorough vetting in the Judiciary Committee over a couple of weeks. There were more than 100 amendments adopted. I think more than 300 amendments were submitted.

I commend Chairman LEAHY and Ranking Member GRASSLEY for offering a process which makes this Senate proud. For those who believe the Senate cannot work through regular order and that all sides can agree to amendments being offered and a debate being had, I think they would be heartened to see this process so far. This bill will be brought to the floor with agreements as well as many amendments that will be offered and considered. We will have thorough debates that leave us in good stead for this legislation.

This is important legislation. I hope, as we move through it, we can remember we need to assign motives to people who are debating either side of this issue. This is an issue where passions run high. We see that among our constituents and across the country. Here in the Senate, I hope we remember we are all coming to this debate with different perspectives. We represent different States, but all of us want a better immigration system. If we can get through this and not question each other's motives throughout this process, I think we will all be better off.

Arizona, as everyone knows, is a State which has a large population of undocumented aliens. We rest on a large border with Mexico, and with all of the issues and problems that presents, and has over the years. The sizable undocumented population helps no one. It doesn't help those families living day to day with one family member or another out of status. It doesn't help State or local governments that bear the brunt of the cost, whether it is education, health care, criminal justice, or incarceration. These are expenses which are borne more by the States than the Federal Government and it leads to a lot of frustration in Arizona and elsewhere.

It doesn't help when businesses struggle to maintain a legal workforce, and that is the case in Arizona. Up until recently, the Tucson sector of the Border Patrol was the busiest sector in the Nation when it comes to illegal crossings. While there are claims that the border is now safer than ever, landowners in the border region continue to face a reality that would suggest otherwise.

Let me give an example. Earlier this year, the Ladd Ranch, which is a 14,000-

acre ranch that shares 10 miles of the U.S.-Mexico border, which is between Naco, AR, and the San Pedro River, reached 14 breaches with a total of 29 trucks just over the past 12 months. This was taking place in the daylight.

Between the border and the undocumented, our current immigration system does little to ensure that our economy has the talent we need to ensure the United States competes globally. While there are issues on the border with the landholders and all of the problems that presents, and then there are businesses which simply cannot get access to the talent they need, we have a problem that needs to be solved. In addition, the program is oriented toward providing adequate temporary or short-term workers typified by caps that do not work and redtape that makes them all but unusable. The current immigration system is irreparably broken.

This legislation before us takes great strides with border security. I look forward to these provisions being debated and thoroughly vetted throughout this process. I am sure many amendments will be offered. I plan to offer some of them myself to improve this process and to improve the border security elements of the bill.

This legislation has a tough but fair process to bring the undocumented out of the shadows. People who come forward will be required to pay fees and fines.

For those who raise the term amnesty again and again, let me assure them there is no amnesty in this legislation. By definition, amnesty is an unconditional pardon for a breach of law. This is no unconditional pardon. Those who come forward, come out of the shadows, and those who are undocumented will be required, as I said, will be required to pay fines and fees. They will be required to work. They will be required to stay well above the poverty level. When it comes time to renew their status, they will be required to pay any back taxes that have accrued, and again show they have stayed here and maintained the status in a way that would allow them to be renewed.

Before they are able to get a green card, 10 years into this process, there will be many other things required as well. Again, they will need to prove they have paid taxes, and that they have not been a public charge. They will need to learn English. Right now the requirement is the need to learn English to become a citizen. Under this legislation, this requirement has moved up to green card status. Just to get a green card, they will have to be proficient in English.

This legislation also dramatically modernizes our legal immigration system. It ensures U.S. businesses will have access to the best and brightest around the world.

I have been concerned about this issue for years. Years ago I introduced what we called the Staple Act. I heard many times from businesses that we ought to staple a green card to the diploma of anyone who receives a graduate degree, particularly a Ph.D., in the so-called STEM fields. This legislation accomplishes much of that by simply saying that those who are here and educated in our U.S. universities will be allowed to stay here. Those with a master's degree or Ph.D. in STEM fields will be allowed to stay here and help create jobs.

A big percentage of the jobs created and Fortune 500 companies that are listed are started or created by foreigners—those who were here and received an education here and were allowed to stay or were born by first or second-generation immigrants. We need to make sure those who are going to help us build our economy are allowed to stay, and this legislation does that.

We all know the status quo is unworkable. If someone runs a business in this country, they are not currently given adequate tools to determine whether those who are presenting themselves for work are here legally. This legislation will make sure those tools are there.

I look forward to this process as well as the debate. I think this debate can represent the Senate at its best where we can consider this legislation, consider amendments to make sure the bill is improved, and then send the bill on to the House so it can be considered there as well.

I commend those who have been involved in this process, the so-called Gang of 8, who have worked long and hard. Our staff worked well into the night for weeks on end to make sure we have the legislation before us today, which has been a long, thorough, and good process. As I mentioned before, those who have seen the Congress—the House and Senate—in recent years maybe not reach its full potential, to put it mildly, ought to be heartened by the process on this legislation. I hope we can continue it. I look forward to debating this legislation with my colleagues.

I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

MORNING BUSINESS

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

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

THE FARM BILL

Mr. CARDIN. Madam President, I rise today to speak about the 2013 farm bill that the Senate just passed. I want to congratulate Chairwoman STABENOW and ranking member COCHRAN for their work and success on this bill. I am proud to support this bill.

Last year, the Senate passed a strong bi-partisan farm bill that I was also happy to support. I greatly appreciate the work that Chairwoman STABENOW and former ranking member ROBERTS put into last year's bill and their willingness to work with me, and my colleagues from Chesapeake Bay region States to keep the conservation programs in the bill strong and effective for Maryland and other Chesapeake Bay States' farmers.

I was pleased to see the strength of the farm bill's conservation programs, namely the Regional Conservation Partnership Program retained, and in some respects improved, in the bill that the Agriculture Committee reported in May. I greatly appreciate that through floor consideration of the bill the conservation programs remained largely unchanged. During last year's consideration of this bill my Chesapeake Bay State colleagues and I, in working with Senators STABENOW and ROBERTS, put a great deal of work into improving the Regional Conservation Partnership Program and I appreciate that all of our work from last year remains intact in this year's Senate farm bill.

I have spoken with my State's soil conservation district managers about the new Regional Conservation Partnership Program that is coming and they are excited and ready to make sure that it works well in Maryland. I look forward to talking with more farmers and other stakeholders about the importance of this new program and will encourage their participation.

Farming in Maryland is extremely challenging. Pressure from developers is compounded by the water quality concerns that persist in the bay and its tributaries. The facts of the matter are that the bay is polluted and it is everyone in the watershed's responsibility to help clean it up.

The Chesapeake Bay is the world's largest most productive estuary. It is a national treasure that has an economic value over $1 trillion. I firmly believe that it is in the Nation's interest to protect this resource. It is in the interest and purview of the Federal government to coordinate the efforts of the six States and the District of Columbia. Because protecting this national treasure is an initiative in the Federal Government's interest I have made providing farmers financial resources to reduce pollution from their farms from polluting the bay a priority issue of mine in each farm bill I have worked on in the Senate.

Because water quality concerns in the bay watershed are so high, Maryland farms must meet extremely standards of operation to prevent sediment and nutrient loss.

I am proud to have worked with the chairman and ranking member to develop the programs in this bill that maintain the traditions of providing farmers with financial resources to mitigate nutrient and sediment loss from their farms.

Perhaps, what is even more important than the specific financial resources this bill provides farmers to implement conservation activities on their farms is reestablishing the requirement that farms must protect highly erodible lands and wetlands in order to qualify for crop insurance premium assistance. This was an issue that I was proud to help champion last year and that ultimately my Republican friend, the Senior Senator from Georgia, was able to win a floor vote to require any producer seeking crop insurance premium assistance to also meet a basic set of conservation compliance criteria established under the Sodbuster and Swampbuster programs.

The concept behind the conservation compliance programs is simple: The expenditure of Federal taxpayer dollars in support of farming operations cannot support farming practices that result in drainage of wetlands or farming of highly erodible lands. These conservation compliance requirements have long been accepted and applied to broadly to a variety of other longstanding farmer financial safety net programs. In fact, up until the 1996 farm bill these conservation compliance programs also applied to Federal crop insurance premium assistance programs.

These minimum qualifications have been a success in ensuring that Federal taxpayer dollars are not supporting farming practices that lead to costly natural resource degradation. In Maryland, however, these practices are common place not just because our farmers want to be good stewards of the bay but because the State requires farmers to manage for wetland and soil loss on their farms.

While I am proud of my Maryland farmers for their conservation work, they are punished in the marketplace for their good stewardship where they compete with producers whose production costs are lower because their operations are located in States that do not require mitigating the impacts of their operations on the natural environment.

Because the 2013 farm bill aims to move farmers out of direct payment programs and into expanded Crop Insurance Premium Assistance programs, reestablishing conservation compliance eligibility requirements for the Crop Insurance Program helps level the competitive playing field for Maryland farmers and other State's agricultural sectors that are doing what is right to protect the environment.

While mine and Senator CHAMBLISS's efforts last year were met with significant challenges last year, a series of discussions between our Nation's leading agricultural interests groups, like the American Farm Bureau, and our Nation's top wildlife and conservation organizations resulted in a mutually agreed proposal to re-link conservation compliance requirements to the crop insurance premium assistance program.

The Federal safety the farm bill provides for both farmers growing our Nation's food and low income families who have difficulty putting food on the table continues on in this bill but with needed reforms. I am proud to support this bill and congratulate the chair and ranking member.

Mr. RUBIO. Madam President, yesterday, I voted against passage of S. 954, the Agriculture Reform, Food, and Jobs Act of 2013, which is commonly known as the farm bill. With an overall cost of nearly $1 trillion, this legislation is more than we can afford at a time when our debt of nearly $17 trillion is growing rapidly each day. While I support some of the programs in this bill that are important to Florida and our State's important role in America's food supply, we cannot allow Washington to continue spending recklessly and condemning our children and grandchildren to a diminished future.

Not only was I concerned about the cost of this legislation, but I am disappointed that ample opportunity was not provided to Senators to improve it through a more open amendment process. When the farm bill was considered last year, the Senate voted on over 70 amendments to the bill, including my RAISE Act amendment, which would have allowed workers to earn more money for a job well done without having to first clear it by union bosses. This open process was not the case this time around and prevented my colleagues and I from introducing measures to improve the bill, as well as timely measures such as my proposal to punish Internal Revenue Service employees who violate the First Amendment rights of our citizens.

I remain committed to championing sound policy important to the farmers and working families that contribute to the agriculture industry's success and whose products ultimately end up at our dinner tables. It is why I am pursuing reforms in other areas that would benefit our farmers and our Nation. For example, I continue working towards national immigration reform, which would help create a guest worker visa program to ensure an adequate agriculture workforce. This reform would achieve an agricultural workers program that allows us to bring in both temporary and long-term laborers to provide our farms, dairies and other agricultural industries with the workers they need and in a way that also protects the dignity and safety of those workers.

Ms. WARREN. Madam President, yesterday, I voted for the Agriculture Reform, Food, and Jobs Act of 2013—the farm bill—which makes important reforms, such as ending the practice of direct payment agricultural subsidies, and provides strong support to our local farmers which will help stabilize our food policies and increase access to fresh produce for the next decade.

I especially want to acknowledge and thank Senator COWAN, with whom I worked closely, for his successful effort to include in this bill a provision that was also advocated by former Senator Kerry to help our struggling fishermen in Massachusetts. This provision extends eligibility in the emergency disaster loan program to fishermen.

When our farmers are struck by disasters, they have access to low-interest emergency disaster—EM—loans available through USDA's Farm Service Agency. These loans have been used in the past by farmers, ranchers, and aqua farmers to help recover from crop production losses. Now, our Nation's fishermen will also have access to this important loan program.

I am also proud to have worked with Senator COWAN on his amendment to authorize the Department of Agriculture to conduct a study to propose a method for a voluntary crop insurance program for seafood harvesters. Fisherman and farmers face the same economic hardships when there are significant drops in production. This study is an important step toward providing the seafood industry with an insurance product to reduce their risk. I thank Senator COWAN and former Senator Kerry for their leadership on these efforts to help out fisherman who experiencing very difficult economic hardships.

Although I am proud to support the broad policies in this legislation, there are certain measures in this bill that I strongly oppose and that I will push to modify when the bill is considered in conference.

In particular, I am deeply concerned with the changes that the farm bill makes to the SNAP program. I will continue working to ensure that assistance is available to all families who need help putting food on the table.

SAFE COMMUNITIES, SAFE SCHOOLS ACT OF 2013

Mr. LEVIN. Mr. President, in May, thousands of law enforcement officers from around the Nation came together at the National Law Enforcement Officers Memorial in Washington, DC to commemorate Peace Officers Memorial Day. The Congressional resolution that created this day of reflection dedicated it to the extraordinary law enforcement officers ''who, night and day, stand guard in our midst to protect us through enforcement of our laws,'' as well as the ''Federal, State, and municipal officers who have been killed or disabled in the line of duty.''

As we commemorate Peace Officers Memorial Day, it is vital for us to not only to honor the extraordinary work of our Nation's law enforcement professionals, but also to listen to their suggestions for how we can make our Nation a safer place to live. And on one subject, the overwhelming majority of

our Nation's law enforcement communities have been resolute and clear: Congress needs to support common sense measures, such as background checks for gun sales, to help stem the gun violence that plagues our Nation.

This is far from a revolutionary idea. Polls consistently show that approximately 90 percent of Americans support universal background checks. So do major law enforcement groups such as the International Association of Chiefs of Police, the Major Cities Chiefs Association, the International Association of Campus Law Enforcement Administrators, the National Association of Women Law Enforcement Executives, the National Organization of Black Law Enforcement Executives, the Police Executive Research Forum and the Police Foundation. These groups, each of them dedicated to the safety of our people, tell us that the time is now to act to prevent more senseless gun violence.

The extension of background checks to all gun sales would go a long way toward making our neighborhoods safer. Today, anyone, including convicted felons and the mentally ill, can walk into a gun show and walk out with a deadly weapon. As Police Chief Ronald Haddad of Dearborn, MI put it in a letter he wrote to me this past April, ''Police see firsthand the toll that gun violence takes in our schools, on our streets, and among our fellow officers—and we know from experience that our broken gun laws are a significant part of the problem.''

This status quo has dangerous consequences. A 2004 Department of Justice survey found that 80 percent of prisoners who committed crimes with handguns got them through private transfers, where no background check is required. In many of these cases, a simple background check could have stopped a tragedy and saved lives by keeping a weapon out of the hands of someone who sought to use it for harm. As Baltimore County Police Chief James Johnson put it at a hearing of the Senate Judiciary Committee hearing earlier this year, ''The best way to stop a bad guy from getting a gun in the first place is a good background check.''

We should listen to the voices of those entrusted with the safety of our communities. We should listen to the officers who every day confront well-armed criminals who legally purchase weapons to turn on innocents. We should live up to the spirit of Peace Officers Memorial Day by passing the Safe Communities, Safe Schools Act of 2013, a common sense piece of legislation to protect our society from more senseless gun violence. We owe the brave law enforcement professionals who keep our communities safe nothing less.

WORLD WAR II VETERANS VISIT

Mr. TESTER. Mr. President. On June 16th, a group of World War II veterans from Montana will be visiting our Nation's Capital.

With a great deal of honor and respect, I extend a hearty Montana welcome to each and every one of them.

Together, they will visit the World War II Memorial and share stories about their service. This journey will no doubt bring about a lot of memories. I hope it will give them a deep sense of pride as well.

What they achieved together almost 70 years ago was remarkable. That memorial is a testament to the fact that a grateful nation will never forget what they did or what they sacrificed. To us, they were our greatest generation. They left the comforts of their family and their communities to confront evil from Iwo Jima to Bastogne. Together, they won the war in the Pacific by defeating an empire and liberated a continent by destroying Hitler and the Nazis.

To them, they were simply doing their jobs. They enlisted in unprecedented numbers to defend our freedoms and our values. They represented the very best of us and made us proud.

From a young age, I remember playing the bugle at the memorial services of veterans of the first two World Wars. It instilled in me a profound sense of respect that I will never forget.

Honoring the service of every generation of American veterans is a Montana value. I deeply appreciate the work of the Big Sky Honor Flight, the nonprofit organization that made this trip possible.

To the World War II veterans making the trip, I salute you. We will always be grateful, and we will never forget your service or your sacrifice.

TRIBUTE TO SUSAN SULLAM

Mr. CARDIN. Madam President; I rise today for a moment of bittersweet reflection and the celebration of a dedicated public servant who has contributed greatly to the State of Maryland and our entire Nation. June 21st marks the final day that Susan Sullam will be working in my office as my communications director. We've traversed a 27-year journey together that started when I was first running for the House of Representatives. Over the years, with a combination of her quick writing and single-minded determination, she has helped me find my voice and articulate my positions during the very best and the very worst of times for me and our country. She has been a friend, trusted counselor, and a part of my extended family.

As a former editor at Knight-Ridder with an interest in politics, Susan became one of my first and few campaign workers. She was instrumental in helping me win my first election to the U.S. House of Representatives. And when I took office, she became my first press secretary. Somehow, Susan managed to give 110 percent of herself to her family and to her job.

Throughout our time working together, I have had the privilege of watching Susan's daughters, Jennifer and Karen, grow into remarkable, professionally accomplished young women. She instilled in her girls the understanding that you really could raise a family and have a career without shortchanging either one. I am forever grateful to them and Susan's husband Brian for sharing her time with me and the people of Maryland. I know Susan's family is looking forward to their first dinner without her Blackberry

I have always thought that Susan was born to be a journalist. Her mother, Mary Jane Fisher, was an admired and respected journalist and publicist who worked for 25 years as the Washington correspondent for the National Underwriter, a publisher of insurance and financial services trade publications. She was a well-known figure on Capitol Hill, and she frequented hearings of the Ways and Means Committee, where I served.

During one particularly memorable Medicare hearing, I watched from the dais as three generations of this wonderful family all worked the room. Mary Jane was reporting for her publication; Susan was covering the hearing as my press secretary; and Susan's daughter Jennifer was serving as an intern in the Ways and Means press office that summer, reporting to her boss, now-Representative DAN MAFFEI of New York.

Susan has been witness to the good and bad of politics over the course of nearly three decades. We started together at a time of great optimism that Congress could make decisions and enact meaningful legislation. Susan worked tirelessly during the many iterations of health care reform; she was constantly and meticulous pulling together materials that would help explain how real families would benefit from the passage of the legislation. This was as true in the 1990s with Hillary Clinton, as it was just a few years ago when we finally passed the Affordable Care Act. Her congressional career also encompassed my time as a member of the House Ethics Committee. During this period, Susan was witness to the various undertakings of the committee as it carried out it is authorization to investigate violations of the House of Code of Official Conduct by Members and staff, investigations that included the ''House Bank'' and the Speaker of the House.

But Susan's career was so much more. As I pushed to reshape our retirement system, Susan was there every step of the way with an article, interview, or a cable show designed specifically to get out the word to people who could benefit from the proposed legislative changes.

Some moments we have shared together tested our Nation, as well as our professional relationship. We came together as a family during 9/11, watching our Nation as it was grievously wounded. I voted against giving President George W. Bush the power to send

our troops into Iraq. While I knew it was the right decision, it was certainly not an easy one at the time. She pushed hard and urged me to take the strongest possible position against the war. She was my voice and my megaphone.

What makes all of Susan's accomplishments so much greater is the fact that she did much of this split between Washington and Baltimore. She was born and raised a Washingtonian but made Baltimore her home and the place she raised her family. She was as comfortable talking about restaurants on Federal Hill as Adams Morgan. When I was elected to the U.S. Senate, Susan was with me as I traveled throughout the State. She welcomed the opportunity to expand our representation to all of Maryland. Together we held press conferences on the Eastern Shore, visited editorial boards in western Maryland, and attended ribbon cuttings from Aberdeen to Fort Meade. Susan made herself familiar with nearly every Maryland smalltown newspaper and most of their publishers and could tell you about their editors without missing a beat.

After 27 years, I take as much pride as Susan in the fact that she really has had more opportunities than anyone else to share my voice and my positions on issues of importance with the people of Maryland and the Nation. I have enjoyed working side-by-side with her and having her as an anchor of Team Cardin. I have learned from her, and I thank her for her time. Her quick words, honesty, and dedication to public service will be missed by me, Myrna, and my entire staff. It is with heartfelt gratitude that I wish her well in this next stage of her life.

REMEMBERING EUGENE RUEHLMANN

Mr. PORTMAN. Madam President, today I wish to remember Eugene Ruehlmann, former mayor of Cincinnati, OH, for his leadership, his visions, and his dedication to his community and for his distinguished career in law and public service. Mr. Ruehlmann passed away at the age of 88 on June 8, 2013.

A native Cincinnatian, Mr. Ruehlmann's talents were recognized early on when he was voted ''Boy Mayor of Cincinnati'' in 1942 as a teenager. His public service career officially took off years later after he served our Nation in the U.S. Marine Corps in World War II, earned degrees from the University of Cincinnati and Harvard Law School and launched a successful law practice. Ultimately, Mr. Ruehlmann served 12 years on the Cincinnati City Council beginning in 1959 and served as the mayor of Cincinnati from 1967–1971.

Known as a ''Clean Gene'' for his principled leadership and legendary integrity, Mr. Ruehlmann was instrumental in advancing Cincinnati as a major league city. His leadership included guiding the early transformation of downtown Cincinnati with the development of the new Fountain Square Plaza, Riverfront Stadium, the establishment of an NFL team, the Cincinnati Bengals, and constructing Cincinnati's Convention Center.

Following the race riots in 1967, Mr. Ruehlmann worked to heal the city. He reformulated the city's Human Relations Commission, and founded the Mayor's Housing Coordinating Committee and the city's Project Commitment.

He has given his time to numerous charitable and community organizations, such as Children's Hospital, Children's Hospital Medical Center, Greater Cincinnati Foundation, the Work and Rehabilitation Center, March of Dimes and the National Conference of Christians and Jews.

Mr. Ruehlmann was awarded an Honorary Doctorate from the University of Cincinnati in 2011. In 1998, he was named a Great Living Cincinnatian by the Greater Cincinnati Chamber of Commerce for his lifetime of service and leadership. In 1970, the Urban League of Cincinnati honored him with a special award for Outstanding Achievement in Public Service.

He built a successful law practice as founder of the Strauss, Troy and Ruehlmann law firm, as a partner with Vorys, Sater, Seymour and Pease in Cincinnati, and as a director on the Board of the Center for Resolution of Disputes.

In all these years, and with all these accomplishments, he remained a devoted family man. He and his late wife, Virginia, were married for 61 years and raised 8 children, 25 grandchildren and 11 great-grandchildren.

Mr. President, I would like to honor Eugene Ruehlmann for his dedication to the City of Cincinnati, to his community and to his family.

ADDITIONAL STATEMENTS

RECOGNIZING BOY SCOUT TROOP 414

● Mr. BROWN. Madam President, I rise today to commemorate Boy Scout Troop 414 in Wellington, Lorain County, OH.

For more than a century, the Boy Scouts of America has evolved along with America. This organization has helped create a foundation for boys to realize their responsibilities as citizens. Boy Scouts learn to value leadership, discipline, equality, justice, and integrity—but, perhaps, the greatest lesson shared with Scouts is the importance of service.

Good citizenship matters. It strengthens our democracy, transforms strangers into neighbors, and helps move us closer to becoming a more just and open society.

Troop 414, one of the oldest troops in Ohio, remains active in the local community. From volunteering and maintaining the county fairgrounds to collecting items for the local food bank and organizing monthly camping trips, Troop 414 provides new opportunities for boys to contribute to Northeast Ohio.

As an Eagle Scout, I am especially proud of the Eagle Scouts in Troop 414: Alex Coker, Bradley Cuthbert Jr., Connor Dunwoodie, Aaron Ferguson, Stephen Ferguson, and Michael Savel.

With more than 30 additional active troop members under the guidance of Scoutmaster Darrell French, I know that the future of scouting is bright in Ohio.●

REMEMBERING MASTER SERGEANT WILLIAM SEYMOUR ''BULL'' EVANS

●Mr. CARDIN. Madam President, today I would like to pay tribute to U.S. Marine Corps MSgt William Seymour ''Bull'' Evans of Cresaptown, MD. ''Bull'' Evans was a member of the legendary Marine Corps Raiders and fought valiantly in some of the most pivotal battles of the South Pacific during World War II and the Korean war. ''Bull'' Evans remains one of the most decorated military servicemen in western Maryland. He amassed an impressive number of medals and awards, including the Purple Heart with four clusters; two Presidential citations; the Bronze Star; Silver Star; Navy Cross; and many others over the course of a 15-year military career.

Evans' strength as a swimmer was recognized early in his youth in Cresaptown, where he could frequently be found swimming in the Potomac River even during the winter months. When Evans was 18, he enlisted in the Marine Corps, where he eventually became an expert in amphibious assault techniques and was selected to serve with the elite 2nd Battalion, First Marine Raiders. Evans was on his first furlough, in Honolulu, when the Japanese attacked Pearl Harbor in 1941. He was among the first volunteers for the newly-organized Second Battalion, First Marine Raiders, a special operations force formed in response to the attack. Evans' heroic acts have made him a legend among Marines—36 hours of continuous action on Midway Island, a solitary advance to stop an assault on his unit while pinned down by the enemy on Tulagi, and singlehandedly stringing barbed wire to prevent an attack on his unit's position near Guadalcanal. His penchant for rapidly advancing into enemy territory by himself established his reputation as the ''One Man Army'' and earned him the nickname ''Bull'' among his brothers in arms.

Following Evans' service in World War II and as the conflict grew in Korea, he volunteered to join the 1st Marine Division and, in spite of injuries sustained in earlier campaigns, signed a waiver allowing him to fight. After being seriously wounded by machine-gun fire and shrapnel, Evans returned to the battlefield to assist in

training South Korean troops and was later assigned to a military police unit in Japan where he reunited with his wife and children.

''Bull'' Evans also earned a unique distinction when, in 1952, he became the only Marine authorized to wear a beard, despite military regulations against it. During the Korean war, when Maj. Gen. John T. Selden instructed all Marines to be clean shaven, he issued an edict that ''For honor and distinction, Sgt Evans will be exempt from this order and permission to let his beard grow is granted.''

After serving with distinction in two wars, MSgt ''Bull'' Evans died suddenly and unexpectedly of cardiac failure in 1954. High-ranking officials from both the United States and Japan, standing side-by-side with thousands of Marines, attended his funeral.

I am pleased that because of the advocacy of local veterans, historians, and political leaders in western Maryland, the legacy of this true American hero will be preserved by dedicating a portion of U.S. Route 220 through his hometown of Cresaptown, MD to USMC MSgt William ''Bull'' Evans on June 29, 2013. I commend the efforts of Ron Miller, Jim Stakem, Pete Martz, and Terry Evans to share the story of ''Bull'' Evans and to establish a permanent and lasting memorial in his honor, and I appreciate the leadership of State Senator George Edwards and the Maryland State Highway Administration in making this memorial a reality. I don't think we can ever be reminded too frequently of the extraordinary valor of our men and women in uniform so I am grateful we are establishing a fitting tribute to an exemplary member of what Tom Brokaw so appropriately called the ''Greatest Generation.''●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, 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 messages received today are printed at the end of the Senate proceedings.)

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–1822. A communication from the Attorney-Advisor, Departmental Offices, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Garnishment of Accounts Containing Federal Benefit Payments'' (RIN1505–AC20) received in the Office of the President of the Senate on June 7, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1823. A communication from the Acting Director, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Prevailing Rate Systems; Redefinition of the Minneapolis-St. Paul, MN, and Southwestern Wisconsin Appropriated Fund Federal Wage System Wage Areas'' (RIN3206–AM75) received during adjournment of the Senate in the Office of the President of the Senate on June 5, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1824. A communication from the Acting Director, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled ''Prevailing Rate Systems; Redefinition of the Clayton-Cobb-Fulton, GA, Nonappropriated Fund Federal Wage System Wage Area'' (RIN3206–AM84) received during adjournment of the Senate in the Office of the President of the Senate on June 5, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1825. A communication from the Acting General Counsel, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to a vacancy in the position of Director, Office of Management and Budget, received during adjournment of the Senate in the Office of the President of the Senate on May 28, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1826. A communication from the Secretary of Education, transmitting, pursuant to law, the Department of Education's fiscal year 2012 annual report relative to the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No FEAR Act); to the Committee on Homeland Security and Governmental Affairs.

EC–1827. A communication from the Assistant Secretary for Civil Rights, Department of Agriculture, transmitting, pursuant to law, the Department's fiscal year 2012 annual report relative to the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No FEAR Act); to the Committee on Homeland Security and Governmental Affairs.

EC–1828. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled, ''Status of the Implementation of Recommendations from the 2008 ODCA Audit Report Titled 'Review of the District's Cash Advance Fund' ''; to the Committee on Homeland Security and Governmental Affairs.

EC–1829. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–76, ''Certified Business Enterprise Compliance Temporary Act of 2013''; to the Committee on Homeland Security and Governmental Affairs.

EC–1830. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the Department of Veterans Affairs' Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1831. A communication from the Secretary of the Interior, transmitting, pursuant to law, the Department of the Interior's Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1832. A communication from the Chief Executive Officer, Corporation for National and Community Service, transmitting, pursuant to law, the Semiannual Report of the Inspector General and the Corporation for National and Community Service's Report on Final Action for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1833. A communication from the Chairman of the Board of Governors, U.S. Postal Service, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report and the Postal Service's response to the report for the period of October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1834. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the Semi-Annual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1835. A communication from the Chief Executive Officer, Millennium Challenge Corporation, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1836. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1837. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the Department of Agriculture's Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1838. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the Semiannual Report of the Inspector General and a Management Report for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1839. A communication from the Chairman of the Railroad Retirement Board, transmitting, pursuant to law, the Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1840. A communication from the Secretary of Labor, transmitting, pursuant to law, the Department of Labor's Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1841. A communication from the Acting Chairman of the National Endowment for the Arts, transmitting, pursuant to law, the Semiannual Report of the Inspector General and the Chairman's Semiannual Report on Final Action Resulting from Audit Reports, Inspection Reports, and Evaluation Reports for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1842. A communication from the Administrator of the Agency for International Development (USAID), transmitting, pursuant to law, the Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1843. A communication from the Secretary of Education, transmitting, pursuant

to law, the Semiannual Report of the Office of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1844. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the Department of Defense's Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1845. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the Office of the Inspector General's Semiannual Report for the period of October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1846. A communication from the Director, Broadcasting Board of Governors, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1847. A communication from the Secretary of the Department of the Treasury, transmitting, pursuant to law, the Semiannual Reports from the Office of the Treasury Inspector General and the Treasury Inspector General for Tax Administration for the period from October 1, 2012, through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1848. A communication from the Chief Operating Officer and Acting Executive Director, U.S. Election Assistance Commission, transmitting, pursuant to law, the Commission's Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1849. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Department of Health and Human Service's Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1850. A joint communication from the Chairman and the Acting General Counsel, National Labor Relations Board, transmitting, pursuant to law, the Office of Inspector General's Semiannual Report for the period of October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1851. A communication from the Acting Director, Office of Personnel Management, transmitting, pursuant to law, the Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013 and the Management Response; to the Committee on Homeland Security and Governmental Affairs.

EC–1852. A communication from the Secretary of Education, transmitting, pursuant to law, the Department's Semiannual Report to Congress on Audit Follow-up for the period of October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1853. A communication from the Secretary of Transportation, transmitting, pursuant to law, the Department of Transportation's Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1854. A communication from the Director, Congressional Affairs, Federal Election Commission, transmitting, pursuant to law, the Semiannual Report of the Inspector General for the period from October 1, 2012 through March 31, 2013; to the Committee on Homeland Security and Governmental Affairs.

EC–1855. A communication from the Assistant Director of the Legal Processing Division, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''United States and Area Median Gross Income Figures'' (Rev. Proc. 2013–27) received in the Office of the President of the Senate on June 6, 2013; to the Committee on Finance.

EC–1856. A communication from the Associate Administrator of the National Organic Program, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''National Organic Program (NOP); Amendments to the National List of Allowed and Prohibited Substances (Crops and Processing)'' ((RIN0581–AD27) (AMS–NOP–12–0016; NOP–12–07FR)) received in the Office of the President of the Senate on June 10, 2013; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1857. A communication from the Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Irradiation in the Production, Processing, and Handling of Animal Feed and Pet Food; Electron Beam and X–Ray Sources for Irradiation of Poultry Feed and Poultry Feed Ingredients; Correction'' (Docket No. FDA–2012–F–0178) received in the Office of the President of the Senate on June 10, 2013; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1858. A communication from the Acting Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of Lieutenant General William J. Troy, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

EC–1859. A communication from the Acting Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of Lieutenant General Willie J. Williams, United States Marine Corps, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

EC–1860. A communication from the Acting Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of Vice Admiral Walter M. Skinner, United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

EC–1861. A communication from the Acting Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of Vice Admiral Charles J. Leidig, Jr., United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

EC–1862. A communication from the Under Secretary of Defense (Acquisition, Technology and Logistics), transmitting, pursuant to law, a report relative to Department of Defense purchases from foreign entities for fiscal year 2012; to the Committee on Armed Services.

EC–1863. A communication from the Principal Deputy Assistant Secretary of Defense (Reserve Affairs), transmitting, pursuant to law, a report relative to the additional equipment and construction that would have been requested if the President's Budget had equaled the average of the two previous years' Authorization of Appropriations (AoA); to the Committee on Armed Services.

EC–1864. A communication from the Under Secretary of Defense (Acquisition, Technology, and Logistics), transmitting, pursuant to law, a report entitled ''Report to Congress on Defense Environmental Restoration Cost and Schedule Estimating''; to the Committee on Armed Services.

EC–1865. A communication from the Acting Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of Lieutenant General Larry D. James, United States Air Force, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

EC–1866. A communication from the Assistant Director of the Legal Processing Division, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Credit for Renewable Electricity Production, Refined Coal Production, and Indian Coal Production, and Publication of Inflation Adjustment Factors and Reference Prices for Calendar Year 2013'' (Notice 2013–33) received in the Office of the President of the Senate on June 6, 2013; to the Committee on Finance.

EC–1867. 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 ''Wilson v. Commissioner'' (AOD 2012–07) received in the Office of the President of the Senate on June 6, 2013; to the Committee on Finance.

EC–1868. A communication from the Assistant Director of the Legal Processing Division, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Empowerment Zone Designation Extension'' (Notice 2013–38) received in the Office of the President of the Senate on June 6, 2013; to the Committee on Finance.

EC–1869. A communication from the Acting Assistant Secretary, Bureau of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the extension of waiver authority for Belarus; to the Committee on Finance.

EC–1870. A communication from the Board of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds, transmitting, pursuant to law, the Board's 2013 Annual Report; to the Committee on Finance.

EC–1871. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Kazakhstan; to the Committee on Banking, Housing, and Urban Affairs.

EC–1872. A communication from the Executive Vice President and Chief Financial Officer of the Federal Home Loan Bank of Atlanta, transmitting, pursuant to law, the Bank's 2012 management reports and statements on system of internal controls; to the Committee on Banking, Housing, and Urban Affairs.

EC–1873. A communication from the Division Chief of Regulatory Affairs, Bureau of Land Management, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Application Procedures, Execution and Filing of Forms: Correction of State Office Address for Filings and Recordings, Including Proper Offices for Recording of Mining Claims; Oregon/Washington'' (RIN1004–AE31) received in the Office of the President of the Senate on June 11, 2013; to the Committee on Energy and Natural Resources.

EC–1874. A communication from the Management Analyst, Forest Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Postdecisional Administrative Review Process for Occupancy or Use of National Forest System Lands and Resources''

(RIN0596–AB45) received in the Office of the President of the Senate on June 7, 2013; to the Committee on Energy and Natural Resources.

EC–1875. A communication from the Director of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Initial Test Programs for Water-Cooled Nuclear Power Plants'' (Regulatory Guide 1.68, Revision 4) received in the Office of the President of the Senate on June 7, 2013; to the Committee on Environment and Public Works.

EC–1876. A communication from the Director of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Miscellaneous Corrections'' (RIN3150–AJ23) received in the Office of the President of the Senate on June 7, 2013; to the Committee on Environment and Public Works.

EC–1877. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the extension of waiver authority for Turkmenistan; to the Committee on Foreign Relations.

EC–1878. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to section 36(d) of the Arms Export Control Act (DDTC 13–074); to the Committee on Foreign Relations.

EC–1879. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to section 36(c) of the Arms Export Control Act (DDTC 13–077); to the Committee on Foreign Relations.

EC–1880. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to section 36(c) of the Arms Export Control Act (DDTC 13–073); to the Committee on Foreign Relations.

EC–1881. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to section 36(c) of the Arms Export Control Act (DDTC 13–069); to the Committee on Foreign Relations.

EC–1882. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to section 36(c) of the Arms Export Control Act (DDTC 13–068); to the Committee on Foreign Relations.

EC–1883. A communication from the Acting Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to section 36(c) of the Arms Export Control Act (DDTC 13–072); to the Committee on Foreign Relations.

EC–1884. A communication from the Assistant Administrator, Bureau for Legislative and Public Affairs, U. S. Agency for International Development (USAID), transmitting, pursuant to law, a report responding to a GAO report entitled ''U.S. Assistance to Yemen: Actions Needed to Improve Oversight of Emergency Food Aid and Assess Security Assistance''; to the Committee on Foreign Relations.

EC–1885. A communication from the Executive Analyst, Office of the Secretary, Department of Health and Human Services, transmitting, pursuant to law, a report relative to a vacancy in the position of Administrator, Centers for Medicare and Medicaid Services, Department of Health and Human Services; to the Committee on Health, Education, Labor, and Pensions.

EC–1886. A communication from the Assistant Secretary, Employee Benefits Security Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Incentives for Nondiscriminatory Wellness Programs in Group Health Plans'' (RIN1210–AB55) received in the Office of the President of the Senate on June 3, 2013; to the Committee on Health, Education, Labor, and Pensions.

EC–1887. A communication from the Program Manager, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Incentives for Nondiscriminatory Wellness Programs in Group Health Plans'' (RIN0938–AR48) received in the Office of the President of the Senate on June 5, 2013; to the Committee on Health, Education, Labor, and Pensions.

EC–1888. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the combined seventh, eighth, and ninth quarterly reports relative to the steps the Food and Drug Administration has taken to implement the Menu and Vending Machine Labeling provisions from the Patient Protection and Affordable Care Act of 2010; to the Committee on Health, Education, Labor, and Pensions.

EC–1889. A communicating from the Secretary of Health and Human Services, transmitting, pursuant to law, the report entitled ''Workplace Wellness Report to Congress''; to the Committee on Health, Education, Labor, and Pensions.

EC–1890. A communication from the Executive Analyst, Office of the Secretary, Department of Health and Human Services, transmitting, pursuant to law, a report relative to a vacancy in the position of Director of Indian Health Service, Department of Health and Human Services; to the Committee on Health, Education, Labor, and Pensions.

EC–1891. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Fiscal Year 2012 Report to Congress on Funding Needs For Contract Support Costs of Self-Determination Awards''; to the Committee on Indian Affairs.

EC–1892. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Fiscal Year 2011 Report to Congress on Funding Needs For Contract Support Cost of Self-Determination Awards'' corrected version; to the Committee on Indian Affairs.

EC–1893. A communication from the Principal Deputy Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, the Department of Justice's Indian Country Investigations and Prosecution Report for calendar years 2011 and 2012; to the Committee on the Judiciary.

EC–1894. A communication from the Principal Deputy Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, the Office of Community Oriented Policing Services (COPS) Annual Report for fiscal year 2012; to the Committee on the Judiciary.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of a nomination was submitted:

By Mr. BAUCUS for the Committee on Finance.

*Michael Froman, of New York, to be United States Trade Representative, with the rank of Ambassador Extraordinary and Plenipotentiary.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. TOOMEY (for himself, Mr. CASEY, and Mr. CRAPO):

S. 1128. A bill to clarify the orphan drug exception to the annual fee on branded prescription pharmaceutical manufacturers and importers; to the Committee on Finance.

By Mr. UDALL of New Mexico (for himself and Mr. HEINRICH):

S. 1129. A bill to assist coordination among science, technology, engineering, and mathematics efforts in the States, to strengthen the capacity of elementary schools, middle schools, and secondary schools to prepare students in science, technology, engineering, and mathematics, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MERKLEY (for himself, Mr. LEE, Mr. HELLER, Mr. LEAHY, Mr. BEGICH, Mr. FRANKEN, Mr. TESTER, Mr. WYDEN, Mr. BLUMENTHAL, and Mr. PAUL):

S. 1130. A bill to require the Attorney General to disclose each decision, order, or opinion of a Foreign Intelligence Surveillance Court that includes significant legal interpretation of section 501 or 702 of the Foreign Intelligence Surveillance Act of 1978 unless such disclosure is not in the national security interest of the United States and for other purposes; to the Committee on the Judiciary.

By Mr. UDALL of New Mexico (for himself and Mr. HEINRICH):

S. 1131. A bill to strengthen Indian education, and for other purposes; to the Committee on Indian Affairs.

By Mr. BURR (for himself and Mrs. HAGAN):

S. 1132. A bill to provide for the recognition of the Lumbee Tribe of North Carolina, and for other purposes; to the Committee on Indian Affairs.

By Mr. ROCKEFELLER (for himself, Mr. BLUNT, Mr. CARDIN, Ms. COLLINS, and Ms. CANTWELL):

S. 1133. A bill to amend the Internal Revenue Code of 1986 to permanently extend the new markets tax credit, and for other purposes; to the Committee on Finance.

By Mr. PORTMAN:

S. 1134. A bill to amend the Internal Revenue Code of 1986 to issue regulations covering the practice of enrolled agents before the Internal Revenue Service; to the Committee on Finance.

By Mr. CASEY (for himself, Mr. SCHUMER, Mrs. GILLIBRAND, Mr. WHITEHOUSE, and Mr. MERKLEY):

S. 1135. A bill to amend the Safe Drinking Water Act to repeal a certain exemption for hydraulic fracturing, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. FEINSTEIN:

S. 1136. A bill to authorize the extension of preferential tariff treatment for certain textile goods imported from Nicaragua; to the Committee on Finance.

By Mr. WYDEN (for himself, Mr. CRAPO, Ms. LANDRIEU, Ms. CANTWELL, Mr. MERKLEY, and Mr. BLUMENTHAL):

S. 1137. A bill to amend title XVIII of the Social Security Act to modernize payments for ambulatory surgical centers under the Medicare program, and for other purposes; to the Committee on Finance.

By Mrs. GILLIBRAND:

S. 1138. A bill to reauthorize the Hudson River Valley National Heritage Area; to the Committee on Energy and Natural Resources.

By Mrs. GILLIBRAND:

S. 1139. A bill to authorize the Secretary of the Interior to conduct a special resource study of the Hudson River Valley, New York; to the Committee on Energy and Natural Resources.

By Mrs. GILLIBRAND:

S. 1140. A bill to extend the authorization of the Highlands Conservation Act through fiscal year 2024; to the Committee on Energy and Natural Resources.

By Mr. CARDIN (for himself, Ms. COLLINS, Mr. SCHUMER, and Ms. STABENOW):

S. 1141. A bill to amend the Internal Revenue Code of 1986 to expand the rehabilitation credit, and for other purposes; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 162

At the request of Mr. FRANKEN, the name of the Senator from Connecticut (Mr. MURPHY) was added as a cosponsor of S. 162, a bill to reauthorize and improve the Mentally Ill Offender Treatment and Crime Reduction Act of 2004.

S. 195

At the request of Mr. FRANKEN, the name of the Senator from Connecticut (Mr. MURPHY) was added as a cosponsor of S. 195, a bill to amend the Public Health Service Act to revise and extend projects relating to children and violence to provide access to school-based comprehensive mental health programs.

S. 325

At the request of Mr. TESTER, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 325, a bill to amend title 38, United States Code, to increase the maximum age for children eligible for medical care under the CHAMPVA program, and for other purposes.

S. 382

At the request of Mr. SCHUMER, the name of the Senator from Wisconsin (Ms. BALDWIN) was added as a cosponsor of S. 382, a bill to amend title XVIII of the Social Security Act to allow physician assistants, nurse practitioners, and clinical nurse specialists to supervise cardiac, intensive cardiac, and pulmonary rehabilitation programs.

S. 557

At the request of Mrs. HAGAN, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 557, a bill to amend title XVIII of the Social Security Act to improve access to medication therapy management under part D of the Medicare program.

S. 559

At the request of Mr. ISAKSON, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 559, a bill to establish a fund to make payments to the Americans held hostage in Iran, and to members of their families, who are identified as members of the proposed class in case number 1:08-CV–00487 (EGS) of the United States District Court for the District of Columbia, and for other purposes.

S. 569

At the request of Mr. BROWN, the names of the Senator from Florida (Mr. NELSON) and the Senator from Connecticut (Mr. MURPHY) were added as cosponsors of S. 569, a bill to amend title XVIII of the Social Security Act to count a period of receipt of outpatient observation services in a hospital toward satisfying the 3-day inpatient hospital requirement for coverage of skilled nursing facility services under Medicare.

S. 602

At the request of Mr. TESTER, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S. 602, a bill to amend the Public Health Service Act to provide for the participation of physical therapists in the National Health Service Corps Loan Repayment Program, and for other purposes.

S. 647

At the request of Mr. NELSON, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 647, a bill to modify the prohibition on recognition by United States courts of certain rights relating to certain marks, trade names, or commercial names.

S. 650

At the request of Ms. LANDRIEU, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 650, a bill to amend title XXVII of the Public Health Service Act to preserve consumer and employer access to licensed independent insurance producers.

S. 699

At the request of Mr. GRASSLEY, the name of the Senator from Florida (Mr. RUBIO) was added as a cosponsor of S. 699, a bill to reallocate Federal judgeships for the courts of appeals, and for other purposes.

S. 709

At the request of Ms. STABENOW, the name of the Senator from Maine (Mr. KING) was added as a cosponsor of S. 709, a bill to amend title XVIII of the Social Security Act to increase diagnosis of Alzheimer's disease and related dementias, leading to better care and outcomes for Americans living with Alzheimer's disease and related dementias.

S. 734

At the request of Mr. NELSON, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 734, a bill to amend title 10, United States Code, to repeal the requirement for reduction of survivor annuities under the Survivor Benefit Plan by veterans' dependency and indemnity compensation.

S. 777

At the request of Mrs. GILLIBRAND, the name of the Senator from Wisconsin (Ms. BALDWIN) was added as a cosponsor of S. 777, a bill to restore the previous policy regarding restrictions on use of Department of Defense medical facilities.

S. 789

At the request of Mr. BAUCUS, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of S. 789, a bill to grant the Congressional Gold Medal, collectively, to the First Special Service Force, in recognition of its superior service during World War II.

S. 813

At the request of Mr. UDALL of Colorado, his name was added as a cosponsor of S. 813, a bill to require that Peace Corps volunteers be subject to the same limitations regarding coverage of abortion services as employees of the Peace Corps with respect to coverage of such services, and for other purposes.

S. 842

At the request of Mr. SCHUMER, the names of the Senator from Wisconsin (Ms. BALDWIN), the Senator from Missouri (Mr. BLUNT) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 842, a bill to amend title XVIII of the Social Security Act to provide for an extension of the Medicare-dependent hospital (MDH) program and the increased payments under the Medicare low-volume hospital program.

S. 865

At the request of Mr. WHITEHOUSE, the name of the Senator from Maine (Mr. KING) was added as a cosponsor of S. 865, a bill to provide for the establishment of a Commission to Accelerate the End of Breast Cancer.

S. 896

At the request of Mr. BEGICH, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 896, a bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

S. 908

At the request of Mr. JOHNSON of South Dakota, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 908, a bill to amend the Public Health Service Act to improve the diagnosis and treatment of hereditary hemorrhagic telangiectasia, and for other purposes.

S. 916

At the request of Mr. KAINE, the name of the Senator from Missouri (Mr. BLUNT) was added as a cosponsor of S. 916, a bill to authorize the acquisition and protection of nationally significant battlefields and associated sites of the Revolutionary War and the War of 1812 under the American Battlefield Protection Program.

S. 945

At the request of Mrs. SHAHEEN, the name of the Senator from Indiana (Mr. DONNELLY) was added as a cosponsor of S. 945, a bill to amend title XVIII of the Social Security Act to improve access to diabetes self-management training by authorizing certified diabetes educators to provide diabetes self-management training services, including as

part of telehealth services, under part B of the Medicare program.

S. 967

At the request of Mrs. GILLIBRAND, the names of the Senator from Vermont (Mr. LEAHY), the Senator from Maryland (Mr. CARDIN), the Senator from New Jersey (Mr. MENENDEZ) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 967, a bill to amend title 10, United States Code, to modify various authorities relating to procedures for courts-martial under the Uniform Code of Military Justice, and for other purposes.

S. 1028

At the request of Mr. SANDERS, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1028, a bill to reauthorize and improve the Older Americans Act of 1965, and for other purposes.

S. 1050

At the request of Ms. COLLINS, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 1050, a bill to amend title 10, United States Code, to ensure the issuance of regulations applicable to the Coast Guard regarding consideration of a request for a permanent change of station or unit transfer submitted by a member of the Coast Guard who is the victim of a sexual assault.

S. 1059

At the request of Mr. KIRK, the name of the Senator from Delaware (Mr. COONS) was added as a cosponsor of S. 1059, a bill to amend the Immigration and Nationality Act to deem any person who has received an award from the Armed Forces of the United States for engagement in active combat or active participation in combat to have satisfied certain requirements for naturalization.

S. 1096

At the request of Mr. BAUCUS, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S. 1096, a bill to establish an Office of Rural Education Policy in the Department of Education.

S. 1099

At the request of Mr. COBURN, the names of the Senator from Indiana (Mr. DONNELLY) and the Senator from Texas (Mr. CORNYN) were added as cosponsors of S. 1099, a bill to ensure that individuals do not simultaneously receive unemployment compensation and disability insurance benefits.

S. 1100

At the request of Mr. BARRASSO, the name of the Senator from Missouri (Mr. BLUNT) was added as a cosponsor of S. 1100, a bill to amend the Energy Independence and Security Act of 2007 to repeal a provision prohibiting Federal agencies from procuring alternative fuels.

S.J. RES. 11

At the request of Mr. SANDERS, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S.J. Res. 11, a joint resolution proposing an amendment to the Constitution of the United States to restore the rights of the American people that were taken away by the Supreme Court's decision in the Citizens United case and related decisions, to protect the integrity of our elections, and to limit the corrosive influence of money in our democratic process.

S. CON. RES. 15

At the request of Mr. HARKIN, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. Con. Res. 15, a concurrent resolution expressing the sense of Congress that the Chained Consumer Price Index should not be used to calculate cost-of-living adjustments for Social Security or veterans benefits, or to increase the tax burden on low- and middle-income taxpayers.

S. RES. 75

At the request of Mr. KIRK, the name of the Senator from Wisconsin (Ms. BALDWIN) was added as a cosponsor of S. Res. 75, a resolution condemning the Government of Iran for its state-sponsored persecution of its Baha'i minority and its continued violation of the International Covenants on Human Rights.

S. RES. 151

At the request of Mr. CASEY, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. Res. 151, a resolution urging the Government of Afghanistan to ensure transparent and credible presidential and provincial elections in April 2014 by adhering to internationally accepted democratic standards, establishing a transparent electoral process, and ensuring security for voters and candidates.

S. RES. 154

At the request of Mr. HOEVEN, the names of the Senator from Florida (Mr. RUBIO), the Senator from Illinois (Mr. DURBIN) and the Senator from Maryland (Mr. CARDIN) were added as cosponsors of S. Res. 154, a resolution supporting political reform in Iran and for other purposes.

S. RES. 164

At the request of Mr. UDALL of Colorado, the name of the Senator from South Carolina (Mr. GRAHAM) was added as a cosponsor of S. Res. 164, a resolution designating October 30, 2013, as a national day of remembrance for nuclear weapons program workers.

S. RES. 167

At the request of Mr. MENENDEZ, the name of the Senator from Tennessee (Mr. CORKER) was added as a cosponsor of S. Res. 167, a resolution reaffirming the strong support of the United States for the peaceful resolution of territorial, sovereignty, and jurisdictional disputes in the Asia-Pacific maritime domains.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN:

S. 1136. A bill to authorize the extension of preferential tariff treatment for certain textile goods imported from Nicaragua; to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce legislation to extend a critical textile and apparel trade program with Nicaragua, currently set to expire at the end of 2014 through the end of 2024.

This is a unique program which benefits not only Nicaraguan apparel factories and U.S. apparel companies and retailers, but U.S. fabric and yarn mills as well.

Let me explain.

In an effort to promote trade between the United States and Nicaragua, the 2006 Central American Free Trade Agreement, CAFTA, allows Nicaragua to export to the United States a limited amount of apparel products duty free regardless of the source of the yarn or fabric.

Specifically, this Tariff Preference Level, TPL, allows Nicaragua to export 100 million square meter equivalents, SMEs, of apparel made with fabric from non-CAFTA countries as long as the apparel is assembled in Nicaragua.

In order to ensure that U.S. fabric producers could also take advantage of this program, it contains a special rule for trousers.

It requires Nicaragua to purchase one square meter of U.S. fabric for every one square meter of non-CAFTA woven trouser fabric.

That is, under this ''one for one'' rule, for each export of woven trousers made from non-CAFTA fabric, Nicaragua agreed to export to the U.S. an equal amount of woven trousers made of U.S. fabric, up to a certain level 50 million square meter equivalents.

This ''one for one'' feature has been especially successful, resulting in an increase in U.S. fabric exports to Nicaragua and an increase in apparel production jobs in Central America.

In fact, since 2006, when the program went into effect, U.S. fabric exports to Nicaragua have nearly doubled from $57.3 million to $110.2 million.

Nicaragua is now the fastest growing market for U.S. fabric exports to the CAFTA region.

Nicaragua has also greatly benefited from this program.

I would remind my colleagues that Nicaragua, with a GDP per capita of $3,300, is the poorest country in Central America and the second poorest country in the Western Hemisphere.

Approximately 42.5 percent of Nicaragua's population lives below the poverty line.

It is vital that Nicaragua develop and grow new export opportunities to help lift its people out of poverty. And that is what this program has done.

Since 2006, total apparel exports from Nicaragua to the U.S. have doubled. The program now accounts for 25 percent of those exports.

Between 2005 and 2013, jobs in the apparel sector in Nicaragua have grown

by 23 percent. That is, 13,236 new jobs have been created since CAFTA went into effect.

With a program that has proven to be so successful and mutually beneficial, it is appropriate for Congress to extend it and ensure that these benefits continue.

Some of my colleagues may wonder why I am introducing legislation now to extend a textile and apparel trade program that will not expire until the end of 2014.

The simple answer is that an early renewal is critical for business planning purposes.

U.S. companies that have taken advantage of this program are making decisions now about their long-term investments and where they will source apparel products.

Extending this program several months before its expiration date will help give U.S. companies the necessary confidence to continue to invest in Nicaragua and take advantage of its benefits.

If we wait until the last minute to extend the program, the ties that have been developed between U.S. and Nicaraguan companies and the benefits accrued will be put at risk.

Simply put, U.S. companies will not make the commitments to Nicaragua if there is a chance the textile and apparel trade program will lapse.

They will look elsewhere for new business opportunities to avoid what would in essence be a new trade barrier to U.S. textile exports and U.S. apparel companies in Nicaragua.

And as U.S. apparel orders from Nicaragua decline, U.S. textile exports to Nicaragua will also decline. Jobs will be lost.

U.S. companies are looking for assurances that the U.S. is committed to this program after 2014 and that is why this legislation is needed now.

It is supported by the American Apparel and Footwear Association, the National Retail Federation, the Retail Industry Leaders Association, and the United States Association of Importers of Textile and Apparel.

It is a win-win trade program promoting jobs and economic growth in both countries.

Nicaragua will be able to continue to develop a vital export industry and U.S. apparel companies, retailers, and textile manufacturers will continue to access a growing, thriving market in Central America.

I urge my colleagues to support this legislation.

By Mr. WYDEN (for himself, Mr. CRAPO, Ms. LANDRIEU, Ms. CANTWELL, Mr. MERKLEY, and Mr. BLUMENTHAL):

S. 1137. A bill to amend title XVIII of the Social Security Act to modernize payments for ambulatory surgical centers under the Medicare program, and for other purposes; to the Committee on Finance.

Mr. WYDEN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1137

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Ambulatory Surgical Center Quality and Access Act of 2013''.

SEC. 2. ALIGNING UPDATES FOR AMBULATORY SURGICAL CENTER SERVICES WITH UPDATES FOR OPD SERVICES.

Section 1833(i)(2)(D) of the Social Security Act (42 U.S.C. 13951(i)(2)(D)) is amended—

(1) by redesignating clause (vi) as clause (vii);

(2) in the first sentence of clause (v), by inserting before the period the following: ''and, in the case of 2014 or a subsequent year, by the adjustment described in subsection (t)(3)(G) for the respective year''; and

(3) by inserting after clause (v) the following new clause:

''(vi) In implementing the system described in clause (i) for 2014 and each subsequent year, there shall be an annual update under such system for the year equal to the OPD fee schedule increase factor specified under subsection (t)(3)(C)(iv) for such year, adjusted in accordance with clauses (iv) and (v).''.

SEC. 3. TRANSPARENCY OF QUALITY REPORTS AND APPLICATION OF VALUE-BASED PURCHASING TO ASCS.

(a) QUALITY MEASURES.—Paragraph (7) of section 1833(i) of the Social Security Act (42 U.S.C. 1395l(i)) is amended by adding at the end the following new subparagraphs:

''(C) To the extent that quality measures implemented by the Secretary under this paragraph for ambulatory surgical centers and under section 1833(t)(17) for hospital outpatient departments are applicable to the provision of surgical services in both ambulatory surgical centers and hospital outpatient departments, the Secretary shall make reported data available on the website 'Medicare.gov' in a manner that will permit side-by-side comparisons on such measures for ambulatory surgical centers and hospital outpatient departments in the same geographic area.

''(D) For each procedure covered for payment in an ambulatory surgical center, the Secretary shall publish, along with the quality reporting comparisons provided for in subparagraph (C), comparisons of the Medicare payment and beneficiary copayment amounts for the procedure when performed in ambulatory surgical centers and hospital outpatient departments in the same geographic area.

''(E) The Secretary shall ensure that an ambulatory surgery center and a hospital has the opportunity to review, and submit any corrections for, the data to be made public with respect to the ambulatory surgery center under subparagraph (C)(ii) prior to such data being made public.''.

(b) AMBULATORY SURGICAL CENTER VALUE-BASED PURCHASING PROGRAM.—Section 1833(i) of the Social Security Act (42 U.S.C. 1395l(i)) is amended by adding at the end the following new paragraph:

''(8) VALUE-BASED PURCHASING PROGRAM.—

''(A) ESTABLISHMENT.—The Secretary shall establish an ambulatory surgical center value-based purchasing program (in this subsection referred to as the 'Program') under which, subject to subparagraph (I), each ambulatory surgical center that the Secretary determines meets (or exceeds) the performance standards under subparagraph (D) for the performance period (as established under subparagraph (E)) for a calendar year is eligible, from the amounts made available in the total shared savings pool under subparagraph (I)(iv), for shared savings under subparagraph (I), which shall be in the form, after application of the adjustments under clauses (iv), (v), and (vi) of paragraph (2)(D), of an increase in the amount of payment determined under the payment system under paragraph (2)(D) for surgical services furnished by such center during the subsequent year, by the value-based percentage amount under subparagraph (H) specified by the Secretary for such center and year.

''(B) PROGRAM START DATE.—The Program shall apply to payments for procedures occurring on or after January 1, 2015.

''(C) MEASURES.—

''(i) IN GENERAL.—For purposes of the Program, the Secretary shall select measures from the measures specified under paragraph (7).

''(ii) AVAILABILITY OF MEASURE AND DATA.—The Secretary may not select a measure under this paragraph for use under the Program with respect to a performance period for a calendar year unless such measure has been included, and the reported data available, on the website 'Medicare.gov', for at least 1 year prior to the beginning of such performance period.

''(iii) MEASURE NOT APPLICABLE UNLESS ASC FURNISHES SERVICES APPROPRIATE TO MEASURE.—A measure selected under this paragraph for use under the Program shall not apply to an ambulatory surgical center if such center does not furnish services appropriate to such measure.

''(D) PERFORMANCE STANDARDS.—

''(i) ESTABLISHMENT.—The Secretary shall establish performance standards with respect to measures selected under subparagraph (C)(i) for a performance period for a calendar year.

''(ii) ACHIEVEMENT AND IMPROVEMENT.—The performance standards established under clause (i) shall include levels of achievement and improvement.

''(iii) TIMING.—The Secretary shall establish and announce the performance standards under clause (i) not later than 60 days prior to the beginning of the performance period for the calendar year involved.

''(E) PERFORMANCE PERIOD.—For purposes of the Program, the Secretary shall establish the performance period for a calendar year. Such performance period shall begin and end prior to the beginning of such calendar year.

''(F) ASC PERFORMANCE SCORE.—The Secretary shall develop a methodology for assessing the total performance of each ambulatory surgery center based on performance standards with respect to the measures selected under subparagraph (C) for a performance period (as established under subparagraph (E)). Using such methodology, the Secretary shall provide for an assessment (in this subsection referred to as the 'ASC performance score') for each ambulatory surgical center for each performance period. The methodology shall provide that the ASC performance score is determined using the higher of its achievement or improvement score for each measure.

''(G) APPEALS.—The Secretary shall establish a process by which ambulatory surgery centers may appeal the calculation of the ambulatory surgery center's performance with respect to the performance standards established under subparagraph (D) and the ambulatory surgery center performance score under subparagraph (E). The Secretary shall ensure that such process provides for resolution of appeals in a timely manner.

''(H) CALCULATION OF VALUE-BASED INCENTIVE PAYMENT.—

''(i) VALUE-BASED PERCENTAGE AMOUNT.—For purposes of subparagraph (A), the Secretary shall specify a value-based percentage

amount for an ambulatory surgical center for a calendar year.

''(ii) REQUIREMENTS.—In specifying the value-based percentage amount for each ambulatory surgical center for a calendar year under clause (i), the Secretary shall ensure that such percentage is based on—

''(I) the ASC performance score of the ambulatory surgery center under subparagraph (F); and

''(II) the amount of the total savings pool made available under subparagraph (I)(iii)(I) for such year.

''(I) ANNUAL CALCULATION OF SHARED SAVINGS FUNDING FOR VALUE-BASED INCENTIVE PAYMENTS.—

''(i) DETERMINING BONUS POOL.—In each year of the Program, ambulatory surgery centers shall be eligible to receive payment for shared savings under the Program only if for such year the sum of—

''(I) the estimated amount of expenditures under this title for Medicare fee-for-service beneficiaries (as defined in section 1899(h)(3)) for surgical services for which payment is made under the payment system under paragraph (2), adjusted for beneficiary characteristics, and

''(II) the estimated amount of expenditures under this title for Medicare fee-for-service beneficiaries (as so defined) for the same surgical services for which payment is made under the prospective payment system under subsection (t), adjusted for beneficiary characteristics,

is at least the percent specified by the Secretary below the applicable benchmark determined for such year under clause (ii). For purposes of this subparagraph, such sum shall be referred to as 'estimated expenditures'. The Secretary shall determine the appropriate percent described in the preceding sentence to account for normal variation in volume of services under this title and to account for changes in the coverage of services in ambulatory surgery centers and hospital outpatient departments during the performance period involved.

''(ii) ESTABLISH AND UPDATE BENCHMARK.—For purposes of clause (i), the Secretary shall calculate a benchmark for each year described in such clause equal to the product of—

''(I) estimated expenditures described in clause (i) for such year, and

''(II) the average annual growth in estimated expenditures for the most recent three years.

Such benchmark shall be reset at the start of each calendar year, and adjusted for changes in enrollment under the Medicare fee-for-service program.

''(iii) PAYMENTS BASED ON SHARED SAVINGS.—If the requirement under clause (i) is met for a year—

''(I) 50 percent of the total savings pool estimated under clause (iv) for such year shall be made available for shared savings to be paid to ambulatory surgical centers under this paragraph;

''(II) a percent (as determined appropriate by the Secretary, in accordance with subparagraph (H)) of such amount made available for such year shall be paid as shared savings to each ambulatory surgery center that is determined under the Program to have met or exceeded performance scores for such year; and

''(III) all funds made available under subclause (I) for such year shall be used and paid as sharing savings for such year in accordance with subclause (II).

''(iv) ESTIMATE OF THE TOTAL SAVINGS POOL.—For purposes of clause (iii), the Secretary shall estimate for each year of the Program the total savings pool as the product of—

''(I) the conversion factor for such year determined by the Secretary under the payment system under paragraph (2)(D) divided by the conversion factor calculated under subsection (t)(3)(C) for such year for covered OPD services, multiplied by 100, and

''(II)(aa) the product of the estimated Medicare expenditures for surgical services described in clause (i)(I) furnished during such year to Medicare fee-for-service beneficiaries (as defined in section 1899(h)(3)) for which payment is made under subsection (t) and the average annual growth in the estimated Medicare expenditures for such services furnished to Medicare fee-for-service beneficiaries (as so defined) for which payment is made under subsection (t) in the most recent available 3 years, less

''(bb) the estimated Medicare expenditures for surgical services described in clause (i)(I) furnished to Medicare fee-for-service beneficiaries for which payment was made under subsection (t) in the most recent year.

''(J) NO EFFECT IN SUBSEQUENT CALENDAR YEARS.—The value-based percentage amount under subparagraph (H) and the percent determined under subparagraph (I)(iii)(I) shall apply only with respect to the calendar year involved, and the Secretary shall not take into account such amount or percentage in making payments to an ambulatory surgery center under this section in a subsequent calendar year.''.

SEC. 4. ADVISORY PANEL ON HOSPITAL OUTPATIENT PAYMENT REPRESENTATION.

(a) ASC REPRESENTATIVE.—The second sentence of section 1833(t)(9)(A) of the Social Security Act (42 U.S.C. 1395l(t)(9)(A)) is amended by inserting ''and suppliers subject to the prospective payment system (including at least one ambulatory surgical center representative)'' after ''an appropriate selection of representatives of providers''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 5. REASONS FOR EXCLUDING ADDITIONAL PROCEDURES FROM ASC APPROVED LIST.

(a) IN GENERAL.—Section 1833(i)(1) of the Social Security Act (42 U.S.C. 1395l(i)(1)) is amended by adding at the end the following: ''In updating such lists for application in years beginning after the date of the enactment of this sentence, for each procedure that was requested to be included in such lists during the public comment period but which the Secretary does not propose (in the final rule updating such lists) to so include in such lists, Secretary shall cite in such final rule the specific criteria in paragraph (b) or (c) of section 416.166 of title 42, Code of Federal Regulations, based on which the procedure was excluded. If paragraph (b) of such section is cited for exclusion of a procedure, the Secretary shall identify the peer reviewed research or the evidence upon which such determination is based. The Secretary may not use or cite section 416.166(c)(7) of such title as criteria or a basis for exclusion of a procedure from such lists.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to lists of ambulatory surgery procedures for application in years beginning after the date of the enactment of this Act.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1181. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table.

SA 1182. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1183. Mr. LEAHY (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill S. 744, supra.

SA 1184. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1185. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1186. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1187. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1188. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1189. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1190. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1191. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1192. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1193. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1194. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1195. Mr. GRASSLEY (for himself and Mr. BLUNT) submitted an amendment intended to be proposed by him to the bill S. 744, supra.

SA 1196. Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1197. Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1198. Mr. TESTER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1199. Mrs. BOXER (for herself and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill S. 744, supra; which was ordered to lie on the table.

SA 1200. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1201. Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1202. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1203. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1204. Mr. INHOFE submitted an amendment intended to be proposed by him to the

bill S. 744, supra; which was ordered to lie on the table.

SA 1205. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1206. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1207. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1208. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1209. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1210. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1211. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1212. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1213. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1214. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1215. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1216. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1217. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1218. Mr. UDALL, of New Mexico (for himself and Mr. HEINRICH) submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1219. Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1220. Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1221. Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1222. Ms. LANDRIEU (for herself, Mr. COATS, and Ms. KLOBUCHAR) submitted an amendment intended to be proposed by her to the bill S. 744, supra; which was ordered to lie on the table.

SA 1223. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1224. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

SA 1225. Mr. RUBIO submitted an amendment intended to be proposed by him to the bill S. 744, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1181. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1094, strike lines 16 through 24, and insert the following:

''(6) TREATMENT OF SPOUSES AND CHILDREN.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), a spouse or child of a nonimmigrant agricultural worker—

''(i) shall not be entitled to a visa or any immigration status by virtue of the relationship of such spouse or child to such worker; and

''(ii) may be provided status as a nonimmigrant agricultural worker if the spouse or child is independently qualified for such status.

''(B) EXCEPTION.—Notwithstanding subparagraph (A)(i)—

''(i) an alien spouse and minor children of a nonimmigrant agricultural worker whose contract or offer of employment is for a period of 1 year or more may be admitted to the United States pursuant to clause (iii) or (iv) of section 101(a)(15)(W) during the period of the principal nonimmigrant agricultural worker's admission;

''(ii) such alien spouse and minor children shall not be counted against the numerical limitation in subsection (c); and

''(iii) such alien spouse shall be—

''(I) authorized to engage in employment in the United States during such period of admission; and

''(II) provided with an employment authorization document, stamp, or other appropriate work permit.

''(C) RULE OF CONSTRUCTION.—Nothing in subparagraph may be construed to require an employer of a nonimmigrant worker to provide housing or a housing allowance to the spouse or child of such worker.

SA 1182. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. MARRIAGE.

(a) RULE OF CONSTRUCTION.—Title I (8 U.S.C. 1101 et seq.) is amended by adding at the end the following:

''SEC. 107. RULE OF CONSTRUCTION.

''Notwithstanding section 7 of title 1, United States Code, an individual shall be considered a 'spouse' and a marriage shall be considered a 'marriage' for the purposes of this Act if—

''(1) the marriage of the individual is valid in the State in which the marriage was entered into; or

''(2) in the case of a marriage entered into outside of any State, the marriage is valid in the place in which the marriage was entered into and the marriage could have been entered into in a State.''.

(b) CONFORMING AMENDMENT.—Section 202(b)(2) (8 U.S.C. 1152(b)(2)) is amended—

(1) by striking ''his spouse'' and inserting ''his or her spouse''; and

(2) by striking ''husband and wife'' and inserting ''the spouses''.

SA 1183. Mr. LEAHY (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; as follows:

At the end of subtitle D of title IV, add the following:

SEC. 4416. INTERNATIONAL PARTICIPATION IN THE PERFORMING ARTS.

Section 214(c)(6)(D) (8 U.S.C. 1184(c)(6)(D)) is amended—

(1) in the first sentence, by inserting ''(i)'' before ''Any person'';

(2) in the second sentence—

(A) by striking ''Once'' and inserting ''Except as provided in clause (ii), once''; and

(B) by striking ''Attorney General shall'' and inserting ''Secretary of Homeland Security shall'';

(3) in the third sentence, by striking ''The Attorney General'' and inserting ''The Secretary''; and

(4) by adding at the end the following:

''(ii) The Secretary of Homeland Security shall adjudicate each petition for an alien with extraordinary ability in the arts (as described in section 101(a)(15)(O)(i)), an alien accompanying such an alien (as described in clauses (ii) and (iii) of section 101(a)(15)(O)), or an alien described in section 101(a)(15)(P) (other than an alien described in paragraph (4)(A) (relating to athletes)) not later than 14 days after—

''(I) the date on which the petitioner submits the petition with a written advisory opinion, letter of no objection, or request for a waiver; or

''(II) the date on which the 15-day period described in clause (i) has expired, if the petitioner has had an appropriate opportunity to supply rebuttal evidence.

''(iii) If a petition described in clause (ii) is not adjudicated before the end of the 14-day period described in clause (ii) and the petitioner is an arts organization described in paragraph (3), (5), or (6) of section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code for the taxable year preceding the calendar year in which the petition is submitted, or an individual or entity petitioning primarily on behalf of such an organization, the Secretary of Homeland Security shall provide the petitioner with the premium processing services referred to in section 286(u), without a fee.''.

SA 1184. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1305, between lines 8 and 9, insert the following:

''(D) FRANCHISOR LIABILITY.—Nothing in this section may be construed to hold a franchisor civilly liable as a result of any violation of this section committed by a franchisee or by an agent of the franchisee.

SA 1185. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 1791, strike line 24 and all that follows through page 1792, line 4, and insert the following:

''(2) PROHIBITION ON DIRECT PAYMENTS FROM A UNITED STATES SOURCE.—During a period of admission pursuant to paragraph (1), an alien may not receive direct payments from a United States source, except for incidental expenses for meals, travel, lodging, and other basic services.''.

SA 1186. Mr. SCHUMER submitted an amendment intended to be proposed by

him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1154, strike line 21, and insert the following:

''(6) APPLICATION PROCEDURES.—

''(A) SUBMISSION.—During the 30-day period beginning on the first October 1 occurring at least 3 years after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act, and during each 30-day period beginning on October 1 in subsequent years, eligible aliens may submit, to U.S. Citizenship and Immigration Services, an application for a merit-based immigrant visa that contains such information as the Secretary may reasonably require.

''(B) ADJUDICATION.—Before the last day of each fiscal year in which applications are filed pursuant to subparagraph (A), the Director, U.S. Citizenship and Immigration Services, shall—

''(i) review the applications to determine which aliens will be granted a merit-based immigrant visa in the following fiscal year in accordance with this subsection; and

''(ii) in coordination with the Secretary of State, provide such visas to all successful applicants.

''(C) FEE.—An alien who is allocated a visa

SA 1187. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1206, line 8, strike ''203(b)(2)(B)'' and insert ''201(b)(1)(N)''.

SA 1188. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1164, line 23, strike ''(f)'' and insert the following:

(f) APPLICABILITY OF CERTAIN GROUNDS OF INADMISSIBILITY.—In determining an alien's inadmissibility under this section, section 212(a)(9)(B) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(9)(B)) shall not apply.

(g)

SA 1189. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1630, strike lines 3 through 5, and insert the following:

''(C) An allocation adjustment under clause (i), (ii), (iii), or (iv) of subparagraph (B)—

''(i) may not increase the total number of nonimmigrant visas available for any fiscal year under section 101(a)(15)(H)(i)(b) above 180,000; and

''(ii) may not take place to make additional nonimmigrant visas available for any fiscal year in which

---

SA 1190. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1677, line 13, insert '', other than a public institution of higher education,'' after ''entity''.

SA 1191. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1735, strike lines 4 through 8 and insert the following:

(2) by amending subparagraph (B) to read as follows:

''(B) The applicable numerical limitation referred to in subparagraph (A) for each fiscal year is—

''(i) 10,500 for each of the nationalities identified in clause (iii) of section 101(a)(15)(E); and

''(ii) 10,500 for all aliens described in clause (vi) of such section.''.

SA 1192. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 942, between lines 17 and 18, insert the following:

SEC. 1122. AIRPORT SPACE FOR BIOMETRIC DATA COLLECTION.

(a) IN GENERAL.—Section 234 (8 U.S.C. 1224) is amended to read as follows:

''SEC. 234. DESIGNATION OF INTERNATIONAL AIRPORTS AT WHICH ALIENS ARE PERMITTED TO ENTER OR EXIT THE UNITED STATES.

''(a) DESIGNATION.—The Secretary of Homeland Security is authorized—

''(1) to designate international airports in the United States that may accept aliens arriving to or exiting from the United States by aircraft; and

''(2) to withdraw any designation made pursuant to paragraph (1) if the designated airport fails to provide, at no cost to the Federal Government, adequate space and facilities, as determined by the Secretary, for—

''(A) the inspection of aliens arriving to the United States; and

''(B) the collection of biometric information from aliens departing from the United States;

''(3) to provide such reasonable requirements for aircraft in civil air navigation with respect to giving notice of intention to land in advance of landing, or notice of landing, as the Secretary determines to be necessary to administer and enforce this chapter; and

''(4) to provide for the application to civil air navigation of the provisions of this chapter, if not expressly provided in this chapter, to the extent and upon such conditions as the Secretary determines to be necessary.

''(b) CIVIL PENALTIES.—

''(1) IN GENERAL.—Any person who violates any requirement provided by the Secretary of Homeland Security pursuant to subsection (a) shall be subject to a civil penalty of $2,000, which may be remitted or mitigated by the Secretary in accordance with such proceedings as the Secretary shall prescribe.

''(2) LIEN; SEIZURE.—If a violation described in paragraph (1) is committed by the owner or person in command of an aircraft—

''(A) the penalty imposed under this subsection shall be a lien upon the aircraft;

''(B) such lien may be collected by proceedings in rem that conform as nearly as possible to civil suits in admiralty; and

''(C) such aircraft may be libeled therefore in the appropriate United States court.

''(D) such aircraft may be summarily seized by, and placed in the custody of, such persons as the Secretary may prescribe.

''(3) NO JUDICIAL REVIEW.—The determination by the Secretary of Homeland Security and the remission or mitigation of the civil penalty imposed under this subsection shall be final.

''(4) RELEASE OF LIEN.—An aircraft seized pursuant to paragraph (2)(D) may be released from such custody upon deposit of such amount not exceeding $2,000 as the Secretary of Homeland Security may prescribe, or of a bond in such sum and with such sureties as the Secretary may prescribe, conditioned upon the payment of the penalty.''.

(b) CLERICAL AMENDMENT.—The table of contents is amended by striking the item relating to section 234 and inserting the following:

''Sec. 234. Designation of international airports at which aliens are permitted to enter or exit the United States.''.

(c) RULEMAKING.—

(1) SECRETARY OF HOMELAND SECURITY.—The Secretary shall prescribe such regulations as may be necessary to carry out the amendments made by this section.

(2) JUDICIAL PROCEDURES.—The Supreme Court of the United States, and, under its direction, other courts of the United States, are authorized to prescribe such rules regulating proceedings against aircraft subject to a penalty imposed pursuant to section 234(b) of the Immigration and Nationality Act, as amended by subsection (a), which are not otherwise provided by law.

SA 1193. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1680, line 25, insert ''(other than nonprofit education and research institutions)'' after ''employer''.

On page 1681, line 25, strike ''employer who'' and insert ''employer (other than nonprofit education and research institutions) that''.

SA 1194. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1147, strike lines 16 through 19, and insert the following:

''(1) FISCAL YEARS 2015 THROUGH 2017.—During each of the fiscal years 2015 through 2017, the worldwide level

Beginning on page 1147, line 24, strike ''Beginning with the fifth fiscal year beginning after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act,'' and insert ''During fiscal year 2018 and each subsequent fiscal year,''

On page 1160, strike lines 11 through 13 and insert the following:

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2014.

SA 1195. Mr. GRASSLEY (for himself and Mr. BLUNT) submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; as follows:

On page 855, strike line 24 and all that follows through page 856, line 9, and insert the following:

(1) PROCESSING OF APPLICATIONS FOR REGISTERED PROVISIONAL IMMIGRANT STATUS.—Not earlier than the date upon which the Secretary has submitted to Congress a certification that the Secretary has maintained effective control of the Southern border for a period of not less 6 months, the Secretary may commence processing applications for registered provisional immigrant status pursuant to section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act.

SA 1196. Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 856, lines 1 through 3, strike ''the Secretary has submitted to Congress the Notice of Commencement of implementation of'' and insert ''the governors of the States along the Southern border have approved and certified to Congress the substantial implementation of''.

On page 865, line 6, strike ''and'' and all that follows through ''(G)'' on line 7, and insert the following:

(G) the governors of the States of California, Arizona, New Mexico, and Texas; and

(H)

On page 867, line 11, strike ''and'' and all that follows through ''(ii)'' on line 12, and insert the following:

(ii) the governors of the States of California, Arizona, New Mexico, and Texas; and

(iii)

On page 868, line 8, strike ''and'' and all that follows through ''(vii)'' on line 9, and insert the following:

(vii) the governors of the States of California, Arizona, New Mexico, and Texas; and

(viii)

SA 1197. Mr. THUNE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 855, strike line 23 and all that follows through page 858, line 10, and insert the following:

(c) TRIGGERS.—

(1) PROCESSING APPLICATIONS FOR REGISTERED PROVISIONAL IMMIGRANT STATUS.—The Secretary may not commence processing applications for registered provisional immigrant status pursuant to section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, until after the date on which—

(A) the Secretary has submitted to Congress the notice of commencement of the implementation of the Comprehensive Southern Border Security Strategy pursuant to section 5(a)(4)(B); and

(B) 350 miles of Southern border fencing has been completed in accordance with section 102(b)(1)(A) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note), as amended by section 1122 of this Act.

(2) ADJUSTMENT OF STATUS OF REGISTERED PROVISIONAL IMMIGRANTS.—The Secretary may not adjust the status of aliens who have been granted registered provisional status, except for aliens granted blue card status under section 2201 of this Act or described in section 245D(b) of the Immigration and Nationality Act, until the Secretary, after consultation with the Comptroller General of the United States, submits to the President and Congress a written certification that—

(A) the Comprehensive Southern Border Security Strategy, which was submitted to Congress, has been substantially deployed and is substantially operational;

(B) the Southern Border Fencing Strategy has been submitted to Congress, implemented, and is substantially completed;

(C) 700 miles of Southern border fencing has been completed in accordance with section 102(b)(1)(A) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note), as amended by section 1122 of this Act;

(D) the Secretary has implemented the mandatory employment verification system required under section 274A of the Immigration and Nationality Act, as amended by section 3101 of this Act, for use by all employers to prevent unauthorized workers from obtaining employment in the United States; and

(E) the Secretary is using an electronic exit system at air and sea ports of entry that operates by collecting machine-readable visa or passport information from air and vessel carriers.

On page 942, between lines 17 and 18, insert the following:

SEC. 1122. EXTENSION OF REINFORCED FENCING ALONG THE SOUTHWEST BORDER.

Section 102(b)(1)(A) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note) is amended by adding at the end the following: ''Only fencing that is double-layered and constructed in a way to effectively restrain pedestrian traffic may be used to satisfy the 700-mile requirement under this subparagraph. Fencing that does not effectively restrain pedestrian traffic (such as vehicle barriers and virtual fencing) does not satisfy the requirement under this subparagraph.''.

SA 1198. Mr. TESTER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 922, line 13, insert ''and tribal'' after ''border''.

On page 923, line 9, strike ''29'' and insert ''33''.

On page 923, line 15, strike ''12'' and insert ''14''.

On page 923, between lines 20 and 21, insert the following:

(III) 2 tribal government officials;

On page 924, line 7, strike ''17'' and insert ''19''.

On page 924, between lines 12 and 13, insert the following:

(III) 2 tribal government officials;

On page 925, line 8, strike ''14'' and insert ''16''.

SA 1199. Mrs. BOXER (for herself and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 919, line 17, insert after ''agents,'' the following: ''in consultation with the Secretary of Defense, National Guard personnel performing duty to assist U.S. Customs and Border Protection under section 1103(c)(6) of this Act, Coast Guard officers and agents, assisting in border enforcement efforts under Section 1103(c)(6) of this Act,''

SA 1200. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

CHAPTER ____—BORDER SECURITY ENHANCEMENTS

SEC. 1___1. SHORT TITLE.

This chapter may be cited as the ''Trust But Verify Act of 2013''

SEC. 1___2. MEASURES USED TO EVALUATE BORDER SECURITY.

(a) BORDER SECURITY REVIEW.—

(1) IN GENERAL.—The Secretary shall conduct an annual comprehensive review of the following:

(A) The security conditions in each of the following 9 Border Patrol sectors along the Southwest border:

(i) The Rio Grande Valley Sector.

(ii) The Laredo Sector.

(iii) The Del Rio Sector.

(iv) The Big Bend Sector.

(v) The El Paso Sector.

(vi) The Tucson Sector.

(vii) The Yuma Sector.

(viii) The El Centro Sector.

(ix) The San Diego Sector.

(B) Update on the new and existing double layered fencing built and in place, broken down on an annual basis since the date of the enactment of the Secure Fence Act of 2006 (Public Law 109–367), with the goal of completing the fence not later than 5 years after the date of the enactment of this Act.

(C) Progress towards the completion of an effective exit and entry program at all points of entry that tracks visa holders.

(D) Progress towards the goal of a 95 percent apprehension or turn back rate.

(E) A 100 percent incarceration until trial rate for newly captured illegal entrants and overstays.

(F) Progress towards the goal ending of illegal immigration and undocumented presence, as measured by census data and the Department.

(2) REPORT.—Not later than July 1, 2014, and annually thereafter, the Secretary shall submit a report to Congress containing specific results of the review conducted under paragraph (1).

(3) RULE OF CONSTRUCTION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), nothing in paragraph (1) may be construed as prohibiting the Secretary from proposing—

(i) alterations to boundaries of the Border Patrol sectors; or

(ii) a different number of sectors to be operated on the Southern border.

(B) REPORTING.—The Secretary may not make any alteration to the Border Patrol sectors in operation or the boundaries of such sectors as of the date of the enactment of this Act unless the Secretary submits, to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives, a written notification and description of the proposed change not later than 120 days before any such change would take effect.

(b) UNQUALIFIED OPINION.—

(1) IN GENERAL.—The Secretary shall submit a report to Congress that contains—

(A) an unqualified opinion of whether each of the sectors referred to in subsection (a)(1)(A) has achieved ''total operational control'' of the border within its jurisdiction; and

(B) the following criteria and goals of the Department:

(i) Transparent data relating to the success of border security and immigration enforcement policies.

(ii) Improved accountability to the people of the United States.

(iii) 100 percent surveillance capability on the border not later than 2 years after the date of the enactment of this Act.

(iv) An apprehension or turn back rate of 95 percent or higher not later than 5 years after the date of the enactment of this Act.

(v) Increasing annual targets for apprehensions, which shall be adapted to the unique conditions of each Border Patrol sector.

(vi) Uniformity in data collection and analysis for each Border Patrol sector.

(vii) An update on the new and existing double layered fencing built and in place, broken down on an annual basis since the date of the enactment of the Secure Fence Act of 2006.

(2) TOTAL OPERATIONAL CONTROL DEFINED.—In this chapter, the term ''total operational control'', with respect to a border sector, occurs if—

(A) the fence construction requirements required under this chapter have been completed;

(B) the infrastructure enhancements required under this chapter have been completed and deployed;

(C) there have been verifiable increases in personnel dedicated to patrols, inspections, and interdiction;

(D) U.S. Customs and Border Protection has achieved 100 percent surveillance capacity and uninterrupted monitoring throughout the entire sector;

(E) U.S. Customs and Border Protection has achieved an apprehension rate of at least 95 percent for all attempted unauthorized crossings;

(F) uniform data collection standards have been adopted across all sectors; and

(G) U.S. Customs and Border Protection is tracking the exits of 100 percent of outbound aliens through all points of entry.

(3) METRICS DESCRIBED.—The Secretary shall use specific metrics to assess the progress toward, and maintenance of, total operational control of the border in each Border Patrol sector, including—

(A) with respect to resources and infrastructure—

(i) a description of the infrastructure and resources deployed on the Southwest border, including physical barriers and fencing, surveillance cameras, motion and other ground sensors, aerial platforms, and unmanned aerial vehicles;

(ii) an assessment of the Border Patrol's ability to perform uninterrupted surveillance on the entirety of the border within each sector;

(iii) an assessment of whether the Department of Homeland Security has attained a 100 percent surveillance capability for each sector; and

(iv) a specific analysis detailing the miles of fence built, including double-layered fencing, pursuant to the Secure Fence Act of 2006 (Public Law 109–367), as amended by this Act.

(B) with respect to illegal entries between ports—

(i) the number of attempted illegal entries, categorized by—

(I) number of apprehensions;

(II) people turned back to country of origin (turn-backs); and

(III) individuals who have escaped (got aways);

(ii) the number of apprehensions, including data on unique apprehensions to capture individuals who attempted to enter multiple times;

(iii) the apprehension rate as a percentage of total attempted illegal entries;

(iv) an estimate of the total number of successful illegal entries, based on reliable supporting evidence;

(v) the prevalence of drug and contraband smuggling, categorized by—

(I) the frequency of attempted crossings;

(II) successful evasions of law enforcement;

(III) the value of smuggled contraband;

(IV) successful discoveries and arrests; and

(V) arrest rate trends related to violent criminals crossing the border;

(vi) physical evidence of crossings not otherwise tied to a pursuit, including fence-cuttings; and

(vii) transparent data that reports if the numbers include actual physical capture or turn-backs witnessed by border enforcement and a segregation of data that includes evidence of individuals going back, including but not limited to footprints, food and torn clothing;

(C) with respect to illegal entries at ports—

(i) the number of attempted illegal entries, categorized by the number of apprehensions, turn-backs, and got aways;

(ii) the number of apprehensions, including data on unique apprehensions to capture individuals who attempt to enter multiple times;

(iii) the apprehension rate as a percentage of total attempted illegal entries;

(iv) an estimate of the number of successful illegal entries, based on reliable supporting evidence; and

(v) the prevalence of drug and contraband smuggling, categorized by—

(I) the frequency of attempted entries;

(II) successful discovery methods;

(III) the use of falsified official travel documents;

(IV) evolving evasion tactics; and

(V) arrest rate trends related to persons apprehended attempting to smuggle prohibited items;

(D) with respect to repeat offenders—

(i) data and analysis of recidivism trends, including the prevalence of multiple arrests and repeated attempts to enter unlawfully; and

(ii) updated information on U.S. Customs and Border Protection's Consequence Delivery System;

(E) with respect to smuggling—

(i) progress made in creating uniformity in the punishment of unlawful border crossers relative to their crimes for the purposes of deterring smuggling;

(ii) the percentage of unlawful immigrants and smugglers who are subject to a uniform punishment; and

(iii) data breaking down the treatment of, and consequences for, repeat offenders to determine the extent to which the Consequence Delivery System serves as an effective deterrent;

(F) with respect to visa overstays, data for each year, categorized by—

(i) the type of visa issued to the alien; and

(ii) the nationality of the alien;

(G) with respect to the unlawful presence of aliens—

(i) the total number of individuals present in the United States, which will be correlated in future years with normalization participants;

(ii) net migration into the United States, including legal and illegal immigrants, categorized by—

(I) nationality; and

(II) country of origin, if different from nationality;

(iii) deportation data, categorized by country and the nature of apprehension;

(iv) individuals who have obtained or who seek legal status; and

(v) individuals without legal status who have died while in the United States;

(H) the number of Department agents deployed to the border each year, categorized by staffing assignment and security function;

(I) progress made on the implementation of full exit tracking capabilities for land, sea, and air points of entry;

(J) progress towards the goal of 100 percent incarceration until trial date for newly captured illegal entrants and overstays;

(K) progress towards the goal of ending illegal immigration and undocumented presence, as measured by data collected by the United States Census Bureau and the Department; and

(L) progress towards eliminating disputes between Federal agencies in the use of public lands to perform border enforcement operations.

SEC. 1___3. REPORTS ON BORDER SECURITY.

(a) DEPARTMENT OF HOMELAND SECURITY REPORT.—

(1) IN GENERAL.—Not later than July 1, 2014, and annually thereafter for 5 years, the Secretary shall submit a report to Congress that contains a comprehensive review of the security conditions in each of the Border Patrol sectors along the Southwest border.

(2) PUBLIC HEARINGS FOR REPORT.—Congress shall hold public hearings with the Secretary and other individuals responsible for preparing the report submitted under paragraph (1) to discuss the report and educate the United States public on border security from the perspective of such officials. Congress shall allow differing views on the conclusions of the report to be expressed by outside groups and interested parties for purposes of analyzing data through a transparent and deliberative committee process.

(b) INSPECTOR GENERAL'S REPORT.—

(1) IN GENERAL.—Not later than 30 days after the issuance of each report under subsection (a), the Inspector General of the Department shall submit a report to Congress that provides an independent analysis of the report submitted under subsection (a)(1) to analyze—

(A) the accuracy of the report; and

(B) the validity of the data used by the Department to issue the report.

(2) PARTICIPATION.—The Inspector General should participate in any hearings relating to the assessment of the border security report of the Department.

(c) GOVERNORS REPORTS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter for 5 years, the Governor of each of the States along the Southern border may submit an independent report to Congress that provides the perspective of the Governor and other officials of such State tasked to law enforcement on the security conditions along that State's border with Mexico.

(2) PUBLIC HEARINGS FOR STATE REPORTS.—Congress shall hold public hearings with the Governor and other officials from each State that submits a report under paragraph (1) to discuss the report and educate the United States public on border security from the perspective of such officials.

(d) PUBLIC DISCLOSURE OF REPORTS.—Upon the receipt of a report submitted under this section, the Senate and the House of Representatives shall—

(1) provide copies of the report to the Chair and ranking member of each standing committee with jurisdiction under the rules of such House, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate; and

(2) make the report available to the public.

SEC. 1___4. CONGRESSIONAL APPROVAL PROCEDURES.

(a) JOINT RESOLUTION DEFINED.—

(1) IN GENERAL.—In this subsection, the term ''joint resolution'' means only a joint resolution of the 2 Houses of Congress that only includes—

(A) the matter contained in the preamble set forth in paragraph (2); and

(B) the matter after the resolving clause set forth in paragraph (3).

(2) PREAMBLE.—The joint resolution shall include the following preamble:

''Whereas Congress passed and the President enacted into law section 1___6 of the Trust But Verify Act of 2013, with the promise to the American people that the border would be fully secure within 5 years;

''Whereas, one goal of comprehensive immigration reform was to verify that the United States Government is capable of implementing operational control of the border;

''Whereas the prerequisite to reforming visa law and the creation of new immigration and visa categories was the implementation of full border security within a reasonable amount of time; and

''Whereas the American people have been the subject of broken promises in the past on border security: Now, therefore, be it''.

(3) MATTER AFTER THE RESOLVING CLAUSE.—The matter after the resolving clause in the joint resolution shall read as follows: ''It is the sense of Congress that the United States border is secure because—

''(1) the double-layered fencing is on schedule to be completed in 5 years and sufficient progress has been made in the past year to complete such fencing on the schedule promised to the American people;

''(2) an effective exit-entry registration system at all points of entry that tracks visa holders is either completed or sufficiently completed to the satisfaction of Congress;

''(3) the goal of a 95 percent effectiveness rate for the capture of unauthorized immigrants has been achieved, or is on pace to be achieved, not later than 5 years after the date of the enactment of the Trust But Verify Act of 2013;

''(4) the security conditions in each of the 9 Border Patrol sectors along the Southwest border have been achieved, or are on pace to be achieved not later than 5 years after the date of the enactment of the Trust But Verify Act of 2013, as determined by total operational control metric set forth in section 1___2 of such Act;

''(5) a 100 percent incarceration rate until trial for newly captured illegal entrants and overstayers has been implemented;

''(6) progress towards the goal of ending illegal immigration and undocumented presence has been achieved, as measured by data collected by the United States Census Bureau and the Department; and

''(7) sections 245B of the Immigration and Nationality Act, as added by section 2101 of the Border Security, Economic Opportunity, and Immigration Modernization Act, will not compromise border security and shall remain in effect for at least 1 more year notwithstanding section 1___5 of the Trust But Verify Act of 2013.''.

(b) PROCEDURES FOR CONSIDERING RESOLUTIONS.—

(1) INTRODUCTION.—A joint resolution—

(A) may be introduced in the Senate or in the House of Representatives during the 30-day calendar day period beginning on—

(i) July 1, 2014;

(ii) July 1 of any of the following 4 years; or

(iii) 30 days after date on which the report is submitted under section 1___3(a) if such submission occurs before July 1 of a calendar year;

(B) in the Senate, may be introduced by any Member of the Senate;

(C) in the House of Representatives, may be introduced by any Member of the House of Representatives; and

(D) may not be amended.

(2) REFERRAL TO COMMITTEE.—A joint resolution introduced in the Senate shall be referred to the Committee on Homeland Security and Governmental Affairs of the Senate. A joint resolution introduced in the House of Representatives shall be referred to the Committee on Homeland Security of the House of Representatives.

(3) DISCHARGE OF COMMITTEE.—If the congressional committee to which a joint resolution is referred has not discharged the resolution at the end of 30th day after its introduction—

(A) such committee shall be discharged from further consideration of such resolution; and

(B) such resolution shall be placed on the appropriate calendar of the House involved.

(4) FLOOR CONSIDERATION.—

(A) MOTION.—

(i) IN GENERAL.—After the committee to which a joint resolution is referred has reported, or has been discharged pursuant to paragraph (3) from further consideration of, the joint resolution—

(I) it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the joint resolution; and

(II) all points of order against the joint resolution (and against consideration of the joint resolution) are waived;

(III) the motion described in subclause (I) is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable;

(IV) the motion described in subclause (I) is not subject to amendment, a motion to postpone, or a motion to proceed to the consideration of other business; and

(V) a motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(ii) UNFINISHED BUSINESS.—If a motion to proceed to the consideration of the joint resolution is agreed to, the resolution shall remain the unfinished business of the respective House until it has been disposed.

(B) DEBATE.—Debate on the joint resolution, and on all debatable motions and appeals in connection with such resolution, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order. A motion to reconsider the vote by which the joint resolution is agreed to or disagreed to is not in order.

(C) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the joint resolution shall occur.

(D) RULINGS OF THE CHAIR ON PROCEDURE.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as applicable, to the procedure relating to a joint resolution shall be decided without debate.

(5) COORDINATION WITH ACTION BY OTHER HOUSE.—If 1 House receives a joint resolution from the other House before the House passes a joint resolution—

(A) the joint resolution of the other House shall not be referred to a committee; and

(B) with respect to a joint resolution of the House receiving the resolution—

(i) the procedures in that House shall be the same as if no joint resolution had been received from the other House; except that

(ii) the vote on final passage shall be on the joint resolution of the other House.

(6) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such—

(i) it is deemed a part of the rules of each House, respectively;

(ii) it is only applicable with respect to the procedures to be followed in that House in the case of a joint resolution; and

(iii) it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 1___5. CONDITIONS.

(a) YEAR 1.—Except as provide in section 1___6, section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, shall cease to have effect beginning on December 31, 2014, unless Congress enacts a joint resolution pursuant to section 1___4 during the 1-year period ending on such date.

(b) YEAR 2.—Except as provided in section 1___6, section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, shall cease to have effect beginning on December 31, 2015, unless Congress enacts a joint resolution pursuant to section 1___4 during the 1-year period ending on such date.

(c) YEAR 3.—Except as provided in section 1___6, section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, shall cease to have effect beginning on December 31, 2016, unless Congress enacts a joint resolution pursuant to section 1___4 during the 1-year period ending on such date.

(d) YEAR 4.—Except as provided in section 1___6, section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, shall cease to have effect beginning on December 31, 2017, unless Congress enacts a joint resolution pursuant to section 1___4 during the 1-year period ending on such date.

(e) YEAR 5.—Except as provided in section 1___6, section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, shall cease to have effect beginning on December 31, 2018, unless Congress enacts a joint resolution pursuant to section 1___4 during the 1-year period ending on such date.

(f) STATUS OF REGISTERED PROVISIONAL IMMIGRANTS.—If section 245B of the Immigration and Nationality Act ceases to be effective pursuant to this section—

(1) any alien who was granted registered provisional immigrant status before the date such section ceases to be effective shall remain in such status; and

(2) any alien whose application for registered provisional immigrant status is pending may not be granted such status until such section is reinstated.

(g) RULES OF CONSTRUCTION.—Except as provided in subsection (g), no provision of this section may be construed—

(1) to limit the authority of the Secretary to review and process applications for registered provisional immigrant status under section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act; or

(2) to repeal or limit the application of section 245B(c) of such Act.

(h) SUNSET.—Paragraphs (1) and (2) shall cease to have effect on December 31, 2018, unless Congress enacts a joint resolution pursuant to section 1___4 during 2018.

SEC. 1___6. TRIGGERS BASED ON CONGRESSIONAL APPROVAL.

(a) YEAR 1.—If a joint resolution is enacted pursuant to section 1___4 during 2014, the

sunset provision set forth in section 1___5(a) shall have no further force or effect.

(b) YEAR 2.—If a joint resolution is enacted pursuant to section 1___4 during 2015, the sunset provision set forth in section 1___5(b) shall have no further force or effect.

(c) YEAR 3.—If a joint resolution is enacted pursuant to section 1___4 during 2016, the sunset provision set forth in section 1___5(c) shall have no further force or effect.

(d) YEAR 4.—If a joint resolution is enacted pursuant to section 1___4 during 2017, the sunset provision set forth in section 1___5(d) shall have no further force or effect.

(e) YEAR 5.—If a joint resolution is enacted pursuant to section 1___4 during 2018, the sunset provision set forth in section 1___5(e) shall have no further force or effect.

SEC. 1___7. REQUIREMENT FOR PHYSICAL BORDER FENCE CONSTRUCTION.

(a) CONSTRUCTION OF BORDER FENCING.—

(1) FIRST YEAR.—Except as provided in subsection (d), during the 1-year period beginning on the date of the enactment of this Act, the Secretary shall construct not fewer than 100 miles of double-layer fencing on the Southern border.

(2) SUBSEQUENT YEARS.—During each of the first 4 1-year periods immediately following the 1-year period described in paragraph (1), the Secretary shall construct not fewer than 150 miles of double-layer fencing on the Southern border.

(b) CERTIFICATION.—Except as provided in subsection (d), not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit a written certification that construction of the double-layer fencing required under subsection (a) has been completed during the preceding year to—

(1) the Committee on the Judiciary of the Senate;

(2) the Committee on Homeland Security and Governmental Affairs of the Senate;

(3) the Committee on the Judiciary of the House of Representatives; and

(4) the Committee on Homeland Security of the House of Representatives.

(c) DETERMINATION OF MILES OF FENCING CONSTRUCTED.—

(1) INCLUDED ITEMS.—In determining the number of fencing miles constructed in the preceding year, the Secretary may apply, toward the requirement under subsection (a), the number of miles of—

(A) new double-layer fencing that have been completed; and

(B) a second fencing layer that has been added to an existing, single-layered fence.

(2) EXCLUDED ITEMS.—In determining the number of fencing miles constructed in the preceding year, the Secretary may not apply, toward the requirement in subsection (a)—

(A) vehicle barriers;

(B) ground sensors;

(C) motion detectors;

(D) radar-based surveillance;

(E) thermal imaging;

(F) aerial surveillance platforms;

(G) observation towers;

(H) motorized or nonmotorized ground patrols;

(I) existing single-layer fencing; or

(J) new construction of single-layer fencing.

(d) SUNSET.—The Secretary shall no longer be required to comply with the requirements under subsection (a) and (b) on the earliest of—

(1) the date on which the Secretary submits the 5th affirmative certification pursuant to subsection (b); or

(2) the date on which the Secretary certifies the completion of not fewer than 700 miles of double-layer fencing on the Southern border.

(e) CONFORMING AMENDMENT.—Section 102(b)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note) is amended by striking subparagraph (D).

SEC. 1___8. ONE HUNDRED PERCENT EXIT TRACKING FOR ALL UNITED STATES VISITORS.

(a) FINDINGS.—Congress makes the following findings:

(1) Consistent with the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, the United States will continue its progress toward full biometric entry-exit capture capability at land, air, and sea points of entry.

(2) No capability exists to fully track whether non-United States persons in the United States on a temporary basis have exited the country consistent with the terms of their visa, whether by land, sea, or air.

(3) No program exists along the Southwest border to track land exits from the United States into Mexico.

(4) Without the ability to capture the full cycle of an alien's trip into and out of the United States, it is possible for persons to remain in the United States unlawfully for years without detection by U.S. Immigration and Customs Enforcement.

(5) Because there is no exit tracking capability, there is insufficient data for an official assessment of the number of persons who have overstayed a visa and that remain in the United States. Studies have estimated that as many as 40 percent of all persons in the United States without lawful immigration status entered the country legally and did not return to their country of origin or follow the terms of their entry.

(6) Despite a legal mandate to track alien exits, more than a decade without any significant capability to do so has—

(A) degraded the Federal Government's ability to enforce immigration laws;

(B) placed a greater strain on law enforcement resources; and

(C) undermined the legal immigration process in the United States.

(b) REQUIREMENT FOR OUTBOUND TRAVEL DOCUMENT CAPTURE AT LAND POINTS OF ENTRY.—

(1) OUTBOUND TRAVEL DOCUMENT CAPTURE AT FOOT CROSSINGS.—

(A) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall establish a mandatory exit data system for all outbound lanes at each land point of entry along the Southern border that is only accessible to individuals on foot or by nonmotorized means.

(B) DATA COLLECTION REQUIREMENTS.—The system established under subparagraph (A) shall require the collection of data from machine-readable visas, passports, and other travel and entry documents for all categories of aliens who are exiting the United States through an outbound lane described in subparagraph (A).

(2) OUTBOUND TRAVEL DOCUMENT CAPTURE AT ALL OTHER LAND POINTS OF ENTRY.—

(A) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall establish a mandatory exit data system at all outbound lanes not subject to paragraph (1) at each land point of entry along the Southern border.

(B) DATA COLLECTION REQUIREMENTS.—The system established under subparagraph (A) shall require the collection of data from machine-readable visas, passports, and other travel and entry documents for all categories of aliens who are exiting the United States through an outbound lane described in subparagraph (A).

(3) INFORMATION REQUIRED FOR COLLECTION.—While collecting information under paragraphs (1) and (2), the Secretary shall collect identity-theft resistant departure information from the machine-readable visas, passports, and other travel and entry documents.

(4) RECORDING OF EXITS AND CORRELATION TO ENTRY DATA.—The Secretary shall integrate the records collected under paragraphs (1) and (2) into the interoperable data system established under section 3303(b) and any other database necessary to correlate an alien's entry and exit data.

(5) PROCESSING OF RECORDS.—Before the departure of outbound aliens at each point of entry, the Secretary shall provide for cross-reference capability between databases designated by the Secretary under paragraph (4) to determine and record whether an outbound alien has been in the United States without lawful immigration status.

(6) RECORDS INCLUSION REQUIREMENTS.—The Secretary shall maintain readily accessible entry-exit data records for immigration and other law enforcement and improve immigration control and enforcement by including information necessary to determine whether an outbound alien without lawful presence in the United States entered the country through—

(A) unauthorized entry between points of entry;

(B) visa or other temporary authorized status;

(C) fraudulent travel documents;

(D) misrepresentation of identity; or

(E) any other method of entry.

(7) PROHIBITION ON COLLECTING EXIT RECORDS FOR UNITED STATES CITIZENS.—

(A) PROHIBITION.—While documenting the departure of outbound individuals at each point of entry along the Southern border, the Secretary may not—

(i) process travel documents of United States citizens;

(ii) log, store, or transfer exit data for United States citizens;

(iii) create, maintain, operate, access, or support any database containing information collected through outbound processing at a point of entry under paragraph (1) or (2) that contains records identifiable to an individual United States citizen.

(B) EXCEPTION.—The prohibition set forth in subparagraph (A) does not apply to the records of an individual if an officer processing travel documentation in the outbound lanes at a point of entry along the Southern border—

(i) has a strong suspicion that the individual has engaged in criminal or other prohibited activities; or

(ii) needs to verify an individual's identity because the individual is attempting to exit the United States without travel documentation.

(C) VERIFICATION OF TRAVEL DOCUMENTS.—Subject to the prohibition set forth in subparagraph (A), the Secretary may provide for the confirmation of a United States citizen's travel documentation validity in the outbound lanes at a point of entry along the Southern border.

(c) INFRASTRUCTURE IMPROVEMENTS AT LAND POINTS OF ENTRY.—

(1) FACILITATION OF LAND EXIT TRACKING.—The Secretary may improve the infrastructure at, or adjacent to, land points of entry, as necessary, to implement the requirements under paragraphs (1) and (2) of subsection (b), by—

(A) expanding or reconfiguring outbound road or bridge lanes within a point of entry;

(B) improving or reconfiguring public roads or other transportation infrastructure leading into, or adjacent to, the outbound lanes at a point of entry if—

(i) there has been a demonstrated negative impact on transportation in the area adjacent to a point of entry as a result of projects carried out under this section; or

(ii) the Secretary, in consultation with State, local, or tribal officials responsible for transportation adjacent to a point of entry, has submitted a report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives that projects proposed under this section will have a significant negative impact on transportation adjacent to a point of entry without such transportation infrastructure improvements; and

(iii) the total of funds obligated in any year to improve infrastructure outside a point of entry under subsection (c)(1) shall not exceed 25 percent of the total funds obligated to meet the requirements under paragraphs (1) and (2) of subsection (b) in the same year;

(C) constructing, expanding, or improving access to secondary inspection areas, where feasible;

(D) physical structures to accommodate inspections and processing travel documents described in subsection (b)(3) for outbound aliens, including booths or kiosks at exit lanes;

(E) transfer, installation, use, and maintenance of computers, software or other network infrastructure to facilitate capture and processing of travel documents described in subsection (b)(3) for all outbound aliens; and

(F) performance of outbound inspections outside of secondary inspection areas at a point of entry to detect suspicious activity or contraband.

(2) REPORT ON INFRASTRUCTURE REQUIREMENTS TO CARRY OUT 100 PERCENT LAND EXIT TRACKING.—Not later than 45 days after the date of the enactment of this Act, the Secretary shall submit, to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives, a report that assesses the infrastructure needs for each point of entry along the Southern border to fulfill the requirements under subsection (b), including—

(A) a description of anticipated infrastructure needs within each point of entry;

(B) a description of anticipated infrastructure needs adjacent to each point of entry;

(C) an assessment of the availability of secondary inspection areas at each point of entry;

(D) an assessment of space available at or adjacent to a point of entry to perform processing of outbound aliens;

(E) an assessment of the infrastructure demands relative to the volume of outbound crossings for each point of entry; and

(F) anticipated wait times for outbound individuals during processing of travel documents at each point of entry, relative to possible improvements at the point of entry.

(d) PROCEDURES FOR EXIT PROCESSING AND INSPECTION.—

(1) INDIVIDUALS SUBJECT TO OUTBOUND SECONDARY INSPECTION.—Officers performing outbound inspection or processing travel documents may send an outbound individual to a secondary inspection area for further inspection and processing if the individual is—

(A) determined or suspected to have been in the United States without lawful status during processing under subsection (b) or at another point during the exit process;

(B) found to be subject to an outstanding arrest warrant;

(C) suspected of engaging in prohibited activities at the point of entry;

(D) traveling without travel documentation; or

(E) subject to any random outbound inspection procedures, as determined by the Secretary.

(2) LIMITATIONS ON OUTBOUND SECONDARY INSPECTIONS.—The Secretary may not designate an outbound United States citizen for secondary inspection or collect biometric information from a United States citizen under outbound inspection procedures unless criminal or other prohibited activity has been detected or is strongly suspected.

(3) OUTBOUND PROCESSING OF PERSONS IN THE UNITED STATES WITHOUT LAWFUL PRESENCE.—

(A) PROCESS FOR RECORDING UNLAWFUL PRESENCE.—If the Secretary determines, at a point of entry along the Southern border, that an outbound alien has been in the United States without lawful presence, the Secretary shall—

(i) collect and record biometric data from the individual;

(ii) combine data related to the individual's unlawful presence with any other information related to the individual in the interoperable database, in accordance with paragraphs (4) and (5) of subsection (b); and

(iii) except as provided in subparagraph (B), permit the individual to exit the United States.

(B) EXCEPTION.—An individual shall not be permitted to leave the United States if, during outbound inspection, the Secretary detects previous unresolved criminal activity by the individual.

SEC. 1___9. RULE OF CONSTRUCTION.

Nothing in this Act, or amendments made by this Act, may be construed as replacing or repealing the requirements for biometric entry-exit capture required under the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208).

SEC. 1___10. STUDENT VISA NATIONAL SECURITY REGISTRATION SYSTEM.

(a) ESTABLISHMENT.—The Secretary shall establish a Student Visa National Security Registration System (referred to in this section as the ''System'').

(b) COUNTRIES REPRESENTED.—The System shall include information about each alien in the United States on a student visa from 1 of the following countries:

(1) Afghanistan.
(2) Algeria.
(3) Bahrain.
(4) Bangladesh.
(5) Egypt.
(6) Eritrea.
(7) Indonesia.
(8) Iran.
(9) Iraq.
(10) Jordan.
(11) Kuwait.
(12) Lebanon.
(13) Libya.
(14) Morocco.
(15) Nigeria.
(16) North Korea.
(17) Oman.
(18) Pakistan.
(19) Qatar.
(20) Russia.
(21) Saudi Arabia.
(22) Somalia.
(23) Sudan.
(24) Syria.
(25) Tunisia.
(26) United Arab Emirates.
(27) Yemen.

(c) REGISTRATION.—The Secretary shall notify each alien from 1 of the countries listed under subsection (b) who is seeking a student visa under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)) that the alien, not later than 30 days after receiving a student visa, shall—

(1) register with the System, as part of the visa application process; and

(2) be interviewed and fingerprinted by a Department official.

(d) BACKGROUND CHECK.—The Secretary shall perform a background check on all aliens described in subsection (c) to ensure that such individuals do not present a national security risk to the United States.

(e) MONITORING.—The Secretary shall establish a procedure for monitoring the status of all alien students in the United States on student visas.

(f) REPORTS.—

(1) INSPECTOR GENERAL.—The Secretary shall submit an annual report to Congress that—

(A) describes the effectiveness with which the Department is screening student visa applicants through the System; and

(B) indicates whether the System has been implemented in a manner that is overbroad or results in the deportation of individuals with no reasonable link to a national security threat or perceived threat.

(2) CERTIFICATION AND NATIONAL SECURITY REPORT.—

(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit a report to Congress that—

(i) certifies that the System has been implemented; and

(ii) describes the specific steps that have been taken to prevent national security failures in screening out terrorists from using student visas to gain entry into the United States.

(B) EFFECT OF NONCOMPLIANCE.—Beginning on the date that is 181 days after the date of the enactment of this Act, the Secretary shall suspend the issuance of visas under subparagraphs (F) and (J) of section 101(a)(15) of the Immigration and Nationality Act until the Secretary has submitted the report described in subparagraph (A).

(3) ANNUAL REPORT.—The Secretary shall submit an annual report to Congress that contains—

(A) the number of students screened and registered under the System during the past year, broken down by country of origin; and

(B) the number of students deported during the past year as a result of information gathered during the interviews and background checks conducted pursuant to subsections (c)(2) and (d), broken down by country of origin.

SEC. 1___11. ASYLUM AND REFUGEE REFORM.

(a) REGISTRATION.—The Secretary shall notify each alien who is admitted as a refugee under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) or granted asylum under section 208 of such Act (8 U.S.C. 1158) that the alien, not later than 30 days after being admitted as a refugee or granted asylum—

(1) shall register with the Department as part of application process; and

(2) shall be interviewed and fingerprinted by an official of the Department.

(b) BACKGROUND CHECK.—The Secretary shall screen and perform a background check on all individuals seeking asylum or refugee status under section 207 or 208 of the Immigration and Nationality Act to ensure that such individuals do not present a national security risk to the United States.

(c) MONITORING.—The Secretary shall monitor individuals granted asylum or admitted as refugees for indications of terrorism.

(d) REPORTS.—

(1) SECRETARY OF HOMELAND SECURITY.—The Secretary shall submit an annual report to Congress that—

(A) describes the effectiveness with which the Department is screening applicants for asylum and refugee status; and

(B) indicates whether the System has been implemented in a manner that is overbroad or results in the deportation of individuals

with no reasonable link to a national security threat or perceived threat.

(2) CERTIFICATION AND NATIONAL SECURITY REPORT.—

(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit a report to Congress that—

(i) certifies that the requirements described in subsections (a) through (c) have been implemented; and

(ii) describes the specific steps that have been taken to prevent national security failures in screening out terrorists from using asylum and refugee status to gain entry into the United States.

(B) EFFECT OF NONCOMPLIANCE.—Beginning on the date that is 181 days after the date of the enactment of this Act, the Secretary shall suspend the granting of asylum and refugee status under sections 207 and 208 of the Immigration and Nationality Act (8 U.S.C. 1157 and 1158) until the Secretary has submitted the report described in subparagraph (A).

(3) ANNUAL REPORT.—The Secretary shall submit an annual report to Congress that contains—

(A) the number of aliens seeking asylum or refugee status who were screened and registered during the past year, broken down by country of origin; and

(B) the number of aliens seeking asylum or refugee status who were deported as a result of information gathered during interviews and background checks under subsections (a)(2) and (b), broken down by country of origin.

SEC. 1___12. RESOLUTION OF PUBLIC LAND USE DISPUTES IMPEDING BORDER SECURITY AND ENFORCEMENT.

(a) PROHIBITION.—The Secretary of Interior and the Secretary of Agriculture may not impede, prohibit, restrict, or delay activities of the Secretary on land under the jurisdiction of the Secretary of the Interior or the Secretary of Agriculture to achieve total operational control of the Southern border.

(b) AUTHORIZED ACTIVITIES.—The Secretary shall be granted immediate access to land under the jurisdiction of the Secretary of Interior or the Secretary of Agriculture for purposes of conducting the following activities on such land in accordance with the requirements under this Act:

(1) Installing and using ground and motion sensors.

(2) Installing and using of surveillance equipment, including—

(A) video or other recording devices;

(B) radar and infrared technology; and

(C) infrastructure to enhance border enforcement line-of-sight.

(3) Using aircraft and securing landing rights, where appropriate, as determined by the Secretary.

(4) Using motorized vehicles to conduct routine patrols and pursuits as required, including trucks and all-terrain vehicles.

(5) Accessing roads.

(6) Constructing and maintaining roads.

(7) Constructing and maintaining fences or other physical barriers.

(8) Constructing and maintaining communications infrastructure.

(9) Constructing and maintaining operations centers.

(10) Setting up any other temporary tactical infrastructure.

(c) CLARIFICATION OF WAIVER AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law (including any termination date relating to the waivers referred to in this subsection), the waiver by the Secretary on April 1, 2008, pursuant to section 102(c)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note; Public Law 104–208) of the laws described in paragraph (2) with respect to certain sections of the Southern border shall be considered to apply to all land under the jurisdiction of the Secretary of Interior or the Secretary of Agriculture that is located within 100 miles of the Southern border for all activities of the Secretary described in subsection (b).

(2) DESCRIPTION OF LAWS SUBJECT TO WAIVED.—The laws referred to in paragraph (1) are—

(A) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(B) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(C) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(D) the National Historic Preservation Act (16 U.S.C. 470 et seq.);

(E) the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.);

(F) the Clean Air Act (42 U.S.C. 7401 et seq.);

(G) the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.);

(H) the Safe Drinking Water Act (42 U.S.C. 300f et seq.);

(I) the Noise Control Act of 1972 (42 U.S.C. 4901 et seq.);

(J) the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.);

(K) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.);

(L) Public Law 86–523 (16 U.S.C. 469 et seq.);

(M) the Act of June 8, 1906 (16 U.S.C. 431 et seq.) (commonly known as the ''Antiquities Act of 1906'') ;

(N) the Act of August 21, 1935 (16 U.S.C. 461 et seq.);

(O) the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.);

(P) the Farmland Protection Policy Act (7 U.S.C. 4201 et seq.);

(Q) the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.);

(R) the Wilderness Act (16 U.S.C. 1131 et seq.);

(S) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(T) the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.);

(U) the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.);

(V) the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.);

(W) subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the ''Administrative Procedure Act'');

(X) the Otay Mountain Wilderness Act of 1999 (Public Law 106–145, 113 Stat. 1711);

(Y) sections 102(29) and 103 of California Desert Protection Act of 1994 (16 U.S.C. 410aaa et seq.);

(Z) the National Park Service Organic Act (16 U.S.C. 1 et seq.);

(AA) Public Law 91–383 (16 U.S.C. 1a-1 et seq.);

(BB) sections 401(7), 403, and 404 of the National Parks and Recreation Act of 1978 (Public Law 95–625, 92 Stat. 3467);

(CC) the Arizona Desert Wilderness Act of 1990 (16 U.S.C. 1132 note; Public Law 101–628);

(DD) section 10 of the Act of March 3, 1899 (33 U.S.C. 403);

(EE) the Act of June 8, 1940 (16 U.S.C. 668 et seq.) (commonly known as the ''Bald Eagle Protection Act of 1940'');

(FF) the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001 et seq.);

(GG) Public Law 95–341 (42 U.S.C. 1996);

(HH) Public Law 103–141 (42 U.S.C. 2000bb et seq.);

(II) the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.);

(JJ) the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528 et seq.);

(KK) the Mineral Leasing Act (30 U.S.C. 181, et seq.);

(LL) the Materials Act of 1947 (30 U.S.C. 601 et seq.); and

(MM) the General Mining Act of 1872 (30 U.S.C. 22 note).

(d) NOTIFICATION REQUIREMENTS.—The Secretary shall submit a monthly report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives that—

(1) describes any public land use dispute raised by another Federal agency;

(2) describes any other land conflict subject to subsection (a) relating to border security operations on public lands; and

(3) explains whether the waiver authority under subsection (c) was exercised in regards to such dispute or conflict.

(e) RULE OF CONSTRUCTION.—Nothing in this section may be construed to authorize—

(1) the restriction of legal land uses, including hunting, grazing, and mining; or

(2) additional restriction on legal access to such land.

SEC. 1___13. SAVINGS AND OFFSETS.

(a) USE OF FUNDS.—The Secretary may use amounts from the Comprehensive Immigration Reform Trust Fund made available under subparagraphs (A)(ii) and (D) of section 6(a)(3)—

(1) to fulfill the requirement under section 1___8 for 100 percent exit tracking of outbound aliens at land points of entry;

(2) to establish and maintain the Student Visa National Security Registration System described in section 1___10; and

(3) to reform the processing of applications for asylum and refugee status pursuant to section 1___11.

(b) PROHIBITION.—

(1) IN GENERAL.—Except as provided in paragraph (2), no funds may be obligated or expended for the construction of a new headquarters for the Department.

(2) EXCEPTION.—The prohibition under paragraph (1) shall not apply if the Secretary certifies to Congress that—

(A) total operational control of the Southern border has been achieved;

(B) 100 percent exit tracking for all United States visitors at air, sea, and land points of entry has been achieved;

(C) the Student Visa National Security Visa Registration System is fully operational; and

(D) reforms to asylum and refugee processing set forth in section 1___11 have been fully implemented.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000,000 to carry out paragraphs (1) through (3) of subsection (a).

(d) RESCISSION OF CERTAIN UNOBLIGATED FUNDS.—From discretionary funds appropriated to the Department, but not obligated as of the date of the enactment of this Act, $1,000,000,000 is hereby rescinded.

SEC. 1___14. IMMIGRATION LAW ENHANCEMENTS.

(a) TRANSITION OF EXECUTIVE OFFICE FOR IMMIGRATION REVIEW.—

(1) ESTABLISHMENT OF COURT OF IMMIGRATION REVIEW.—Title 28, United States Code, is amended by inserting after chapter 7 the following:

''CHAPTER 9—COURT OF IMMIGRATION REVIEW

''§ 211. Establishment and appointment of judges

''(a) ESTABLISHMENT.—There is established, under article I of the Constitution of the

United States, a court of record, which shall be known as the United States Court of Immigration Review.

''(b) JURISDICTION.—The Court of Immigration Review shall have original, but not exclusive, jurisdiction over all civil proceedings arising under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) and is authorized to implement orders issued by the Court, in cooperation with the Department of Justice.

''(c) APPOINTMENT OF JUDGES.—The President shall appoint, by and with the advice and consent of the Senate, such judges as may be necessary to carry out the duties of the Court of Immigration Review.

''§ 212. Tenure and salaries of judges

''(a) TENURE.—Each judge of the United States Court of Immigration Review shall be appointed for a term of 10 years.

''(b) SALARY.—Each judge shall receive a salary at an annual rate determined in accordance with section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351 et seq.), as adjusted by section 461 of this title.

''§ 213. Times and places of holding court

''The United States Court of Immigration Review may hold court at such times and such places as it may fix by rule of court.''.

(2) CONFORMING AMENDMENT TO HOMELAND SECURITY ACT OF 2002.—Subtitle A of title XI of the Homeland Security Act of 2002 (6 U.S.C. 521 et seq.) is amended—

(A) by striking the subtitle heading and inserting the following:

''Subtitle A—United States Court of Immigration Review''; and

(B) by amending section 1101 (6 U.S.C. 521) to read as follows:

''SEC. 1101. RESPONSIBILITIES OF UNITED STATES COURT OF IMMIGRATION REVIEW.

''The United States Court of Immigration Review, established under chapter 9 of title 28, United States Code, shall be responsible for interpreting and administering Federal immigration laws by conducting immigration court proceedings and appellate reviews of such proceedings, in cooperation with the Department of Justice.''.

(3) CONFORMING AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.—Section 103 (8 U.S.C. 1103) is amended—

(A) in subsection (a)—

(i) by striking ''He'' each place it appears and inserting ''The Secretary'';

(ii) by striking ''the Service'' each place it appears and inserting ''the Department of Homeland Security'';

(B) in subsection (c)—

(i) by striking ''The Commissioner shall'' and inserting ''The Director, U.S. Citizenship and Immigration Services, shall'';

(ii) by striking ''He'' and inserting ''The Director'';

(iii) by striking ''the Service'' each place it appears and inserting ''U.S. Citizenship and Immigration Services''; and

(iv) by striking ''The Commissioner may'' and inserting ''The Director may'';

(C) in subsections (d) and (e), by striking ''The Commissioner'' and inserting ''The Director, U.S. Citizenship and Immigration Services'';

(D) in subsection (e), by striking ''the Service'' and inserting ''U.S. Citizenship and Immigration Services''; and

(E) in subsection (g), by amending paragraph (1) to read as follows:

''(1) IN GENERAL.—The Attorney General shall assist the Secretary of Homeland Security in enforcing the provisions of this Act, in cooperation with the United States Court of Immigration Review, established under chapter 9 of title 28, United States Code.''.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the immigration judges serving in the Executive Office for Immigration Review on the day before the date of the enactment of this Act, absent misconduct or other compelling circumstances, should be—

(1) appointed by the President to serve on the United States Court of Immigration Review, established under chapter 29 of title 28, United States Code; and

(2) confirmed by the Senate as soon as practicable, but in no case later than 1 year after such date of enactment.

(c) CONTINUITY PROVISION.—All officers and employees of the Executive Office for Immigration Review on the day before the date of the enactment of this Act, absent misconduct or other compelling circumstances, shall remain in their respective positions during the Office's transition to the United States Court of Immigration Review.

(d) ENDING OF CAPTURE AND RELEASE.—The Secretary may not release any individual arrested by the Department for the violation of any immigration law before the individual is duly tried by the United States Court of Immigration Review unless the Secretary determines that such arrests were made in error. Individuals arrested or detained by the Department have the right to an expedited proceeding to ensure that they are not detained without a hearing for an excessive period of time.

SEC. 1___15. PROTECTING THE PRIVACY OF AMERICAN CITIZENS.

(a) IN GENERAL.—Nothing in this Act, the amendments made by this Act, or any other provision of law may be construed as authorizing, directly or indirectly, the issuance, use, or establishment of a national identification card or system.

(b) LIMITATIONS ON IDENTIFICATION OF UNITED STATES CITIZENS.—

(1) BIOMETRIC INFORMATION.—United States citizens shall not be subject to any Federal or State law, mandate, or requirement that they provide photographs or biometric information without prior cause.

(2) PHOTO TOOL.—As used in this Act, the term ''Photo Tool'' may not be construed to allow the Federal Government to require United States citizens to provide a photograph to the Federal Government, other than photographs for Federal employment identification documents and United States passports.

(3) BIOMETRIC SOCIAL SECURITY CARDS.—Notwithstanding section 3102, any other provision of this Act, the amendments made by this Act, or any other provision of law, the Federal Government may not require United States citizens to carry, or to be issued, a biometric social security card.

(4) CITIZEN REGISTRY.—Notwithstanding any provision of this Act, the amendments made by this Act, or any other law, the Federal Government is not authorized to create a de facto national registry of citizens.

(c) IDENTIFICATION OF NONCITIZENS.—The Federal Government is authorized to require noncitizens, for identification purposes, to provide biometric identification, including fingerprints, DNA, and Iris scans, and nonbiometric information, including photographs.

SEC. 1___16. NUMERICAL LIMITATION ON REGISTERED PROVISIONAL IMMIGRANTS.

Notwithstanding any other provision of law, the Secretary may not grant registered provisional immigrant status under section 245B of the Immigration and Nationality Act, as added by section 2101 of this Act, to more than 2,000,000 applicants for such status in any calendar year.

SA 1201. Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 858, between lines 10 and 11, insert the following:

(3) US–VISIT SYSTEM.—Notwithstanding any other provision of this Act, any program that authorizes granting temporary legal status to individuals who are unlawfully present in the United States or adjusting the status of such individuals to that of aliens lawfully admitted for permanent residence may not be implemented until the Secretary submits written certification to the President and Congress that the integrated entry and exit data system required under section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1365a), which was required to be implemented by December 21, 2005, has been fully implemented and is functioning at every land, sea, and air port of entry.

SA 1202. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. ENSURING REGISTERED PROVISIONAL IMMIGRANTS, REFUGEES, ASYLEES, AND OTHER ALIENS ARE NOT DEPENDENT ON WELFARE.

(a) SHORT TITLE OF SECTION.—This section may be cited as the ''Secure the Treasury Act''.

(b) NO TAX WINDFALL FOR REGISTERED PROVISIONAL IMMIGRANTS.—Notwithstanding any other provision of law, with respect to taxable years beginning after December 31, 2013, a noncitizen granted registered provisional immigrant status under section 245B of the Immigration and Nationality Act (as added by this Act) and a registered provisional immigrant whose status is adjusted to that of an alien lawfully admitted for permanent residence under section 245C of the Immigration and Nationality Act (as added by this Act) shall not be allowed to claim the earned income tax credit allowed under section 32 of the Internal Revenue Code of 1986, or any other credit allowed by subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (other than the credit allowed under section 31 of such Code (relating to overpayment of taxes)).

(c) NO ACCESS TO WELFARE.—Notwithstanding any other provision of law, with respect to years beginning after December 31, 2013, a noncitizen granted registered provisional immigrant status under section 245B of the Immigration and Nationality Act (as added by this Act) and a registered provisional immigrant whose status is adjusted to that of an alien lawfully admitted for permanent residence under section 245C of the Immigration and Nationality Act (as added by this Act) shall not be eligible for any of the following assistance or benefits:

(1) Any assistance or benefits provided under a State program funded under the temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(2) Any medical assistance provided under a State Medicaid plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or under a waiver of such plan, other than emergency medical assistance provided under paragraphs (2) and (3) of section 1903(v), and any child health assistance provided under a State child health plan under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) or under a waiver of such plan.

(3) Any benefits or assistance provided under the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(4) Supplemental security income benefits provided under title XVI of the Social Security Act (42 U.S.C. 1381).

(5) Federal Pell Grants under section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a).

(6) Housing vouchers under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(7) Federal old-age, survivors, and disability insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.).

(8) Health insurance benefits for the aged and disabled under the medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(9) Assistance or benefits provided under the program of block grants to States for social services under subtitle A of title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

(d) NO WELFARE FOR REFUGEES OR ASYLEES AFTER 1 YEAR OF DATE OF ADMISSION.—Notwithstanding any other provision of law, an alien admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) or granted asylum under section 208 of such Act (8 U.S.C. 1158) shall not be eligible for any assistance or benefits described in paragraphs (1) through (8) of subsection (c), and shall not be allowed the earned income tax credit under section 32 of the Internal Revenue Code of 1986, after the date that is 1 year after the date on which the alien is admitted to the United States under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) or granted asylum under section 208 of such Act (8 U.S.C. 1158).

(e) NO CITIZENSHIP FOR ALIENS WHO APPLY FOR AND RECEIVE WELFARE.—Any alien, including any registered provisional immigrant, alien granted blue card status, refugee, asylee, or nonimmigrant admitted to the United States under a permanent or temporary visa, who is prohibited under this section, another provision of this Act, an amendment made by this Act, or any other provision of law, from applying for, or receiving, assistance or benefits described in subsection (c) or from claiming the earned income tax credit allowed under section 32 of the Internal Revenue Code of 1986, or any other credit allowed by subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986, and who applies for and receives any such assistance or benefits, or who claims and is allowed any such credit, shall be permanently prohibited from becoming naturalized as a citizen of the United States.

(f) ENFORCEMENT.—

(1) REQUIREMENT.—Each State shall implement the verification procedures listed in paragraph (5) to prevent non-citizens from receiving the assistance or benefits described in subsection (c) and from being allowed the earned income tax credit under section 32 of the Internal Revenue Code of 1986. To the extent that the State is not responsible for the administration of such assistance, benefits, or tax credit, the procedures implemented by the State shall be designed to assist the head of the Federal agency responsible for administering such assistance, benefits, or tax credit in ensuring that non-citizens do not receive the assistance, benefits, or tax credit.

(2) PENALTY.—Notwithstanding any other provision of law, with respect to a State, each head of the Federal agency responsible for administering a Federal means-tested benefit program listed in paragraph (4) shall reduce the annual amount of federal financial payments that would otherwise be made to the State under the program by 10 percent, beginning with the payments for fiscal year 2015. The reduction under the preceding sentence shall not apply with respect to any fiscal year that begins after the date on which the State certifies to the Secretary of the Homeland Security that the State has complied with paragraph (1).

(3) STATE DEFINED.—In this subsection, the term ''State'' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

(4) FEDERAL MEANS-TESTED BENEFIT PROGRAMS.—The Federal means-tested benefit programs listed in this paragraph are the following:

(A) The temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(B) The Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(C) The State children's health insurance program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

(D) The supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(E) The program of block grants to States for social services under subtitle A of title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

(5) VERIFICATION PROCEDURES.—The verification procedures listed in this paragraph are the following:

(A) Requiring proof of citizenship as a condition for receipt of assistance or benefits under the Federal means-tested benefit programs listed in paragraph (4).

(B) Verifying the proof of citizenship provided as a condition for receipt of assistance or benefits under the Federal means-tested benefit programs listed in paragraph (4),including by using the Systematic Alien Verification for Entitlements Program of the United States Citizenship and Immigration Services to confirm that an individual who has presented proof of citizenship as a condition for receipt of assistance or benefits under a Federal means-tested benefit program listed in paragraph (4) is not an alien.

(C) Requiring officers and employees of State agencies that administer a Federal means-tested benefit program listed in paragraph (4) to report to the Secretary of Homeland Security any suspicious or fraudulent identity information provided by an individual applying for assistance or benefits.

(6) MISCELLANEOUS PROVISIONS.—

(A) NONAPPLICATION OF THE PRIVACY ACT.—Notwithstanding any other provision of law, section 552a of title 5, United States Code (commonly referred to as the Privacy Act) shall not be construed as prohibiting an officer or employee of a State from verifying a claim of citizenship for purposes of eligibility for assistance or benefits under a Federal means-tested benefit program listed in paragraph (4).

(B) INCLUSION OF REGISTERED PROVISIONAL IMMIGRANT STATUS IN SAVE.—Not later than 30 days after the date of enactment of this Act, the Secretary of Homeland Security shall modify the Systematic Alien Verification for Entitlements Program of the United States Citizenship and Immigration Services to add the registered provisional immigrant status as an alien category that is ineligible for any Federal means-tested benefit program listed in paragraph (4).

SA 1203. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 672, between lines 12 and 13, insert the following:

SEC. 3720. DETENTION OF DANGEROUS ALIENS.

(a) SHORT TITLE.—This section may be cited as the ''Keep Our Communities Safe Act of 2013''.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) this section should ensure that Constitutional rights are upheld and protected;

(2) it is the intention of the Congress to uphold the Constitutional principles of due process; and

(3) due process of the law is a right afforded to everyone in the United States.

(c) DETENTION OF ALIENS DURING REMOVAL PROCEEDINGS.—

(1) CLERICAL AMENDMENT.—Section 236 (8 U.S.C. 1226) is amended—

(A) by striking ''Attorney General'' each place it appears (except in the second place it appears in subsection (a)) and inserting ''Secretary of Homeland Security'';

(B) in subsection (a), by inserting ''the Secretary of Homeland Security or'' before ''the Attorney General—''; and

(C) in subsection (e), by striking ''Attorney General's'' and inserting ''Secretary of Homeland Security's''.

(2) LENGTH OF DETENTION.—Section 236 (8 U.S.C. 1226) is amended by adding at the end the following:

''(f) LENGTH OF DETENTION.—

''(1) Notwithstanding any other provision of this section, an alien may be detained under this section for any period, without limitation, except as provided in subsection (h), until the alien is subject to a final order of removal.

''(2) The length of detention under this section shall not affect detention under section 241 of this Act.''.

(3) DETENTION OF CRIMINAL ALIENS.—Section 236(c)(1) (8 U.S.C. 1226(c)(1)) is amended, by striking the undesignated matter following subparagraph (D) and inserting the following:

''any time after the alien is released, without regard to whether an alien is released related to any activity, offense, or conviction described in this paragraph; to whether the alien is released on parole, supervised release, or probation; or to whether the alien may be arrested or imprisoned again for the same offense. If the activity described in this paragraph does not result in the alien being taken into custody by any person other than the Secretary, then when the alien is brought to the attention of the Secretary or when the Secretary determines it is practical to take such alien into custody, the Secretary shall take such alien into custody.''.

(4) ADMINISTRATIVE REVIEW.—Section 236 (8 U.S.C. 1226) is amended by adding at the end the following:

''(g) ADMINISTRATIVE REVIEW.—

''(1) The Attorney General's review of the Secretary's custody determinations under section 236(a) shall be limited to whether the alien may be detained, released on bond (of at least $1,500 with security approved by the Secretary), or released with no bond.

''(2) The Attorney General's review of the Secretary's custody determinations for the following classes of aliens:

''(A) Aliens in exclusion proceedings.

''(B) Aliens described in sections 212(a)(3) and 237(a)(4).

''(C) Aliens described in section 236(c).

''(D) Aliens in deportation proceedings subject to section 242(a)(2) of the Act (as in effect prior to April 1, 1997, and as amended by section 440(c) of Public Law 104–132); is limited to a determination of whether the alien is properly included in such category.

''(h) RELEASE ON BOND.—

''(1) IN GENERAL.—An alien detained under subsection (a) may seek release on bond. No bond may be granted except to an alien who establishes by clear and convincing evidence that the alien is not a flight risk or a risk to another person or the community.

''(2) CERTAIN ALIENS INELIGIBLE.—No alien detained under subsection (c) may seek release on bond.''.

(5) CLERICAL AMENDMENTS.—Section 236 (8 U.S.C. 1226) is amended—

(A) in subsection (a)(2)(B), by striking ''conditional parole'' and inserting ''recognizance''; and

(B) in subsection (b), by striking ''parole'' and inserting ''recognizance''.

(d) ALIENS ORDERED REMOVED.—Section 241(a) (8 U.S.C. 1231(a)) is amended—

(1) by striking ''Attorney General'' each place it appears, except for the first place it appears in paragraph (4)(B)(i), and inserting ''Secretary of Homeland Security'';

(2) in paragraph (1)—

(A) by striking subparagraphs (B) and (C) and inserting the following:

''(B) BEGINNING OF PERIOD.—The removal period begins on the latest of—

''(i) the date on which the order of removal becomes administratively final;

''(ii) the date on which the alien is taken into such custody if the alien is not in the custody of the Secretary on the date on which the order of removal becomes administratively final; and

''(iii) the date on which the alien is taken into the custody of the Secretary after the alien is released from detention or confinement if the alien is detained or confined (except for an immigration process) on the date on which the order of removal becomes administratively final.

''(C) SUSPENSION OF PERIOD.—

''(i) EXTENSION.—The removal period shall be extended beyond a period of 90 days and the Secretary may, in the Secretary's sole discretion, keep the alien in detention during such extended period if—

''(I) the alien fails or refuses to make all reasonable efforts to comply with the removal order, or to fully cooperate with the Secretary's efforts to establish the alien's identity and carry out the removal order, including making timely application in good faith for travel or other documents necessary to the alien's departure or conspires or acts to prevent the alien's removal that is subject to an order of removal;

''(II) a court, the Board of Immigration Appeals, or an immigration judge orders a stay of removal of an alien who is subject to an administratively final order of removal;

''(III) the Secretary transfers custody of the alien pursuant to law to another Federal agency or a State or local government agency in connection with the official duties of such agency; or

''(IV) a court or the Board of Immigration Appeals orders a remand to an immigration judge or the Board of Immigration Appeals, during the time period when the case is pending a decision on remand (with the removal period beginning anew on the date that the alien is ordered removed on remand).

''(ii) RENEWAL.—If the removal period has been extended under clause (i), a new removal period shall be deemed to have begun on the date on which—

''(I) the alien makes all reasonable efforts to comply with the removal order, or to fully cooperate with the Secretary's efforts to establish the alien's identity and carry out the removal order;

''(II) the stay of removal is no longer in effect; or

''(III) the alien is returned to the custody of the Secretary.

''(iii) MANDATORY DETENTION FOR CERTAIN ALIENS.—The Secretary shall keep an alien described in subparagraphs (A) through (D) of section 236(c)(1) in detention during the extended period described in clause (i).

''(iv) SOLE FORM OF RELIEF.—An alien may only seek relief from detention under this subparagraph by filing an application for a writ of habeas corpus in accordance with chapter 153 of title 28, United States Code. No alien whose period of detention is extended under this subparagraph shall have the right to seek release on bond.'';

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by inserting ''or is not detained pursuant to paragraph (6)'' after ''the removal period''; and

(B) by amending subparagraph (D) to read as follows:

''(D) to obey reasonable restrictions on the alien's conduct or activities that the Secretary prescribes for the alien, in order to prevent the alien from absconding, for the protection of the community, or for other purposes related to the enforcement of the immigration laws.'';

(4) in paragraph (4)(A), by striking ''paragraph (2)'' and inserting ''subparagraph (B)''; and

(5) by amending paragraph (6) to read as follows:

''(6) ADDITIONAL RULES FOR DETENTION OR RELEASE OF CERTAIN ALIENS.—

''(A) DETENTION REVIEW PROCESS FOR COOPERATIVE ALIENS ESTABLISHED.—For an alien who is not otherwise subject to mandatory detention, who has made all reasonable efforts to comply with a removal order and to cooperate fully with the Secretary of Homeland Security's efforts to establish the alien's identity and carry out the removal order, including making timely application in good faith for travel or other documents necessary to the alien's departure, and who has not conspired or acted to prevent removal, the Secretary shall establish an administrative review process to determine whether the alien should be detained or released on conditions. The Secretary shall make a determination whether to release an alien after the removal period in accordance with subparagraph (B). The determination shall include consideration of any evidence submitted by the alien, and may include consideration of any other evidence, including any information or assistance provided by the Secretary of State or other Federal official and any other information available to the Secretary of Homeland Security pertaining to the ability to remove the alien.

''(B) AUTHORITY TO DETAIN BEYOND REMOVAL PERIOD.—

''(i) IN GENERAL.—The Secretary of Homeland Security, in the exercise of the Secretary's sole discretion, may continue to detain an alien for 90 days beyond the removal period (including any extension of the removal period under paragraph (1)(C)). An alien whose detention is extended under this subparagraph shall have no right to seek release on bond.

''(ii) SPECIFIC CIRCUMSTANCES.—The Secretary of Homeland Security, in the exercise of the Secretary's sole discretion, may continue to detain an alien beyond the 90 days authorized under clause (i)—

''(I) until the alien is removed, if the Secretary, in the Secretary's sole discretion, determines that there is a significant likelihood that the alien—

''(aa) will be removed in the reasonably foreseeable future; or

''(bb) would be removed in the reasonably foreseeable future, or would have been removed, but for the alien's failure or refusal to make all reasonable efforts to comply with the removal order, or to cooperate fully with the Secretary's efforts to establish the alien's identity and carry out the removal order, including making timely application in good faith for travel or other documents necessary to the alien's departure, or conspires or acts to prevent removal;

''(II) until the alien is removed, if the Secretary of Homeland Security certifies in writing—

''(aa) in consultation with the Secretary of Health and Human Services, that the alien has a highly contagious disease that poses a threat to public safety;

''(bb) after receipt of a written recommendation from the Secretary of State, that release of the alien is likely to have serious adverse foreign policy consequences for the United States;

''(cc) based on information available to the Secretary of Homeland Security (including classified, sensitive, or national security information, and without regard to the grounds upon which the alien was ordered removed), that there is reason to believe that the release of the alien would threaten the national security of the United States; or

''(dd) that the release of the alien will threaten the safety of the community or any person, conditions of release cannot reasonably be expected to ensure the safety of the community or any person, and

''(AA) the alien has been convicted of 1 or more aggravated felonies (as defined in section 101(a)(43)(A)) or of 1 or more crimes identified by the Secretary of Homeland Security by regulation, or of 1 or more attempts or conspiracies to commit any such aggravated felonies or such identified crimes, if the aggregate term of imprisonment for such attempts or conspiracies is at least 5 years; or

''(BB) the alien has committed 1 or more crimes of violence (as defined in section 16 of title 18, United States Code, but not including a purely political offense) and, because of a mental condition or personality disorder and behavior associated with that condition or disorder, the alien is likely to engage in acts of violence in the future; or

''(III) pending a certification under subclause (II), if the Secretary of Homeland Security has initiated the administrative review process not later than 30 days after the expiration of the removal period (including any extension of the removal period under paragraph (1)(C)).

''(iii) NO RIGHT TO BOND HEARING.—An alien whose detention is extended under this subparagraph shall have no right to seek release on bond, including by reason of a certification under clause (ii)(II).

''(C) RENEWAL AND DELEGATION OF CERTIFICATION.—

''(i) RENEWAL.—The Secretary of Homeland Security may renew a certification under subparagraph (B)(ii)(II) every 6 months, after providing an opportunity for the alien to request reconsideration of the certification and to submit documents or other evidence in support of that request. If the Secretary does not renew a certification, the Secretary may not continue to detain the alien under subparagraph (B)(ii)(II).

''(ii) DELEGATION.—Notwithstanding section 103, the Secretary of Homeland Security may not delegate the authority to make or renew a certification described in item (bb), (cc), or (dd) of subparagraph (B)(ii)(II) below the level of the Assistant Secretary for Immigration and Customs Enforcement.

''(iii) HEARING.—The Secretary of Homeland Security may request that the Attorney General or the Attorney General's designee provide for a hearing to make the determination described in item (dd)(BB) of subparagraph (B)(ii)(II).

''(D) RELEASE ON CONDITIONS.—If it is determined that an alien should be released from detention by a Federal court, the Board of Immigration Appeals, or if an immigration judge orders a stay of removal, the Secretary of Homeland Security, in the exercise of the Secretary's discretion, may impose conditions on release as provided under paragraph (3).

''(E) REDETENTION.—The Secretary of Homeland Security, in the exercise of the Secretary's discretion, without any limitations other than those specified in this section, may again detain any alien subject to a final removal order who is released from custody, if removal becomes likely in the reasonably foreseeable future, the alien fails to comply with the conditions of release, or to continue to satisfy the conditions described in subparagraph (A), or if, upon reconsideration, the Secretary, in the Secretary's sole discretion, determines that the alien can be detained under subparagraph (B). This section shall apply to any alien returned to custody pursuant to this subparagraph, as if the removal period terminated on the day of the redetention.

''(F) REVIEW OF DETERMINATIONS BY SECRETARY.—A determination by the Secretary under this paragraph shall not be subject to review by any other agency.''.

(e) SEVERABILITY.—If any of the provisions of this section, any amendment made by this section, or the application of any such provision to any person or circumstance, is held to be invalid for any reason, the remainder of this section, the amendments made by this section, and the application of the provisions and amendments made by this section to any other person or circumstance shall not be affected by such holding.

(f) EFFECTIVE DATES.—

(1) APPREHENSION AND DETENTION OF ALIENS.—The amendments made by subsection (c) shall take effect on the date of the enactment of this Act. Section 236 of the Immigration and Nationality Act, as amended by subsection (c), shall apply to any alien in detention under provisions of such section on or after such date of enactment.

(2) ALIENS ORDERED REMOVED.—The amendments made by subsection (d) shall take effect on the date of the enactment of this Act. Section 241 of the Immigration and Nationality Act, as amended by subsection (d), shall apply to—

(A) all aliens subject to a final administrative removal, deportation, or exclusion order that was issued before, on, or after the date of the enactment of this Act; and

(B) acts and conditions occurring or existing before, on, or after such date of enactment.

SA 1204. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1300, between lines 11 and 12, insert the following:

CHAPTER 5—ENGLISH LANGUAGE UNITY

SEC. 2561. SHORT TITLE.

This chapter may be cited as the ''English Language Unity Act of 2013''.

SEC. 2562. FINDINGS.

Congress finds and declares the following:

(1) The United States is comprised of individuals from diverse ethnic, cultural, and linguistic backgrounds, and continues to benefit from this rich diversity.

(2) Throughout the history of the United States, the common thread binding individuals of differing backgrounds has been the English language.

(3) Among the powers reserved to the States respectively is the power to establish the English language as the official language of the respective States, and otherwise to promote the English language within the respective States, subject to the prohibitions enumerated in the Constitution of the United States and in laws of the respective States.

SEC. 2563. ENGLISH AS OFFICIAL LANGUAGE OF THE UNITED STATES.

(a) IN GENERAL.—Title 4, United States Code, is amended by adding at the end the following:

''CHAPTER 6—OFFICIAL LANGUAGE

''§ 161. Official language of the United States

''The official language of the United States is English.

''§ 162. Preserving and enhancing the role of the official language

''Representatives of the Federal Government shall have an affirmative obligation to preserve and enhance the role of English as the official language of the Federal Government. Such obligation shall include encouraging greater opportunities for individuals to learn the English language.

''§ 163. Official functions of Government to be conducted in English

''(a) OFFICIAL FUNCTIONS.—The official functions of the Government of the United States shall be conducted in English.

''(b) SCOPE.—For the purposes of this section—

''(1) the term 'United States' means the several States and the District of Columbia; and

''(2) the term 'official' refers to any function that—

''(A) binds the Government;

''(B) is required by law; or

''(C) is otherwise subject to scrutiny by either the press or the public.

''(c) PRACTICAL EFFECT.—This section shall apply to all laws, public proceedings, regulations, publications, orders, actions, programs, and policies, but does not apply to—

''(1) teaching of languages;

''(2) requirements under the Individuals with Disabilities Education Act;

''(3) actions, documents, or policies necessary for national security, international relations, trade, tourism, or commerce;

''(4) actions or documents that protect the public health and safety;

''(5) actions or documents that facilitate the activities of the Bureau of the Census in compiling any census of population;

''(6) actions that protect the rights of victims of crimes or criminal defendants; or

''(7) using terms of art or phrases from languages other than English.

''§ 164. Uniform English language rule for naturalization

''(a) UNIFORM LANGUAGE TESTING STANDARD.—All citizens should be able to read and understand generally the English language text of the Declaration of Independence, the Constitution, and the laws of the United States made in pursuance of the Constitution.

''(b) CEREMONIES.—All naturalization ceremonies shall be conducted in English.

''§ 165. Rules of construction

''Nothing in this chapter shall be construed—

''(1) to prohibit a Member of Congress or any officer or agent of the Federal Government, while performing official functions, from communicating unofficially through any medium with another person in a language other than English (as long as official functions are performed in English);

''(2) to limit the preservation or use of Native Alaskan or Native American languages (as defined in the Native American Languages Act);

''(3) to disparage any language or to discourage any person from learning or using a language; or

''(4) to be inconsistent with the Constitution of the United States.

''§ 166. Standing

''A person injured by a violation of this chapter may in a civil action (including an action under chapter 151 of title 28) obtain appropriate relief.''.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of title 4, United States Code, is amended by inserting after the item relating to chapter 5 the following new item:

''CHAPTER 6. OFFICIAL LANGUAGE''.

SEC. 2564. GENERAL RULES OF CONSTRUCTION FOR ENGLISH LANGUAGE TEXTS OF THE LAWS OF THE UNITED STATES.

(a) IN GENERAL.—Chapter 1 of title 1, United States Code, is amended by adding at the end the following:

''§ 8. General rules of construction for laws of the United States

''(a) English language requirements and workplace policies, whether in the public or private sector, shall be presumptively consistent with the Laws of the United States.

''(b) Any ambiguity in the English language text of the Laws of the United States shall be resolved, in accordance with the last two articles of the Bill of Rights, not to deny or disparage rights retained by the people, and to reserve powers to the States respectively, or to the people.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 1, is amended by inserting after the item relating to section 7 the following new item:

''8. General Rules of Construction for Laws of the United States.''.

SEC. 2565. IMPLEMENTING REGULATIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary shall issue, for public notice and comment, a proposed rule for uniform testing English language ability of candidates for naturalization, based upon the principles that—

(1) all citizens should be able to read and understand generally the English language text of the Declaration of Independence, the United States Constitution, and the laws of the United States which are made pursuant to such documents; and

(2) any exceptions to this standard should be limited to extraordinary circumstances, such as asylum.

SEC. 2566. EFFECTIVE DATE.

The amendments made by sections 2563 and 2564 shall take effect on the date that is 180 days after the date of the enactment of this Act.

SA 1205. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REQUIREMENT OF ENGLISH LANGUAGE PERMISSIBLE.

(a) FINDINGS.—Congress finds that—

(1) throughout the history of the United States, English has been the common thread to unify the American people much as they are united under one flag;

(2) Americans overwhelmingly believe that it is very important for people living in the United States to speak and understand English;

(3) there is vast support among the American people to allow a company the freedom to implement English in the workplace policies; and

(4) when a group of employees speaks a language other than English in the workplace, it may cause misunderstandings, create dangerous circumstances, and undermine morale.

(b) REQUIREMENT OF ENGLISH LANGUAGE PERMISSIBLE.—Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–2) is amended by adding at the end the following:

''(o) Notwithstanding any other provision of this title, it shall not be an unlawful employment practice for an employer to require employees to speak English while engaged in work.''.

SA 1206. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. MULTILINGUAL SERVICES.

(a) MULTILINGUAL SERVICES ACCOUNTING INFORMATION REQUIREMENT.—

(1) MULTILINGUAL SERVICES ACCOUNTING INFORMATION.—Chapter 9 of title 31, United States Code, is amended—

(A) in section 902(a)(6)—

(i) by striking ''and'' at the end of subparagraph (D);

(ii) by redesignating subparagraph (E) as subparagraph (F); and

(iii) by inserting after subparagraph (D) the following:

''(E) effective for each fiscal year beginning on or after October 1, 2013, the multilingual services accounting information of the agency for such fiscal year, in accordance with the guidance issued under section 3517 of this title and the procedures of OMB Circular No. A–11, part 6 (as in effect on the date of enactment of this subparagraph) and OMB Circular No. A–136 (as in effect on the date of enactment of this subparagraph); and''; and

(B) by adding at the end the following:

''§ 904. Definitions.

''In this chapter—

''(1) the term 'multilingual services' includes—

''(A) the services provided by interpreters hired by an agency;

''(B) the services provided by an agency associated with assisting agency employees or contractors learn a language other than English that result in additional expenses, wages, or salaries, or changes to expenses, wages, or salaries, for the agency or agency employees or contractors;

''(C) agency preparation, translation, printing, or recordation of documents, records, Web sites, brochures, pamphlets, flyers, or other materials in a language other than English;

''(D) the services provided or performed for the Federal Government by agency employees or contractors that require speaking a language other than English that result in wage differentials or benefits provided by the agency; and

''(E) any other services provided or performed by an agency which utilize languages other than English and that incur additional costs to the agency; and

''(2) the term 'multilingual services accounting information' means any accounting information related to multilingual services.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 9 of title 31, United States Code, is amended by adding after the item relating to section 903 the following:

''904. Definitions.''.

(b) MULTILINGUAL SERVICES EXPENSES REPORT.—

(1) MULTILINGUAL SERVICES EXPENSES REPORT.—Subchapter II of chapter 35 of title 31, United States Code is amended—

(A) in section 3512(a)(2)—

(i) by striking ''and'' at the end of subparagraph (E);

(ii) by redesignating subparagraph (F) as subparagraph (G); and

(iii) by adding after subparagraph (E) the following:

''(F) effective for the first full calendar year beginning after December 31, 2013, and for each calendar year thereafter, a Multilingual Services Expenses Report, which shall include—

''(i) a summary and analysis of the multilingual services accounting information (as defined in section 904 of this title) prepared by each agency Chief Financial Officer under section 902(a)(6)(E) of this title;

''(ii) a description of any changes to the existing financial management structure of the Federal Government needed to establish an integrated individual agency accounting of all multilingual services (as defined in section 904 of this title) conducted by each agency; and

''(iii) any other information the Director considers appropriate to fully inform the Congress and the agency Chief Financial Officers regarding the accounting of all multilingual services provided by the Federal Government; and''; and

(B) by adding at the end the following:

''§ 3517. Multilingual services accounting guidelines.

''Not later than 180 days after the date of the enactment of this section, the Director of the Office of Management and Budget shall issue guidance that each agency Chief Financial Officer shall follow in compiling the multilingual services accounting information required under section 902(a)(6)(E) of this title.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 35 of title 31, United States Code, is amended by adding after the item relating to section 3516 the following:

''3517. Multilingual services accounting guidelines.''.

SA 1207. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PROHIBITION ON IMPEDING CERTAIN ACTIVITIES OF U.S. CUSTOMS AND BORDER PROTECTION RELATED TO BORDER SECURITY.

(a) PROHIBITION ON SECRETARIES OF THE INTERIOR AND AGRICULTURE.—The Secretary of the Interior or the Secretary of Agriculture shall not impede, prohibit, or restrict activities of U.S. Customs and Border Protection on land under the jurisdiction of the Secretary of the Interior or the Secretary of Agriculture to achieve operational control (as defined in section 2(b) of the Secure Fence Act of 2006 (8 U.S.C. 1701 note; Public Law 109–367)) over the international land borders of the United States.

(b) AUTHORIZED ACTIVITIES OF U.S. CUSTOMS AND BORDER PROTECTION.—

(1) AUTHORIZATION.—U.S. Customs and Border Protection shall have immediate access to land under the jurisdiction of the Secretary of the Interior or the Secretary of Agriculture for purposes of conducting the following activities on such land that assist in securing the international land borders of the United States:

(A) Construction and maintenance of roads.

(B) Construction and maintenance of fences.

(C) Use vehicles to patrol.

(D) Installation, maintenance, and operation of surveillance equipment and sensors.

(E) Use of aircraft.

(F) Deployment of temporary tactical infrastructure, including forward operating bases.

(c) CLARIFICATION RELATING TO WAIVER AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law (including any termination date relating to the waiver referred to in this subsection), the waiver by the Secretary of Homeland Security on April 1, 2008, under section 102(c)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note; Public Law 104–208) of the laws described in paragraph (2) with respect to certain sections of the international border between the United States and Mexico and between the United States and Canada shall be considered to apply to all land under the jurisdiction of the Secretary of the Interior or the Secretary of Agriculture within 100 miles of the international land borders of the United States for the activities of U.S. Customs and Border Protection described in subsection (b).

(2) DESCRIPTION OF LAWS WAIVED.—The laws referred to in paragraph (1) are the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the National Historic Preservation Act (16 U.S.C. 470 et seq.), the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.), the Safe Drinking Water Act (42 U.S.C. 300f et seq.), the Noise Control Act of 1972 (42 U.S.C. 4901 et seq.), the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), Public Law 86–523 (16 U.S.C. 469 et seq.), the Act of June 8, 1906 (commonly known as the ''Antiquities Act of 1906'') (16 U.S.C. 431 et seq.), the Act of August 21, 1935 (16 U.S.C. 461 et seq.), the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.), the Farmland Protection Policy Act (7 U.S.C. 4201 et seq.), the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), the Wilderness Act (16 U.S.C. 1131 et seq.), the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.), the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.), subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the ''Administrative Procedure Act''), the Otay Mountain Wilderness Act of 1999 (Public Law 106–145, 113 Stat. 1711), sections 102(29) and 103 of California Desert Protection Act of 1994 (16 U.S.C. 410aaa et seq.), the National Park Service Organic Act (16 U.S.C. 1 et seq.), Public Law 91–383 (16 U.S.C. 1a–1 et seq.), sections 401(7), 403, and 404 of the National Parks and Recreation Act of 1978 (Public Law 95–625, 92 Stat. 3467), the Arizona Desert Wilderness Act of 1990 (16 U.S.C. 1132

note; Public Law 101–628), section 10 of the Act of March 3, 1899 (33 U.S.C. 403), the Act of June 8, 1940 (16 U.S.C. 668 et seq.), (25 U.S.C. 3001 et seq.), Public Law 95–341 (42 U.S.C. 1996), Public Law 103–141 (42 U.S.C. 2000bb et seq.), the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.), the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528 et seq.), the Mineral Leasing Act (30 U.S.C. 181, et seq.), the Materials Act of 1947 (30 U.S.C. 601 et seq.), and the General Mining Act of 1872 (30 U.S.C. 22 note).

(d) PROTECTION OF LEGAL USES.—This section shall not be construed to provide—

(1) authority to restrict legal uses, such as grazing, hunting, or mining, on land under the jurisdiction of the Secretary of the Interior or the Secretary of Agriculture; or

(2) any additional authority to restrict legal access to such land.

SA 1208. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 856, lines 1 and 2, strike ''the Secretary has submitted to Congress'' and insert ''Congress has approved, using the fast-track procedures set forth in paragraph (3), the contents of''.

On page 56, strike lines 19 through 22, and insert the following: ''Congress has ratified, using the fast-track procedures set forth in paragraph (3), the written certification submitted by the Secretary to the President and Congress, after consultation with the Comptroller of the United States, that—''.

On page 858, between lines 10 and 11, insert the following:

(3) FAST-TRACK PROCEDURES.—

(A) IN GENERAL.—Not later than 30 days after receiving a submission from the Secretary under paragraph (1) or (2), the Senate and the House of Representatives shall vote to determine whether the action taken by the Secretary meets the requirements set forth in such paragraphs that are required before applications may be processed by the Secretary for registered provisional immigrant status or adjustment of status under section 245B or 245C, respectively, of the Immigration and Nationality Act, as added by sections 2101 and 2102.

(B) REFERRAL TO COMMITTEE.—The question described in subparagraph (A) may not be referred to any congressional committee.

(C) AMENDMENTS.—The question described in subparagraph (A) may not be subject to amendment in the Senate or in the House of Representatives.

(D) MAJORITY VOTE.—The question described in subparagraph (A) shall be subject to a vote threshold of a majority of all members of each House duly chosen and sworn.

(E) PRESIDENTIAL SIGNATURE.—The congressional approval and ratification required under paragraphs (1) and (2) shall not be completed until after it has received the signature of the President.

SA 1209. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 890, between lines 8 and 9, insert the following:

(e) ADDITIONAL APPROPRIATIONS.—Nothing in this Act may be construed to authorize the appropriation of funds to carry out section 2101 or 2102 or an amendment made by either such section. Such sections and the amendments made by such sections shall be carried out using only the fees listed under subsection (a)(2)(C).

SA 1210. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 946, strike line 20 and all that follows through page 947, line 11, and insert the following: ″apply; and

''(II) subparagraphs (A), (C), (D), (F), and (G) of section 212(a)(6) and paragraph (10)(B) of section 212(a) shall not apply unless based on the act of unlawfully entering the United States after the date of the enactment of the Border Security, Economic Opportunity, and Immigration Modernization Act;''.

SA 1211. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 946, lines 3 through 5, strike ''offense under foreign law, except for a purely political offense, which, if the offense'' and insert ''act committed outside the United States, except for a purely political act, which, if the act''.

SA 1212. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 952, strike lines 4 through 21 and insert the following:

''(2) PAYMENT OF TAXES.—

''(A) IN GENERAL.—An alien may not file an application for registered provisional immigrant status under paragraph (1) unless the alien demonstrates the payment of any applicable Federal tax liability by establishing that—

''(i) no such tax liability exists;

''(ii) all outstanding liabilities have been paid; or

''(iii) the alien has entered into an agreement for payment of all outstanding liabilities with the Internal Revenue Service.

''(B) APPLICABLE FEDERAL TAX LIABILITY.—For purposes of clause (i), the term 'applicable Federal tax liability' means liability for Federal taxes, including penalties and interest, owed for which the statutory period for assessment of any deficiency for such taxes has not expired.

''(C) IRS COOPERATION.—The Secretary of the Treasury shall establish rules and procedures under which the Commissioner of Internal Revenue shall provide documentation to an alien upon request to establish the payment of all taxes required by this subparagraph.

''(D) BURDEN OF PROOF.—The burden of proof for an alien in establishing a matter under this paragraph is by a preponderance of evidence.

SA 1213. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 973, between lines 18 and 19, insert the following:

''(iv) PROHIBITION ON WAIVER.—The penalty required under this subparagraph may not be waived, limited, or reduced.

SA 1214. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 987, strike line 19 and all that follows through page 988, line 19, and insert the following:

''(V) remittance records; and

''(VI) school records from institutions described in subparagraph (D).

''(iii) ADDITIONAL DOCUMENTS AND RESTRICTIONS.—The Secretary may designate additional documents that may be used to establish compliance with the requirement under subparagraph (A).

SA 1215. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 980, between lines 10 and 11, insert the following:

''(4) ANNUAL REPORTS ON AMOUNTS OF FEDERAL MEANS-TESTED PUBLIC BENEFITS PROVIDED.—The Secretary of Health and Human Services, in consultation with the Secretary and the heads of other appropriate Federal agencies, shall submit to Congress each year a report on the amount of Federal means-tested public benefits (as so defined) provided in each State (including the District of Columbia) during the preceding fiscal year. Each report shall set forth, for the fiscal year covered by such report, the following:

''(A) The total amount of Federal means-tested public benefits provided during such fiscal year, disaggregated by State.

''(B) The total amount of Federal means-tested public benefits provided during such fiscal year to households with any person who resided in the United States illegally during such fiscal year.

''(C) The total amount of Federal means-tested public benefits provided during such fiscal year to households with any person with registered provisional immigrant status during such fiscal year.

On page 980, line 11, strike ''(4)'' and insert ''(5)''.

On page 981, line 7, strike ''(5)'' and insert ''(6)''.

SA 1216. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1421, line 2, insert ''intentionally'' before ''discriminate''.

On page 1423, line 2, insert '', with discriminatory intent'' before the em dash.

On page 1425, line 12, insert ''if done for the purpose, or with the intent, of discriminating against the individual'' before the period at the end.

SA 1217. Mr. LEE submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1829, line 8, strike ''20,000'' and insert ''200,000''.

On page 1829, line 9, strike ''35,000'' and insert ''250,000''.

On page 1829, line 10, strike ''55,000'' and insert ''300,000''.

On page 1829, line 11, strike ''75,000'' and insert ''350,000''.

On page 1833, lines 1 and 2, strike ''20,000 nor more than 200,000'' and replace with ''200,000 nor more than 400,000''.

SA 1218. Mr. UDALL of New Mexico (for himself and Mr. HEINRICH) submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 908, between lines 7 and 8, insert the following:

(e) ADDITIONAL PERMANENT DISTRICT COURT JUDGESHIPS IN NEW MEXICO.—

(1) IN GENERAL.—The President shall appoint, by and with the advice and consent of the Senate, 1 additional district judge for the district of New Mexico.

(2) CONVERSION OF TEMPORARY JUDGESHIP TO PERMANENT JUDGESHIP.—The existing judgeship for the district of New Mexico authorized by section 312(c) of the 21st Century Department of Justice Appropriations Authorization Act (28 U.S.C. 133 note; Public Law 107–273; 116 Stat. 1788), as of the effective date of this Act, shall be authorized under section 133 of title 28, United States Code, and the incumbent in that office shall hold the office under section 133 of title 28, United States Code, as amended by this Act.

(3) TECHNICAL AND CONFORMING AMENDMENT.—The table contained in section 133(a) of title 28, United States Code, is amended by striking the item relating to the district of New Mexico and inserting the following:

''New Mexico ..... 8''.

SA 1219. Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 111, beginning on line 22, strike ''education'' and all that follows through line 25, and insert ''education; or''.

SA 1220. Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I, add the following:

SEC. 1122. MAXIMUM ALLOWABLE COSTS OF SALARIES OF CONTRACTOR EMPLOYEES.

Section 4304(a)(16) of title 41, United States Code, is amended by inserting before the period at the end the following: '', except that in the case of contracts with the Department of Homeland Security or the National Guard while operating in Federal status that relate to border security, the limit on such costs of compensation is the annual amount payable under the aggregate limitation on pay as established by the Office of Management and Budget (currently $230,700)''.

SA 1221. Mr. MANCHIN submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 912, between lines 9 and 10, insert the following:

(3) ACQUISITION OF ADDITIONAL UNMANNED AERIAL VEHICLES AND UNMANNED AERIAL SYSTEMS.—Notwithstanding paragraphs (1) and (2) of subsection (a), the Commissioner of U.S. Customs and Border Protection may not acquire additional unmanned aerial vehicles or unmanned aircraft systems until after the Inspector General of the Department submits a report to Congress, which certifies that U.S. Customs and Border Protection has implemented all the recommendations contained in the report submitted by the Office of the Inspector General of the Department to U.S. Customs and Border Protection on May 30, 2012, titled ''CBP's Use of Unmanned Aircraft Systems in the Nation's Border Security'', including—

(A) analyzing requirements and developing plans to achieve the unmanned aerial system mission availability objective and acquiring funding to provide necessary operations, maintenance, and equipment;

(B) developing and implementing procedures to coordinate and support stakeholders' mission requests; and

(C) establishing interagency agreements with external stakeholders for reimbursement of expenses incurred fulfilling mission requests, to the extent authorized by law.

SA 1222. Ms. LANDRIEU (for herself, Mr. COATS, and Ms. KLOBUCHAR) submitted an amendment intended to be proposed by her to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1300, between lines 11 and 12, insert the following:

SEC. 2554. UNITED STATES CITIZENSHIP FOR INTERNATIONALLY ADOPTED INDIVIDUALS.

(a) AUTOMATIC CITIZENSHIP.—Section 104 of the Child Citizenship Act of 2000 (Public Law 106–395; 8 U.S.C. 1431 note) is amended to read as follows:

''SEC. 104. APPLICABILITY.

''The amendments made by this title shall apply to any individual who satisfies the requirements under section 320 or 322 of the Immigration and Nationality Act, regardless of the date on which such requirements were satisfied.''.

(b) MODIFICATION OF PREADOPTION VISITATION REQUIREMENT.—Section 101(b)(1)(F)(i) (8 U.S.C. 1101(b)(1)(F)(i)), as amended by section 2312, is further amended by striking ''at least twenty-five years of age, who personally saw and observed the child prior to or during the adoption proceedings;'' and inserting ''who is at least 25 years of age, at least 1 of whom personally saw and observed the child before or during the adoption proceedings;''.

(c) AUTOMATIC CITIZENSHIP FOR CHILDREN OF UNITED STATES CITIZENS WHO ARE PHYSICALLY PRESENT IN THE UNITED STATES.—

(1) IN GENERAL.—Section 320(a)(3) (8 U.S.C. 1431(a)(3)) is amended to read as follows:

''(3) The child is physically present in the United States in the legal custody of the citizen parent pursuant to a lawful admission.''.

(2) APPLICABILITY TO INDIVIDUAL'S WHO NO LONGER HAVE LEGAL STATUS.—Notwithstanding the lack of legal status or physical presence in the United States, a person shall be deemed to meet the requirements under section 320 of the Immigration and Nationality Act, as amended by paragraph (1), if the person—

(A) was born outside of the United States;

(B) was adopted by a United States citizen before the person reached 18 years of age;

(C) was legally admitted to the United States; and

(D) would have qualified for automatic United States citizenship if the amendments made by paragraph (1) had been in effect at the time of such admission.

(d) RETROACTIVE APPLICATION.—Section 320(b) (8 U.S.C. 1431(b)) is amended by inserting '', regardless of the date on which the adoption was finalized'' before the period at the end.

(e) APPLICABILITY.—The amendments made by this section shall apply to any individual adopted by a citizen of the United States regardless of whether the adoption occurred prior to, on, or after the date of the enactment of the Child Citizenship Act of 2000.

SA 1223. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1021, line 17, insert ''or public library'' after ''organization''.

On page 1282, beginning on line 3, strike ''and'' and all that follows through line 4, and insert the following:

(14) the National Security Advisor; and

(15) the Director of the Institute of Museum and Library Services.

On page 1282, beginning on line 24, strike ''and'' and all that follows through line 25, and insert the following:

(E) community development challenges; and

(F) civics education; and

On page 1286, beginning on line 21, strike ''and'' and all that follows through line 23, and insert the following:

(10) awarding grants to State and local governments under section 2538; and

(11) entering into agreements with other Federal agencies to promote and assist the eligible organizations and activities.

On page 1288, line 17, insert ''(as defined in section 2106(b))'' before the period at the end.

On page 1293, line 2, insert ''public libraries,'' after ''municipalities,''.

SA 1224. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 1162, strike lines 7 through 11 and insert the following:

(B) has been in the United States in a class of aliens authorized to accept employment in the United States for a continuous period of at least 10 years, not counting brief, casual, and innocent absences.

Beginning on page 1164, strike line 23 and all that follows through page 1165, line 2, and insert the following:

(f) ELIGIBILITY IN FISCAL YEARS AFTER FISCAL YEAR 2028.—Beginning on October 1, 2028, aliens are not eligible for adjustment of status under subsection (c)(3) unless they have been in a class of aliens authorized to accept employment in the United States for 20 years before the date on which they file an application for such adjustment of status.

SA 1225. Mr. RUBIO submitted an amendment intended to be proposed by him to the bill S. 744, to provide for comprehensive immigration reform and for other purposes; which was ordered to lie on the table; as follows:

On page 992, strike ''she'' on line 12 and all that follows through line 22, and insert ''she meets the requirements set forth in section 312.''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. COONS. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 11, 2013, at 10 a.m., in room SD–215 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Sex Trafficking and Exploitation in America: Child Welfare's Role in Prevention and Intervention.''

The PRESIDING OFFICER. Without objection it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. COONS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate on June 11, 2013, at 10 a.m., in room SH–216 of the Hart Senate office building.

The PRESIDING OFFICER. Without objection it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. COONS. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on June 11, 2013, at 10:30 a.m. to conduct a hearing entitled ''Reducing Duplication and Improving Outcomes in Federal Information Technology.''

The PRESIDING OFFICER. Without objection it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. COONS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on June 11, 2013, at 9:30 a.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Nominations.''

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. COONS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate, on June 11, 2013, at 1:30 p.m.

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

SUBCOMMITTEE ON AIRLAND

Mr. COONS. Mr. President, I ask unanimous consent that the Subcommittee on Airland of the Committee on Armed Services be authorized to meet during the session of the Senate on June 11, 2013, at 9:30 a.m.

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

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. COONS. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet during the session of the Senate on June 11, 2013, at 6 p.m.

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

SUBCOMMITTEE ON OCEANS, ATMOSPHERE, FISHERIES, AND THE COAST GUARD

Mr. COONS. Mr. President, I ask unanimous consent that the Subcommittee on Oceans, Atmosphere, Fisheries, and the Coast Guard of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on June 11, 2013, at 3 p.m. in room 253 of the Russell Senate Office Building.

The Committee will hold a hearing entitled, ''Deep Sea Challenge: Innovative Partnerships in Ocean Observation.''

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

SUBCOMMITTEE ON PERSONNEL

Mr. COONS. Mr. President, I ask unanimous consent that the Subcommittee on Personnel of the Committee on Armed Services are authorized to meet during the session of the Senate on June 11, 2013, at 2 p.m.

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

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. COONS. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on June 11, 2013, at 11 a.m.

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

SUBCOMMITTEE ON STRATEGIC FORCES

Mr. COONS. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces of the Committee on Armed Services be authorized to meet during the session of the Senate on June 11, 2013, at 3:30 p.m.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Angela Sheldon, a detailee in Senator HATCH's office, be granted the privileges of the floor for the duration of the debate on S. 744.

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

PRIVILEGES OF THE FLOOR

Mr. MENENDEZ. Mr. President, before I begin my remarks, I ask unanimous consent that Molly Groom, a detailee to the Foreign Relations Committee from the Department of Homeland Security, be given floor privileges for the duration of the debate on S. 744.

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

AGRICULTURE REFORM, FOOD, AND JOBS ACT OF 2013

On Monday, June 10, 2013, the Senate passed S. 954, as amended, as follows;

S. 954

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) IN GENERAL.—This Act may be cited as the ''Agriculture Reform, Food, and Jobs Act of 2013''.

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

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term ''Secretary'' means the Secretary of Agriculture.

TITLE I—COMMODITY PROGRAMS

Subtitle A—Repeals and Reforms

SEC. 1101. REPEAL OF DIRECT PAYMENTS.

(a) REPEAL.—Sections 1103 and 1303 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8713, 8753) are repealed.

(b) CONTINUED APPLICATION FOR 2013 CROP YEAR.—Sections 1103 and 1303 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8713, 8753), as in effect on the day before the date of enactment of this Act, shall continue to apply through the 2013 crop year with respect to all covered commodities (as defined in section 1001 of that Act (7 U.S.C. 8702)) (except pulse crops) and peanuts on a farm.

SEC. 1102. REPEAL OF COUNTER-CYCLICAL PAYMENTS.

(a) REPEAL.—Sections 1104 and 1304 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8714, 8754) are repealed.

(b) CONTINUED APPLICATION FOR 2013 CROP YEAR.—Sections 1104 and 1304 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8714, 8754), as in effect on the day before the date of enactment of this Act, shall continue to apply through the 2013 crop year with respect to all covered commodities (as defined in section 1001 of that Act (7 U.S.C. 8702)) and peanuts on a farm.

SEC. 1103. REPEAL OF AVERAGE CROP REVENUE ELECTION PROGRAM.

(a) REPEAL.—Section 1105 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8715) is repealed.

(b) CONTINUED APPLICATION FOR 2013 CROP YEAR.—Section 1105 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8715), as in effect on the day before the date of enactment of this Act, shall continue to apply through the 2013 crop year with respect to all covered commodities (as defined in section 1001 of that Act (7 U.S.C. 8702)) and peanuts on a farm for which the irrevocable election under section 1105 of that Act is made before the date of enactment of this Act.

SEC. 1104. DEFINITIONS.

In this subtitle, subtitle B, and subtitle F:

(1) ACTUAL CROP REVENUE.—The term ''actual crop revenue'', with respect to a covered commodity for a crop year, means the amount determined by the Secretary under section 1108(c)(3).

(2) ADVERSE MARKET PAYMENT.—The term ''adverse market payment'' means a payment made to producers on a farm under section 1107.

(3) AGRICULTURE RISK COVERAGE GUARANTEE.—The term ''agriculture risk coverage guarantee'', with respect to a covered commodity for a crop year, means the amount determined by the Secretary under section 1108(c)(4).

(4) AGRICULTURE RISK COVERAGE PAYMENT.—The term ''agriculture risk coverage payment'' means a payment under section 1108(c).

(5) AVERAGE INDIVIDUAL YIELD.—The term ''average individual yield'' means the yield reported by a producer for purposes of subtitle A of the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), to the maximum extent practicable.

(6) BASE ACRES.—The term ''base acres'', with respect to a covered commodity on a farm, means the number of acres established under section 1101 or 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911, 7952) as in effect on the date of enactment of this Act, subject to any adjustment under section 1105 of this Act.

(7) COUNTY COVERAGE.—For the purposes of agriculture risk coverage under section 1108, the term ''county coverage'' means coverage determined using the total quantity of all acreage in a county of the covered commodity that is planted or prevented from being planted for harvest by a producer with the yield determined by the average county yield described in subsection (c) of that section.

(8) COVERED COMMODITY.—

(A) IN GENERAL.—The term ''covered commodity'' means wheat, corn, grain sorghum, barley, oats, long grain rice, medium grain rice, pulse crops, soybeans, other oilseeds, and peanuts.

(B) POPCORN.—The Secretary—

(i) shall study the feasibility of including popcorn as a covered commodity by 2014; and

(ii) if the Secretary determines it to be feasible, shall designate popcorn as a covered commodity.

(9) ELIGIBLE ACRES.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) through (D), the term ''eligible acres'' means all acres planted or prevented from being planted to all covered commodities on a farm in any crop year.

(B) MAXIMUM.—Except as provided in subparagraph (C), the total quantity of eligible acres on a farm determined under subparagraph (A) shall not exceed the average total

acres planted or prevented from being planted to covered commodities and upland cotton on the farm for the 2009 through 2012 crop years, as determined by the Secretary.

(C) ADJUSTMENT.—The Secretary shall provide for an adjustment, as appropriate, in the eligible acres for covered commodities for a farm if any of the following circumstances occurs:

(i) If a conservation reserve contract for a farm in a county entered into under section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) expires or is voluntarily terminated or cropland is released from coverage under a conservation reserve contract, the Secretary shall provide for an adjustment, as appropriate, in the eligible acres for the farm to a total quantity that is the higher of—

(I) the total base acreage for the farm, less any upland cotton base acreage, that was suspended during the conservation reserve contract; or

(II) the product obtained by multiplying—

(aa) the average proportion that—

(AA) the total number of acres planted to covered commodities and upland cotton in the county for crop years 2009 through 2012; bears to

(BB) the total number of all acres of covered commodities, grassland, and upland cotton acres in the county for the same crop years; by

(bb) the total acres for which coverage has expired, voluntarily terminated, or been released under the conservation reserve contract.

(ii) The producer has eligible oilseed acreage as the result of the Secretary designating additional oilseeds, which shall be determined in the same manner as eligible oilseed acreage under section 1101(a)(1)(D) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8711(a)(1)(D)).

(iii) The producer has any acreage not cropped during the 2009 through 2012 crop years, but placed into an established rotation practice for the purposes of enriching land or conserving moisture for subsequent crop years, including summer fallow, as determined by the Secretary.

(D) EXCLUSION.—The term ''eligible acres'' does not include any crop subsequently planted during the same crop year on the same land for which the first crop is eligible for payments under this subtitle, unless the crop was planted in an area approved for double cropping, as determined by the Secretary.

(10) EXTRA LONG STAPLE COTTON.—The term ''extra long staple cotton'' means cotton that—

(A) is produced from pure strain varieties of the Barbadense species or any hybrid of the species, or other similar types of extra long staple cotton, designated by the Secretary, having characteristics needed for various end uses for which United States upland cotton is not suitable and grown in irrigated cotton-growing regions of the United States designated by the Secretary or other areas designated by the Secretary as suitable for the production of the varieties or types; and

(B) is ginned on a roller-type gin or, if authorized by the Secretary, ginned on another type gin for experimental purposes.

(11) INDIVIDUAL COVERAGE.—For purposes of agriculture risk coverage under section 1108, the term ''individual coverage'' means coverage determined using the total quantity of all acreage in a county of the covered commodity that is planted or prevented from being planted for harvest by a producer with the yield determined by the average individual yield of the producer described in subsection (c) of that section.

(12) MEDIUM GRAIN RICE.—The term ''medium grain rice'' includes short grain rice.

(13) OTHER OILSEED.—The term ''other oilseed'' means a crop of sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, or any oilseed designated by the Secretary.

(14) PAYMENT ACRES.—The term ''payment acres'' means, in the case of adverse market payments, 85 percent of the base acres for a covered commodity on a farm on which adverse market payments are made.

(15) PAYMENT YIELD.—The term ''payment yield'' means the yield established for adverse market payments under section 1102 or 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912, 7952) as in effect on the date of enactment of this Act, or under section 1106 of this Act, for a farm for a covered commodity.

(16) PRODUCER.—

(A) IN GENERAL.—The term ''producer'' means an owner, operator, landlord, tenant, or sharecropper that shares in the risk of producing a crop and is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced.

(B) HYBRID SEED.—In determining whether a grower of hybrid seed is a producer, the Secretary shall—

(i) not take into consideration the existence of a hybrid seed contract; and

(ii) ensure that program requirements do not adversely affect the ability of the grower to receive a payment under this title.

(17) PULSE CROP.—The term ''pulse crop'' means dry peas, lentils, small chickpeas, and large chickpeas.

(18) STATE.—The term ''State'' means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

(19) REFERENCE PRICE.—The term ''reference price'' means the price per bushel, pound, or hundredweight (or other appropriate unit) of a covered commodity used to determine the payment rate for adverse market payments.

(20) TRANSITIONAL YIELD.—The term ''transitional yield'' has the meaning given the term in section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)).

(21) UNITED STATES.—The term ''United States'', when used in a geographical sense, means all of the States.

(22) UNITED STATES PREMIUM FACTOR.—The term ''United States Premium Factor'' means the percentage by which the difference in the United States loan schedule premiums for Strict Middling (SM) 1⅛-inch upland cotton and for Middling (M) 1$^{3}/_{32}$-inch upland cotton exceeds the difference in the applicable premiums for comparable international qualities.

SEC. 1105. BASE ACRES.

(a) ADJUSTMENT OF BASE ACRES.—

(1) IN GENERAL.—The Secretary shall provide for an adjustment, as appropriate, in the base acres for covered commodities for a farm whenever any of the following circumstances occurs:

(A) A conservation reserve contract entered into under section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) with respect to the farm expires or is voluntarily terminated, or was terminated or expired during the period beginning on October 1, 2012, and ending on the date of enactment of this Act.

(B) Cropland is released from coverage under a conservation reserve contract by the Secretary, or was released during the period beginning on October 1, 2012, and ending on the date of enactment of this Act.

(C) The producer has eligible pulse crop acreage, which shall be determined in the same manner as eligible oilseed acreage under section 1101(a)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911(a)(2)).

(D) The producer has eligible oilseed acreage as the result of the Secretary designating additional oilseeds, which shall be determined in the same manner as eligible oilseed acreage under section 1101(a)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911(a)(2)).

(2) SPECIAL CONSERVATION RESERVE ACREAGE PAYMENT RULES.—For the crop year in which a base acres adjustment under subparagraph (A) or (B) of paragraph (1) is first made, the producer on the farm shall elect to receive either adverse market payments with respect to the acreage added to the farm under this subsection or a prorated payment under the conservation reserve contract, but not both.

(3) OPTIONAL ADJUSTMENT.—

(A) ELECTION.—

(i) IN GENERAL.—For the purpose of making adverse market payments, the Secretary shall give a producer on a farm a 1-time opportunity to adjust the peanut base acres on the farm.

(ii) NOTICE.—As soon as practicable after the date of enactment of this Act, the Secretary shall provide notice of the election described in clause (i) to producers on farms with peanut base acres, including—

(I) the manner in which the election is to be transmitted to the Secretary;

(II) a deadline for transmission; and

(III) notification that the election is a 1-time opportunity.

(iii) EFFECT OF FAILURE TO MAKE ELECTION.—If the producer on a farm fails to notify the Secretary of an election by the deadline described in clause (ii), the producer shall be considered to have not elected to update the peanut base acres on the farm.

(B) CALCULATION.—

(i) IN GENERAL.—If the producer on a farm makes the election described in subparagraph (A), the base acres for peanuts on the farm established pursuant to section 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7952) shall be equal to the average acreage planted on the farm to peanuts for harvest or similar purposes for the 2009 through 2012 crop years, as determined by the Secretary.

(ii) INCLUSIONS.—In making the calculation described in clause (i), the Secretary shall include—

(I) any acreage on the farm that the producer was prevented from planting to peanuts during the 2009 through 2012 crop years because of drought, flood, or other natural disaster, or other condition beyond the control of the producer;

(II) any crop year in which peanuts were not planted on the farm; and

(III) any adjustment, as appropriate, whenever either of the following occurs:

(aa) A conservation reserve contract entered into under section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) with respect to the peanut base acres on the farm expires or is voluntarily terminated.

(bb) Peanut cropland is released from coverage under a conservation reserve contract by the Secretary.

(C) LIMIT.—

(i) IN GENERAL.—If the producer on a farm makes the election described in subparagraph (A), the Secretary shall ensure that the adjustment does not result in a net increase in the total base acres for the farm (including the upland cotton base acres described in subsection (e)).

(ii) REDUCTION REQUIRED.—If the adjustment in base acres made pursuant to an election described in subparagraph (A) results in a net increase in the total base acres of all covered commodities and upland cotton on the farm, the Secretary shall reduce the base acres on the farm for all covered commodities (other than peanuts) and upland cotton proportionately, as determined by the Secretary.

(b) PREVENTION OF EXCESS BASE ACRES.—

(1) REQUIRED REDUCTION.—If the sum of the base acres for a farm, together with the acreage described in paragraph (2), exceeds the actual cropland acreage of the farm, the Secretary shall reduce the base acres for 1 or more covered commodities for the farm so that the sum of the base acres and acreage described in paragraph (2) does not exceed the actual cropland acreage of the farm.

(2) OTHER ACREAGE.—For purposes of paragraph (1), the Secretary shall include the following:

(A) Any acreage on the farm enrolled in the conservation reserve program or agricultural conservation easement program under subchapter B of chapter 1 of subtitle D and subtitle H, respectively, of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(B) Any other acreage on the farm enrolled in a Federal conservation program for which payments are made in exchange for not producing an agricultural commodity on the acreage.

(C) Any eligible pulse crop acreage, which shall be determined in the same manner as eligible oilseed acreage under section 1101(a)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911(a)(2)).

(D) If the Secretary designates additional oilseeds, any eligible oilseed acreage, which shall be determined in the same manner as eligible oilseed acreage under section 1101(a)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7911(a)(2)).

(3) SELECTION OF ACRES.—The Secretary shall give the producer on the farm the opportunity to select the base acres for a covered commodity for the farm against which the reduction required by paragraph (1) will be made.

(4) EXCEPTION FOR DOUBLE-CROPPED ACREAGE.—In applying paragraph (1), the Secretary shall make an exception in the case of double cropping, as determined by the Secretary.

(c) REDUCTION IN BASE ACRES.—

(1) REDUCTION AT OPTION OF PRODUCER.—

(A) IN GENERAL.—The producer on a farm may reduce, at any time, the base acres for any covered commodity for the farm.

(B) EFFECT OF REDUCTION.—A reduction under subparagraph (A) shall be permanent and made in a manner prescribed by the Secretary.

(2) REQUIRED ACTION BY SECRETARY.—

(A) IN GENERAL.—The Secretary shall proportionately reduce base acres on a farm for covered commodities for land that has been subdivided and developed for multiple residential units or other nonfarming uses if the size of the tracts and the density of the subdivision is such that the land is unlikely to return to the previous agricultural use, unless the producers on the farm demonstrate that the land—

(i) remains devoted to commercial agricultural production; or

(ii) is likely to be returned to the previous agricultural use.

(B) REQUIREMENT.—The Secretary shall establish procedures to identify land described in subparagraph (A).

(3) REVIEW AND REPORT.—Each year, to ensure, to the maximum extent practicable, that payments are received only by producers, the Secretary shall submit to Congress a report that describes the results of the actions taken under paragraph (2).

(d) TREATMENT OF FARMS WITH LIMITED BASE ACRES.—

(1) PROHIBITION ON PAYMENTS.—Except as provided in paragraph (2) and notwithstanding any other provision of this title, a producer on a farm may not receive adverse market payments if the sum of the base acres of the farm is 10 acres or less, as determined by the Secretary.

(2) EXCEPTIONS.—Paragraph (1) shall not apply to a farm owned or operated by—

(A) a socially disadvantaged farmer (as defined in section 3002 of the Consolidated Farm and Rural Development Act); or

(B) a limited resource farmer or rancher, as defined by the Secretary.

(3) DATA COLLECTION AND PUBLICATION.—The Secretary shall—

(A) collect and publish segregated data and survey information about farm profiles, utilization of land, and crop production; and

(B) perform an evaluation on the supply and price of fruits and vegetables based on the effects of suspension of base acres under this section.

(e) TREATMENT OF FARMS WITH UPLAND COTTON BASE ACRES.—The Secretary shall maintain a record of farms with upland cotton base acres in effect on the day before the date of enactment of this Act.

SEC. 1106. PAYMENT YIELDS.

(a) DESIGNATED OILSEED OR ELIGIBLE PULSE CROP.—

(1) ADJUSTMENT.—For the purpose of making adverse market payments under this subtitle, the Secretary shall provide for the establishment of a yield for each farm for any designated oilseed or eligible pulse crop for which a payment yield was not established under section 1102 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912) in accordance with this section.

(2) PAYMENT YIELDS FOR DESIGNATED OILSEEDS AND ELIGIBLE PULSE CROPS.—

(A) DETERMINATION OF AVERAGE YIELD.—In the case of designated oilseeds and eligible pulse crops, the Secretary shall determine the average yield per planted acre for the designated oilseed or pulse crop on a farm for the 1998 through 2001 crop years, excluding any crop year in which the acreage planted to the designated oilseed or pulse crop was zero.

(B) ADJUSTMENT FOR PAYMENT YIELD.—

(i) IN GENERAL.—The payment yield for a farm for a designated oilseed or eligible pulse crop shall be equal to the product of the following:

(I) The average yield for the designated oilseed or pulse crop determined under subparagraph (A).

(II) The ratio resulting from dividing the national average yield for the designated oilseed or pulse crop for the 1981 through 1985 crops by the national average yield for the designated oilseed or pulse crop for the 1998 through 2001 crops.

(ii) NO NATIONAL AVERAGE YIELD INFORMATION AVAILABLE.—To the extent that national average yield information for a designated oilseed or pulse crop is not available, the Secretary shall use such information as the Secretary determines to be fair and equitable to establish a national average yield under this section.

(C) USE OF PARTIAL COUNTY AVERAGE YIELD.—If the yield per planted acre for a crop of a designated oilseed or pulse crop for a farm for any of the 1998 through 2001 crop years was less than 75 percent of the county yield for that designated oilseed or pulse crop, the Secretary shall assign a yield for that crop year equal to 75 percent of the county yield for the purpose of determining the average under subparagraph (A).

(D) NO HISTORIC YIELD DATA AVAILABLE.—In the case of establishing yields for designated oilseeds and eligible pulse crops, if historic yield data is not available, the Secretary shall use the ratio for dry peas calculated under subparagraph (B)(i)(II) in determining the yields for designated oilseeds and eligible pulse crops, as determined to be fair and equitable by the Secretary.

(b) RICE.—

(1) ADJUSTMENT.—For the purpose of making adverse market payments under this subtitle, the Secretary shall give a producer on a farm a 1-time opportunity to adjust the payment yield for base acres of rice on the farm that was established under section 1102 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912).

(2) ELECTION.—

(A) NOTICE.—As soon as practicable after the date of enactment of this Act, the Secretary shall provide notice of the election described in paragraph (1) to producers on farms with rice base acres, including—

(i) the manner in which the election is to be transmitted to the Secretary;

(ii) a deadline for transmission; and

(iii) notification that the election is a 1-time opportunity.

(B) EFFECT OF FAILURE TO MAKE ELECTION.—If the producer on a farm fails to notify the Secretary of an election by the deadline described in subparagraph (A), the producer shall be considered to have not elected to update the payment yields for base acres of rice on the farm.

(3) CALCULATION.—

(A) IN GENERAL.—If the producer on a farm makes the election described in paragraph (2), the Secretary shall adjust the payment yields for the base acres of rice using an average yield described in subparagraph (B) and adjustment described in subparagraph (C).

(B) DETERMINATION OF AVERAGE YIELD.—Subject to subparagraph (D), the Secretary shall determine the average yield per planted acre for the rice on the farm for the 2009 through 2012 crop years, excluding any crop year in which the acreage planted to rice was zero.

(C) DETERMINATION OF ADJUSTMENT.—The Secretary shall adjust the payment yield for the base acres of rice on the farm that was established under section 1102 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912) in accordance with the following:

(i) In a case in which less than 50 percent of the rice base acres on the farm were planted to rice, on average, during the 2009 through 2012 crop years, the adjustment shall be equal to the sum obtained by adding to the payment yield—

(I) the product obtained by multiplying—

(aa) the difference between the average yield and the payment yield; by

(bb) the percent of rice planted on the base acres of rice on the farm, on average.

(ii) In a case in which more than 50 percent of the rice base acres on the farm were planted to rice, on average, during the 2009 through 2012 crop years, the payment yield shall be equal to the product obtained by multiplying—

(I) the average yield; by

(II) 90 percent.

(D) USE OF PARTIAL COUNTY AVERAGE YIELD.—If the yield per planted acre for a crop of rice for a farm for any of the 2009 through 2012 crop years was less than 75 percent of the county yield for that rice crop, the Secretary shall assign a yield for that crop year equal to 75 percent of the county yield for purposes of determining the average under subparagraph (B).

(c) PEANUTS.—

(1) ADJUSTMENT.—If the producer on a farm elects to adjust the peanut base acres for the

farm pursuant to section 1105, the Secretary shall adjust the payment yields for the base acres of peanuts for purposes of making adverse market payments.

(2) CALCULATION.—Notwithstanding the payment yields established under section 1102 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912), the payment yield for the base acres of peanuts adjusted pursuant to section 1105 shall be the average yield per planted acre for such base acres for the 2009 through 2012 crop years, excluding any crop year in which the acreage planted to peanuts was zero.

(3) USE OF PARTIAL COUNTY AVERAGE YIELD.—If the yield per planted acre for a crop of peanuts for a farm for any of the 2009 through 2012 crop years was less than 75 percent of the county yield for that peanut crop, the Secretary shall assign a yield for that crop year equal to 75 percent of the county yield for purposes of determining the average under paragraph (2).

SEC. 1107. AVAILABILITY OF ADVERSE MARKET PAYMENTS.

(a) PAYMENT REQUIRED.—For each of the 2014 through 2018 crop years for each covered commodity, the Secretary shall make adverse market payments to producers on farms for which payment yields and base acres are established with respect to the covered commodity if the Secretary determines that the actual price for the covered commodity is less than the reference price for the covered commodity.

(b) ACTUAL PRICE.—

(1) COVERED COMMODITIES OTHER THAN RICE.—Except as provided in paragraph (2), for purposes of subsection (a), the actual price for a covered commodity is equal to the higher of the following:

(A) The national average market price received by producers during the 12-month marketing year for the covered commodity, as determined by the Secretary.

(B) The national average loan rate for a marketing assistance loan for the covered commodity in effect for the applicable period under subtitle B.

(2) RICE.—In the case of long grain rice and medium grain rice, for purposes of subsection (a), the actual price for each type or class of rice is equal to the higher of the following:

(A) The national average market price received by producers during the 12-month marketing year for the type or class of rice, as determined by the Secretary.

(B) The national average loan rate for a marketing assistance loan for the type or class of rice in effect for the applicable period under subtitle B.

(c) REFERENCE PRICE.—The reference price for a covered commodity shall be determined as follows:

(1) IN GENERAL.—Subject to paragraph (2), the reference price for a covered commodity shall be the product obtained by multiplying—

(A) 55 percent; by

(B) the average national marketing year average price for the most recent 5 crop years, excluding each of the crop years with the highest and lowest prices.

(2) ALTERNATIVE PRICE FOR RICE AND PEANUTS.—In the case of long and medium grain rice and peanuts, the reference price shall be—

(A) in the case of long and medium grain rice, $13.30 per hundredweight; and

(B) in the case of peanuts, $523.77 per ton.

(d) PAYMENT RATE.—The payment rate used to make adverse market payments with respect to a covered commodity for a crop year shall be equal to the amount that—

(1) the reference price under subsection (c) for the covered commodity; exceeds

(2) the actual price determined under subsection (b) for the covered commodity.

(e) PAYMENT AMOUNT.—If adverse market payments are required to be paid under this section for any of the 2014 through 2018 crop years of a covered commodity, the amount of the adverse market payment to be paid to the producers on a farm for that crop year shall be equal to the product of the following:

(1) The payment rate specified in subsection (d).

(2) The payment acres of the covered commodity on the farm.

(3) The payment yield for the covered commodity for the farm.

(f) DUTIES OF THE SECRETARY.—In carrying out the calculations in subsections (b) and (c), the Secretary shall differentiate by type or class the national average price of—

(1) sunflower seeds;

(2) barley, using malting barley values; and

(3) wheat.

(g) TIME FOR PAYMENTS.—If the Secretary determines under subsection (a) that adverse market payments are required to be made under this section for the crop of a covered commodity, beginning October 1, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity, the Secretary shall make the adverse market payments for the crop.

SEC. 1108. AGRICULTURE RISK COVERAGE.

(a) PAYMENTS REQUIRED.—If the Secretary determines that payments are required under subsection (c), the Secretary shall make payments for each covered commodity available to producers in accordance with this section.

(b) COVERAGE ELECTION.—

(1) IN GENERAL.—For the period of crop years 2014 through 2018, the producers shall make a 1-time, irrevocable election to receive—

(A) individual coverage under this section, as determined by the Secretary; or

(B) in the case of a county with sufficient data (as determined by the Secretary), county coverage under this section.

(2) EFFECT OF ELECTION.—The election made under paragraph (1) shall be binding on the producers making the election, regardless of covered commodities planted, and applicable to all acres under the operational control of the producers, in a manner that—

(A) acres brought under the operational control of the producers after the election are included; and

(B) acres no longer under the operational control of the producers after the election are no longer subject to the election of the producers but become subject to the election of the subsequent producers.

(3) DUTIES OF THE SECRETARY.—The Secretary shall ensure that producers are precluded from taking any action, including reconstitution, transfer, or other similar action, that would have the effect of altering or reversing the election made under paragraph (1).

(c) AGRICULTURE RISK COVERAGE.—

(1) PAYMENTS.—The Secretary shall make agriculture risk coverage payments available under this subsection for each of the 2014 through 2018 crop years if the Secretary determines that—

(A) the actual crop revenue for the crop year for the covered commodity; is less than

(B) the agriculture risk coverage guarantee for the crop year for the covered commodity.

(2) TIME FOR PAYMENTS.—If the Secretary determines under this subsection that agriculture risk coverage payments are required to be made for the covered commodity, beginning October 1, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity, the Secretary shall make the agriculture risk coverage payments.

(3) ACTUAL CROP REVENUE.—The amount of the actual crop revenue for a crop year of a covered commodity shall be equal to the product obtained by multiplying—

(A)(i) in the case of individual coverage, the actual average individual yield for the covered commodity, as determined by the Secretary; or

(ii) in the case of county coverage, the actual average yield for the county for the covered commodity, as determined by the Secretary; and

(B) the higher of—

(i) the national average market price received by producers during the 12-month marketing year for the covered commodity, as determined by the Secretary; or

(ii) if applicable, the reference price for the covered commodity under section 1107.

(4) AGRICULTURE RISK COVERAGE GUARANTEE.—

(A) IN GENERAL.—The agriculture risk coverage guarantee for a crop year for a covered commodity shall equal 88 percent of the benchmark revenue.

(B) BENCHMARK REVENUE.—

(i) IN GENERAL.—The benchmark revenue shall be the product obtained by multiplying—

(I)(aa) in the case of individual coverage, subject to clause (ii), the average individual yield, as determined by the Secretary, for the most recent 5 crop years, excluding each of the crop years with the highest and lowest yields; or

(bb) in the case of county coverage, the average county yield, as determined by the Secretary, for the most recent 5 crop years, excluding each of the crop years with the highest and lowest yields; and

(II) the average national marketing year average price for the most recent 5 crop years, excluding each of the crop years with the highest and lowest prices.

(ii) USE OF TRANSITIONAL YIELDS.—If the yield determined under clause (i)(I)(aa)—

(I) for the 2013 crop year or any prior crop year, is less than 60 percent of the applicable transitional yield, the Secretary shall use 60 percent of the applicable transitional yield for that crop year; and

(II) for the 2014 crop year and any subsequent crop year, is less than 65 percent of the applicable transitional yield, the Secretary shall use 65 percent of the applicable transitional yield for that crop year.

(5) PAYMENT RATE.—The payment rate for each covered commodity shall be equal to the lesser of—

(A) the amount that—

(i) the agriculture risk coverage guarantee for the covered commodity; exceeds

(ii) the actual crop revenue for the crop year of the covered commodity; or

(B) 10 percent of the benchmark revenue for the crop year of the covered commodity.

(6) PAYMENT AMOUNT.—If agriculture risk coverage payments under this subsection are required to be paid for any of the 2014 through 2018 crop years of a covered commodity, the amount of the agriculture risk coverage payment for the crop year shall be equal to the product obtained by multiplying—

(A) the payment rate under paragraph (5); and

(B)(i) in the case of individual coverage the sum of—

(I) 65 percent of the planted eligible acres of the covered commodity; and

(II) 45 percent of the eligible acres that were prevented from being planted to the covered commodity; or

(ii) in the case of county coverage—

(I) 80 percent of the planted eligible acres of the covered commodity; and

(II) 45 percent of the eligible acres that were prevented from being planted to the covered commodity.

(7) DUTIES OF THE SECRETARY.—In carrying out the program under this subsection, the Secretary shall—

(A) to the maximum extent practicable, use all available information and analysis to check for anomalies in the determination of payments under the program;

(B) to the maximum extent practicable, calculate a separate actual crop revenue and agriculture risk coverage guarantee for irrigated and nonirrigated covered commodities;

(C) differentiate by type or class the national average price of—

(i) sunflower seeds;

(ii) barley, using malting barley values; and

(iii) wheat; and

(D) assign a yield for each acre planted or prevented from being planted for the crop year for the covered commodity on the basis of the yield history of representative farms in the State, region, or crop reporting district, as determined by the Secretary, if the Secretary cannot establish the yield as determined under paragraph (3)(A)(ii) or (4)(B)(i) or if the yield determined under paragraph (3)(A)(ii) or (4) is an unrepresentative average yield for the covered commodity as determined by the Secretary.

SEC. 1109. PRODUCER AGREEMENT REQUIRED AS CONDITION OF PROVISION OF PAYMENTS.

(a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

(1) REQUIREMENTS.—Before the producers on a farm may receive agriculture risk coverage payments or adverse market payments, the producers shall agree, during the crop year for which the payments are made and in exchange for the payments—

(A) to comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.);

(B) to comply with applicable wetland protection requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);

(C) to use the land on the farm for an agricultural or conserving use in a quantity equal to the attributable eligible acres of the farm, and not for a nonagricultural commercial, industrial, or residential use, as determined by the Secretary; and

(D) to effectively control noxious weeds and otherwise maintain the land in accordance with sound agricultural practices, as determined by the Secretary, if the agricultural or conserving use involves the noncultivation of any portion of the land referred to in subparagraph (C).

(2) COMPLIANCE.—The Secretary may issue such rules as the Secretary considers necessary to ensure producer compliance with the requirements of paragraph (1).

(3) MODIFICATION.—At the request of the transferee or owner, the Secretary may modify the requirements of this subsection if the modifications are consistent with the objectives of this subsection, as determined by the Secretary.

(b) TRANSFER OR CHANGE OF INTEREST IN FARM.—

(1) TERMINATION.—

(A) IN GENERAL.—Except as provided in paragraph (2), a transfer of (or change in) the interest of the producers on a farm for which agriculture risk coverage payments or adverse market payments are made shall result in the termination of the payments, unless the transferee or owner of the acreage agrees to assume all obligations under subsection (a).

(B) EFFECTIVE DATE.—The termination shall take effect on the date determined by the Secretary.

(2) EXCEPTION.—If a producer entitled to an agriculture risk coverage payment or adverse market payment dies, becomes incompetent, or is otherwise unable to receive the payment, the Secretary shall make the payment, in accordance with rules issued by the Secretary.

(c) REPORTS.—

(1) ACREAGE REPORTS.—As a condition on the receipt of any benefits under this subtitle or subtitle B, the Secretary shall require producers on a farm to submit to the Secretary annual acreage reports with respect to all cropland on the farm.

(2) PRODUCTION REPORTS.—As a condition on the receipt of any benefits under section 1108, the Secretary shall require producers on a farm to submit to the Secretary annual production reports with respect to all covered commodities produced on the farm.

(3) PENALTIES.—No penalty with respect to benefits under this subtitle or subtitle B shall be assessed against the producers on a farm for an inaccurate acreage or production report unless the producers on the farm knowingly and willfully falsified the acreage or production report.

(4) DATA REPORTING.—To the maximum extent practicable, the Secretary shall use data reported by the producer pursuant to requirements under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) to meet the obligations described in paragraphs (1) and (2), without additional submissions to the Department.

(d) TENANTS AND SHARECROPPERS.—In carrying out this subtitle, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

(e) SHARING OF PAYMENTS.—The Secretary shall provide for the sharing of adverse market payments and agriculture risk coverage payments among the producers on a farm on a fair and equitable basis.

SEC. 1110. PERIOD OF EFFECTIVENESS.

Sections 1104 through 1109 shall be effective beginning with the 2014 crop year of each covered commodity through the 2018 crop year.

Subtitle B—Marketing Assistance Loans and Loan Deficiency Payments

SEC. 1201. AVAILABILITY OF NONRECOURSE MARKETING ASSISTANCE LOANS FOR LOAN COMMODITIES.

(a) DEFINITION OF LOAN COMMODITY.—In this subtitle, the term ''loan commodity'' means wheat, corn, grain sorghum, barley, oats, upland cotton, extra long staple cotton, long grain rice, medium grain rice, peanuts, soybeans, other oilseeds, graded wool, nongraded wool, mohair, honey, dry peas, lentils, small chickpeas, and large chickpeas.

(b) NONRECOURSE LOANS AVAILABLE.—

(1) IN GENERAL.—For each of the 2014 through 2018 crops of each loan commodity, the Secretary shall make available to producers on a farm nonrecourse marketing assistance loans for loan commodities produced on the farm.

(2) TERMS AND CONDITIONS.—The marketing assistance loans shall be made under terms and conditions that are prescribed by the Secretary and at the loan rate established under section 1202 for the loan commodity.

(c) ELIGIBLE PRODUCTION.—The producers on a farm shall be eligible for a marketing assistance loan under subsection (b) for any quantity of a loan commodity produced on the farm.

(d) COMPLIANCE WITH CONSERVATION AND WETLANDS REQUIREMENTS.—

(1) REQUIREMENTS.—Before the producers on a farm may receive a marketing assistance loan or any other payment or benefit under this subtitle, the producers shall agree, for the crop year for which the payments are made and in exchange for the payments—

(A) to comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.);

(B) to comply with applicable wetland protection requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);

(C) to use the land on the farm for an agricultural or conserving use in a quantity equal to the attributable eligible acres of the farm, and not for a nonagricultural commercial, industrial, or residential use, as determined by the Secretary; and

(D) to effectively control noxious weeds and otherwise maintain the land in accordance with sound agricultural practices, as determined by the Secretary, if the agricultural or conserving use involves the noncultivation of any portion of the land referred to in subparagraph (C).

(2) COMPLIANCE.—The Secretary may issue such rules as the Secretary considers necessary to ensure producer compliance with paragraph (1).

(3) MODIFICATION.—At the request of a transferee or owner, the Secretary may modify the requirements of this subsection if the modifications are consistent with the purposes of this subsection, as determined by the Secretary.

(e) SPECIAL RULES FOR PEANUTS.—

(1) IN GENERAL.—This subsection shall apply only to producers of peanuts.

(2) OPTIONS FOR OBTAINING LOAN.—A marketing assistance loan under this section, and loan deficiency payments under section 1205, may be obtained at the option of the producers on a farm through—

(A) a designated marketing association or marketing cooperative of producers that is approved by the Secretary; or

(B) the Farm Service Agency.

(3) STORAGE OF LOAN PEANUTS.—As a condition on the approval by the Secretary of an individual or entity to provide storage for peanuts for which a marketing assistance loan is made under this section, the individual or entity shall agree—

(A) to provide the storage on a nondiscriminatory basis; and

(B) to comply with such additional requirements as the Secretary considers appropriate to accomplish the purposes of this section and promote fairness in the administration of the benefits of this section.

(4) STORAGE, HANDLING, AND ASSOCIATED COSTS.—

(A) IN GENERAL.—To ensure proper storage of peanuts for which a loan is made under this section, the Secretary shall pay handling and other associated costs (other than storage costs) incurred at the time at which the peanuts are placed under loan, as determined by the Secretary.

(B) REDEMPTION AND FORFEITURE.—The Secretary shall—

(i) require the repayment of handling and other associated costs paid under subparagraph (A) for all peanuts pledged as collateral for a loan that is redeemed under this section; and

(ii) pay storage, handling, and other associated costs for all peanuts pledged as collateral that are forfeited under this section.

(5) MARKETING.—A marketing association or cooperative may market peanuts for which a loan is made under this section in any manner that conforms to consumer needs, including the separation of peanuts by type and quality.

(6) REIMBURSABLE AGREEMENTS AND PAYMENT OF ADMINISTRATIVE EXPENSES.—The Secretary may implement any reimbursable agreements or provide for the payment of administrative expenses under this subsection only in a manner that is consistent with those activities in regard to other loan commodities.

SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING ASSISTANCE LOANS.

(a) IN GENERAL.—For purposes of each of the 2014 through 2018 crop years, the loan rate for a marketing assistance loan under section 1201 for a loan commodity shall be equal to the following:

(1) In the case of wheat, $2.94 per bushel.

(2) In the case of corn, $1.95 per bushel.

(3) In the case of grain sorghum, $1.95 per bushel.

(4) In the case of barley, $1.95 per bushel.

(5) In the case of oats, $1.39 per bushel.

(6) In the case of base quality of upland cotton, for the 2014 and each subsequent crop year, the simple average of the adjusted prevailing world price for the 2 immediately preceding marketing years, as determined by the Secretary and announced October 1 preceding the next domestic plantings, but in no case less than $0.45 per pound or more than $0.52 per pound.

(7) In the case of extra long staple cotton, $0.7977 per pound.

(8) In the case of long grain rice, $6.50 per hundredweight.

(9) In the case of medium grain rice, $6.50 per hundredweight.

(10) In the case of soybeans, $5.00 per bushel.

(11) In the case of other oilseeds, $10.09 per hundredweight for each of the following kinds of oilseeds:

(A) Sunflower seed.

(B) Rapeseed.

(C) Canola.

(D) Safflower.

(E) Flaxseed.

(F) Mustard seed.

(G) Crambe.

(H) Sesame seed.

(I) Other oilseeds designated by the Secretary.

(12) In the case of dry peas, $5.40 per hundredweight.

(13) In the case of lentils, $11.28 per hundredweight.

(14) In the case of small chickpeas, $7.43 per hundredweight.

(15) In the case of large chickpeas, $11.28 per hundredweight.

(16) In the case of graded wool, $1.15 per pound.

(17) In the case of nongraded wool, $0.40 per pound.

(18) In the case of mohair, $4.20 per pound.

(19) In the case of honey, $0.69 per pound.

(20) In the case of peanuts, $355 per ton.

(b) SINGLE COUNTY LOAN RATE FOR OTHER OILSEEDS.—The Secretary shall establish a single loan rate in each county for each kind of other oilseeds described in subsection (a)(11).

SEC. 1203. TERM OF LOANS.

(a) TERM OF LOAN.—In the case of each loan commodity, a marketing assistance loan under section 1201 shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made.

(b) EXTENSIONS PROHIBITED.—The Secretary may not extend the term of a marketing assistance loan for any loan commodity.

SEC. 1204. REPAYMENT OF LOANS.

(a) GENERAL RULE.—The Secretary shall permit the producers on a farm to repay a marketing assistance loan under section 1201 for a loan commodity (other than upland cotton, long grain rice, medium grain rice, extra long staple cotton, peanuts and confectionery and each other kind of sunflower seed (other than oil sunflower seed)) at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283));

(2) a rate (as determined by the Secretary) that—

(A) is calculated based on average market prices for the loan commodity during the preceding 30-day period; and

(B) will minimize discrepancies in marketing loan benefits across State boundaries and across county boundaries; or

(3) a rate that the Secretary may develop using alternative methods for calculating a repayment rate for a loan commodity that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of the commodity by the Federal Government;

(C) minimize the cost incurred by the Federal Government in storing the commodity;

(D) allow the commodity produced in the United States to be marketed freely and competitively, both domestically and internationally; and

(E) minimize discrepancies in marketing loan benefits across State boundaries and across county boundaries.

(b) REPAYMENT RATES FOR UPLAND COTTON, LONG GRAIN RICE, AND MEDIUM GRAIN RICE.—The Secretary shall permit producers to repay a marketing assistance loan under section 1201 for upland cotton, long grain rice, and medium grain rice at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)); or

(2) the prevailing world market price for the commodity, as determined and adjusted by the Secretary in accordance with this section.

(c) REPAYMENT RATES FOR EXTRA LONG STAPLE COTTON.—Repayment of a marketing assistance loan for extra long staple cotton shall be at the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)).

(d) PREVAILING WORLD MARKET PRICE.—For purposes of this section, the Secretary shall prescribe by regulation—

(1) a formula to determine the prevailing world market price for each of upland cotton, long grain rice, and medium grain rice; and

(2) a mechanism by which the Secretary shall announce periodically those prevailing world market prices.

(e) ADJUSTMENT OF PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON, LONG GRAIN RICE, AND MEDIUM GRAIN RICE.—

(1) RICE.—The prevailing world market price for long grain rice and medium grain rice determined under subsection (d) shall be adjusted to United States quality and location.

(2) COTTON.—The prevailing world market price for upland cotton determined under subsection (d)—

(A) shall be adjusted to United States quality and location, with the adjustment to include—

(i) a reduction equal to any United States Premium Factor for upland cotton of a quality higher than Middling (M) 1 3/32-inch; and

(ii) the average costs to market the commodity, including average transportation costs, as determined by the Secretary; and

(B) may be further adjusted, during the period beginning on the date of enactment of this Act and ending on July 31, 2019, if the Secretary determines the adjustment is necessary—

(i) to minimize potential loan forfeitures;

(ii) to minimize the accumulation of stocks of upland cotton by the Federal Government;

(iii) to ensure that upland cotton produced in the United States can be marketed freely and competitively, both domestically and internationally; and

(iv) to ensure an appropriate transition between current-crop and forward-crop price quotations, except that the Secretary may use forward-crop price quotations prior to July 31 of a marketing year only if—

(I) there are insufficient current-crop price quotations; and

(II) the forward-crop price quotation is the lowest such quotation available.

(3) GUIDELINES FOR ADDITIONAL ADJUSTMENTS.—In making adjustments under this subsection, the Secretary shall establish a mechanism for determining and announcing the adjustments in order to avoid undue disruption in the United States market.

(f) REPAYMENT RATES FOR CONFECTIONERY AND OTHER KINDS OF SUNFLOWER SEEDS.—The Secretary shall permit the producers on a farm to repay a marketing assistance loan under section 1201 for confectionery and each other kind of sunflower seed (other than oil sunflower seed) at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 1202, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)); or

(2) the repayment rate established for oil sunflower seed.

(g) PAYMENT OF COTTON STORAGE COSTS.—Effective for each of the 2014 through 2018 crop years, the Secretary shall make cotton storage payments available in the same manner, and at the same rates as the Secretary provided storage payments for the 2006 crop of cotton, except that the rates shall be reduced by 20 percent.

(h) REPAYMENT RATE FOR PEANUTS.—The Secretary shall permit producers on a farm to repay a marketing assistance loan for peanuts under subsection (a) at a rate that is the lesser of—

(1) the loan rate established for peanuts under subsection (b), plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)); or

(2) a rate that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of peanuts by the Federal Government;

(C) minimize the cost incurred by the Federal Government in storing peanuts; and

(D) allow peanuts produced in the United States to be marketed freely and competitively, both domestically and internationally.

(i) AUTHORITY TO TEMPORARILY ADJUST REPAYMENT RATES.—

(1) ADJUSTMENT AUTHORITY.—In the event of a severe disruption to marketing, transportation, or related infrastructure, the Secretary may modify the repayment rate otherwise applicable under this section for marketing assistance loans under section 1201 for a loan commodity.

(2) DURATION.—Any adjustment made under paragraph (1) in the repayment rate for marketing assistance loans for a loan commodity shall be in effect on a short-term and temporary basis, as determined by the Secretary.

SEC. 1205. LOAN DEFICIENCY PAYMENTS.

(a) AVAILABILITY OF LOAN DEFICIENCY PAYMENTS.—

(1) IN GENERAL.—Except as provided in subsection (d), the Secretary may make loan deficiency payments available to producers on

a farm that, although eligible to obtain a marketing assistance loan under section 1201 with respect to a loan commodity, agree to forgo obtaining the loan for the commodity in return for loan deficiency payments under this section.

(2) UNSHORN PELTS, HAY, AND SILAGE.—

(A) MARKETING ASSISTANCE LOANS.—Subject to subparagraph (B), nongraded wool in the form of unshorn pelts and hay and silage derived from a loan commodity are not eligible for a marketing assistance loan under section 1201.

(B) LOAN DEFICIENCY PAYMENT.—Effective for the 2014 through 2018 crop years, the Secretary may make loan deficiency payments available under this section to producers on a farm that produce unshorn pelts or hay and silage derived from a loan commodity.

(b) COMPUTATION.—A loan deficiency payment for a loan commodity or commodity referred to in subsection (a)(2) shall be equal to the product obtained by multiplying—

(1) the payment rate determined under subsection (c) for the commodity; by

(2) the quantity of the commodity produced by the eligible producers, excluding any quantity for which the producers obtain a marketing assistance loan under section 1201.

(c) PAYMENT RATE.—

(1) IN GENERAL.—In the case of a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 1202 for the loan commodity; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 1204.

(2) UNSHORN PELTS.—In the case of unshorn pelts, the payment rate shall be the amount by which—

(A) the loan rate established under section 1202 for ungraded wool; exceeds

(B) the rate at which a marketing assistance loan for ungraded wool may be repaid under section 1204.

(3) HAY AND SILAGE.—In the case of hay or silage derived from a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 1202 for the loan commodity from which the hay or silage is derived; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 1204.

(d) EXCEPTION FOR EXTRA LONG STAPLE COTTON.—This section shall not apply with respect to extra long staple cotton.

(e) EFFECTIVE DATE FOR PAYMENT RATE DETERMINATION.—The Secretary shall determine the amount of the loan deficiency payment to be made under this section to the producers on a farm with respect to a quantity of a loan commodity or commodity referred to in subsection (a)(2) using the payment rate in effect under subsection (c) as of the date the producers request the payment.

SEC. 1206. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.

(a) ELIGIBLE PRODUCERS.—

(1) IN GENERAL.—Effective for the 2014 through 2018 crop years, in the case of a producer that would be eligible for a loan deficiency payment under section 1205 for wheat, barley, or oats, but that elects to use acreage planted to the wheat, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of the wheat, barley, or oats on that acreage.

(2) GRAZING OF TRITICALE ACREAGE.—Effective for the 2014 through 2018 crop years, with respect to a producer on a farm that uses acreage planted to triticale for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of triticale on that acreage.

(b) PAYMENT AMOUNT.—

(1) IN GENERAL.—The amount of a payment made under this section to a producer on a farm described in subsection (a)(1) shall be equal to the amount determined by multiplying—

(A) the loan deficiency payment rate determined under section 1205(c) in effect, as of the date of the agreement, for the county in which the farm is located; by

(B) the payment quantity determined by multiplying—

(i) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of wheat, barley, or oats; and

(ii)(I) the yield in effect for the calculation of agriculture risk coverage payments under subtitle A with respect to that loan commodity on the farm; or

(II) in the case of a farm without a payment yield for that loan commodity, an appropriate yield established by the Secretary.

(2) GRAZING OF TRITICALE ACREAGE.—The amount of a payment made under this section to a producer on a farm described in subsection (a)(2) shall be equal to the amount determined by multiplying—

(A) the loan deficiency payment rate determined under section 1205(c) in effect for wheat, as of the date of the agreement, for the county in which the farm is located; by

(B) the payment quantity determined by multiplying—

(i) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of triticale; and

(ii)(I) the yield in effect for the calculation of agriculture risk coverage payments under subtitle A with respect to wheat on the farm; or

(II) in the case of a farm without a payment yield for wheat, an appropriate yield established by the Secretary in a manner consistent with section 1102 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8712).

(c) TIME, MANNER, AND AVAILABILITY OF PAYMENT.—

(1) TIME AND MANNER.—A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 1205.

(2) AVAILABILITY.—

(A) IN GENERAL.—The Secretary shall establish an availability period for the payments authorized by this section.

(B) CERTAIN COMMODITIES.—In the case of wheat, barley, and oats, the availability period shall be consistent with the availability period for the commodity established by the Secretary for marketing assistance loans authorized by this subtitle.

(d) PROHIBITION ON CROP INSURANCE INDEMNITY OR NONINSURED CROP ASSISTANCE.—A 2014 through 2018 crop of wheat, barley, oats, or triticale planted on acreage that a producer elects, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop shall not be eligible for an indemnity under a policy or plan of insurance authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).

SEC. 1207. ECONOMIC ADJUSTMENT ASSISTANCE TO USERS OF UPLAND COTTON.

(a) IN GENERAL.—Subject to subsection (b), the Secretary shall, on a monthly basis, make economic adjustment assistance available to domestic users of upland cotton in the form of payments for all documented use of that upland cotton during the previous monthly period regardless of the origin of the upland cotton.

(b) VALUE OF ASSISTANCE.—Effective beginning on August 1, 2012, the value of the assistance provided under subsection (a) shall be 3 cents per pound.

(c) ALLOWABLE PURPOSES.—Economic adjustment assistance under this section shall be made available only to domestic users of upland cotton that certify that the assistance shall be used only to acquire, construct, install, modernize, develop, convert, or expand land, plant, buildings, equipment, facilities, or machinery.

(d) REVIEW OR AUDIT.—The Secretary may conduct such review or audit of the records of a domestic user under this subsection as the Secretary determines necessary to carry out this subsection.

(e) IMPROPER USE OF ASSISTANCE.—If the Secretary determines, after a review or audit of the records of the domestic user, that economic adjustment assistance under this subsection was not used for the purposes specified in subsection (c), the domestic user shall be—

(1) liable for the repayment of the assistance to the Secretary, plus interest, as determined by the Secretary; and

(2) ineligible to receive assistance under this subsection for a period of 1 year following the determination of the Secretary.

SEC. 1208. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.

(a) COMPETITIVENESS PROGRAM.—Notwithstanding any other provision of law, during the period beginning on the date of enactment of this Act through July 31, 2019, the Secretary shall carry out a program—

(1) to maintain and expand the domestic use of extra long staple cotton produced in the United States;

(2) to increase exports of extra long staple cotton produced in the United States; and

(3) to ensure that extra long staple cotton produced in the United States remains competitive in world markets.

(b) PAYMENTS UNDER PROGRAM; TRIGGER.—Under the program, the Secretary shall make payments available under this section whenever—

(1) for a consecutive 4-week period, the world market price for the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is below the prevailing United States price for a competing growth of extra long staple cotton; and

(2) the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is less than 134 percent of the loan rate for extra long staple cotton.

(c) ELIGIBLE RECIPIENTS.—The Secretary shall make payments available under this section to domestic users of extra long staple cotton produced in the United States and exporters of extra long staple cotton produced in the United States that enter into an agreement with the Commodity Credit Corporation to participate in the program under this section.

(d) PAYMENT AMOUNT.—Payments under this section shall be based on the amount of the difference in the prices referred to in subsection (b)(1) during the fourth week of the consecutive 4-week period multiplied by the amount of documented purchases by domestic users and sales for export by exporters made in the week following such a consecutive 4-week period.

SEC. 1209. AVAILABILITY OF RECOURSE LOANS FOR HIGH MOISTURE FEED GRAINS AND SEED COTTON.

(a) HIGH MOISTURE FEED GRAINS.—

(1) DEFINITION OF HIGH MOISTURE STATE.—In this subsection, the term ''high moisture state'' means corn or grain sorghum having a moisture content in excess of Commodity Credit Corporation standards for marketing assistance loans made by the Secretary under section 1201.

(2) RECOURSE LOANS AVAILABLE.—For each of the 2014 through 2018 crops of corn and grain sorghum, the Secretary shall make available recourse loans, as determined by the Secretary, to producers on a farm that—

(A) normally harvest all or a portion of their crop of corn or grain sorghum in a high moisture state;

(B) present—

(i) certified scale tickets from an inspected, certified commercial scale, including a licensed warehouse, feedlot, feed mill, distillery, or other similar entity approved by the Secretary, pursuant to regulations issued by the Secretary; or

(ii) field or other physical measurements of the standing or stored crop in regions of the United States, as determined by the Secretary, that do not have certified commercial scales from which certified scale tickets may be obtained within reasonable proximity of harvest operation;

(C) certify that the producers on the farm were the owners of the feed grain at the time of delivery to, and that the quantity to be placed under loan under this subsection was in fact harvested on the farm and delivered to, a feedlot, feed mill, or commercial or on-farm high-moisture storage facility, or to a facility maintained by the users of corn and grain sorghum in a high moisture state; and

(D) comply with deadlines established by the Secretary for harvesting the corn or grain sorghum and submit applications for loans under this subsection within deadlines established by the Secretary.

(3) ELIGIBILITY OF ACQUIRED FEED GRAINS.—A loan under this subsection shall be made on a quantity of corn or grain sorghum of the same crop acquired by the producer equivalent to a quantity determined by multiplying—

(A) the acreage of the corn or grain sorghum in a high moisture state harvested on the farm of the producer; by

(B) the lower of the actual average yield used to make payments under subtitle A or the actual yield on a field, as determined by the Secretary, that is similar to the field from which the corn or grain sorghum was obtained.

(b) RECOURSE LOANS AVAILABLE FOR SEED COTTON.—For each of the 2014 through 2018 crops of upland cotton and extra long staple cotton, the Secretary shall make available recourse seed cotton loans, as determined by the Secretary, on any production.

(c) REPAYMENT RATES.—Repayment of a recourse loan made under this section shall be at the loan rate established for the commodity by the Secretary, plus interest (determined in accordance with section 163 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7283)).

SEC. 1210. ADJUSTMENTS OF LOANS.

(a) ADJUSTMENT AUTHORITY.—Subject to subsection (e), the Secretary may make appropriate adjustments in the loan rates for any loan commodity (other than cotton) for differences in grade, type, quality, location, and other factors.

(b) MANNER OF ADJUSTMENT.—The adjustments under subsection (a) shall, to the maximum extent practicable, be made in such a manner that the average loan level for the commodity will, on the basis of the anticipated incidence of the factors, be equal to the level of support determined in accordance with this subtitle and subtitles C through E.

(c) ADJUSTMENT ON COUNTY BASIS.—

(1) IN GENERAL.—The Secretary may establish loan rates for a crop for producers in individual counties in a manner that results in the lowest loan rate being 95 percent of the national average loan rate, if those loan rates do not result in an increase in outlays.

(2) PROHIBITION.—Adjustments under this subsection shall not result in an increase in the national average loan rate for any year.

(d) ADJUSTMENT IN LOAN RATE FOR COTTON.—

(1) IN GENERAL.—The Secretary may make appropriate adjustments in the loan rate for cotton for differences in quality factors.

(2) REVISIONS TO QUALITY ADJUSTMENTS FOR UPLAND COTTON.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall implement revisions in the administration of the marketing assistance loan program for upland cotton to more accurately and efficiently reflect market values for upland cotton.

(B) MANDATORY REVISIONS.—Revisions under subparagraph (A) shall include—

(i) the elimination of warehouse location differentials;

(ii) the establishment of differentials for the various quality factors and staple lengths of cotton based on a 3-year, weighted moving average of the weighted designated spot market regions, as determined by regional production;

(iii) the elimination of any artificial split in the premium or discount between upland cotton with a 32 or 33 staple length due to micronaire; and

(iv) a mechanism to ensure that no premium or discount is established that exceeds the premium or discount associated with a leaf grade that is 1 better than the applicable color grade.

(C) DISCRETIONARY REVISIONS.—Revisions under subparagraph (A) may include—

(i) the use of non-spot market price data, in addition to spot market price data, that would enhance the accuracy of the price information used in determining quality adjustments under this subsection;

(ii) adjustments in the premiums or discounts associated with upland cotton with a staple length of 33 or above due to micronaire with the goal of eliminating any unnecessary artificial splits in the calculations of the premiums or discounts; and

(iii) such other adjustments as the Secretary determines appropriate, after consultations conducted in accordance with paragraph (3).

(3) CONSULTATION WITH PRIVATE SECTOR.—

(A) PRIOR TO REVISION.—In making adjustments to the loan rate for cotton (including any review of the adjustments) as provided in this subsection, the Secretary shall consult with representatives of the United States cotton industry.

(B) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to consultations under this subsection.

(4) REVIEW OF ADJUSTMENTS.—The Secretary may review the operation of the upland cotton quality adjustments implemented pursuant to this subsection and may make further revisions to the administration of the loan program for upland cotton, by—

(A) revoking or revising any actions taken under paragraph (2)(B); or

(B) revoking or revising any actions taken or authorized to be taken under paragraph (2)(C).

(e) RICE.—The Secretary shall not make adjustments in the loan rates for long grain rice and medium grain rice, except for differences in grade and quality (including milling yields).

Subtitle C—Sugar

SEC. 1301. SUGAR PROGRAM.

(a) CONTINUATION OF CURRENT PROGRAM AND LOAN RATES.—

(1) SUGARCANE.—Section 156(a)(5) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(a)(5)) is amended by striking ''the 2012 crop year'' and inserting ''each of the 2014 through 2018 crop years''.

(2) SUGAR BEETS.—Section 156(b)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(b)(2)) is amended by striking ''2012'' and inserting ''2018''.

(3) EFFECTIVE PERIOD.—Section 156(i) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(i)) is amended by striking ''2012'' and inserting ''2018''.

(b) FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.—

(1) SUGAR ESTIMATES.—Section 359b(a)(1) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359bb(a)(1)) is amended by striking ''2012'' and inserting ''2018''.

(2) EFFECTIVE PERIOD.—Section 359l(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ll(a)) is amended by striking ''2012'' and inserting ''2018''.

Subtitle D—Dairy

PART I—DAIRY PRODUCTION MARGIN PROTECTION AND DAIRY MARKET STABILIZATION PROGRAMS

SEC. 1401. DEFINITIONS.

In this part:

(1) ACTUAL DAIRY PRODUCTION MARGIN.—The term ''actual dairy production margin'' means the difference between the all-milk price and the average feed cost, as calculated under section 1402.

(2) ALL-MILK PRICE.—The term ''all-milk price'' means the average price received, per hundredweight of milk, by dairy operations for all milk sold to plants and dealers in the United States, as determined by the Secretary.

(3) ANNUAL PRODUCTION HISTORY.—The term ''annual production history'' means the production history determined for a participating dairy operation under section 1413(b) whenever the participating dairy operation purchases supplemental production margin protection.

(4) AVERAGE FEED COST.—The term ''average feed cost'' means the average cost of feed used by a dairy operation to produce a hundredweight of milk, determined under section 1402 using the sum of the following:

(A) The product determined by multiplying 1.0728 by the price of corn per bushel.

(B) The product determined by multiplying 0.00735 by the price of soybean meal per ton.

(C) The product determined by multiplying 0.0137 by the price of alfalfa hay per ton.

(5) BASIC PRODUCTION HISTORY.—The term ''basic production history'' means the production history determined for a participating dairy operation under section 1413(a) for provision of basic production margin protection.

(6) CONSECUTIVE 2-MONTH PERIOD.—The term ''consecutive 2-month period'' refers to the 2-month period consisting of the months of January and February, March and April, May and June, July and August, September and October, or November and December, respectively.

(7) DAIRY OPERATION.—

(A) IN GENERAL.—The term ''dairy operation'' means, as determined by the Secretary, 1 or more dairy producers that produce and market milk as a single dairy operation in which each dairy producer—

(i) shares in the pooling of resources and a common ownership structure;

(ii) is at risk in the production of milk on the dairy operation; and

(iii) contributes land, labor, management, equipment, or capital to the dairy operation.

(B) ADDITIONAL OWNERSHIP STRUCTURES.—The Secretary shall determine additional ownership structures to be covered by the definition of dairy operation.

(8) HANDLER.—

(A) IN GENERAL.—The term ''handler'' means the initial individual or entity making payment to a dairy operation for milk produced in the United States and marketed for commercial use.

(B) PRODUCER-HANDLER.—The term includes a ''producer-handler'' when the producer satisfies the definition in subparagraph (A).

(9) PARTICIPATING DAIRY OPERATION.—The term ''participating dairy operation'' means a dairy operation that—

(A) signs up under section 1412 to participate in the production margin protection program under subpart A; and

(B) as a result, also participates in the stabilization program under subpart B.

(10) PRODUCTION MARGIN PROTECTION PROGRAM.—The term ''production margin protection program'' means the dairy production margin protection program required by subpart A.

(11) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(12) STABILIZATION PROGRAM.—The term ''stabilization program'' means the dairy market stabilization program required by subpart B for all participating dairy operations.

(13) STABILIZATION PROGRAM BASE.—The term ''stabilization program base'', with respect to a participating dairy operation, means the stabilization program base calculated for the participating dairy operation under section 1431(b).

(14) UNITED STATES.—The term ''United States'', in a geographical sense, means the 50 States, the District of Columbia, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, and any other territory or possession of the United States.

SEC. 1402. CALCULATION OF AVERAGE FEED COST AND ACTUAL DAIRY PRODUCTION MARGINS.

(a) CALCULATION OF AVERAGE FEED COST.—The Secretary shall calculate the national average feed cost for each month using the following data:

(1) The price of corn for a month shall be the price received during that month by farmers in the United States for corn, as reported in the monthly Agricultural Prices report by the Secretary.

(2) The price of soybean meal for a month shall be the central Illinois price for soybean meal, as reported in the Market News–Monthly Soybean Meal Price Report by the Secretary.

(3) The price of alfalfa hay for a month shall be the price received during that month by farmers in the United States for alfalfa hay, as reported in the monthly Agricultural Prices report by the Secretary.

(b) CALCULATION OF ACTUAL DAIRY PRODUCTION MARGINS.—

(1) PRODUCTION MARGIN PROTECTION PROGRAM.—For use in the production margin protection program under subpart A, the Secretary shall calculate the actual dairy production margin for each consecutive 2-month period by subtracting—

(A) the average feed cost for that consecutive 2-month period, determined in accordance with subsection (a); from

(B) the all-milk price for that consecutive 2-month period.

(2) STABILIZATION PROGRAM.—For use in the stabilization program under subpart B, the Secretary shall calculate each month the actual dairy production margin for the preceding month by subtracting—

(A) the average feed cost for that preceding month, determined in accordance with subsection (a); from

(B) the all-milk price for that preceding month.

(3) TIME FOR CALCULATIONS.—The calculations required by paragraphs (1) and (2) shall be made as soon as practicable using the full month price of the applicable reference month.

Subpart A—Dairy Production Margin Protection Program

SEC. 1411. ESTABLISHMENT OF DAIRY PRODUCTION MARGIN PROTECTION PROGRAM.

Effective not later than 120 days after the effective date of this subtitle, the Secretary shall establish and administer a dairy production margin protection program under which participating dairy operations are paid—

(1) basic production margin protection program payments under section 1414 when actual dairy production margins are less than the threshold levels for such payments; and

(2) supplemental production margin protection program payments under section 1415 if purchased by a participating dairy operation.

SEC. 1412. PARTICIPATION OF DAIRY OPERATIONS IN PRODUCTION MARGIN PROTECTION PROGRAM.

(a) ELIGIBILITY.—All dairy operations in the United States shall be eligible to participate in the production margin protection program, except that a participating dairy operation shall be required to register with the Secretary before the participating dairy operation may receive—

(1) basic production margin protection program payments under section 1414; and

(2) if the participating dairy operation purchases supplemental production margin protection under section 1415, supplemental production margin protection program payments under such section.

(b) REGISTRATION PROCESS.—

(1) IN GENERAL.—The Secretary shall specify the manner and form by which a participating dairy operation may register to participate in the production margin protection program.

(2) TREATMENT OF MULTIPRODUCER DAIRY OPERATIONS.—If a participating dairy operation is operated by more than 1 dairy producer, all of the dairy producers of the participating dairy operation shall be treated as a single dairy operation for purposes of—

(A) registration to receive basic production margin protection and election to purchase supplemental production margin protection;

(B) payment of the participation fee under subsection (d) and producer premiums under section 1415; and

(C) participation in the stabilization program under subtitle B.

(3) TREATMENT OF PRODUCERS WITH MULTIPLE DAIRY OPERATIONS.—If a dairy producer operates 2 or more dairy operations, each dairy operation of the producer shall separately register to receive basic production margin protection and purchase supplemental production margin protection and only those dairy operations so registered shall be covered by the stabilization program.

(c) TIME FOR REGISTRATION.—

(1) EXISTING DAIRY OPERATIONS.—During the 15-month period beginning on the date of the initiation of the registration period for the production margin protection program, a dairy operation that is actively engaged as of such date may register with the Secretary—

(A) to receive basic production margin protection; and

(B) if the dairy operation elects, to purchase supplemental production margin protection.

(2) NEW ENTRANTS.—A dairy producer that has no existing interest in a dairy operation as of the date of the initiation of the registration period for the production margin protection program, but that, after such date, establishes a new dairy operation, may register with the Secretary during the 1-year period beginning on the date on which the dairy operation first markets milk commercially—

(A) to receive basic production margin protection; and

(B) if the dairy operation elects, to purchase supplemental production margin protection.

(d) TRANSITION FROM MILC TO PRODUCTION MARGIN PROTECTION.—

(1) DEFINITION OF TRANSITION PERIOD.—In this subsection, the term ''transition period'' means the period during which the milk income loss program established under section 1506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773) and the production margin protection program under this subtitle are both in existence.

(2) NOTICE OF AVAILABILITY.—Not later than 30 days after the date of enactment of this Act, the Secretary shall publish a notice in the Federal Register to inform dairy operations of the availability of basic production margin protection and supplemental production margin protection, including the terms of the protection and information about the option of dairy operations during the transition period to make an election described in paragraph (3).

(3) ELECTION.—Except as provided in paragraph (4), a dairy operation may elect to participate in either the milk income loss program established under section 1506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773) or the production margin protection program under this subtitle for the duration of the transition period.

(4) TRANSFER TO PRODUCTION MARGIN PROTECTION.—A dairy operation that elects to participate in the milk income loss program established under section 1506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773) during the transition period may, at any time, make a permanent transfer to the production margin protection program.

(e) ADMINISTRATION FEE.—

(1) ADMINISTRATION FEE REQUIRED.—Except as provided in paragraph (5), a participating dairy operation shall—

(A) pay an administration fee under this subsection to register to participate in the production margin protection program; and

(B) pay the administration fee annually thereafter to continue to participate in the production margin protection program.

(2) FEE AMOUNT.—The administration fee for a participating dairy operation for a calendar year shall be based on the pounds of milk (in millions) marketed by the participating dairy operation in the previous calendar year, as follows:

Pounds Marketed (in millions)	Administration Fee
less than 1	$100
1 to 5	$250
more than 5 to 10	$350
more than 10 to 40	$1,000
more than 40	$2,500.

(3) DEPOSIT OF FEES.—All administration fees collected under this subsection shall be credited to the fund or account used to cover

the costs incurred to administer the production margin protection program and the stabilization program and shall be available to the Secretary, without further appropriation and until expended, for use or transfer as provided in paragraph (4).

(4) USE OF FEES.—The Secretary shall use administration fees collected under this subsection—

(A) to cover administrative costs of the production margin protection program and stabilization program; and

(B) to cover costs of the Department of Agriculture relating to reporting of dairy market news, carrying out the amendments made by section 1476, and carrying out section 273 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b), to the extent funds remain available after operation of subparagraph (A).

(5) WAIVER.—The Secretary shall waive or reduce the administration fee required under paragraph (1) in the case of a limited-resource dairy operation, as defined by the Secretary.

(f) LIMITATION.—A dairy operation may only participate in the production margin protection program or the livestock gross margin for dairy program under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), but not both.

SEC. 1413. PRODUCTION HISTORY OF PARTICIPATING DAIRY OPERATIONS.

(a) PRODUCTION HISTORY FOR BASIC PRODUCTION MARGIN PROTECTION.—

(1) DETERMINATION REQUIRED.—For purposes of providing basic production margin protection, the Secretary shall determine the basic production history of a participating dairy operation.

(2) CALCULATION.—Except as provided in paragraph (3), the basic production history of a participating dairy operation for basic production margin protection is equal to the highest annual milk marketings of the participating dairy operation during any 1 of the 3 calendar years immediately preceding the calendar year in which the participating dairy operation first signed up to participate in the production margin protection program.

(3) ELECTION BY NEW DAIRY OPERATIONS.—In the case of a participating dairy operation that has been in operation for less than a year, the participating dairy operation shall elect 1 of the following methods for the Secretary to determine the basic production history of the participating dairy operation:

(A) The volume of the actual milk marketings for the months the participating dairy operation has been in operation extrapolated to a yearly amount.

(B) An estimate of the actual milk marketings of the participating dairy operation based on the herd size of the participating dairy operation relative to the national rolling herd average data published by the Secretary.

(4) NO CHANGE IN PRODUCTION HISTORY FOR BASIC PRODUCTION MARGIN PROTECTION.—Once the basic production history of a participating dairy operation is determined under paragraph (2) or (3), the basic production history shall not be subsequently changed for purposes of determining the amount of any basic production margin protection payments for the participating dairy operation made under section 1414.

(b) ANNUAL PRODUCTION HISTORY FOR SUPPLEMENTAL PRODUCTION MARGIN PROTECTION.—

(1) DETERMINATION REQUIRED.—For purposes of providing supplemental production margin protection for a participating dairy operation that purchases supplemental production margin protection for a year under section 1415, the Secretary shall determine the annual production history of the participating dairy operation under paragraph (2).

(2) CALCULATION.—The annual production history of a participating dairy operation for a year is equal to the actual milk marketings of the participating dairy operation during the preceding calendar year.

(3) NEW DAIRY OPERATIONS.—Subsection (a)(3) shall apply with respect to determining the annual production history of a participating dairy operation that has been in operation for less than a year.

(c) REQUIRED INFORMATION.—A participating dairy operation shall provide all information that the Secretary may require in order to establish—

(1) the basic production history of the participating dairy operation under subsection (a); and

(2) the production history of the participating dairy operation whenever the participating dairy operation purchases supplemental production margin protection under section 1415.

(d) TRANSFER OF PRODUCTION HISTORIES.—

(1) TRANSFER BY SALE OR LEASE.—In promulgating the rules to initiate the production margin protection program, the Secretary shall specify the conditions under which and the manner by which the production history of a participating dairy operation may be transferred by sale or lease.

(2) COVERAGE LEVEL.—

(A) BASIC PRODUCTION MARGIN PROTECTION.—A purchaser or lessee to whom the Secretary transfers a basic production history under this subsection shall not obtain a different level of basic production margin protection than the basic production margin protection coverage held by the seller or lessor from whom the transfer was obtained.

(B) SUPPLEMENTAL PRODUCTION MARGIN PROTECTION.—A purchaser or lessee to whom the Secretary transfers an annual production history under this subsection shall not obtain a different level of supplemental production margin protection coverage than the supplemental production margin protection coverage in effect for the seller or lessor from whom the transfer was obtained for the calendar year in which the transfer was made.

(e) MOVEMENT AND TRANSFER OF PRODUCTION HISTORY.—

(1) MOVEMENT AND TRANSFER AUTHORIZED.—Subject to paragraph (2), if a participating dairy operation moves from 1 location to another location, the participating dairy operation may transfer the basic production history and annual production history associated with the participating dairy operation.

(2) NOTIFICATION REQUIREMENT.—A participating dairy operation shall notify the Secretary of any move of a participating dairy operation under paragraph (1).

(3) SUBSEQUENT OCCUPATION OF VACATED LOCATION.—A party subsequently occupying a participating dairy operation location vacated as described in paragraph (1) shall have no interest in the basic production history or annual production history previously associated with the participating dairy operation at such location.

SEC. 1414. BASIC PRODUCTION MARGIN PROTECTION.

(a) PAYMENT THRESHOLD.—The Secretary shall make a payment to participating dairy operations in accordance with subsection (b) whenever the average actual dairy production margin for a consecutive 2-month period is less than $4.00 per hundredweight of milk.

(b) BASIC PRODUCTION MARGIN PROTECTION PAYMENT.—The basic production margin protection payment for a participating dairy operation for a consecutive 2-month period shall be equal to the product obtained by multiplying—

(1) the difference between the average actual dairy production margin for the consecutive 2-month period and $4.00, except that, if the difference is more than $4.00, the Secretary shall use $4.00; by

(2) the lesser of—

(A) 80 percent of the production history of the participating dairy operation, divided by 6; or

(B) the actual quantity of milk marketed by the participating dairy operation during the consecutive 2-month period.

SEC. 1415. SUPPLEMENTAL PRODUCTION MARGIN PROTECTION.

(a) ELECTION OF SUPPLEMENTAL PRODUCTION MARGIN PROTECTION.—A participating dairy operation may annually purchase supplemental production margin protection to protect, during the calendar year for which purchased, a higher level of the income of a participating dairy operation than the income level guaranteed by basic production margin protection under section 1414.

(b) SELECTION OF PAYMENT THRESHOLD.—A participating dairy operation purchasing supplemental production margin protection for a year shall elect a coverage level that is higher, in any increment of $0.50, than the payment threshold for basic production margin protection specified in section 1414(a), but not to exceed $8.00.

(c) COVERAGE PERCENTAGE.—A participating dairy operation purchasing supplemental production margin protection for a year shall elect a percentage of coverage equal to not more than 90 percent, nor less than 25 percent, of the annual production history of the participating dairy operation.

(d) PREMIUMS FOR SUPPLEMENTAL PRODUCTION MARGIN PROTECTION.—

(1) PREMIUMS REQUIRED.—A participating dairy operation that purchases supplemental production margin protection shall pay an annual premium equal to the product obtained by multiplying—

(A) the coverage percentage elected by the participating dairy operation under subsection (c);

(B) the annual production history of the participating dairy operation; and

(C) the premium per hundredweight of milk, as specified in the applicable table under paragraph (2) or (3).

(2) PREMIUM PER HUNDREDWEIGHT FOR FIRST 4 MILLION POUNDS OF PRODUCTION.—For the first 4,000,000 pounds of milk marketings included in the annual production history of a participating dairy operation, the premium per hundredweight corresponding to each coverage level specified in the following table is as follows:

Coverage Level	Premium per Cwt.
$4.50	$0.01
$5.00	$0.02
$5.50	$0.035
$6.00	$0.045
$6.50	$0.09
$7.00	$0.40
$7.50	$0.60
$8.00	$0.95.

(3) PREMIUM PER HUNDREDWEIGHT FOR PRODUCTION IN EXCESS OF 4 MILLION POUNDS.—For milk marketings in excess of 4,000,000 pounds included in the annual production history of a participating dairy operation, the premium per hundredweight corresponding to each coverage level is as follows:

Coverage Level	Premium per Cwt.
$4.50	$0.02
$5.00	$0.04
$5.50	$0.10
$6.00	$0.15
$6.50	$0.29
$7.00	$0.62
$7.50	$0.83
$8.00	$1.06.

(4) TIME FOR PAYMENT.—In promulgating the rules to initiate the production margin

protection program, the Secretary shall provide more than 1 method by which a participating dairy operation that purchases supplemental production margin protection for a calendar year may pay the premium under this subsection for that year in any manner that maximizes participating dairy operation payment flexibility and program integrity.

(e) PREMIUM OBLIGATIONS.—

(1) PRO-RATION OF PREMIUM FOR NEW DAIRY OPERATIONS.—A participating dairy operation described in section 1412(c)(2) that purchases supplemental production margin protection for a calendar year after the start of the calendar year shall pay a pro-rated premium for that calendar year based on the portion of the calendar year for which the participating dairy operation purchases the coverage.

(2) LEGAL OBLIGATION.—A participating dairy operation that purchases supplemental production margin protection for a calendar year shall be legally obligated to pay the applicable premium for that calendar year, except that the Secretary may waive that obligation, under terms and conditions determined by the Secretary, for 1 or more producers in any participating dairy operation in the case of death, retirement, permanent dissolution of a participating dairy operation, or other circumstances as the Secretary considers appropriate to ensure the integrity of the program.

(f) SUPPLEMENTAL PAYMENT THRESHOLD.—A participating dairy operation with supplemental production margin protection shall receive a supplemental production margin protection payment whenever the average actual dairy production margin for a consecutive 2-month period is less than the coverage level threshold selected by the participating dairy operation under subsection (b).

(g) SUPPLEMENTAL PRODUCTION MARGIN PROTECTION PAYMENTS.—

(1) IN GENERAL.—The supplemental production margin protection payment for a participating dairy operation is in addition to the basic production margin protection payment.

(2) AMOUNT OF PAYMENT.—The supplemental production margin protection payment for the participating dairy operation shall be determined as follows:

(A) The Secretary shall calculate the difference between the coverage level threshold selected by the participating dairy operation under subsection (b) and the greater of—

(i) the average actual dairy production margin for the consecutive 2-month period; or

(ii) $4.00.

(B) The amount determined under subparagraph (A) shall be multiplied by the percentage selected by the participating dairy operation under subsection (c) and by the lesser of the following:

(i) The annual production history of the participating dairy operation, divided by 6.

(ii) The actual amount of milk marketed by the participating dairy operation during the consecutive 2-month period.

SEC. 1416. EFFECT OF FAILURE TO PAY ADMINISTRATION FEES OR PREMIUMS.

(a) LOSS OF BENEFITS.—A participating dairy operation that fails to pay the required administration fee under section 1412 or is in arrears on premium payments for supplemental production margin protection under section 1415—

(1) remains legally obligated to pay the administration fee or premiums, as the case may be; and

(2) may not receive basic production margin protection payments or supplemental production margin protection payments until the fees or premiums are fully paid.

(b) ENFORCEMENT.—The Secretary may take such action as necessary to collect administration fees and premium payments for supplemental production margin protection.

Subpart B—Dairy Market Stabilization Program

SEC. 1431. ESTABLISHMENT OF DAIRY MARKET STABILIZATION PROGRAM.

(a) PROGRAM REQUIRED; PURPOSE.—Effective not later than 120 days after the effective date of this subtitle, the Secretary shall establish and administer a dairy market stabilization program applicable to participating dairy operations for the purpose of assisting in balancing the supply of milk with demand when participating dairy operations are experiencing low or negative operating margins.

(b) ELECTION OF STABILIZATION PROGRAM BASE CALCULATION METHOD.—

(1) ELECTION.—When a dairy operation signs up under section 1412 to participate in the production margin protection program, the dairy operation shall inform the Secretary of the method by which the stabilization program base for the participating dairy operation will be calculated under paragraph (3).

(2) CHANGE IN CALCULATION METHOD.—A participating dairy operation may change the stabilization program base calculation method to be used for a calendar year by notifying the Secretary of the change not later than a date determined by the Secretary.

(3) CALCULATION METHODS.—A participating dairy operation may elect either of the following methods for calculation of the stabilization program base for the participating dairy operation:

(A) The volume of the average monthly milk marketings of the participating dairy operation for the 3 months immediately preceding the announcement by the Secretary that the stabilization program will become effective.

(B) The volume of the monthly milk marketings of the participating dairy operation for the same month in the preceding year as the month for which the Secretary has announced the stabilization program will become effective.

SEC. 1432. THRESHOLD FOR IMPLEMENTATION AND REDUCTION IN DAIRY PAYMENTS.

(a) WHEN STABILIZATION PROGRAM REQUIRED.—Except as provided in subsection (b), the Secretary shall announce that the stabilization program is in effect and order reduced payments by handlers to participating dairy operations that exceed the applicable percentage of the participating dairy operation's stabilization program base whenever—

(1) the actual dairy production margin has been $6.00 or less per hundredweight of milk for each of the immediately preceding 2 months; or

(2) the actual dairy production margin has been $4.00 or less per hundredweight of milk for the immediately preceding month.

(b) EXCEPTION.—If any of the conditions described in section 1436(b) have been met during the 2-month period immediately preceding the month in which the announcement under subsection (a) would otherwise be made by the Secretary in the absence of this exception, the Secretary shall—

(1) suspend the stabilization program;

(2) refrain from making the announcement under subsection (a) to implement order the stabilization payment; or

(3) order reduced payments.

(c) EFFECTIVE DATE FOR IMPLEMENTATION OF PAYMENT REDUCTIONS.—Reductions in dairy payments shall commence beginning on the first day of the month immediately following the date of the announcement by the Secretary under subsection (a).

SEC. 1433. MILK MARKETINGS INFORMATION.

(a) COLLECTION OF MILK MARKETING DATA.—The Secretary shall establish, by regulation, a process to collect from participating dairy operations and handlers such information that the Secretary considers necessary for each month during which the stabilization program is in effect.

(b) REDUCE REGULATORY BURDEN.—When implementing the process under subsection (a), the Secretary shall minimize the regulatory burden on participating dairy operations and handlers.

SEC. 1434. CALCULATION AND COLLECTION OF REDUCED DAIRY OPERATION PAYMENTS.

(a) REDUCED PARTICIPATING DAIRY OPERATION PAYMENTS REQUIRED.—During any month in which payment reductions are in effect under the stabilization program, each handler shall reduce payments to each participating dairy operation from whom the handler receives milk.

(b) REDUCTIONS BASED ON ACTUAL DAIRY PRODUCTION MARGIN.—

(1) REDUCTION REQUIREMENT 1.—If the Secretary determines that the average actual dairy production margin has been less than $6.00 but greater than $5.00 per hundredweight of milk for 2 consecutive months, the handler shall make payments to a participating dairy operation for a month based on the greater of the following:

(A) 98 percent of the stabilization program base of the participating dairy operation.

(B) 94 percent of the marketings of milk for the month by the participating dairy operation.

(2) REDUCTION REQUIREMENT 2.—If the Secretary determines that the average actual dairy production margin has been less than $5.00 but greater than $4.00 for 2 consecutive months, the handler shall make payments to a participating dairy operation for a month based on the greater of the following:

(A) 97 percent of the stabilization program base of the participating dairy operation.

(B) 93 percent of the marketings of milk for the month by the participating dairy operation.

(3) REDUCTION REQUIREMENT 3.—If the Secretary determines that the average actual dairy production margin has been $4.00 or less for any 1 month, the handler shall make payments to a participating dairy operation for a month based on the greater of the following:

(A) 96 percent of the stabilization program base of the participating dairy operation.

(B) 92 percent of the marketings of milk for the month by the participating dairy operation.

(c) CONTINUATION OF REDUCTIONS.—The largest level of payment reduction required under paragraph (1), (2), or (3) of subsection (b) shall be continued for each month until the Secretary suspends the stabilization program and terminates payment reductions in accordance with section 1436.

(d) PAYMENT REDUCTION EXCEPTION.—Notwithstanding any preceding subsection of this section, a handler shall make no payment reductions for a participating dairy operation for a month if the participating dairy operation's milk marketings for the month are equal to or less than the percentage of the stabilization program base applicable to the participating dairy operation under paragraph (1), (2), or (3) of subsection (b).

SEC. 1435. REMITTING FUNDS TO THE SECRETARY AND USE OF FUNDS.

(a) REMITTING FUNDS.—As soon as practicable after the end of each month during which payment reductions are in effect under the stabilization program, each handler shall remit to the Secretary an amount equal to the amount by which payments to

participating dairy operations are reduced by the handler under section 1434.

(b) DEPOSIT OF REMITTED FUNDS.—All funds received under subsection (a) shall be available to the Secretary, without further appropriation and until expended, for use or transfer as provided in subsection (c).

(c) USE OF FUNDS.—

(1) AVAILABILITY FOR CERTAIN COMMODITY DONATIONS.—Not later than 90 days after the funds described in subsection (a) are due as determined by the Secretary, the Secretary shall obligate the funds for the purpose of—

(A) purchasing dairy products for donation to food banks and other programs that the Secretary determines appropriate; and

(B) expanding consumption and building demand for dairy products.

(2) NO DUPLICATION OF EFFORT.—The Secretary shall ensure that expenditures under paragraph (1) are compatible with, and do not duplicate, programs supported by the dairy research and promotion activities conducted under the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4501 et seq.).

(3) ACCOUNTING.—The Secretary shall keep an accurate account of all funds expended under paragraph (1).

(d) ANNUAL REPORT.—Not later than December 31 of each year that the stabilization program is in effect, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that provides an accurate accounting of—

(1) the funds received by the Secretary during the preceding fiscal year under subsection (a);

(2) all expenditures made by the Secretary under subsection (b) during the preceding fiscal year; and

(3) the impact of the stabilization program on dairy markets.

(e) ENFORCEMENT.—If a participating dairy operation or handler fails to remit or collect the amounts by which payments to participating dairy operations are reduced under section 1434, the participating dairy operation or handler responsible for the failure shall be liable to the Secretary for the amount that should have been remitted or collected, plus interest. In addition to the enforcement authorities available under section 1437, the Secretary may enforce this subsection in the courts of the United States.

SEC. 1436. SUSPENSION OF REDUCED PAYMENT REQUIREMENT.

(a) DETERMINATION OF PRICES.—For purposes of this section:

(1) The price in the United States for cheddar cheese and nonfat dry milk shall be determined by the Secretary.

(2) The world price of cheddar cheese and skim milk powder shall be determined by the Secretary.

(b) SUSPENSION THRESHOLDS.—The stabilization program shall be suspended or the Secretary shall refrain from making the announcement under section 1432(a) if the Secretary determines that—

(1) the actual dairy production margin is greater than $6.00 per hundredweight of milk for 2 consecutive months;

(2) the actual dairy production margin is equal to or less than $6.00 (but greater than $5.00) for 2 consecutive months, and during the same 2 consecutive months—

(A) the price in the United States for cheddar cheese is equal to or greater than the world price of cheddar cheese; or

(B) the price in the United States for nonfat dry milk is equal to or greater than the world price of skim milk powder;

(3) the actual dairy production margin is equal to or less than $5.00 (but greater than $4.00) for 2 consecutive months, and during the same 2 consecutive months—

(A) the price in the United States for cheddar cheese is more than 5 percent above the world price of cheddar cheese; or

(B) the price in the United States for nonfat dry milk is more than 5 percent above the world price of skim milk powder; or

(4) the actual dairy production margin is equal to or less than $4.00 for 2 consecutive months, and during the same 2 consecutive months—

(A) the price in the United States for cheddar cheese is more than 7 percent above the world price of cheddar cheese; or

(B) the price in the United States for nonfat dry milk is more than 7 percent above the world price of skim milk powder.

(c) IMPLEMENTATION BY HANDLERS.—Effective on the day after the date of the announcement by the Secretary under subsection (b) of the suspension of the stabilization program, the handler shall cease reducing payments to participating dairy operations under the stabilization program.

(d) CONDITION ON RESUMPTION OF STABILIZATION PROGRAM.—Upon the announcement by the Secretary under subsection (b) that the stabilization program has been suspended, the stabilization program may not be implemented again until, at the earliest—

(1) 2 months have passed, beginning on the first day of the month immediately following the announcement by the Secretary; and

(2) the conditions of section 1432(a) are again met.

SEC. 1437. ENFORCEMENT.

(a) UNLAWFUL ACT.—It shall be unlawful and a violation of the this subpart for any person subject to the stabilization program to willfully fail or refuse to provide, or delay the timely reporting of, accurate information and remittance of funds to the Secretary in accordance with this subpart.

(b) ORDER.—After providing notice and opportunity for a hearing to an affected person, the Secretary may issue an order against any person to cease and desist from continuing any violation of this subpart.

(c) APPEAL.—An order of the Secretary under subsection (b) shall be final and conclusive unless an affected person files an appeal of the order of the Secretary in United States district court not later than 30 days after the date of the issuance of the order. A finding of the Secretary in the order shall be set aside only if the finding is not supported by substantial evidence.

(d) NONCOMPLIANCE WITH ORDER.—If a person subject to this subpart fails to obey an order issued under subsection (b) after the order has become final and unappealable, or after the appropriate United States district court has entered a final judgment in favor of the Secretary, the United States may apply to the appropriate United States district court for enforcement of the order. If the court determines that the order was lawfully made and duly served and that the person violated the order, the court shall enforce the order.

SEC. 1438. AUDIT REQUIREMENTS.

(a) AUDITS OF DAIRY OPERATION AND HANDLER COMPLIANCE.—

(1) AUDITS AUTHORIZED.—If determined by the Secretary to be necessary to ensure compliance by participating dairy operations and handlers with the stabilization program, the Secretary may conduct periodic audits of participating dairy operations and handlers.

(2) SAMPLE OF DAIRY OPERATIONS.—Any audit conducted under this subsection shall include, at a minimum, investigation of a statistically valid and random sample of participating dairy operations.

(b) SUBMISSION OF RESULTS.—The Secretary shall submit the results of any audit conducted under subsection (a) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate and include such recommendations as the Secretary considers appropriate regarding the stabilization program.

SEC. 1439. STUDY; REPORT.

(a) IN GENERAL.—The Secretary shall direct the Office of the Chief Economist to conduct a study of the impacts of the program established under section 1431(a).

(b) CONSIDERATIONS.—The study conducted under subsection (a) shall consider—

(1) the economic impact of the program throughout the dairy product value chain, including the impact on producers, processors, domestic customers, export customers, actual market growth and potential market growth, farms of different sizes, and different regions and States; and

(2) the impact of the program on the competitiveness of the United States dairy industry in international markets.

(c) REPORT.—Not later than December 1, 2017, the Office of the Chief Economist shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subsection (a).

Subpart C—Administration

SEC. 1451. DURATION.

The production margin protection program and the stabilization program shall end on December 31, 2018.

SEC. 1452. ADMINISTRATION AND ENFORCEMENT.

(a) IN GENERAL.—The Secretary shall promulgate regulations to address administrative and enforcement issues involved in carrying out the production margin protection, supplemental production margin protection, and market stabilization programs.

(b) RECONSTITUTION AND ELIGIBILITY ISSUES.—

(1) RECONSTITUTION.—Using authorities under section 1001(f) and 1001B of the Food Security Act of 1985 (7 U.S.C. 1308(f), 1308–2), the Secretary shall promulgate regulations to prohibit a dairy producer from reconstituting a dairy operation for the sole purpose of the dairy producer—

(A) receiving basic margin protection;

(B) purchasing supplemental margin protection; or

(C) avoiding participation in the market stabilization program.

(2) ELIGIBILITY ISSUES.—Using authorities under section 1001(f) and 1001B of the Food Security Act of 1985 (7 U.S.C. 1308(f), 1308–2), the Secretary shall promulgate regulations—

(A) to prohibit a scheme or device;

(B) to provide for equitable relief; and

(C) to provide for other issues affecting eligibility and liability issues.

(3) ADMINISTRATIVE APPEALS.—Using authorities under section 1001(h) of the Food Security Act of 1985 (7 U.S.C. 1308(h)) and subtitle H of the Department of Agriculture Reorganization Act (7 U.S.C. 6991 et seq.), the Secretary shall promulgate regulations to provide for administrative appeals of decisions of the Secretary that are adverse to participants of the programs described in subsection (a).

PART II—DAIRY MARKET TRANSPARENCY

SEC. 1461. DAIRY PRODUCT MANDATORY REPORTING.

(a) DEFINITIONS.—Section 272(1)(A) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637a(1)(A)) is amended by inserting ‘‘, or any other products that may significantly aid price discovery in the dairy markets, as determined by the Secretary’’ after ‘‘of 1937’’.

(b) MANDATORY REPORTING FOR DAIRY PRODUCTS.—Section 273(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b(b)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

''(1) IN GENERAL.—In establishing the program, the Secretary shall only—

''(A)(i) subject to the conditions described in paragraph (2), require each manufacturer to report to the Secretary, more frequently than once per month, information concerning the price, quantity, and moisture content of dairy products sold by the manufacturer and any other product characteristics that may significantly aid price discovery in the dairy markets, as determined by the Secretary; and

''(ii) modify the format used to provide the information on the day before the date of enactment of this subtitle to ensure that the information can be readily understood by market participants; and

''(B) require each manufacturer and other person storing dairy products (including dairy products in cold storage) to report to the Secretary, more frequently than once per month, information on the quantity of dairy products stored.''; and

(2) in paragraph (2), by inserting ''or those that may significantly aid price discovery in the dairy markets'' after ''Federal milk marketing order'' each place it appears in subparagraphs (A), (B), and (C).

SEC. 1462. FEDERAL MILK MARKETING ORDER PROGRAM PRE-HEARING PROCEDURE FOR CLASS III PRICING.

(a) IN GENERAL.—The Secretary shall use the pre-hearing procedure described in this section to consider alternative formulas for Class III milk product pricing under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

(b) REQUESTS FOR PROPOSALS.—

(1) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary shall issue a request for the submission by interested persons of preliminary proposals for replacement of the Class III milk product pricing formula.

(2) PRELIMINARY PROPOSALS.—Preliminary proposals submitted under paragraph (1)—

(A) may include competitive pay price formulas; and

(B) shall provide sufficient detail in concept to serve as the basis for the convening by the Secretary of a public information session for review and discussion in accordance with section 900.24 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act), but need not conform with the other procedural requirements of part 900 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(c) PRE-HEARING INFORMATION SESSION REVIEW.—

(1) IN GENERAL.—Not later than 180 days after the date on which the Secretary issues a request under subsection (b)(1), the Secretary shall convene a public information session in accordance with section 900.24 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(2) REQUIREMENTS.—The Secretary shall review all preliminary proposals submitted under this section that are of sufficient conceptual detail to allow for the review described in paragraph (b)(2)(B).

(d) HEARING DETERMINATION.—

(1) IN GENERAL.—Not later than 90 days after the conduct of the public information session under subsection (c), the Secretary shall determine whether to conduct a formal hearing in accordance with part 900 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(2) HEARING TO BE CONDUCTED.—If the Secretary determines under paragraph (1) to conduct a formal hearing, the Secretary shall issue notice and conduct the hearing in accordance with part 900 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(3) HEARING NOT TO BE CONDUCTED.—If the Secretary determines under paragraph (1) not to conduct a formal hearing, not later than 90 days after that determination, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate a written report that explains the basis for the decision.

(e) PROCEEDING WITH A HEARING AT ANY TIME.—Consistent with the purposes of this section, the Secretary may dispense with the pre-hearing requirements of this section and initiate at any time a formal hearing under part 900 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).

PART III—REPEAL OR REAUTHORIZATION OF OTHER DAIRY-RELATED PROVISIONS

SEC. 1471. REPEAL OF DAIRY PRODUCT PRICE SUPPORT AND MILK INCOME LOSS CONTRACT PROGRAMS.

(a) REPEAL OF DAIRY PRODUCT PRICE SUPPORT PROGRAM.—Section 1501 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8771) is repealed.

(b) REPEAL OF MILK INCOME LOSS CONTRACT PROGRAM.—

(1) PAYMENTS UNDER MILK INCOME LOSS CONTRACT PROGRAM.—Section 1506(c)(3) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773(c)(3)) is amended—

(A) in subparagraph (A), by inserting ''and'' after the semicolon;

(B) in subparagraph (B), by striking ''August 31, 2013, 45 percent; and'' and inserting ''June 30, 2014, 45 percent.''; and

(C) by striking subparagraph (C).

(2) EXTENSION.—Section 1506(h)(1) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773(h)(1)) is amended by striking ''September 30, 2013'' and inserting ''June 30, 2014''.

(3) REPEAL.—Effective July 1, 2014, section 1506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773) is repealed.

SEC. 1472. REPEAL OF DAIRY EXPORT INCENTIVE PROGRAM.

(a) REPEAL.—Section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14) is repealed.

(b) CONFORMING AMENDMENTS.—Section 902(2) of the Trade Sanctions Reform and Export Enhancement Act of 2000 (22 U.S.C. 7201(2)) is amended—

(1) by striking subparagraph (D); and

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

SEC. 1473. EXTENSION OF DAIRY FORWARD PRICING PROGRAM.

Section 1502(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8772(e)) is amended—

(1) in paragraph (1), by striking ''2012'' and inserting ''2018''; and

(2) in paragraph (2), by striking ''2015'' and inserting ''2021''.

SEC. 1474. EXTENSION OF DAIRY INDEMNITY PROGRAM.

Section 3 of Public Law 90–484 (7 U.S.C. 450l) is amended by striking ''2012'' and inserting ''2018''.

SEC. 1475. EXTENSION OF DAIRY PROMOTION AND RESEARCH PROGRAM.

Section 113(e)(2) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4504(e)(2)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 1476. EXTENSION OF FEDERAL MILK MARKETING ORDER REVIEW COMMISSION.

Section 1509(a) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1726) is amended by inserting ''or other funds'' after ''Subject to the availability of appropriations''.

PART IV—FEDERAL MILK MARKETING ORDER REFORM

SEC. 1481. FEDERAL MILK MARKETING ORDERS.

(a) AMENDMENTS.—The Secretary shall provide an analysis on the effects of amending each Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (in this part referred to as a ''milk marketing order''), as required by this section.

(b) USE OF END-PRODUCT PRICE FORMULAS.—In carrying out subsection (a), the Secretary shall—

(1) consider replacing the use of end-product price formulas with other pricing alternatives; and

(2) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings of the Secretary on the impact of the action considered under paragraph (1).

PART V—EFFECTIVE DATE

SEC. 1491. EFFECTIVE DATE.

Except as otherwise provided in this subtitle, this subtitle and the amendments made by this subtitle take effect on October 1, 2013.

Subtitle E—Supplemental Agricultural Disaster Assistance Programs

SEC. 1501. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE PROGRAMS.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE PRODUCER ON A FARM.—

(A) IN GENERAL.—The term ''eligible producer on a farm'' means an individual or entity described in subparagraph (B) that, as determined by the Secretary, assumes the production and market risks associated with the agricultural production of crops or livestock.

(B) DESCRIPTION.—An individual or entity referred to in subparagraph (A) is—

(i) a citizen of the United States;

(ii) a resident alien;

(iii) a partnership of citizens of the United States; or

(iv) a corporation, limited liability corporation, or other farm organizational structure organized under State law.

(2) FARM.—

(A) IN GENERAL.—The term ''farm'' means, in relation to an eligible producer on a farm, the total of all crop acreage in all counties that is planted or intended to be planted for harvest, for sale, or on-farm livestock feeding (including native grassland intended for haying) by the eligible producer.

(B) AQUACULTURE.—In the case of aquaculture, the term ''farm'' means, in relation to an eligible producer on a farm, all fish being produced in all counties that are intended to be harvested for sale by the eligible producer.

(C) HONEY.—In the case of honey, the term ''farm'' means, in relation to an eligible producer on a farm, all bees and beehives in all counties that are intended to be harvested for a honey crop for sale by the eligible producer.

(3) FARM-RAISED FISH.—The term ''farm-raised fish'' means any aquatic species that is propagated and reared in a controlled environment.

(4) LIVESTOCK.—The term ''livestock'' includes—

(A) cattle (including dairy cattle);

(B) bison;

(C) poultry;

(D) sheep;

(E) swine;
(F) horses; and
(G) other livestock, as determined by the Secretary.

(b) LIVESTOCK INDEMNITY PAYMENTS.—

(1) PAYMENTS.—For each of fiscal years 2012 through 2018, the Secretary shall use such sums as are necessary of the funds of the Commodity Credit Corporation to make livestock indemnity payments to eligible producers on farms that have incurred livestock death losses in excess of the normal mortality, as determined by the Secretary, due to—

(A) attacks by animals reintroduced into the wild by the Federal Government or protected by Federal law, including wolves; or

(B) adverse weather, as determined by the Secretary, during the calendar year, including losses due to hurricanes, floods, blizzards, disease, wildfires, extreme heat, and extreme cold.

(2) PAYMENT RATES.—Indemnity payments to an eligible producer on a farm under paragraph (1) shall be made at a rate of 65 percent of the market value of the applicable livestock on the day before the date of death of the livestock, as determined by the Secretary.

(3) SPECIAL RULE FOR PAYMENTS MADE DUE TO DISEASE.—The Secretary shall ensure that payments made to an eligible producer under paragraph (1) are not made for the same livestock losses for which compensation is provided pursuant to section 10407(d) of the Animal Health Protection Act (7 U.S.C. 8306(d)).

(c) LIVESTOCK FORAGE DISASTER PROGRAM.—

(1) ESTABLISHMENT.—There is established a livestock forage disaster program to provide 1 source for livestock forage disaster assistance for weather-related forage losses, as determined by the Secretary, by combining—

(A) the livestock forage assistance functions of—

(i) the noninsured crop disaster assistance program established by section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333); and

(ii) the emergency assistance for livestock, honey bees, and farm-raised fish program under section 531(e) of the Federal Crop Insurance Act (7 U.S.C. 1531(e)) (as in existence on the day before the date of enactment of this Act); and

(B) the livestock forage disaster program under section 531(d) of the Federal Crop Insurance Act (7 U.S.C. 1531(d)) (as in existence on the day before the date of enactment of this Act).

(2) DEFINITIONS.—In this subsection:

(A) COVERED LIVESTOCK.—

(i) IN GENERAL.—Except as provided in clause (ii), the term ''covered livestock'' means livestock of an eligible livestock producer that, during the 60 days prior to the beginning date of an eligible forage loss, as determined by the Secretary, the eligible livestock producer—

(I) owned;
(II) leased;
(III) purchased;
(IV) entered into a contract to purchase;
(V) was a contract grower; or
(VI) sold or otherwise disposed of due to an eligible forage loss during—

(aa) the current production year; or

(bb) subject to paragraph (4)(B)(ii), 1 or both of the 2 production years immediately preceding the current production year.

(ii) EXCLUSION.—The term ''covered livestock'' does not include livestock that were or would have been in a feedlot, on the beginning date of the eligible forage loss, as a part of the normal business operation of the eligible livestock producer, as determined by the Secretary.

(B) DROUGHT MONITOR.—The term ''drought monitor'' means a system for classifying drought severity according to a range of abnormally dry to exceptional drought, as defined by the Secretary.

(C) ELIGIBLE FORAGE LOSS.—The term ''eligible forage loss'' means 1 or more forage losses that occur due to weather-related conditions, including drought, flood, blizzard, hail, excessive moisture, hurricane, and fire, occurring during the normal grazing period, as determined by the Secretary, if the forage—

(i) is grown on land that is native or improved pastureland with permanent vegetative cover; or

(ii) is a crop planted specifically for the purpose of providing grazing for covered livestock of an eligible livestock producer.

(D) ELIGIBLE LIVESTOCK PRODUCER.—

(i) IN GENERAL.—The term ''eligible livestock producer'' means an eligible producer on a farm that—

(I) is an owner, cash or share lessee, or contract grower of covered livestock that provides the pastureland or grazing land, including cash-leased pastureland or grazing land, for the covered livestock;

(II) provides the pastureland or grazing land for covered livestock, including cash-leased pastureland or grazing land that is physically located in a county affected by an eligible forage loss;

(III) certifies the eligible forage loss; and

(IV) meets all other eligibility requirements established under this subsection.

(ii) EXCLUSION.—The term ''eligible livestock producer'' does not include an owner, cash or share lessee, or contract grower of livestock that rents or leases pastureland or grazing land owned by another person on a rate-of-gain basis.

(E) NORMAL CARRYING CAPACITY.—The term ''normal carrying capacity'', with respect to each type of grazing land or pastureland in a county, means the normal carrying capacity, as determined under paragraph (4)(D)(i), that would be expected from the grazing land or pastureland for livestock during the normal grazing period, in the absence of an eligible forage loss that diminishes the production of the grazing land or pastureland.

(F) NORMAL GRAZING PERIOD.—The term ''normal grazing period'', with respect to a county, means the normal grazing period during the calendar year for the county, as determined under paragraph (4)(D)(i).

(3) PROGRAM.—For each of fiscal years 2012 through 2018, the Secretary shall use such sums as are necessary of the funds of the Commodity Credit Corporation to provide compensation under paragraphs (4) through (6), as determined by the Secretary for eligible forage losses affecting covered livestock of eligible livestock producers.

(4) ASSISTANCE FOR ELIGIBLE FORAGE LOSSES DUE TO DROUGHT CONDITIONS.—

(A) ELIGIBLE FORAGE LOSSES.—

(i) IN GENERAL.—An eligible livestock producer of covered livestock may receive assistance under this paragraph for eligible forage losses that occur due to drought on land that—

(I) is native or improved pastureland with permanent vegetative cover; or

(II) is planted to a crop planted specifically for the purpose of providing grazing for covered livestock.

(ii) EXCLUSIONS.—An eligible livestock producer may not receive assistance under this paragraph for eligible forage losses that occur on land used for haying or grazing under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.), unless the land is grassland eligible for the conservation reserve program under section 1231(d)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(d)(2)) (as amended by section 2001).

(B) MONTHLY PAYMENT RATE.—

(i) IN GENERAL.—Except as provided in clause (ii), the payment rate for assistance for 1 month under this paragraph shall, in the case of drought, be equal to 50 percent of the lesser of—

(I) the monthly feed cost for all covered livestock owned or leased by the eligible livestock producer, as determined under subparagraph (C); or

(II) the monthly feed cost calculated by using the normal carrying capacity of the eligible grazing land of the eligible livestock producer.

(ii) PARTIAL COMPENSATION.—In the case of an eligible livestock producer that sold or otherwise disposed of covered livestock due to drought conditions in 1 or both of the 2 production years immediately preceding the current production year, as determined by the Secretary, the payment rate shall be 80 percent of the payment rate otherwise calculated in accordance with clause (i).

(C) MONTHLY FEED COST.—

(i) IN GENERAL.—The monthly feed cost shall equal the product obtained by multiplying—

(I) 30 days;

(II) a payment quantity that is equal to the feed grain equivalent, as determined under clause (ii); and

(III) a payment rate that is equal to the corn price per pound, as determined under clause (iii).

(ii) FEED GRAIN EQUIVALENT.—For purposes of clause (i)(II), the feed grain equivalent shall equal—

(I) in the case of an adult beef cow, 15.7 pounds of corn per day; or

(II) in the case of any other type of weight of livestock, an amount determined by the Secretary that represents the average number of pounds of corn per day necessary to feed the livestock.

(iii) CORN PRICE PER POUND.—For purposes of clause (i)(III), the corn price per pound shall equal the quotient obtained by dividing—

(I) the lesser of—

(aa) the national average corn price per bushel for the 12-month period immediately preceding March 1 of the year for which the disaster assistance is calculated; or

(bb) the average national marketing year average corn price per bushel for the most recent 5 crop years, excluding each of the crop years with the highest and lowest prices; by

(II) 56.

(D) NORMAL GRAZING PERIOD AND DROUGHT MONITOR INTENSITY.—

(i) FSA COUNTY COMMITTEE DETERMINATIONS.—

(I) IN GENERAL.—The Secretary shall determine the normal carrying capacity and normal grazing period for each type of grazing land or pastureland in the county served by the applicable Farm Service Agency committee, except that the normal grazing period shall not exceed 240 days.

(II) CHANGES.—No change to the normal carrying capacity or normal grazing period established for a county under subclause (I) shall be made unless the change is requested by the appropriate State and county Farm Service Agency committees.

(ii) DROUGHT INTENSITY.—

(I) D2.—An eligible livestock producer that owns or leases grazing land or pastureland that is physically located in a county that is rated by the U.S. Drought Monitor as having a D2 (severe drought) intensity in any area of the county for at least 8 consecutive weeks during the normal grazing period for the county, as determined by the Secretary, shall be eligible to receive assistance under

this paragraph in an amount equal to 1 monthly payment using the monthly payment rate determined under subparagraph (B).

(II) D3.—An eligible livestock producer that owns or leases grazing land or pastureland that is physically located in a county that is rated by the U.S. Drought Monitor as having at least a D3 (extreme drought) intensity in any area of the county at any time during the normal grazing period for the county, as determined by the Secretary, shall be eligible to receive assistance under this paragraph—

(aa) in an amount equal to 2 monthly payments using the monthly payment rate determined under subparagraph (B); or

(bb) if the county is rated as having a D3 (extreme drought) intensity in any area of the county for at least 4 weeks during the normal grazing period for the county, or is rated as having a D4 (exceptional drought) intensity in any area of the county at any time during the normal grazing period, in an amount equal to 3 monthly payments using the monthly payment rate determined under subparagraph (B).

(iii) ANNUAL PAYMENT BASED ON DROUGHT CONDITIONS DETERMINED BY MEANS OTHER THAN THE U.S. DROUGHT MONITOR.—

(I) IN GENERAL.—An eligible livestock producer that owns grazing land or pastureland that is physically located in a county that has experienced on average, over the preceding calendar year, precipitation levels that are 50 percent or more below normal levels, according to sufficient documentation as determined by the Secretary, may be eligible, subject to a determination by the Secretary, to receive assistance under this paragraph in an amount equal to not more than 1 monthly payment using the monthly payment rate under subparagraph (B).

(II) NO DUPLICATE PAYMENT.—A producer may not receive a payment under both clause (ii) and this clause.

(5) ASSISTANCE FOR LOSSES DUE TO FIRE ON PUBLIC MANAGED LAND.—

(A) IN GENERAL.—An eligible livestock producer may receive assistance under this paragraph only if—

(i) the eligible forage losses occur on rangeland that is managed by a Federal agency; and

(ii) the eligible livestock producer is prohibited by the Federal agency from grazing the normal permitted livestock on the managed rangeland due to a fire.

(B) PAYMENT RATE.—The payment rate for assistance under this paragraph shall be equal to 50 percent of the monthly feed cost for the total number of livestock covered by the Federal lease of the eligible livestock producer, as determined under paragraph (4)(C).

(C) PAYMENT DURATION.—

(i) IN GENERAL.—Subject to clause (ii), an eligible livestock producer shall be eligible to receive assistance under this paragraph for the period—

(I) beginning on the date on which the Federal agency excludes the eligible livestock producer from using the managed rangeland for grazing; and

(II) ending on the last day of the Federal lease of the eligible livestock producer.

(ii) LIMITATION.—An eligible livestock producer may only receive assistance under this paragraph for losses that occur on not more than 180 days per year.

(6) ASSISTANCE FOR ELIGIBLE FORAGE LOSSES DUE TO OTHER THAN DROUGHT OR FIRE.—

(A) ELIGIBLE FORAGE LOSSES.—

(i) IN GENERAL.—Subject to subparagraph (B), an eligible livestock producer of covered livestock may receive assistance under this paragraph for eligible forage losses that occur due to weather-related conditions other than drought or fire on land that—

(I) is native or improved pastureland with permanent vegetative cover; or

(II) is planted to a crop planted specifically for the purpose of providing grazing for covered livestock.

(ii) EXCLUSIONS.—An eligible livestock producer may not receive assistance under this paragraph for eligible forage losses that occur on land used for haying or grazing under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.), unless the land is grassland eligible for the conservation reserve program under section 1231(d)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(d)(2)) (as amended by section 2001).

(B) PAYMENTS FOR ELIGIBLE FORAGE LOSSES.—

(i) IN GENERAL.—The Secretary shall provide assistance under this paragraph to an eligible livestock producer for eligible forage losses that occur due to weather-related conditions other than—

(I) drought under paragraph (4); and

(II) fire on public managed land under paragraph (5).

(ii) TERMS AND CONDITIONS.—The Secretary shall establish terms and conditions for assistance under this paragraph that are consistent with the terms and conditions for assistance under this subsection.

(7) NO DUPLICATIVE PAYMENTS.—An eligible livestock producer may elect to receive assistance for eligible forage losses under either paragraph (4), (5), or (6), if applicable, but may not receive assistance under more than 1 of those paragraphs for the same loss, as determined by the Secretary.

(8) DETERMINATIONS BY SECRETARY.—A determination made by the Secretary under this subsection shall be final and conclusive.

(d) EMERGENCY ASSISTANCE FOR LIVESTOCK, HONEY BEES, AND FARM-RAISED FISH.—

(1) IN GENERAL.—For each of fiscal years 2012 through 2018, the Secretary shall use not more than $15,000,000 of the funds of the Commodity Credit Corporation to provide emergency relief to eligible producers of livestock, honey bees, and farm-raised fish to aid in the reduction of losses due to disease, adverse weather, or other conditions, such as blizzards and wildfires, as determined by the Secretary, that are not covered under subsection (b) or (c).

(2) USE OF FUNDS.—Funds made available under this subsection shall be used to reduce losses caused by feed or water shortages, disease, or other factors as determined by the Secretary.

(3) AVAILABILITY OF FUNDS.—Any funds made available under this subsection shall remain available until expended.

(e) TREE ASSISTANCE PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) ELIGIBLE ORCHARDIST.—The term ''eligible orchardist'' means a person that produces annual crops from trees for commercial purposes.

(B) NATURAL DISASTER.—The term ''natural disaster'' means plant disease, insect infestation, drought, fire, freeze, flood, earthquake, lightning, or other occurrence, as determined by the Secretary.

(C) NURSERY TREE GROWER.—The term ''nursery tree grower'' means a person who produces nursery, ornamental, fruit, nut, or Christmas trees for commercial sale, as determined by the Secretary.

(D) TREE.—The term ''tree'' includes a tree, bush, and vine.

(2) ELIGIBILITY.—

(A) LOSS.—Subject to subparagraph (B), for each of fiscal years 2012 through 2018, the Secretary shall use such sums as are necessary of the funds of the Commodity Credit Corporation to provide assistance—

(i) under paragraph (3) to eligible orchardists and nursery tree growers that planted trees for commercial purposes but lost the trees as a result of a natural disaster, as determined by the Secretary; and

(ii) under paragraph (3)(B) to eligible orchardists and nursery tree growers that have a production history for commercial purposes on planted or existing trees but lost the trees as a result of a natural disaster, as determined by the Secretary.

(B) LIMITATION.—An eligible orchardist or nursery tree grower shall qualify for assistance under subparagraph (A) only if the tree mortality of the eligible orchardist or nursery tree grower, as a result of damaging weather or related condition, exceeds 15 percent (adjusted for normal mortality).

(3) ASSISTANCE.—Subject to paragraph (4), the assistance provided by the Secretary to eligible orchardists and nursery tree growers for losses described in paragraph (2) shall consist of—

(A)(i) reimbursement of 65 percent of the cost of replanting trees lost due to a natural disaster, as determined by the Secretary, in excess of 15 percent mortality (adjusted for normal mortality); or

(ii) at the option of the Secretary, sufficient seedlings to reestablish a stand; and

(B) reimbursement of 50 percent of the cost of pruning, removal, and other costs incurred by an eligible orchardist or nursery tree grower to salvage existing trees or, in the case of tree mortality, to prepare the land to replant trees as a result of damage or tree mortality due to a natural disaster, as determined by the Secretary, in excess of 15 percent damage or mortality (adjusted for normal tree damage and mortality).

(4) LIMITATIONS ON ASSISTANCE.—

(A) DEFINITIONS OF LEGAL ENTITY AND PERSON.—In this paragraph, the terms ''legal entity'' and ''person'' have the meaning given those terms in section 1001(a) of the Food Security Act of 1985 (7 U.S.C. 1308(a)).

(B) AMOUNT.—The total amount of payments received, directly or indirectly, by a person or legal entity (excluding a joint venture or general partnership) under this subsection may not exceed $100,000 for any crop year, or an equivalent value in tree seedlings.

(C) ACRES.—The total quantity of acres planted to trees or tree seedlings for which a person or legal entity shall be entitled to receive payments under this subsection may not exceed 500 acres.

(f) PAYMENTS.—

(1) PAYMENT LIMITATIONS.—

(A) DEFINITIONS OF LEGAL ENTITY AND PERSON.—In this subsection, the terms ''legal entity'' and ''person'' have the meanings given those terms in section 1001(a) of the Food Security Act of 1985 (7 U.S.C. 1308(a)).

(B) AMOUNT.—The total amount of disaster assistance payments received, directly or indirectly, by a person or legal entity (excluding a joint venture or general partnership) under this section (excluding payments received under subsection (e)) may not exceed $100,000 for any crop year.

(C) DIRECT ATTRIBUTION.—Subsections (d) and (e) of section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) or any successor provisions relating to direct attribution shall apply with respect to assistance provided under this section.

(2) PAYMENT DELIVERY.—The Secretary shall make payments under this section after October 1, 2013, for losses incurred in the 2012 and 2013 fiscal years, and as soon as practicable for losses incurred in any year thereafter.

Subtitle F—Administration

SEC. 1601. ADMINISTRATION GENERALLY.

(a) USE OF COMMODITY CREDIT CORPORATION.—The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

(b) DETERMINATIONS BY SECRETARY.—A determination made by the Secretary under this title shall be final and conclusive.

(c) REGULATIONS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, not later than 90 days after the date of enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this title and the amendments made by this title.

(2) PROCEDURE.—The promulgation of the regulations and administration of this title and the amendments made by this title and sections 11001 and 11012 shall be made without regard to—

(A) the notice and comment provisions of section 553 of title 5, United States Code;

(B) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act''); and

(C) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking.

(3) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this subsection, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(d) ADJUSTMENT AUTHORITY RELATED TO TRADE AGREEMENTS COMPLIANCE.—

(1) REQUIRED DETERMINATION; ADJUSTMENT.—If the Secretary determines that expenditures under this title that are subject to the total allowable domestic support levels under the Uruguay Round Agreements (as defined in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501)) will exceed the allowable levels for any applicable reporting period, the Secretary shall, to the maximum extent practicable, make adjustments in the amount of the expenditures during that period to ensure that the expenditures do not exceed the allowable levels.

(2) CONGRESSIONAL NOTIFICATION.—Before making any adjustment under paragraph (1), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the determination made under that paragraph and the extent of the adjustment to be made.

SEC. 1602. SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITY.

(a) AGRICULTURAL ADJUSTMENT ACT OF 1938.—The following provisions of the Agricultural Adjustment Act of 1938 shall not be applicable to the 2014 through 2018 crops of covered commodities (as defined in section 1104), cotton, and sugar and shall not be applicable to milk during the period beginning on the date of enactment of this Act through December 31, 2018:

(1) Parts II through V of subtitle B of title III (7 U.S.C. 1326 et seq.).

(2) In the case of upland cotton, section 377 (7 U.S.C. 1377).

(3) Subtitle D of title III (7 U.S.C. 1379a et seq.).

(4) Title IV (7 U.S.C. 1401 et seq.).

(b) AGRICULTURAL ACT OF 1949.—The following provisions of the Agricultural Act of 1949 shall not be applicable to the 2014 through 2018 crops of covered commodities (as defined in section 1104), cotton, and sugar and shall not be applicable to milk during the period beginning on the date of enactment of this Act and through December 31, 2018:

(1) Section 101 (7 U.S.C. 1441).

(2) Section 103(a) (7 U.S.C. 1444(a)).

(3) Section 105 (7 U.S.C. 1444b).

(4) Section 107 (7 U.S.C. 1445a).

(5) Section 110 (7 U.S.C. 1445e).

(6) Section 112 (7 U.S.C. 1445g).

(7) Section 115 (7 U.S.C. 1445k).

(8) Section 201 (7 U.S.C. 1446).

(9) Title III (7 U.S.C. 1447 et seq.).

(10) Title IV (7 U.S.C. 1421 et seq.), other than sections 404, 412, and 416 (7 U.S.C. 1424, 1429, and 1431).

(11) Title V (7 U.S.C. 1461 et seq.).

(12) Title VI (7 U.S.C. 1471 et seq.).

(c) SUSPENSION OF CERTAIN QUOTA PROVISIONS.—The joint resolution entitled ''A joint resolution relating to corn and wheat marketing quotas under the Agricultural Adjustment Act of 1938, as amended'', approved May 26, 1941 (7 U.S.C. 1330 and 1340), shall not be applicable to the crops of wheat planted for harvest in the calendar years 2014 through 2018.

SEC. 1603. PAYMENT LIMITATIONS.

(a) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking subsections (b) and (c) and inserting the following:

''(b) LIMITATION ON PAYMENTS FOR PEANUTS AND OTHER COVERED COMMODITIES.—The total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under subtitle A of title I of the Agriculture Reform, Food, and Jobs Act of 2013 for—

''(1) peanuts may not exceed $50,000; and

''(2) 1 or more other covered commodities may not exceed $50,000.''.

(b) LIMITATION ON MARKETING LOAN GAINS AND LOAN DEFICIENCY PAYMENTS FOR PEANUTS AND OTHER LOAN COMMODITIES.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking subsection (d) and inserting the following:

''(d) LIMITATION ON MARKETING LOAN GAINS AND LOAN DEFICIENCY PAYMENTS FOR PEANUTS AND OTHER LOAN COMMODITIES.—The total amount of marketing loan gains and loan deficiency payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under subtitle B of the Agriculture Reform, Food, and Jobs Act of 2013 (or a successor provision) for—

''(1) peanuts may not exceed $75,000; and

''(2) 1 or more other loan commodities may not exceed $75,000.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended—

(A) in subsection (a)(1), by striking ''section 1001 of the Food, Conservation, and Energy Act of 2008'' and inserting ''section 1104 of the Agriculture Reform, Food, and Jobs Act of 2013'';

(B) in subsection (e)—

(i) in paragraph (1), by striking ''subsections (b) and (c) and a program described in paragraphs (1)(C)'' and inserting ''subsection (b) and a program described in paragraph (1)(B)''; and

(ii) in paragraph (3)(B), by striking ''subsections (b) and (c)'' each place it appears and inserting ''subsection (b)'';

(C) in subsection (f)—

(i) by striking ''or title XII'' each place it appears in paragraphs (5)(A) and (6)(A) and inserting '', title I of the Agriculture Reform, Food, and Jobs Act of 2013, or title XII'';

(ii) in paragraph (2), by striking ''Subsections (b) and (c)'' and inserting ''Subsection (b)'';

(iii) in paragraph (4)(B), by striking ''subsection (b) or (c)'' and inserting ''subsection (b)'';

(iv) in paragraph (5)—

(I) in subparagraph (A), by striking ''subsection (d)'' and inserting ''subsection (c)''; and

(II) in subparagraph (B), by striking ''subsection (b), (c), or (d)'' and inserting ''subsection (b) or (c)''; and

(v) in paragraph (6)—

(I) in subparagraph (A), by striking ''subsection (d), except as provided in subsection (g)'' and inserting ''subsection (c), except as provided in subsection (f)''; and

(II) in subparagraph (B), by striking ''subsections (b), (c), and (d)'' and inserting ''subsections (b) and (c)'';

(D) in subsection (g)—

(i) in paragraph (1)—

(I) bv striking ''subsection (f)(6)(A)'' and inserting ''subsection (e)(6)(A)'' and

(II) by striking ''subsection (b) or (c)'' and inserting ''subsection (b)''; and

(ii) in paragraph (2)(A), by striking ''subsections (b) and (c)'' and inserting ''subsection (b)''; and

(E) by redesignating subsections (d) through (h) as subsections (c) through (g), respectively.

(2) Section 1001A of the Food Security Act of 1985 (7 U.S.C. 1308–1) is amended—

(A) in subsection (a), by striking ''subsections (b) and (c)'' and inserting ''subsection (b)''; and

(B) in subsection (b)(1), by striking ''subsection (b) or (c)'' and inserting ''subsection (b)''.

(3) Section 1001B(a) of the Food Security Act of 1985 (7 U.S.C. 1308–2(a)) is amended in the matter preceding paragraph (1) by striking ''subsections (b) and (c)'' and inserting ''subsection (b)''.

(4) Section 1001C(a) of the Food Security Act of 1985 (7 U.S.C. 1308–3(a)) is amended by inserting ''title I of the Agriculture Reform, Food, and Jobs Act of 2013,'' after ''2008,''.

(d) APPLICATION.—The amendments made by this section shall apply beginning with the 2014 crop year.

SEC. 1604. PAYMENTS LIMITED TO ACTIVE FARMERS.

Section 1001A of the Food Security Act of 1985 (7 U.S.C. 1308–1) is amended—

(1) in subsection (b)(2)—

(A) by striking ''or active personal management'' each place it appears in subparagraphs (A)(i)(II) and (B)(ii); and

(B) in subparagraph (C), by striking '', as applied to the legal entity, are met by the legal entity, the partners or members making a significant contribution of personal labor or active personal management'' and inserting ''are met by partners or members making a significant contribution of personal labor, those partners or members''; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking subparagraph (A) and inserting the following:

''(A) the landowner share-rents the land at a rate that is usual and customary;'';

(ii) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(C) the share of the payments received by the landowner is commensurate with the share of the crop or income received as rent.'';

(B) in paragraph (2)(A), by striking ''active personal management or'';

(C) in paragraph (5)—

(i) by striking ''(5)'' and all that follows through ''(A) IN GENERAL.—A person'' and inserting the following:

''(5) CUSTOM FARMING SERVICES.—A person'';

(ii) by inserting ''under usual and customary terms'' after ''services''; and

(iii) by striking subparagraph (B); and

(D) by adding at the end the following:

''(7) FARM MANAGERS.—A person who otherwise meets the requirements of this subsection other than (b)(2)(A)(i)(II) shall be considered to be actively engaged in farming, as determined by the Secretary, with respect to the farming operation, including a farming operation that is a sole proprietorship, a legal entity such as a joint venture or general partnership, or a legal entity such as a corporation or limited partnership, if the person—

''(A) makes a significant contribution of management to the farming operation necessary for the farming operation, taking into account—

''(i) the size and complexity of the farming operation; and

''(ii) the management requirements normally and customarily required by similar farming operations;

''(B) is the only person in the farming operation qualifying as actively engaged in farming;

''(C) does not use the management contribution under this paragraph to qualify as actively engaged in more than 1 farming operation; and

''(D) manages a farm operation that does not substantially share equipment, labor, or management with persons or legal entities that with the person collectively receive, directly or indirectly, an amount equal to more than the applicable limits under section 1001(b).''.

SEC. 1605. ADJUSTED GROSS INCOME LIMITATION.

(a) IN GENERAL.—Section 1001D(b)) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)) is amended by striking paragraph (1) and inserting the following:

''(1) COMMODITY PROGRAMS.—

''(A) LIMITATION.—Notwithstanding any other provision of law, a person or legal entity shall not be eligible to receive any benefit described in subparagraph (B) during a crop, fiscal or program year, as appropriate, if the average adjusted gross income (or comparable measure over the 3 taxable years preceding the most immediately preceding complete taxable year, as determined by the Secretary) of the person or legal entity exceeds $750,000.

''(B) COVERED BENEFITS.—Subparagraph (A) applies with respect to the following:

''(i) A payment under section 1107 or 1108 of the Agriculture Reform, Food, and Jobs Act of 2013.

''(ii) A marketing loan gain or loan deficiency payment under subtitle B of title I of the Agriculture Reform, Food, and Jobs Act of 2013.

''(iii) A payment under subtitle E of the Agriculture Reform, Food, and Jobs Act of 2013.''.

''(iv) A payment under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333).''.

(b) APPLICATION.—The amendments made by this section shall apply beginning with the 2014 crop year.

SEC. 1606. GEOGRAPHICALLY DISADVANTAGED FARMERS AND RANCHERS.

Section 1621(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8792(d)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 1607. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES.

Section 164 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7284) is amended by striking ''and title I of the Food, Conservation, and Energy Act of 2008'' each place it appears and inserting ''title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702 et seq.), and title I of the Agriculture Reform, Food, and Jobs Act of 2013''.

SEC. 1608. PREVENTION OF DECEASED INDIVIDUALS RECEIVING PAYMENTS UNDER FARM COMMODITY PROGRAMS.

(a) RECONCILIATION.—At least twice each year, the Secretary shall reconcile social security numbers of all individuals who receive payments under this title, whether directly or indirectly, with the Commissioner of Social Security to determine if the individuals are alive.

(b) PRECLUSION.—The Secretary shall preclude the issuance of payments to, and on behalf of, deceased individuals that were not eligible for payments.

SEC. 1609. APPEALS.

(a) DIRECTION, CONTROL, AND SUPPORT.—Section 272 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6992) is amended by striking subsection (c) and inserting the following:

''(c) DIRECTION, CONTROL, AND SUPPORT.—

''(1) DIRECTION AND CONTROL.—

''(A) IN GENERAL.—Except as provided in paragraph (2), the Director shall be free from the direction and control of any person other than the Secretary or the Deputy Secretary of Agriculture.

''(B) ADMINISTRATIVE SUPPORT.—The Division shall not receive administrative support (except on a reimbursable basis) from any agency other than the Office of the Secretary.

''(C) PROHIBITION ON DELEGATION.—The Secretary may not delegate to any other officer or employee of the Department, other than the Deputy Secretary of Agriculture or the Director, the authority of the Secretary with respect to the Division.

''(2) EXCEPTION.—The Assistant Secretary for Administration is authorized to investigate, enforce, and implement the provisions in law, Executive order, or regulations that relate in general to competitive and excepted service positions and employment within the Division, including the position of Director, and such authority may be further delegated to subordinate officials.''.

(b) CONFORMING AMENDMENT.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in the matter preceding paragraph (1) by striking ''affect—'' and inserting ''affect:'';

(2) by striking ''the authority'' each place it appears in paragraphs (1) through (7) and inserting ''The authority'';

(3) by striking the semicolon at the end of each of paragraphs (1) through (5) and inserting a period;

(4) in paragraph (6)(C), by striking ''; or'' at the end and inserting a period; and

(5) by adding at the end the following:

''(8) The authority of the Secretary to carry out amendments made by the Agriculture Reform, Food, and Jobs Act of 2013.''.

SEC. 1610. TECHNICAL CORRECTIONS.

(a) Section 359f(c)(1)(B) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359ff(c)(1)(B)) is amended by adding a period at the end.

(b)(1) Section 1603(g) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1739) is amended in paragraphs (2) through (6) and the amendments made by those paragraphs by striking ''1703(a)'' each place it appears and inserting ''1603(a)''.

(2) This subsection and the amendments made by this subsection take effect as if included in the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1651).

SEC. 1611. ASSIGNMENT OF PAYMENTS.

(a) IN GENERAL.—The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(g)), relating to assignment of payments, shall apply to payments made under this title.

(b) NOTICE.—The producer making the assignment, or the assignee, shall provide the Secretary with notice, in such manner as the Secretary may require, of any assignment made under this section.

SEC. 1612. TRACKING OF BENEFITS.

As soon as practicable after the date of enactment of this Act, the Secretary may track the benefits provided, directly or indirectly, to individuals and entities under titles I and II and the amendments made by those titles.

SEC. 1613. SIGNATURE AUTHORITY.

(a) IN GENERAL.—In carrying out this title and title II and amendments made by those titles, if the Secretary approves a document, the Secretary shall not subsequently determine the document is inadequate or invalid because of the lack of authority of any person signing the document on behalf of the applicant or any other individual, entity, general partnership, or joint venture, or the documents relied upon were determined inadequate or invalid, unless the person signing the program document knowingly and willfully falsified the evidence of signature authority or a signature.

(b) AFFIRMATION.—

(1) IN GENERAL.—Nothing in this section prohibits the Secretary from asking a proper party to affirm any document that otherwise would be considered approved under subsection (a).

(2) NO RETROACTIVE EFFECT.—A denial of benefits based on a lack of affirmation under paragraph (1) shall not be retroactive with respect to third-party producers who were not the subject of the erroneous representation of authority, if the third-party producers—

(A) relied on the prior approval by the Secretary of the documents in good faith; and

(B) substantively complied with all program requirements.

SEC. 1614. IMPLEMENTATION.

(a) STREAMLINING.—In implementing this title, the Secretary shall, to the maximum extent practicable—

(1) seek to reduce administrative burdens and costs to producers by streamlining and reducing paperwork, forms, and other administrative requirements;

(2) improve coordination, information sharing, and administrative work with the Risk Management Agency and the Natural Resources Conservation Service; and

(3) take advantage of new technologies to enhance efficiency and effectiveness of program delivery to producers.

(b) IMPLEMENTATION.—On October 1, 2013, the Secretary shall make available to the Farm Service Agency to carry out this title $97,000,000.

TITLE II—CONSERVATION

Subtitle A—Conservation Reserve Program

SEC. 2001. EXTENSION AND ENROLLMENT REQUIREMENTS OF CONSERVATION RESERVE PROGRAM.

(a) EXTENSION.—Section 1231(a) of the Food Security Act of 1985 (16 U.S.C. 3831(a)) is amended by striking ''2012'' and inserting ''2018''.

(b) ELIGIBLE LAND.—Section 1231(b) of the Food Security Act of 1985 (16 U.S.C. 3831(b)) is amended—

(1) in paragraph (1)(B), by striking ''the date of enactment of the Food, Conservation, and Energy Act of 2008'' and inserting ''the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013'';

(2) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2);

(3) by inserting before paragraph (4) the following:

''(3) grassland that—

''(A) contains forbs or shrubland (including improved rangeland and pastureland) for which grazing is the predominant use;

''(B) is located in an area historically dominated by grassland; and

''(C) could provide habitat for animal and plant populations of significant ecological value if the land is retained in its current use or restored to a natural condition;'';

(4) in paragraph (4)(C), by striking ''filterstrips devoted to trees or shrubs'' and inserting ''filterstrips and riparian buffers devoted to trees, shrubs, or grasses''; and

(5) by striking paragraph (5) and inserting the following:

''(5) the portion of land in a field not enrolled in the conservation reserve in a case in which—

''(A) more than 50 percent of the land in the field is enrolled as a buffer or filterstrip or more than 75 percent of the land in the field is enrolled in a practice other than as a buffer or filterstrip; and

''(B) the remainder of the field is—

''(i) infeasible to farm; and

''(ii) enrolled at regular rental rates.''.

(c) PLANTING STATUS OF CERTAIN LAND.—Section 1231(c) of the Food Security Act of 1985 (16 U.S.C. 3831(c)) is amended by striking ''if'' and all that follows through the period at the end and inserting ''if, during the crop year, the land was devoted to a conserving use.''.

(d) ENROLLMENT.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended by striking subsection (d) and inserting the following:

''(d) ENROLLMENT.—

''(1) MAXIMUM ACREAGE ENROLLED.—The Secretary may maintain in the conservation reserve at any 1 time during—

''(A) fiscal year 2014, no more than 30,000,000 acres;

''(B) fiscal year 2015, no more than 27,500,000 acres;

''(C) fiscal year 2016, no more than 26,500,000 acres;

''(D) fiscal year 2017, no more than 25,500,000 acres; and

''(E) fiscal year 2018, no more than 25,000,000 acres.

''(2) GRASSLAND.—

''(A) LIMITATION.—For purposes of applying the limitations in paragraph (1), no more than 1,500,000 acres of the land described in subsection (b)(3) may be enrolled in the program at any 1 time during the 2014 through 2018 fiscal years.

''(B) PRIORITY.—In enrolling acres under subparagraph (A), the Secretary may give priority to land with expiring conservation reserve program contracts.

''(C) METHOD OF ENROLLMENT.—In enrolling acres under subparagraph (A), the Secretary shall make the program available to owners or operators of eligible land at least once during each fiscal year.''.

(e) DURATION OF CONTRACT.—Section 1231(e) of the Food Security Act of 1985 (16 U.S.C. 3831(e)) is amended by striking paragraphs (2) and (3) and inserting the following:

''(2) SPECIAL RULE FOR CERTAIN LAND.—In the case of land devoted to hardwood trees, shelterbelts, windbreaks, or wildlife corridors under a contract entered into under this subchapter, the owner or operator of the land may, within the limitations prescribed under this section, specify the duration of the contract.''.

(f) CONSERVATION PRIORITY AREAS.—Section 1231(f) of the Food Security Act of 1985 (16 U.S.C. 3831(f)) is amended—

(1) in paragraph (1), by striking ''watershed areas of the Chesapeake Bay Region, the Great Lakes Region, the Long Island Sound Region, and other'';

(2) in paragraph (2), by striking ''WATERSHEDS.—Watersheds'' and inserting ''AREAS.—Areas''; and

(3) in paragraph (3), by striking ''a watershed's designation—'' and all that follows through the period at the end and inserting ''an area's designation if the Secretary finds that the area no longer contains actual and significant adverse water quality or habitat impacts related to agricultural production activities.''.

SEC. 2002. FARMABLE WETLAND PROGRAM.

(a) EXTENSION.—Section 1231B(a)(1) of the Food Security Act of 1985 (16 U.S.C. 3831b(a)(1)) is amended—

(1) by striking ''2012'' and inserting ''2018''; and

(2) by striking ''a program'' and inserting ''a farmable wetland program''.

(b) ELIGIBLE ACREAGE.—Section 1231B(b)(1)(B) of the Food Security Act of 1985 (16 U.S.C. 3831b(b)(1)(B)) is amended by striking ''flow from a row crop agriculture drainage system'' and inserting ''surface and subsurface flow from row crop agricultural production''.

(c) CLERICAL AMENDMENTS.—Section 1231B of the Food Security Act of 1985 (16 U.S.C. 3831b) is amended—

(1) by striking the heading and inserting the following:

''SEC. 1231B. FARMABLE WETLAND PROGRAM.'';

and

(2) in subsection (f)(2), by striking ''section 1234(c)(2)(B)'' and inserting ''section 1234(c)(2)(A)(ii)''.

SEC. 2003. DUTIES OF OWNERS AND OPERATORS.

(a) LIMITATION ON HARVESTING, GRAZING OR COMMERCIAL USE OF FORAGE.—Section 1232(a)(8) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(8)) is amended by striking ''except that'' and all that follows through the semicolon at the end of the paragraph and inserting ''except as provided in section 1233(b);''.

(b) CONSERVATION PLAN REQUIREMENTS.—Section 1232 of the Food Security Act of 1985 (16 U.S.C. 3832) is amended by striking subsection (b) and inserting the following:

''(b) CONSERVATION PLANS.—The plan referred to in subsection (a)(1) shall set forth—

''(1) the conservation measures and practices to be carried out by the owner or operator during the term of the contract; and

''(2) the commercial use, if any, to be permitted on the land during the term.''.

(c) RENTAL PAYMENT REDUCTION.—Section 1232 of the Food Security Act of 1985 (16 U.S.C. 3832) is amended by striking subsection (d).

SEC. 2004. DUTIES OF THE SECRETARY.

Section 1233 of the Food Security Act of 1985 (16 U.S.C. 3833) is amended to read as follows:

''SEC. 1233. DUTIES OF THE SECRETARY.

''(a) COST-SHARE AND RENTAL PAYMENTS.—In return for a contract entered into by an owner or operator, the Secretary shall—

''(1) share the cost of carrying out the conservation measures and practices set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest; and

''(2) for a period of years not in excess of the term of the contract, pay an annual rental payment in an amount necessary to compensate for—

''(A) the conversion of highly erodible cropland or other eligible land normally devoted to the production of an agricultural commodity on a farm or ranch to a less intensive use;

''(B) the retirement of any cropland base and allotment history that the owner or operator agrees to retire permanently; and

''(C) the development and management of grassland for multiple natural resource conservation benefits, including soil, water, air, and wildlife.

''(b) SPECIFIED ACTIVITIES PERMITTED.—The Secretary shall permit certain activities or commercial uses of land that is subject to the contract if those activities or uses are consistent with a plan approved by the Secretary and include—

''(1) harvesting, grazing, or other commercial use of the forage in response to drought, flooding, or other emergency without any reduction in the rental rate;

''(2) grazing by livestock of a beginning farmer or rancher without any reduction in the rental rate, if the grazing is—

''(A) consistent with the conservation of soil, water quality, and wildlife habitat (including habitat during the primary nesting season for critical birds in the area); and

''(B) described in subparagraph (B) or (C) of paragraph (3);

''(3) consistent with the conservation of soil, water quality, and wildlife habitat (including habitat during the primary nesting season for critical birds in the area) and in exchange for a reduction of not less than 25 percent in the annual rental rate for the acres covered by the authorized activity—

''(A) managed harvesting and other commercial use (including the managed harvesting of biomass), except that in permitting those activities the Secretary, in coordination with the State technical committee—

''(i) shall develop appropriate vegetation management requirements; and

''(ii) shall identify periods during which the activities may be conducted, such that the frequency is at least once every 5 years but not more than once every 3 years;

''(B) prescribed grazing for the control of invasive species, which may be conducted annually;

''(C) routine grazing, except that in permitting routine grazing, the Secretary, in coordination with the State technical committee—

''(i) shall develop appropriate vegetation management requirements and stocking rates for the land that are suitable for continued routine grazing; and

''(ii) shall identify the periods during which routine grazing may be conducted, such that the frequency is not more than once every 2 years, taking into consideration regional differences such as—

''(I) climate, soil type, and natural resources;

''(II) the number of years that should be required between routine grazing activities; and

''(III) how often during a year in which routine grazing is permitted that routine grazing should be allowed to occur; and

''(D) the installation of wind turbines and associated access, except that in permitting the installation of wind turbines, the Secretary shall determine the number and location of wind turbines that may be installed, taking into account—

''(i) the location, size, and other physical characteristics of the land;

''(ii) the extent to which the land contains threatened or endangered wildlife and wildlife habitat; and

''(iii) the purposes of the conservation reserve program under this subchapter; and

''(4) the intermittent and seasonal use of vegetative buffer practices incidental to agricultural production on land adjacent to the buffer such that the permitted use does not destroy the permanent vegetative cover.

''(c) AUTHORIZED ACTIVITIES ON GRASSLAND.—Notwithstanding section 1232(a)(8), for eligible land described in section 1231(b)(3), the Secretary shall permit the following activities:

''(1) Common grazing practices, including maintenance and necessary cultural practices, on the land in a manner that is consistent with maintaining the viability of

grassland, forb, and shrub species appropriate to that locality.

''(2) Haying, mowing, or harvesting for seed production, subject to appropriate restrictions during the primary nesting season for critical birds in the area.

''(3) Fire presuppression, rehabilitation, and construction of fire breaks.

''(4) Grazing-related activities, such as fencing and livestock watering.

''(d) RESOURCE CONSERVING USE.—

''(1) IN GENERAL.—Beginning on the date that is 1 year before the date of termination of a contract under the program, the Secretary shall allow an owner or operator to make conservation and land improvements that facilitate maintaining protection of highly erodible land after expiration of the contract.

''(2) CONSERVATION PLAN.—The Secretary shall require an owner or operator carrying out the activities described in paragraph (1) to develop and implement a conservation plan.

''(3) REENROLLMENT PROHIBITED.—Land altered under paragraph (1) may not be reenrolled in the conservation reserve program for 5 years.

''(4) PAYMENT.—The Secretary shall provide an annual payment that is reduced in an amount commensurate with any income or other compensation received as a result of the activities carried out under paragraph (1).''.

SEC. 2005. PAYMENTS.

(a) TREES, WINDBREAKS, SHELTERBELTS, AND WILDLIFE CORRIDORS.—Section 1234(b)(3)(A) of the Food Security Act of 1985 (16 U.S.C. 3834(b)(3)(A)) is amended—

(1) in clause (i), by inserting ''and'' after the semicolon;

(2) by striking clause (ii); and

(3) by redesignating clause (iii) as clause (ii).

(b) INCENTIVES.—Section 1234(b)(3)(B) of the Food Security Act of 1985 (16 U.S.C. 3834(b)(3)(B)) is amended—

(1) in clause (i), by inserting '', practices to improve the condition of resources on the land,'' after ''operator)''; and

(2) by adding at the end the following:

''(iii) INCENTIVES.—In making rental payments to an owner or operator of land described in subparagraph (A), the Secretary may provide incentive payments sufficient to encourage proper thinning and practices to improve the condition of resources on the land.''.

(c) ANNUAL RENTAL PAYMENTS.—Section 1234(c) of the Food Security Act of 1985 (16 U.S.C. 3834(c)) is amended—

(1) in paragraph (1), by inserting ''and other eligible land'' after ''highly erodible cropland'' both places it appears;

(2) by striking paragraph (2) and inserting the following:

''(2) METHODS OF DETERMINATION.—

''(A) IN GENERAL.—The amounts payable to owners or operators in the form of rental payments under contracts entered into under this subchapter may be determined through—

''(i) the submission of bids for such contracts by owners and operators in such manner as the Secretary may prescribe; or

''(ii) such other means as the Secretary determines are appropriate.

''(B) GRASSLAND.—In the case of eligible land described in section 1231(b)(3), the Secretary shall make annual payments in an amount that is not more than 75 percent of the grazing value of the land covered by the contract.''; and

(3) in paragraph (5)(A)—

(A) by striking ''The Secretary'' and inserting the following:

''(i) SURVEY.—The Secretary''; and

(B) by adding at the end the following:

''(ii) USE.—The Secretary may use the survey of dryland cash rental rates described in clause (i) as a factor in determining rental rates under this section as the Secretary determines appropriate.''.

(d) PAYMENT SCHEDULE.—Section 1234 of the Food Security Act of 1985 (16 U.S.C. 3834) is amended by striking subsection (d) and inserting the following:

''(d) PAYMENT SCHEDULE.—

''(1) IN GENERAL.—Except as otherwise provided in this section, payments under this subchapter shall be made in cash in such amount and on such time schedule as is agreed on and specified in the contract.

''(2) SOURCE.—Payments under this subchapter shall be made using the funds of the Commodity Credit Corporation.

''(3) ADVANCE PAYMENT.—Payments under this subchapter may be made in advance of determination of performance.''.

(e) PAYMENT LIMITATION.—Section 1234(f) of the Food Security Act of 1985 (16 U.S.C. 3834(f)) is amended—

(1) in paragraph (1), by striking '', including rental payments made in the form of in-kind commodities,'';

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (2).

SEC. 2006. CONTRACT REQUIREMENTS.

Section 1235 of the Food Security Act of 1985 (16 U.S.C. 3835) is amended—

(1) in subsection (f)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''DUTIES'' and all that follows through ''a beginning farmer or rancher or'' and inserting ''TRANSITION TO COVERED FARMER OR RANCHER.—In the case of a contract modification approved in order to facilitate the transfer of land subject to a contract from a retired farmer or rancher to a beginning farmer or rancher, a veteran farmer or rancher (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))), or a'';

(ii) in subparagraph (D), by striking ''the farmer or rancher'' and inserting ''the covered farmer or rancher''; and

(iii) in subparagraph (E), by striking ''section 1001A(b)(3)(B)'' and inserting ''section 1001''; and

(B) in paragraph (2), by striking ''requirement of section 1231(h)(4)(B)'' and inserting ''option provided under section 1234(c)(2)(A)(ii)''; and

(2) by adding at the end the following:

''(g) FINAL YEAR OF CONTRACT.—The Secretary shall not consider an owner or operator to be in violation of a term or condition of a conservation reserve contract if—

''(1) during the year prior to expiration of the contract, the land is enrolled in the conservation stewardship program; and

''(2) the activity required under the conservation stewardship program pursuant to the enrollment is consistent with this subchapter.

''(h) LAND ENROLLED IN AGRICULTURAL CONSERVATION EASEMENT PROGRAM.—The Secretary may terminate or modify a contract entered into under this subchapter if eligible land that is subject to such contract is transferred into the agricultural conservation easement program under subtitle H.''.

SEC. 2007. CONVERSION OF LAND SUBJECT TO CONTRACT TO OTHER CONSERVING USES.

Section 1235A of the Food Security Act of 1985 (16 U.S.C. 3835a) is repealed.

SEC. 2008. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this subtitle shall take effect on October 1, 2013, except, the amendment made by section 2001(d), which shall take effect on the date of enactment of this Act.

(b) EFFECT ON EXISTING CONTRACTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this subtitle shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) before October 1, 2013, or any payments required to be made in connection with the contract.

(2) UPDATING OF EXISTING CONTRACTS.—The Secretary shall permit an owner or operator with a contract entered into under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) before October 1, 2013, to update the contract to reflect the activities and uses of land under contract permitted under the terms and conditions of paragraphs (1) and (2) of section 1233(b) of that Act (as amended by section 2004).

Subtitle B—Conservation Stewardship Program

SEC. 2101. CONSERVATION STEWARDSHIP PROGRAM.

(a) REVISION OF CURRENT PROGRAM.—Subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) is amended to read as follows:

''Subchapter B—Conservation Stewardship Program

''SEC. 1238D. DEFINITIONS.

''In this subchapter:

''(1) AGRICULTURAL OPERATION.—The term 'agricultural operation' means all eligible land, whether or not contiguous, that is—

''(A) under the effective control of a producer at the time the producer enters into a contract under the program; and

''(B) operated with equipment, labor, management, and production or cultivation practices that are substantially separate from other agricultural operations, as determined by the Secretary.

''(2) CONSERVATION ACTIVITIES.—

''(A) IN GENERAL.—The term 'conservation activities' means conservation systems, practices, or management measures.

''(B) INCLUSIONS.—The term 'conservation activities' includes—

''(i) structural measures, vegetative measures, and land management measures, including agriculture drainage management systems, as determined by the Secretary; and

''(ii) planning needed to address a priority resource concern.

''(3) CONSERVATION STEWARDSHIP PLAN.—The term 'conservation stewardship plan' means a plan that—

''(A) identifies and inventories priority resource concerns;

''(B) establishes benchmark data and conservation objectives;

''(C) describes conservation activities to be implemented, managed, or improved; and

''(D) includes a schedule and evaluation plan for the planning, installation, and management of the new and existing conservation activities.

''(4) ELIGIBLE LAND.—

''(A) IN GENERAL.—The term 'eligible land' means—

''(i) private and tribal land on which agricultural commodities, livestock, or forest-related products are produced; and

''(ii) land associated with the land described in clause (i) on which priority resource concerns could be addressed through a contract under the program.

''(B) INCLUSIONS.—The term 'eligible land' includes—

''(i) cropland;

''(ii) grassland;

''(iii) rangeland;

''(iv) pastureland;

''(v) nonindustrial private forest land; and

''(vi) other agricultural land (including cropped woodland, marshes, and agricultural land used for the production of livestock), as determined by the Secretary.

''(5) PRIORITY RESOURCE CONCERN.—The term 'priority resource concern' means a natural resource concern or problem, as determined by the Secretary, that—

''(A) is identified at the national, State or local level, as a priority for a particular area of the State;

''(B) represents a significant concern in a State or region; and

''(C) is likely to be addressed successfully through the implementation of conservation activities under this program.

''(6) PROGRAM.—The term 'program' means the conservation stewardship program established by this subchapter.

''(7) STEWARDSHIP THRESHOLD.—The term 'stewardship threshold' means the level of management required, as determined by the Secretary, to conserve and improve the quality and condition of a natural resource.

''SEC. 1238E. CONSERVATION STEWARDSHIP PROGRAM.

''(a) ESTABLISHMENT AND PURPOSE.—During each of fiscal years 2014 through 2018, the Secretary shall carry out a conservation stewardship program to encourage producers to address priority resource concerns and improve and conserve the quality and condition of natural resources in a comprehensive manner—

''(1) by undertaking additional conservation activities; and

''(2) by improving, maintaining, and managing existing conservation activities.

''(b) EXCLUSIONS.—

''(1) LAND ENROLLED IN OTHER CONSERVATION PROGRAMS.—Subject to paragraph (2), the following land (even if covered by the definition of eligible land) is not eligible for enrollment in the program:

''(A) Land enrolled in the conservation reserve program, unless—

''(i) the conservation reserve contract will expire at the end of the fiscal year in which the land is to be enrolled in the program; and

''(ii) conservation reserve program payments for land enrolled in the program cease prior to the date on which the first program payment is made to the applicant under this subchapter.

''(B) Land enrolled in the agricultural conservation easement program in a wetland reserve easement.

''(C) Land enrolled in the conservation security program.

''(2) CONVERSION TO CROPLAND.—Eligible land used for crop production after October 1, 2013, that had not been planted, considered to be planted, or devoted to crop production for at least 4 of the 6 years preceding that date shall not be the basis for any payment under the program, unless the land does not meet the requirement because—

''(A) the land had previously been enrolled in the conservation reserve program;

''(B) the land has been maintained using long-term crop rotation practices, as determined by the Secretary; or

''(C) the land is incidental land needed for efficient operation of the farm or ranch, as determined by the Secretary.

''SEC. 1238F. STEWARDSHIP CONTRACTS.

''(a) SUBMISSION OF CONTRACT OFFERS.—To be eligible to participate in the conservation stewardship program, a producer shall submit a contract offer for the agricultural operation that—

''(1) demonstrates to the satisfaction of the Secretary that the producer, at the time of the contract offer, is meeting the stewardship threshold for at least 2 priority resource concerns; and

''(2) would, at a minimum, meet or exceed the stewardship threshold for at least 1 additional priority resource concern by the end of the stewardship contract by—

''(A) installing and adopting additional conservation activities; and

''(B) improving, maintaining, and managing existing conservation activities on the agricultural operation in a manner that increases or extends the conservation benefits in place at the time the contract offer is accepted by the Secretary.

''(b) EVALUATION OF CONTRACT OFFERS.—

''(1) RANKING OF APPLICATIONS.—In evaluating contract offers the Secretary shall rank applications based on—

''(A) the level of conservation treatment on all applicable priority resource concerns at the time of application;

''(B) the degree to which the proposed conservation activities effectively increase conservation performance;

''(C) the number of applicable priority resource concerns proposed to be treated to meet or exceed the stewardship threshold by the end of the contract;

''(D) the extent to which other priority resource concerns will be addressed to meet or exceed the stewardship threshold by the end of the contract period;

''(E) the extent to which the actual and anticipated conservation benefits from the contract are provided at the least cost relative to other similarly beneficial contract offers; and

''(F) the extent to which priority resource concerns will be addressed when transitioning from the conservation reserve program to agricultural production.

''(2) PROHIBITION.—The Secretary may not assign a higher priority to any application because the applicant is willing to accept a lower payment than the applicant would otherwise be eligible to receive.

''(3) ADDITIONAL CRITERIA.—The Secretary may develop and use such additional criteria that the Secretary determines are necessary to ensure that national, State, and local priority resource concerns are effectively addressed.

''(c) ENTERING INTO CONTRACTS.—After a determination that a producer is eligible for the program under subsection (a), and a determination that the contract offer ranks sufficiently high under the evaluation criteria under subsection (b), the Secretary shall enter into a conservation stewardship contract with the producer to enroll the eligible land to be covered by the contract.

''(d) CONTRACT PROVISIONS.—

''(1) TERM.—A conservation stewardship contract shall be for a term of 5 years.

''(2) REQUIRED PROVISIONS.—The conservation stewardship contract of a producer shall—

''(A) state the amount of the payment the Secretary agrees to make to the producer for each year of the conservation stewardship contract under section 1238G(d);

''(B) require the producer—

''(i) to implement a conservation stewardship plan that describes the program purposes to be achieved through 1 or more conservation activities;

''(ii) to maintain and supply information as required by the Secretary to determine compliance with the conservation stewardship plan and any other requirements of the program; and

''(iii) not to conduct any activities on the agricultural operation that would tend to defeat the purposes of the program;

''(C) permit all economic uses of the eligible land that—

''(i) maintain the agricultural nature of the land; and

''(ii) are consistent with the conservation purposes of the conservation stewardship contract;

''(D) include a provision to ensure that a producer shall not be considered in violation of the contract for failure to comply with the contract due to circumstances beyond the control of the producer, including a disaster or related condition, as determined by the Secretary;

''(E) include provisions where upon the violation of a term or condition of the contract at any time the producer has control of the land—

''(i) if the Secretary determines that the violation warrants termination of the contract—

''(I) to forfeit all rights to receive payments under the contract; and

''(II) to refund all or a portion of the payments received by the producer under the contract, including any interest on the payments, as determined by the Secretary; or

''(ii) if the Secretary determines that the violation does not warrant termination of the contract, to refund or accept adjustments to the payments provided to the producer, as the Secretary determines to be appropriate;

''(F) include provisions in accordance with paragraphs (3) and (4) of this section; and

''(G) include any additional provisions the Secretary determines are necessary to carry out the program.

''(3) CHANGE OF INTEREST IN LAND SUBJECT TO A CONTRACT.—

''(A) IN GENERAL.—At the time of application, a producer shall have control of the eligible land to be enrolled in the program. Except as provided in subparagraph (B), a change in the interest of a producer in eligible land covered by a contract under the program shall result in the termination of the contract with regard to that land.

''(B) TRANSFER OF DUTIES AND RIGHTS.—Subparagraph (A) shall not apply if—

''(i) within a reasonable period of time (as determined by the Secretary) after the date of the change in the interest in all or a portion of the land covered by a contract under the program, the transferee of the land provides written notice to the Secretary that duties and rights under the contract have been transferred to, and assumed by, the transferee for the portion of the land transferred;

''(ii) the transferee meets the eligibility requirements of the program; and

''(iii) the Secretary approves the transfer of all duties and rights under the contract.

''(4) MODIFICATION AND TERMINATION OF CONTRACTS.—

''(A) VOLUNTARY MODIFICATION OR TERMINATION.—The Secretary may modify or terminate a contract with a producer if—

''(i) the producer agrees to the modification or termination; and

''(ii) the Secretary determines that the modification or termination is in the public interest.

''(B) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract if the Secretary determines that the producer violated the contract.

''(5) REPAYMENT.—If a contract is terminated, the Secretary may, consistent with the purposes of the program—

''(A) allow the producer to retain payments already received under the contract; or

''(B) require repayment, in whole or in part, of payments received and assess liquidated damages.

''(e) CONTRACT RENEWAL.—At the end of the initial 5-year contract period, the Secretary may allow the producer to renew the contract for 1 additional 5-year period if the producer—

''(1) demonstrates compliance with the terms of the existing contract;

''(2) agrees to adopt and continue to integrate conservation activities across the entire agricultural operation as determined by the Secretary; and

''(3) agrees, at a minimum, to meet or exceed the stewardship threshold for at least 2 additional priority resource concerns on the agricultural operation by the end of the contract period.

''SEC. 1238G. DUTIES OF THE SECRETARY.

''(a) IN GENERAL.—To achieve the conservation goals of a contract under the conservation stewardship program, the Secretary shall—

''(1) make the program available to eligible producers on a continuous enrollment basis with 1 or more ranking periods, 1 of which shall occur in the first quarter of each fiscal year;

''(2) identify not less than 5 priority resource concerns in a particular watershed or other appropriate region or area within a State; and

''(3) establish a science-based stewardship threshold for each priority resource concern identified under paragraph (2).

''(b) ALLOCATION TO STATES.—The Secretary shall allocate acres to States for enrollment, based—

''(1) primarily on each State's proportion of eligible land to the total acreage of eligible land in all States; and

''(2) also on consideration of—

''(A) the extent and magnitude of the conservation needs associated with agricultural production in each State;

''(B) the degree to which implementation of the program in the State is, or will be, effective in helping producers address those needs; and

''(C) other considerations to achieve equitable geographic distribution of funds, as determined by the Secretary.

''(c) ACREAGE ENROLLMENT LIMITATION.—During the period beginning on October 1, 2013, and ending on September 30, 2022, the Secretary shall, to the maximum extent practicable—

''(1) enroll in the program an additional 10,348,000 acres for each fiscal year; and

''(2) manage the program to achieve a national average rate of $18 per acre, which shall include the costs of all financial assistance, technical assistance, and any other expenses associated with enrollment or participation in the program.

''(d) CONSERVATION STEWARDSHIP PAYMENTS.—

''(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide annual payments under the program to compensate the producer for—

''(A) installing and adopting additional conservation activities; and

''(B) improving, maintaining, and managing conservation activities in place at the operation of the producer at the time the contract offer is accepted by the Secretary.

''(2) PAYMENT AMOUNT.—The amount of the conservation stewardship annual payment shall be determined by the Secretary and based, to the maximum extent practicable, on the following factors:

''(A) Costs incurred by the producer associated with planning, design, materials, installation, labor, management, maintenance, or training.

''(B) Income forgone by the producer.

''(C) Expected conservation benefits.

''(D) The extent to which priority resource concerns will be addressed through the installation and adoption of conservation activities on the agricultural operation.

''(E) The level of stewardship in place at the time of application and maintained over the term of the contract.

''(F) The degree to which the conservation activities will be integrated across the entire agricultural operation for all applicable priority resource concerns over the term of the contract.

''(G) Such other factors as determined by the Secretary.

''(3) EXCLUSIONS.—A payment to a producer under this subsection shall not be provided for—

''(A) the design, construction, or maintenance of animal waste storage or treatment facilities or associated waste transport or transfer devices for animal feeding operations; or

''(B) conservation activities for which there is no cost incurred or income forgone to the producer.

''(4) DELIVERY OF PAYMENTS.—In making stewardship payments, the Secretary shall, to the extent practicable—

''(A) prorate conservation performance over the term of the contract so as to accommodate, to the extent practicable, producers earning equal annual stewardship payments in each fiscal year; and

''(B) make stewardship payments as soon as practicable after October 1 of each fiscal year for activities carried out in the previous fiscal year.

''(e) SUPPLEMENTAL PAYMENTS FOR RESOURCE-CONSERVING CROP ROTATIONS.—

''(1) AVAILABILITY OF PAYMENTS.—The Secretary shall provide additional payments to producers that, in participating in the program, agree to adopt resource-conserving crop rotations to achieve beneficial crop rotations as appropriate for the eligible land of the producers.

''(2) BENEFICIAL CROP ROTATIONS.—The Secretary shall determine whether a resource-conserving crop rotation is a beneficial crop rotation eligible for additional payments under paragraph (1), based on whether the resource-conserving crop rotation is designed to provide natural resource conservation and production benefits.

''(3) ELIGIBILITY.—To be eligible to receive a payment described in paragraph (1), a producer shall agree to adopt and maintain the resource-conserving crop rotations for the term of the contract.

''(4) RESOURCE-CONSERVING CROP ROTATION.—In this subsection, the term 'resource-conserving crop rotation' means a crop rotation that—

''(A) includes at least 1 resource conserving crop (as defined by the Secretary);

''(B) reduces erosion;

''(C) improves soil fertility and tilth;

''(D) interrupts pest cycles; and

''(E) in applicable areas, reduces depletion of soil moisture or otherwise reduces the need for irrigation.

''(f) PAYMENT LIMITATIONS.—A person or legal entity may not receive, directly or indirectly, payments under the program that, in the aggregate, exceed $200,000 under all contracts entered into during fiscal years 2014 through 2018, excluding funding arrangements with Indian tribes, regardless of the number of contracts entered into under the program by the person or legal entity.

''(g) SPECIALTY CROP AND ORGANIC PRODUCERS.—The Secretary shall ensure that outreach and technical assistance are available, and program specifications are appropriate to enable specialty crop and organic producers to participate in the program.

''(h) COORDINATION WITH ORGANIC CERTIFICATION.—The Secretary shall establish a transparent means by which producers may initiate organic certification under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.) while participating in a contract under the program.

''(i) REGULATIONS.—The Secretary shall promulgate regulations that—

''(1) prescribe such other rules as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under subsection (f); and

''(2) otherwise enable the Secretary to carry out the program.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

(c) EFFECT ON EXISTING CONTRACTS.—

(1) IN GENERAL.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838d et seq.) before October 1, 2013, or any payments required to be made in connection with the contract.

(2) CONSERVATION STEWARDSHIP PROGRAM.—Funds made available under section 1241(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(4)) (as amended by section 2601(a)) may be used to administer and make payments to program participants enrolled into contracts during any of fiscal years 2009 through 2013.

Subtitle C—Environmental Quality Incentives Program

SEC. 2201. PURPOSES.

Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended—

(1) in paragraph (3)—

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

(B) by redesignating subparagraph (B) as subparagraph (C) and, in such subparagraph, by inserting ''and'' after the semicolon; and

(C) by inserting after subparagraph (A) the following:

''(B) develop and improve wildlife habitat; and'';

(2) in paragraph (4), by striking ''; and'' and inserting a period; and

(3) by striking paragraph (5).

SEC. 2202. DEFINITIONS.

Section 1240A of the Food Security Act of 1985 (16 U.S.C. 3839aa–1) is amended—

(1) by striking paragraph (2) and redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively; and

(2) in paragraph (2) (as so redesignated), by inserting ''established under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.)'' after ''national organic program''.

SEC. 2203. ESTABLISHMENT AND ADMINISTRATION.

Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa–2) is amended—

(1) in subsection (a), by striking ''2014'' and inserting ''2018'';

(2) in subsection (b), by striking paragraph (2) and inserting the following:

''(2) TERM.—A contract under the program shall have a term that does not exceed 10 years.'';

(3) in subsection (d)—

(A) in paragraph (3), by striking subparagraphs (A) through (G) and inserting the following:

''(A) soil health;

''(B) water quality and quantity improvement;

''(C) nutrient management;

''(D) pest management;

''(E) air quality improvement;

''(F) wildlife habitat development, including pollinator habitat;

''(G) invasive species management; or

''(H) other resource issues of regional or national significance, as determined by the Secretary.''; and

(B) in paragraph (4)—

(i) in subparagraph (A) in the matter preceding clause (i), by inserting '', veteran farmer or rancher (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C.

2279(e))),'' before ''or a beginning farmer or rancher''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B) ADVANCE PAYMENTS.—

''(i) IN GENERAL.—Not more than 30 percent of the amount determined under subparagraph (A) may be provided in advance for the purpose of purchasing materials or contracting.

''(ii) RETURN OF FUNDS.—If funds provided in advance are not expended during the 90-day period beginning on the date of receipt of the funds, the funds shall be returned within a reasonable time frame, as determined by the Secretary.'';

(4) by striking subsection (f) and inserting the following:

''(f) ALLOCATION OF FUNDING.—

''(1) LIVESTOCK.—For each of fiscal years 2014 through 2018, at least 60 percent of the funds made available for payments under the program shall be targeted at practices relating to livestock production.

''(2) WILDLIFE HABITAT.—For each of fiscal years 2014 through 2018, at least 5 percent of the funds made available for payments under the program shall be targeted at practices benefitting wildlife habitat under subsection (g).''; and

(5) by striking subsection (g) and inserting the following:

''(g) WILDLIFE HABITAT INCENTIVE PROGRAM.—

''(1) IN GENERAL.—The Secretary shall provide payments under the environmental quality incentives program for conservation practices that support the restoration, development, and improvement of wildlife habitat on eligible land, including—

''(A) upland wildlife habitat;

''(B) wetland wildlife habitat;

''(C) habitat for threatened and endangered species;

''(D) fish habitat;

''(E) habitat on pivot corners and other irregular areas of a field; and

''(F) other types of wildlife habitat, as determined by the Secretary.

''(2) STATE TECHNICAL COMMITTEE.—In determining the practices eligible for payment under paragraph (1) and targeted for funding under subsection (f), the Secretary shall, at a minimum, consult with the relevant State technical committee once a year.

''(3) WAIVER.—Notwithstanding any other provision of this chapter, the Secretary may make payments to a State or local unit of government to enroll land that is riparian to, or submerged under, a water body or wetland if the Secretary determines that the inclusion of the land would support the restoration, development, and improvement of wildlife habitat.''.

SEC. 2204. EVALUATION OF APPLICATIONS.

Section 1240C(b) of the Food Security Act of 1985 (16 U.S.C. 3839aa–3(b)) is amended—

(1) in paragraph (1), by striking ''environmental'' and inserting ''conservation''; and

(2) in paragraph (3), by striking ''purpose of the environmental quality incentives program specified in section 1240(1)'' and inserting ''purposes of the program''.

SEC. 2205. DUTIES OF PRODUCERS.

Section 1240D(2) of the Food Security Act of 1985 (16 U.S.C. 3839aa–4(2)) is amended by striking ''farm, ranch, or forest'' and inserting ''enrolled''.

SEC. 2206. LIMITATION ON PAYMENTS.

Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended—

(1) in subsection (a)—

(A) by striking ''by the person or entity during any six-year period,'' and inserting ''during fiscal years 2014 through 2018''; and

(B) by striking ''federally recognized'' and all that follows through the period and inserting ''Indian tribes under section 1244(1).''; and

(2) in subsection (b)(2), by striking ''any six-year period'' and inserting ''fiscal years 2014 through 2018''.

SEC. 2207. CONSERVATION INNOVATION GRANTS AND PAYMENTS.

Section 1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa–8) is amended—

(1) in subsection (b)(2), by striking ''2012'' and inserting ''2018''; and

(2) by adding at the end the following:

''(c) REPORTING.—Not later than December 31, 2014, and every 2 years thereafter, the Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report on the status of projects funded under this section, including—

''(1) funding awarded;

''(2) project results; and

''(3) incorporation of project findings, such as new technology and innovative approaches, into the conservation efforts implemented by the Secretary.''.

SEC. 2208. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this subtitle shall take effect on October 1, 2013.

(b) EFFECT ON EXISTING CONTRACTS.—The amendments made by this title shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) before October 1, 2013, or any payments required to be made in connection with the contract.

Subtitle D—Agricultural Conservation Easement Program

SEC. 2301. AGRICULTURAL CONSERVATION EASEMENT PROGRAM.

(a) ESTABLISHMENT.—Title XII of the Food Security Act of 1985 is amended by adding at the end the following:

''Subtitle H—Agricultural Conservation Easement Program

''SEC. 1265. ESTABLISHMENT AND PURPOSES.

''(a) ESTABLISHMENT.—The Secretary shall establish an Agricultural Conservation Easement Program for the conservation of eligible land and natural resources through easements or other interests in land.

''(b) PURPOSES.—The purposes of the program are to—

''(1) combine the purposes and coordinate the functions of the wetlands reserve program established under section 1237, the grassland reserve program established under section 1238N, and the farmland protection program established under section 1238I;

''(2) restore, protect, and enhance wetland on eligible land;

''(3) protect the agricultural use, viability, and related conservation values of eligible land by limiting nonagricultural uses of that land; and

''(4) protect grazing uses and related conservation values by restoring and conserving eligible land.

''SEC. 1265A. DEFINITIONS.

''In this subtitle:

''(1) AGRICULTURAL LAND EASEMENT.—The term 'agricultural land easement' means an easement or other interest in eligible land that—

''(A) is conveyed for the purposes of protecting natural resources and the agricultural nature of the land, and of promoting agricultural viability for future generations; and

''(B) permits the landowner the right to continue agricultural production and related uses subject to an agricultural land easement plan.

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' means—

''(A) an agency of State or local government or an Indian tribe (including farmland protection board or land resource council established under State law); or

''(B) an organization that is—

''(i) organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), (iii), or (iv) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

''(ii) an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code; or

''(iii) described in—

''(I) paragraph (1) or (2) of section 509(a) of that Code; or

''(II) section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

''(3) ELIGIBLE LAND.—The term 'eligible land' means private or tribal land that is—

''(A) in the case of an agricultural land easement, agricultural land, including land on a farm or ranch—

''(i) that is subject to a pending offer for purchase from an eligible entity;

''(ii) that—

''(I) has prime, unique, or other productive soil;

''(II) contains historical or archaeological resources; or

''(III) the protection of which could, consistent with the purposes of the program—

''(aa) further a State or local policy; or

''(bb) conserve grassland or agricultural landscapes of significant ecological value; and

''(iii) that is—

''(I) cropland;

''(II) rangeland;

''(III) grassland or land that contains forbs, or shrubland for which grazing is the predominant use;

''(IV) pastureland; or

''(V) nonindustrial private forest land that contributes to the economic viability of an offered parcel or serves as a buffer to protect such land from development;

''(B) in the case of a wetland reserve easement, a wetland or related area, including—

''(i) farmed or converted wetland, together with the adjacent land that is functionally dependent on that land if the Secretary determines it—

''(I) is likely to be successfully restored in a cost effective manner; and

''(II) will maximize the wildlife benefits and wetland functions and values as determined by the Secretary in consultation with the Secretary of the Interior at the local level;

''(ii) cropland or grassland that was used for agricultural production prior to flooding from the natural overflow of a closed basin lake or pothole, as determined by the Secretary, together (where practicable) with the adjacent land that is functionally dependent on the cropland or grassland;

''(iii) farmed wetland and adjoining land that—

''(I) is enrolled in the conservation reserve program;

''(II) has the highest wetland functions and values; and

''(III) is likely to return to production after the land leaves the conservation reserve program;

''(iv) riparian areas that link wetland that is protected by easements or some other device that achieves the same purpose as an easement; or

''(v) other wetland of an owner that would not otherwise be eligible if the Secretary determines that the inclusion of such wetland

in such easement would significantly add to the functional value of the easement; and

''(C) in the case of both an agricultural land easement or wetland reserve easement, other land that is incidental to eligible land if the Secretary determines that it is necessary for the efficient administration of the easements under this program.

''(4) PROGRAM.—The term 'program' means the Agricultural Conservation Easement Program established by this subtitle.

''(5) WETLAND RESERVE EASEMENT.—The term 'wetland reserve easement' means a reserved interest in eligible land that—

''(A) is defined and delineated in a deed; and

''(B) stipulates—

''(i) the rights, title, and interests in land conveyed to the Secretary; and

''(ii) the rights, title, and interests in land that are reserved to the landowner.

''SEC. 1265B. AGRICULTURAL LAND EASEMENTS.

''(a) AVAILABILITY OF ASSISTANCE.—The Secretary shall facilitate and provide funding for—

''(1) the purchase by eligible entities of agricultural land easements and other interests in eligible land; and

''(2) technical assistance to provide for the conservation of natural resources pursuant to an agricultural land easement plan.

''(b) COST-SHARE ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall provide cost-share assistance to eligible entities for purchasing agricultural land easements to protect the agricultural use, including grazing, and related conservation values of eligible land.

''(2) SCOPE OF ASSISTANCE AVAILABLE.—

''(A) FEDERAL SHARE.—Subject to subparagraph (C), an agreement described in paragraph (4) shall provide for a Federal share determined by the Secretary of an amount not to exceed 50 percent of the fair market value of the agricultural land easement or other interest in land, as determined by the Secretary using—

''(i) the Uniform Standards of Professional Appraisal Practices;

''(ii) an area-wide market analysis or survey; or

''(iii) another industry approved method.

''(B) NON-FEDERAL SHARE.—

''(i) IN GENERAL.—Subject to subparagraph (C), under the agreement, the eligible entity shall provide a share that is at least equivalent to that provided by the Secretary.

''(ii) SOURCE OF CONTRIBUTION.—An eligible entity may include as part of its share a charitable donation or qualified conservation contribution (as defined by section 170(h) of the Internal Revenue Code of 1986) from the private landowner if the eligible entity contributes its own cash resources in an amount that is at least 50 percent of the amount contributed by the Secretary.

''(C) WAIVER AUTHORITY.—

''(i) GRASSLAND.—In the case of grassland of special environmental significance, as determined by the Secretary, the Secretary may provide up to 75 percent of the fair market value of the agricultural land easement.

''(ii) CASH CONTRIBUTION.—For purposes of subparagraph (B)(ii), the Secretary may waive any portion of the eligible entity cash contribution requirement for projects of special significance, subject to an increase in the private landowner donation that is equal to the amount of the waiver, if the donation is voluntary.

''(3) EVALUATION AND RANKING OF APPLICATIONS.—

''(A) CRITERIA.—The Secretary shall establish evaluation and ranking criteria to maximize the benefit of Federal investment under the program.

''(B) CONSIDERATIONS.—In establishing the criteria, the Secretary shall emphasize support for—

''(i) protecting agricultural uses and related conservation values of the land; and

''(ii) maximizing the protection of areas devoted to agricultural use.

''(C) BIDDING DOWN.—If the Secretary determines that 2 or more applications for cost-share assistance are comparable in achieving the purpose of the program, the Secretary shall not assign a higher priority to any of those applications solely on the basis of lesser cost to the program.

''(4) AGREEMENTS WITH ELIGIBLE ENTITIES.—

''(A) IN GENERAL.—The Secretary shall enter into agreements with eligible entities to stipulate the terms and conditions under which the eligible entity is permitted to use cost-share assistance provided under this section.

''(B) LENGTH OF AGREEMENTS.—An agreement shall be for a term that is—

''(i) in the case of an eligible entity certified under the process described in paragraph (5), a minimum of 5 years; and

''(ii) for all other eligible entities, at least 3, but not more than 5 years.

''(C) MINIMUM TERMS AND CONDITIONS.—An eligible entity shall be authorized to use its own terms and conditions for agricultural land easements so long as the Secretary determines such terms and conditions—

''(i) are consistent with the purposes of the program;

''(ii) are permanent or for the maximum duration allowed under applicable State law;

''(iii) permit effective enforcement of the conservation purposes of such easements, including appropriate restrictions depending on the purposes for which the easement is acquired;

''(iv) include a right of enforcement for the Secretary if terms of the easement are not enforced by the holder of the easement;

''(v) subject the land in which an interest is purchased to an agricultural land easement plan that—

''(I) describes the activities which promote the long-term viability of the land to meet the purposes for which the easement was acquired;

''(II) requires the management of grassland according to a grassland management plan; and

''(III) includes a conservation plan, where appropriate, and requires, at the option of the Secretary, the conversion of highly erodible cropland to less intensive uses; and

''(vi) include a limit on the impervious surfaces to be allowed that is consistent with the agricultural activities to be conducted.

''(D) SUBSTITUTION OF QUALIFIED PROJECTS.—An agreement shall allow, upon mutual agreement of the parties, substitution of qualified projects that are identified at the time of the proposed substitution.

''(E) EFFECT OF VIOLATION.—If a violation occurs of a term or condition of an agreement under this subsection—

''(i) the agreement may be terminated; and

''(ii) the Secretary may require the eligible entity to refund all or part of any payments received by the entity under the program, with interest on the payments as determined appropriate by the Secretary.

''(5) CERTIFICATION OF ELIGIBLE ENTITIES.—

''(A) CERTIFICATION PROCESS.—The Secretary shall establish a process under which the Secretary may—

''(i) directly certify eligible entities that meet established criteria;

''(ii) enter into long-term agreements with certified eligible entities; and

''(iii) accept proposals for cost-share assistance for the purchase of agricultural land easements throughout the duration of such agreements.

''(B) CERTIFICATION CRITERIA.—In order to be certified, an eligible entity shall demonstrate to the Secretary that the entity will maintain, at a minimum, for the duration of the agreement—

''(i) a plan for administering easements that is consistent with the purposes of the program described in paragraphs (3) and (4) of section 1265(b);

''(ii) the capacity and resources to monitor and enforce agricultural land easements; and

''(iii) policies and procedures to ensure—

''(I) the long-term integrity of agricultural land easements on eligible land;

''(II) timely completion of acquisitions of easements; and

''(III) timely and complete evaluation and reporting to the Secretary on the use of funds provided under the program.

''(C) REVIEW AND REVISION.—

''(i) REVIEW.—The Secretary shall conduct a review of eligible entities certified under subparagraph (A) every 3 years to ensure that such entities are meeting the criteria established under subparagraph (B).

''(ii) REVOCATION.—If the Secretary finds that the certified entity no longer meets the criteria established under subparagraph (B), the Secretary may—

''(I) allow the certified entity a specified period of time, at a minimum 180 days, in which to take such actions as may be necessary to meet the criteria; and

''(II) revoke the certification of the entity, if after the specified period of time, the certified entity does not meet such criteria.

''(c) TECHNICAL ASSISTANCE.—The Secretary may provide technical assistance, if requested, to assist in—

''(1) compliance with the terms and conditions of easements; and

''(2) implementation of an agricultural land easement plan.

''SEC. 1265C. WETLAND RESERVE EASEMENTS.

''(a) AVAILABILITY OF ASSISTANCE.—The Secretary shall provide assistance to owners of eligible land to restore, protect, and enhance wetland through—

''(1) easements and related wetland reserve easement plans; and

''(2) technical assistance.

''(b) EASEMENTS.—

''(1) METHOD OF ENROLLMENT.—The Secretary shall enroll eligible land through the use of—

''(A) 30-year easements;

''(B) permanent easements;

''(C) easements for the maximum duration allowed under applicable State laws; or

''(D) as an option for Indian tribes only, 30-year contracts.

''(2) LIMITATIONS.—

''(A) INELIGIBLE LAND.—The Secretary may not acquire easements on—

''(i) land established to trees under the conservation reserve program, except in cases where the Secretary determines it would further the purposes of the program; and

''(ii) farmed wetland or converted wetland where the conversion was not commenced prior to December 23, 1985.

''(B) CHANGES IN OWNERSHIP.—No easement shall be created on land that has changed ownership during the preceding 12-month period unless—

''(i) the new ownership was acquired by will or succession as a result of the death of the previous owner;

''(ii)(I) the ownership change occurred because of foreclosure on the land; and

''(II) immediately before the foreclosure, the owner of the land exercises a right of redemption from the mortgage holder in accordance with State law; or

''(iii) the Secretary determines that the land was acquired under circumstances that

give adequate assurances that such land was not acquired for the purposes of placing it in the program.

''(3) EVALUATION AND RANKING OF OFFERS.—

''(A) CRITERIA.—The Secretary shall establish evaluation and ranking criteria to maximize the benefit of Federal investment under the program.

''(B) CONSIDERATIONS.—When evaluating offers from landowners, the Secretary may consider—

''(i) the conservation benefits of obtaining an easement or 30-year contract, including the potential environmental benefits if the land was removed from agricultural production;

''(ii) the cost-effectiveness of each easement or 30-year contract, so as to maximize the environmental benefits per dollar expended;

''(iii) whether the landowner or another person is offering to contribute financially to the cost of the easement or 30-year contract to leverage Federal funds; and

''(iv) such other factors as the Secretary determines are necessary to carry out the purposes of the program.

''(C) PRIORITY.—The Secretary shall place priority on acquiring easements based on the value of the easement for protecting and enhancing habitat for migratory birds and other wildlife.

''(4) AGREEMENT.—To be eligible to place eligible land into the program through a wetland reserve easement, the owner of such land shall enter into an agreement with the Secretary to—

''(A) grant an easement on such land to the Secretary;

''(B) authorize the implementation of a wetland reserve easement plan;

''(C) create and record an appropriate deed restriction in accordance with applicable State law to reflect the easement agreed to;

''(D) provide a written statement of consent to such easement signed by those holding a security interest in the land;

''(E) comply with the terms and conditions of the easement and any related agreements; and

''(F) permanently retire any existing cropland base and allotment history for the land on which the easement has been obtained.

''(5) TERMS AND CONDITIONS OF EASEMENT.—

''(A) IN GENERAL.—A wetland reserve easement shall include terms and conditions that—

''(i) permit—

''(I) repairs, improvements, and inspections on the land that are necessary to maintain existing public drainage systems; and

''(II) owners to control public access on the easement areas while identifying access routes to be used for restoration activities and management and easement monitoring;

''(ii) prohibit—

''(I) the alteration of wildlife habitat and other natural features of such land, unless specifically authorized by the Secretary;

''(II) the spraying of such land with chemicals or the mowing of such land, except where such spraying or mowing is authorized by the Secretary or is necessary—

''(aa) to comply with Federal or State noxious weed control laws;

''(bb) to comply with a Federal or State emergency pest treatment program; or

''(cc) to meet habitat needs of specific wildlife species;

''(III) any activities to be carried out on the owner's or successor's land that is immediately adjacent to, and functionally related to, the land that is subject to the easement if such activities will alter, degrade, or otherwise diminish the functional value of the eligible land; and

''(IV) the adoption of any other practice that would tend to defeat the purposes of the program, as determined by the Secretary;

''(iii) provide for the efficient and effective establishment of wetland functions and values; and

''(iv) include such additional provisions as the Secretary determines are desirable to carry out the program or facilitate the practical administration thereof.

''(B) VIOLATION.—On the violation of the terms or conditions of the easement, the easement shall remain in force and the Secretary may require the owner to refund all or part of any payments received by the owner under the program, together with interest thereon as determined appropriate by the Secretary.

''(C) COMPATIBLE USES.—Land subject to a wetland reserve easement may be used for compatible economic uses, including such activities as hunting and fishing, managed timber harvest, or periodic haying or grazing, if such use is specifically permitted by the wetland reserve easement plan and is consistent with the long-term protection and enhancement of the wetland resources for which the easement was established.

''(D) RESERVATION OF GRAZING RIGHTS.—The Secretary may include in the terms and conditions of an easement a provision under which the owner reserves grazing rights if—

''(i) the Secretary determines that the reservation and use of the grazing rights—

''(I) is compatible with the land subject to the easement;

''(II) is consistent with the historical natural uses of the land and long-term protection and enhancement goals for which the easement was established; and

''(III) complies with the wetland reserve easement plan; and

''(ii) the agreement provides for a commensurate reduction in the easement payment to account for the grazing value, as determined by the Secretary.

''(E) APPLICATION.—The relevant provisions of this paragraph shall also apply to a 30-year contract.

''(6) COMPENSATION.—

''(A) DETERMINATION.—

''(i) IN GENERAL.—The Secretary shall pay as compensation for a permanent easement acquired an amount necessary to encourage enrollment in the program based on the lowest of—

''(I) the fair market value of the land, as determined by the Secretary, using the Uniform Standards of Professional Appraisal Practices or an area-wide market analysis or survey;

''(II) the amount corresponding to a geographical cap, as determined by the Secretary in regulations; or

''(III) the offer made by the landowner.

''(ii) OTHER.—Compensation for a 30-year contract or 30-year easement shall be not less than 50 percent, but not more than 75 percent, of the compensation that would be paid for a permanent easement.

''(B) FORM OF PAYMENT.—Compensation shall be provided by the Secretary in the form of a cash payment, in an amount determined under subparagraph (A).

''(C) PAYMENT SCHEDULE.—

''(i) EASEMENTS VALUED AT LESS THAN $500,000.—For easements valued at $500,000 or less, the Secretary may provide easement payments in not more than 10 annual payments.

''(ii) EASEMENTS VALUED AT MORE THAN $500,000.—For easements valued at more than $500,000, the Secretary may provide easement payments in at least 5, but not more than 10 annual payments, except that, if the Secretary determines it would further the purposes of the program, the Secretary may make a lump sum payment for such an easement.

''(c) EASEMENT RESTORATION.—

''(1) IN GENERAL.—The Secretary shall provide financial assistance to carry out the establishment of conservation measures and practices and protect wetland functions and values, including necessary maintenance activities, as set forth in a wetland reserve easement plan.

''(2) PAYMENTS.—The Secretary shall—

''(A) in the case of a permanent easement, pay an amount that is not less than 75 percent, but not more than 100 percent, of the eligible costs; and

''(B) in the case of a 30-year contract or 30-year easement, pay an amount that is not less than 50 percent, but not more than 75 percent, of the eligible costs.

''(d) TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall assist owners in complying with the terms and conditions of easements and 30-year contracts.

''(2) CONTRACTS OR AGREEMENTS.—The Secretary may enter into 1 or more contracts with private entities or agreements with a State, non-governmental organization, or Indian tribe to carry out necessary restoration, enhancement or maintenance of an easement if the Secretary determines that the contract or agreement will advance the purposes of the program.

''(e) WETLAND ENHANCEMENT OPTION.—The Secretary may enter into 1 or more agreements with a State (including a political subdivision or agency of a State), nongovernmental organization, or Indian tribe to carry out a special wetland enhancement option that the Secretary determines would advance the purposes of the program.

''(f) ADMINISTRATION.—

''(1) WETLAND RESERVE EASEMENT PLAN.—The Secretary shall develop a wetland reserve easement plan for eligible land subject to a wetland reserve easement, which will include the practices and activities necessary to restore, protect, enhance, and maintain the enrolled land.

''(2) DELEGATION OF EASEMENT ADMINISTRATION.—

''(A) IN GENERAL.—The Secretary may delegate any of the easement management, monitoring, and enforcement responsibilities of the Secretary to other Federal or State agencies that have the appropriate authority, expertise and resources necessary to carry out such delegated responsibilities or to other conservation organizations if the Secretary determines the organization has similar expertise and resources.

''(B) LIMITATION.—The Secretary shall not delegate any of the monitoring or enforcement responsibilities under the program to conservation organizations.

''(3) PAYMENTS.—

''(A) TIMING OF PAYMENTS.—The Secretary shall provide payment for obligations incurred by the Secretary under this section—

''(i) with respect to any easement restoration obligation as soon as possible after the obligation is incurred; and

''(ii) with respect to any annual easement payment obligation incurred by the Secretary as soon as possible after October 1 of each calendar year.

''(B) PAYMENTS TO OTHERS.—If an owner who is entitled to a payment dies, becomes incompetent, is otherwise unable to receive such payment, or is succeeded by another person or entity who renders or completes the required performance, the Secretary shall make such payment, in accordance with regulations prescribed by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all of the circumstances.

"SEC. 1265D. ADMINISTRATION.

''(a) INELIGIBLE LAND.—The Secretary may not acquire an easement under the program on—

''(1) land owned by an agency of the United States, other than land held in trust for Indian tribes;

''(2) land owned in fee title by a State, including an agency or a subdivision of a State, or a unit of local government;

''(3) land subject to an easement or deed restriction which, as determined by the Secretary, provides similar protection as would be provided by enrollment in the program; and

''(4) land where the purposes of the program would be undermined due to on-site or off-site conditions, such as risk of hazardous substances, proposed or existing rights of way, infrastructure development, or adjacent land uses.

''(b) PRIORITY.—In evaluating applications under the program, the Secretary may give priority to land that is currently enrolled in the conservation reserve program in a contract that is set to expire within 1 year and—

''(1) in the case of an agricultural land easement, is grassland that would benefit from protection under a long-term easement; and

''(2) in the case of a wetland reserve easement, is a wetland or related area with the highest functions and values and is likely to return to production after the land leaves the conservation reserve program.

''(c) SUBORDINATION, EXCHANGE, MODIFICATION, AND TERMINATION.—

''(1) IN GENERAL.—The Secretary may subordinate, exchange, terminate, or modify any interest in land, or portion of such interest, administered by the Secretary, either directly or on behalf of the Commodity Credit Corporation under the program when the Secretary determines that—

''(A) it is in the Federal Government's interest to subordinate, exchange, modify or terminate the interest in land;

''(B) the subordination, exchange, modification, or termination action—

''(i) will address a compelling public need for which there is no practicable alternative, or

''(ii) such action will further the practical administration of the program; and

''(C) the subordination, exchange, modification, or termination action will result in comparable conservation value and equivalent or greater economic value to the United States.

''(2) CONSULTATION.—The Secretary shall work with the current owner, and eligible entity if applicable, to address any subordination, exchange, termination, or modification of the interest, or portion of such interest in land.

''(3) NOTICE.—At least 90 days before taking any termination action described in paragraph (1), the Secretary shall provide written notice of such action to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

''(d) LAND ENROLLED IN OTHER PROGRAMS.—

''(1) CONSERVATION RESERVE PROGRAM.—The Secretary may terminate or modify an existing contract entered into under section 1231(a) if eligible land that is subject to such contract is transferred into the program.

''(2) OTHER.—Land enrolled in the wetlands reserve program, grassland reserve program, or farmland protection program shall be considered enrolled in this program.''.

(b) COMPLIANCE WITH CERTAIN REQUIREMENTS.—Before an eligible entity or owner of eligible land may receive assistance under subtitle H of title XII of the Food Security Act of 1985, the eligible entity or person shall agree, during the crop year for which the assistance is provided and in exchange for the assistance—

(1) to comply with applicable conservation requirements under subtitle B of title XII of that Act (16 U.S.C. 3811 et seq.); and

(2) to comply with applicable wetland protection requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.).

(c) CROSS-REFERENCE.—Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) is amended—

(1) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting ''and'' at the end of subparagraph (A);

(ii) by striking ''and'' at the end of subparagraph (B); and

(iii) by striking subparagraph (C);

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

''(2) the Agricultural Conservation Easement Program established under subtitle H; and''; and

(2) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking ''programs administered under subchapters B and C of chapter 1 of subtitle D'' and inserting ''conservation reserve program established under subchapter B of chapter 1 of subtitle D and the Agricultural Conservation Easement Program under subtitle H using wetland reserve easements under section 1265C''; and

(ii) in subparagraph (B), by striking ''subchapter C of chapter 1 of subtitle D'' and inserting ''the Agricultural Conservation Easement Program under subtitle H using wetland reserve easements under section 1265C''; and

(B) by striking paragraph (4) and inserting the following:

''(4) EXCLUSIONS.—

''(A) SHELTERBELTS AND WINDBREAKS.—The limitations established under paragraph (1) shall not apply to cropland that is subject to an easement under subchapter C of chapter 1 that is used for the establishment of shelterbelts and windbreaks.

''(B) WET AND SATURATED SOILS.—For the purposes of enrolling land in a wetland reserve easement under subtitle H, the limitations established under paragraph (1) shall not apply to cropland designated by the Secretary with subclass w in the land capability classes IV through VIII because of severe use limitations due to soil saturation or inundation.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2013.

Subtitle E—Regional Conservation Partnership Program

SEC. 2401. REGIONAL CONSERVATION PARTNERSHIP PROGRAM.

(a) IN GENERAL.—Title XII of the Food Security Act of 1985 is amended by inserting after subtitle H (as added by section 2301) the following:

"Subtitle I—Regional Conservation Partnership Program

"SEC. 1271. ESTABLISHMENT AND PURPOSES.

''(a) ESTABLISHMENT.—The Secretary shall establish a Regional Conservation Partnership Program to implement eligible activities through—

''(1) partnership agreements with eligible partners; and

''(2) contracts with producers.

''(b) PURPOSES.—The purposes of the program are—

''(1) to combine the purposes and coordinate the functions of—

''(A) the agricultural water enhancement program established under section 1240I;

''(B) the Chesapeake Bay watershed program established under section 1240Q;

''(C) the cooperative conservation partnership initiative established under section 1243; and

''(D) the Great Lakes basin program for soil erosion and sediment control established under section 1240P;

''(2) to further the conservation, restoration, and sustainable use of soil, water, wildlife, and related natural resources on a regional or watershed scale; and

''(3) to encourage partners to cooperate with producers in—

''(A) meeting or avoiding the need for national, State, and local natural resource regulatory requirements related to production; and

''(B) implementing projects that will result in the installation and maintenance of eligible activities that affect multiple agricultural or nonindustrial private forest operations on a local, regional, State, or multi-State basis.

"SEC. 1271A. DEFINITIONS.

''In this subtitle:

''(1) COVERED PROGRAMS.—The term 'covered programs' means—

''(A) the agricultural conservation easement program;

''(B) the environmental quality incentives program;

''(C) the conservation stewardship program; and

''(D) the healthy forests reserve program established under section 501 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6571).

''(2) ELIGIBLE ACTIVITY.—The term 'eligible activity' means any of the following conservation activities when delivered through a covered program:

''(A) Water quality restoration or enhancement projects, including nutrient management and sediment reduction.

''(B) Water quantity conservation, restoration, or enhancement projects relating to surface water and groundwater resources, including—

''(i) the conversion of irrigated cropland to the production of less water-intensive agricultural commodities or dryland farming; and

''(ii) irrigation system improvement and irrigation efficiency enhancement.

''(C) Drought mitigation.

''(D) Flood prevention.

''(E) Water retention.

''(F) Habitat conservation, restoration, and enhancement.

''(G) Erosion control.

''(H) Forest restoration, including recovery of threatened and endangered species, improvement of biodiversity, and enhancement of carbon sequestration.

''(I) Other related activities that the Secretary determines will help achieve conservation benefits.

''(3) ELIGIBLE PARTNER.—The term 'eligible partner' means any of the following:

''(A) An agricultural or silvicultural producer association or other group of producers.

''(B) A State or unit of local government.

''(C) An Indian tribe.

''(D) A farmer cooperative.

''(E) An institution of higher education.

''(F) A municipal water or wastewater treatment entity.

''(G) An organization or other nongovernmental entity with an established history of working cooperatively with producers on agricultural land, as determined by the Secretary, to address—

''(i) local conservation priorities related to agricultural production, wildlife habitat development, and nonindustrial private forest land management; or

''(ii) critical watershed-scale soil erosion, water quality, sediment reduction, or other natural resource concerns.

''(4) PARTNERSHIP AGREEMENT.—The term 'partnership agreement' means an agreement between the Secretary and an eligible partner.

''(5) PROGRAM.—The term 'program' means the Regional Conservation Partnership Program established by this subtitle.

''SEC. 1271B. REGIONAL CONSERVATION PARTNERSHIPS.

''(a) PARTNERSHIP AGREEMENTS AUTHORIZED.—The Secretary may enter into a partnership agreement with an eligible partner to implement a project that will assist producers with installing and maintaining an eligible activity.

''(b) LENGTH.—A partnership agreement shall be for a period not to exceed 5 years, except that the Secretary may extend the agreement 1 time for up to 12 months when an extension is necessary to meet the objectives of the program.

''(c) DUTIES OF PARTNERS.—

''(1) IN GENERAL.—Under a partnership agreement, the eligible partner shall—

''(A) define the scope of a project, including—

''(i) the eligible activities to be implemented;

''(ii) the potential agricultural or nonindustrial private forest operations affected;

''(iii) the local, State, multi-State or other geographic area covered; and

''(iv) the planning, outreach, implementation and assessment to be conducted;

''(B) conduct outreach and education to producers for potential participation in the project;

''(C) at the request of a producer, act on behalf of a producer participating in the project in applying for assistance under section 1271C;

''(D) leverage financial or technical assistance provided by the Secretary with additional funds to help achieve the project objectives;

''(E) conduct an assessment of the project's effects; and

''(F) at the conclusion of the project, report to the Secretary on its results and funds leveraged.

''(2) CONTRIBUTION.—A partner shall provide a significant portion of the overall costs of the scope of the project as determined by the Secretary.

''(d) APPLICATIONS.—

''(1) COMPETITIVE PROCESS.—The Secretary shall conduct a competitive process to select applications for partnership agreements and may assess and rank applications with similar conservation purposes as a group.

''(2) CRITERIA USED.—In carrying out the process described in paragraph (1), the Secretary shall make public the criteria used in evaluating applications.

''(3) CONTENT.—An application to the Secretary shall include a description of—

''(A) the scope of the project as described in subsection (c)(1)(A);

''(B) the plan for monitoring, evaluating, and reporting on progress made towards achieving the project's objectives;

''(C) the program resources requested for the project, including the covered programs to be used and estimated funding needed from the Secretary;

''(D) the partners collaborating to achieve project objectives, including their roles, responsibilities, capabilities, and financial contribution; and

''(E) any other elements the Secretary considers necessary to adequately evaluate and competitively select applications for funding under the program.

''(4) APPLICATION SELECTION.—

''(A) PRIORITY TO CERTAIN APPLICATIONS.—The Secretary shall give a higher priority to applications that—

''(i) assist producers in meeting or avoiding the need for a natural resource regulatory requirement;

''(ii) significantly leverage non-Federal financial and technical resources and coordinate with other local, State, regional, or national efforts;

''(iii) deliver high percentages of applied conservation to address conservation priorities or local, State, regional, or national conservation initiatives;

''(iv) provide innovation in conservation methods and delivery, including outcome-based performance measures and methods; or

''(v) provide innovation in the improvement and delivery of water quality or quantity, including outcome-based performance measures and methods.

''(B) OTHER APPLICATIONS.—The Secretary may give priority to applications that—

''(i) have a high percentage of producers in the area to be covered by the agreement; or

''(ii) meet other factors that are important for achieving the purposes of the program, as determined by the Secretary.

''SEC. 1271C. ASSISTANCE TO PRODUCERS.

''(a) IN GENERAL.—The Secretary shall enter into contracts to provide financial and technical assistance to—

''(1) producers participating in a project with an eligible partner as described in section 1271B; or

''(2) producers that fit within the scope of a project described in section 1271B or a critical conservation area designated pursuant to section 1271F, but who are seeking to implement an eligible activity independent of a partner.

''(b) TERMS AND CONDITIONS.—

''(1) CONSISTENCY WITH PROGRAM RULES.—

''(A) IN GENERAL.—Except as provided in paragraph (2) and subparagraph (B), the Secretary shall ensure that the terms and conditions of a contract under this section are consistent with the applicable rules of the covered programs to be used as part of the partnership agreement, as described in the application under section 1271B(d)(3)(C).

''(B) ADJUSTMENTS.—

''(i) IN GENERAL.—The Secretary may adjust rules of a covered program, including—

''(I) operational guidance and requirements for a covered program at the discretion of the Secretary so as to provide a simplified application and evaluation process; and

''(II) nonstatutory, regulatory rules or provisions to better reflect unique local circumstances and purposes if the Secretary determines such adjustments are necessary to achieve the purposes of the covered program.

''(ii) LIMITATION.—The Secretary shall not adjust the application of statutory requirements for a covered program, including requirements governing appeals, payment limits, and conservation compliance.

''(iii) IRRIGATION.—In States where irrigation has not been used significantly for agricultural purposes, as determined by the Secretary, the Secretary shall not limit eligibility under section 1271B or this section on the basis of prior irrigation history.

''(2) ALTERNATIVE FUNDING ARRANGEMENTS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1)(A), for the purposes of providing assistance for land described in subsection (a) and section 1271F, the Secretary may enter into alternative funding arrangements with a multistate water resource agency or authority if—

''(i) the Secretary determines that the goals and objectives of the program will be met by the alternative funding arrangements;

''(ii) the agency or authority certifies that the limitations established under this section on agreements with individual producers will not be exceeded; and

''(iii) all participating producers meet applicable payment eligibility provisions.

''(B) CONDITIONS.—As a condition on receipt of funding under subparagraph (A), the multistate water resource agency or authority shall agree—

''(i) to submit an annual independent audit to the Secretary that describes the use of funds under this paragraph;

''(ii) to provide any data necessary for the Secretary to issue a report on the use of funds under this paragraph; and

''(iii) not to use any of the funds provided pursuant to subparagraph (A) for administration or provide for administrative costs through contracts with another entity.

''(C) LIMITATION.—The Secretary may enter into at least 10 but not more than 20 alternative funding arrangements under this paragraph.

''(c) PAYMENTS.—

''(1) IN GENERAL.—In accordance with statutory requirements of the covered programs involved, the Secretary may make payments to a producer in an amount determined by the Secretary to be necessary to achieve the purposes of the program.

''(2) PAYMENTS TO CERTAIN PRODUCERS.—The Secretary may provide payments for a period of 5 years—

''(A) to producers participating in a project that addresses water quantity concerns and in an amount sufficient to encourage conversion from irrigated to dryland farming; and

''(B) to producers participating in a project that addresses water quality concerns and in an amount sufficient to encourage adoption of conservation practices and systems that improve nutrient management.

''(3) WAIVER AUTHORITY.—To assist in the implementation of the program, the Secretary may waive the applicability of the limitation in section 1001D(b)(2) of this Act for participating producers if the Secretary determines that the waiver is necessary to fulfill the objectives of the program.

''SEC. 1271D. FUNDING.

''(a) AVAILABILITY OF FUNDS.—The Secretary shall use $110,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2014 through 2018 to carry out the program established under this subtitle.

''(b) DURATION OF AVAILABILITY.—Funds made available under subsection (a) shall remain available until expended.

''(c) ADDITIONAL FUNDING AND ACRES.—

''(1) IN GENERAL.—In addition to the funds made available under subsection (a), the Secretary shall reserve 8 percent of the funds and acres made available for a covered program for each of fiscal years 2014 through 2018 in order to ensure additional resources are available to carry out this program.

''(2) UNUSED FUNDS AND ACRES.—Any funds or acres reserved under paragraph (1) for a fiscal year from a covered program that are not obligated under this program by April 1 of that fiscal year shall be returned for use under the covered program.

''(d) ALLOCATION OF FUNDING.—Of the funds and acres made available for the program under subsections (a) and (c), the Secretary shall allocate—

''(1) 25 percent of the funds and acres to projects based on a State competitive process administered by the State conservationist, with the advice of the State technical committee;

''(2) 40 percent of the funds and acres to projects based on a national competitive process to be established by the Secretary; and

''(3) 35 percent of the funds and acres to projects for the critical conservation areas designated in section 1271F.

''(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—None of the funds made available under the program may be used to pay for the administrative expenses of partners.

''SEC. 1271E. ADMINISTRATION.

''(a) DISCLOSURE.—In addition to the criteria used in evaluating applications as described in section 1271B(d)(2), the Secretary shall make publicly available information on projects selected through the competitive process described in section 1271B(d)(1).

''(b) REPORTING.—Not later than December 31, 2014, and for every 2 years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the status of projects funded under the program, including—

''(1) the number and types of partners and producers participating in the partnership agreements selected;

''(2) the number of producers receiving assistance;

''(3) total funding committed to projects, including Federal and non-Federal resources; and

''(4) a description of how the funds under section 1271C(b)(3) are being administered, including—

''(A) any oversight mechanisms that the Secretary has implemented;

''(B) the process through which the Secretary is resolving appeals by program participants; and

''(C) the means by which the Secretary is tracking adherence to any applicable provisions for payment eligibility.

''SEC. 1271F. CRITICAL CONSERVATION AREAS.

''(a) IN GENERAL.—When administering the funding described in section 1271D(d)(3), the Secretary shall select applications for partnership agreements and producer contracts within designated critical conservation areas.

''(b) CRITICAL CONSERVATION AREA DESIGNATIONS.—

''(1) IN GENERAL.—The Secretary shall designate up to 6 geographical areas as critical conservation areas based on the degree to which an area—

''(A) includes multiple States with significant agricultural production;

''(B) is covered by an existing regional, State, binational, or multistate agreement or plan that has established objectives, goals and work plans and is adopted by a Federal, State, or regional authority;

''(C) has water quality concerns, including concerns for reducing erosion, promoting sediment control, and addressing nutrient management activities affecting large bodies of water of regional, national, or international significance;

''(D) has water quantity concerns, including—

''(i) concerns for groundwater, surface water, aquifer, or other water sources; or

''(ii) a need to promote water retention and flood prevention;

''(E) is vital habitat for migrating wildlife; or

''(F) is subject to regulatory requirements that could reduce the economic scope of agricultural operations within the area.

''(2) EXPIRATION.—Critical conservation area designations under this section shall expire after 5 years, subject to redesignation, except that the Secretary may withdraw designation from an area if the Secretary finds the area no longer meets the conditions described in paragraph (1).

''(c) ADMINISTRATION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall administer any partnership agreement or producer contract under this section in a manner that is consistent with the terms of the program.

''(2) RELATIONSHIP TO EXISTING ACTIVITY.—The Secretary shall, to the maximum extent practicable, ensure that eligible activities carried out in critical conservation areas designated under this section complement and are consistent with other Federal and State programs and water quality and quantity strategies.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

Subtitle F—Other Conservation Programs

SEC. 2501. CONSERVATION OF PRIVATE GRAZING LAND.

Section 1240M(e) of the Food Security Act of 1985 (16 U.S.C. 3839bb(e)) is amended inserting ''and $30,000,000 for each of fiscal years 2014 through 2018'' before the period at the end.

SEC. 2502. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.

Section 1240O(b) of the Food Security Act of 1985 (16 U.S.C. 3839bb–2(b)) is amended by inserting ''and $15,000,000 for each of fiscal years 2014 through 2018'' before the period at the end.

SEC. 2503. VOLUNTARY PUBLIC ACCESS AND HABITAT INCENTIVE PROGRAM.

(a) FUNDING.—Section 1240R(f)(1) of the Food Security Act of 1985 (16 U.S.C. 3839bb–5(f)(1)) is amended—

(1) in the heading, by striking ''FISCAL YEARS 2009 THROUGH 2012'' and inserting ''MANDATORY FUNDING''; and

(2) by inserting ''and $40,000,000 for the period of fiscal years 2014 through 2018'' before the period at the end.

(b) REPORT ON PROGRAM EFFECTIVENESS.—Not later than 2 years after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report evaluating the effectiveness of the voluntary public access and habitat incentive program established by section 1240R of the Food Security Act of 1985 (16 U.S.C. 3839bb–5), including—

(1) identifying cooperating agencies;

(2) identifying the number of land holdings and total acres enrolled by State;

(3) evaluating the extent of improved access on eligible land, improved wildlife habitat, and related economic benefits; and

(4) any other relevant information and data relating to the program that would be helpful to such Committees.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2504. AGRICULTURE CONSERVATION EXPERIENCED SERVICES PROGRAM.

(a) FUNDING.—Section 1252 of the Food Security Act of 1985 (16 U.S.C. 3851) is amended by striking subsection (c) and inserting the following:

''(c) FUNDING.—

''(1) IN GENERAL.—The Secretary may carry out the ACES program using funds made available to carry out each program under this title.

''(2) EXCLUSION.—Funds made available to carry out the conservation reserve program may not be used to carry out the ACES program.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2505. SMALL WATERSHED REHABILITATION PROGRAM.

Section 14(h)(2)(E) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(2)(E)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 2506. EMERGENCY WATERSHED PROTECTION PROGRAM.

Section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203) is amended—

(1) by striking ''SEC. 402.—The Secretary'' and inserting the following:

''SEC. 402. EMERGENCY MEASURES.

''(a) IN GENERAL.—The Secretary''; and

(2) by adding at the end the following:

''(b) FLOODPLAIN EASEMENTS.—

''(1) MODIFICATION AND TERMINATION.—The Secretary may modify or terminate a floodplain easement administered by the Secretary under this section if—

''(A) the current owner agrees to the modification or termination; and

''(B) the Secretary determines that the modification or termination—

''(i) will address a compelling public need for which there is no practicable alternative; and

''(ii) is in the public interest.

''(2) CONSIDERATION.—

''(A) TERMINATION.—As consideration for termination of an easement and associated agreements under paragraph (1), the Secretary shall enter into compensatory arrangements as determined to be appropriate by the Secretary.

''(B) MODIFICATION.—In the case of a modification under paragraph (1)—

''(i) as a condition of the modification, the current owner shall enter into a compensatory arrangement (as determined to be appropriate by the Secretary) to incur the costs of modification; and

''(ii) the Secretary shall ensure that—

''(I) the modification will not adversely affect the floodplain functions and values for which the easement was acquired;

''(II) any adverse impacts will be mitigated by enrollment and restoration of other land that provides greater floodplain functions and values at no additional cost to the Federal Government; and

''(III) the modification will result in equal or greater environmental and economic values to the United States.''.

SEC. 2507. TERMINAL LAKES ASSISTANCE.

Section 2507 of the Food, Security, and Rural Investment Act of 2002 (43 U.S.C. 2211 note; Public Law 107–171) is amended to read as follows:

''SEC. 2507. TERMINAL LAKES ASSISTANCE.

''(a) DEFINITIONS.—In this section:

''(1) ELIGIBLE LAND.—The term 'eligible land' means privately owned agricultural land (including land in which a State has a property interest as a result of state water law)—

''(A) that a landowner voluntarily agrees to sell to a State; and

''(B) which—

''(i)(I) is ineligible for enrollment as a wetland reserve easement established under the Agricultural Conservation Easement Program under subtitle H of the Food Security Act of 1985;

''(II) is flooded to—

''(aa) an average depth of at least 6.5 feet; or

''(bb) a level below which the State determines the management of the water level is beyond the control of the State or landowner; or

''(III) is inaccessible for agricultural use due to the flooding of adjoining property (such as islands of agricultural land created by flooding);

''(ii) is located within a watershed with water rights available for lease or purchase; and

''(iii) has been used during at least 5 of the immediately preceding 30 years—

''(I) to produce crops or hay; or

''(II) as livestock pasture or grazing.

''(2) PROGRAM.—The term 'program' means the voluntary land purchase program established under this section.

''(3) TERMINAL LAKE.—The term 'terminal lake' means a lake and its associated riparian and watershed resources that is—

''(A) considered flooded because there is no natural outlet for water accumulating in the lake or the associated riparian area such that the watershed and surrounding land is consistently flooded; or

''(B) considered terminal because it has no natural outlet and is at risk due to a history of consistent Federal assistance to address critical resource conditions, including insufficient water available to meet the needs of the lake, general uses, and water rights.

''(b) ASSISTANCE.—The Secretary shall—

''(1) provide grants under subsection (c) for the purchase of eligible land impacted by a terminal lake described in subsection (a)(3)(A); and

''(2) provide funds to the Secretary of the Interior pursuant to subsection (e)(2) with assistance in accordance with subsection (d) for terminal lakes described in subsection (a)(3)(B).

''(c) LAND PURCHASE GRANTS.—

''(1) IN GENERAL.—Using funds provided under subsection (e)(1), the Secretary shall make available land purchase grants to States for the purchase of eligible land in accordance with this subsection.

''(2) IMPLEMENTATION.—

''(A) AMOUNT.—A land purchase grant shall be in an amount not to exceed the lesser of—

''(i) 50 percent of the total purchase price per acre of the eligible land; or

''(ii)(I) in the case of eligible land that was used to produce crops or hay, $400 per acre; and

''(II) in the case of eligible land that was pasture or grazing land, $200 per acre.

''(B) DETERMINATION OF PURCHASE PRICE.—A State purchasing eligible land with a land purchase grant shall ensure, to the maximum extent practicable, that the purchase price of such land reflects the value, if any, of other encumbrances on the eligible land to be purchased, including easements and mineral rights.

''(C) COST-SHARE REQUIRED.—To be eligible to receive a land purchase grant, a State shall provide matching non-Federal funds in an amount equal to 50 percent of the amount described in subparagraph (A), including additional non-Federal funds.

''(D) CONDITIONS.—To receive a land purchase grant, a State shall agree—

''(i) to ensure that any eligible land purchased is—

''(I) conveyed in fee simple to the State; and

''(II) free from mortgages or other liens at the time title is transferred;

''(ii) to maintain ownership of the eligible land in perpetuity;

''(iii) to pay (from funds other than grant dollars awarded) any costs associated with the purchase of eligible land under this section, including surveys and legal fees; and

''(iv) to keep eligible land in a conserving use, as defined by the Secretary.

''(E) LOSS OF FEDERAL BENEFITS.—Eligible land purchased with a grant under this section shall lose eligibility for any benefits under other Federal programs, including—

''(i) benefits under title XII of the Food Security Act of 1985 (16 U.S.C. 3801 et seq.);

''(ii) benefits under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

''(iii) covered benefits described in section 1001D(b) of the Food Security Act of 1985 (7 U.S.C. 1308–3a).

''(F) PROHIBITION.—Any Federal rights or benefits associated with eligible land prior to purchase by a State may not be transferred to any other land or person in anticipation of or as a result of such purchase.

''(d) WATER ASSISTANCE.—

''(1) IN GENERAL.—The Secretary of the Interior, acting through the Commissioner of Reclamation, may use the funds described in subsection (e)(2) to administer and provide financial assistance to carry out this subsection to provide water and assistance to a terminal lake described in subsection (a)(3)(B) through willing sellers or willing participants only—

''(A) to lease water;

''(B) to purchase land, water appurtenant to the land, and related interests; and

''(C) to carry out research, support and conservation activities for associated fish, wildlife, plant, and habitat resources.''

''(2) EXCLUSIONS.—The Secretary of the Interior may not use this subsection to deliver assistance to the Great Salt Lake in Utah, lakes that are considered dry lakes, or other lakes that do not meet the purposes of this section, as determined by the Secretary of the Interior.

''(3) TRANSITIONAL PROVISION.—

''(A) IN GENERAL.—Notwithstanding any other provision of this section, any funds made available before the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 under a provision of law described in subparagraph (B) shall remain available using the provisions of law (including regulations) in effect on the day before the date of enactment of that Act.

''(B) DESCRIBED LAWS.—The provisions of law described in this section are—

''(i) section 2507 of the Farm Security and Rural Investment Act of 2002 (43 U.S.C. 2211 note; Public Law 107–171) (as in effect on the day before the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013);

''(ii) section 207 of the Energy and Water Development Appropriations Act, 2003 (Public Law 108–7; 117 Stat. 146);

''(iii) section 208 of the Energy and Water Development Appropriations Act, 2006 (Public Law 109–103; 119 Stat. 2268, 123 Stat. 2856); and

''(iv) section 208 of the Energy and Water Development and Related Agencies Appropriations Act, 2010 (Public Law 111–85; 123 Stat. 2858, 123 Stat. 2967, 125 Stat. 867).

''(e) FUNDING.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out subsection (c) $25,000,000, to remain available until expended.

''(2) COMMODITY CREDIT CORPORATION.—As soon as practicable after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, the Secretary shall transfer to the Bureau of Reclamation Water and Related Resources Account $150,000,000 from the funds of the Commodity Credit Corporation to carry out subsection (d), to remain available until expended.''.

SEC. 2508. STUDY OF POTENTIAL IMPROVEMENTS TO THE WETLAND MITIGATION PROCESS.

(a) IN GENERAL.—Not later than 180 after the date of enactment of this Act, the Secretary shall carry out a study—

(1) to evaluate the use of wetland mitigation procedures under this title and the amendments made by this title;

(2) to determine the impact to wildlife habitat of relaxing the acre-for-acre requirement for wetland mitigation plans that result in new wetland that possesses a function and value greater than the wetland that is replaced; and

(3) to provide legislative recommendations for how wetland mitigation procedures could be improved to better enable agricultural producers to use wetland mitigation in a manner that—

(A) benefits wildlife habitat; and

(B) allows producers greater access to the wetland mitigation process.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall—

(1) submit to Congress a report that contains—

(A) the findings of the study; and

(B) any legislative recommendations under subsection (a)(3); and

(2) publish the findings of the study on a public website and in the Federal Register.

SEC. 2509. SOIL AND WATER RESOURCE CONSERVATION.

(a) CONGRESSIONAL POLICY AND DECLARATION OF PURPOSE.—Section 4 of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2003) is amended—

(1) in subsection (b), by inserting ''and tribal'' after ''State'' each place it appears; and

(2) in subsection (c)(2), by inserting '', tribal,'' after ''State''.

(b) CONTINUING APPRAISAL OF SOIL, WATER, AND RELATED RESOURCES.—Section 5 of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2004) is amended—

(1) in subsection (a)(4), by striking ''and State'' and inserting '', State, and tribal'';

(2) in subsection (b), by inserting '', tribal'' after ''State'' each place it appears; and

(3) in subsection (c)—

(A) by striking ''State soil'' and inserting ''State and tribal soil''; and

(B) by striking ''local'' and inserting ''local, tribal,''.

(c) SOIL AND WATER CONSERVATION PROGRAM.—Section 6(a) of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2005(a)) is amended—

(1) by inserting '', tribal'' after ''State'' each place it appears; and

(2) by inserting '', tribal,'' after ''private''.

(d) UTILIZATION OF AVAILABLE INFORMATION AND DATA.—Section 9 of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2008) is amended by inserting '', tribal'' after ''State''.

Subtitle G—Funding and Administration

SEC. 2601. FUNDING.

(a) IN GENERAL.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by striking subsection (a) and inserting the following:

''(a) ANNUAL FUNDING.—For each of fiscal years 2014 through 2018, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out the following programs under this title (including the provision of technical assistance):

''(1) The conservation reserve program under subchapter B of chapter 1 of subtitle D, including, to the maximum extent practicable—

''(A) $10,000,000 for the period of fiscal years 2014 through 2018 to provide payments under paragraph (3) of section 1234(b) in connection with thinning activities conducted on land described in subparagraph (B)(iii) of that paragraph; and

''(B) $50,000,000 for the period of fiscal years 2014 through 2018 to carry out section 1235(f) to facilitate the transfer of land subject to contracts from retired or retiring owners and operators to beginning farmers or ranchers and socially disadvantaged farmers or ranchers.

''(2) The Agricultural Conservation Easement Program under subtitle H using to the maximum extent practicable—

''(A) $450,000,000 for fiscal year 2014;

''(B) $475,000,000 for fiscal year 2015;

''(C) $500,000,000 for fiscal year 2016;

''(D) $525,000,000 for fiscal year 2017; and

''(E) $250,000,000 for fiscal year 2018.

''(3) The conservation security program under subchapter A of chapter 2 of subtitle D, using such sums as are necessary to administer contracts entered into before September 30, 2008.

''(4) The conservation stewardship program under subchapter B of chapter 2 of subtitle D.

''(5) The environmental quality incentives program under chapter 4 of subtitle D, using, to the maximum extent practicable—

''(A) $1,500,000,000 for fiscal year 2014;

''(B) $1,600,000,000 for fiscal year 2015; and

''(C) $1,650,000,000 for each of fiscal years 2016 through 2018.''.

(b) GUARANTEED AVAILABILITY OF FUNDS.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended—

(1) by redesignating subsections (b) through (h) as subsections (c) through (i), respectively;

(2) by inserting after subsection (a) the following:

''(b) AVAILABILITY OF FUNDS.—Amounts made available by subsection (a) shall be used by the Secretary to carry out the programs specified in such subsection for fiscal years 2014 through 2018 and shall remain available until expended. Amounts made available for the programs specified in such subsection during a fiscal year through modifications, cancellations, terminations, and other related administrative actions and not obligated in that fiscal year shall remain available for obligation during subsequent fiscal years, but shall reduce the amount of additional funds made available in the subsequent fiscal year by an amount equal to the amount remaining unobligated.''; and

(3) in subsection (d) (as redesignated by paragraph (1)), by striking ''subsection (b)'' and inserting ''subsection (c)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2013.

SEC. 2602. TECHNICAL ASSISTANCE.

Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by striking subsection (c) (as redesignated by section 2601(b)(1)) and inserting the following:

''(c) TECHNICAL ASSISTANCE.—

''(1) AVAILABILITY.—Commodity Credit Corporation funds made available for a fiscal year for each of the programs specified in subsection (a)—

''(A) shall be available for the provision of technical assistance for the programs for which funds are made available as necessary to implement the programs effectively;

''(B) except for technical assistance for the conservation reserve program under subchapter B of chapter 1 of subtitle D, shall be apportioned for the provision of technical assistance in the amount determined by the Secretary, at the sole discretion of the Secretary; and

''(C) shall not be available for the provision of technical assistance for conservation programs specified in subsection (a) other than the program for which the funds were made available.

''(2) PRIORITY.—

''(A) IN GENERAL.—In the delivery of technical assistance under the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a et seq.), the Secretary shall give priority to producers who request technical assistance from the Secretary in order to comply for the first time with the requirements of subtitle B and subtitle C of this title as a result of the amendments made by section 2609 of the Agriculture Reform, Food, and Jobs Act of 2013.

''(B) REPORT.—Not later than 270 days after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report regarding the extent to which the conservation compliance requirements contained in the amendments made by section 2609 of the Agriculture Reform, Food, and Jobs Act of 2013 apply to and impact specialty crop growers, including national analysis and surveys to determine the extent of specialty crop acreage includes highly erodible land and wetlands.

''(3) REPORT.—Not later than December 31, 2013, the Secretary shall submit (and update as necessary in subsequent years) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report—

''(A) detailing the amount of technical assistance funds requested and apportioned in each program specified in subsection (a) during the preceding fiscal year; and

''(B) any other data relating to this provision that would be helpful to such Committees.

''(4) COMPLIANCE REPORT.—Not later than November 1 of each year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes—

''(A) a description of the extent to which the requests for highly erodible land conservation and wetland compliance determinations are being addressed in a timely manner;

''(B) the total number of requests completed in the previous fiscal year;

''(C) the incomplete determinations on record; and

''(D) the number of requests that are still outstanding more than 1 year since the date on which the requests were received from the producer.''.

SEC. 2603. REGIONAL EQUITY.

Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by striking subsection (e) (as redesignated by section 2601(b)(1)) and inserting the following:

''(e) REGIONAL EQUITY.—

''(1) EQUITABLE DISTRIBUTION.—When determining funding allocations each fiscal year, the Secretary shall, after considering available funding and program demand in each State, provide a distribution of funds for conservation programs under subtitle D (excluding the conservation reserve program under subchapter B of chapter 1), subtitle H, and subtitle I to ensure equitable program participation proportional to historical funding allocations and usage by all States.

''(2) MINIMUM PERCENTAGE.—In determining the specific funding allocations under paragraph (1), the Secretary shall—

''(A) ensure that during the first quarter of each fiscal year each State has the opportunity to establish that the State can use an aggregate allocation amount of at least 0.6 percent of the funds made available for those conservation programs; and

''(B) for each State that can so establish, provide an aggregate amount of at least 0.6 percent of the funds made available for those conservation programs.''.

SEC. 2604. RESERVATION OF FUNDS TO PROVIDE ASSISTANCE TO CERTAIN FARMERS OR RANCHERS FOR CONSERVATION ACCESS.

Subsection (h) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) (as redesignated by section 2601(b)(1)) is amended—

(1) in paragraph (1) by striking ''2012'' and inserting ''2018''; and

(2) by adding at the end the following:

''(4) PREFERENCE.—In providing assistance under paragraph (1), the Secretary shall give preference to a veteran farmer or rancher (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))) that qualifies under subparagraph (A) or (B) of paragraph (1).''.

SEC. 2605. ANNUAL REPORT ON PROGRAM ENROLLMENTS AND ASSISTANCE.

Subsection (i) of section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) (as redesignated by section 2601(b)(1)) is amended—

(1) in paragraph (1), by striking ''wetlands reserve program'' and inserting ''agricultural conservation easement program'';

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

(3) in paragraph (3) (as so redesignated)—

(A) by striking ''agricultural water enhancement program'' and inserting ''regional conservation partnership program''; and

(B) by striking ''section 1240I(g)'' and inserting ''section 1271C(c)(3)''; and

(4) by adding at the end the following:

''(5) Payments made under the conservation stewardship program.

''(6) Waivers granted by the Secretary under section 1265B(b)(2)(C).''.

SEC. 2606. ADMINISTRATIVE REQUIREMENTS FOR CONSERVATION PROGRAMS.

Section 1244 of the Food Security Act of 1985 (16 U.S.C. 3844) is amended—

(1) in subsection (a)(2), by adding at the end the following:

''(E) Veteran farmers or ranchers (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))).'';

(2) in subsection (d), by inserting '', H, and I'' before the period at the end;

(3) in subsection (f)—

(A) in paragraph (1)(B), by striking ''country'' and inserting ''county'';

(B) in paragraph (3), by striking ''subsection (c)(2)(B) or (f)(4)'' and inserting ''subsection (c)(2)(A)(ii) or (f)(2)''; and

(4) in subsection (h)(2), by inserting ''including, to the extent practicable, practices that maximize benefits for honey bees'' after ''pollinators''; and

(5) by adding at the end the following:

''(j) IMPROVED ADMINISTRATIVE EFFICIENCY AND EFFECTIVENESS.—In administrating a conservation program under this title, the Secretary shall, to the maximum extent practicable—

''(1) seek to reduce administrative burdens and costs to producers by streamlining conservation planning and program resources; and

''(2) take advantage of new technologies to enhance efficiency and effectiveness.

''(k) RELATION TO OTHER PAYMENTS.—Any payment received by an owner or operator under this title, including an easement payment or rental payment, shall be in addition to, and not affect, the total amount of payments that the owner or operator is otherwise eligible to receive under any of the following:

''(1) This Act.

''(2) The Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

''(3) The Agriculture Reform, Food, and Jobs Act of 2013.

''(4) Any law that succeeds a law specified in paragraph (1), (2), or (3).

''(l) FUNDING FOR INDIAN TRIBES.—In carrying out the conservation stewardship program under subchapter B of chapter 2 of subtitle D and the environmental quality incentives program under chapter 4 of subtitle D, the Secretary may enter into alternative funding arrangements with Indian tribes if the Secretary determines that the goals and objectives of the programs will be met by such arrangements, and that statutory limitations regarding contracts with individual producers will not be exceeded by any Tribal member.''.

SEC. 2607. RULEMAKING AUTHORITY.

Subtitle E of title XII of the Food Security Act of 1985 (16 U.S.C. 3841 et seq.) is amended by adding at the end the following:

''SEC. 1246. REGULATIONS.

''(a) IN GENERAL.—The Secretary shall promulgate such regulations as are necessary to implement programs under this title, including such regulations as the Secretary determines to be necessary to ensure a fair and reasonable application of the limitations established under section 1244(f).

''(b) RULEMAKING PROCEDURE.—The promulgation of regulations and administration of programs under this title—

''(1) shall be carried out without regard to—

''(A) the Statement of Policy of the Secretary effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

''(B) chapter 35 of title 44, United States Code (commonly known as the Paperwork Reduction Act); and

''(2) shall be made as an interim rule effective on publication with an opportunity for notice and comment.

''(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In promulgating regulations under this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.''.

SEC. 2608. STANDARDS FOR STATE TECHNICAL COMMITTEES.

Section 1261(b) of the Food Security Act of 1985 (16 U.S.C. 3861(b)) is amended by striking ''Not later than 180 days after the date of enactment of the Food, Conservation, and Energy Act of 2008, the Secretary shall develop'' and inserting ''The Secretary shall review and update as necessary''.

SEC. 2609. HIGHLY ERODIBLE LAND AND WETLAND CONSERVATION FOR CROP INSURANCE.

(a) HIGHLY ERODIBLE LAND PROGRAM INELIGIBILITY.—

(1) IN GENERAL.—Section 1211(a)(1) of the Food Security Act of 1985 (16 U.S.C. 3811(a)(1)) is amended—

(A) in subparagraph (C), by striking ''or'' at the end;

(B) in subparagraph (D), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(E) any portion of premium paid by the Federal Crop Insurance Corporation for a plan or policy of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), on the condition that if a person is determined to have committed a violation under this subsection during a crop year, ineligibility under this subparagraph shall—

''(i) only apply to reinsurance years subsequent to the date of final determination of a violation, including all administrative appeals; and

''(ii) not apply to the existing reinsurance year or any reinsurance year prior to the date of final determination.''.

(2) EXEMPTIONS.—Section 1212(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3812(a)(2)) is amended—

(A) in the first sentence, by striking ''(2) If,'' and inserting the following:

''(2) ELIGIBILITY BASED ON COMPLIANCE WITH CONSERVATION PLAN.—

''(A) IN GENERAL.—If,'';

(B) in the second sentence, by striking ''In carrying'' and inserting the following:

''(B) MINIMIZATION OF DOCUMENTATION.—In carrying''; and

(C) by adding at the end the following:

''(C) CROP INSURANCE.—Notwithstanding section 1211(a)—

''(i) in the case of a person that is subject to section 1211 for the first time after May 1, 2013, due to the amendment made by section 2609(a) of the Agriculture Reform, Food, and Jobs Act of 2013, any person who produces an agricultural commodity on the land that is the basis of the payments described in section 1211(a)(1)(E) shall have 5 reinsurance years after the date on which such payments become subject to section 1211 to develop and comply with an approved conservation plan so as to maintain eligibility for such payments; and

''(ii) in the case of a person that the Secretary determines would have been in violation of section 1211(a) if the person had continued participation in the programs requiring compliance at any time after the date of enactment of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8701 et seq.) and is currently in violation of section 1211(a), the person shall have 2 reinsurance years after the date on which the payments described in section 1211(a)(1)(E) become subject to section 1211 to develop and comply with an approved conservation plan, as determined by the Secretary, so as to maintain eligibility for such payments.''.

(b) WETLAND CONSERVATION PROGRAM INELIGIBILITY.—Section 1221 of the Food Security Act of 1985 (16 U.S.C. 3821) is amended—

(1) in subsection (b), by adding at the end the following:

''(4) CROP INSURANCE.—

''(A) IN GENERAL.—Except as provided in this paragraph, a person subject to a final determination, including all administrative appeals, of a violation of subsection (c) shall have 1 reinsurance year to initiate a conservation plan to remedy the violation, as determined by the Secretary, before becoming ineligible under that subsection in the following reinsurance year to receive any payment of any portion of premium paid by the Federal Crop Insurance Corporation for a plan or policy of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

''(B) APPLICABILITY.—In the case of a person that is subject to this subsection or subsection (d) for the first time due to the amendment made by section 2609(b) of the Agriculture Reform, Food, and Jobs Act of 2013, the person shall have 2 reinsurance years after the date of final determination, including all administrative appeals, to take such steps as the Secretary determines appropriate to remedy or mitigate the violation in accordance with subsection (c).

''(C) GOOD FAITH.—If the Secretary determines that a person subject to a final determination, including all administrative appeals, of a violation of subsection (c) acted in good faith and without intent to violate this section as described in section 1222(h), the Secretary shall give the person 1 reinsurance year to begin mitigation, restoration, or such other steps as are determined necessary by the Secretary.

''(D) TENANT RELIEF.—

''(i) IN GENERAL.—If a tenant is determined to be ineligible for payments and other benefits under this section, the Secretary may limit the ineligibility only to the farm that is the basis for the ineligibility determination if the tenant has established, to the satisfaction of the Secretary that—

''(I) the tenant has made a good faith effort to meet the requirements of this section, including enlisting the assistance of the Secretary to obtain a reasonable conservation plan for restoration or mitigation for the farm;

''(II) the landlord on the farm refuses to comply with the plan on the farm; and

''(III) the Secretary determines that the lack of compliance is not a part of a scheme or device to avoid the compliance.

''(ii) REPORT.—The Secretary shall provide an annual report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate concerning the ineligibility determinations limited during the previous 12-month period under this subparagraph.

''(E) CERTIFICATION.—

''(i) IN GENERAL.—Beginning with the first full reinsurance year immediately following the date of enactment of this paragraph, all persons seeking eligibility for the payment of a portion of the premium paid by the Federal Crop Insurance Corporation for a plan or policy of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall provide certification of compliance with this section as determined by the Secretary.

''(ii) TIMELY EVALUATION.—The Secretary shall evaluate the certification in a timely manner and—

''(I) a person who has properly complied with certification shall be held harmless with regard to eligibility during the period of evaluation; and

''(II) if the Secretary fails to evaluate the certification in a timely manner and the person is subsequently found to be in violation of subsection (c), ineligibility shall not apply to the person for that violation.

''(iii) EQUITABLE CONTRIBUTION.—

''(I) IN GENERAL.—If a person fails to notify the Secretary as required and is subsequently found in violation of subsection (c), the Secretary shall determine the amount of an equitable contribution to conservation in accordance with section 1241(f) by the person for the violation.

''(II) LIMITATION.—The contribution shall not exceed the total of the portion of premium paid by the Federal Crop Insurance Corporation for a plan or policy of insurance for all years the person is determined to have been in violation subsequent to the date on which certification was first required under this subparagraph.'';

(2) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(3) by inserting after subsection (b) the following:

''(c) INELIGIBILITY FOR CROP INSURANCE PREMIUM ASSISTANCE.—

''(1) IN GENERAL.—If a person is determined to have committed a violation under subsection (a) or (d) during a crop year, the person shall be ineligible to receive any payment of any portion of premium paid by the Federal Crop Insurance Corporation for a plan or policy of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

''(2) APPLICABILITY.—Ineligibility under this subsection shall—

''(A) only apply to reinsurance years subsequent to the date of final determination of a violation, including all administrative appeals; and

''(B) not apply to—

''(i) the existing reinsurance year; or

''(ii) any reinsurance year prior to the date of final determination.

''(3) DATE OF CONVERSION.—Notwithstanding subsection (d), ineligibility for crop insurance premium assistance shall apply as follows:

''(A) In the case of wetland that the Secretary determines was converted after the date of enactment of the Food, Conservation and Energy Act of 2008 (7 U.S.C. 8701 et seq.) but on or before May 1, 2013, and continues to be in violation, the person shall have 2 reinsurance years after the date on which this subsection applies, to begin the mitigation process, as determined by the Secretary.

''(B) In the case of wetland that the Secretary determines was converted after May 1, 2013—

''(i) subject to clause (ii), the person shall be ineligible to receive crop insurance premium subsidies in subsequent reinsurance years unless section 1222(b) applies; and

''(ii) for any violation that the Secretary determines impacts less than 5 acres of the entire farm, the person may pay a contribution in accordance with section 1241(f) in an amount equal to 150 percent of the cost of mitigation, as determined by the Secretary, for wetland restoration in lieu of ineligibility to receive crop insurance premium assistance.

''(C) In the case of a wetland that the Secretary determines was converted prior to the date of enactment of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8701 et seq.), ineligibility under this subsection shall not apply.

''(D) In the case of an agricultural commodity for which an individual policy or plan of insurance is available for the first time to the person after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013—

''(i) ineligibility shall apply only to conversions that take place after the date on which the policy or plan of insurance first becomes available to the person; and

''(ii) the person shall take such steps as the Secretary determines appropriate to mitigate any prior conversion in a timely manner but not to exceed 2 calendar years.

''(4) CERTIFICATION.—

''(A) IN GENERAL.—In enforcing eligibility under this subsection, the Secretary shall use existing processes and procedures for certifying compliance.

''(B) RESPONSIBILITY.—The Secretary, acting through the agencies of the Department of Agriculture, shall be solely responsible for determining whether a producer is eligible to receive crop insurance premium subsidies in accordance with this subsection.

''(C) LIMITATION.—The Secretary shall ensure that no agent, approved insurance provider, or employee or contractor of an agency or approved insurance provider, bears responsibility or liability for the eligibility of an insured producer under this subsection, other than in cases of misrepresentation, fraud, or scheme and devise.''.

SEC. 2610. ADJUSTED GROSS INCOME LIMITATION FOR CONSERVATION PROGRAMS.

Section 1001D(b)(2)(A) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(b)(2)(A)) is amended—

(1) by striking ''LIMITS.—'' and all that follows through ''clause (ii),'' and inserting ''LIMITS.—Notwithstanding any other provision of law,''; and

(2) by striking clause (ii).

Subtitle H—Repeal of Superseded Program Authorities and Transitional Provisions

SEC. 2701. COMPREHENSIVE CONSERVATION ENHANCEMENT PROGRAM.

Section 1230 of the Food Security Act of 1985 (16 U.S.C. 3830) is repealed.

SEC. 2702. EMERGENCY FORESTRY CONSERVATION RESERVE PROGRAM.

(a) REPEAL.—Section 1231A of the Food Security Act of 1985 (16 U.S.C. 3831a) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1231A of the Food Security Act of 1985 (16 U.S.C. 3831a) before October 1, 2013, or any payments required to be made in connection with the contract.

(2) FUNDING.—The Secretary may use funds made available to carry out the conservation reserve program under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2703. WETLANDS RESERVE PROGRAM.

(a) REPEAL.—Subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS AND EASEMENTS.—The amendment made by this section shall not affect the validity or terms of any contract or easement entered into by the Secretary of Agriculture under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.) before October 1, 2013, or any payments required to be made in connection with the contract or easement.

(2) FUNDING.—

(A) USE OF PRIOR YEAR FUNDS.—Notwithstanding the repeal of subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.), any funds made available from the Commodity Credit Corporation to carry out the wetlands reserve program under that subchapter for fiscal years 2009 through 2013 shall be made available to carry out contracts or easements referred to in paragraph (1) that were entered into prior to October 1, 2013 (including the provision of technical assistance), provided that no such contract or easement is modified so as to increase the amount of the payment received.

(B) OTHER.—The Secretary may use funds made available to carry out the agricultural conservation easement program under subtitle H of title XII of the Food Security Act of 1985, as added by section 2301, to continue to carry out contracts and easements referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts and easements as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2704. FARMLAND PROTECTION PROGRAM AND FARM VIABILITY PROGRAM.

(a) REPEAL.—Subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING AGREEMENTS AND EASEMENTS.—The amendment made by this section shall not affect the validity or terms of any agreement or easement entered into by the Secretary of Agriculture under subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.) before October 1, 2013, or any payments required to be made in connection with the agreement or easement.

(2) FUNDING.—

(A) USE OF PRIOR YEAR FUNDS.—Notwithstanding the repeal of subchapter C of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.), any funds made available from the Commodity Credit Corporation to carry out the farmland protection program under that subchapter for fiscal years 2009 through 2013 shall be made available to carry out agreements and easements referred to in paragraph (1) that were entered into prior to October 1, 2013 (including the provision of technical assistance).

(B) OTHER.—On exhaustion of funds made available under subparagraph (A), the Secretary may use funds made available to carry out the agricultural conservation easement program under subtitle H of title XII of the Food Security Act of 1985, as added by section 2301, to continue to carry out agreements and easements referred to in paragraph (1) using the provisions of law and regulation applicable to such agreements and easement as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2705. GRASSLAND RESERVE PROGRAM.

(a) REPEAL.—Subchapter D of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS, AGREEMENTS, AND EASEMENTS.—The amendment made by this section shall not affect the validity or terms of any contract, agreement, or easement entered into by the Secretary of Agriculture under subchapter D of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.) before October 1, 2013, or any payments required to be made in connection with the contract, agreement, or easement.

(2) FUNDING.—

(A) USE OF PRIOR YEAR FUNDS.—Notwithstanding the repeal of subchapter D of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838n et seq.), any funds made available from the Commodity Credit Corporation to carry out the grassland reserve program under that subchapter for fiscal years 2009 through 2013 shall be made available to carry out contracts, agreements, or easements referred to in paragraph (1) that were entered into prior to October 1, 2013 (including the provision of technical assistance), provided that no such contract, agreement, or easement is modified so as to increase the amount of the payment received.

(B) OTHER.—The Secretary may use funds made available to carry out the agricultural conservation easement program under subtitle H of title XII of the Food Security Act of 1985, as added by section 2301, to continue to carry out contracts, agreements, and easements referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts, agreements, and easements as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2706. AGRICULTURAL WATER ENHANCEMENT PROGRAM.

(a) REPEAL.—Section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS AND AGREEMENTS.—The amendment made by this section shall not affect the validity or terms of any contract or agreement entered into by the Secretary of Agriculture under section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9) before October 1, 2013, or any payments required to be made in connection with the contract or agreement.

(2) FUNDING.—

(A) USE OF PRIOR YEAR FUNDS.—Notwithstanding the repeal of section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa–9), any funds made available from the Commodity Credit Corporation to carry out the agricultural water enhancement program under that section for fiscal years 2009 through 2013 shall be made available to carry out contracts and agreements referred to in paragraph (1) that were entered into prior to October 1, 2013 (including the provision of technical assistance).

(B) OTHER.—On exhaustion of funds made available under subparagraph (A), the Secretary may use funds made available to carry out the regional conservation partnerships program under subtitle I of title XII of the Food Security Act of 1985, as added by section 2401, to continue to carry out contracts and agreements referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts and agreements as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2707. WILDLIFE HABITAT INCENTIVE PROGRAM.

(a) REPEAL.—Section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb–1) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS.—The amendment made by this section shall not affect the validity or terms of any contract entered into by the Secretary of Agriculture under section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb–1) before October 1, 2013, or any payments required to be made in connection with the contract.

(2) FUNDING.—

(A) USE OF PRIOR YEAR FUNDS.—Notwithstanding the repeal of section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb–1), any funds made available from the Commodity Credit Corporation to carry out the wildlife habitat incentive program under that section for fiscal years 2009 through 2013 shall be made available to carry out contracts referred to in paragraph (1) which were entered into prior to October 1, 2013 (including the provision of technical assistance).

(B) OTHER.—On exhaustion of funds made available under subparagraph (A), the Secretary may use funds made available to carry out the environmental quality incentives program under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) to continue to carry out contracts referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2708. GREAT LAKES BASIN PROGRAM.

(a) REPEAL.—Section 1240P of the Food Security Act of 1985 (16 U.S.C. 3839bb–3) is repealed.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2709. CHESAPEAKE BAY WATERSHED PROGRAM.

(a) REPEAL.—Section 1240Q of the Food Security Act of 1985 (16 U.S.C. 3839bb–4) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS, AGREEMENTS, AND EASEMENTS.—The amendment made by this section shall not affect the validity or terms of any contract, agreement, or easement entered into by the Secretary of Agriculture under section 1240Q of the Food Security Act of 1985 (16 U.S.C. 3839bb–4) before October 1, 2013, or any payments required to be made in connection with the contract, agreement, or easement.

(2) FUNDING.—

(A) USE OF PRIOR YEAR FUNDS.—Notwithstanding the repeal of section 1240Q of the Food Security Act of 1985 (16 U.S.C. 3839bb–4), any funds made available from the Commodity Credit Corporation to carry out the Chesapeake Bay watershed program under that section for fiscal years 2009 through 2013 shall be made available to carry out contracts, agreements, and easements referred to in paragraph (1) that were entered into prior to October 1, 2013 (including the provision of technical assistance).

(B) OTHER.—The Secretary may use funds made available to carry out the regional conservation partnerships program under subtitle I of title XII of the Food Security Act of 1985, as added by section 2401, to continue to carry out contracts, agreements, and easements referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts, agreements, and easements as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2710. COOPERATIVE CONSERVATION PARTNERSHIP INITIATIVE.

(a) REPEAL.—Section 1243 of the Food Security Act of 1985 (16 U.S.C. 3843) is repealed.

(b) TRANSITIONAL PROVISIONS.—

(1) EFFECT ON EXISTING CONTRACTS AND AGREEMENTS.—The amendment made by this section shall not affect the validity or terms of any contract or agreement entered into by the Secretary of Agriculture under section 1243 of the Food Security Act of 1985 (16 U.S.C. 3843) before October 1, 2013, or any payments required to be made in connection with the contract or agreement.

(2) FUNDING.—

(A) USE OF PRIOR YEAR FUNDS.—Notwithstanding the repeal of section 1243 of the Food Security Act of 1985 (16 U.S.C. 3843), any funds made available from the Commodity Credit Corporation to carry out the cooperative conservation partnership initiative under that section for fiscal years 2009 through 2013 shall be made available to carry out contracts and agreements referred to in paragraph (1) that were entered into prior to October 1, 2013 (including the provision of technical assistance).

(B) OTHER.—On exhaustion of funds made available under subparagraph (A), the Secretary may use funds made available to carry out the regional conservation partnerships program under subtitle I of title XII of the Food Security Act of 1985, as added by section 2401, to continue to carry out contracts and agreements referred to in paragraph (1) using the provisions of law and regulation applicable to such contracts and agreements as in existence on September 30, 2013.

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 2711. ENVIRONMENTAL EASEMENT PROGRAM.

Chapter 3 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839 et seq.) is repealed.

SEC. 2712. TECHNICAL AMENDMENTS.

(a) Section 1201(a) of the Food Security Act of 1985 (16 U.S.C. 3801(a)) is amended in the matter preceding paragraph (1) by striking ''E'' and inserting ''I''.

(b) Section 1211(a) of the Food Security Act of 1985 (16 U.S.C. 3811(a)) is amended by striking ''predominate'' each place it appears and inserting ''predominant''.

(c) Section 1242(i) of the Food Security Act of 1985 (16 U.S.C. 3842(i)) is amended in the subsection heading by striking ''SPECIALITY'' and inserting ''SPECIALTY''.

TITLE III—TRADE

Subtitle A—Food for Peace Act

SEC. 3001. SET-ASIDE FOR SUPPORT FOR ORGANIZATIONS THROUGH WHICH NONEMERGENCY ASSISTANCE IS PROVIDED.

Effective October 1, 2013, section 202(e)(1) of the Food for Peace Act (7 U.S.C. 1722(e)(1)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''13 percent'' and inserting ''15 percent''; and

(2) in subparagraph (A), by striking ''new'' and inserting ''and enhancing''.

SEC. 3002. FOOD AID QUALITY.

Section 202(h) of the Food for Peace Act (7 U.S.C. 1722(h)) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—The Administrator shall use funds made available for fiscal year 2014 and subsequent fiscal years to carry out this title—

''(A) to assess the types and quality of agricultural commodities and products donated for food aid;

''(B) to adjust products and formulations, including potential introduction of new fortificants and products, as necessary to cost-effectively meet nutrient needs of target populations;

''(C) to test prototypes;

''(D) to adopt new specifications or improve existing specifications for micronutrient fortified food aid products, based on the latest developments in food and nutrition science, and in coordination with other international partners;

''(E) to develop new program guidance to facilitate improved matching of products to purposes having nutritional intent, in coordination with other international partners;

''(F) to develop improved guidance for implementing partners on how to address nutritional deficiencies that emerge among recipients for whom food assistance is the sole source of diet in emergency programs that extend beyond 1 year, in coordination with other international partners; and

''(G) to evaluate, in appropriate settings and as necessary, the performance and cost-effectiveness of new or modified specialized food products and program approaches designed to meet the nutritional needs of the most vulnerable groups, such as pregnant and lactating mothers, and children under the age of 5.''; and

(2) in paragraph (3), by striking ''2011'' and inserting ''2018''.

SEC. 3003. MINIMUM LEVELS OF ASSISTANCE.

Section 204(a) of the Food for Peace Act (7 U.S.C. 1724(a)) is amended—

(1) in paragraph (1), by striking ''2012'' and inserting ''2018''; and

(2) in paragraph (2), by striking ''2012'' and inserting ''2018''.

SEC. 3004. REAUTHORIZATION OF FOOD AID CONSULTATIVE GROUP.

Section 205(f) of the Food for Peace Act (7 U.S.C. 1725(f)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 3005. OVERSIGHT, MONITORING, AND EVALUATION OF FOOD FOR PEACE ACT PROGRAMS.

Section 207(f) of the Food for Peace Act (7 U.S.C. 1726a(f)) is amended—

(1) by striking paragraph (4) and redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively; and

(2) in subparagraph (A) of paragraph (5) (as so redesignated)—

(A) by striking ''2012'' and inserting ''2018''; and

(B) by striking ''during fiscal year 2009'' and inserting ''during the period of fiscal years 2014 through 2018''.

SEC. 3006. ASSISTANCE FOR STOCKPILING AND RAPID TRANSPORTATION, DELIVERY, AND DISTRIBUTION OF SHELF-STABLE PREPACKAGED FOODS.

Section 208(f) of the Food for Peace Act (7 U.S.C. 1726b(f)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 3007. LIMITATION ON TOTAL VOLUME OF COMMODITIES MONETIZED.

Section 403 of the Food for Peace Act (7 U.S.C. 1733) is amended by adding at the end the following:

''(m) LIMITATION ON MONETIZATION OF COMMODITIES.—

''(1) LIMITATION.—

''(A) IN GENERAL.—Unless the Administrator grants a waiver under paragraph (2), no commodity may be made available under this Act unless the rate of return for the commodity (as determined under subparagraph (B)) is at least 70 percent.

''(B) RATE OF RETURN.—For purposes of subparagraph (A), the rate of return shall be equal to the proportion that—

''(i) the proceeds the implementing partners generate through monetization; bears to

''(ii) the cost to the Federal Government to procure and ship the commodities to a recipient country for monetization.

''(2) WAIVER AUTHORITY.—The Administrator may waive the application of the limitation in paragraph (1) with regard to a commodity for a recipient country if the Administrator determines that it is necessary to achieve the purposes of this Act in the recipient country.

''(3) REPORT.—Not later than 90 days after a waiver is granted under paragraph (2), the Administrator shall prepare, publish in the Federal Register, and submit to the Committees on Foreign Affairs, Agriculture, and Appropriations of the House of Representatives, and the Committees on Appropriations, Foreign Relations, and Agriculture, Nutrition, and Forestry of the Senate a report that—

''(A) contains the reasons for granting the waiver and the actual rate of return for the commodity; and

''(B) includes for the commodity the costs of bagging or further processing, ocean transportation, inland transportation in the recipient country, storage costs, and any other information that the Administrator determines to be necessary.''.

SEC. 3008. FLEXIBILITY.

Section 406 of the Food for Peace Act (7 U.S.C. 1736) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following:

''(c) FLEXIBILITY.—Notwithstanding any other provision of law and as necessary to achieve the purposes of this Act, funds available under this Act may be used to pay the costs of up to 20 percent of activities conducted in recipient countries by nonprofit voluntary organizations, cooperatives, or intergovernmental agencies or organizations.''.

SEC. 3009. PROCUREMENT, TRANSPORTATION, TESTING, AND STORAGE OF AGRICULTURAL COMMODITIES FOR PREPOSITIONING IN THE UNITED STATES AND FOREIGN COUNTRIES.

Section 407 of the Food for Peace Act (7 U.S.C. 1736a) is amended—

(1) in subparagraph (c)(4)(A)—

(A) by striking ''2012'' and inserting ''2018''; and

(B) by striking ''for each such fiscal year not more than $10,000,000 of such funds'' and inserting ''for each of fiscal years 2001 through 2012 not more than $10,000,000 of such funds and for each of fiscal years 2014 through 2018 not more than $15,000,000 of such funds''; and

(2) by adding at the end the following:

''(g) FUNDING FOR TESTING OF FOOD AID SHIPMENTS.—Funds made available for agricultural products acquired under this Act and section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1) may be used to pay for the testing of those agricultural products.''.

SEC. 3010. DEADLINE FOR AGREEMENTS TO FINANCE SALES OR TO PROVIDE OTHER ASSISTANCE.

Section 408 of the Food for Peace Act (7 U.S.C. 1736b) is amended by striking ''2012'' and inserting ''2018''.

SEC. 3011. MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.

Section 412 of the Food for Peace Act (7 U.S.C. 1736f) is amended by striking subsection (e) and inserting the following:

''(e) MINIMUM LEVEL OF NONEMERGENCY FOOD ASSISTANCE.—

''(1) IN GENERAL.—Subject to paragraph (2), of the amounts made available to carry out emergency and nonemergency food assistance programs under title II, not less than 20 nor more than 30 percent for each of fiscal years 2014 through 2018 shall be expended for nonemergency food assistance programs under title II.

''(2) MINIMUM LEVEL.—The amount made available to carry out nonemergency food assistance programs under title II shall not be less than $275,000,000 for any fiscal year.''.

SEC. 3012. COORDINATION OF FOREIGN ASSISTANCE PROGRAMS REPORT.

Section 413 of the Food for Peace Act (7 U.S.C. 1736g) is amended—

(1) by striking ''(a) IN GENERAL.—To the maximum'' and inserting ''To the maximum''; and

(2) by striking subsection (b).

SEC. 3013. MICRONUTRIENT FORTIFICATION PROGRAMS.

(a) ELIMINATION OF OBSOLETE REFERENCE TO STUDY.—Section 415(a)(2)(B) of the Food for Peace Act (7 U.S.C. 1736g–2(a)(2)(B)) is amended by striking '', using recommendations'' and all that follows through ''quality enhancements''.

(b) EXTENSION.—Section 415(c) of the Food for Peace Act (7 U.S.C. 1736g–2(c)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 3014. JOHN OGONOWSKI AND DOUG BEREUTER FARMER-TO-FARMER PROGRAM.

Section 501 of the Food for Peace Act (7 U.S.C. 1737) is amended—

(1) in subsection (d)—

(A) by striking ''0.5 percent'' and inserting ''0.6 percent''; and

(B) by striking ''2012'' and inserting ''2018''; and

(2) in subsection (e)(1), by striking ''2012'' and inserting ''2018''.

SEC. 3015. PROHIBITION ON ASSISTANCE FOR NORTH KOREA.

(a) IN GENERAL.—No amounts may be obligated or expended to provide assistance under title II of the Food for Peace Act (7 U.S.C. 1721 et seq.) to the Democratic People's Republic of Korea.

(b) NATIONAL INTEREST WAIVER.—The President may waive subsection (a) if the President determines and certifies to the Committees on Agriculture, Nutrition, and Forestry and Foreign Relations of the Senate and the Committees on Agriculture and Foreign Affairs of the House of Representatives that the waiver is in the national interest of the United States.

Subtitle B—Agricultural Trade Act of 1978

SEC. 3101. EXPORT CREDIT GUARANTEE PROGRAMS.

Section 211 of the Agricultural Trade Act of 1978 (7 U.S.C. 5641) is amended by striking subsection (b) and inserting the following:

''(b) EXPORT CREDIT GUARANTEE PROGRAMS.—The Commodity Credit Corporation shall make available for each of fiscal years 2014 through 2018 credit guarantees under section 202(a) in an amount equal to not more than $4,500,000,000 in credit guarantees.''.

SEC. 3102. FUNDING FOR MARKET ACCESS PROGRAM.

Section 211(c)(1)(A) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(c)(1)(A)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 3103. FOREIGN MARKET DEVELOPMENT COOPERATOR PROGRAM.

Section 703(a) of the Agricultural Trade Act of 1978 (7 U.S.C. 5723(a)) is amended by striking ''2012'' and inserting ''2018''.

Subtitle C—Other Agricultural Trade Laws

SEC. 3201. FOOD FOR PROGRESS ACT OF 1985.

(a) EXTENSION.—The Food for Progress Act of 1985 (7 U.S.C. 1736o) is amended—

(1) in subsection (f)(3), by striking ''2012'' and inserting ''2018'';

(2) in subsection (g), by striking ''2012'' and inserting ''2018'';

(3) in subsection (k), by striking ''2012'' and inserting ''2018''; and

(4) in subsection (l)(1), by striking ''2012'' and inserting ''2018''.

(b) REPEAL OF COMPLETED PROJECT.—Subsection (f) of the Food for Progress Act of 1985 (7 U.S.C. 1736o) is amended by striking paragraph (6).

(c) FLEXIBILITY.—The Food for Progress Act of 1985 (7 U.S.C. 1736o) is amended in subsection (*l*) by adding at the end the following:

''(5) FLEXIBILITY.—Notwithstanding any other provision of law and as necessary to achieve the purposes of this Act, funds available under this Act may be used to pay the costs of up to 20 percent of activities conducted in recipient countries by nonprofit voluntary organizations, cooperatives, or intergovernmental agencies or organizations.''.

(d) LIMITATION ON TOTAL VOLUME OF COMMODITIES MONETIZED.—The Food for Progress Act of 1985 (7 U.S.C. 1736o) is amended by adding at the end the following:

''(p) LIMITATION ON MONETIZATION OF COMMODITIES.—

''(1) LIMITATION.—

''(A) IN GENERAL.—Unless the Secretary grants a waiver under paragraph (2), no eligible commodity may be made available under this section unless the rate of return for the eligible commodity (as determined under subparagraph (B)) is at least 70 percent.

''(B) RATE OF RETURN.—For purposes of subparagraph (A), the rate of return shall be equal to the proportion that—

''(i) the proceeds the implementing partners generate through monetization; bears to

''(ii) the cost to the Federal Government to procure and ship the eligible commodities to a recipient country for monetization.

''(2) WAIVER AUTHORITY.—The Secretary may waive the application of the limitation in paragraph (1) with regard to an eligible commodity for a recipient country if the Secretary determines that it is necessary to achieve the purposes of this Act in the recipient country.

''(3) REPORT.—Not later than 90 days after a waiver is granted under paragraph (2), the Secretary shall prepare, publish in the Federal Register, and submit to the Committees on Foreign Affairs, Agriculture, and Appropriations of the House of Representatives, and the Committees on Appropriations, Foreign Relations, and Agriculture, Nutrition, and Forestry of the Senate a report that—

''(A) contains the reasons for granting the waiver and the actual rate of return for the eligible commodity; and

''(B) includes for the commodity the costs of bagging or further processing, ocean transportation, inland transportation in the recipient country, storage costs, and any other information that the Secretary determines to be necessary.''.

SEC. 3202. BILL EMERSON HUMANITARIAN TRUST.

Section 302 of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1) is amended—

(1) in subsection (b)(2)(B)(i), by striking ''2012'' both places it appears and inserting ''2018''; and

(2) in subsection (h), by striking ''2012'' both places it appears and inserting ''2018''.

SEC. 3203. PROMOTION OF AGRICULTURAL EXPORTS TO EMERGING MARKETS.

(a) DIRECT CREDITS OR EXPORT CREDIT GUARANTEES.—Section 1542(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 7 U.S.C. 5622 note) is amended by striking ''2012'' and inserting ''2018''.

(b) DEVELOPMENT OF AGRICULTURAL SYSTEMS.—Section 1542(d)(1)(A)(i) of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 7 U.S.C. 5622 note) is amended by striking ''2012'' and inserting ''2018''.

SEC. 3204. MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.

(a) REAUTHORIZATION.—Section 3107(l)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1(l)(2)) is amended by striking ''2012'' and inserting ''2018''.

(b) TECHNICAL CORRECTION.—Section 3107(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1(d)) is amended by striking ''to'' in the matter preceding paragraph (1).

SEC. 3205. TECHNICAL ASSISTANCE FOR SPECIALTY CROPS.

(a) PURPOSE.—Section 3205(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5680(b)) is amended by striking ''related barriers to trade'' and inserting ''technical barriers to trade''.

(b) FUNDING.—Section 3205(e)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5680(e)(2)) is amended—

(1) by inserting ''and'' at the end of subparagraph (C); and

(2) by striking subparagraphs (D) and (E) and inserting the following new subparagraph:

''(D) $9,000,000 for each of fiscal years 2011 through 2018.''.

SEC. 3206. GLOBAL CROP DIVERSITY TRUST.

Section 3202(c) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 22 U.S.C. 2220a note) is amended by striking ''2008 through 2012'' and inserting ''2014 through 2018''.

SEC. 3207. LOCAL AND REGIONAL FOOD AID PROCUREMENT PROJECTS.

Section 3206 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1726c) is amended—

(1) in subsection (b)—

(A) by striking ''(b) STUDY; FIELD-BASED PROJECTS.—'' and all that follows through ''(2) FIELD-BASED PROJECTS.—'' and inserting the following:

''(b) FIELD-BASED PROJECTS.—'';

(B) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately;

(C) in paragraph (1) (as so redesignated), by striking ''subparagraph (B)'' and inserting ''paragraph (2)''; and

(D) in paragraph (2) (as so redesignated), by striking ''subparagraph (A)'' and inserting ''paragraph (1)'';

(2) in subsection (c)(1), by striking ''subsection (b)(2)'' and inserting ''subsection (b)'';

(3) by striking subsections (d), (f), and (g);

(4) by redesignating subsection (e) as subsection (d);

(5) in subsection (d) (as so redesignated)—

(A) in paragraph (2)—

(i) by striking subparagraph (B); and

(ii) in subparagraph (A)—

(I) by striking ''(A) APPLICATION.—'' and all that follows through ''To be eligible'' in clause (i) and inserting the following:

''(A) IN GENERAL.—To be eligible'';

(II) by redesignating clause (ii) as subparagraph (B) and indenting appropriately; and

(III) in subparagraph (B) (as so redesignated), by striking ''clause (i)'' and inserting ''subparagraph (A)''; and

(B) by striking paragraph (4); and

(6) by adding at the end the following:

''(e) FUNDING.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2014 through 2018.

''(2) PREFERENCE.—In carrying out this section, the Secretary may give a preference to eligible organizations that have, or are working toward, projects under the McGovern-Dole International Food for Education and Child Nutrition Program established under section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1).

''(3) REPORTING.—Each year, the Secretary shall submit to the appropriate committees of Congress a report that describes the use of funds under this section, including—

''(A) the impact of procurements and projects on—

''(i) local and regional agricultural producers; and

''(ii) markets and consumers, including low-income consumers; and

''(B) implementation time frames and costs.''.

SEC. 3208. DONALD PAYNE HORN OF AFRICA FOOD RESILIENCE PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Agency for International Development.

(2) APPROPRIATE COMMITTEES OF CONGRESS.—The term ''appropriate committees of Congress'' means—

(A) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

(B) the Committee on Agriculture of the House of Representatives;

(C) the Committee on Foreign Relations of the Senate; and

(D) the Committee on Foreign Affairs of the House of Representatives.

(3) ELIGIBLE ORGANIZATION.—The term ''eligible organization'' means an organization that is—

(A) a private voluntary organization or cooperative that is, to the extent practicable, registered with the Administrator; or

(B) an intergovernmental organization, such as the World Food Program.

(4) HORN OF AFRICA.—The term ''Horn of Africa'' means the countries of—

(A) Ethiopia;

(B) Somalia;

(C) Kenya;

(D) Djibouti;

(E) Eritrea;

(F) South Sudan;

(G) Uganda; and

(H) such other countries as the Administrator determines to be appropriate after providing notification to the appropriate committees of Congress.

(5) RESILIENCE.—The term ''resilience'' means—

(A) the capacity to mitigate the negative impacts of crises (including natural disasters, conflicts, and economic shocks) in order to reduce loss of life and depletion of productive assets;

(B) the capacity to respond effectively to crises, ensuring basic needs are met in a way that is integrated with long-term development efforts; and

(C) the capacity to recover and rebuild after crises so that future shocks can be absorbed with less need for ongoing external assistance.

(b) PURPOSE.—The purpose of this section is to establish a pilot program to effectively integrate all United States-funded emergency and long-term development activities that aim to improve food security in the Horn of Africa, building resilience so as—

(1) to reduce the impacts of future crises;

(2) to enhance local capacity for emergency response;

(3) to enhance sustainability of long-term development programs targeting poor and vulnerable households; and

(4) to reduce the need for repeated costly emergency operations.

(c) STUDY.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Administrator shall initiate a study of prior programs to support resilience in the Horn of Africa conducted by—

(A) other donor countries;

(B) private voluntary organizations;

(C) the World Food Program of the United Nations; and

(D) multilateral institutions, including the World Bank.

(2) REQUIREMENTS.—The study shall—

(A) include all programs implemented through the Agency for International Development, the Department of Agriculture, the Department of the Treasury, the Millennium Challenge Corporation, the Peace Corps, and other relevant Federal agencies;

(B) evaluate how well the programs described in subparagraph (A) work together to complement each other and leverage impacts across programs;

(C) include recommendations for how full integration of efforts can be achieved; and

(D) evaluate the degree to which country-led development plans support programs that increase resilience, including review of the investments by each country in nutrition and safety nets.

(3) REPORT.—Not later than 180 days after the date of enactment of this Act, the Administrator shall submit to the appropriate committees of Congress a report containing the results of the study.

(d) FIELD-BASED PROJECT GRANTS OR COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—The Administrator shall—

(A) provide grants to, or enter into cooperative agreements with, eligible organizations to carry out field-based projects that build resilience in the Horn of Africa in accordance with this section; and

(B) develop a project approval process to ensure full integration of efforts.

(2) REQUIREMENTS OF ELIGIBLE ORGANIZATIONS.—

(A) APPLICATION.—To be eligible to receive a grant from, or enter into a cooperative agreement with, the Administrator under this subsection, an eligible organization shall submit to the Administrator an application by such date, in such manner, and containing such information as the Administrator may require.

(B) COMPLETION REQUIREMENT.—To be eligible to receive a grant from, or enter into a cooperative agreement with, the Administrator under this subsection, an eligible organization shall agree—

(i) to collect, not later than September 30, 2016, data containing the information required under subsection (f)(2) relating to the field-based project funded through the grant or cooperative agreement; and

(ii) to provide to the Administrator the data collected under clause (i).

(3) REQUIREMENTS OF ADMINISTRATOR.—

(A) PROJECT DIVERSITY.—

(i) IN GENERAL.—Subject to clause (ii) and subparagraph (B), in selecting proposals for

field-based projects to fund under this section, the Administrator shall select a diversity of projects, including projects located in—

(I) areas most prone to repeated crises;

(II) areas with effective existing resilience programs that can be scaled; and

(III) areas in all countries of the Horn of Africa.

(ii) PRIORITY.—In selecting proposals for field-based projects under clause (i), the Administrator shall ensure that the selected proposals are for field-based projects that—

(I) effectively integrate emergency and long-term development programs to improve sustainability;

(II) demonstrate the potential to reduce the need for future emergency assistance; and

(III) build targeted productive safety nets, in coordination with host country governments, through food for work, cash for work, and other proven program methodologies.

(B) AVAILABILITY.—The Administrator shall not award a grant or cooperative agreement or approve a field-based project under this subsection until the date on which the Administrator promulgates regulations or issues guidelines under subsection (e).

(e) REGULATIONS; GUIDELINES.—

(1) IN GENERAL.—Not later than 180 days after the date of completion of the study under subsection (c), the Administrator shall promulgate regulations or issue guidelines to carry out field-based projects under this section.

(2) REQUIREMENTS.—In promulgating regulations or issuing guidelines under paragraph (1), the Administrator shall—

(A) take into consideration the results of the study described in subsection (c); and

(B) provide an opportunity for public review and comment.

(f) REPORT.—

(1) IN GENERAL.—Not later than November 1, 2016, the Administrator shall submit to the appropriate committees of Congress a report that—

(A) addresses each factor described in paragraph (2); and

(B) is conducted in accordance with this section.

(2) REQUIRED FACTORS.—The report shall include baseline and end-of-project data that measures—

(A) the prevalence of moderate and severe hunger so as to provide an accurate accounting of project impact on household access to and consumption of food during every month of the year prior to data collection;

(B) household ownership of and access to productive assets, including at a minimum land, livestock, homes, equipment, and other materials assets needed for income generation;

(C) household incomes, including informal sources of employment; and

(D) the productive assets of women using the Women's Empowerment in Agriculture Index.

(3) PUBLIC ACCESS TO RECORDS AND REPORTS.—Not later than 90 days after the date on which the report is submitted under paragraph (1), the Administrator shall provide public access to the report.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2014 through 2018.

SEC. 3209. UNDER SECRETARY OF AGRICULTURE FOR TRADE AND FOREIGN AGRICULTURAL AFFAIRS.

(a) DEFINITION OF AGRICULTURE COMMITTEES AND SUBCOMMITTEES.—In this section, the term ''agriculture committees and subcommittees'' means—

(1) the Committee on Agriculture of the House of Representatives;

(2) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(3) the subcommittees on agriculture, rural development, food and drug administration, and related agencies of the Committees on Appropriations of the House of Representatives and the Senate.

(b) PROPOSAL.—

(1) IN GENERAL.—The Secretary, in consultation with the agriculture committees and subcommittees, shall propose a reorganization of international trade functions for imports and exports of the Department of Agriculture.

(2) CONSIDERATIONS.—In producing the proposal under this section, the Secretary shall—

(A) in recognition of the importance of agricultural exports to the farm economy and the economy as a whole, include a plan for the establishment of an Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs;

(B) take into consideration how the Under Secretary described in subparagraph (A) would serve as a multiagency coordinator of sanitary and phytosanitary issues and nontariff trade barriers in agriculture with respect to imports and exports of agricultural products; and

(C) take into consideration all implications of a reorganization described in paragraph (1) on domestic programs and operations of the Department of Agriculture.

(3) REPORT.—Not later than 180 days after the date of enactment of this Act and before the reorganization described in paragraph (1) can take effect, the Secretary shall submit to the agriculture committees and subcommittees a report that—

(A) includes the results of the proposal under this section; and

(B) provides a notice of the reorganization plan.

(4) IMPLEMENTATION.—Not later than 1 year after the date of the submission of the report under paragraph (3), the Secretary shall implement a reorganization of international trade functions for imports and exports of the Department of Agriculture, including the establishment of an Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs.

(c) CONFIRMATION REQUIRED.—The position of Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs established under subsection (b)(2)(A) shall be appointed by the President, by and with the advice and consent of the Senate.

TITLE IV—NUTRITION

Subtitle A—Supplemental Nutrition Assistance Program

SEC. 4001. ACCESS TO GROCERY DELIVERY FOR HOMEBOUND SENIORS AND INDIVIDUALS WITH DISABILITIES ELIGIBLE FOR SUPPLEMENTAL NUTRITION ASSISTANCE BENEFITS.

(a) IN GENERAL.—Section 3(p) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(p)) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(3) by inserting after paragraph (4) the following:

''(5) a public or private nonprofit food purchasing and delivery service that—

''(A) purchases food for, and delivers the food to, individuals who are—

''(i) unable to shop for food; and

''(ii)(I) not less than 60 years of age; or

''(II) individuals with disabilities;

''(B) clearly notifies the participating household at the time the household places a food order—

''(i) of any delivery fee associated with the food purchase and delivery provided to the household by the service; and

''(ii) that a delivery fee cannot be paid with benefits provided under the supplemental nutrition assistance program; and

''(C) sells food purchased for the household at the price paid by the service for the food without any additional cost markup.''.

(b) ISSUANCE OF REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue regulations that—

(1) establish criteria to identify a food purchasing and delivery service described in section 3(p)(5) of the Food and Nutrition Act of 2008 (as added by subsection (a)(3)); and

(2) establish procedures to ensure that the service—

(A) does not charge more for a food item than the price paid by the service for the food item;

(B) offers food delivery service at no or low cost to households under that Act;

(C) ensures that benefits provided under the supplemental nutrition assistance program are used only to purchase food, as defined in section 3 of that Act (7 U.S.C. 2012);

(D) limits the purchase of food, and the delivery of the food, to households eligible to receive services described in section 3(p)(5) of that Act (as added by subsection (a)(3));

(E) has established adequate safeguards against fraudulent activities, including unauthorized use of electronic benefit cards issued under that Act; and

(F) such other requirements as the Secretary considers appropriate.

(c) LIMITATION.—Before the issuance of regulations under subsection (b), the Secretary may not approve more than 20 food purchasing and delivery services described in section 3(p)(5) of the Food and Nutrition Act of 2008 (as added by subsection (a)(3)) to participate as retail food stores under the supplemental nutrition assistance program.

(d) EFFECTIVE DATE.—This section and the amendments made by this section take effect on the date that is 30 days after the date of the enactment of this Act.

SEC. 4002. FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS.

(a) IN GENERAL.—Section 4(b)(6)(F) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)(6)(F)) is amended by striking ''2012'' and inserting ''2018''.

(b) FEASABILITY STUDY FOR INDIAN TRIBES.—Section 17 of the Food and Nutrition Act of 2008 (7 U.S.C. 2026) is amended by inserting at the end the following:

''(l) FEASIBILITY STUDY FOR INDIAN TRIBES.—

''(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of a tribal demonstration project for tribes, in lieu of State agencies or other administrating entities, to administer Federal food assistance programs, services, functions, and activities (or portions thereof).

''(2) CONSIDERATIONS.—In conducting the study, the Secretary shall consider—

''(A) the probable effects on specific programs and program beneficiaries of such a demonstration project;

''(B) statutory, regulatory, or other impediments to implementation of such a demonstration project;

''(C) strategies for implementing such a demonstration project;

''(D) probable costs or savings associated with such a demonstration project;

''(E) methods to assure quality and accountability in such a demonstration project; and

''(F) such other issues that may be determined by the Secretary or developed through consultation pursuant to paragraph (4).

''(3) REPORT.—Not later than 18 months after the date of the enactment of this subsection, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains—

''(A) the results of the study under this subsection;

''(B) a list of programs, services, functions, and activities (or portions thereof) within each agency that would be feasible to include in a tribal demonstration project;

''(C) a list of programs, services, functions, and activities (or portions thereof) included in the list described in subparagraph (B) that could be included in a tribal demonstration project without amending existing law or without waiving regulations that the Secretary may not waive; and

''(D) a list of legislative actions required in order to include those programs, services, functions, and activities (or portions thereof) included in the list described in subparagraph (B) but not included in the list described in subparagraph (C) in a tribal demonstration project.

''(4) CONSULTATION WITH INDIAN TRIBES.—

''(A) IN GENERAL.—Prior to consultation, the Secretary shall consult with Indian tribes to determine a protocol for consultation.

''(B) REQUIREMENTS.—The protocol shall require, at a minimum, that—

''(i) the government-to-government relationship with Indian tribes forms the basis for the consultation process;

''(ii) the Indian tribes and the Secretary jointly conduct the consultations required by this paragraph; and

''(iii) the consultation process allows for separate and direct recommendations from the Indian tribes and other entities referenced in this subsection.''.

(c) TRADITIONAL AND LOCALLY-GROWN FOOD.—Section 4(b)(6) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)(6)) is amended—

(1) by redesignating subparagraph (F) as subparagraph (G); and

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

''(F) TRADITIONAL AND LOCALLY-GROWN FOOD.—A tribe that is authorized to administer the distribution described in paragraph (1) shall have the option to use 5 percent of the program funding of the tribe to promote local purchase of traditional and locally-grown food to be used in the food package of the tribe by purchasing traditional and locally-grown foods from local Native American farmers, ranchers, and producers.''.

SEC. 4003. STANDARD UTILITY ALLOWANCES BASED ON THE RECEIPT OF ENERGY ASSISTANCE PAYMENTS.

(a) STANDARD UTILITY ALLOWANCES IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.—Section 5(e)(6)(C) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e)(6)(C)) is amended—

(1) in clause (i), by inserting '', subject to clause (iv)'' after ''Secretary''; and

(2) in clause (iv), by striking subclause (I) and inserting the following:

''(I) IN GENERAL.—Subject to subclause (II), if a State agency elects to use a standard utility allowance that reflects heating and cooling costs, the standard utility allowance shall be made available to households that have received a payment, or on behalf of which a payment has been made, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) or other similar energy assistance program, if in the current month or during the immediately preceding 12 months, the household either has received a payment, or a payment has been made on behalf of the household, that is greater than $10 annually, as determined by the Secretary.''.

(b) CONFORMING AMENDMENT.—Section 2605(f)(2)(A) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)(2)(A)) is amended by inserting before the semicolon at the end '', except that, for purposes of the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), such payments or allowances were greater than $10 annually, consistent with section 5(e)(6)(C)(iv)(I) of that Act (7 U.S.C. 2014(e)(6)(C)(iv)(I)), as determined by the Secretary of Agriculture.''.

(c) EFFECTIVE AND IMPLEMENTATION DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section and the amendments made by this section shall take effect beginning on October 1, 2013, for all certification periods beginning after that date.

(2) STATE OPTION TO DELAY IMPLEMENTATION FOR CURRENT RECIPIENTS.—A State may, at the option of the State, implement a policy that eliminates or minimizes the effect of the amendments made by this section for households that receive a standard utility allowance as of the date of enactment of this Act for not more than a 180-day period beginning on the date on which the amendments made by this section would otherwise affect the benefits received by a household.

SEC. 4004. ELIGIBILITY DISQUALIFICATIONS.

Section 6(e)(3)(B) of Food and Nutrition Act of 2008 (7 U.S.C. 2015(e)(3)(B)) is amended by striking ''section'' and inserting the following: ''section, subject to the condition that the course or program of study—

''(i) is part of a program of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) that may be completed in not more than 4 years at an institution of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)); or

''(ii) is limited to remedial courses, basic adult education, literacy, or English as a second language;''.

SEC. 4005. ENDING SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS FOR LOTTERY OR GAMBLING WINNERS.

(a) IN GENERAL.—Section 6 of the Food and Nutrition Act of 2008 (7 U.S.C. 2015) is amended by adding at the end the following:

''(r) INELIGIBILITY FOR BENEFITS DUE TO RECEIPT OF SUBSTANTIAL LOTTERY OR GAMBLING WINNINGS.—

''(1) IN GENERAL.—Any household in which a member receives substantial lottery or gambling winnings, as determined by the Secretary, shall lose eligibility for benefits immediately upon receipt of the winnings.

''(2) DURATION OF INELIGIBILITY.—A household described in paragraph (1) shall remain ineligible for participation until the household meets the allowable financial resources and income eligibility requirements under subsections (c), (d), (e), (f), (g), (i), (k), (l), (m), and (n) of section 5.

''(3) AGREEMENTS.—As determined by the Secretary, each State agency, to the maximum extent practicable, shall establish agreements with entities responsible for the regulation or sponsorship of gaming in the State to determine whether individuals participating in the supplemental nutrition assistance program have received substantial lottery or gambling winnings.''.

(b) CONFORMING AMENDMENTS.—Section 5(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(a)) is amended in the second sentence by striking ''sections 6(b), 6(d)(2), and 6(g)'' and inserting ''subsections (b), (d)(2), (g), and (r) of section 6''.

SEC. 4006. RETAIL FOOD STORES.

(a) DEFINITION OF RETAIL FOOD STORE.—Subsection (o)(1)(A) of section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012) (as redesignated by section 4018(a)(4)) is amended by striking ''at least 2'' and inserting ''at least 3''.

(b) ALTERNATIVE BENEFIT DELIVERY.—Section 7(f) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(f)) is amended—

(1) by striking paragraph (2) and inserting the following:

''(2) IMPOSITION OF COSTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall require participating retail food stores (including restaurants participating in a State option restaurant program intended to serve the elderly, disabled, and homeless) to pay 100 percent of the costs of acquiring, and arrange for the implementation of, electronic benefit transfer point-of-sale equipment and supplies, including related services.

''(B) EXEMPTIONS.—The Secretary may exempt from subparagraph (A)—

''(i) farmers' markets and other direct-to-consumer markets, military commissaries, nonprofit food buying cooperatives, and establishments, organizations, programs, or group living arrangements described in paragraphs (5), (7), and (8) of section 3(k); and

''(ii) establishments described in paragraphs (3), (4), and (9) of section 3(k), other than restaurants participating in a State option restaurant program.

''(C) INTERCHANGE FEES.—Nothing in this paragraph permits the charging of fees relating to the redemption of supplemental nutrition assistance program benefits, in accordance with subsection (h)(13).''; and

(2) by adding at the end the following:

''(4) TERMINATION OF MANUAL VOUCHERS.—

''(A) IN GENERAL.—Effective beginning on the date of enactment of this paragraph, except as provided in subparagraph (B), no State shall issue manual vouchers to a household that receives supplemental nutrition assistance under this Act or allow retail food stores to accept manual vouchers as payment, unless the Secretary determines that the manual vouchers are necessary, such as in the event of an electronic benefit transfer system failure or a disaster situation.

''(B) EXEMPTIONS.—The Secretary may exempt categories of retail food stores or individual retail food stores from subparagraph (A) based on criteria established by the Secretary.

''(5) UNIQUE IDENTIFICATION NUMBER REQUIRED.—

''(A) IN GENERAL.—To enhance the anti-fraud protections of the program, the Secretary shall require all parties providing electronic benefit transfer services to provide for and maintain unique terminal identification number information through the supplemental nutrition assistance program electronic benefit transfer transaction routing system.

''(B) REGULATIONS.—

''(i) IN GENERAL.—Not earlier than 2 years after the date of enactment of this paragraph, the Secretary shall issue proposed regulations to carry out this paragraph.

''(ii) COMMERCIAL PRACTICES.—In issuing regulations to carry out this paragraph, the Secretary shall consider existing commercial practices for other point-of-sale debit transactions.''.

(c) ELECTRONIC BENEFIT TRANSFERS.—Section 7(h)(3)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(3)(B)) is amended by striking ''is operational—'' and all that follows through ''(ii) in the case of other participating stores,'' and inserting ''is operational''.

(d) APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.—Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018) is amended—

(1) in the second sentence of subsection (a)(1)—

(A) in subparagraph (A), by inserting '', including the depth of stock, variety of staple food items, and the sale of excepted items described in 3(k)(1)'' after ''applicant''; and

(B) by striking ''; and (C)'' and inserting ''; (C) whether the applicant is located in an area with significantly limited access to food; and (D)''; and

(2) by adding at the end the following:

''(g) EBT SERVICE REQUIREMENT.—An approved retail food store shall provide adequate EBT service as described in section 7(h)(3)(B).''.

SEC. 4007. IMPROVING SECURITY OF FOOD ASSISTANCE.

Section 7(h)(8) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(8)) is amended—

(1) by striking the paragraph heading and inserting ''REPLACEMENT OF CARDS.—'';

(2) by striking ''A State'' and inserting the following:

''(A) FEES.—A State''; and

(3) by adding after subparagraph (A) (as so designated by paragraph (2)) the following:

''(B) PURPOSEFUL LOSS OF CARDS.—

''(i) IN GENERAL.—Subject to terms and conditions established by the Secretary in accordance with clause (ii), if a household makes excessive requests for replacement of the electronic benefit transfer card of the household, the Secretary may require a State agency to decline to issue a replacement card to the household unless the household, upon request of the State agency, provides an explanation for the loss of the card.

''(ii) REQUIREMENTS.—The terms and conditions established by the Secretary shall provide that—

''(I) the household be given the opportunity to provide the requested explanation and meet the requirements under this paragraph promptly;

''(II) after an excessive number of lost cards, the head of the household shall be required to review program rights and responsibilities with State agency personnel authorized to make determinations under section 5(a); and

''(III) any action taken, including actions required under section 6(b)(2), other than the withholding of the electronic benefit transfer card until an explanation described in subclause (I) is provided, shall be consistent with the due process protections under section 6(b) or 11(e)(10), as appropriate.

''(C) PROTECTING VULNERABLE PERSONS.—In implementing this paragraph, a State agency shall act to protect homeless persons, persons with disabilities, victims of crimes, and other vulnerable persons who lose electronic benefit transfer cards but are not intentionally committing fraud.

''(D) EFFECT ON ELIGIBILITY.—While a State may decline to issue an electronic benefits transfer card until a household satisfies the requirements under this paragraph, nothing in this paragraph shall be considered a denial of, or limitation on, the eligibility for benefits under section 5.''.

SEC. 4008. TECHNOLOGY MODERNIZATION FOR RETAIL FOOD STORES.

(a) MOBILE TECHNOLOGIES.—Section 7(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)) (as amended by section 4018(e)) is amended by adding at the end the following:

''(14) MOBILE TECHNOLOGIES.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall approve retail food stores to redeem benefits through electronic means other than wired point of sale devices for electronic benefit transfer transactions, if the retail food stores—

''(i) establish recipient protections regarding privacy, ease of use, access, and support similar to the protections provided for transactions made in retail food stores;

''(ii) bear the costs of obtaining, installing, and maintaining mobile technologies, including mechanisms needed to process EBT cards and transaction fees;

''(iii) demonstrate the foods purchased with benefits issued under this section through mobile technologies are purchased at a price not higher than the price of the same food purchased by other methods used by the retail food store, as determined by the Secretary;

''(iv) provide adequate documentation for each authorized transaction, as determined by the Secretary; and

''(v) meet other criteria as established by the Secretary.

''(B) DEMONSTRATION PROJECT ON ACCEPTANCE OF BENEFITS OF MOBILE TRANSACTIONS.—

''(i) IN GENERAL.—Before authorizing implementation of subparagraph (A) in all States, the Secretary shall pilot the use of mobile technologies determined by the Secretary to be appropriate to test the feasibility and implications for program integrity, by allowing retail food stores to accept benefits from recipients of supplemental nutrition assistance through mobile transactions.

''(ii) DEMONSTRATION PROJECTS.—To be eligible to participate in a demonstration project under clause (i), a retail food store shall submit to the Secretary for approval a plan that includes—

''(I) a description of the technology;

''(II) the manner by which the retail food store will provide proof of the transaction to households;

''(III) the provision of data to the Secretary, consistent with requirements established by the Secretary, in a manner that allows the Secretary to evaluate the impact of the demonstration on participant access, ease of use, and program integrity; and

''(IV) such other criteria as the Secretary may require.

''(iii) DATE OF COMPLETION.—The demonstration projects under this subparagraph shall be completed and final reports submitted to the Secretary by not later than July 1, 2015.

''(C) REPORT TO CONGRESS.—The Secretary shall—

''(i) by not later than January 1, 2016, authorize implementation of subparagraph (A) in all States, unless the Secretary makes a finding, based on the data provided under subparagraph (B), that implementation in all States is not in the best interest of the supplemental nutrition assistance program; and

''(ii) if the determination made in clause (i) is not to implement subparagraph (A) in all States, submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that includes the basis of the finding.''.

(b) ACCEPTANCE OF BENEFITS THROUGH ON-LINE TRANSACTIONS.—

(1) IN GENERAL.—Section 7 of the Food and Nutrition Act of 2008 (7 U.S.C. 2016) is amended by adding at the end the following:

''(k) OPTION TO ACCEPT PROGRAM BENEFITS THROUGH ON-LINE TRANSACTIONS.—

''(1) IN GENERAL.—Subject to paragraph (4), the Secretary shall approve retail food stores to accept benefits from recipients of supplemental nutrition assistance through on-line transactions.

''(2) REQUIREMENTS TO ACCEPT BENEFITS.—A retail food store seeking to accept benefits from recipients of supplemental nutrition assistance through on-line transactions shall—

''(A) establish recipient protections regarding privacy, ease of use, access, and support similar to the protections provided for transactions made in retail food stores;

''(B) ensure benefits are not used to pay delivery, ordering, convenience, or other fees or charges;

''(C) clearly notify participating households at the time a food order is placed—

''(i) of any delivery, ordering, convenience, or other fee or charge associated with the food purchase; and

''(ii) that any such fee cannot be paid with benefits provided under this Act;

''(D) ensure the security of on-line transactions by using the most effective technology available that the Secretary considers appropriate and cost-effective and that is comparable to the security of transactions at retail food stores; and

''(E) meet other criteria as established by the Secretary.

''(3) STATE AGENCY ACTION.—Each State agency shall ensure that recipients of supplemental nutrition assistance can use benefits on-line as described in this subsection as appropriate.

''(4) DEMONSTRATION PROJECT ON ACCEPTANCE OF BENEFITS THROUGH ON-LINE TRANSACTIONS.—

''(A) IN GENERAL.—Before the Secretary authorizes implementation of paragraph (1) in all States, the Secretary shall carry out a number of demonstration projects as determined by the Secretary to test the feasibility of allowing retail food stores to accept benefits through on-line transactions.

''(B) DEMONSTRATION PROJECTS.—To be eligible to participate in a demonstration project under subparagraph (A), a retail food store shall submit to the Secretary for approval a plan that includes—

''(i) a method of ensuring that benefits may be used to purchase only eligible items under this Act;

''(ii) a description of the method of educating participant households about the availability and operation of on-line purchasing;

''(iii) adequate testing of the on-line purchasing option prior to implementation;

''(iv) the provision of data as requested by the Secretary for purposes of analyzing the impact of the project on participant access, ease of use, and program integrity;

''(v) reports on progress, challenges, and results, as determined by the Secretary; and

''(vi) such other criteria, including security criteria, as established by the Secretary.

''(C) DATE OF COMPLETION.—The demonstration projects under this paragraph shall be completed and final reports submitted to the Secretary by not later than July 1, 2015.

''(5) REPORT TO CONGRESS.—The Secretary shall—

''(A) by not later than January 1, 2016, authorize implementation of paragraph (1) in all States, unless the Secretary makes a finding, based on the data provided under paragraph (4), that implementation in all States is not in the best interest of the supplemental nutrition assistance program; and

''(B) if the determination made in subparagraph (A) is not to implement in all States, submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that includes the basis of the finding.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 7(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(b)) is amended by striking ''purchase food in retail food stores'' and inserting ''purchase food from retail food stores''.

(B) Section 10 of the Food and Nutrition Act of 2008 (7 U.S.C. 2019) is amended in the first sentence by inserting ''retail food stores authorized to accept and redeem benefits

through on-line transactions shall be authorized to accept benefits prior to the delivery of food if the delivery occurs within a reasonable time of the purchase, as determined by the Secretary,'' after ''food so purchased,''.

(c) SAVINGS CLAUSE.—Nothing in this section or an amendment made by this section alter any requirements of the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) unless specifically authorized in this section or an amendment made by this section.

SEC. 4009. USE OF BENEFITS FOR PURCHASE OF COMMUNITY-SUPPORTED AGRICULTURE SHARE.

Subsection (o)(4) of section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012) (as redesignated by section 4018(a)(4)) is amended by inserting '', or agricultural producers who market agricultural products directly to consumers'' after ''such food''.

SEC. 4010. RESTAURANT MEALS PROGRAM.

(a) IN GENERAL.—Section 11(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (22), by striking ''and'' at the end;

(2) in paragraph (23), by striking the period at the end of subparagraph (C) and inserting ''; and''; and

(3) by adding at the end the following:

''(24) if the State elects to carry out a program to contract with private establishments to offer meals at concessional prices, as described in paragraphs 3, 4, and 9 of section 3(k)—

''(A) the plans of the State agency for operating the program, including—

''(i) documentation of a need that eligible homeless, elderly, and disabled clients are underserved in a particular geographic area;

''(ii) the manner by which the State agency will limit participation to only those private establishments that the State determines necessary to meet the need identified in clause (i); and

''(iii) any other conditions the Secretary may prescribe, such as the level of security necessary to ensure that only eligible recipients participate in the program; and

''(B) a report by the State agency to the Secretary annually, the schedule of which shall be established by the Secretary, that includes—

''(i) the number of households and individual recipients authorized to participate in the program, including any information on whether the individual recipient is elderly, disabled, or homeless; and

''(ii) an assessment of whether the program is meeting an established need, as documented under subparagraph (A)(i).''.

(b) APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.—Section 9 of the Food and Nutrition Act of 2008 (7 U.S.C. 2018) (as amended by section 4005(d)(3)) is amended by adding at the end the following:

''(h) PRIVATE ESTABLISHMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), no private establishment that contracts with a State agency to offer meals at concessional prices as described in paragraphs 3, 4, and 9 of section 3(k) may be authorized to accept and redeem benefits unless the Secretary determines that the participation of the private establishment is required to meet a documented need in accordance with section 11(e)(24).

''(2) EXISTING CONTRACTS.—

''(A) IN GENERAL.—If, on the day before the date of enactment of this subsection, a State has entered into a contract with a private establishment described in paragraph (1) and the Secretary has not determined that the participation of the private establishment is necessary to meet a documented need in accordance with section 11(e)(24), the Secretary shall allow the operation of the private establishment to continue without that determination of need for a period not to exceed 180 days from the date on which the Secretary establishes determination criteria, by regulation, under section 11(e)(24).

''(B) JUSTIFICATION.—If the Secretary makes a determination to terminate a contract with a private establishment that is in effect on the date of enactment of this subsection, the Secretary shall provide justification to the State in which the private establishment is located for that termination.

''(3) REPORT TO CONGRESS.—Not later than 90 days after September 30, 2013, and 90 days after the last day of each fiscal year thereafter, the Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the effectiveness of a program under this subsection using any information received from States under section 11(e)(24) as well as any other information the Secretary may have relating to the manner in which benefits are used.''.

(c) CONFORMING AMENDMENTS.—Section 3(k) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(k)) is amended by inserting ''subject to section 9(h)'' after ''concessional prices'' each place it appears.

SEC. 4011. QUALITY CONTROL STANDARDS.

(a) IN GENERAL.—Section 16(c)(1)(D)(i) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c)(1)(D)(i)) is amended by striking subclause (I).

(b) CONFORMING AMENDMENTS.—

(1) Section 13(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2022(a)(1)) is amended in the first sentence by striking ''section 16(c)(1)(D)(i)(III)'' and inserting ''section 16(c)(1)(D)(i)(II)''.

(2) Section 16(c)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(c)(1)) is amended—

(A) in subparagraph (D)(i)—

(i) by redesignating subclauses (II) through (IV) as subclauses (I) through (III), respectively; and

(ii) in subclause (III) (as so redesignated), by striking ''through (III)'' and inserting ''and (II)'';

(B) in subparagraph (E)(i), by striking ''(D)(i)(III)'' and inserting ''(D)(i)(II)''; and

(C) in subparagraph (F), by striking ''(D)(i)(II)'' each place it appears and inserting ''(D)(i)(I)''.

SEC. 4012. PERFORMANCE BONUS PAYMENTS.

Section 16(d) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(d)) is amended by adding at the end the following:

''(5) USE OF PERFORMANCE BONUS PAYMENTS.—A State agency may use a performance bonus payment received under this subsection only to carry out the program established under this Act, including investments in—

''(A) technology;

''(B) improvements in administration and distribution; and

''(C) actions to prevent fraud, waste, and abuse.''.

SEC. 4013. FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.

Section 16(h)(1)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)(1)(A)) is amended by striking ''section 18(a)(1), $90,000,000'' and all that follows through the end of the subparagraph and inserting ''section 18(a)(1)—

''(i) for each of fiscal years 2014 through 2017, $90,000,000; and

''(ii) for fiscal year 2018 and each fiscal year thereafter, $80,000,000.''.

SEC. 4014. AUTHORIZATION OF APPROPRIATIONS.

Section 18(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(a)(1)) is amended in the first sentence by striking ''2012'' and inserting ''2018''.

SEC. 4015. ASSISTANCE FOR COMMUNITY FOOD PROJECTS.

Section 25 of the Food and Nutrition Act of 2008 (7 U.S.C. 2034) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(B)—

(i) in clause (i)—

(I) in subclause (I), by inserting after ''individuals'' the following: ''through food distribution, community outreach to assist in participation in Federally assisted nutrition programs, or improving access to food as part of a comprehensive service;''; and

(II) in subclause (III), by inserting ''food access,'' after ''food,''; and

(ii) in clause (ii), by striking subclause (I) and inserting the following:

''(I) equipment necessary for the efficient operation of a project;''; and

(B) by striking paragraph (2) and inserting the following:

''(2) HUNGER-FREE COMMUNITIES GOAL.—The term 'hunger-free communities goal' means any of the 14 goals described in House Concurrent Resolution 302, 102nd Congress, agreed to October 5, 1992.'';

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting ''public food program service provider or a'' before ''private'';

(B) in paragraph (1)—

(i) in subparagraph (A), by striking ''or'' after the semicolon at the end;

(ii) in subparagraph (B), by inserting ''or'' after the semicolon at the end; and

(iii) by adding at the end the following:

''(C) efforts to reduce food insecurity in the community, including food distribution, improving access to services, or coordinating services and programs;'';

(C) in paragraph (2), by striking ''and'' after the semicolon at the end;

(D) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(E) by adding at the end the following:

''(4) collaborate with 1 or more local partner organizations to achieve at least 1 hunger-free communities goal.'';

(3) in subsection (d)—

(A) in paragraph (3), by striking ''or'' after the semicolon at the end;

(B) in paragraph (4), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(5) develop new resources and strategies to help reduce food insecurity in the community and prevent food insecurity in the future by—

''(A) developing creative food resources;

''(B) coordinating food services with park and recreation programs and other community-based outlets to reduce barriers to access; or

''(C) creating nutrition education programs for at- risk populations to enhance food-purchasing and food- preparation skills and to heighten awareness of the connection between diet and health.'';

(4) in subsection (f)(2), by striking ''3 years'' and inserting ''5 years''; and

(5) by striking subsections (h) and (i) and inserting the following:

''(h) REPORTS TO CONGRESS.—Not later than September 30, 2014, and each year thereafter, the Secretary shall submit to Congress a report that describes each grant made under this section, including—

''(1) a description of any activity funded;

''(2) the degree of success of each activity funded in achieving hunger-free community goals; and

''(3) the degree of success in improving the long-term capacity of a community to address food and agriculture problems related to hunger or access to healthy food.''.

SEC. 4016. EMERGENCY FOOD ASSISTANCE.

(a) PURCHASE OF COMMODITIES.—Section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)) is amended—

(1) in paragraph (1), by striking ''2008 through 2012'' and inserting ''2014 through 2018'';

(2) by striking paragraph (2) and inserting the following:

''(2) AMOUNTS.—The Secretary shall use to carry out paragraph (1)—

''(A) for fiscal year 2013, $265,750,000; and

''(B) for each subsequent fiscal year, the dollar amount of commodities specified in subparagraph (A) adjusted by the percentage by which the thrifty food plan has been adjusted under section 3(u)(4) between June 30, 2013, and June 30 of the immediately preceding fiscal year, and subsequently increased by—

''(i) for fiscal year 2014, $22,000,000;

''(ii) for fiscal year 2015, $18,000,000;

''(iii) for fiscal year 2016, $10,000,000; and

''(iv) for fiscal year 2017, $4,000,000.''; and

(3) by adding at the end the following:

''(3) FUNDS AVAILABILITY.—For purposes of the funds described in this subsection, the Secretary shall—

''(A) make the funds available for 2 fiscal years; and

''(B) allow States to carry over unexpended balances to the next fiscal year pursuant to such terms and conditions as are determined by the Secretary.''.

(b) EMERGENCY FOOD PROGRAM INFRASTRUCTURE GRANTS.—Section 209(d) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7511a(d)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 4017. NUTRITION EDUCATION.

Section 28(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a(b)) is amended by inserting ''and physical activity'' after ''healthy food choices''.

SEC. 4018. RETAIL FOOD STORE AND RECIPIENT TRAFFICKING.

The Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:

''SEC. 29. RETAIL FOOD STORE AND RECIPIENT TRAFFICKING.

''(a) PURPOSE.—The purpose of this section is to provide the Department of Agriculture with additional resources to prevent trafficking in violation of this Act by strengthening recipient and retail food store program integrity.

''(b) USE OF FUNDS.—

''(1) IN GENERAL.—Additional funds are provided under this section to supplement the retail food store and recipient integrity activities of the Department.

''(2) INFORMATION TECHNOLOGIES.—The Secretary shall use an appropriate amount of the funds provided under this section to employ information technologies known as data mining and data warehousing and other available information technologies to administer the supplemental nutrition assistance program and enforce regulations promulgated under section 4(c).

''(c) FUNDING.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $12,000,000 for each of fiscal years 2014 through 2018.

''(2) MANDATORY FUNDING.—

''(A) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section not less than $5,000,000 for fiscal year 2014, to remain available until expended.

''(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subparagraph (A), without further appropriation.

''(C) MAINTENANCE OF FUNDING.—The funding provided under subparagraph (A) shall supplement (and not supplant) other Federal funding for programs carried out under this Act.''.

SEC. 4019. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012) is amended—

(1) in subsection (g), by striking ''coupon,'' and inserting ''coupon'';

(2) in subsection (k)(7), by striking ''or are'' and inserting ''and'';

(3) by striking subsection (l);

(4) by redesignating subsections (m) through (t) as subsections (l) through (s), respectively; and

(5) by inserting after subsection (s) (as so redesignated) the following:

''(t) 'Supplemental nutrition assistance program' means the program operated pursuant to this Act.''.

(b) Section 4(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(a)) is amended in the last sentence by striking ''benefits'' and inserting ''Benefits''.

(c) Section 5 of the Food and Nutrition Act of 2008 (7 U.S.C. 2014) is amended—

(1) in the last sentence of subsection (i)(2)(D), by striking ''section 13(b)(2)'' and inserting ''section 13(b)''; and

(2) in subsection (k)(4)(A), by striking ''paragraph (2)(H)'' and inserting ''paragraph (2)(G)''.

(d) Section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)) is amended in subparagraphs (B)(vii) and (F)(iii) by indenting both clauses appropriately.

(e) Section 7(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)) is amended by redesignating the second paragraph (12) (relating to interchange fees) as paragraph (13).

(f) Section 9(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2018(a)) is amended by indenting paragraph (3) appropriately.

(g) Section 12 of the Food and Nutrition Act of 2008 (7 U.S.C. 2021) is amended—

(1) in subsection (b)(3)(C), by striking ''civil money penalties'' and inserting ''civil penalties''; and

(2) in subsection (g)(1), by striking ''(7 U.S.C. 1786)'' and inserting ''(42 U.S.C. 1786)''.

(h) Section 15(b)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2024(b)(1)) is amended in the first sentence by striking ''an benefit'' and inserting ''a benefit''.

(i) Section 16(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(a)) is amended in the proviso following paragraph (8) by striking ''as amended.''.

(j) Section 18(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2027(e)) is amended in the first sentence by striking ''sections 7(f)'' and inserting ''section 7(f)''.

(k) Section 22(b)(10)(B)(i) of the Food and Nutrition Act of 2008 (7 U.S.C. 2031(b)(10)(B)(i)) is amended in the last sentence by striking ''Food benefits'' and inserting ''Benefits''.

(l) Section 26(f)(3)(C) of the Food and Nutrition Act of 2008 (7 U.S.C. 2035(f)(3)(C)) is amended by striking ''subsection'' and inserting ''subsections''.

(m) Section 27(a)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)(1)) is amended by striking ''(Public Law 98–8; 7 U.S.C. 612c note)'' and inserting ''(7 U.S.C. 7515)''.

(n) Section 509 of the Older Americans Act of 1965 (42 U.S.C. 3056g) is amended in the section heading by striking ''**FOOD STAMP PROGRAMS**'' and inserting ''**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAMS**''.

(o) Section 4115(c)(2)(H) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1871) is amended by striking ''531'' and inserting ''454''.

SEC. 4020. ELIGIBILITY DISQUALIFICATIONS FOR CERTAIN CONVICTED FELONS.

Section 6 of the Food and Nutrition Act of 2008 (7 U.S.C. 2015) (as amended by section 4004) is amended by adding at the end the following:

''(s) DISQUALIFICATION FOR CERTAIN CONVICTED FELONS.—

''(1) IN GENERAL.—An individual shall not be eligible for benefits under this Act if the individual is convicted of—

''(A) aggravated sexual abuse under section 2241 of title 18, United States Code;

''(B) murder under section 1111 of title 18, United States Code;

''(C) an offense under chapter 110 of title 18, United States Code;

''(D) a Federal or State offense involving sexual assault, as defined in 40002(a) of the Violence Against Women Act of 1994 (42 U.S.C. 13925(a)); or

''(E) an offense under State law determined by the Attorney General to be substantially similar to an offense described in subparagraph (A), (B), or (C).

''(2) EFFECTS ON ASSISTANCE AND BENEFITS FOR OTHERS.—The amount of benefits otherwise required to be provided to an eligible household under this Act shall be determined by considering the individual to whom paragraph (1) applies not to be a member of such household, except that the income and resources of the individual shall be considered to be income and resources of the household.

''(3) ENFORCEMENT.—Each State shall require each individual applying for benefits under this Act, during the application process, to state, in writing, whether the individual, or any member of the household of the individual, has been convicted of a crime described in paragraph (1).''.

Subtitle B—Commodity Distribution Programs

SEC. 4101. COMMODITY DISTRIBUTION PROGRAM.

Section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) is amended in the first sentence by striking ''2012'' and inserting ''2018''.

SEC. 4102. COMMODITY SUPPLEMENTAL FOOD PROGRAM.

Section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) is amended—

(1) in paragraphs (1) and (2)(B) of subsection (a), by striking ''2012'' each place it appears and inserting ''2018'';

(2) in the first sentence of subsection (d)(2), by striking ''2012'' and inserting ''2018'';

(3) by striking subsection (g) and inserting the following:

''(g) ELIGIBILITY.—Except as provided in subsection (m), the States shall only provide assistance under the commodity supplemental food program to low-income persons aged 60 and older.''; and

(4) by adding at the end the following:

''(m) PHASE-OUT.—Notwithstanding any other provision of law, an individual who receives assistance under the commodity supplemental food program on the day before the date of enactment of this subsection shall continue to receive that assistance until the date on which the individual is no longer eligible for assistance under the eligibility requirements for the program in effect on the day before the date of enactment of this subsection.''.

SEC. 4103. DISTRIBUTION OF SURPLUS COMMODITIES TO SPECIAL NUTRITION PROJECTS.

Section 1114(a)(2)(A) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e(2)(A)) is amended in the first sentence by striking ''2012'' and inserting ''2018''.

SEC. 4104. PROCESSING OF COMMODITIES.

(a) IN GENERAL.—Section 17 of the Commodity Distribution Reform Act and WIC

Amendments of 1987 (7 U.S.C. 612c note; Public Law 100–237) is amended—

(1) in the section heading, by inserting ''**AND PROCESSING**'' after ''**DONATIONS**''; and

(2) by adding at the end the following:

''(c) PROCESSING.—

''(1) IN GENERAL.—For any program included under subsection (b), the Secretary may, notwithstanding any other provision of Federal or State law relating to the procurement of goods and services—

''(A) retain title to commodities delivered to a processor, on behalf of a State (including a State distributing agency and a recipient agency), until such time as end products containing the commodities, or similar commodities as approved by the Secretary, are delivered to a State distributing agency or to a recipient agency; and

''(B) promulgate regulations to ensure accountability for commodities provided to a processor for processing into end products, and to facilitate processing of commodities into end products for use by recipient agencies.

''(2) REGULATIONS.—The regulations described in paragraph (1)(B) may provide that—

''(A) a processor that receives commodities for processing into end products, or provides a service with respect to the commodities or end products, in accordance with the agreement of the processor with a State distributing agency or a recipient agency, provide to the Secretary a bond or other means of financial assurance to protect the value of the commodities; and

''(B) in the event a processor fails to deliver to a State distributing agency or a recipient agency an end product in conformance with the processing agreement entered into under this Act, the Secretary—

''(i) take action with respect to the bond or other means of financial assurance pursuant to regulations promulgated under this subsection; and

''(ii) distribute any proceeds obtained by the Secretary to 1 or more State distributing agencies and recipient agencies, as determined appropriate by the Secretary.''.

(b) DEFINITIONS.—Section 18 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100–237) is amended by striking paragraphs (1) and (2) and inserting the following:

''(1) COMMODITIES.—The term 'commodities' means agricultural commodities and their products that are donated by the Secretary for use by recipient agencies.

''(2) END PRODUCT.—The term 'end product' means a food product that contains processed commodities.''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 3 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100–237) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking subparagraph (B) and inserting the following:

''(B) the program established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b));''; and

(B) in paragraph (3)(D), by striking ''the Committee on Education and Labor'' and inserting ''the Committee on Education and the Workforce'';

(2) in subsection (b)(1)(A)(ii), by striking ''section 32 of the Agricultural Adjustment Act (7 U.S.C. 601 et seq.)'' and inserting ''section 32 of the Act of August 24, 1935 (7 U.S.C. 612c)'';

(3) in subsection (e)(1)(D)(iii), by striking subclause (II) and inserting the following:

''(II) the program established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b));''; and

(4) in subsection (k), by striking ''the Committee on Education and Labor'' and inserting ''the Committee on Education and the Workforce''.

Subtitle C—Miscellaneous

SEC. 4201. PURCHASE OF FRESH FRUITS AND VEGETABLES FOR DISTRIBUTION TO SCHOOLS AND SERVICE INSTITUTIONS.

Section 10603(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 612c–4(b)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 4202. SENIORS FARMERS' MARKET NUTRITION PROGRAM.

Section 4402(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007(a)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 4203. NUTRITION INFORMATION AND AWARENESS PILOT PROGRAM.

Section 4403 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3171 note; Public Law 107–171) is repealed.

SEC. 4204. HUNGER-FREE COMMUNITIES.

Section 4405 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7517) is amended to read as follows:

''SEC. 4405. HUNGER-FREE COMMUNITIES.

''(a) IN GENERAL.—In this section:

''(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

''(A) a nonprofit organization (including an emergency feeding organization);

''(B) an agricultural cooperative;

''(C) a producer network or association;

''(D) a community health organization;

''(E) a public benefit corporation;

''(F) an economic development corporation;

''(G) a farmers' market;

''(H) a community-supported agriculture program;

''(I) a buying club;

''(J) a retail food store participating in the supplemental nutrition assistance program;

''(K) a State, local, or tribal agency; and

''(L) any other entity the Secretary designates.

''(2) EMERGENCY FEEDING ORGANIZATION.—The term 'emergency feeding organization' has the meaning given the term in section 201A of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501).

''(3) SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.—The term 'supplemental nutrition assistance program' means the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

''(b) HUNGER-FREE COMMUNITIES INCENTIVE GRANTS.—

''(1) AUTHORIZATION.—

''(A) IN GENERAL.—In each of the years specified in subsection (c), the Secretary shall make grants to eligible entities in accordance with paragraph (2).

''(B) FEDERAL SHARE.—The Federal share of the cost of carrying out an activity under this subsection shall not exceed 50 percent of the total cost of the activity.

''(C) NON-FEDERAL SHARE.—

''(i) IN GENERAL.—The non-Federal share of the cost of an activity under this subsection may be provided—

''(I) in cash or in-kind contributions as determined by the Secretary, including facilities, equipment, or services; and

''(II) by a State or local government or a private source.

''(ii) LIMITATION.—In the case of a for-profit entity, the non-Federal share described in clause (i) shall not include services of an employee, including salaries paid or expenses covered by the employer.

''(2) CRITERIA.—

''(A) IN GENERAL.—For purposes of this subsection, an eligible entity is a governmental agency or nonprofit organization that—

''(i) meets the application criteria set forth by the Secretary; and

''(ii) proposes a project that, at a minimum—

''(I) has the support of the State agency;

''(II) would increase the purchase of fruits and vegetables by low-income consumers participating in the supplemental nutrition assistance program by providing incentives at the point of purchase;

''(III) agrees to participate in the evaluation described in paragraph (4);

''(IV) ensures that the same terms and conditions apply to purchases made by individuals with benefits issued under this Act and incentives provided for in this subsection as apply to purchases made by individuals who are not members of households receiving benefits, such as provided for in section 278.2(b) of title 7, Code of Federal Regulations (or a successor regulation); and

''(V) includes effective and efficient technologies for benefit redemption systems that may be replicated in other for States and communities.

''(B) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to projects that—

''(i) maximize the share of funds used for direct incentives to participants;

''(ii) use direct-to-consumer sales marketing;

''(iii) demonstrate a track record of designing and implementing successful nutrition incentive programs that connect low-income consumers and agricultural producers;

''(iv) provide locally or regionally produced fruits and vegetables;

''(v) are located in underserved communities; or

''(vi) address other criteria as established by the Secretary.

''(3) APPLICABILITY.—

''(A) IN GENERAL.—The value of any benefit provided to a participant in any activity funded under this subsection shall not be considered income or resources for any purpose under any Federal, State, or local law.

''(B) PROHIBITION ON COLLECTION OF SALES TAXES.—Each State shall ensure that no State or local tax is collected on a purchase of food under this subsection.

''(C) NO LIMITATION ON BENEFITS.—A grant made available under this subsection shall not be used to carry out any project that limits the use of benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) or any other Federal nutrition law.

''(D) HOUSEHOLD ALLOTMENT.—Assistance provided under this subsection to households receiving benefits under the supplemental nutrition assistance program shall not—

''(i) be considered part of the supplemental nutrition assistance program benefits of the household; or

''(ii) be used in the collection or disposition of claims under section 13 of the Food and Nutrition Act of 2008 (7 U.S.C. 2022).

''(4) EVALUATION.—

''(A) INDEPENDENT EVALUATION.—The Secretary shall provide for an independent evaluation of projects selected under this subsection that measures the impact of each project on—

''(i) improving the nutrition and health status of participating households receiving incentives under this subsection; and

''(ii) increasing fruit and vegetable purchases in participating households.

''(B) REQUIREMENT.—The independent evaluation under subparagraph (A) shall use rigorous methodologies capable of producing scientifically valid information regarding the effectiveness of a project.

''(C) COSTS.—The Secretary may use funds not to exceed 10 percent of the funding provided to carry out this section to pay costs associated with administering, monitoring, and evaluating each project.

''(c) FUNDING.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsection (b) $5,000,000 for each of fiscal years 2014 through 2018.

''(2) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out subsection (b)—

''(A) $15,000,000 for fiscal year 2014;

''(B) $20,000,000 for each of fiscal years 2015 through 2017; and

''(C) $25,000,000 for fiscal year 2018.''.

SEC. 4205. HEALTHY FOOD FINANCING INITIATIVE.

Subtitle D of title II of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6951 et seq.) is amended by adding at the end the following:

''SEC. 242. HEALTHY FOOD FINANCING INITIATIVE.

''(a) PURPOSE.—The purpose of this section is to enhance the authorities of the Secretary to support efforts to provide access to healthy food by establishing an initiative to improve access to healthy foods in underserved areas, to create and preserve quality jobs, and to revitalize low-income communities by providing loans and grants to eligible fresh, healthy food retailers to overcome the higher costs and initial barriers to entry in underserved areas.

''(b) DEFINITIONS.—In this section:

''(1) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term 'community development financial institution' has the meaning given the term in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702).

''(2) INITIATIVE.—The term 'Initiative' means the Healthy Food Financing Initiative established under subsection (c)(1).

''(3) NATIONAL FUND MANAGER.—The term 'national fund manager' means a community development financial institution that is—

''(A) in existence on the date of enactment of this section; and

''(B) certified by the Community Development Financial Institution Fund of the Department of the Treasury to manage the Initiative for purposes of—

''(i) raising private capital;

''(ii) providing financial and technical assistance to partnerships; and

''(iii) funding eligible projects to attract fresh, healthy food retailers to underserved areas, in accordance with this section.

''(4) PARTNERSHIP.—The term 'partnership' means a regional, State, or local public-private partnership that—

''(A) is organized to improve access to fresh, healthy foods;

''(B) provides financial and technical assistance to eligible projects; and

''(C) meets such other criteria as the Secretary may establish.

''(5) PERISHABLE FOOD.—The term 'perishable food' means a staple food that is fresh, refrigerated, or frozen.

''(6) QUALITY JOB.—The term 'quality job' means a job that provides wages and other benefits comparable to, or better than, similar positions in existing businesses of similar size in similar local economies.

''(7) STAPLE FOOD.—

''(A) IN GENERAL.—The term 'staple food' means food that is a basic dietary item.

''(B) INCLUSIONS.—The term 'staple food' includes—

''(i) bread;

''(ii) flour;

''(iii) fruits;

''(iv) vegetables; and

''(v) meat.

''(c) INITIATIVE.—

''(1) ESTABLISHMENT.—The Secretary shall establish an initiative to achieve the purpose described in subsection (a) in accordance with this subsection.

''(2) IMPLEMENTATION.—

''(A) IN GENERAL.—

''(i) IN GENERAL.—In carrying out the Initiative, the Secretary shall provide funding to entities with eligible projects, as described in subparagraph (B), subject to the priorities described in subparagraph (C).

''(ii) USE OF FUNDS.—Funds provided to an entity pursuant to clause (i) shall be used—

''(I) to create revolving loan pools of capital or other products to provide loans to finance eligible projects or partnerships;

''(II) to provide grants for eligible projects or partnerships;

''(III) to provide technical assistance to funded projects and entities seeking Initiative funding; and

''(IV) to cover administrative expenses of the national fund manager in an amount not to exceed 10 percent of the Federal funds provided.

''(B) ELIGIBLE PROJECTS.—Subject to the approval of the Secretary, the national fund manager shall establish eligibility criteria for projects under the Initiative, which shall include the existence or planned execution of agreements—

''(i) to expand or preserve the availability of staple foods in underserved areas with moderate- and low-income populations by maintaining or increasing the number of retail outlets that offer an assortment of perishable food and staple food items, as determined by the Secretary, in those areas; and

''(ii) to accept benefits under the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

''(C) PRIORITIES.—In carrying out the Initiative, priority shall be given to projects that—

''(i) are located in severely distressed low-income communities, as defined by the Community Development Financial Institutions Fund of the Department of the Treasury; and

''(ii) include 1 or more of the following characteristics:

''(I) The project will create or retain quality jobs for low-income residents in the community.

''(II) The project supports regional food systems and locally grown foods, to the maximum extent practicable.

''(III) In areas served by public transit, the project is accessible by public transit.

''(IV) The project involves women- or minority-owned businesses.

''(V) The project receives funding from other sources, including other Federal agencies.

''(VI) The project otherwise advances the purpose of this section, as determined by the Secretary.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $125,000,000, to remain available until expended.''.

SEC. 4206. PULSE CROP PRODUCTS.

(a) PURPOSE.—The purpose of this section is to encourage greater awareness and interest in the number and variety of pulse crop products available to schoolchildren, as recommended by the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341).

(b) DEFINITIONS.—In this section:

(1) ELIGIBLE PULSE CROP.—The term ''eligible pulse crop'' means dry beans, dry peas, lentils, and chickpeas.

(2) PULSE CROP PRODUCT.—The term ''pulse crop product'' means a food product derived in whole or in part from an eligible pulse crop.

(c) PURCHASE OF PULSE CROPS AND PULSE CROP PRODUCTS.—In addition to the commodities delivered under section 6 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755), the Secretary shall purchase eligible pulse crops and pulse crop products for use in—

(1) the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); and

(2) the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(d) EVALUATION.—Not later than September 30, 2016, the Secretary shall conduct an evaluation of the activities conducted under subsection (c), including—

(1) an evaluation of whether children participating in the school lunch and breakfast programs described in subsection (c) increased overall consumption of eligible pulse crops as a result of the activities;

(2) an evaluation of which eligible pulse crops and pulse crop products are most acceptable for use in the school lunch and breakfast programs;

(3) any recommendations of the Secretary regarding the integration of the use of pulse crop products in carrying out the school lunch and breakfast programs;

(4) an evaluation of any change in the nutrient composition in the school lunch and breakfast programs due to the activities; and

(5) an evaluation of any other outcomes determined to be appropriate by the Secretary.

(e) REPORT.—As soon as practicable after the completion of the evaluation under subsection (d), the Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Education and the Workforce of the House of Representative a report describing the results of the evaluation.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000, to remain available until expended.

SEC. 4207. DIETARY GUIDELINES FOR AMERICANS.

Section 301(a) of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341(a)) is amended by adding at the end the following:

''(3) PREGNANT WOMEN AND YOUNG CHILDREN.—Not later than the 2020 report and in each report thereafter, the Secretaries shall include national nutritional and dietary information and guidelines for pregnant women and children from birth until the age of 2.''.

SEC. 4208. PURCHASES OF LOCALLY PRODUCED FOODS.

Section 9(j) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(j)) is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively, and indenting the subparagraphs appropriately;

(2) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'';

(3) in paragraph (1) (as so redesignated)—

(A) in subparagraph (B)—

(i) by striking ''paragraph (1) of the policy described in that paragraph and paragraph (3)'' and inserting ''subparagraph (A) of the policy described in that subparagraph and subparagraph (C)''; and

(ii) by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) not later than 1 year after the date of enactment of this subparagraph, in accordance with paragraphs (2) and (3), conduct not fewer than 5 demonstration projects through school food authorities receiving funds under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) to facilitate the purchase of unprocessed and minimally processed locally grown and locally raised agricultural products.''; and

(4) by adding at the end the following:

''(2) SELECTION.—In conducting demonstration projects under paragraph (1)(D), the Secretary shall ensure that at least 1 project is located in a State in each of—

''(A) the Pacific Northwest Region;

''(B) the Northeast Region;

''(C) the Western Region;

''(D) the Midwest Region; and

''(E) the Southern Region.

''(3) PRIORITY.—In selecting States for participation in the demonstration projects under paragraph (2), the Secretary shall prioritize applications based on—

''(A) the quantity and variety of growers of local fruits and vegetables in the State;

''(B) the demonstrated commitment of the State to farm-to-school efforts, as evidenced by prior efforts to increase and promote farm-to- school programs in the State; and

''(C) whether the State contains a sufficient quantity of school districts of varying population sizes and geographical locations.''.

SEC. 4209. MULTIAGENCY TASK FORCE.

Subtitle D of title II of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6951 et seq.) (as amended by section 4205) is amended by adding at the end the following:

''SEC. 243. MULTIAGENCY TASK FORCE.

''(a) IN GENERAL.—The Secretary shall establish, in the office of the Under Secretary for Food, Nutrition, and Consumer Services, a multiagency task force for the purpose of providing coordination and direction for commodity programs.

''(b) COMPOSITION.—The Task Force shall be composed of at least 4 members, including—

''(1) a representative from the Food Distribution Division of the Food and Nutrition Service, who shall—

''(A) be appointed by the Under Secretary for Food, Nutrition, and Consumer Services; and

''(B) serve as Chairperson of the Task Force;

''(2) at least 1 representative from the Agricultural Marketing Service, who shall be appointed by the Under Secretary for Marketing and Regulatory Programs;

''(3) at least 1 representative from the Farm Services Agency, who shall be appointed by the Under Secretary for Farm and Foreign Agricultural Services; and

''(4) at least 1 representative from the Food Safety and Inspection Service, who shall be appointed by the Under Secretary for Food Safety.

''(c) DUTIES.—

''(1) IN GENERAL.—The Task Force shall be responsible for evaluation and monitoring of the commodity programs to ensure that the commodity programs meet the mission of the Department—

''(A) to support the United States farm sector; and

''(B) to contribute to the health and well-being of individuals in the United States through the distribution of domestic agricultural products through commodity programs.

''(2) SPECIFIC DUTIES.—In carrying out paragraph (1), the Task Force shall—

''(A) review and make recommendations regarding the specifications used for the procurement of food commodities;

''(B) review and make recommendations regarding the efficient and effective distribution of food commodities; and

''(C) review and make recommendations regarding the degree to which the quantity, quality, and specifications of procured food commodities align the needs of producers and the preferences of recipient agencies.

''(d) REPORTS.—Not later than 1 year after the date of enactment of this section, and annually thereafter, the Secretary shall submit to Congress a report that describes, for the period covered by the report—

''(1) the findings and recommendations of the Task Force; and

''(2) policies implemented for the improvement of commodity procurement programs.''.

SEC. 4210. FOOD AND AGRICULTURE SERVICE LEARNING PROGRAM.

Subtitle D of title II of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6951 et seq.) (as amended by section 4209) is amended by adding at the end the following:

''SEC. 244. FOOD AND AGRICULTURE SERVICE LEARNING PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) APPROVED NATIONAL SERVICE POSITION.—The term 'approved national service position' has the meaning given the term in section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511)).

''(2) ELEMENTARY SCHOOL.—The term 'elementary school' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

''(3) PROGRAM.—The term 'Program' means the Food and Agriculture Service Learning Program established under subsection (b).

''(4) SECONDARY SCHOOL.—The term 'secondary school' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

''(b) ESTABLISHMENT.—The Secretary shall establish a Food and Agriculture Service Learning Program to increase knowledge of agriculture and improve the nutritional health of children.

''(c) PURPOSES.—The purposes of the Program are—

''(1) to increase capacity for food, garden, and nutrition education within host organizations or entities and school cafeterias and in the classroom;

''(2) to complement and build on the efforts of the farm to school programs implemented under section 18(g) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(g));

''(3) to complement efforts by the Department and school food authorities to implement school meal programs under section 4(b)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753(b)(3));

''(4) to carry out activities that advance the nutritional health of children and nutrition education in elementary schools and secondary schools;

''(5) to build on activities carried out by the Food and Nutrition Service and the Corporation for National and Community Service by providing funds to establish new approved national service positions for a national service program; and

''(6) to further expand the impact of the efforts described in paragraphs (1) through (5) through coordination with the National Institute of Food and Agriculture.

''(d) ELIGIBILITY.—In carrying out the Program, the Secretary may make awards to an organization or other entity that, as determined by the Secretary—

''(1) has a proven track record in carrying out the activities described in subsection (c);

''(2) is designated as a national service organization by the Corporation for National and Community Service under subtitle C of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.);

''(3) works in underserved rural and urban communities;

''(4) teaches and engages children in experiential learning about agriculture, gardening, nutrition, cooking, and where food comes from; and

''(5) facilitates a connection between elementary schools and secondary schools and agricultural producers in the local and regional area.

''(e) ACCOUNTABILITY.—

''(1) IN GENERAL.—The Secretary may require an organization or other entity receiving an award under subsection (d), or another qualified entity, to collect and report any data on the activities carried out under the Program, as determined by the Secretary.

''(2) EVALUATION.—The Secretary shall—

''(A) conduct regular evaluation of the activities carried out under the Program; and

''(B) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes a description of the results of an evaluation conducted under subparagraph (A).

''(f) FUNDING.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000, to remain available until expended.

''(2) USE OF CERTAIN FUNDS.—Of the funds made available to carry out this section for a fiscal year, 20 percent shall be made available to the National Institute of Food and Agriculture to offset costs associated with hosting, training, and overseeing individuals in approved national service positions under the Program.

''(3) MAINTENANCE OF EFFORT.—Funds made available under paragraph (1) shall be used only to supplement, not to supplant, the amount of Federal funding otherwise expended for nutrition, research, and extension programs of the Department.''.

TITLE V—CREDIT

Subtitle A—Farmer Loans, Servicing, and Other Assistance Under the Consolidated Farm and Rural Development Act

SEC. 5001. FARMER LOANS, SERVICING, AND OTHER ASSISTANCE UNDER THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.

The Consolidated Farm and Rural Development Act (as amended by section 6001) is amended by inserting after section 3002 the following:

''Subtitle A—Farmer Loans, Servicing, and Other Assistance

''CHAPTER 1—FARM OWNERSHIP LOANS

''SEC. 3101. FARM OWNERSHIP LOANS.

''(a) IN GENERAL.—The Secretary may make or guarantee a farm ownership loan under this chapter to an eligible farmer for a farm in the United States.

''(b) ELIGIBILITY.—A farmer shall be eligible under subsection (a) only—

''(1) if the farmer, or, in the case of an entity, 1 or more individuals holding a majority interest in the entity—

''(A) is a citizen of the United States; and

''(B) in the case of a direct loan, has training or farming experience that the Secretary determines is sufficient to ensure a reasonable prospect of success in the farming operation proposed by the farmer;

''(2)(A) in the case of a farmer that is an individual, if the farmer is or proposes to become an owner and operator of a farm that is not larger than a family farm; or

''(B) in the case of a lessee-operator of a farm located in the State of Hawaii, if the Secretary determines that—

''(i) the farm is not larger than a family farm;

''(ii) the farm cannot be acquired in fee simple by the lessee-operator;

''(iii) adequate security is provided for the loan with respect to the farm for which the lessee-operator applies under this chapter; and

''(iv) there is a reasonable probability of accomplishing the objectives and repayment of the loan;

''(3) in the case of a farmer that is a cooperative, corporation, partnership, trust, limited liability company, joint operation, or such other legal entity as the Secretary determines to be appropriate, with respect to the entity and each farm in which the entity has an ownership or operator interest—

''(A) if—

''(i) a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary;

''(ii) at least 1 of the individuals is or will be the operator of the farm; and

''(iii) the farm is not larger than a family farm;

''(B) if—

''(i) all of the individuals who are or propose to become owners or operators of a farm are related by blood or marriage;

''(ii) all of the individuals are or propose to become operators of the farm; and

''(iii) each of the interests of the individuals separately constitutes not larger than a family farm even if the ownership interests of the individuals collectively constitute larger than a family farm; or

''(C) if—

''(i) the entire interest is not held by individuals who are related by blood or marriage, as defined by the Secretary;

''(ii) all of the individuals are or propose to become farm operators; and

''(iii) the farm is not larger than a family farm;

''(4) in the case of an entity that is, or will become within a reasonable period of time, as determined by the Secretary, only the operator of a family farm, if the 1 or more individuals who are the owners of the family farm own—

''(A) a percentage of the family farm that exceeds 50 percent; or

''(B) such other percentage as the Secretary determines to be appropriate;

''(5) in the case of an operator described in paragraph (3) that is owned, in whole or in part, by 1 or more other entities, if each of the individuals that have a direct or indirect ownership interest in such other entities also have a direct ownership interest in the entity; and

''(6) if the farmer (or in the case of a farmer that is an entity, the 1 or more individuals that hold a majority interest in the entity) is unable to obtain credit elsewhere.

''(c) DIRECT LOANS.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary may make a direct loan under this chapter only to a farmer who has participated in business operations of a farm for not less than 3 years (or has other acceptable experience for a period of time determined by the Secretary) and—

''(A) is a qualified beginning farmer;

''(B) has not received a previous direct farm ownership loan made under this chapter; or

''(C) has not received a direct farm ownership loan under this chapter more than 10 years before the date on which the new loan would be made.

''(2) YOUTH LOANS.—The operation of an enterprise by a youth under section 3201(d) shall not be considered the operation of a farm for purposes of paragraph (1).

''SEC. 3102. PURPOSES OF LOANS.

''(a) ALLOWED PURPOSES.—

''(1) DIRECT LOANS.—A farmer may use a direct loan made under this chapter only—

''(A) to acquire or enlarge a farm;

''(B) to make capital improvements to a farm;

''(C) to pay loan closing costs related to acquiring, enlarging, or improving a farm;

''(D) to pay for activities to promote soil and water conservation and protection described in section 3103 on a farm; or

''(E) to refinance a temporary bridge loan made by a commercial or cooperative lender to a farmer for the acquisition of land for a farm, if—

''(i) the Secretary approved an application for a direct farm ownership loan to the farmer for acquisition of the land; and

''(ii) funds for direct farm ownership loans under section 3201(a) were not available at the time at which the application was approved.

''(2) GUARANTEED LOANS.—A farmer may use a loan guaranteed under this chapter only—

''(A) to acquire or enlarge a farm;

''(B) to make capital improvements to a farm;

''(C) to pay loan closing costs related to acquiring, enlarging, or improving a farm;

''(D) to pay for activities to promote soil and water conservation and protection described in section 3103 on a farm; or

''(E) to refinance indebtedness.

''(b) PREFERENCES.—In making or guaranteeing a loan under this chapter for purchase of a farm, the Secretary shall give preference to a person who—

''(1) has a dependent family;

''(2) to the extent practicable, is able to make an initial down payment on the farm; or

''(3) is an owner of livestock or farm equipment that is necessary to successfully carry out farming operations.

''(c) HAZARD INSURANCE REQUIREMENT.—The Secretary may not make a loan to a farmer under this chapter unless the farmer has, or agrees to obtain, hazard insurance on any real property to be acquired or improved with the loan.

''SEC. 3103. CONSERVATION LOAN AND LOAN GUARANTEE PROGRAM.

''(a) IN GENERAL.—The Secretary may make or guarantee qualified conservation loans to eligible borrowers under this section.

''(b) DEFINITIONS.—In this section:

''(1) CONSERVATION PLAN.—The term 'conservation plan' means a plan, approved by the Secretary, that, for a farming operation, identifies the conservation activities that will be addressed with loan funds provided under this section, including—

''(A) the installation of conservation structures to address soil, water, and related resources;

''(B) the establishment of forest cover for sustained yield timber management, erosion control, or shelter belt purposes;

''(C) the installation of water conservation measures;

''(D) the installation of waste management systems;

''(E) the establishment or improvement of permanent pasture;

''(F) compliance with section 1212 of the Food Security Act of 1985 (16 U.S.C. 3812); and

''(G) other purposes consistent with the plan, including the adoption of any other emerging or existing conservation practices, techniques, or technologies approved by the Secretary.

''(2) QUALIFIED CONSERVATION LOAN.—The term 'qualified conservation loan' means a loan, the proceeds of which are used to cover the costs to the borrower of carrying out a qualified conservation project.

''(3) QUALIFIED CONSERVATION PROJECT.—The term 'qualified conservation project' means conservation measures that address provisions of a conservation plan of the eligible borrower.

''(c) ELIGIBILITY.—

''(1) IN GENERAL.—The Secretary may make or guarantee loans to farmers.

''(2) REQUIREMENTS.—To be eligible for a loan under this section, applicants shall meet the citizenship and training and experience requirements of section 3101(b).

''(d) PRIORITY.—In making or guaranteeing loans under this section, the Secretary shall give priority to—

''(1) qualified beginning farmers and socially disadvantaged farmers;

''(2) owners or tenants who use the loans to convert to sustainable or organic agricultural production systems; and

''(3) producers who use the loans to build conservation structures or establish conservation practices to comply with section 1212 of the Food Security Act of 1985 (16 U.S.C. 3812).

''(e) LIMITATIONS APPLICABLE TO LOAN GUARANTEES.—The portion of a loan that the Secretary may guarantee under this section shall not exceed 75 percent of the principal amount of the loan.

''(f) ADMINISTRATIVE PROVISIONS.—The Secretary shall ensure, to the maximum extent practicable, that loans made or guaranteed under this section are distributed across diverse geographic regions.

''(g) CREDIT ELIGIBILITY.—The provisions of paragraphs (1) and (3) of section 3406(a) shall not apply to loans made or guaranteed under this section.

''(h) AUTHORIZATION OF APPROPRIATIONS.—For each of fiscal years 2013 through 2018, there are authorized to be appropriated to the Secretary such sums as are necessary to carry out this section.

''SEC. 3104. LOAN MAXIMUMS.

''(a) MAXIMUM.—

''(1) IN GENERAL.—The Secretary shall make or guarantee no loan under sections 3101, 3102, 3103, 3106, and 3107 that would cause the unpaid indebtedness under those sections of any 1 borrower to exceed the lesser of—

''(A) the value of the farm or other security, or

''(B)(i) in the case of a loan made by the Secretary, $300,000; or

''(ii) in the case of a loan guaranteed by the Secretary, $700,000 (as modified under paragraph (2)).

''(2) MODIFICATION.—The amount specified in paragraph (1)(B)(ii) shall be—

''(A) increased, beginning with fiscal year 2000, by the inflation percentage applicable to the fiscal year in which the loan is guaranteed; and

''(B) reduced by the amount of any unpaid indebtedness of the borrower on loans under chapter 2 that are guaranteed by the Secretary.

''(b) DETERMINATION OF VALUE.—In determining the value of the farm, the Secretary shall consider appraisals made by competent appraisers under rules established by the Secretary.

''(c) INFLATION PERCENTAGE.—For purposes of this section, the inflation percentage applicable to a fiscal year is the percentage (if any) by which—

''(1) the average of the Prices Paid By Farmers Index (as compiled by the National Agricultural Statistics Service of the Department) for the 12-month period ending on

August 31 of the immediately preceding fiscal year; exceeds

''(2) the average of that index (as so defined) for the 12-month period ending on August 31, 1996.

''SEC. 3105. REPAYMENT REQUIREMENTS FOR FARM OWNERSHIP LOANS.

''(a) PERIOD FOR REPAYMENT.—The period for repayment of a loan under this chapter shall not exceed 40 years.

''(b) INTEREST RATES.—

''(1) IN GENERAL.—Except as otherwise provided in this title, the interest rate on a loan under this chapter shall be determined by the Secretary at a rate—

''(A) not to exceed the sum obtained by adding—

''(i) the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of the loan; and

''(ii) an amount not to exceed 1 percent, as determined by the Secretary; and

''(B) adjusted to the nearest ⅛ of 1 percent.

''(2) LOW INCOME FARM OWNERSHIP LOANS.—Except as provided in paragraph (3), the interest rate on a loan (other than a guaranteed loan) under section 3106 shall be determined by the Secretary at a rate that is—

''(A) not greater than the sum obtained by adding—

''(i) an amount that does not exceed ½ of the current average market yield on outstanding marketable obligations of the United States with maturities of 5 years; and

''(ii) an amount not to exceed 1 percent per year, as the Secretary determines is appropriate; and

''(B) not less than 5 percent per year.

''(3) JOINT FINANCING ARRANGEMENT.—If a direct farm ownership loan is made under this chapter as part of a joint financing arrangement and the amount of the direct farm ownership loan does not exceed 50 percent of the total principal amount financed under the arrangement, the interest rate on the direct farm ownership loan shall be at least 4 percent annually.

''(4) GUARANTEED LOANS.—The interest rate on a loan made under this chapter as a guaranteed loan shall be such rate as may be agreed on by the borrower and the lender, but not in excess of any rate determined by the Secretary.

''(c) PAYMENT OF CHARGES.—A borrower of a loan made or guaranteed under this chapter shall pay such fees and other charges as the Secretary may require, and prepay to the Secretary such taxes and insurance as the Secretary may require, on such terms and conditions as the Secretary may prescribe.

''(d) SECURITY.—

''(1) IN GENERAL.—The Secretary shall take as security for an obligation entered into in connection with a loan, a mortgage on a farm with respect to which the loan is made or such other security as the Secretary may require.

''(2) LIENS TO UNITED STATES.—An instrument for security under paragraph (1) may constitute a lien running to the United States notwithstanding the fact that the note for the security may be held by a lender other than the United States.

''(3) MULTIPLE LOANS.—A borrower may use the same collateral to secure 2 or more loans made or guaranteed under this chapter, except that the outstanding amount of the loans may not exceed the total value of the collateral.

''(e) MINERAL RIGHTS AS COLLATERAL.—

''(1) IN GENERAL.—In the case of a farm ownership loan made after December 23, 1985, unless appraised values of the rights to oil, gas, or other minerals are specifically included as part of the appraised value of collateral securing the loan, the rights to oil, gas, or other minerals located under the property shall not be considered part of the collateral securing the loan.

''(2) COMPENSATORY PAYMENTS.—Nothing in this subsection prevents the inclusion of, as part of the collateral securing the loan, any payment or other compensation the borrower may receive for damages to the surface of the collateral real estate resulting from the exploration for or recovery of minerals.

''(f) ADDITIONAL COLLATERAL.—The Secretary may not—

''(1) require any borrower to provide additional collateral to secure a farmer program loan made or guaranteed under this subtitle, if the borrower is current in the payment of principal and interest on the loan; or

''(2) bring any action to foreclose, or otherwise liquidate, the loan as a result of the failure of a borrower to provide additional collateral to secure the loan, if the borrower was current in the payment of principal and interest on the loan at the time the additional collateral was requested.

''SEC. 3106. LIMITED-RESOURCE LOANS.

''(a) IN GENERAL.—The Secretary may make or guarantee a limited-resource loan for any of the purposes specified in sections 3102(a) or 3103(a) to a farmer in the United States who—

''(1) in the case of an entity, all members, stockholders, or partners are eligible under section 3101(b);

''(2) has a low income; and

''(3) demonstrates a need to maximize the income of the farmer from farming operations.

''(b) INSTALLMENTS.—A loan made or guaranteed under this section shall be repayable in such installments as the Secretary determines will provide for reduced payments during the initial repayment period of the loan and larger payments during the remainder of the repayment period of the loan.

''(c) INTEREST RATES.—Except as provided in section 3105(b)(3) and in section 3204(b)(3), the interest rate on loans (other than guaranteed loans) under this section shall not be—

''(1) greater than the sum obtained by adding—

''(A) an amount that does not exceed ½ of the current average market yield on outstanding marketable obligations of the United States with maturities of 5 years; and

''(B) an amount not exceeding 1 percent per year, as the Secretary determines is appropriate; or

''(2) less than 5 percent per year.

''SEC. 3107. DOWNPAYMENT LOAN PROGRAM.

''(a) IN GENERAL.—

''(1) ESTABLISHMENT.—Notwithstanding any other provision of this chapter, the Secretary shall establish, under the farm ownership loan program established under this chapter, a program under which loans shall be made under this section to a qualified beginning farmer or a socially disadvantaged farmer for a downpayment on a farm ownership loan.

''(2) COORDINATION.—The Secretary shall be the primary coordinator of credit supervision for the downpayment loan program established under this section, in consultation with a commercial or cooperative lender and, if applicable, a contracting credit counseling service selected under section 3420(c).

''(b) LOAN TERMS.—

''(1) PRINCIPAL.—Each loan made under this section shall be in an amount that does not exceed 45 percent of the lesser of—

''(A) the purchase price of the farm to be acquired;

''(B) the appraised value of the farm to be acquired; or

''(C) $667,000.

''(2) INTEREST RATE.—The interest rate on any loan made by the Secretary under this section shall be a rate equal to the greater of—

''(A) the difference between—

''(i) 4 percent; and

''(ii) the interest rate for farm ownership loans under this chapter; or

''(B) 1.5 percent.

''(3) DURATION.—Each loan under this section shall be made for a period of 20 years or less, at the option of the borrower.

''(4) REPAYMENT.—Each borrower of a loan under this section shall repay the loan to the Secretary in equal annual installments.

''(5) NATURE OF RETAINED SECURITY INTEREST.—The Secretary shall retain an interest in each farm acquired with a loan made under this section that shall—

''(A) be secured by the farm;

''(B) be junior only to such interests in the farm as may be conveyed at the time of acquisition to the person (including a lender) from whom the borrower obtained a loan used to acquire the farm; and

''(C) require the borrower to obtain the permission of the Secretary before the borrower may grant an additional security interest in the farm.

''(c) LIMITATIONS.—

''(1) BORROWERS REQUIRED TO MAKE MINIMUM DOWN PAYMENT.—The Secretary shall not make a loan under this section to any borrower with respect to a farm if the contribution of the borrower to the down payment on the farm will be less than 5 percent of the purchase price of the farm.

''(2) PROHIBITED TYPES OF FINANCING.—The Secretary shall not make a loan under this section with respect to a farm if the farm is to be acquired with other financing that contains any of the following conditions:

''(A) The financing is to be amortized over a period of less than 30 years.

''(B) A balloon payment will be due on the financing during the 20-year period beginning on the date on which the loan is to be made by the Secretary.

''(d) ADMINISTRATION.—In carrying out this section, the Secretary shall, to the maximum extent practicable—

''(1) facilitate the transfer of farms from retiring farmers to persons eligible for insured loans under this subtitle;

''(2) make efforts to widely publicize the availability of loans under this section among—

''(A) potentially eligible recipients of the loans;

''(B) retiring farmers; and

''(C) applicants for farm ownership loans under this chapter;

''(3) encourage retiring farmers to assist in the sale of their farms to qualified beginning farmers and socially disadvantaged farmers providing seller financing;

''(4) coordinate the loan program established by this section with State programs that provide farm ownership or operating loans for beginning farmers or socially disadvantaged farmers; and

''(5) establish annual performance goals to promote the use of the down payment loan program and other joint financing arrangements as the preferred choice for direct real estate loans made by any lender to a qualified beginning farmer or socially disadvantaged farmer.

''SEC. 3108. BEGINNING FARMER AND SOCIALLY DISADVANTAGED FARMER CONTRACT LAND SALES PROGRAM.

''(a) IN GENERAL.—The Secretary shall, in accordance with this section, guarantee a loan made by a private seller of a farm to a qualified beginning farmer or socially disadvantaged farmer on a contract land sales basis.

''(b) ELIGIBILITY.—To be eligible for a loan guarantee under subsection (a)—

''(1) the qualified beginning farmer or socially disadvantaged farmer shall—

''(A) on the date the contract land sale that is subject of the loan is complete, own and operate the farm that is the subject of the contract land sale;

''(B) have a credit history that—

''(i) includes a record of satisfactory debt repayment, as determined by the Secretary; and

''(ii) is acceptable to the Secretary; and

''(C) demonstrate to the Secretary that the farmer is unable to obtain sufficient credit without a guarantee to finance any actual need of the farmer at a reasonable rate or term; and

''(2) the loan shall meet applicable underwriting criteria, as determined by the Secretary.

''(c) LIMITATIONS.—The Secretary shall not provide a loan guarantee under subsection (a) if—

''(1) the contribution of the qualified beginning farmer or socially disadvantaged farmer to the down payment for the farm that is the subject of the contract land sale would be less than 5 percent of the purchase price of the farm; or

''(2) the purchase price or the appraisal value of the farm that is the subject of the contract land sale is greater than $500,000.

''(d) PERIOD OF GUARANTEE.—A loan guarantee under this section shall be in effect for the 10-year period beginning on the date on which the guarantee is provided.

''(e) GUARANTEE PLAN.—

''(1) SELECTION OF PLAN.—A private seller of a farm who makes a loan guaranteed by the Secretary under subsection (a) may select—

''(A) a prompt payment guarantee plan, which shall cover—

''(i) 3 amortized annual installments; or

''(ii) an amount equal to 3 annual installments (including an amount equal to the total cost of any tax and insurance incurred during the period covered by the annual installments); or

''(B) a standard guarantee plan, which shall cover an amount equal to 90 percent of the outstanding principal of the loan.

''(2) ELIGIBILITY FOR STANDARD GUARANTEE PLAN.—To be eligible for a standard guarantee plan referred to in paragraph (1)(B), a private seller shall—

''(A) secure a commercial lending institution or similar entity, as determined by the Secretary, to serve as an escrow agent; or

''(B) in cooperation with the farmer, use an appropriate alternate arrangement, as determined by the Secretary.

''CHAPTER 2—OPERATING LOANS

''SEC. 3201. OPERATING LOANS.

''(a) IN GENERAL.—The Secretary may make or guarantee an operating loan under this chapter to an eligible farmer in the United States.

''(b) ELIGIBILITY.—A farmer shall be eligible under subsection (a) only—

''(1) if the farmer, or an individual holding a majority interest in the farmer—

''(A) is a citizen of the United States; and

''(B) has training or farming experience that the Secretary determines is sufficient to ensure a reasonable prospect of success in the farming operation proposed by the farmer;

''(2) in the case of a farmer that is an individual, if the farmer is or proposes to become an operator of a farm that is not larger than a family farm;

''(3) in the case of a farmer that is a cooperative, corporation, partnership, trust, limited liability company, joint operation, or such other legal entity as the Secretary determines to be appropriate, with respect to the entity and each farm in which the entity has an ownership or operator interest—

''(A) if—

''(i) a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary;

''(ii) at least 1 of the individuals is or will be the operator of the farm; and

''(iii) the farm is not larger than a family farm;

''(B) if—

''(i) all of the individuals who are or propose to become owners or operators of a farm are related by blood or marriage;

''(ii) all of the individuals are or propose to become operators of the farm; and

''(iii) each of the interests of the individuals separately constitutes not larger than a family farm even if the ownership interests of the individuals collectively constitute larger than a family farm; or

''(C) if—

''(i) the entire interest is not held by individuals who are related by blood or marriage, as defined by the Secretary;

''(ii) all of the individuals are or propose to become farm operators; and

''(iii) the farm is not larger than a family farm;

''(4) in the case of an operator described in paragraph (3) that is owned, in whole or in part by 1 or more other entities, if not less than 75 percent of the ownership interests of each other entity is owned directly or indirectly by 1 or more individuals who own the family farm; and

''(5) if the farmer (or in the case of a farmer that is an entity, the 1 or more individuals that hold a majority interest in the entity) is unable to obtain credit elsewhere.

''(c) DIRECT LOANS.—

''(1) IN GENERAL.—The Secretary may make a direct loan under this chapter only to a farmer who—

''(A) is a qualified beginning farmer;

''(B) has not received a previous direct operating loan made under this chapter; or

''(C) has not received a direct operating loan made under this chapter for a total of 10 years, plus any year the farmer or rancher did not receive a direct operating loan after the year in which the borrower initially received a direct operating loan under this chapter, as determined by the Secretary.

''(2) YOUTH LOANS.—In this subsection, the term 'direct operating loan' shall not include a loan made to a youth under subsection (d).

''(3) WAIVERS.—

''(A) FARM OPERATIONS ON TRIBAL LAND.—The Secretary shall waive the limitation under paragraph (1)(C) for a direct loan made under this chapter to a farmer whose farm land is subject to the jurisdiction of an Indian tribe and whose loan is secured by 1 or more security instruments that are subject to the jurisdiction of an Indian tribe if the Secretary determines that commercial credit is not generally available for such farm operations.

''(B) OTHER FARM OPERATIONS.—On a case-by-case determination not subject to administrative appeal, the Secretary may grant a borrower a waiver, 1 time only for a period of 2 years, of the limitation under paragraph (1)(C) for a direct operating loan if the borrower demonstrates to the satisfaction of the Secretary that—

''(i) the borrower has a viable farm operation;

''(ii) the borrower applied for commercial credit from at least 2 commercial lenders;

''(iii) the borrower was unable to obtain a commercial loan (including a loan guaranteed by the Secretary); and

''(iv) the borrower successfully has completed, or will complete within 1 year, borrower training under section 3419 (from which requirement the Secretary shall not grant a waiver under section 3419(f)).

''(d) YOUTH LOANS.—

''(1) IN GENERAL.—Notwithstanding subsection (b), except for citizenship and credit requirements, a loan may be made under this chapter to a youth who is a rural resident to enable the youth to operate an enterprise in connection with the participation in a youth organization, as determined by the Secretary.

''(2) FULL PERSONAL LIABILITY.—A youth receiving a loan under this subsection who executes a promissory note for the loan shall incur full personal liability for the indebtedness evidenced by the note, in accordance with the terms of the note, free of any disability of minority.

''(3) COSIGNER.—The Secretary may accept the personal liability of a cosigner of a promissory note for a loan under this subsection, in addition to the personal liability of the youth borrower.

''(4) YOUTH ENTERPRISES NOT FARMING.—The operation of an enterprise by a youth under this subsection shall not be considered the operation of a farm under this subtitle.

''(5) RELATION TO OTHER LOAN PROGRAMS.—Notwithstanding any other provision of law, if a borrower becomes delinquent with respect to a youth loan made under this subsection, the borrower shall not become ineligible, as a result of the delinquency, to receive loans and loan guarantees from the Federal government to pay for education expenses of the borrower.

''(e) PILOT LOAN PROGRAM TO SUPPORT HEALTHY FOODS FOR THE HUNGRY.—

''(1) DEFINITION OF GLEANER.—In this subsection, the term 'gleaner' means an entity that—

''(A) collects edible, surplus food that would be thrown away and distributes the food to agencies or nonprofit organizations that feed the hungry; or

''(B) harvests for free distribution to the needy, or for donation to agencies or nonprofit organizations for ultimate distribution to the needy, an agricultural crop that has been donated by the owner of the crop.

''(2) PROGRAM.—Not later than 180 days after the date of enactment of this subsection, the Secretary shall establish, within the operating loan program established under this chapter, a pilot program under which the Secretary makes loans available to eligible entities to assist the entities in providing food to the hungry.

''(3) ELIGIBILITY.—In addition to any other person eligible under the terms and conditions of the operating loan program established under this chapter, gleaners shall be eligible to receive loans under this subsection.

''(4) LOAN AMOUNT.—

''(A) IN GENERAL.—Each loan issued under the program shall be in an amount of not less than $500 and not more than $5,000.

''(B) REDISTRIBUTION.—If the eligible recipients in a State do not use the full allocation of loans that are available to eligible recipients in the State under this subsection, the Secretary may use any unused amounts to make loans available to eligible entities in other States in accordance with this subsection.

''(5) LOAN PROCESSING.—

''(A) IN GENERAL.—The Secretary shall process any loan application submitted under the program not later than 30 days after the date on which the application was submitted.

''(B) EXPEDITING APPLICATIONS.—The Secretary shall take any measure the Secretary determines necessary to expedite any application submitted under the program.

''(6) PAPERWORK REDUCTION.—The Secretary shall take measures to reduce any paperwork requirements for loans under the program.

''(7) PROGRAM INTEGRITY.—The Secretary shall take such actions as are necessary to ensure the integrity of the program established under this subsection.

''(8) MAXIMUM AMOUNT.—Of funds that are made available to carry out this chapter, the Secretary shall use to carry out this subsection a total amount of not more than $500,000.

''(9) REPORT.—Not later than 180 days after the maximum amount of funds are used to carry out this subsection under paragraph (8), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the pilot program and the feasibility of expanding the program.

''SEC. 3202. PURPOSES OF LOANS.

''(a) DIRECT LOANS.—A direct loan may be made under this chapter only—

''(1) to pay the costs incident to reorganizing a farm for more profitable operation;

''(2) to purchase livestock, poultry, or farm equipment;

''(3) to purchase feed, seed, fertilizer, insecticide, or farm supplies, or to meet other essential farm operating expenses, including cash rent;

''(4) to finance land or water development, use, or conservation;

''(5) to pay loan closing costs;

''(6) to assist a farmer in changing the equipment, facilities, or methods of operation of a farm to comply with a standard promulgated under section 6 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655) or a standard adopted by a State under a plan approved under section 18 of that Act (29 U.S.C. 667), if the Secretary determines that without assistance under this paragraph the farmer is likely to suffer substantial economic injury in complying with the standard;

''(7) to train a limited-resource borrower receiving a loan under section 3106 in maintaining records of farming operations;

''(8) to train a borrower under section 3419;

''(9) to refinance the indebtedness of a borrower, if the borrower—

''(A) has refinanced a loan under this chapter not more than 4 times previously; and

''(B)(i) is a direct loan borrower under this subtitle at the time of the refinancing and has suffered a qualifying loss because of a natural or major disaster or emergency; or

''(ii) is refinancing a debt obtained from a creditor other than the Secretary;

''(10) to provide other farm or home needs, including family subsistence; or

''(11) to assist a farmer in the production of a locally or regionally produced agricultural food product (as defined in section 3601(e)(11)(A)), including to qualified producers engaged in direct-to-consumer marketing, direct-to-institution marketing, or direct-to-store marketing, business, or activities that produce a value-added agricultural product (as defined in section 231(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(a))).

''(b) GUARANTEED LOANS.—A loan may be guaranteed under this chapter only—

''(1) to pay the costs incident to reorganizing a farm for more profitable operation;

''(2) to purchase livestock, poultry, or farm equipment;

''(3) to purchase feed, seed, fertilizer, insecticide, or farm supplies, or to meet other essential farm operating expenses, including cash rent;

''(4) to finance land or water development, use, or conservation;

''(5) to refinance indebtedness;

''(6) to pay loan closing costs;

''(7) to assist a farmer in changing the equipment, facilities, or methods of operation of a farm to comply with a standard promulgated under section 6 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655) or a standard adopted by a State under a plan approved under section 18 of that Act (29 U.S.C. 667), if the Secretary determines that without assistance under this paragraph the farmer is likely to suffer substantial economic injury due to compliance with the standard;

''(8) to train a borrower under section 3419; or

''(9) to provide other farm or home needs, including family subsistence.

''(c) HAZARD INSURANCE REQUIREMENT.—The Secretary may not make a loan to a farmer under this chapter unless the farmer has, or agrees to obtain, hazard insurance on the property to be acquired with the loan.

''(d) PRIVATE RESERVE.—

''(1) IN GENERAL.—Notwithstanding any other provision of this title, the Secretary may reserve a portion of any loan made under this chapter to be placed in an unsupervised bank account that may be used at the discretion of the borrower for the basic family needs of the borrower and the immediate family of the borrower.

''(2) LIMIT ON SIZE OF THE RESERVE.—The size of the reserve shall not exceed the lesser of—

''(A) 10 percent of the loan;

''(B) $5,000; or

''(C) the amount needed to provide for the basic family needs of the borrower and the immediate family of the borrower for 3 calendar months.

''(e) LOANS TO LOCAL AND REGIONAL FOOD PRODUCERS.—

''(1) TRAINING.—The Secretary shall ensure that loan officers processing loans under subsection (a)(11) receive appropriate training to serve borrowers and potential borrowers engaged in local and regional food production.

''(2) VALUATION.—

''(A) IN GENERAL.—The Secretary shall develop ways to determine unit prices (or other appropriate forms of valuation) for crops and other agricultural products, the end use of which is intended to be in locally or regionally produced agricultural food products, to facilitate lending to local and regional food producers.

''(B) PRICE HISTORY.—The Secretary shall implement a mechanism for local and regional food producers to establish price history for the crops and other agricultural products produced by local and regional food producers.

''(3) OUTREACH.—The Secretary shall develop and implement an outreach strategy to engage and provide loan services to local and regional food producers.

''SEC. 3203. RESTRICTIONS ON LOANS.

''(a) REQUIREMENTS.—

''(1) IN GENERAL.—The Secretary may not make or guarantee a loan under this chapter—

''(A) that would cause the total principal indebtedness outstanding at any 1 time for loans made under this chapter to any 1 borrower to exceed—

''(i)(I) in the case of a loan made by the Secretary, $300,000; or

''(II) in the case of a loan guaranteed by the Secretary, $700,000 (as modified under paragraph (2)); or

''(B) for the purchasing or leasing of land other than for cash rent, or for carrying on a land leasing or land purchasing program.

''(2) MODIFICATION.—The amount specified in paragraph (1)(A)(ii) shall be—

''(A) increased, beginning with fiscal year 2000, by the inflation percentage applicable to the fiscal year in which the loan is guaranteed; and

''(B) reduced by the unpaid indebtedness of the borrower on loans under sections specified in section 3104 that are guaranteed by the Secretary.

''(b) INFLATION PERCENTAGE.—For purposes of this section, the inflation percentage applicable to a fiscal year is the percentage (if any) by which—

''(1) the average of the Prices Paid By Farmers Index (as compiled by the National Agricultural Statistics Service of the Department) for the 12-month period ending on August 31 of the immediately preceding fiscal year; exceeds

''(2) the average of that index (as so defined) for the 12-month period ending on August 31, 1996.

''SEC. 3204. TERMS OF LOANS.

''(a) PERSONAL LIABILITY.—A borrower of a loan made under this chapter shall secure the loan with the full personal liability of the borrower and such other security as the Secretary may prescribe.

''(b) INTEREST RATES.—

''(1) MAXIMUM RATE.—

''(A) IN GENERAL.—Except as provided in paragraphs (2) and (3), the interest rate on a loan made under this chapter (other than a guaranteed loan) shall be determined by the Secretary at a rate not to exceed the sum obtained by adding—

''(i) the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of the loan; and

''(ii) an additional charge not to exceed 1 percent, as determined by the Secretary.

''(B) ADJUSTMENT.—The sum obtained under subparagraph (A) shall be adjusted to the nearest ⅛ of 1 percent.

''(2) GUARANTEED LOAN.—The interest rate on a guaranteed loan made under this chapter shall be such rate as may be agreed on by the borrower and the lender, but may not exceed any rate prescribed by the Secretary.

''(3) LOW INCOME LOAN.—The interest rate on a direct loan made under this chapter to a low-income, limited-resource borrower shall be determined by the Secretary at a rate that is not—

''(A) greater than the sum obtained by adding—

''(i) an amount that does not exceed ½ of the current average market yield on outstanding marketable obligations of the United States with a maturity of 5 years; and

''(ii) an amount not to exceed 1 percent per year, as the Secretary determines is appropriate; or

''(B) less than 5 percent per year.

''(c) PERIOD FOR REPAYMENT.—The period for repayment of a loan made under this chapter may not exceed 7 years.

''(d) LINE-OF-CREDIT LOANS.—

''(1) IN GENERAL.—A loan made or guaranteed by the Secretary under this chapter may be in the form of a line-of-credit loan.

''(2) TERM.—A line-of-credit loan under paragraph (1) shall terminate not later than 5 years after the date that the loan is made or guaranteed.

''(3) ELIGIBILITY.—For purposes of determining eligibility for an operating loan under this chapter, each year during which a farmer takes an advance or draws on a line-of-credit loan the farmer shall be considered as having received an operating loan for 1 year.

''(4) TERMINATION OF DELINQUENT LOANS.—If a borrower does not pay an installment on a line-of-credit loan on schedule, the borrower

may not take an advance or draw on the line-of-credit, unless the Secretary determines that—

''(A) the failure of the borrower to pay on schedule was due to unusual conditions that the borrower could not control; and

''(B) the borrower will reduce the line-of-credit balance to the scheduled level at the end of—

''(i) the production cycle; or

''(ii) the marketing of the agricultural products of the borrower.

''(5) AGRICULTURAL COMMODITIES.—A line-of-credit loan may be used to finance the production or marketing of an agricultural commodity that is eligible for a price support program of the Department.

''CHAPTER 3—EMERGENCY LOANS

''SEC. 3301. EMERGENCY LOANS.

''(a) IN GENERAL.—The Secretary shall make or guarantee an emergency loan under this chapter to an eligible farmer (including a commercial fisherman) only to the extent and in such amounts as provided in advance in appropriation Acts.

''(b) ELIGIBILITY.—An established farmer shall be eligible under subsection (a) only—

''(1) if the farmer or an individual holding a majority interest in the farmer—

''(A) is a citizen of the United States; and

''(B) has experience and resources that the Secretary determines are sufficient to ensure a reasonable prospect of success in the farming operation proposed by the farmer;

''(2) in the case of a farmer that is an individual, if the farmer is—

''(A) in the case of a loan for a purpose under chapter 1, an owner, operator, or lessee-operator described in section 3101(b)(2); and

''(B) in the case of a loan for a purpose under chapter 2, an operator of a farm that is not larger than a family farm;

''(3) in the case of a farmer that is a cooperative, corporation, partnership, trust, limited liability company, joint operation, or such other legal entity as the Secretary determines to be appropriate, with respect to the entity and each farm in which the entity has an ownership or operator interest—

''(A) if—

''(i) a majority interest is held by individuals who are related by blood or marriage, as defined by the Secretary;

''(ii) at least 1 of the individuals is or will be the operator of the farm; and

''(iii) the farm is not larger than a family farm;

''(B) if—

''(i) all of the individuals who are or propose to become owners or operators of a farm are related by blood or marriage;

''(ii) all of the individuals are or propose to become operators of the farm; and

''(iii) each of the interests of the individuals separately constitutes not larger than a family farm even if the ownership interests of the individuals collectively constitute larger than a family farm; or

''(C) if—

''(i) the entire interest is not held by individuals who are related by blood or marriage, as defined by the Secretary;

''(ii) all of the individuals are or propose to become farm operators; and

''(iii) the farm is not larger than a family farm;

''(4) if the entity is owned, in whole or in part, by 1 or more other entities and each individual who is an owner of the family farm involved has a direct or indirect ownership interest in each of the other entities;

''(5) if the farmer (or in the case of a farmer that is an entity, the 1 or more individuals that hold a majority interest in the entity) is unable to obtain credit elsewhere; and

''(6)(A) if the Secretary finds that the operations of the farmer have been substantially affected by—

''(i) a natural or major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); or

''(ii) a quarantine imposed by the Secretary under the Plant Protection Act (7 U.S.C. 7701 et seq.) or the Animal Health Protection Act (7 U.S.C. 8301 et seq.); or

''(B) if the farmer conducts farming operations in a county or a county contiguous to a county in which the Secretary has found that farming operations have been substantially affected by a natural or major disaster or emergency.

''(c) TIME FOR ACCEPTING AN APPLICATION.—The Secretary shall accept an application for a loan under this chapter from a farmer at any time during the 8-month period beginning on the date that—

''(1) the Secretary determines that farming operations of the farmer have been substantially affected by—

''(A) a quarantine imposed by the Secretary under the Plant Protection Act (7 U.S.C. 7701 et seq.) or the Animal Health Protection Act (7 U.S.C. 8301 et seq.); or

''(B) a natural disaster; or

''(2) the President makes a major disaster or emergency designation with respect to the affected county of the farmer referred to in subsection (b)(5)(B).

''(d) HAZARD INSURANCE REQUIREMENT.—The Secretary may not make a loan to a farmer under this chapter to cover a property loss unless the farmer had hazard insurance that insured the property at the time of the loss.

''(e) FAMILY FARM.—The Secretary shall conduct the loan program under this chapter in a manner that will foster and encourage the family farm system of agriculture, consistent with the reaffirmation of policy and declaration of the intent of Congress contained in section 102(a) of the Food and Agriculture Act of 1977 (7 U.S.C. 2266(a)).

''SEC. 3302. PURPOSES OF LOANS.

''Subject to the limitations on the amounts of loans provided in section 3303(a), a loan may be made or guaranteed under this chapter for—

''(1) any purpose authorized for a loan under chapter 1 or 2; and

''(2) crop or livestock purposes that are—

''(A) necessitated by a quarantine, natural disaster, major disaster, or emergency; and

''(B) considered desirable by the farmer.

''SEC. 3303. TERMS OF LOANS.

''(a) MAXIMUM AMOUNT OF LOAN.—The Secretary may not make or guarantee a loan under this chapter to a borrower who has suffered a loss in an amount that—

''(1) exceeds the actual loss caused by a disaster; or

''(2) would cause the total indebtedness of the borrower under this chapter to exceed $500,000.

''(b) INTEREST RATES.—Any portion of a loan under this chapter up to the amount of the actual loss suffered by a farmer caused by a disaster shall be at a rate prescribed by the Secretary, but not in excess of 8 percent per annum.

''(c) INTEREST SUBSIDIES FOR GUARANTEED LOANS.—In the case of a guaranteed loan under this chapter, the Secretary may pay an interest subsidy to the lender for any portion of the loan up to the amount of the actual loss suffered by a farmer caused by a disaster.

''(d) TIME FOR REPAYMENT.—

''(1) IN GENERAL.—Subject to paragraph (2), a loan under this chapter shall be repayable at such times as the Secretary may determine, considering the purpose of the loan and the nature and effect of the disaster, but not later than the maximum repayment period allowed for a loan for a similar purpose under chapters 1 and 2.

''(2) EXTENDED REPAYMENT PERIOD.—The Secretary may, if the loan is for a purpose described in chapter 2 and the Secretary determines that the need of the loan applicant justifies the longer repayment period, make the loan repayable at the end of a period of more than 7 years, but not more than 20 years.

''(e) SECURITY FOR LOAN.—

''(1) IN GENERAL.—A borrower of a loan made under this chapter shall secure the loan with the full personal liability of the borrower and such other security as the Secretary may prescribe.

''(2) ADEQUATE SECURITY.—Subject to paragraph (3), the Secretary may not make or guarantee a loan under this chapter unless the security for the loan is adequate to ensure repayment of the loan.

''(3) INADEQUATE SECURITY DUE TO DISASTER.—If adequate security for a loan under this chapter is not available because of a disaster, the Secretary shall accept as security any collateral that is available if the Secretary is confident that the collateral and the repayment ability of the farmer are adequate security for the loan.

''(4) VALUATION OF FARM ASSETS.—If a farm asset (including land, livestock, or equipment) is used as collateral to secure a loan applied for under this chapter and the governor of the State in which the farm is located requests assistance under this chapter or the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) for the portion of the State in which the asset is located, the Secretary shall establish the value of the asset as of the day before the occurrence of the natural or major disaster or emergency.

''(f) REVIEW OF LOAN.—

''(1) IN GENERAL.—In the case of a loan made, but not guaranteed, under section 3301, the Secretary shall review the loan 3 years after the loan is made, and every 2 years thereafter for the term of the loan.

''(2) TERMINATION OF FEDERAL ASSISTANCE.—If, based on a review under paragraph (1), the Secretary determines that the borrower is able to obtain a loan from a non-Federal source at reasonable rates and terms, the borrower shall, on request by the Secretary, apply for, and accept, a non-Federal loan in a sufficient amount to repay the Secretary.

''SEC. 3304. PRODUCTION LOSSES.

''(a) IN GENERAL.—The Secretary shall make or guarantee a loan under this chapter to an eligible farmer for production losses if a single enterprise that constitutes a basic part of the farming operation of the farmer has sustained at least a 30 percent loss in normal per acre or per animal production, or such lesser percentage as the Secretary may determine, as a result of a disaster.

''(b) BASIS FOR PERCENTAGE.—A percentage loss under subsection (a) shall be based on the average monthly price in effect for the previous crop or calendar year, as appropriate.

''(c) AMOUNT OF LOAN.—A loan under subsection (a) shall be in an amount that is equal to 80 percent, or such greater percentage as the Secretary may determine, of the total calculated actual production loss sustained by the farmer.

''CHAPTER 4—GENERAL FARMER LOAN PROVISIONS

''SEC. 3401. AGRICULTURAL CREDIT INSURANCE FUND.

''The fund established pursuant to section 11(a) of the Bankhead-Jones Farm Tenant

Act (60 Stat. 1075, chapter 964) shall be known as the Agricultural Credit Insurance Fund (referred to in this section as the 'Fund', unless the context otherwise requires) for the discharge of the obligations of the Secretary under agreements insuring loans under this subtitle and loans and mortgages insured under prior authority.

"SEC. 3402. GUARANTEED FARMER LOANS.

''(a) IN GENERAL.—The Secretary may provide financial assistance to a borrower for a purpose provided in this subtitle by guaranteeing a loan made by any Federal or State chartered bank, savings and loan association, cooperative lending agency, or other legally organized lending agency.

''(b) INTEREST RATE.—The interest rate payable by a borrower on the portion of a guaranteed loan that is sold by a lender to the secondary market under this subtitle may be lower than the interest rate charged on the portion retained by the lender, but shall not exceed the average interest rate charged by the lender on loans made to farm borrowers.

''(c) FEES.—In the case of a loan guarantee on a loan made by a commercial or cooperative lender related to a loan made by the Secretary under section 3107—

''(1) the Secretary shall not charge a fee to any person (including a lender); and

''(2) a lender may charge a loan origination and servicing fee in an amount not to exceed 1 percent of the amount of the loan.

''(d) MAXIMUM GUARANTEE OF 90 PERCENT.—Except as provided in subsections (e) and (f), a loan guarantee under this subtitle shall be for not more than 90 percent of the principal and interest due on the loan.

''(e) REFINANCED LOANS GUARANTEED AT 95 PERCENT.—The Secretary shall guarantee 95 percent of—

''(1) in the case of a loan that solely refinances a direct loan made under this subtitle, the principal and interest due on the loan on the date of the refinancing; or

''(2) in the case of a loan that is used for multiple purposes, the portion of the loan that refinances the principal and interest due on a direct loan made under this subtitle that is outstanding on the date the loan is guaranteed.

''(f) BEGINNING FARMER LOANS GUARANTEED UP TO 95 PERCENT.—The Secretary may guarantee not more than 95 percent of—

''(1) a farm ownership loan for acquiring a farm to a borrower who is participating in the downpayment loan program under section 3107; or

''(2) an operating loan to a borrower who is participating in the downpayment loan program under section 3107 that is made during the period that the borrower has a direct loan outstanding under chapter 1 for acquiring a farm.

''(g) GUARANTEE OF LOANS MADE UNDER STATE BEGINNING FARMER PROGRAMS.—The Secretary may guarantee under this subtitle a loan made under a State beginning farmer program, including a loan financed by the net proceeds of a qualified small issue agricultural bond for land or property described in section 144(a)(12)(B)(ii) of the Internal Revenue Code of 1986.

''(h) PARTIAL LIQUIDATIONS.—If a partial liquidation of a delinquent loan is performed (with the prior consent of the Secretary) as part of loan servicing by a guaranteed lender under this subtitle, the Secretary shall not require full liquidation of the loan for the lender to be eligible to receive payment on losses.

"SEC. 3403. PROVISION OF INFORMATION TO BORROWERS.

''(a) APPROVAL NOTIFICATION.—The Secretary shall approve or disapprove an application for a loan or loan guarantee made under this subtitle, and notify the applicant of such action, not later than 60 days after the date on which the Secretary has received a complete application for the loan or loan guarantee.

''(b) LIST OF LENDERS.—The Secretary shall make available to any farmer, on request, a list of lenders in the area that participate in guaranteed farmer program loan programs established under this subtitle, and other lenders in the area that express a desire to participate in the programs and that request inclusion on the list.

''(c) OTHER INFORMATION.—

''(1) IN GENERAL.—On the request of a borrower, the Secretary shall make available to the borrower—

''(A) a copy of each document signed by the borrower;

''(B) a copy of each appraisal performed with respect to the loan; and

''(C) any document that the Secretary is required to provide to the borrower under any law in effect on the date of the request.

''(2) RULE OF CONSTRUCTION.—Paragraph (1) shall not supersede any duty imposed on the Secretary by a law in effect on January 5, 1988, unless the duty directly conflicts with a duty under paragraph (1).

"SEC. 3404. NOTICE OF LOAN SERVICE PROGRAMS.

''(a) REQUIREMENT.—The Secretary shall provide notice by certified mail to each borrower who is at least 90 days past due on the payment of principal or interest on a loan made under this subtitle.

''(b) CONTENTS.—The notice required under subsection (a) shall—

''(1) include a summary of all primary loan service programs, homestead retention programs, debt settlement programs, and appeal procedures, including the eligibility criteria, and terms and conditions of the programs and procedures;

''(2) include a summary of the manner in which the borrower may apply, and be considered, for all such programs, except that the Secretary shall not require the borrower to select among the programs or waive any right to be considered for any program carried out by the Secretary;

''(3) advise the borrower regarding all filing requirements and any deadlines that must be met for requesting loan servicing;

''(4) provide any relevant forms, including applicable response forms;

''(5) advise the borrower that a copy of regulations is available on request; and

''(6) be designed to be readable and understandable by the borrower.

''(c) CONTAINED IN REGULATIONS.—All notices required by this section shall be contained in the regulations issued to carry out this subtitle.

''(d) TIMING.—The notice described in subsection (b) shall be provided—

''(1) at the time an application is made for participation in a loan service program;

''(2) on written request of the borrower; and

''(3) before the earliest of the date of—

''(A) initiating any liquidation;

''(B) requesting the conveyance of security property;

''(C) accelerating the loan;

''(D) repossessing property;

''(E) foreclosing on property; or

''(F) taking any other collection action.

''(e) CONSIDERATION OF BORROWERS FOR LOAN SERVICE PROGRAMS.—

''(1) IN GENERAL.—The Secretary shall consider a farmer program loan borrower for all loan service programs if, not later than 60 days after receipt of the notice described in subsection (b), the borrower requests the consideration in writing.

''(2) PRIORITY.—In considering a borrower for a loan service program, the Secretary shall place the highest priority on the preservation of the farming operations of the borrower.

"SEC. 3405. PLANTING AND PRODUCTION HISTORY GUIDELINES.

''(a) IN GENERAL.—The Secretary shall ensure that appropriate procedures, including, to the extent practicable, onsite inspections, or use of county or State yield averages, are used in calculating future yields for an applicant for a loan, when an accurate projection cannot be made because the past production history of the farmer has been affected by a natural or major disaster or emergency.

''(b) CALCULATION OF YIELDS.—

''(1) IN GENERAL.—For the purpose of averaging the past yields of the farm of a farmer over a period of crop years to calculate the future yield of the farm under this subtitle, the Secretary shall permit the farmer to exclude the crop year with the lowest actual or county average yield for the farm from the calculation, if the farmer was affected by a natural or major disaster or emergency during at least 2 of the crop years during the period.

''(2) AFFECTED BY A NATURAL OR MAJOR DISASTER OR EMERGENCY.—A farmer was affected by a natural or major disaster or emergency under paragraph (1) if the Secretary finds that the farming operations of the farmer have been substantially affected by a natural or major disaster or emergency, including a farmer who has a qualifying loss but is not located in a designated or declared disaster area.

''(3) APPLICATION OF SUBSECTION.—This subsection shall apply to any action taken by the Secretary that involves—

''(A) a loan under chapter 1 or 2; and

''(B) the yield of a farm of a farmer, including making a loan or loan guarantee, servicing a loan, or making a credit sale.

"SEC. 3406. SPECIAL CONDITIONS AND LIMITATIONS ON LOANS.

''(a) APPLICANT REQUIREMENTS.—In connection with a loan made or guaranteed under this subtitle, the Secretary shall require—

''(1) the applicant—

''(A) to certify in writing that, and the Secretary shall determine whether, the applicant is unable to obtain credit elsewhere; and

''(B) to furnish an appropriate written financial statement;

''(2) except for a guaranteed loan, an agreement by the borrower that if at any time it appears to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source (or, in the case of a borrower under section 3106, the borrower may be able to obtain a loan under section 3101), at reasonable rates and terms for loans for similar purposes and periods of time, the borrower will, on request by the Secretary, apply for and accept the loan in a sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with the loan;

''(3) such provision for supervision of the operations of the borrower as the Secretary shall consider necessary to achieve the objectives of the loan and protect the interests of the United States; and

''(4) the application of a person who is a veteran for a loan under chapter 1 or 2 to be given preference over a similar application from a person who is not a veteran if the applications are on file in a county or area office at the same time.

''(b) AGENCY PROCESSING REQUIREMENTS.—

''(1) NOTIFICATIONS.—

''(A) INCOMPLETE APPLICATION NOTIFICATION.—If an application for a loan or loan

guarantee under this subtitle (other than an operating loan or loan guarantee) is incomplete, the Secretary shall inform the applicant of the reasons the application is incomplete not later than 20 days after the date on which the Secretary has received the application.

''(B) OPERATING LOANS.—

''(i) ADDITIONAL INFORMATION NEEDED.—Not later than 10 calendar days after the Secretary receives an application for an operating loan or loan guarantee, the Secretary shall notify the applicant of any information required before a decision may be made on the application.

''(ii) INFORMATION NOT RECEIVED.—If, not later than 20 calendar days after the date a request is made pursuant to clause (i) with respect to an application, the Secretary has not received the information requested, the Secretary shall notify the applicant and the district office of the Farm Service Agency, in writing, of the outstanding information.

''(C) REQUEST INFORMATION.—

''(i) IN GENERAL.—On receipt of an application, the Secretary shall request from other parties such information as may be needed in connection with the application.

''(ii) INFORMATION FROM AN AGENCY OF THE DEPARTMENT.—Not later than 15 calendar days after the date on which an agency of the Department receives a request for information made pursuant to subparagraph (A), the agency shall provide the Secretary with the requested information.

''(2) REPORT OF PENDING APPLICATIONS.—

''(A) IN GENERAL.—A county office shall notify the district office of the Farm Service Agency of each application for an operating loan or loan guarantee that is pending more than 45 days after receipt, and the reasons for which the application is pending.

''(B) ACTION ON PENDING APPLICATIONS.—A district office that receives a notice provided under subparagraph (A) with respect to an application shall immediately take steps to ensure that final action is taken on the application not later than 15 days after the date of the receipt of the notice.

''(C) PENDING APPLICATION REPORT.—The district office shall report to the State office of the Farm Service Agency on each application for an operating loan or loan guarantee that is pending more than 45 days after receipt, and the reasons for which the application is pending.

''(D) REPORT TO CONGRESS.—Each month, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, on a State-by-State basis, as to each application for an operating loan or loan guarantee on which final action had not been taken within 60 calendar days after receipt by the Secretary, and the reasons for which final action had not been taken.

''(3) DISAPPROVALS.—

''(A) IN GENERAL.—If an application for a loan or loan guarantee under this subtitle is disapproved by the Secretary, the Secretary shall state the reasons for the disapproval in the notice required under paragraph (1).

''(B) DISAPPROVAL DUE TO LACK OF FUNDS.—

''(i) IN GENERAL.—Notwithstanding paragraph (1), each application for a loan or loan guarantee under section 3601(e), or for a loan under section 3501(a) or 3502(a), that is to be disapproved by the Secretary solely because the Secretary lacks the funds necessary to make the loan or guarantee shall not be disapproved but shall be placed in pending status.

''(ii) RECONSIDERATION.—The Secretary shall retain each pending application and reconsider the application beginning on the date that sufficient funds become available.

''(iii) NOTIFICATION.—Not later than 60 days after funds become available regarding each pending application, the Secretary shall notify the applicant of the approval or disapproval of funding for the application.

''(4) APPROVALS ON APPEAL.—If an application for a loan or loan guarantee under this subtitle is disapproved by the Secretary, but that action is subsequently reversed or revised as the result of an appeal within the Department or to the courts of the United States and the application is returned to the Secretary for further consideration, the Secretary shall act on the application and provide the applicant with notice of the action not later than 15 days after the date of return of the application to the Secretary.

''(5) PROVISION OF PROCEEDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), if an application for a guaranteed loan under this subtitle is approved by the Secretary, the Secretary shall provide the loan proceeds to the applicant not later than 15 days (or such longer period as the applicant may approve) after the application for the loan is approved by the Secretary.

''(B) LACK OF FUNDS.—If the Secretary is unable to provide the loan proceeds to the applicant during the 15-day period described in subparagraph (A) because sufficient funds are not available to the Secretary for that purpose, the Secretary shall provide the loan proceeds to the applicant as soon as practicable (but in no event later than 15 days unless the applicant agrees to a longer period) after sufficient funds for that purpose become available to the Secretary.

''SEC. 3407. GRADUATION OF BORROWERS.

''(a) GRADUATION OF SEASONED DIRECT LOAN BORROWERS TO THE LOAN GUARANTEE PROGRAM.—

''(1) REVIEW OF LOANS.—

''(A) IN GENERAL.—The Secretary, or a contracting third party, shall annually review under section 3420 the loans of each seasoned direct loan borrower.

''(B) ASSISTANCE.—If, based on the review, it is determined that a borrower would be able to obtain a loan, guaranteed by the Secretary, from a commercial or cooperative lender at reasonable rates and terms for loans for similar purposes and periods of time, the Secretary shall assist the borrower in applying for the commercial or cooperative loan.

''(2) PROSPECTUS.—

''(A) IN GENERAL.—In accordance with section 3422, the Secretary shall prepare a prospectus on each seasoned direct loan borrower determined eligible to obtain a guaranteed loan.

''(B) REQUIREMENTS.—The prospectus shall contain a description of the amounts of the loan guarantee and interest assistance that the Secretary will provide to the seasoned direct loan borrower to enable the seasoned direct loan borrower to carry out a financially viable farming plan if a guaranteed loan is made.

''(3) VERIFICATION.—

''(A) IN GENERAL.—The Secretary shall provide a prospectus of a seasoned direct loan borrower to each approved lender whose lending area includes the location of the seasoned direct loan borrower.

''(B) NOTIFICATION.—The Secretary shall notify each borrower of a loan that a prospectus has been provided to a lender under subparagraph (A).

''(C) CREDIT EXTENDED.—If the Secretary receives an offer from an approved lender to extend credit to the seasoned direct loan borrower under terms and conditions contained in the prospectus, the seasoned direct loan borrower shall not be eligible for a loan from the Secretary under chapter 1 or 2, except as otherwise provided in this section.

''(4) INSUFFICIENT ASSISTANCE OR OFFERS.—If the Secretary is unable to provide loan guarantees and, if necessary, interest assistance to the seasoned direct loan borrower under this section in amounts sufficient to enable the seasoned direct loan borrower to borrow from commercial sources the amount required to carry out a financially viable farming plan, or if the Secretary does not receive an offer from an approved lender to extend credit to a seasoned direct loan borrower under the terms and conditions contained in the prospectus, the Secretary shall make a loan to the seasoned direct loan borrower under chapter 1 or 2, whichever is applicable.

''(5) INTEREST RATE REDUCTIONS.—To the extent necessary for the borrower to obtain a loan, guaranteed by the Secretary, from a commercial or cooperative lender, the Secretary shall provide interest rate reductions as provided for under section 3413.

''(b) TRANSITION TO PRIVATE COMMERCIAL OR OTHER SOURCES OF CREDIT.—

''(1) IN GENERAL.—In making an operating or ownership loan, the Secretary shall establish a plan and promulgate regulations (including performance criteria) that promote the goal of transitioning borrowers to private commercial credit and other sources of credit in the shortest period of time practicable.

''(2) COORDINATION.—In carrying out this section, the Secretary shall integrate and coordinate the transition policy described in subsection (a) with—

''(A) the borrower training program established by section 3419;

''(B) the loan assessment process established by section 3420;

''(C) the supervised credit requirement established by section 3421;

''(D) the market placement program established by section 3422; and

''(E) other appropriate programs and authorities, as determined by the Secretary.

''(c) GRADUATION OF BORROWERS WITH OPERATING LOANS OR GUARANTEES TO PRIVATE COMMERCIAL CREDIT.—The Secretary shall establish a plan, in coordination with activities under sections 3419 through 3422, to encourage each borrower with an outstanding loan under this chapter, or with respect to whom there is an outstanding guarantee under this chapter, to graduate to private commercial or other sources of credit.

''SEC. 3408. DEBT ADJUSTMENT AND CREDIT COUNSELING.

''In carrying out this subtitle, the Secretary may—

''(1) provide voluntary debt adjustment assistance between—

''(A) farmers; and

''(B) the creditors of the farmers;

''(2) cooperate with State, territorial, and local agencies and committees engaged in the debt adjustment; and

''(3) give credit counseling.

''SEC. 3409. SECURITY SERVICING.

''(a) SALE OF PROPERTY.—

''(1) IN GENERAL.—Subject to this subsection and subsection (e)(1), the Secretary shall offer to sell real property that is acquired by the Secretary under this subtitle using the following order and method of sale:

''(A) ADVERTISEMENT.—Not later than 15 days after acquiring real property, the Secretary shall publicly advertise the property for sale.

''(B) QUALIFIED BEGINNING FARMER.—

''(i) IN GENERAL.—Not later than 135 days after acquiring real property, the Secretary shall offer to sell the property to a qualified beginning farmer or a socially disadvantaged farmer at current market value based on a current appraisal.

''(ii) RANDOM SELECTION.—If more than 1 qualified beginning farmer or socially disadvantaged farmer offers to purchase the property, the Secretary shall select between the qualified applicants on a random basis.

''(iii) APPEAL OF RANDOM SELECTION.—A random selection or denial by the Secretary of a qualified beginning farmer or a socially disadvantaged farmer for farm inventory property under this subparagraph shall be final and not administratively appealable.

''(C) PUBLIC SALE.—If no acceptable offer is received from a qualified beginning farmer or a socially disadvantaged farmer under subparagraph (B) not later than 135 days after acquiring the real property, the Secretary shall, not later than 30 days after the 135-day period, sell the property after public notice at a public sale, and, if no acceptable bid is received, by negotiated sale, at the best price obtainable.

''(2) INTEREST.—

''(A) IN GENERAL.—Subject to subparagraph (B), any conveyance of real property under this subsection shall include all of the interest of the United States in the property, including mineral rights.

''(B) CONSERVATION.—The Secretary may for conservation purposes grant or sell an easement, restriction, development right, or similar legal right to real property to a State, a political subdivision of a State, or a private nonprofit organization separately from the underlying fee or other rights to the property owned by the United States.

''(3) OTHER LAW.—Subtitle I of title 40, United States Code, and title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) shall not apply to any exercise of authority under this subtitle.

''(4) LEASE OF PROPERTY.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may not lease any real property acquired under this subtitle.

''(B) EXCEPTION.—

''(i) QUALIFIED BEGINNING FARMER OR SOCIALLY DISADVANTAGED FARMER.—The Secretary may lease or contract to sell to a qualified beginning farmer or a socially disadvantaged farmer a farm acquired by the Secretary under this subtitle if the qualified beginning farmer qualifies for a credit sale or direct farm ownership loan under chapter 1 but credit sale authority for loans or direct farm ownership loan funds, respectively, are not available.

''(ii) TERM.—The term of a lease or contract to sell to a qualified beginning farmer or a socially disadvantaged farmer under clause (i) shall be until the earlier of—

''(I) the date that is 18 months after the date of the lease or sale; or

''(II) the date that direct farm ownership loan funds or credit sale authority for loans becomes available to the qualified beginning farmer or socially disadvantaged farmer.

''(iii) INCOME-PRODUCING CAPABILITY.—In determining the rental rate on real property leased under this subparagraph, the Secretary shall consider the income-producing capability of the property during the term that the property is leased.

''(5) EXPEDITED DETERMINATION.—

''(A) IN GENERAL.—On the request of an applicant, not later than 30 days after denial of the application, the appropriate State director shall provide an expedited review and determination of whether the applicant is a qualified beginning farmer or a socially disadvantaged farmer for the purpose of acquiring farm inventory property.

''(B) APPEAL.—The determination of a State Director under subparagraph (A) shall be final and not administratively appealable.

''(C) EFFECTS OF DETERMINATIONS.—

''(i) IN GENERAL.—The Secretary shall maintain statistical data on the number and results of determinations made under subparagraph (A) and the effect of the determinations on—

''(I) selling farm inventory property to qualified beginning farmers or socially disadvantaged farmers; and

''(II) disposing of real property in inventory.

''(ii) NOTIFICATION.—The Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate if the Secretary determines that the review process under subparagraph (A) is adversely affecting the selling of farm inventory property to qualified beginning farmers or socially disadvantaged farmers or the disposing of real property in inventory.

''(b) ROAD AND UTILITY EASEMENTS AND CONDEMNATIONS.—In the case of any real property administered under this subtitle, the Secretary may grant or sell easements or rights-of-way for roads, utilities, and other appurtenances that are not inconsistent with the public interest.

''(c) SALE OR LEASE OF FARMLAND.—

''(1) DISPOSITION OF REAL PROPERTY ON INDIAN RESERVATIONS.—

''(A) DEFINITION OF INDIAN RESERVATION.—In this paragraph, the term 'Indian reservation' means—

''(i) all land located within the limits of any Indian reservation under the jurisdiction of the United States, notwithstanding the issuance of any patent, and, including any right-of-way running through the reservation;

''(ii) trust or restricted land located within the boundaries of a former reservation of an Indian tribe in the State of Oklahoma; or

''(iii) all Indian allotments the Indian titles to which have not been extinguished if the allotments are subject to the jurisdiction of an Indian tribe.

''(B) DISPOSITION.—Except as provided in paragraph (3), the Secretary shall dispose of or administer the property as provided in this paragraph when—

''(i) the Secretary acquires property under this subtitle that is located within an Indian reservation; and

''(ii) the borrower-owner is the Indian tribe that has jurisdiction over the reservation in which the real property is located or the borrower-owner is a member of the Indian tribe;

''(C) PRIORITY.—Not later than 90 days after acquiring the property, the Secretary shall afford an opportunity to purchase or lease the real property in accordance with the order of priority established under subparagraph (D) to the Indian tribe having jurisdiction over the Indian reservation within which the real property is located or, if no order of priority is established by the Indian tribe under subparagraph (D), in the following order:

''(i) An Indian member of the Indian tribe that has jurisdiction over the reservation within which the real property is located.

''(ii) An Indian corporate entity.

''(iii) The Indian tribe.

''(D) REVISION OF PRIORITY AND RESTRICTION OF ELIGIBILITY.—The governing body of any Indian tribe having jurisdiction over an Indian reservation may revise the order of priority provided in subparagraph (C) under which land located within the reservation shall be offered for purchase or lease by the Secretary under subparagraph (C) and may restrict the eligibility for the purchase or lease to—

''(i) persons who are members of the Indian tribe;

''(ii) Indian corporate entities that are authorized by the Indian tribe to lease or purchase land within the boundaries of the reservation; or

''(iii) the Indian tribe itself.

''(E) TRANSFER OF PROPERTY TO SECRETARY OF THE INTERIOR.—

''(i) IN GENERAL.—If real property described in subparagraph (B) is not purchased or leased under subparagraph (C) and the Indian tribe having jurisdiction over the reservation within which the real property is located is unable to purchase or lease the real property, the Secretary shall transfer the real property to the Secretary of the Interior who shall administer the real property as if the real property were held in trust by the United States for the benefit of the Indian tribe.

''(ii) USE OF RENTAL INCOME.—From the rental income derived from the lease of the transferred real property, and all other income generated from the transferred real property, the Secretary of the Interior shall pay the State, county, municipal, or other local taxes to which the transferred real property was subject at the time of acquisition by the Secretary, until the earlier of—

''(I) the expiration of the 4-year period beginning on the date on which the real property is so transferred; or

''(II) such time as the land is transferred into trust pursuant to subparagraph (H).

''(F) RESPONSIBILITIES OF SECRETARIES.—If any real property is transferred to the Secretary of the Interior under subparagraph (E)—

''(i) the Secretary of Agriculture shall have no further responsibility under this subtitle for—

''(I) collection of any amounts with regard to the farm program loan that had been secured by the real property;

''(II) any lien arising out of the loan transaction; or

''(III) repayment of any amount with regard to the loan transaction or lien to the Treasury of the United States; and

''(ii) the Secretary of the Interior shall succeed to all right, title, and interest of the Secretary of Agriculture in the real estate arising from the farm program loan transaction, including the obligation to remit to the Treasury of the United States, in repayment of the original loan, the amounts provided in subparagraph (G).

''(G) USE OF INCOME.—After the payment of any taxes that are required to be paid under subparagraph (E)(ii), all remaining rental income derived from the lease of the real property transferred to the Secretary of the Interior under subparagraph (E)(i), and all other income generated from the real property transferred to the Secretary of the Interior under that subparagraph, shall be deposited as miscellaneous receipts in the Treasury of the United States until the amount deposited is equal to the lesser of—

''(i) the amount of the outstanding lien of the United States against the real property, as of the date the real property was acquired by the Secretary;

''(ii) the fair market value of the real property, as of the date of the transfer to the Secretary of the Interior; or

''(iii) the capitalized value of the real property, as of the date of the transfer to the Secretary of the Interior.

''(H) HOLDING OF TITLE IN TRUST.—If the total amount that is required to be deposited under subparagraph (G) with respect to any real property has been deposited into the Treasury of the United States, title to the real property shall be held in trust by the United States for the benefit of the Indian tribe having jurisdiction over the Indian reservation within which the real property is located.

''(I) PAYMENT OF REMAINING LIEN OR FAIR MARKET VALUE OF PROPERTY.—

''(i) IN GENERAL.—Notwithstanding any other subparagraph of this paragraph, the Indian tribe having jurisdiction over the Indian reservation within which the real property described in subparagraph (B) is located may, at any time after the real property has been transferred to the Secretary of the Interior under subparagraph (E), offer to pay the remaining amount on the lien or the fair market value of the real property, whichever is less.

''(ii) EFFECT OF PAYMENT.—On payment of the amount, title to the real property shall be held by the United States in trust for the tribe and the trust or restricted land that has been acquired by the Secretary under foreclosure or voluntary transfer under a loan made or insured under this subtitle and transferred to an Indian person, entity, or tribe under this paragraph shall be considered to have never lost trust or restricted status.

''(J) APPLICABILITY.—

''(i) IN GENERAL.—This paragraph shall apply to all land in the land inventory established under this subtitle (as of November 28, 1990) that was (immediately prior to the date) owned by an Indian borrower-owner described in subparagraph (B) and that is situated within an Indian reservation, regardless of the date of foreclosure or acquisition by the Secretary.

''(ii) OPPORTUNITY TO PURCHASE OR LEASE.—The Secretary shall afford an opportunity to an Indian person, entity, or tribe to purchase or lease the real property as provided in subparagraph (C).

''(iii) TRANSFER.—If the right is not exercised or no expression of intent to exercise the right is received within 180 days after November 28, 1990, the Secretary shall transfer the real property to the Secretary of the Interior as provided in subparagraph (E).

''(2) ADDITIONAL RIGHTS.—The rights provided in this subsection shall be in addition to any right of first refusal under the law of the State in which the property is located.

''(3) DISPOSITION OF REAL PROPERTY ON INDIAN RESERVATIONS AFTER PROCEDURES EXHAUSTED.—

''(A) IN GENERAL.—The Secretary shall dispose of or administer real property described in paragraph (1)(B) only as provided in paragraph (1), as modified by this paragraph, if—

''(i) the real property described in paragraph (1)(B) is located within an Indian reservation;

''(ii) the borrower-owner is an Indian tribe that has jurisdiction over the reservation in which the real property is located or the borrower-owner is a member of an Indian tribe;

''(iii) the borrower-owner has obtained a loan made or guaranteed under this subtitle; and

''(iv) the borrower-owner and the Secretary have exhausted all of the procedures provided for in this subtitle to permit a borrower-owner to retain title to the real property, so that it is necessary for the borrower-owner to relinquish title.

''(B) NOTICE OF RIGHT TO CONVEY PROPERTY.—The Secretary shall provide the borrower-owner of real property that is described in subparagraph (A) with written notice of—

''(i) the right of the borrower-owner to voluntarily convey the real property to the Secretary; and

''(ii) the fact that real property so conveyed will be placed in the inventory of the Secretary.

''(C) NOTICE OF RIGHTS AND PROTECTIONS.—The Secretary shall provide the borrower-owner of the real property with written notice of the rights and protections provided under this subtitle to the borrower-owner, and the Indian tribe that has jurisdiction over the reservation in which the real property is located, from foreclosure or liquidation of the real property, including written notice—

''(i) of paragraph (1), this paragraph, and subsection (e)(3);

''(ii) if the borrower-owner does not voluntarily convey the real property to the Secretary, that—

''(I) the Secretary may foreclose on the property;

''(II) in the event of foreclosure, the property will be offered for sale;

''(III) the Secretary shall offer a bid for the property that is equal to the fair market value of the property or the outstanding principal and interest of the loan, whichever is higher;

''(IV) the property may be purchased by another party; and

''(V) if the property is purchased by another party, the property will not be placed in the inventory of the Secretary and the borrower-owner will forfeit the rights and protections provided under this subtitle; and

''(iii) of the opportunity of the borrower-owner to consult with the Indian tribe that has jurisdiction over the reservation in which the real property is located or counsel to determine if State or tribal law provides rights and protections that are more beneficial than the rights and protections provided the borrower-owner under this subtitle.

''(D) ACCEPTANCE OF VOLUNTARY CONVEYANCE.—

''(i) IN GENERAL.—Except as provided in clause (ii), the Secretary shall accept the voluntary conveyance of real property described in subparagraph (A).

''(ii) HAZARDOUS SUBSTANCES.—If a hazardous substance (as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14))) is located on the property and the Secretary takes remedial action to protect human health or the environment if the property is taken into inventory, the Secretary shall accept the voluntary conveyance of the property only if the Secretary determines that the conveyance is in the best interests of the Federal Government.

''(E) FORECLOSURE PROCEDURES.—

''(i) NOTICE TO BORROWER.—If an Indian borrower-owner does not voluntarily convey to the Secretary real property described in subparagraph (A), not less than 30 days before a foreclosure sale of the property, the Secretary shall provide the Indian borrower-owner with the option of—

''(I) requiring the Secretary to assign the loan and security instruments to the Secretary of the Interior, if the Secretary of the Interior agrees to an assignment releasing the Secretary of Agriculture from all further responsibility for collection of any amounts with regard to the loan secured by the real property; or

''(II) requiring the Secretary to assign the loan and security instruments to the tribe having jurisdiction over the reservation in which the real property is located, if the tribe agrees to assume the loan under the terms specified in clause (iii).

''(ii) NOTICE TO TRIBE.—If an Indian borrower-owner does not voluntarily convey to the Secretary real property described in subparagraph (A), not less than 30 days before a foreclosure sale of the property, the Secretary shall provide written notice to the Indian tribe that has jurisdiction over the reservation in which the real property is located of—

''(I) the sale;

''(II) the fair market value of the property; and

''(III) the requirements of this paragraph.

''(iii) ASSUMED LOANS.—If an Indian tribe assumes a loan under clause (i)—

''(I) the Secretary shall not foreclose the loan because of any default that occurred prior to the date of the assumption;

''(II) the loan shall be for the lesser of the outstanding principal and interest of the loan or the fair market value of the property; and

''(III) the loan shall be treated as though the loan was made under Public Law 91–229 (25 U.S.C. 488 et seq.).

''(F) AMOUNT OF BID BY SECRETARY.—

''(i) IN GENERAL.—Except as provided in clause (ii), at a foreclosure sale of real property described in subparagraph (A), the Secretary shall offer a bid for the property that is equal to the higher of—

''(I) the fair market value of the property; or

''(II) the outstanding principal and interest on the loan.

''(ii) HAZARDOUS SUBSTANCES.—If a hazardous substance (as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14))) is located on the property and the Secretary takes remedial action to protect human health or the environment if the property is taken into inventory, clause (i) shall apply only if the Secretary determines that bidding is in the best interests of the Federal Government.

''(4) DETRIMENTAL EFFECT ON VALUE OF AREA FARMLAND.—The Secretary shall not offer for sale or sell any farmland referred to in paragraphs (1) through (3) if placing the farmland on the market will have a detrimental effect on the value of farmland in the area.

''(5) INSTALLMENT SALES AND MULTIPLE OPERATORS.—

''(A) IN GENERAL.—The Secretary may sell farmland administered under this subtitle through an installment sale or similar device that contains such terms as the Secretary considers necessary to protect the investment of the Federal Government in the land.

''(B) SALE OF CONTRACT.—The Secretary may subsequently sell any contract entered into to carry out subparagraph (A).

''(6) HIGHLY ERODIBLE LAND.—In the case of farmland administered under this subtitle that is highly erodible land (as defined in section 1201 of the Food Security Act of 1985 (16 U.S.C. 3801)), the Secretary may require the use of specified conservation practices on the land as a condition of the sale or lease of the land.

''(7) NO EFFECT ON ACREAGE ALLOTMENTS, MARKETING QUOTAS, OR ACREAGE BASES.—Notwithstanding any other law, compliance by the Secretary with this subsection shall not cause any acreage allotment, marketing quota, or acreage base assigned to the property to lapse, terminate, be reduced, or otherwise be adversely affected.

''(8) NO PREEMPTION OF STATE LAW.—If a conflict exists between any provision of this subsection and any provision of the law of any State providing a right of first refusal to the owner of farmland or the operator of a farm before the sale or lease of land to any other person, the provision of State law shall prevail.

''(d) RELEASE OF NORMAL INCOME SECURITY.—

''(1) DEFINITION OF NORMAL INCOME SECURITY.—In this subsection:

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'normal income security' means all security not considered basic security, including crops, livestock, poultry products, Farm Service Agency payments and Commodity Credit Corporation payments, and other property covered by Farm Service Agency liens that is sold in

conjunction with the operation of a farm or other business.

''(B) EXCEPTIONS.—The term 'normal income security' does not include any equipment (including fixtures in States that have adopted the Uniform Commercial Code), or foundation herd or flock, that is—

''(i) the basis of the farming or other operation; and

''(ii) the basic security for a farmer program loan.

''(2) GENERAL RELEASE.—The Secretary shall release from the normal income security provided for a loan an amount sufficient to pay for the essential household and farm operating expenses of the borrower, until such time as the Secretary accelerates the loan.

''(3) NOTICE OF REPORTING REQUIREMENTS AND RIGHTS.—If a borrower is required to plan for or to report as to how proceeds from the sale of collateral property will be used, the Secretary shall notify the borrower of—

''(A) the requirement; and

''(B) the right to the release of funds under this subsection and the means by which a request for the funds may be made.

''(e) EASEMENTS ON INVENTORIED PROPERTY.—

''(1) IN GENERAL.—Subject to paragraph (2), in the disposal of real property under this section, the Secretary shall establish perpetual wetland conservation easements to protect and restore wetland or converted wetland that exists on inventoried property.

''(2) LIMITATION.—The Secretary shall not establish a wetland conservation easement on an inventoried property that—

''(A) was cropland on the date the property entered the inventory of the Secretary; or

''(B) was used for farming at any time during the period—

''(i) beginning on the date that is 5 years before the property entered the inventory of the Secretary; and

''(ii) ending on the date on which the property entered the inventory of the Secretary.

''(3) NOTIFICATION.—The Secretary shall provide prior written notification to a borrower considering homestead retention that a wetland conservation easement may be placed on land for which the borrower is negotiating a lease option.

''(4) APPRAISED VALUE.—The appraised value of the farm shall reflect the value of the land due to the placement of wetland conservation easements.

''SEC. 3410. CONTRACTS ON LOAN SECURITY PROPERTIES.

''(a) CONTRACTS ON LOAN SECURITY PROPERTIES.—Subject to subsection (b), the Secretary may enter into a contract related to real property for conservation, recreation, or wildlife purposes.

''(b) LIMITATIONS.—The Secretary may enter into a contract under subsection (a) if—

''(1) the property is wetland, upland, or highly erodible land;

''(2) the property is determined by the Secretary to be suitable for the purpose involved; and

''(3)(A) the property secures a loan made under a law administered and held by the Secretary; and

''(B) the contract would better enable a qualified borrower to repay the loan in a timely manner, as determined by the Secretary.

''(c) TERMS AND CONDITIONS.—The terms and conditions specified in a contract under subsection (a) shall—

''(1) specify the purposes for which the real property may be used;

''(2) identify any conservation measure to be taken, and any recreational and wildlife use to be allowed, with respect to the real property; and

''(3) require the owner to permit the Secretary, and any person or governmental entity designated by the Secretary, to have access to the real property for the purpose of monitoring compliance with the contract.

''(d) REDUCTION OR FORGIVENESS OF DEBT.—

''(1) IN GENERAL.—Subject to this section, the Secretary may reduce or forgive the outstanding debt of a borrower—

''(A) in the case of a borrower to whom the Secretary has made an outstanding loan under a law administered by the Secretary, by canceling that part of the aggregate amount of the outstanding loan that bears the same ratio to the aggregate amount as—

''(i) the number of acres of the real property of the borrower that are subject to the contract; bears to

''(ii) the aggregate number of acres securing the loan; or

''(B) in any other case, by treating as prepaid that part of the principal amount of a new loan to the borrower issued and held by the Secretary under a law administered by the Secretary that bears the same ratio to the principal amount as—

''(i) the number of acres of the real property of the borrower that are subject to the contract; bears to

''(ii) the aggregate number of acres securing the new loan.

''(2) MAXIMUM CANCELED AMOUNT.—The amount canceled or treated as prepaid under paragraph (1) shall not exceed—

''(A) in the case of a delinquent loan, the greater of—

''(i) the value of the land on which the contract is entered into; or

''(ii) the difference between—

''(I) the amount of the outstanding loan secured by the land; and

''(II) the value of the land; or

''(B) in the case of a nondelinquent loan, 33 percent of the amount of the loan secured by the land.

''(e) CONSULTATION WITH FISH AND WILDLIFE SERVICE.—If the Secretary uses the authority provided by this section, the Secretary shall consult with the Director of the Fish and Wildlife Service for the purposes of—

''(1) selecting real property in which the Secretary may enter into a contract under this section;

''(2) formulating the terms and conditions of the contract; and

''(3) enforcing the contract.

''(f) ENFORCEMENT.—The Secretary, and any person or governmental entity (including an agency of the Federal Government) designated by the Secretary, may enforce a contract entered into by the Secretary under this section.

''SEC. 3411. DEBT RESTRUCTURING AND LOAN SERVICING.

''(a) IN GENERAL.—The Secretary shall modify a delinquent farmer program loan made under this subtitle, or purchased from the lender or the Federal Deposit Insurance Corporation under section 3902, to the maximum extent practicable—

''(1) to avoid a loss to the Secretary on the loan, with priority consideration being placed on writing-down the loan principal and interest (subject to subsections (d) and (e)), and debt set-aside (subject to subsection (e)), to facilitate keeping the borrower on the farm, or otherwise through the use of primary loan service programs under this section; and

''(2) to ensure that a borrower is able to continue farming operations.

''(b) ELIGIBILITY.—To be eligible to obtain assistance under subsection (a)—

''(1) the delinquency shall be due to a circumstance beyond the control of the borrower, as defined in regulations issued by the Secretary, except that the regulations shall require that, if the value of the assets calculated under subsection (c)(2)(A)(ii) that may be realized through liquidation or other methods would produce enough income to make the delinquent loan current, the borrower shall not be eligible for assistance under subsection (a);

''(2) the borrower shall have acted in good faith with the Secretary in connection with the loan as defined in regulations issued by the Secretary;

''(3) the borrower shall present a preliminary plan to the Secretary that contains reasonable assumptions that demonstrate that the borrower will be able—

''(A) to meet the necessary family living and farm operating expenses of the borrower; and

''(B) to service all debts of the borrower, including restructured loans; and

''(4) the loan, if restructured, shall result in a net recovery to the Federal Government, during the term of the loan as restructured, that would be more than or equal to the net recovery to the Federal Government from an involuntary liquidation or foreclosure on the property securing the loan.

''(c) RESTRUCTURING DETERMINATIONS.—

''(1) DETERMINATION OF NET RECOVERY.—In determining the net recovery from the involuntary liquidation of a loan under this section, the Secretary shall calculate—

''(A) the recovery value of the collateral securing the loan, in accordance with paragraph (2); and

''(B) the value of the restructured loan, in accordance with paragraph (3).

''(2) RECOVERY VALUE.—For the purpose of paragraph (1), the recovery value of the collateral securing the loan shall be based on the difference between—

''(A)(i) the amount of the current appraised value of the interests of the borrower in the property securing the loan; and

''(ii) the value of the interests of the borrower in all other assets that are—

''(I) not essential for necessary family living expenses;

''(II) not essential to the operation of the farm; and

''(III) not exempt from judgment creditors or in a bankruptcy action under Federal or State law;

''(B) the estimated administrative, attorney, and other expenses associated with the liquidation and disposition of the loan and collateral, including—

''(i) the payment of prior liens;

''(ii) taxes and assessments, depreciation, management costs, the yearly percentage decrease or increase in the value of the property, and lost interest income, each calculated for the average holding period for the type of property involved;

''(iii) resale expenses, such as repairs, commissions, and advertising; and

''(iv) other administrative and attorney costs; and

''(C) the value, as determined by the Secretary, of any property not included in subparagraph (A)(i) if the property is specified in any security agreement with respect to the loan and the Secretary determines that the value of the property should be included for purposes of this section.

''(3) VALUE OF THE RESTRUCTURED LOAN.—

''(A) IN GENERAL.—For the purpose of paragraph (1), the value of the restructured loan shall be based on the present value of payments that the borrower would make to the Federal Government if the terms of the loan were modified under any combination of primary loan service programs to ensure that the borrower is able to meet the obligations and continue farming operations.

''(B) PRESENT VALUE.—For the purpose of calculating the present value referred to in subparagraph (A), the Secretary shall use a

discount rate of not more than the current rate at the time of the calculation of 90-day Treasury bills.

''(C) CASH FLOW MARGIN.—For the purpose of assessing under subparagraph (A) the ability of a borrower to meet debt obligations and continue farming operations, the Secretary shall assume that the borrower needs up to 110 percent of the amount indicated for payment of farm operating expenses, debt service obligations, and family living expenses.

''(4) NOTIFICATION.—Not later than 90 days after receipt of a written request for restructuring from the borrower, the Secretary shall—

''(A) make the calculations specified in paragraphs (2) and (3);

''(B) notify the borrower in writing of the results of the calculations; and

''(C) provide documentation for the calculations.

''(5) RESTRUCTURING OF LOANS.—

''(A) IN GENERAL.—If the value of a restructured loan is greater than or equal to the recovery value of the collateral securing the loan, not later than 45 days after notifying the borrower under paragraph (4), the Secretary shall offer to restructure the loan obligations of the borrower under this subtitle through primary loan service programs that would enable the borrower to meet the obligations (as modified) under the loan and to continue the farming operations of the borrower.

''(B) RESTRUCTURING.—If the borrower accepts an offer under subparagraph (A), not later than 45 days after receipt of notice of acceptance, the Secretary shall restructure the loan accordingly.

''(6) TERMINATION OF LOAN OBLIGATIONS.—The obligations of a borrower to the Secretary under a loan shall terminate if—

''(A) the borrower satisfies the requirements of paragraphs (1) and (2) of subsection (b);

''(B) the value of the restructured loan is less than the recovery value; and

''(C) not later than 90 days after receipt of the notification described in paragraph (4)(B), the borrower pays (or obtains third-party financing to pay) the Secretary an amount equal to the current market value.

''(7) NEGOTIATION OF APPRAISAL.—

''(A) IN GENERAL.—In making a determination concerning restructuring under this subsection, the Secretary, at the request of the borrower, shall enter into negotiations with the borrower concerning appraisals required under this subsection.

''(B) INDEPENDENT APPRAISAL.—

''(i) IN GENERAL.—If the borrower, based on a separate current appraisal, objects to the decision of the Secretary regarding an appraisal, the borrower and the Secretary shall mutually agree, to the extent practicable, on an independent appraiser who shall conduct another appraisal of the property of the borrower.

''(ii) VALUE OF FINAL APPRAISAL.—The average of the 2 appraisals under clause (i) that are closest in value shall become the final appraisal under this paragraph.

''(iii) COST OF APPRAISAL.—The borrower and the Secretary shall each pay ½ of the cost of any independent appraisal.

''(d) PRINCIPAL AND INTEREST WRITE-DOWN.—

''(1) IN GENERAL.—

''(A) PRIORITY CONSIDERATION.—In selecting the restructuring alternatives to be used in the case of a borrower who has requested restructuring under this section, the Secretary shall give priority consideration to the use of a principal and interest write-down if other creditors of the borrower (other than any creditor who is fully collateralized) representing a substantial portion of the total debt of the borrower held by the creditors of the borrower, agree to participate in the development of the restructuring plan or agree to participate in a State mediation program.

''(B) FAILURE OF CREDITORS TO AGREE.—Failure of creditors to agree to participate in the restructuring plan or mediation program shall not preclude the use of a principal and interest write-down by the Secretary if the Secretary determines that restructuring results in the least cost to the Secretary.

''(2) PARTICIPATION OF CREDITORS.—Before eliminating the option to use debt write-down in the case of a borrower, the Secretary shall make a reasonable effort to contact the creditors of the borrower, either directly or through the borrower, and encourage the creditors to participate with the Secretary in the development of a restructuring plan for the borrower.

''(e) SHARED APPRECIATION ARRANGEMENTS.—

''(1) IN GENERAL.—As a condition of restructuring a loan in accordance with this section, the borrower of the loan may be required to enter into a shared appreciation arrangement that requires the repayment of amounts written off or set aside.

''(2) TERMS.—A shared appreciation agreement shall—

''(A) have a term not to exceed 10 years; and

''(B) provide for recapture based on the difference between the appraised values of the real security property at the time of restructuring and at the time of recapture.

''(3) PERCENTAGE OF RECAPTURE.—The amount of the appreciation to be recaptured by the Secretary shall be—

''(A) 75 percent of the appreciation in the value of the real security property if the recapture occurs not later than 4 years after the date of restructuring; and

''(B) 50 percent if the recapture occurs during the remainder of the term of the agreement.

''(4) TIME OF RECAPTURE.—Recapture shall take place on the date that is the earliest of—

''(A) the end of the term of the agreement;

''(B) the conveyance of the real security property;

''(C) the repayment of the loans; or

''(D) the cessation of farming operations by the borrower.

''(5) TRANSFER OF TITLE.—Transfer of title to the spouse of a borrower on the death of the borrower shall not be treated as a conveyance for the purpose of paragraph (4).

''(6) NOTICE OF RECAPTURE.—Not later than 12 months before the end of the term of a shared appreciation arrangement, the Secretary shall notify the borrower involved of the provisions of the arrangement.

''(7) FINANCING OF RECAPTURE PAYMENT.—

''(A) IN GENERAL.—The Secretary may amortize a recapture payment owed to the Secretary under this subsection.

''(B) TERM.—The term of an amortization under this paragraph may not exceed 25 years.

''(C) INTEREST RATE.—The interest rate applicable to an amortization under this paragraph may not exceed the rate applicable to a loan to reacquire homestead property less 100 basis points.

''(D) REAMORTIZATION.—

''(i) IN GENERAL.—The Secretary may modify the amortization of a recapture payment referred to in subparagraph (A) of this paragraph on which a payment has become delinquent if—

''(I) the default is due to circumstances beyond the control of the borrower; and

''(II) the borrower acted in good faith (as determined by the Secretary) in attempting to repay the recapture amount.

''(ii) LIMITATIONS.—

''(I) TERM OF REAMORTIZATION.—The term of a reamortization under this subparagraph may not exceed 25 years from the date of the original amortization agreement.

''(II) NO REDUCTION OR PRINCIPAL OR UNPAID INTEREST DUE.—A reamortization of a recapture payment under this subparagraph may not provide for reducing the outstanding principal or unpaid interest due on the recapture payment.

''(f) INTEREST RATES.—Any loan for farm ownership purposes, farm operating purposes, or disaster emergency purposes, that is deferred, consolidated, rescheduled, or reamortized shall, notwithstanding any other provision of this subtitle, bear interest on the balance of the original loan and for the term of the original loan at a rate that is the lowest of—

''(1) the rate of interest on the original loan;

''(2) the rate being charged by the Secretary for loans, other than guaranteed loans, of the same type at the time at which the borrower applies for a deferral, consolidation, rescheduling, or reamortization; or

''(3) the rate being charged by the Secretary for loans, other than guaranteed loans, of the same type at the time of the deferral, consolidation, rescheduling, or reamortization.

''(g) PERIOD AND EFFECT.—

''(1) PERIOD.—The Secretary may consolidate or reschedule outstanding loans for payment over a period not to exceed 7 years (or, in the case of loans for farm operating purposes, 15 years) from the date of the consolidation or rescheduling.

''(2) EFFECT.—The amount of unpaid principal and interest of the prior loans so consolidated or rescheduled shall not create a new charge against any loan levels authorized by law.

''(h) PREREQUISITES TO FORECLOSURE OR LIQUIDATION.—No foreclosure or other similar action shall be taken to liquidate any loan determined to be ineligible for restructuring by the Secretary under this section—

''(1) until the borrower has been given the opportunity to appeal the decision; and

''(2) if the borrower appeals, the appeals process has been completed, and a determination has been made that the loan is ineligible for restructuring.

''(i) NOTICE OF INELIGIBILITY FOR RESTRUCTURING.—

''(1) IN GENERAL.—A notice of ineligibility for restructuring shall be sent to the borrower by registered or certified mail not later than 15 days after a determination of ineligibility.

''(2) CONTENTS.—The notice required under paragraph (1) shall contain—

''(A) the determination and the reasons for the determination;

''(B) the computations used to make the determination, including the calculation of the recovery value of the collateral securing the loan; and

''(C) a statement of the right of the borrower to appeal the decision to the appeals division, and to appear before a hearing officer.

''(j) INDEPENDENT APPRAISALS.—

''(1) IN GENERAL.—An appeal may include a request by the borrower for an independent appraisal of any property securing the loan.

''(2) PROCESS FOR APPRAISAL.—On a request under paragraph (1), the Secretary shall present the borrower with a list of 3 appraisers approved by the county supervisor, from which the borrower shall select an appraiser to conduct the appraisal.

''(3) COST.—The cost of an appraisal under this subsection shall be paid by the borrower.

''(4) RESULT.—The result of an appraisal under this subsection shall be considered in any final determination concerning the loan.

''(5) COPY.—A copy of any appraisal under this subsection shall be provided to the borrower.

''(k) ONLY 1 WRITE-DOWN OR NET RECOVERY BUY-OUT PER BORROWER FOR A LOAN MADE AFTER JANUARY 6, 1988.—

''(1) IN GENERAL.—The Secretary may provide for each borrower not more than 1 write-down or net recovery buy-out under this section with respect to all loans made to the borrower after January 6, 1988.

''(2) SPECIAL RULE.—For purposes of paragraph (1), the Secretary shall treat any loan made on or before January 6, 1988, with respect to which a restructuring, write-down, or net recovery buy-out is provided under this section after January 6, 1988, as a loan made after January 6, 1988.

''(l) LIQUIDATION OF ASSETS.—The Secretary may not use the authority provided by this section to reduce or terminate any portion of the debt of the borrower that the borrower could pay through the liquidation of assets (or through the payment of the loan value of the assets, if the loan value is greater than the liquidation value) described in subsection (c)(2)(A)(ii).

''(m) LIFETIME LIMITATION ON DEBT FORGIVENESS PER BORROWER.—The Secretary may provide each borrower not more than $300,000 in debt forgiveness under this section.

''SEC. 3412. RELIEF FOR MOBILIZED MILITARY RESERVISTS FROM CERTAIN AGRICULTURAL LOAN OBLIGATIONS.

''(a) DEFINITION OF MOBILIZED MILITARY RESERVIST.—In this section, the term 'mobilized military reservist' means an individual who—

''(1) is on active duty under section 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12406, or chapter 15 of title 10, United States Code, or any other provision of law during a war or during a national emergency declared by the President or Congress, regardless of the location at which the active duty service is performed; or

''(2) in the case of a member of the National Guard, is on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds.

''(b) FORGIVENESS OF INTEREST PAYMENTS DUE WHILE BORROWER IS A MOBILIZED MILITARY RESERVIST.—Any requirement that a borrower of a direct loan made under this subtitle make any interest payment on the loan that would otherwise be required to be made while the borrower is a mobilized military reservist is rescinded.

''(c) DEFERRAL OF PRINCIPAL PAYMENTS DUE WHILE OR AFTER BORROWER IS A MOBILIZED MILITARY RESERVIST.—The due date of any payment of principal on a direct loan made to a borrower under this subtitle that would otherwise be required to be made while or after the borrower is a mobilized military reservist is deferred for a period equal in length to the period for which the borrower is a mobilized military reservist.

''(d) NONACCRUAL OF INTEREST.—Interest on a direct loan made to a borrower described in this section shall not accrue during the period the borrower is a mobilized military reservist.

''(e) BORROWER NOT CONSIDERED TO BE DELINQUENT OR RECEIVING DEBT FORGIVENESS.—Notwithstanding section 3425 or any other provision of this title, a borrower who receives assistance under this section shall not, as a result of the assistance, be considered to be delinquent or receiving debt forgiveness for purposes of receiving a direct or guaranteed loan under this subtitle.

''SEC. 3413. INTEREST RATE REDUCTION PROGRAM.

''(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish and carry out in accordance with this section an interest rate reduction program for any loan guaranteed under this subtitle.

''(b) ENTERING INTO CONTRACTS.—The Secretary shall enter into a contract with, and make payments to, an institution to reduce, during the term of the contract, the interest rate paid by the borrower on the guaranteed loan if—

''(1) the borrower—

''(A) is unable to obtain credit elsewhere;

''(B) is unable to make payments on the loan in a timely manner; and

''(C) during the 24-month period beginning on the date on which the contract is entered into, has a total estimated cash income, including all farm and nonfarm income, that will equal or exceed the total estimated cash expenses, including all farm and nonfarm expenses, to be incurred by the borrower during the period; and

''(2) during the term of the contract, the lender reduces the annual rate of interest payable on the loan by a minimum percentage specified in the contract.

''(c) PAYMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), in return for a contract entered into by a lender under subsection (b) for the reduction of the interest rate paid on a loan, the Secretary shall make payments to the lender in an amount equal to not more than 100 percent of the cost of reducing the annual rate of interest payable on the loan.

''(2) LIMITATION.—Payments under paragraph (1) may not exceed the cost of reducing the rate by more than 400 basis points.

''(d) TERM.—The term of a contract entered into under this section to reduce the interest rate on a guaranteed loan may not exceed the outstanding term of the loan.

''(e) CONDITION ON FORECLOSURE.—Notwithstanding any other law, any contract of guarantee on a farm loan entered into under this subtitle shall contain a condition that the lender of the loan may not initiate a foreclosure action on the loan until 60 days after a determination is made with respect to the eligibility of the borrower to participate in the program established under this section.

''SEC. 3414. HOMESTEAD PROPERTY.

''(a) DEFINITIONS.—In this section:

''(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Small Business Administration.

''(2) BORROWER-OWNER.—The term 'borrower-owner' means—

''(A) a borrower-owner of a loan made or guaranteed by the Secretary or the Administrator who meets the eligibility requirements of subsection (c)(1); or

''(B) in a case in which an owner of homestead property pledged the property to secure the loan and the owner is different than the borrower, the owner.

''(3) FARM PROGRAM LOAN.—The term 'farm program loan' means a loan made by the Administrator under the Small Business Act (15 U.S.C. 631 et seq.) for any of the purposes authorized for loans under chapter 1 or 2.

''(4) HOMESTEAD PROPERTY.—The term 'homestead property' means—

''(A) the principal residence and adjoining property possessed and occupied by a borrower-owner, including a reasonable number of farm outbuildings located on the adjoining land that are useful to any occupant of the homestead; and

''(B) not more than 10 acres of adjoining land that is used to maintain the family of the borrower-owner.

''(b) RETENTION OF HOMESTEAD PROPERTY.—

''(1) IN GENERAL.—The Secretary or the Administrator shall, on application by a borrower-owner who meets the eligibility requirements of subsection (c)(1), permit the borrower-owner to retain possession and occupancy of homestead property under the terms set forth, and until the action described in this section has been completed, if—

''(A) the Secretary forecloses or takes into inventory property securing a loan made under this subtitle;

''(B) the Administrator forecloses or takes into inventory property securing a farm program loan made under the Small Business Act (15 U.S.C. 631 et seq.); or

''(C) the borrower-owner of a loan made by the Secretary or the Administrator files a petition in bankruptcy that results in the conveyance of the homestead property to the Secretary or the Administrator, or agrees to voluntarily liquidate or convey the property in whole or in part.

''(2) PERIOD OF OCCUPANCY.—Subject to subsection (c), the Secretary or the Administrator shall not grant a period of occupancy of less than 3 nor more than 5 years.

''(c) ELIGIBILITY.—

''(1) IN GENERAL.—To be eligible to occupy homestead property, a borrower-owner of a loan made by the Secretary or the Administrator shall—

''(A) apply for the occupancy not later than 30 days after the property is acquired by the Secretary or Administrator;

''(B) have received from farming operations gross farm income that is reasonably commensurate with—

''(i) the size and location of the farming unit of the borrower-owner; and

''(ii) local agricultural conditions (including natural and economic conditions), during at least 2 calendar years of the 6-year period preceding the calendar year in which the application is made;

''(C) have received from farming operations at least 60 percent of the gross annual income of the borrower-owner and any spouse of the borrower-owner during at least 2 calendar years of the 6-year period described in subparagraph (B);

''(D) have continuously occupied the homestead property during the 6-year period described in subparagraph (B), except that the requirement of this subparagraph may be waived if a borrower-owner, due to circumstances beyond the control of the borrower-owner, had to leave the homestead property for a period of time not to exceed 12 months during the 6-year period;

''(E) during the period of occupancy of the homestead property, pay a reasonable sum as rent for the property to the Secretary or the Administrator in an amount substantially equivalent to rents charged for similar residential properties in the area in which the homestead property is located;

''(F) during the period of the occupancy of the homestead property, maintain the property in good condition; and

''(G) meet such other reasonable and necessary terms and conditions as the Secretary may require.

''(2) DEFINITION OF FARMING OPERATIONS.—In subparagraphs (B) and (C) of paragraph (1), the term 'farming operations' includes rent paid by a lessee of agricultural land during a period in which the borrower-owner, due to circumstances beyond the control of the borrower-owner, is unable to actively farm the land.

''(3) TERMINATION OF RIGHTS.—

''(A) IN GENERAL.—For purposes of paragraph (1)(E), the failure of the borrower-

owner to make a timely rental payment shall constitute cause for the termination of all rights of the borrower-owner to possession and occupancy of the homestead property under this section.

''(B) PROCEDURE FOR TERMINATION.—In effecting a termination under subparagraph (A), the Secretary shall—

''(i) afford the borrower-owner or lessee the notice and hearing procedural rights described in subtitle H of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6991 et seq.); and

''(ii) comply with any applicable State and local law governing eviction of a person from residential property.

''(4) RIGHTS OF BORROWER-OWNER.—

''(A) PERIOD OF OCCUPANCY.—Subject to subsection (b)(2), the period of occupancy allowed the borrower-owner of homestead property under this section shall be the period requested in writing by the borrower-owner.

''(B) RIGHT TO REACQUIRE.—

''(i) IN GENERAL.—During the period the borrower-owner occupies the homestead property, the borrower-owner shall have a right to reacquire the homestead property on such terms and conditions as the Secretary shall determine.

''(ii) SOCIALLY DISADVANTAGED BORROWER-OWNER.—During the period of occupancy of a borrower-owner who is a socially disadvantaged farmer, the borrower-owner or a member of the immediate family of the borrower-owner shall have a right of first refusal to reacquire the homestead property on such terms and conditions as the Secretary shall determine.

''(iii) INDEPENDENT APPRAISAL.—The Secretary may not demand a payment for the homestead property that is in excess of the current market value of the homestead property as established by an independent appraisal.

''(iv) CONDUCT OF APPRAISAL.—An independent appraisal under clause (iii) shall be conducted by an appraiser selected by the borrower-owner, or, in the case of a borrower-owner who is a socially disadvantaged farmer, the immediate family member of the borrower-owner, from a list of 3 appraisers approved by the county supervisor.

''(5) TRANSFER OF RIGHTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no right of a borrower-owner under this section, and no agreement entered into between the borrower-owner and the Secretary for occupancy of the homestead property, shall be transferable or assignable by the borrower-owner or by operation of law.

''(B) DEATH OR INCOMPETENCY.—In the case of death or incompetency of the borrower-owner, the right and agreement shall be transferable to a spouse of the borrower-owner if the spouse agrees to comply with any terms and conditions of the right or agreement.

''(6) NOTIFICATION.—Not later than the date of acquisition of the property securing a loan made under this subtitle, the Secretary shall notify the borrower-owner of the property of the availability of homestead protection rights under this section.

''(d) END OF PERIOD OF OCCUPANCY.—

''(1) IN GENERAL.—At the end of the period of occupancy allowed a borrower-owner under subsection (c), the Secretary or the Administrator shall grant to the borrower-owner a right of first refusal to reacquire the homestead property on such terms and conditions (which may include payment of principal in installments) as the Secretary or the Administrator shall determine.

''(2) TERMS AND CONDITIONS.—The terms and conditions granted under paragraph (1) may not be less favorable than those offered by the Secretary or Administrator or intended by the Secretary or Administrator to be offered to any other buyer.

''(e) MAXIMUM PAYMENT OF PRINCIPAL.—

''(1) IN GENERAL.—At the time a reacquisition agreement is entered into, the Secretary or the Administrator may not demand a total payment of principal that is in excess of the value of the homestead property.

''(2) DETERMINATION OF VALUE.—To the maximum extent practicable, the value of the homestead property shall be determined by an independent appraisal made during the 180-day period beginning on the date of receipt of the application of the borrower-owner to retain possession and occupancy of the homestead property.

''(f) TITLE NOT NEEDED TO ENTER INTO CONTRACTS.—The Secretary may enter into a contract authorized by this section before the Secretary acquires title to the homestead property that is the subject of the contract.

''(g) STATE LAW PREVAILS.—In the event of a conflict between this section and a provision of State law relating to the right of a borrower-owner to designate for separate sale or redeem part or all of the real property securing a loan foreclosed on by a lender to the borrower-owner, the provision of State law shall prevail.

''SEC. 3415. TRANSFER OF INVENTORY LAND.

''(a) IN GENERAL.—Subject to subsection (b), the Secretary may transfer to a Federal or State agency, for conservation purposes, any real property, or interest in real property, administered by the Secretary under this subtitle—

''(1) with respect to which the rights of all prior owners and operators have expired;

''(2) that is eligible to be disposed of in accordance with section 3409; and

''(3) that—

''(A) has marginal value for agricultural production;

''(B) is environmentally sensitive; or

''(C) has special management importance.

''(b) CONDITIONS.—The Secretary may not transfer any property or interest in property under subsection (a) unless—

''(1) at least 2 public notices are given of the transfer;

''(2) if requested, at least 1 public meeting is held prior to the transfer; and

''(3) the Governor and at least 1 elected county official of the State and county in which the property is located are consulted prior to the transfer.

''SEC. 3416. TARGET PARTICIPATION RATES.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Secretary shall establish annual target participation rates, on a county-wide basis, that shall ensure that members of socially disadvantaged groups shall—

''(A) receive loans made or guaranteed under chapter 1; and

''(B) have the opportunity to purchase or lease farmland acquired by the Secretary under this subtitle.

''(2) GROUP POPULATION.—Except as provided in paragraph (3), in establishing the target rates, the Secretary shall take into consideration—

''(A) the portion of the population of the county made up of the socially disadvantaged groups; and

''(B) the availability of inventory farmland in the county.

''(3) GENDER.—In the case of gender, target participation rates shall take into consideration the number of current and potential socially disadvantaged farmers in a State in proportion to the total number of farmers in the State.

''(b) RESERVATION AND ALLOCATION.—

''(1) RESERVATION.—To the maximum extent practicable, the Secretary shall reserve sufficient loan funds made available under chapter 1 for use by members of socially disadvantaged groups identified under target participation rates established under subsection (a).

''(2) ALLOCATION.—The Secretary shall allocate the loans on the basis of the proportion of members of socially disadvantaged groups in a county and the availability of inventory farmland, with the greatest amount of loan funds being distributed in the county with the greatest proportion of socially disadvantaged group members and the greatest quantity of available inventory farmland.

''(3) INDIAN RESERVATIONS.—In distributing loan funds in counties within the boundaries of an Indian reservation, the Secretary shall allocate the funds on a reservation-wide basis.

''(c) OPERATING LOANS.—

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—The Secretary shall establish annual target participation rates that shall ensure that socially disadvantaged farmers receive loans made or guaranteed under chapter 2.

''(B) CONSIDERATIONS.—In establishing the target rates, the Secretary shall consider the number of socially disadvantaged farmers in a State in proportion to the total number of farmers in the State.

''(2) RESERVATION AND ALLOCATION.—

''(A) IN GENERAL.—To the maximum extent practicable, the Secretary shall reserve and allocate the proportion of the loan funds of each State made available under chapter 2 that is equal to the target participation rate of the State for use by the socially disadvantaged farmers in the State.

''(B) DISTRIBUTION.—To the maximum extent practicable, the Secretary shall distribute the total loan funds reserved under subparagraph (A) on a county-by-county basis according to the number of socially disadvantaged farmers in the county.

''(C) REALLOCATION OF UNUSED FUNDS.—Any funds reserved and allocated under this paragraph but not used within a State shall, to the extent necessary to satisfy pending applications under this subtitle, be available for use by socially disadvantaged farmers in other States, as determined by the Secretary, and any remaining funds shall be reallocated within the State.

''(d) REPORT.—The Secretary shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the annual target participation rates and the success in meeting the rates.

''(e) IMPLEMENTATION CONSISTENT WITH SUPREME COURT HOLDING.—Not later than 180 days after April 4, 1996, the Secretary shall ensure that the implementation of this section is consistent with the holding of the Supreme Court in Adarand Constructors, Inc. v. Federico Pena, Secretary of Transportation, 115 S. Ct. 2097 (1995).

''SEC. 3417. COMPROMISE OR ADJUSTMENT OF DEBTS OR CLAIMS BY GUARANTEED LENDER.

''(a) LOSS BY LENDER.—If the lender of a guaranteed farmer program loan takes any action described in section 3903(a)(4) with respect to the loan and the Secretary approves the action, for purposes of the guarantee, the lender shall be treated as having sustained a loss equal to the amount by which—

''(1) the outstanding balance of the loan immediately before the action; exceeds

''(2) the outstanding balance of the loan immediately after the action.

''(b) NET PRESENT VALUE OF LOAN.—The Secretary shall approve the taking of an action described in section 3903(a)(4) by the lender of a guaranteed farmer program loan with respect to the loan if the action reduces

the net present value of the loan to an amount equal to not less than the greater of—

''(1) the greatest net present value of a loan the borrower could reasonably be expected to repay; and

''(2) the difference between—

''(A) the greatest amount that the lender of the loan could reasonably expect to recover from the borrower through bankruptcy, or liquidation of the property securing the loan; and

''(B) all reasonable and necessary costs and expenses that the lender of the loan could reasonably expect to incur to preserve or dispose of the property (including all associated legal and property management costs) in the course of such a bankruptcy or liquidation.

''(c) NO LIMITATION ON AUTHORITY.—This section shall not limit the authority of the Secretary to enter into a shared appreciation arrangement with a borrower under section 3411(e).

''SEC. 3418. WAIVER OF MEDIATION RIGHTS BY BORROWERS.

''The Secretary may not make or guarantee any farmer program loan to a farm borrower on the condition that the borrower waive any right under the mediation program of any State.

''SEC. 3419. BORROWER TRAINING.

''(a) IN GENERAL.—The Secretary shall contract to provide educational training to all borrowers of direct loans made under this subtitle in financial and farm management concepts associated with commercial farming.

''(b) CONTRACT.—

''(1) IN GENERAL.—The Secretary may contract with a State or private provider of farm management and credit counseling services (including a community college, the extension service of a State, a State department of agriculture, or a nonprofit organization) to carry out this section.

''(2) CONSULTATION.—The Secretary may consult with the chief executive officer of a State concerning the identity of the contracting organization and the process for contracting.

''(c) ELIGIBILITY FOR LOANS.—

''(1) IN GENERAL.—Subject to paragraph (2), to be eligible to obtain a direct loan under this subtitle, a borrower shall be required to obtain management assistance under this section, appropriate to the management ability of the borrower during the determination of eligibility for the loan.

''(2) LOAN CONDITIONS.—The need of a borrower who satisfies the criteria set out in section 3101(b)(1)(B) or 3201(b)(1)(B) for management assistance under this section shall not be cause for denial of eligibility of the borrower for a direct loan under this subtitle.

''(d) GUIDELINES AND CURRICULUM.—The Secretary shall issue regulations establishing guidelines and curriculum for the borrower training program established under this section.

''(e) PAYMENT.—A borrower—

''(1) shall pay for training received under this section; and

''(2) may use funds from operating loans made under chapter 2 to pay for the training.

''(f) WAIVERS.—

''(1) IN GENERAL.—The Secretary may waive the requirements of this section for an individual borrower on a determination that the borrower demonstrates adequate knowledge in areas described in this section.

''(2) CRITERIA.—The Secretary shall establish criteria providing for the application of paragraph (1) consistently in all counties nationwide.

''SEC. 3420. LOAN ASSESSMENTS.

''(a) IN GENERAL.—After an applicant is determined to be eligible for assistance under this subtitle, the Secretary shall evaluate, in accordance with regulations issued by the Secretary, the farming plan and financial situation of each qualified farmer applicant.

''(b) DETERMINATIONS.—In evaluating the farming plan and financial situation of an applicant under this section, the Secretary shall determine—

''(1) the amount that the applicant needs to borrow to carry out the proposed farming plan;

''(2) the rate of interest that the applicant would need to be able to cover expenses and build an adequate equity base;

''(3) the goals of the proposed farming plan of the applicant;

''(4) the financial viability of the plan and any changes that are necessary to make the plan viable; and

''(5) whether assistance is necessary under this subtitle and, if so, the amount of the assistance.

''(c) CONTRACT.—The Secretary may contract with a third party (including an entity that is eligible to provide borrower training under section 3419(b)) to conduct a loan assessment under this section.

''(d) REVIEW OF LOANS.—

''(1) IN GENERAL.—Loan assessments conducted under this section shall include annual review of direct loans, and periodic review (as determined necessary by the Secretary) of guaranteed loans, made under this subtitle to assess the progress of a borrower in meeting the goals for the farm operation.

''(2) CONTRACTS.—The Secretary may contract with an entity that is eligible to provide borrower training under section 3419(b) to conduct a loan review under paragraph (1).

''(3) PROBLEM ASSESSMENTS.—If a borrower is delinquent in payments on a direct or guaranteed loan made under this subtitle, the Secretary or the contracting entity shall determine the cause of, and action necessary to correct, the delinquency.

''(e) GUIDELINES.—The Secretary shall issue regulations providing guidelines for loan assessments conducted under this section.

''SEC. 3421. SUPERVISED CREDIT.

''The Secretary shall provide adequate training to employees of the Farm Service Agency on credit analysis and financial and farm management—

''(1) to better acquaint the employees with what constitutes adequate financial data on which to base a direct or guaranteed loan approval decision; and

''(2) to ensure proper supervision of farmer program loans.

''SEC. 3422. MARKET PLACEMENT.

''The Secretary shall establish a market placement program for a qualified beginning farmer and any other borrower of farmer program loans that the Secretary believes has a reasonable chance of qualifying for commercial credit with a guarantee provided under this subtitle.

''SEC. 3423. RECORDKEEPING OF LOANS BY GENDER OF BORROWER.

''The Secretary shall classify, by gender, records of applicants for loans and loan guarantees under this subtitle.

''SEC. 3424. CROP INSURANCE REQUIREMENT.

''(a) IN GENERAL.—As a condition of obtaining any benefit (including a direct loan, loan guarantee, or payment) described in subsection (b), a borrower shall be required to obtain at least catastrophic risk protection insurance coverage under section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) for the crop and crop year for which the benefit is sought, if the coverage is offered by the Federal Crop Insurance Corporation.

''(b) APPLICABLE BENEFITS.—Subsection (a) shall apply to—

''(1) a farm ownership loan under section 3102;

''(2) an operating loan under section 3202; and

''(3) an emergency loan under section 3301.

''SEC. 3425. LOAN AND LOAN SERVICING LIMITATIONS.

''(a) DELINQUENT BORROWERS PROHIBITED FROM OBTAINING DIRECT OPERATING LOANS.—The Secretary may not make a direct operating loan under chapter 2 to a borrower who is delinquent on any loan made or guaranteed under this subtitle.

''(b) LOANS PROHIBITED FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

''(1) PROHIBITIONS.—Except as provided in paragraph (2)—

''(A) the Secretary may not make a loan under this subtitle to a borrower that has received debt forgiveness on a loan made or guaranteed under this subtitle; and

''(B) the Secretary may not guarantee a loan under this subtitle to a borrower that has received—

''(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this subtitle; or

''(ii) received debt forgiveness on more than 3 occasions on or before April 4, 1996.

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm operating expenses of a borrower who—

''(i) was restructured with a write-down under section 3411;

''(ii) is current on payments under a confirmed reorganization plan under chapters 11, 12, or 13 of title 11 of the United States Code; or

''(iii) received debt forgiveness on not more than 1 occasion resulting directly and primarily from a major disaster or emergency designated by the President on or after April 4, 1996, under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

''(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 3301 to a borrower that—

''(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this subtitle; and

''(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this subtitle.

''(c) NO MORE THAN 1 DEBT FORGIVENESS FOR A BORROWER ON A DIRECT LOAN.—The Secretary may not provide to a borrower debt forgiveness on a direct loan made under this subtitle if the borrower has received debt forgiveness on another direct loan made under this subtitle.

''SEC. 3426. SHORT FORM CERTIFICATION OF FARM PROGRAM BORROWER COMPLIANCE.

''The Secretary shall develop and use a consolidated short form for farmer program loan borrowers to use in certifying compliance with any applicable provision of law (including a regulation) that serves as an eligibility prerequisite for a loan made under this subtitle.

''SEC. 3427. UNDERWRITING FORMS AND STANDARDS.

''In the administration of this subtitle, the Secretary shall, to the extent practicable, use underwriting forms, standards, practices, and terminology similar to the forms, standards, practices, and terminology used by lenders in the private sector.

''SEC. 3428. BEGINNING FARMER INDIVIDUAL DEVELOPMENT ACCOUNTS PILOT PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) DEMONSTRATION PROGRAM.—The term 'demonstration program' means a demonstration program carried out by a qualified entity under the pilot program established in subsection (b)(1).

''(2) ELIGIBLE PARTICIPANT.—The term 'eligible participant' means a qualified beginning farmer that—

''(A) lacks significant financial resources or assets; and

''(B) has an income that is less than—

''(i) 80 percent of the median income of the State in which the farmer resides; or

''(ii) 200 percent of the most recent annual Federal Poverty Income Guidelines published by the Department of Health and Human Services for the State.

''(3) INDIVIDUAL DEVELOPMENT ACCOUNT.—The term 'individual development account' means a savings account described in subsection (b)(4)(A).

''(4) QUALIFIED ENTITY.—

''(A) IN GENERAL.—The term 'qualified entity' means—

''(i) 1 or more organizations—

''(I) described in section 501(c)(3) of the Internal Revenue Code of 1986; and

''(II) exempt from taxation under section 501(a) of such Code; or

''(ii) a State, local, or tribal government submitting an application jointly with an organization described in clause (i).

''(B) NO PROHIBITION ON COLLABORATION.—An organization described in subparagraph (A)(i) may collaborate with a financial institution or for-profit community development corporation to carry out the purposes of this section.

''(b) PILOT PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish a pilot program to be known as the 'New Farmer Individual Development Accounts Pilot Program' under which the Secretary shall work through qualified entities to establish demonstration programs—

''(A) of at least 5 years in duration; and

''(B) in at least 15 States.

''(2) COORDINATION.—The Secretary shall operate the pilot program through and in coordination with the farmer program loans of the Farm Service Agency.

''(3) RESERVE FUNDS.—

''(A) IN GENERAL.—A qualified entity carrying out a demonstration program under this section shall establish a reserve fund consisting of a non-Federal match of 50 percent of the total amount of the grant awarded to the demonstration program under this section.

''(B) FEDERAL FUNDS.—After the qualified entity has deposited the non-Federal matching funds described in subparagraph (A) in the reserve fund, the Secretary shall provide the total amount of the grant awarded under this section to the demonstration program for deposit in the reserve fund.

''(C) USE OF FUNDS.—Of the funds deposited under subparagraph (B) in the reserve fund established for a demonstration program, the qualified entity carrying out the demonstration program—

''(i) may use up to 10 percent for administrative expenses; and

''(ii) shall use the remainder in making matching awards described in paragraph (4)(B)(ii)(I).

''(D) INTEREST.—Any interest earned on amounts in a reserve fund established under subparagraph (A) may be used by the qualified entity as additional matching funds for, or to administer, the demonstration program.

''(E) GUIDANCE.—The Secretary shall issue guidance regarding the investment requirements of reserve funds established under this paragraph.

''(F) REVERSION.—On the date on which all funds remaining in any individual development account established by a qualified entity have reverted under paragraph (5)(B)(ii) to the reserve fund established by the qualified entity, there shall revert to the Treasury of the United States a percentage of the amount (if any) in the reserve fund equal to—

''(i) the amount of Federal funds deposited in the reserve fund under subparagraph (B) that were not used for administrative expenses; divided by

''(ii) the total amount of funds deposited in the reserve fund.

''(4) INDIVIDUAL DEVELOPMENT ACCOUNTS.—

''(A) IN GENERAL.—A qualified entity receiving a grant under this section shall establish and administer individual development accounts for eligible participants.

''(B) CONTRACT REQUIREMENTS.—To be eligible to receive funds under this section from a qualified entity, an eligible participant shall enter into a contract with only 1 qualified entity under which—

''(i) the eligible participant agrees—

''(I) to deposit a certain amount of funds of the eligible participant in a personal savings account, as prescribed by the contractual agreement between the eligible participant and the qualified entity;

''(II) to use the funds described in subclause (I) only for 1 or more eligible expenditures described in paragraph (5)(A); and

''(III) to complete financial training; and

''(ii) the qualified entity agrees—

''(I) to deposit, not later than 1 month after an amount is deposited pursuant to clause (i)(I), at least a 100-percent, and up to a 200-percent, match of that amount into the individual development account established for the eligible participant; and

''(II) with uses of funds proposed by the eligible participant.

''(C) LIMITATION.—

''(i) IN GENERAL.—A qualified entity administering a demonstration program under this section may provide not more than $6,000 for each fiscal year in matching funds to the individual development account established by the qualified entity for an eligible participant.

''(ii) TREATMENT OF AMOUNT.—An amount provided under clause (i) shall not be considered to be a gift or loan for mortgage purposes.

''(5) ELIGIBLE EXPENDITURES.—

''(A) IN GENERAL.—An eligible expenditure described in this subparagraph is an expenditure—

''(i) to purchase farmland or make a down payment on an accepted purchase offer for farmland;

''(ii) to make mortgage payments on farmland purchased pursuant to clause (i), for up to 180 days after the date of the purchase;

''(iii) to purchase breeding stock, fruit or nut trees, or trees to harvest for timber; and

''(iv) for other similar expenditures, as determined by the Secretary.

''(B) TIMING.—

''(i) IN GENERAL.—An eligible participant may make an eligible expenditure at any time during the 2-year period beginning on the date on which the last matching funds are provided under paragraph (4)(B)(ii)(I) to the individual development account established for the eligible participant.

''(ii) UNEXPENDED FUNDS.—At the end of the period described in clause (i), any funds remaining in an individual development account established for an eligible participant shall revert to the reserve fund of the demonstration program under which the account was established.

''(c) APPLICATIONS.—

''(1) IN GENERAL.—A qualified entity that seeks to carry out a demonstration program under this section may submit to the Secretary an application at such time, in such form, and containing such information as the Secretary may prescribe.

''(2) CRITERIA.—In considering whether to approve an application to carry out a demonstration program under this section, the Secretary shall assess—

''(A) the degree to which the demonstration program described in the application is likely to aid eligible participants in successfully pursuing new farming opportunities;

''(B) the experience and ability of the qualified entity to responsibly administer the demonstration program;

''(C) the experience and ability of the qualified entity in recruiting, educating, and assisting eligible participants to increase economic independence and pursue or advance farming opportunities;

''(D) the aggregate amount of direct funds from non-Federal public sector and private sources that are formally committed to the demonstration program as matching contributions;

''(E) the adequacy of the plan of the qualified entity to provide information relevant to an evaluation of the demonstration program; and

''(F) such other factors as the Secretary considers to be appropriate.

''(3) PREFERENCES.—In considering an application to conduct a demonstration program under this section, the Secretary shall give preference to an application from a qualified entity that demonstrates—

''(A) a track record of serving clients targeted by the program, including, as appropriate, socially disadvantaged farmers; and

''(B) expertise in dealing with financial management aspects of farming.

''(4) APPROVAL.—Not later than 1 year after the date of enactment of this section, in accordance with this section, the Secretary shall, on a competitive basis, approve such applications to conduct demonstration programs as the Secretary considers appropriate.

''(5) TERM OF AUTHORITY.—If the Secretary approves an application to carry out a demonstration program, the Secretary shall authorize the applicant to carry out the project for a period of 5 years, plus an additional 2 years to make eligible expenditures in accordance with subsection (b)(5)(B).

''(d) GRANT AUTHORITY.—

''(1) IN GENERAL.—The Secretary shall make a grant to a qualified entity authorized to carry out a demonstration program under this section.

''(2) MAXIMUM AMOUNT OF GRANTS.—The aggregate amount of grant funds provided to a demonstration program carried out under this section shall not exceed $250,000.

''(3) TIMING OF GRANT PAYMENTS.—The Secretary shall pay the amounts awarded under a grant made under this section—

''(A) on the awarding of the grant; or

''(B) pursuant to such payment plan as the qualified entity may specify.

''(e) REPORTS.—

''(1) ANNUAL PROGRESS REPORTS.—

''(A) IN GENERAL.—Not later than 60 days after the end of the calendar year in which the Secretary authorizes a qualified entity to carry out a demonstration program under this section, and annually thereafter until the conclusion of the demonstration program, the qualified entity shall prepare an annual report that includes, for the period covered by the report—

''(i) an evaluation of the progress of the demonstration program;

''(ii) information about the demonstration program, including the eligible participants and the individual development accounts that have been established; and

''(iii) such other information as the Secretary may require.

''(B) SUBMISSION OF REPORTS.—A qualified entity shall submit each report required under subparagraph (A) to the Secretary.

''(2) REPORTS BY THE SECRETARY.—Not later than 1 year after the date on which all demonstration programs under this section are concluded, the Secretary shall submit to Congress a final report that describes the results and findings of all reports and evaluations carried out under this section.

''(f) ANNUAL REVIEW.—The Secretary may conduct an annual review of the financial records of a qualified entity—

''(1) to assess the financial soundness of the qualified entity; and

''(2) to determine the use of grant funds made available to the qualified entity under this section.

''(g) REGULATIONS.—In carrying out this section, the Secretary may promulgate regulations to ensure that the program includes provisions for—

''(1) the termination of demonstration programs;

''(2) control of the reserve funds in the case of such a termination;

''(3) transfer of demonstration programs to other qualified entities; and

''(4) remissions from a reserve fund to the Secretary in a case in which a demonstration program is terminated without transfer to a new qualified entity.

''(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2013 through 2018.

''SEC. 3429. FARMER LOAN PILOT PROJECTS.

''(a) IN GENERAL.—The Secretary may conduct pilot projects of limited scope and duration that are consistent with this subtitle to evaluate processes and techniques that may improve the efficiency and effectiveness of the programs carried out under this subtitle

''(b) NOTIFICATION.—The Secretary shall—

''(1) not less than 60 days before the date on which the Secretary initiates a pilot project under subsection (a), submit notice of the proposed pilot project to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

''(2) consider any recommendations or feedback provided to the Secretary in response to the notice provided under paragraph (1).

''SEC. 3430. PROHIBITION ON USE OF LOANS FOR CERTAIN PURPOSES.

''(a) IN GENERAL.—Except as provided in subsections (b) and (c), the Secretary may not approve a loan under this subtitle to drain, dredge, fill, level, or otherwise manipulate a wetland (as defined in section 1201(a) of the Food Security Act of 1985 (16 U.S.C. 3801(a))), or to engage in any activity that results in impairing or reducing the flow, circulation, or reach of water.

''(b) PRIOR ACTIVITY.—Subsection (a) does not apply in the case of—

''(1) an activity related to the maintenance of a previously converted wetland; or

''(2) an activity that had already commenced before November 28, 1990.

''(c) EXCEPTION.—This section shall not apply to a loan made or guaranteed under this subtitle for a utility line.

''SEC. 3431. AUTHORIZATION OF APPROPRIATIONS AND ALLOCATION OF FUNDS.

''(a) AUTHORIZATION FOR LOANS.—

''(1) IN GENERAL.—The Secretary may make or guarantee loans under chapters 1 and 2 from the Agricultural Credit Insurance Fund for not more than $4,226,000,000 for each of fiscal years 2013 through 2018, of which, for each fiscal year—

''(A) $1,200,000,000 shall be for direct loans, of which—

''(i) $350,000,000 shall be for farm ownership loans; and

''(ii) $850,000,000 shall be for operating loans; and

''(B) $3,026,000,000 shall be for guaranteed loans, of which—

''(i) $1,000,000,000 shall be for guarantees of farm ownership loans; and

''(ii) $2,026,000,000 shall be for guarantees of operating loans.

''(2) BEGINNING FARMERS.—

''(A) DIRECT LOANS.—

''(i) FARM OWNERSHIP LOANS.—

''(I) IN GENERAL.—Of the amounts made available under paragraph (1) for direct farm ownership loans, the Secretary shall reserve an amount that is not less than 75 percent of the total amount for qualified beginning farmers.

''(II) DOWN PAYMENT LOANS; JOINT FINANCING ARRANGEMENTS.—Of the amounts reserved for a fiscal year under subclause (I), the Secretary shall reserve an amount not less than ⅔ of the amount for the down payment loan program under section 3107 and joint financing arrangements under section 3105 until April 1 of the fiscal year.

''(ii) OPERATING LOANS.—Of the amounts made available under paragraph (1) for direct operating loans, the Secretary shall reserve for qualified beginning farmers for each of fiscal years 2013 through 2018, an amount that is not less than 50 percent of the total amount.

''(iii) FUNDS RESERVED UNTIL SEPTEMBER 1.—Except as provided in clause (i)(II), funds reserved for qualified beginning farmers under this subparagraph for a fiscal year shall be reserved only until September 1 of the fiscal year.

''(B) GUARANTEED LOANS.—

''(i) FARM OWNERSHIP LOANS.—Of the amounts made available under paragraph (1) for guarantees of farm ownership loans, the Secretary shall reserve an amount that is not less than 40 percent of the total amount for qualified beginning farmers.

''(ii) OPERATING LOANS.—Of the amounts made available under paragraph (1) for guarantees of operating loans, the Secretary shall reserve 40 percent for qualified beginning farmers.

''(iii) FUNDS RESERVED UNTIL APRIL 1.—Funds reserved for qualified beginning farmers under this subparagraph for a fiscal year shall be reserved only until April 1 of the fiscal year.

''(C) RESERVED FUNDS FOR ALL QUALIFIED BEGINNING FARMERS.—If a qualified beginning farmer meets the eligibility criteria for receiving a direct or guaranteed loan under section 3101, 3107, or 3201, the Secretary shall make or guarantee the loan if sufficient funds reserved under this paragraph are available to make or guarantee the loan.

''(3) TRANSFER FOR DOWN PAYMENT LOANS.—

''(A) IN GENERAL.—Subject to subparagraph (B)—

''(i) beginning on August 1 of each fiscal year, the Secretary shall use available unsubsidized guaranteed farm operating loan funds to provide direct farm ownership loans approved by the Secretary to qualified beginning farmers under the down payment loan program established under section 3107, if sufficient direct farm ownership loan funds are not otherwise available; and

''(ii) beginning on September 1 of each fiscal year, the Secretary shall use available unsubsidized guaranteed farm operating loan funds to provide direct farm ownership loans approved by the Secretary to qualified beginning farmers, if sufficient direct farm ownership loan funds are not otherwise available.

''(B) LIMITATION.—The Secretary shall limit the transfer of funds under subparagraph (A) so that all guaranteed farm operating loans that have been approved, or will be approved, by the Secretary during the fiscal year will be made to the extent of available amounts.

''(4) TRANSFER FOR CREDIT SALES OF FARM INVENTORY PROPERTY.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), beginning on September 1 of each fiscal year, the Secretary may use available funds made available under chapter 3 for the fiscal year to fund the credit sale of farm real estate in the inventory of the Secretary.

''(B) SUPPLEMENTAL APPROPRIATIONS.—The transfer authority provided under subparagraph (A) shall not apply to any funds made available to the Secretary for any fiscal year under an Act making supplemental appropriations.

''(C) LIMITATION.—The Secretary shall limit the transfer of funds under subparagraph (A) so that all emergency disaster loans that have been approved, or will be approved, by the Secretary during the fiscal year will be made to the extent of available amounts.

''(5) AVAILABILITY OF FUNDS.—Funds made available to carry out this subtitle shall remain available until expended.

''(b) COST PROJECTIONS.—

''(1) IN GENERAL.—The Secretary shall develop long-term cost projections for loan program authorizations required under subsection (a).

''(2) ANALYSIS.—Each projection under paragraph (1) shall include analyses of—

''(A) the long-term costs of the lending levels that the Secretary requests to be authorized under subsection (a); and

''(B) the long-term costs for increases in lending levels beyond those requested to be authorized, based on increments of $10,000,000 or such other levels as the Secretary considers appropriate.

''(3) SUBMISSION TO CONGRESS.—The Secretary shall submit to the Committees on Agriculture and Appropriations of the House of Representatives and the Committees on Agriculture, Nutrition, and Forestry and Appropriations of the Senate reports containing the long-term cost projections for the 3-year period beginning with fiscal year 1983 and each 3-year period thereafter at the time the requests for authorizations for those periods are submitted to Congress.

''(c) LOW-INCOME, LIMITED-RESOURCE BORROWERS.—

''(1) RESERVE.—Notwithstanding any other provision of law, not less than 25 percent of the loans for farm ownership purposes for each fiscal year under this subtitle shall be for low-income, limited-resource borrowers.

''(2) NOTIFICATION.—The Secretary shall provide notification to farm borrowers under this subtitle in the normal course of loan making and loan servicing operations, of the provisions of this subtitle relating to low-income, limited-resource borrowers and the procedures by which persons may apply for loans under the low-income, limited-resource borrower program.''.

Subtitle B—Miscellaneous

SEC. 5101. STATE AGRICULTURAL MEDIATION PROGRAMS.

Section 506 of the Agricultural Credit Act of 1987 (7 U.S.C. 5106) is amended by striking ''2015'' and inserting ''2018''.

SEC. 5102. LOANS TO PURCHASERS OF HIGHLY FRACTIONATED LAND.

(a) IN GENERAL.—The first sentence of Public Law 91–229 (25 U.S.C. 488) is amended—

(1) in subsection (a), in the first sentence, by striking ''loans from'' and all that follows through ''1929)'' and inserting ''direct loans in a manner consistent with direct loans pursuant to chapter 4 of subtitle A of the Consolidated Farm and Rural Development Act'';

(2) in subsection (b)(1)—

(A) by striking ''pursuant to section 205(c) of the Indian Land Consolidation Act (25 U.S.C. 2204(c))''; and

(B) by inserting ''or to intermediaries in order to establish revolving loan funds for the purchase of highly fractionated land under that section'' before the period at the end; and

(3) by adding at the end the following:

''(c) CONSULTATION REQUIRED.—In determining regulations and procedures to define eligible purchasers of highly fractionated land under this section, the Secretary of Agriculture shall consult with the Secretary of the Interior.''.

SEC. 5103. REMOVAL OF DUPLICATIVE APPRAISALS.

Notwithstanding any other law (including regulations), in making loans under the first section of Public Law 91–229 (25 U.S.C. 488), borrowers who are Indian tribes, members of Indian tribes, or tribal corporations shall only be required to obtain 1 appraisal under an appraisal standard recognized as of the date of enactment of this Act by the Secretary or the Secretary of the Interior.

SEC. 5104. COMPENSATION DISCLOSURE BY FARM CREDIT SYSTEM INSTITUTIONS.

(a) FINDINGS.—Congress finds that —

(1) the reasonable disclosure to stockholders by Farm Credit System institutions regarding the compensation of Farm Credit System institution senior officers is beneficial to stockholders' understanding of the operation of their institutions;

(2) transparency regarding compensation practices reinforces the cooperative nature of Farm Credit System institutions;

(3) the unique cooperative structure of the Farm Credit System should be considered when promulgating rules;

(4) the participation of stockholders in the election of the boards of directors of Farm Credit System institutions provides stockholders the opportunity to participate in the management of their institutions;

(5) as representatives of stockholders, the boards of directors of Farm Credit System institutions importantly establish and oversee the compensation practices of Farm Credit System institutions to ensure the safe and sound operation of those institutions; and

(6) any regulation should strengthen and not hinder the ability of Farm Credit System boards of directors to oversee compensation practices.

(b) IMPLEMENTATION.—Not later than 60 days after the date of enactment of this Act, the Farm Credit Administration shall review its rules to reflect Congressional intent that a primary responsibility of the boards of directors of Farm Credit System institutions, as elected representatives of their stockholders, is to oversee compensation practices.

TITLE VI—RURAL DEVELOPMENT

Subtitle A—Reorganization of the Consolidated Farm and Rural Development Act

SEC. 6001. REORGANIZATION OF THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.

Title III of the Agricultural Act of 1961 (7 U.S.C. 1921 et seq.) is amended to read as follows:

''TITLE III—AGRICULTURAL CREDIT

''SEC. 3001. SHORT TITLE; TABLE OF CONTENTS.

''(a) SHORT TITLE.—This title may be cited as the 'Consolidated Farm and Rural Development Act'.

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

''SEC. 3002. DEFINITIONS.

''In this title (unless the context otherwise requires):

''(1) ABLE TO OBTAIN CREDIT ELSEWHERE.—The term 'able to obtain credit elsewhere' means able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source (or, in the case of a borrower under section 3106, the borrower may be able to obtain a loan under section 3101) at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

''(2) AGRICULTURAL CREDIT INSURANCE FUND.—The term 'Agricultural Credit Insurance Fund' means the fund established under section 3401.

''(3) APPROVED LENDER.—The term 'approved lender' means—

''(A) a lender approved prior to October 28, 1992, by the Secretary under the approved lender program established by exhibit A to subpart B of part 1980 of title 7, Code of Federal Regulations (as in effect on January 1, 1991); or

''(B) a lender certified under section 3909.

''(4) AQUACULTURE.—The term 'aquaculture' means the culture or husbandry of aquatic animals or plants by private industry for commercial purposes, including the culture and growing of fish by private industry for the purpose of creating or augmenting publicly owned and regulated stocks of fish.

''(5) BEGINNING FARMER.—The term 'beginning farmer' has the meaning given the term by the Secretary.

''(6) BORROWER.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'borrower' means an individual or entity who has an outstanding obligation to the Secretary under any loan made or guaranteed under this title, without regard to whether the loan has been accelerated.

''(B) EXCLUSIONS.—The term 'borrower' does not include an individual or entity all of whose loans and accounts have been foreclosed on or liquidated, voluntarily or otherwise.

''(7) COUNTY COMMITTEE.—The term 'county committee' means the appropriate county committee established under section 8(b)(5) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)).

''(8) DEBT FORGIVENESS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'debt forgiveness' means reducing or terminating a loan made or guaranteed under this title, in a manner that results in a loss to the Secretary, through—

''(i) writing down or writing off a loan under section 3411;

''(ii) compromising, adjusting, reducing, or charging-off a debt or claim under section 3903;

''(iii) paying a loss on a guaranteed loan under this title; or

''(iv) discharging a debt as a result of bankruptcy.

''(B) LOAN RESTRUCTURING.—The term 'debt forgiveness' does not include consolidation, rescheduling, reamortization, or deferral.

''(9) DEPARTMENT.—The term 'Department' means the Department of Agriculture.

''(10) DIRECT LOAN.—The term 'direct loan' means a loan made by the Secretary from appropriated funds.

''(11) ENTITY.—The term 'entity' means a corporation, farm cooperative, partnership, joint operation, governmental entity, or other legal organization, as determined by the Secretary.

''(12) FARM.—The term 'farm' means an operation involved in—

''(A) the production of an agricultural commodity;

''(B) ranching; or

''(C) aquaculture, in a controlled environment.

''(13) FARMER.—The term 'farmer' means an individual or entity engaged primarily and directly in—

''(A) the production of an agricultural commodity;

''(B) ranching; or

''(C) aquaculture, in a controlled environment.

''(14) FARMER PROGRAM LOAN.—The term 'farmer program loan' means—

''(A) a farm ownership loan under section 3101;

''(B) a conservation loan under section 3103;

''(C) an operating loan under section 3201;

''(D) an emergency loan under section 3301;

''(E) an economic emergency loan under section 202 of the Emergency Agricultural Credit Adjustment Act of 1978 (7 U.S.C. prec. 1961 note; Public Law 95–334);

''(F) a loan for a farm service building under section 502 of the Housing Act of 1949 (42 U.S.C. 1472);

''(G) an economic opportunity loan under section 602 of the Economic Opportunity Act of 1964 (Public Law 88–452; 42 U.S.C. 2942 note) (as it existed before the amendment made by section 683(a) of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35; 95 Stat. 519));

''(H) a softwood timber loan under section 608 of the Agricultural Programs Adjustment Act of 1984 (7 U.S.C. 1981 note; Public Law 98–258); or

''(I) any other loan described in section 343(a)(10) of this title (as it existed before the amendment made by section 2 of the Agriculture Reform, Food, and Jobs Act of 2013) that is outstanding on the date of enactment of that Act.

''(15) FARM SERVICE AGENCY.—The term 'Farm Service Agency' means the offices of the Farm Service Agency to which the Secretary delegates responsibility to carry out this title.

''(16) GOVERNMENTAL ENTITY.—The term 'governmental entity' means any agency of a State or a unit of local government of a State, or subdivision thereof.

''(17) GUARANTEE.—The term 'guarantee' means guaranteeing the payment of a loan originated, held, and serviced by a private financial agency, or lender, approved by the Secretary.

''(18) HIGHLY ERODIBLE LAND.—The term 'highly erodible land' has the meaning given the term in section 1201(a) of the Food Security Act of 1985 (16 U.S.C. 3801(a)).

''(19) HOMESTEAD RETENTION.—The term 'homestead retention' means homestead retention as authorized under section 3414.

''(20) INDIAN TRIBE.—The term 'Indian tribe' means a Federal or State-recognized Indian tribe or other federally recognized Indian tribal group (including a Tribal College or University, as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)).

''(21) LOAN SERVICE PROGRAM.—The term 'loan service program' means, with respect to a farmer program loan borrower, a primary loan service program or a homestead retention program.

''(22) NATURAL OR MAJOR DISASTER OR EMERGENCY.—The term 'natural or major disaster or emergency' means—

''(A) a disaster due to nonmanmade causes declared by the Secretary; or

''(B) a major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

''(23) PRIMARY LOAN SERVICE PROGRAM.—The term 'primary loan service program' means, with respect to a farmer program loan—

''(A) loan consolidation, rescheduling, or reamortization;

''(B) interest rate reduction, including the use of the limited resource program;

''(C) loan restructuring, including deferral, set aside, or writing down of the principal or accumulated interest charges, or both, of the loan; or

''(D) any combination of actions described in subparagraphs (A), (B), and (C).

''(24) PRIME FARMLAND.—The term 'prime farmland' means prime farmland and unique farmland (as defined in subsections (a) and (b) of section 657.5 of title 7, Code of Federal Regulations (1980)).

''(25) PROJECT.—For purposes of section 3501, the term 'project' includes a facility providing central service or a facility serving an individual property, or both.

''(26) QUALIFIED BEGINNING FARMER.—The term 'qualified beginning farmer' means an applicant, regardless of whether the applicant is participating in a program under section 3107, who—

''(A) is eligible for assistance under subtitle A;

''(B) has not operated a farm, or has operated a farm for not more than 10 years;

''(C) in the case of a cooperative, corporation, partnership, or joint operation, has members, stockholders, partners, or joint operators who are all related to each other by blood or marriage;

''(D) in the case of a farmer who is the owner and operator of a farm—

''(i) in the case of a loan made to an individual, individually or with the immediate family of the applicant—

''(I) materially and substantially participates in the operation of the farm; and

''(II) provides substantial day-to-day labor and management of the farm, consistent with the practices in the State or county in which the farm is located; or

''(ii)(I) in the case of a loan made to a cooperative, corporation, partnership, or joint operation, has members, stockholders, partners, or joint operators who materially and substantially participate in the operation of the farm; and

''(II) in the case of a loan made to a corporation, has stockholders who all qualify individually as beginning farmers;

''(E) in the case of an applicant seeking to become an owner and operator of a farm—

''(i) in the case of a loan made to an individual, individually or with the immediate family of the applicant, will—

''(I) materially and substantially participate in the operation of the farm; and

''(II) provide substantial day-to-day labor and management of the farm, consistent with the practices in the State or county in which the farm is located; or

''(ii)(I) in the case of a loan made to a cooperative, corporation, partnership, or joint operation, will have members, stockholders, partners, or joint operators who will materially and substantially participate in the operation of the farm; and

''(II) in the case of a loan made to a corporation, has stockholders who will all qualify individually as beginning farmers;

''(F) agrees to participate in such loan assessment, borrower training, and financial management programs as the Secretary may require;

''(G)(i) does not own farm land; or

''(ii) directly or through interests in family farm corporations, owns farm land, the aggregate acreage of which does not exceed 30 percent of the average acreage of the farms, as the case may be, in the county in which the farm operations of the applicant are located, as reported in the most recent census of agriculture taken in accordance with the

Census of Agriculture Act of 1997 (7 U.S.C. 2204g et seq.), except that this subparagraph shall not apply to a loan made or guaranteed under chapter 2 of subtitle A; and

''(H) demonstrates that the available resources of the applicant and any spouse of the applicant are not sufficient to enable the applicant to farm on a viable scale.

''(27) RECREATIONAL PURPOSE.—For purposes of section 3410, the term 'recreational purpose' has the meaning provided by the Secretary, but shall include hunting.

''(28) RURAL AND RURAL AREA.—

''(A) IN GENERAL.—Subject to any determination made under subparagraph (B), the terms 'rural' and 'rural area' mean any area other than—

''(i) a city or town that has a population of greater than 50,000 inhabitants; and

''(ii) any urbanized area contiguous and adjacent to a city or town described in clause (i).

''(B) DETERMINATION OF AREAS RURAL IN CHARACTER.—

''(i) IN GENERAL.—If part of an area described in subparagraph (A)(ii) was eligible under the definitions of the terms 'rural' and 'rural area' in section 343 (as in effect on the day before the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013) for community facility, water and waste disposal, and broadband programs, that area shall remain eligible unless the Secretary, acting through the Under Secretary for Rural Development (referred to in this subparagraph as the 'Under Secretary'), determines the area is no longer rural, based on the criteria described in clause (iii).

''(ii) OTHER AREAS.—On petition of a unit of local government in an urbanized area described in subparagraph (A)(ii), or on the initiative of the Under Secretary, the Under Secretary may determine that part of an area is rural, based on the criteria described in clause (iii).

''(iii) CRITERIA.—In making a determination under clause (i), the Under Secretary shall consider—

''(I) population density;

''(II) economic conditions, favoring a rural determination for areas facing—

''(aa) chronic unemployment in excess of statewide averages;

''(bb) sudden loss of employment from natural disaster or the loss of a significant employer in the area; or

''(cc) chronic poverty demonstrated at the census block or county level compared to statewide median household income; and

''(III) commuting patterns, favoring a rural determination for areas that can demonstrate higher proportions of the population living and working in the area.

''(iv) ADMINISTRATION.—In carrying out this subparagraph, the Under Secretary shall—

''(I) not delegate the authority to carry out this subparagraph;

''(II) not make a determination under clause (i) until the date that is 3 years after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013;

''(III) consult with the applicable rural development State or regional director of the Department and the Governor of the respective State;

''(IV) provide an opportunity to appeal to the Under Secretary a determination made under this subparagraph;

''(V) release to the public notice of a petition filed or initiative of the Under Secretary under this subparagraph not later than 30 days after receipt of the petition or the commencement of the initiative, as appropriate;

''(VI) make a determination under this subparagraph not less than 15 days, and not more than 60 days, after the release of the notice under subclause (V); and

''(VII) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on actions taken to carry out this subparagraph.

''(v) HAWAII AND PUERTO RICO.—Notwithstanding any other provision of this subsection, within the areas of the County of Honolulu, Hawaii, and the Commonwealth of Puerto Rico, the Under Secretary may designate any part of the areas as a rural area if the Under Secretary determines that the part is not urban in character, other than any area included in the Honolulu Census Designated Place or the San Juan Census Designated Place.

''(C) EXCLUSIONS.—Notwithstanding any other provision of this paragraph, in determining which census blocks in an urbanized area are not in a rural area (as defined in this paragraph), the Secretary shall exclude any cluster of census blocks that would otherwise be considered not in a rural area only because the cluster is adjacent to not more than 2 census blocks that are otherwise considered not in a rural area under this paragraph.

''(29) SEASONED DIRECT LOAN BORROWER.—The term 'seasoned direct loan borrower' means a borrower who could reasonably be expected to qualify for commercial credit using criteria determined by the Secretary.

''(30) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''(31) SOCIALLY DISADVANTAGED FARMER.—The term 'socially disadvantaged farmer' means a farmer who is a member of a socially disadvantaged group.

''(32) SOCIALLY DISADVANTAGED GROUP.—The term 'socially disadvantaged group' means a group whose members have been subjected to racial, ethnic, or gender prejudice because of the identity of the members as members of a group without regard to the individual qualities of the members.

''(33) SOLAR ENERGY.—The term 'solar energy' means energy derived from sources (other than fossil fuels) and technologies included in the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.).

''(34) STATE.—The term 'State' means—

''(A) in this title (other than subtitle A), each of the 50 States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau; and

''(B) in subtitle A, each of the 50 States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and, to the extent the Secretary determines it to be feasible and appropriate, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

''(35) STATE BEGINNING FARMER PROGRAM.—The term 'State beginning farmer program' means any program that is—

''(A) carried out by, or under contract with, a State; and

''(B) designed to assist qualified beginning farmers in obtaining the financial assistance necessary to enter agriculture and establish viable farming operations.

''(36) VETERAN.—The term 'veteran' has the meaning given the term in section 101 of title 38, United States Code.

''(37) WETLAND.—The term 'wetland' has the meaning given the term in section 1201(a) of the Food Security Act of 1985 (16 U.S.C. 3801(a)).

''(38) WILDLIFE.—The term 'wildlife' means fish or wildlife (as defined in section 2(a) of the Lacey Act Amendments of 1981 (16 U.S.C. 3371(a))).

''Subtitle B—Rural Development

''CHAPTER 1—RURAL COMMUNITY PROGRAMS

''SEC. 3501. WATER AND WASTE DISPOSAL LOANS, LOAN GUARANTEES, AND GRANTS.

''(a) IN GENERAL.—The Secretary may make grants and loans and issue loan guarantees (including a guarantee of a loan financed by the net proceeds of a bond described in section 142(a) of the Internal Revenue Code of 1986) to eligible entities described in subsection (b) for projects in rural areas that primarily serve rural residents to provide for—

''(1) the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste; and

''(2) financial assistance and other aid in the planning of projects for purposes described in paragraph (1).

''(b) ELIGIBLE ENTITIES.—Entities eligible for assistance described in subsection (a) are—

''(1) associations (including corporations not operated for profit);

''(2) Indian tribes;

''(3) public and quasi-public agencies; and

''(4) in the case of a project to attach an individual property in a rural area to a water system to alleviate a health risk, an individual.

''(c) LOAN AND LOAN GUARANTEE REQUIREMENTS.—In connection with loans made or guaranteed under this section, the Secretary shall require the applicant—

''(1) to certify in writing, and the Secretary shall determine, that the applicant is unable to obtain credit elsewhere to finance the actual needs of the applicant at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time; and

''(2) to furnish an appropriate written financial statement.

''(d) GRANT AMOUNTS.—

''(1) MAXIMUM.—Except as otherwise provided in this subsection, the amount of any grant made under this section shall not exceed 75 percent of the development cost of the project for which the grant is provided.

''(2) GRANT RATE.—The Secretary shall establish the grant rate for each project in conformity with regulations issued by the Secretary that shall provide for a graduated scale of grant rates that establish higher rates for projects in communities that have—

''(A) lower community population;

''(B) higher rates of outmigration; and

''(C) lower income levels.

''(3) LOCAL SHARE REQUIREMENTS.—Grants made under this section may be used to pay the local share requirements of another Federal grant-in-aid program to the extent permitted under the law providing for the grant-in-aid program.

''(e) SPECIAL GRANTS.—

''(1) REVOLVING FUNDS FOR FINANCING WATER AND WASTEWATER PROJECTS.—

''(A) IN GENERAL.—The Secretary may make grants to qualified, nonprofit entities in rural areas to capitalize revolving funds for the purpose of providing financing to eligible entities for—

''(i) predevelopment costs associated with proposed water and wastewater projects or with existing water and wastewater systems; and

''(ii) short-term costs incurred for replacement equipment, small-scale extension services, or other small capital projects that are

not part of the regular operations and maintenance activities of existing water and wastewater systems.

''(B) MAXIMUM AMOUNT OF FINANCING.—The amount of financing made to an eligible entity under this paragraph shall not exceed—

''(i) $100,000 for costs described in subparagraph (A)(i); and

''(ii) $100,000 for costs described in subparagraph (A)(ii).

''(C) TERM.—The term of financing provided to an eligible entity under this paragraph shall not exceed 10 years.

''(D) ADMINISTRATION.—The Secretary shall limit the amount of grant funds that may be used by a grant recipient for administrative costs incurred under this paragraph.

''(E) ANNUAL REPORT.—A nonprofit entity receiving a grant under this paragraph shall submit to the Secretary an annual report that describes the number and size of communities served and the type of financing provided.

''(F) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $30,000,000 for each of fiscal years 2014 through 2018.

''(2) EMERGENCY AND IMMINENT COMMUNITY WATER ASSISTANCE PROGRAM.—

''(A) IN GENERAL.—The Secretary shall provide grants in accordance with this paragraph to assist the residents of rural areas and small communities to secure adequate quantities of safe water—

''(i) after a significant decline in the quantity or quality of water available from the water supplies of the rural areas and small communities, or when such a decline is imminent; or

''(ii) when repairs, partial replacement, or significant maintenance efforts on established water systems would remedy—

''(I) an acute or imminent shortage of quality water; or

''(II) a significant or imminent decline in the quantity or quality of water that is available.

''(B) PRIORITY.—In carrying out subparagraph (A), the Secretary shall—

''(i) give priority to projects described in subparagraph (A)(i); and

''(ii) provide at least 70 percent of all grants under this paragraph to those projects.

''(C) ELIGIBILITY.—To be eligible to obtain a grant under this paragraph, an applicant shall—

''(i) be a public or private nonprofit entity; and

''(ii) in the case of a grant made under subparagraph (A)(i), demonstrate to the Secretary that the decline referred to in that subparagraph occurred, or will occur, not later than 2 years after the date on which the application was filed for the grant.

''(D) USES.—

''(i) IN GENERAL.—Grants made under this paragraph may be used—

''(I) for waterline extensions from existing systems, laying of new waterlines, repairs, significant maintenance, digging of new wells, equipment replacement, and hook and tap fees;

''(II) for any other appropriate purpose associated with developing sources of, treating, storing, or distributing water;

''(III) to assist communities in complying with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or the Safe Drinking Water Act (42 U.S.C. 300f et seq.); and

''(IV) to provide potable water to communities through other means.

''(ii) JOINT PROPOSALS.—

''(I) IN GENERAL.—Subject to the restrictions in subparagraph (E), nothing in this paragraph precludes rural communities from submitting joint proposals for emergency water assistance.

''(II) CONSIDERATION OF RESTRICTIONS.—The restrictions in subparagraph (E) shall be considered in the aggregate, depending on the number of communities involved.

''(E) RESTRICTIONS.—

''(i) MAXIMUM INCOME.—No grant provided under this paragraph shall be used to assist any rural area or community that has a median household income in excess of the State nonmetropolitan median household income according to the most recent decennial census of the United States.

''(ii) SET-ASIDE FOR SMALLER COMMUNITIES.—Not less than 50 percent of the funds allocated under this paragraph shall be allocated to rural communities with populations that do not exceed 3,000 inhabitants.

''(F) MAXIMUM GRANTS.—Grants made under this paragraph may not exceed—

''(i) in the case of each grant made under subparagraph (A)(i), $500,000; and

''(ii) in the case of each grant made under subparagraph (A)(ii), $150,000.

''(G) FULL FUNDING.—Subject to subparagraph (F), grants under this paragraph shall be made in an amount equal to 100 percent of the costs of the projects conducted under this paragraph.

''(H) APPLICATION.—

''(i) NATIONALLY COMPETITIVE APPLICATION PROCESS.—

''(I) IN GENERAL.—The Secretary shall develop a nationally competitive application process to award grants under this paragraph.

''(II) REQUIREMENTS.—The process shall include criteria for evaluating applications, including population, median household income, and the severity of the decline, or imminent decline, in the quantity or quality of water.

''(ii) TIMING OF REVIEW OF APPLICATIONS.—

''(I) SIMPLIFIED APPLICATION.—The application process developed by the Secretary under clause (i) shall include a simplified application form that will permit expedited consideration of an application for a grant filed under this paragraph.

''(II) PRIORITY REVIEW.—In processing applications for any water or waste grant or loan authorized under this section, the Secretary shall afford priority processing to an application for a grant under this paragraph to the extent funds will be available for an award on the application at the conclusion of priority processing.

''(III) TIMING.—The Secretary shall, to the maximum extent practicable, review and act on an application under this paragraph not later than 60 days after the date on which the application is submitted to the Secretary.

''(I) FUNDING.—

''(i) RESERVATION.—

''(I) IN GENERAL.—For each fiscal year, not less than 3 nor more than 5 percent of the total amount made available to carry out this section for the fiscal year shall be reserved for grants under this paragraph.

''(II) RELEASE.—Funds reserved under subclause (I) for a fiscal year shall be reserved only until July 1 of the fiscal year.

''(ii) AUTHORIZATION OF APPROPRIATIONS.—In addition to funds made available under clause (i), there is authorized to be appropriated to carry out this paragraph $35,000,000 for each of fiscal years 2014 through 2018.

''(3) WATER AND WASTE FACILITY LOANS AND GRANTS TO ALLEVIATE HEALTH RISKS.—

''(A) DEFINITION OF COOPERATIVE.—In this paragraph, the term 'cooperative' means a cooperative formed specifically for the purpose of the installation, expansion, improvement, or operation of water supply or waste disposal facilities or systems.

''(B) LOANS AND GRANTS TO PERSONS OTHER THAN INDIVIDUALS.—

''(i) IN GENERAL.—The Secretary shall make or guarantee loans and make grants to provide for the conservation, development, use, and control of water (including the extension or improvement of existing water supply systems) and the installation or improvement of drainage or waste disposal facilities and essential community facilities, including necessary related equipment, training, and technical assistance to—

''(I) rural water supply corporations, cooperatives, or similar entities;

''(II) Indian tribes on Federal or State reservations and other federally recognized Indian tribes;

''(III) rural or native villages in the State of Alaska;

''(IV) native tribal health consortiums;

''(V) public agencies; and

''(VI) Native Hawaiian Home Lands.

''(ii) ELIGIBLE PROJECTS.—Loans and grants described in clause (i) shall be available only to provide the described water and waste facilities and services to communities whose residents face significant health risks, as determined by the Secretary, due to the fact that a significant proportion of the residents of the community do not have access to, or are not served by, adequate affordable—

''(I) water supply systems; or

''(II) waste disposal facilities.

''(iii) MATCHING REQUIREMENTS.—For entities described under subclauses (III), (IV), or (V) of clause (i) to be eligible to receive a grant for water supply systems or waste disposal facilities, the State in which the project will occur shall provide 25 percent in matching funds from non-Federal sources.

''(iv) CERTAIN AREAS TARGETED.—

''(I) IN GENERAL.—Loans and grants under clause (i) shall be made only if the loan or grant funds will be used primarily to provide water or waste services, or both, to residents of a county or census area—

''(aa) the per capita income of the residents of which is not more than 70 percent of the national average per capita income, as determined by the Department of Commerce; and

''(bb) the unemployment rate of the residents of which is not less than 125 percent of the national average unemployment rate, as determined by the Bureau of Labor Statistics.

''(II) EXCEPTIONS.—Notwithstanding subclause (I), loans and grants under clause (i) may also be made if the loan or grant funds will be used primarily to provide water or waste services, or both, to residents of—

''(aa) a rural area that was recognized as a colonia as of October 1, 1989; or

''(bb) an area described under subclause (II), (III), or (VI) of clause (i).

''(C) LOANS AND GRANTS TO INDIVIDUALS.—

''(i) IN GENERAL.—The Secretary shall make or guarantee loans and make grants to individuals who reside in a community described in subparagraph (B)(i) for the purpose of extending water supply and waste disposal systems, connecting the systems to the residences of the individuals, or installing plumbing and fixtures within the residences of the individuals to facilitate the use of the water supply and waste disposal systems.

''(ii) INTEREST.—Loans described in clause (i) shall be at a rate of interest no greater than the Federal Financing Bank rate on loans of a similar term at the time the loans are made.

''(iii) AMORTIZATION.—The repayment of loans described in clause (i) shall be amortized over the expected life of the water supply or waste disposal system to which the residence of the borrower will be connected.

''(iv) MANNER IN WHICH LOANS AND GRANTS ARE TO BE MADE.—Loans and grants to individuals under clause (i) shall be made—

''(I) directly to the individuals by the Secretary; or

''(II) to the individuals through the rural water supply corporation, cooperative, or similar entity, or public agency, providing the water supply or waste disposal services, pursuant to regulations issued by the Secretary.

''(D) PREFERENCE.—The Secretary shall give preference in the awarding of loans and grants under subparagraphs (B) and (C) to entities described in clause (i) of subparagraph (B) that propose to provide water supply or waste disposal services to the residents of Indian reservations, rural or native villages in the State of Alaska, Native Hawaiian Home Lands, and those rural subdivisions commonly referred to as colonias, that are characterized by substandard housing, inadequate roads and drainage, and a lack of adequate water or waste facilities.

''(E) RELATIONSHIP TO OTHER AUTHORITY.—Notwithstanding any other provision of law, the head of any Federal agency may enter into interagency agreements with Federal, State, tribal, and other entities to share resources, including transferring and accepting funds, equipment, or other supplies, to carry out the activities described in this paragraph.

''(F) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

''(i) for grants under this paragraph, $60,000,000 for each fiscal year;

''(ii) for loans under this paragraph, $60,000,000 for each fiscal year; and

''(iii) in addition to grants provided under clause (i), for grants under this section to benefit Indian tribes, $20,000,000 for each fiscal year.

''(4) SOLID WASTE MANAGEMENT GRANTS.—

''(A) IN GENERAL.—The Secretary may make grants to nonprofit organizations for the provision of regional technical assistance to local and regional governments and related agencies for the purpose of reducing or eliminating pollution of water resources and improving the planning and management of solid waste disposal facilities in rural areas.

''(B) TECHNICAL ASSISTANCE GRANT AMOUNTS.—Grants made under this paragraph for the provision of technical assistance shall be made for 100 percent of the cost of the technical assistance.

''(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $10,000,000 for each of fiscal years 2014 through 2018.

''(5) RURAL WATER AND WASTEWATER TECHNICAL ASSISTANCE AND TRAINING PROGRAMS.—

''(A) GRANTS TO NONPROFITS.—

''(i) IN GENERAL.—The Secretary may make grants to nonprofit organizations to enable the organizations to provide to associations that provide water and wastewater services in rural areas technical assistance and training—

''(I) to identify, and evaluate alternative solutions to, problems relating to the obtaining, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas;

''(II) to prepare applications to receive financial assistance for any purpose specified in subsection (a)(1) from any public or private source; and

''(III) to improve the operation and maintenance practices at any existing works for the storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas.

''(ii) SELECTION PRIORITY.—In selecting recipients of grants to be made under clause (i), the Secretary shall give priority to nonprofit organizations that have experience in providing the technical assistance and training described in clause (i) to associations serving rural areas in which—

''(I) residents have low income; and

''(II) water supply systems or waste facilities are unhealthful.

''(iii) FUNDING.—

''(I) IN GENERAL.—Except as provided in subclause (II), not less than 1 nor more than 3 percent of any funds made available to carry out water and waste disposal projects described in subsection (a) for any fiscal year shall be reserved for grants under this paragraph.

''(II) EXCEPTION.—The minimum amount specified in subclause (I) shall not apply if the aggregate amount of grant funds requested by applications that qualify for grants received by the Secretary from eligible nonprofit organizations for the fiscal year totals less than 1 percent of those funds.

''(B) RURAL WATER AND WASTEWATER CIRCUIT RIDER PROGRAM.—

''(i) IN GENERAL.—The Secretary shall continue a national rural water and wastewater circuit rider program that—

''(I) is consistent with the activities and results of the program conducted before January 1, 2012, as determined by the Secretary; and

''(II) received funding from the Secretary, acting through the Administrator of the Rural Utilities Service.

''(ii) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subparagraph $25,000,000 for fiscal year 2014 and each fiscal year thereafter.

''(6) SEARCH PROGRAM.—

''(A) IN GENERAL.—The Secretary may establish a Special Evaluation Assistance for Rural Communities and Households (SEARCH) program to make predevelopment planning grants for feasibility studies, design assistance, and technical assistance, to financially distressed communities in rural areas with populations of 2,500 or fewer inhabitants for water and waste disposal projects described in this section.

''(B) TERMS.—

''(i) DOCUMENTATION.—With respect to grants made under this paragraph, the Secretary shall require the lowest quantity of documentation practicable.

''(ii) MATCHING.—Notwithstanding any other provision of this section, the Secretary may fund up to 100 percent of the eligible costs of grants provided under this paragraph, as determined by the Secretary.

''(iii) FUNDING.—The Secretary may use not more than 4 percent of the total amount of funds made available for a fiscal year for water, waste disposal, and essential community facility activities under this chapter to carry out this paragraph.

''(C) RELATIONSHIP TO OTHER AUTHORITY.—

''(i) IN GENERAL.—The funds and authorities provided under this paragraph are in addition to any other funds or authorities the Secretary may have to carry out activities described in this section.

''(ii) AUTHORIZED ACTIVITIES.—The Secretary may furnish financial assistance or other aid in planning projects for the purposes described in subparagraph (A).

''(f) PRIORITY.—In making grants and loans, and guaranteeing loans, for water, wastewater, and waste disposal projects under this section, the Secretary shall give priority consideration to projects that serve rural communities that, as determined by the Secretary—

''(1) have a population of less than 5,500 permanent residents;

''(2) have a community water, wastewater, or waste disposal system that—

''(A) is experiencing—

''(i) an unanticipated reduction in the quality of water, the quantity of water, or the ability to deliver water; or

''(ii) some other deterioration in the supply of water to the community;

''(B) is not adequate to meet the needs of the community; and

''(C) requires immediate corrective action;

''(3) are experiencing outmigration;

''(4) have a high percentage of low-income residents; or

''(5) are isolated from other significant population centers.

''(g) CURTAILMENT OR LIMITATION OF SERVICE PROHIBITED.—The service provided or made available through any such association shall not be curtailed or limited by inclusion of the area served by such association within the boundaries of any municipal corporation or other public body, or by the granting of any private franchise for similar service within such area during the term of such loan; nor shall the happening of any such event be the basis of requiring such association to secure any franchise, license, or permit as a condition to continuing to serve the area served by the association at the time of the occurrence of such event.

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary.

''SEC. 3502. COMMUNITY FACILITIES LOANS, LOAN GUARANTEES, AND GRANTS.

''(a) IN GENERAL.—The Secretary may make grants and loans and issue loan guarantees (including a guarantee of a loan financed by the net proceeds of a bond described in section 142(a) of the Internal Revenue Code of 1986) to eligible entities described in subsection (b) for projects in rural areas that primarily serve rural residents to provide for—

''(1) essential community facilities, including—

''(A) necessary equipment;

''(B) recreational developments; and

''(2) financial assistance and other assistance in the planning of projects for purposes described in this section.

''(b) ELIGIBLE ENTITIES.—Entities eligible for assistance described in subsection (a) are—

''(1) associations (including corporations not operated for profit);

''(2) Indian tribes (including groups of individuals described in paragraph (4) of section 815 of the Native American Programs Act of 1974 (42 U.S.C. 2992c)); and

''(3) public and quasi-public agencies.

''(c) LOAN AND LOAN GUARANTEE REQUIREMENTS.—

''(1) IN GENERAL.—In connection with loans made or guaranteed under this section, the Secretary shall require the applicant—

''(A) to certify in writing, and the Secretary shall determine, that the applicant is unable to obtain credit elsewhere to finance the actual needs of the applicant; and

''(B) to furnish an appropriate written financial statement.

''(2) DEBT RESTRUCTURING AND LOAN SERVICING FOR COMMUNITY FACILITY LOANS.—The Secretary shall establish and implement a program that is similar to the program established under section 3411, except that the debt restructuring and loan servicing procedures shall apply to delinquent community facility program loans to a hospital or health care facility under subsection (a).

''(d) GRANT AMOUNTS.—

''(1) MAXIMUM.—Except as otherwise provided in this subsection, the amount of any grant made under this section shall not exceed 75 percent of the development cost of the project for which the grant is provided.

''(2) GRANT RATE.—The Secretary shall establish the grant rate for each project in

conformity with regulations issued by the Secretary that shall provide for a graduated scale of grant rates that establish higher rates for projects in communities that have—

''(A) low community population;

''(B) high rates of outmigration; and

''(C) low income levels.

''(3) LOCAL SHARE REQUIREMENTS.—Grants made under this section may be used to pay the local share requirements of another Federal grant-in-aid program to the extent permitted under the law providing for the grant-in-aid program.

''(e) PRIORITY.—In making grants and loans, and guaranteeing loans under this section, the Secretary shall give priority consideration to projects that serve rural communities that—

''(1) have a population of less than 20,000 permanent residents;

''(2) are experiencing outmigration;

''(3) have a high percentage of low-income residents; or

''(4) are isolated from other significant population centers.

''(f) TRIBAL COLLEGES AND UNIVERSITIES.—

''(1) IN GENERAL.—The Secretary may make grants to an entity that is a Tribal College or University (as defined in section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b))) to provide the Federal share of the cost of developing specific Tribal College or University essential community facilities in rural areas.

''(2) FEDERAL SHARE.—The Secretary shall establish the maximum percentage of the cost of the project that may be covered by a grant under this subsection, except that the Secretary may not require non-Federal financial support in an amount that is greater than 5 percent of the total cost of the project.

''(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $10,000,000 for each of fiscal years 2014 through 2018.

''(g) TECHNICAL ASSISTANCE FOR COMMUNITY FACILITIES PROJECTS.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary may use funds made available for community facilities programs authorized under this section to provide technical assistance to applicants and participants for community facilities programs.

''(2) FUNDING.—The Secretary may use not more than 3 percent of the amount of funds made available to participants for a fiscal year for a community facilities program to provide technical assistance described in paragraph (1).

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary.

''SEC. 3503. HEALTH CARE SERVICES.

''(a) PURPOSE.—The purpose of this section is to address the continued unmet health needs in the Delta region through cooperation among health care professionals, institutions of higher education, research institutions, and other individuals and entities in the region.

''(b) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a consortium of regional institutions of higher education, academic health and research institutes, and economic development entities located in the Delta region that have experience in addressing the health care issues in the region.

''(c) GRANTS.—To carry out the purpose described in subsection (a), the Secretary may award a grant to an eligible entity for—

''(1) the development of—

''(A) health care services;

''(B) health education programs; and

''(C) health care job training programs; and

''(2) the development and expansion of public health-related facilities in the Delta region to address longstanding and unmet health needs of the region.

''(d) USE.—As a condition of the receipt of the grant, the eligible entity shall use the grant to fund projects and activities described in subsection (c), based on input solicited from local governments, public health care providers, and other entities in the Delta region.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $3,000,000 for each of fiscal years 2014 through 2018.

''CHAPTER 2—RURAL BUSINESS AND COOPERATIVE DEVELOPMENT

''SEC. 3601. BUSINESS PROGRAMS.

''(a) RURAL BUSINESS DEVELOPMENT GRANTS.—

''(1) IN GENERAL.—The Secretary may make grants under this subsection to eligible entities described in paragraph (2) in rural areas that primarily serve rural areas for purposes described in paragraph (3).

''(2) ELIGIBLE ENTITIES.—The Secretary may make grants under this subsection to—

''(A) governmental entities;

''(B) Indian tribes; and

''(C) nonprofit entities.

''(3) ELIGIBLE PURPOSES FOR GRANTS.—Eligible entities that receive grants under this subsection may use the grant funds for—

''(A) business opportunity projects that—

''(i) identify and analyze business opportunities;

''(ii) identify, train, and provide technical assistance to existing or prospective rural entrepreneurs and managers;

''(iii) assist in the establishment of new rural businesses and the maintenance of existing businesses, including through business support centers;

''(iv) conduct regional, community, and local economic development planning and coordination, and leadership development; and

''(v) establish centers for training, technology, and trade that will provide training to rural businesses in the use of interactive communications technologies to develop international trade opportunities and markets; and

''(B) projects that support the development of business enterprises that finance or facilitate—

''(i) the development of small and emerging private business enterprise;

''(ii) the establishment, expansion, and operation of rural distance learning networks;

''(iii) the development of rural learning programs that provide educational instruction or job training instruction related to potential employment or job advancement to adult students; and

''(iv) the provision of technical assistance and training to rural communities for the purpose of improving passenger transportation services or facilities.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this subsection $65,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.

''(b) VALUE-ADDED AGRICULTURAL PRODUCER GRANTS.—

''(1) DEFINITIONS.—In this subsection:

''(A) MID-TIER VALUE CHAIN.—The term 'mid-tier value chain' means a local and regional supply network that links independent producers with businesses and cooperatives that market value-added agricultural products in a manner that—

''(i) targets and strengthens the profitability and competitiveness of small- and medium-sized farms that are structured as family farms; and

''(ii) obtains agreement from an eligible agricultural producer group, farmer cooperative, or majority-controlled producer-based business venture that is engaged in the value chain on a marketing strategy.

''(B) PRODUCER.—The term 'producer' means a farmer.

''(C) VALUE-ADDED AGRICULTURAL PRODUCT.—The term 'value-added agricultural product' means any agricultural commodity or product—

''(i) that—

''(I) has undergone a change in physical state;

''(II) was produced in a manner that enhances the value of the agricultural commodity or product, as demonstrated through a business plan that shows the enhanced value, as determined by the Secretary;

''(III) is physically segregated in a manner that results in the enhancement of the value of the agricultural commodity or product;

''(IV) is a source of farm-based renewable energy, including E–85 fuel; or

''(V) is aggregated and marketed as a locally produced agricultural food product; and

''(ii) for which, as a result of the change in physical state or the manner in which the agricultural commodity or product was produced, marketed, or segregated—

''(I) the customer base for the agricultural commodity or product is expanded; and

''(II) a greater portion of the revenue derived from the marketing, processing, or physical segregation of the agricultural commodity or product is available to the producer of the commodity or product.

''(2) GRANTS.—

''(A) IN GENERAL.—The Secretary may make grants under this subsection to—

''(i) independent producers of value-added agricultural products; and

''(ii) an agricultural producer group, farmer cooperative, or majority-controlled producer-based business venture, as determined by the Secretary.

''(B) GRANTS TO A PRODUCER.—A grantee under subparagraph (A)(i) shall use the grant—

''(i) to develop a business plan or perform a feasibility study to establish a viable marketing opportunity (including through mid-tier value chains) for value-added agricultural products; or

''(ii) to provide capital to establish alliances or business ventures that allow the producer to better compete in domestic or international markets.

''(C) GRANTS TO AN AGRICULTURAL PRODUCER GROUP, COOPERATIVE OR PRODUCER-BASED BUSINESS VENTURE.—A grantee under subparagraph (A)(ii) shall use the grant—

''(i) to develop a business plan for viable marketing opportunities in emerging markets for a value-added agricultural product; or

''(ii) to develop strategies that are intended to create marketing opportunities in emerging markets for the value-added agricultural product.

''(D) AWARD SELECTION.—

''(i) PRIORITY.—In awarding grants under this subsection, the Secretary shall give priority to projects—

''(I) that contribute to increasing opportunities for operators of small- and medium-sized farms that are structured as family farms; or

''(II) at least ¼ of the recipients of which are beginning farmers or socially disadvantaged farmers.

''(ii) RANKING.—In evaluating and ranking proposals under this subsection, the Secretary shall provide substantial weight to the priorities described in clause (i).

''(E) AMOUNT OF GRANT.—

''(i) IN GENERAL.—The total amount provided to a grant recipient under this subsection shall not exceed $500,000.

''(ii) MAJORITY-CONTROLLED, PRODUCER-BASED BUSINESS VENTURES.—The total amount of all grants provided to majority-controlled, producer-based business ventures under this subsection for a fiscal year shall not exceed 10 percent of the amount of funds used to make all grants for the fiscal year under this subsection.

''(F) TERM.—The term of a grant under this paragraph shall not exceed 3 years.

''(G) SIMPLIFIED APPLICATION.—The Secretary shall offer a simplified application form and process for project proposals requesting less than $50,000 under this subsection.

''(3) FUNDING.—

''(A) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $40,000,000 for each of fiscal years 2014 through 2018.

''(B) RESERVATION OF FUNDS FOR PROJECTS TO BENEFIT BEGINNING FARMERS, SOCIALLY DISADVANTAGED FARMERS, AND MID-TIER VALUE CHAINS.—

''(i) IN GENERAL.—The Secretary shall reserve 10 percent of the amounts made available for each fiscal year under this subsection to fund projects that benefit beginning farmers or socially disadvantaged farmers.

''(ii) MID-TIER VALUE CHAINS.—The Secretary shall reserve 10 percent of the amounts made available for each fiscal year under this subsection to fund applications of eligible entities described in paragraph (2) that propose to develop mid-tier value chains.

''(iii) UNOBLIGATED AMOUNTS.—Any amounts in the reserves for a fiscal year established under clauses (i) and (ii) that are not obligated by June 30 of the fiscal year shall be available to the Secretary to make grants under this subsection to eligible entities in any State, as determined by the Secretary.

''(C) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this subsection $12,500,000 for each of fiscal years 2014 through 2018, to remain available until expended.

''(c) RURAL COOPERATIVE DEVELOPMENT GRANTS.—

''(1) DEFINITIONS.—In this subsection:

''(A) NONPROFIT INSTITUTION.—The term 'nonprofit institution' means any organization or institution, including an accredited institution of higher education, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

''(B) UNITED STATES.—The term 'United States' means—

''(i) the several States; and

''(ii) the District of Columbia.

''(2) GRANTS.—The Secretary shall make grants under this subsection to nonprofit institutions for the purpose of enabling the nonprofit institutions to establish and operate centers for rural cooperative development.

''(3) GOALS.—The goals of a center funded under this subsection shall be to facilitate the creation of jobs in rural areas through the development of new rural cooperatives, value -added processing, and rural businesses.

''(4) APPLICATION.—

''(A) IN GENERAL.—Any nonprofit institution seeking a grant under paragraph (2) shall submit to the Secretary an application containing a plan for the establishment and operation by the institution of 1 or more centers for cooperative development.

''(B) REQUIREMENTS.—The Secretary may approve an application if the plan contains the following:

''(i) A provision that substantiates that the center will effectively serve rural areas in the United States.

''(ii) A provision that the primary objective of the center will be to improve the economic condition of rural areas through cooperative development.

''(iii) A description of the activities that the center will carry out to accomplish the objective, which may include programs—

''(I) for applied research and feasibility studies that may be useful to individuals, cooperatives, small businesses, and other similar entities in rural areas served by the center;

''(II) for the collection, interpretation, and dissemination of information that may be useful to individuals, cooperatives, small businesses, and other similar entities in rural areas served by the center;

''(III) providing training and instruction for individuals, cooperatives, small businesses, and other similar entities in rural areas served by the center;

''(IV) providing loans and grants to individuals, cooperatives, small businesses, and other similar entities in rural areas served by the center;

''(V) providing technical assistance, research services, and advisory services to individuals, cooperatives, small businesses, and other similar entities in rural areas served by the center; and

''(VI) providing for the coordination of services and sharing of information by the center.

''(iv) A description of the contributions that the activities are likely to make to the improvement of the economic conditions of the rural areas for which the center will provide services.

''(v) Provisions that the center, in carrying out the activities, will seek, if appropriate, the advice, participation, expertise, and assistance of representatives of business, industry, educational institutions, the Federal Government, and State and local governments.

''(vi) Provisions that the center will take all practicable steps to develop continuing sources of financial support for the center, particularly from sources in the private sector.

''(vii) Provisions for—

''(I) monitoring and evaluating the activities by the nonprofit institution operating the center; and

''(II) accounting for funds received by the institution under this section.

''(5) AWARDING GRANTS.—

''(A) IN GENERAL.—Grants made under paragraph (2) shall be made on a competitive basis.

''(B) PREFERENCE.—In making grants under paragraph (2), the Secretary shall give preference to grant applications providing for the establishment of centers for rural cooperative development that—

''(i) demonstrate a proven track record in carrying out activities to promote and assist the development of cooperatively and mutually owned businesses;

''(ii) demonstrate previous expertise in providing technical assistance in rural areas to promote and assist the development of cooperatively and mutually owned businesses;

''(iii) demonstrate the ability to assist in the retention of businesses, facilitate the establishment of cooperatives and new cooperative approaches, and generate employment opportunities that will improve the economic conditions of rural areas;

''(iv) commit to providing technical assistance and other services to underserved and economically distressed areas in rural areas of the United States;

''(v) demonstrate a commitment to—

''(I) networking with and sharing the results of the efforts of the center with other cooperative development centers and other organizations involved in rural economic development efforts; and

''(II) developing multiorganization and multistate approaches to addressing the economic development and cooperative needs of rural areas; and

''(vi) commit to providing a 25 percent matching contribution with private funds and in-kind contributions, except that the Secretary shall not require non-Federal financial support in an amount that is greater than 5 percent in the case of a 1994 institution (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)).

''(6) GRANT PERIOD.—

''(A) IN GENERAL.—A grant awarded to a center that has received no prior funding under this subsection shall be made for a period of 1 year.

''(B) MULTIYEAR GRANTS.—If the Secretary determines it to be in the best interest of the program, the Secretary shall award grants for a period of more than 1 year, but not more than 3 years, to a center that has successfully met the requirements of paragraph (5)(B), as determined by the Secretary.

''(7) AUTHORITY TO EXTEND GRANT PERIOD.—The Secretary may extend for 1 additional 12-month period the period during which a grantee may use a grant made under this subsection.

''(8) TECHNICAL ASSISTANCE TO PREVENT EXCESSIVE UNEMPLOYMENT OR UNDEREMPLOYMENT.—

''(A) IN GENERAL.—In carrying out this subsection, the Secretary may provide technical assistance to alleviate or prevent conditions of excessive unemployment, underemployment, outmigration, or low employment growth in economically distressed rural areas that the Secretary determines have a substantial need for the assistance.

''(B) INCLUSIONS.—The assistance may include planning and feasibility studies, management and operational assistance, and studies evaluating the need for the development potential of projects that increase employment and improve economic growth in the areas.

''(9) GRANTS TO DEFRAY ADMINISTRATIVE COSTS.—

''(A) IN GENERAL.—The Secretary may make grants to defray not to exceed 75 percent of the costs incurred by organizations and public bodies to carry out projects for which grants or loans are made under this subsection.

''(B) COST-SHARING.—For purposes of determining the non-Federal share of the costs, the Secretary shall include contributions in cash and in kind, fairly evaluated, including premises, equipment, and services.

''(10) COOPERATIVE RESEARCH PROGRAM.—The Secretary shall offer to enter into a cooperative research agreement with 1 or more qualified academic institutions in each fiscal year to conduct research on the effects of all types of cooperatives on the national economy.

''(11) ADDRESSING NEEDS OF MINORITY COMMUNITIES.—

''(A) IN GENERAL.—If the total amount appropriated under paragraph (13) for a fiscal year exceeds $7,500,000, the Secretary shall reserve an amount equal to 20 percent of the total amount appropriated for grants for cooperative development centers, individual cooperatives, or groups of cooperatives—

''(i) that serve socially disadvantaged groups; and

''(ii) a majority of the boards of directors or governing boards of which are comprised of individuals who are members of socially disadvantaged groups.

''(B) INSUFFICIENT APPLICATIONS.—To the extent there are insufficient applications to carry out subparagraph (A), the Secretary shall use the funds as otherwise authorized by this subsection.

''(12) INTERAGENCY WORKING GROUP.—Not later than 90 days after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, the Secretary shall coordinate and chair an interagency working group to foster cooperative development and ensure coordination with Federal agencies and national and local cooperative organizations that have cooperative programs and interests.

''(13) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $50,000,000 for each of fiscal years 2014 through 2018.

''(d) APPROPRIATE TECHNOLOGY TRANSFER FOR RURAL AREAS PROGRAM.—

''(1) DEFINITION OF NATIONAL NONPROFIT AGRICULTURAL ASSISTANCE INSTITUTION.—In this subsection, the term 'national nonprofit agricultural assistance institution' means an organization that—

''(A) is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of that Code;

''(B) has staff and offices in multiple regions of the United States;

''(C) has experience and expertise in operating national agricultural technical assistance programs;

''(D) expands markets for the agricultural commodities produced by producers through the use of practices that enhance the environment, natural resource base, and quality of life; and

''(E) improves the economic viability of agricultural operations.

''(2) ESTABLISHMENT.—The Secretary shall establish a national appropriate technology transfer for rural areas program to assist agricultural producers that are seeking information—

''(A) to reduce input costs;

''(B) to conserve energy resources;

''(C) to diversify operations through new energy crops and energy generation facilities; and

''(D) to expand markets for agricultural commodities produced by the producers by using practices that enhance the environment, natural resource base, and quality of life.

''(3) IMPLEMENTATION.—

''(A) IN GENERAL.—The Secretary shall carry out the program under this subsection by making a grant to, or offering to enter into a cooperative agreement with, a national nonprofit agricultural assistance institution.

''(B) GRANT AMOUNT.—A grant made, or cooperative agreement entered into, under subparagraph (A) shall provide 100 percent of the cost of providing information described in paragraph (2).

''(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $5,000,000 for each of fiscal years 2014 through 2018.

''(e) BUSINESS AND INDUSTRY DIRECT AND GUARANTEED LOANS.—

''(1) DEFINITION OF BUSINESS AND INDUSTRY LOAN.—In this section, the term 'business and industry loan' means a direct loan that is made, or a loan that is guaranteed, by the Secretary under this subsection.

''(2) LOAN PURPOSES.—The Secretary may make business and industry loans to public, private, or cooperative organizations organized for profit or nonprofit, private investment funds that invest primarily in cooperative organizations, or to individuals—

''(A) to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities, including pollution abatement and control;

''(B) to conserve, develop, and use water for aquaculture purposes in rural areas; and

''(C) to reduce the reliance on nonrenewable energy resources by encouraging the development and construction of renewable energy systems (including solar energy systems, wind energy systems, and anaerobic digestors for the purpose of energy generation), including the modification of existing systems, in rural areas.

''(3) LOAN GUARANTEES FOR CERTAIN LOANS.—The Secretary may guarantee loans made under this subsection to finance the issuance of bonds for the projects described in paragraph (2).

''(4) MAXIMUM AMOUNT OF PRINCIPAL.—

''(A) IN GENERAL.—Except as otherwise provided in this paragraph, no loan may be made or guaranteed under this subsection that exceeds $25,000,000 in principal amount.

''(B) LIMITATIONS ON LOAN GUARANTEES FOR COOPERATIVE ORGANIZATIONS.—

''(i) PRINCIPAL AMOUNT.—Subject to clause (ii), the principal amount of a business and industry loan made to a cooperative organization and guaranteed under this subsection shall not exceed $40,000,000.

''(ii) USE.—To be eligible for a guarantee under this subsection for a business and industry loan made to a cooperative organization, the principal amount of the loan in excess of $25,000,000 shall be used to carry out a project that is in a rural area and—

''(I) provides for the value-added processing of agricultural commodities; or

''(II) significantly benefits 1 or more entities eligible for assistance for the purposes described in paragraph (2), as determined by the Secretary.

''(iii) APPLICATIONS.—If a cooperative organization submits an application for a guarantee under this paragraph, the Secretary shall make the determination whether to approve the application, and the Secretary may not delegate this authority.

''(iv) MAXIMUM AMOUNT.—The total amount of business and industry loans made to cooperative organizations and guaranteed for a fiscal year under this subsection with principal amounts that are in excess of $25,000,000 may not exceed 10 percent of the total amount of business and industry loans guaranteed for the fiscal year under this subsection.

''(5) FEES.—The Secretary may assess a 1-time fee and an annual renewal fee for any guaranteed business and industry loan in an amount that does not exceed 3 percent of the guaranteed principal portion of the loan.

''(6) INTANGIBLE ASSETS.—In determining whether a cooperative organization is eligible for a guaranteed business and industry loan, the Secretary may consider the market value of a properly appraised brand name, patent, or trademark of the cooperative.

''(7) LOAN APPRAISALS.—The Secretary may require that any appraisal made in connection with a business and industry loan be conducted by a specialized appraiser that uses standards that are comparable to standards used for similar purposes in the private sector, as determined by the Secretary.

''(8) LOAN GUARANTEES FOR THE PURCHASE OF COOPERATIVE STOCK.—

''(A) IN GENERAL.—The Secretary may guarantee a business and industry loan to individual farmers to purchase capital stock of a farmer cooperative established for the purpose of processing an agricultural commodity.

''(B) PROCESSING CONTRACTS DURING INITIAL PERIOD.—A cooperative described in subparagraph (A) for which a farmer receives a guarantee to purchase stock under that subparagraph may contract for services to process agricultural commodities or otherwise process value added for the period beginning on the date of the startup of the cooperative in order to provide adequate time for the planning and construction of the processing facility of the cooperative.

''(C) FINANCIAL INFORMATION.—Financial information required by the Secretary from a farmer as a condition of making a business and industry loan guarantee under this paragraph shall be provided in the manner generally required by commercial agricultural lenders in the applicable area.

''(9) LOANS TO COOPERATIVES.—

''(A) ELIGIBILITY.—

''(i) IN GENERAL.—The Secretary may make or guarantee a business and industry loan to a cooperative organization that is headquartered in a metropolitan area if the loan is—

''(I) used for a project or venture described in paragraph (2) that is located in a rural area; or

''(II) a loan guarantee that meets the requirements of paragraph (10).

''(ii) EQUITY.—The Secretary may guarantee a loan made for the purchase of preferred stock or similar equity issued by a cooperative organization or a fund that invests primarily in cooperative organizations, if the guarantee significantly benefits 1 or more entities eligible for assistance for the purposes described in paragraph (2)(A), as determined by the Secretary.

''(B) REFINANCING.—A cooperative organization that is eligible for a business and industry loan shall be eligible to refinance an existing business and industry loan with a lender if—

''(i) the cooperative organization—

''(I) is current and performing with respect to the existing loan; and

''(II)(aa) is not, and has not been, in payment default, with respect to the existing loan; or

''(bb) has not converted any of the collateral with respect to the existing loan; and

''(ii) there is adequate security or full collateral for the refinanced loan.

''(10) LOAN GUARANTEES IN NONRURAL AREAS.—The Secretary may guarantee a business and industry loan to a cooperative organization for a facility that is not located in a rural area if—

''(A) the primary purpose of the loan guarantee is for a facility to provide value-added processing for agricultural producers that are located within 80 miles of the facility;

''(B) the applicant demonstrates to the Secretary that the primary benefit of the loan guarantee will be to provide employment for residents of a rural area; and

''(C) the total amount of business and industry loans guaranteed for a fiscal year under this paragraph does not exceed 10 percent of the business and industry loans guaranteed for the fiscal year under this subsection.

''(11) LOCALLY OR REGIONALLY PRODUCED AGRICULTURAL FOOD PRODUCTS.—

''(A) DEFINITIONS.—In this paragraph:

''(i) LOCALLY OR REGIONALLY PRODUCED AGRICULTURAL FOOD PRODUCT.—The term 'locally or regionally produced agricultural food product' means any agricultural food product that is raised, produced, and distributed in—

''(I) the locality or region in which the final product is marketed, so that the total distance that the product is transported is less than 400 miles from the origin of the product; or

''(II) the State in which the product is produced.

''(ii) UNDERSERVED COMMUNITY.—The term 'underserved community' means a community (including an urban or rural community and an Indian tribal community) that, as determined by the Secretary, has—

''(I) limited access to affordable, healthy foods, including fresh fruits and vegetables, in grocery retail stores or farmer-to-consumer direct markets; and

''(II) a high rate of hunger or food insecurity or a high poverty rate.

''(B) LOAN AND LOAN GUARANTEE PROGRAM.—

''(i) IN GENERAL.—The Secretary shall make or guarantee loans to individuals, cooperatives, cooperative organizations, businesses, and other entities to establish and facilitate enterprises that process, distribute, aggregate, store, and market locally or regionally produced agricultural food products to support community development and farm income.

''(ii) REQUIREMENT.—The recipient of a loan or loan guarantee under this paragraph shall include in an appropriate agreement with retail and institutional facilities to which the recipient sells locally or regionally produced agricultural food products a requirement to inform consumers of the retail or institutional facilities that the consumers are purchasing or consuming locally or regionally produced agricultural food products.

''(iii) PRIORITY.—In making or guaranteeing a loan under this paragraph, the Secretary shall give priority to projects that have components benefitting underserved communities.

''(iv) REPORTS.—Not later than 2 years after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 and annually thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and publish on the Internet, a report that describes projects carried out using loans or loan guarantees made under clause (i), including—

''(I) summary information about all projects;

''(II) the characteristics of the communities served; and

''(III) resulting benefits.

''(v) RESERVATION OF FUNDS.—For each of fiscal years 2014 through 2018, the Secretary shall reserve not less than 5 percent of the total amount of funds made available to carry out this subsection to carry out this paragraph until April 1 of the fiscal year.

''(vi) OUTREACH.—The Secretary shall develop and implement an outreach plan to publicize the availability of loans and loan guarantees under this paragraph, working closely with rural cooperative development centers, credit unions, community development financial institutions, regional economic development authorities, and other financial and economic development entities.

''(12) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $75,000,000 for each of fiscal years 2014 through 2018.

''(f) RELENDING PROGRAMS.—

''(1) INTERMEDIATE RELENDING PROGRAM.—

''(A) IN GENERAL.—The Secretary may make or guarantee loans to eligible entities described in subparagraph (B) so that the eligible entities may relend the funds to individuals and entities for the purposes described in subparagraph (C).

''(B) ELIGIBLE ENTITIES.—Entities eligible for loans and loan guarantees described in subparagraph (A) are—

''(i) public agencies;

''(ii) Indian tribes;

''(iii) cooperatives; and

''(iv) nonprofit corporations.

''(C) ELIGIBLE PURPOSES.—The proceeds from loans made or guaranteed by the Secretary pursuant to subparagraph (A) may be relent by eligible entities for projects that—

''(i) predominately serve communities in rural areas; and

''(ii) as determined by the Secretary—

''(I) promote community development;

''(II) establish new businesses;

''(III) establish and support microlending programs; and

''(IV) create or retain employment opportunities.

''(D) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $50,000,000 for each of fiscal years 2014 through 2018.

''(2) RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.—

''(A) DEFINITIONS.—In this paragraph:

''(i) MICROENTREPRENEUR.—The term 'microentrepreneur' means an owner and operator, or prospective owner and operator, of a rural microenterprise who is unable to obtain sufficient training, technical assistance, or credit other than under this subsection, as determined by the Secretary.

''(ii) MICROENTERPRISE DEVELOPMENT ORGANIZATION.—The term 'microenterprise development organization' means an organization that is—

''(I) a nonprofit entity;

''(II) an Indian tribe, the tribal government of which certifies to the Secretary that—

''(aa) no microenterprise development organization serves the Indian tribe; and

''(bb) no rural microentrepreneur assistance program exists under the jurisdiction of the Indian tribe;

''(III) a public institution of higher education; or

''(IV) a collaboration of rural nonprofit entities serving a region or State, if 1 lead nonprofit entity is the sole underwriter of all loans and is responsible for associated risks.

''(iii) MICROLOAN.—The term 'microloan' means a business loan of not more than $50,000 that is provided to a rural microenterprise.

''(iv) PROGRAM.—The term 'program' means the rural microentrepreneur assistance program established under subparagraph (B).

''(v) RURAL MICROENTERPRISE.—The term 'rural microenterprise' means a business entity with not more than 10 full-time equivalent employees located in a rural area.

''(vi) TRAINING.—The term 'training' means teaching broad business principles or general business skills in a group or public setting.

''(vii) TECHNICAL ASSISTANCE.—The term 'technical assistance' means working with a business client in a 1-to-1 manner to provide business and financial management counseling, assist in the preparation of business or marketing plans, or provide other skills tailored to an individual microentrepreneur.

''(B) RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM.—

''(i) ESTABLISHMENT.—The Secretary shall establish a rural microentrepreneur assistance program to provide loans and grants to support microentrepreneurs in the development and ongoing success of rural microenterprises.

''(ii) PURPOSE.—The purpose of the program is to provide microentrepreneurs with—

''(I) the skills necessary to establish new rural microenterprises; and

''(II) continuing technical and financial assistance related to the successful operation of rural microenterprises.

''(iii) LOANS.—

''(I) IN GENERAL.—The Secretary shall make loans to microenterprise development organizations for the purpose of providing fixed-interest rate microloans to microentrepreneurs for startup and growing rural microenterprises.

''(II) LOAN TERMS.—A loan made by the Secretary to a microenterprise development organization under this subparagraph shall—

''(aa) be for a term not to exceed 20 years; and

''(bb) bear an annual interest rate of at least 1 percent.

''(III) LOAN LOSS RESERVE FUND.—The Secretary shall require each microenterprise development organization that receives a loan under this subparagraph to—

''(aa) establish a loan loss reserve fund; and

''(bb) maintain the reserve fund in an amount equal to at least 5 percent of the outstanding balance of such loans owed by the microenterprise development organization, until all obligations owed to the Secretary under this subparagraph are repaid.

''(IV) DEFERRAL OF INTEREST AND PRINCIPAL.—The Secretary may permit the deferral of payments on principal and interest due on a loan to a microenterprise development organization made under this paragraph for a 2-year period beginning on the date on which the loan is made.

''(iv) GRANTS TO SUPPORT RURAL MICROENTERPRISE DEVELOPMENT.—

''(I) IN GENERAL.—The Secretary shall make grants to microenterprise development organizations—

''(aa) to provide training and technical assistance, and other related services to rural microentrepreneurs; and

''(bb) to carry out such other projects and activities as the Secretary determines appropriate to further the purposes of the program.

''(II) SELECTION.—In making grants under subclause (I), the Secretary shall—

''(aa) place an emphasis on microenterprise development organizations that serve microentrepreneurs that are located in rural areas that have suffered significant outward migration, as determined by the Secretary; and

''(bb) ensure, to the maximum extent practicable, that grant recipients include microenterprise development organizations of varying sizes and that serve racially and ethnically diverse populations.

''(v) GRANTS TO ASSIST MICROENTREPRENEURS.—

''(I) IN GENERAL.—The Secretary shall make annual grants to microenterprise development organizations to provide technical assistance to microentrepreneurs that—

''(aa) received a loan from the microenterprise development organization under subparagraph (B)(iii); or

''(bb) are seeking a loan from the microenterprise development organization under subparagraph (B)(iii).

''(II) MAXIMUM AMOUNT OF TECHNICAL ASSISTANCE GRANT.—The maximum amount of a grant under this clause shall be in an amount equal to not more than 25 percent of the total outstanding balance of microloans made by the microenterprise development organization under clause (iii), as of the date the grant is awarded.

''(vi) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of a grant received by a microenterprise development organization for a fiscal year under this subparagraph may be used to pay administrative expenses.

''(C) ADMINISTRATION.—

''(i) MATCHING REQUIREMENT.—As a condition of any grant made under clauses (iv) and (v) of subparagraph (B), the Secretary shall require the microenterprise development organization to match not less than 15 percent of the total amount of the grant in the form

of matching funds (including community development block grants), indirect costs, or in-kind goods or services.

''(ii) OVERSIGHT.—At a minimum, not later than December 1 of each fiscal year, a microenterprise development organization that receives a loan or grant under this section shall provide to the Secretary such information as the Secretary may require to ensure that assistance provided under this section is used for the purposes for which the loan or grant was made.

''(D) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $40,000,000 for each of fiscal years 2014 through 2018.

''(E) MANDATORY FUNDING FOR FISCAL YEARS 2014 THROUGH 2018.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this paragraph $3,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.

''SEC. 3602. RURAL BUSINESS INVESTMENT PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) ARTICLES.—The term 'articles' means articles of incorporation for an incorporated body or the functional equivalent or other similar documents specified by the Secretary for other business entities.

''(2) DEVELOPMENTAL VENTURE CAPITAL.—The term 'developmental venture capital' means capital in the form of equity capital investments in rural business investment companies with an objective of fostering economic development in rural areas.

''(3) EMPLOYEE WELFARE BENEFIT PLAN; PENSION PLAN.—

''(A) IN GENERAL.—The terms 'employee welfare benefit plan' and 'pension plan' have the meanings given the terms in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002).

''(B) INCLUSIONS.—The terms 'employee welfare benefit plan' and 'pension plan' include—

''(i) public and private pension or retirement plans subject to this subtitle; and

''(ii) similar plans not covered by this subtitle that have been established, and that are maintained, by the Federal Government or any State (including by a political subdivision, agency, or instrumentality of the Federal Government or a State) for the benefit of employees.

''(4) EQUITY CAPITAL.—The term 'equity capital' means common or preferred stock or a similar instrument, including subordinated debt with equity features.

''(5) LEVERAGE.—The term 'leverage' includes—

''(A) debentures purchased or guaranteed by the Secretary;

''(B) participating securities purchased or guaranteed by the Secretary; and

''(C) preferred securities outstanding as of the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013.

''(6) LICENSE.—The term 'license' means a license issued by the Secretary in accordance with in subsection (d)(5).

''(7) LIMITED LIABILITY COMPANY.—The term 'limited liability company' means a business entity that is organized and operating in accordance with a State limited liability company law approved by the Secretary.

''(8) MEMBER.—The term 'member' means, with respect to a rural business investment company that is a limited liability company, a holder of an ownership interest, or a person otherwise admitted to membership in the limited liability company.

''(9) OPERATIONAL ASSISTANCE.—The term 'operational assistance' means management, marketing, and other technical assistance that assists a rural business concern with business development.

''(10) PARTICIPATION AGREEMENT.—The term 'participation agreement' means an agreement, between the Secretary and a rural business investment company granted final approval under subsection (d)(5), that requires the rural business investment company to make investments in smaller enterprises in rural areas.

''(11) PRIVATE CAPITAL.—

''(A) IN GENERAL.—The term 'private capital' means the total of—

''(i)(I) the paid-in capital and paid-in surplus of a corporate rural business investment company;

''(II) the contributed capital of the partners of a partnership rural business investment company; or

''(III) the equity investment of the members of a limited liability company rural business investment company; and

''(ii) unfunded binding commitments from investors that meet criteria established by the Secretary to contribute capital to the rural business investment company, except that—

''(I) unfunded commitments may be counted as private capital for purposes of approval by the Secretary of any request for leverage; but

''(II) leverage shall not be funded based on the commitments.

''(B) EXCLUSIONS.—The term 'private capital' does not include—

''(i) any funds borrowed by a rural business investment company from any source;

''(ii) any funds obtained through the issuance of leverage; or

''(iii) any funds obtained directly or indirectly from the Federal Government or any State (including by a political subdivision, agency, or instrumentality of the Federal Government or a State), except for—

''(I) funds obtained from the business revenues (excluding any governmental appropriation) of any Federally chartered or government-sponsored enterprise established prior to the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013;

''(II) funds invested by an employee welfare benefit plan or pension plan; and

''(III) any qualified nonprivate funds (if the investors of the qualified nonprivate funds do not control, directly or indirectly, the management, board of directors, general partners, or members of the rural business investment company).

''(12) QUALIFIED NONPRIVATE FUNDS.—The term 'qualified nonprivate funds' means any—

''(A) funds directly or indirectly invested in any applicant or rural business investment company on or before the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 by any Federal agency, other than the Department, under a provision of law explicitly mandating the inclusion of those funds in the definition of the term 'private capital'; and

''(B) funds invested in any applicant or rural business investment company by 1 or more entities of any State (including by a political subdivision, agency, or instrumentality of the State and including any guarantee extended by those entities) in an aggregate amount that does not exceed 33 percent of the private capital of the applicant or rural business investment company.

''(13) RURAL BUSINESS CONCERN.—The term 'rural business concern' means—

''(A) a public, private, or cooperative for-profit or nonprofit organization;

''(B) a for-profit or nonprofit business controlled by an Indian tribe; or

''(C) any other person or entity that primarily operates in a rural area, as determined by the Secretary.

''(14) RURAL BUSINESS INVESTMENT COMPANY.—The term 'rural business investment company' means a company that—

''(A) has been granted final approval by the Secretary under subsection (d)(5); and

''(B) has entered into a participation agreement with the Secretary.

''(15) SMALLER ENTERPRISE.—

''(A) IN GENERAL.—The term 'smaller enterprise' means any rural business concern that, together with its affiliates—

''(i) has—

''(I) a net financial worth of not more than $6,000,000, as of the date on which assistance is provided under this section to the rural business concern; and

''(II) except as provided in subparagraph (B), an average net income for the 2-year period preceding the date on which assistance is provided under this section to the rural business concern, of not more than $2,000,000, after Federal income taxes (excluding any carryover losses); or

''(ii) satisfies the standard industrial classification size standards established by the Administrator of the Small Business Administration for the industry in which the rural business concern is primarily engaged.

''(B) EXCEPTION.—For purposes of subparagraph (A)(i)(II), if the rural business concern is not required by law to pay Federal income taxes at the enterprise level, but is required to pass income through to the shareholders, partners, beneficiaries, or other equitable owners of the business concern, the net income of the business concern shall be determined by allowing a deduction in an amount equal to the total of—

''(i) if the rural business concern is not required by law to pay State (and local, if any) income taxes at the enterprise level, the product obtained by multiplying—

''(I) the net income (determined without regard to this subparagraph); by

''(II) the marginal State income tax rate (or by the combined State and local income tax rates, as applicable) that would have applied if the business concern were a corporation; and

''(ii) the product obtained by multiplying—

''(I) the net income (so determined) less any deduction for State (and local) income taxes calculated under clause (i); by

''(II) the marginal Federal income tax rate that would have applied if the rural business concern were a corporation.

''(b) PURPOSES.—The purposes of the Rural Business Investment Program established under this section are—

''(1) to promote economic development and the creation of wealth and job opportunities in rural areas and among individuals living in those areas by encouraging developmental venture capital investments in smaller enterprises primarily located in rural areas; and

''(2) to establish a developmental venture capital program, with the mission of addressing the unmet equity investment needs of small enterprises located in rural areas, by authorizing the Secretary—

''(A) to enter into participation agreements with rural business investment companies;

''(B) to guarantee debentures of rural business investment companies to enable each rural business investment company to make developmental venture capital investments in smaller enterprises in rural areas; and

''(C) to make grants to rural business investment companies, and to other entities, for the purpose of providing operational assistance to smaller enterprises financed, or expected to be financed, by rural business investment companies.

''(c) ESTABLISHMENT.—In accordance with this subtitle, the Secretary shall establish a

Rural Business Investment Program, under which the Secretary may—

''(1) enter into participation agreements with companies granted final approval under subsection (d)(5) for the purposes described in subsection (b);

''(2) guarantee the debentures issued by rural business investment companies as provided in subsection (e); and

''(3) make grants to rural business investment companies, and to other entities, under subsection (h).

''(d) SELECTION OF RURAL BUSINESS INVESTMENT COMPANIES.—

''(1) ELIGIBILITY.—A company shall be eligible to apply to participate, as a rural business investment company, in the program established under this section if—

''(A) the company is a newly formed for-profit entity or a newly formed for-profit subsidiary of such an entity;

''(B) the company has a management team with experience in community development financing or relevant venture capital financing; and

''(C) the company will invest in enterprises that will create wealth and job opportunities in rural areas, with an emphasis on smaller enterprises.

''(2) APPLICATION.—To participate, as a rural business investment company, in the program established under this section, a company meeting the eligibility requirements of paragraph (1) shall submit an application to the Secretary that includes—

''(A) a business plan describing how the company intends to make successful developmental venture capital investments in identified rural areas;

''(B) information regarding the community development finance or relevant venture capital qualifications and general reputation of the management of the company;

''(C) a description of how the company intends to work with community-based organizations and local entities (including local economic development companies, local lenders, and local investors) and to seek to address the unmet equity capital needs of the communities served;

''(D) a proposal describing how the company intends to use the grant funds provided under this section to provide operational assistance to smaller enterprises financed by the company, including information regarding whether the company intends to use licensed professionals, as necessary, on the staff of the company or from an outside entity;

''(E) with respect to binding commitments to be made to the company under this section, an estimate of the ratio of cash to in-kind contributions;

''(F) a description of the criteria to be used to evaluate whether and to what extent the company meets the purposes of the program established under this section;

''(G) information regarding the management and financial strength of any parent firm, affiliated firm, or any other firm essential to the success of the business plan of the company; and

''(H) such other information as the Secretary may require.

''(3) STATUS.—Not later than 90 days after the initial receipt by the Secretary of an application under this subsection, the Secretary shall provide to the applicant a written report describing the status of the application and any requirements remaining for completion of the application.

''(4) MATTERS CONSIDERED.—In reviewing and processing any application under this subsection, the Secretary shall—

''(A) determine whether—

''(i) the applicant meets the requirements of paragraph (5); and

''(ii) the management of the applicant is qualified and has the knowledge, experience, and capability necessary to comply with this section;

''(B) take into consideration—

''(i) the need for and availability of financing for rural business concerns in the geographic area in which the applicant is to commence business;

''(ii) the general business reputation of the owners and management of the applicant; and

''(iii) the probability of successful operations of the applicant, including adequate profitability and financial soundness; and

''(C) not take into consideration any projected shortage or unavailability of grant funds or leverage.

''(5) APPROVAL; LICENSE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may approve an applicant to operate as a rural business investment company under this subtitle and license the applicant as a rural business investment company, if—

''(i) the Secretary determines that the application satisfies the requirements of paragraph (2);

''(ii) the area in which the rural business investment company is to conduct its operations, and establishment of branch offices or agencies (if authorized by the articles), are approved by the Secretary; and

''(iii) the applicant enters into a participation agreement with the Secretary.

''(B) CAPITAL REQUIREMENTS.—

''(i) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary may approve an applicant to operate as a rural business investment company under this section and designate the applicant as a rural business investment company, if the Secretary determines that the applicant—

''(I) has private capital as determined by the Secretary;

''(II) would otherwise be approved under this section, except that the applicant does not satisfy the requirements of subsection (i)(3); and

''(III) has a viable business plan that—

''(aa) reasonably projects profitable operations; and

''(bb) has a reasonable timetable for achieving a level of private capital that satisfies the requirements of subsection (i)(3).

''(ii) LEVERAGE.—An applicant approved under clause (i) shall not be eligible to receive leverage under this section until the applicant satisfies the requirements of section 3602(i)(3).

''(iii) GRANTS.—An applicant approved under clause (i) shall be eligible for grants under subsection (h) in proportion to the private capital of the applicant, as determined by the Secretary.

''(e) DEBENTURES.—

''(1) IN GENERAL.—The Secretary may guarantee the timely payment of principal and interest, as scheduled, on debentures issued by any rural business investment company.

''(2) TERMS AND CONDITIONS.—The Secretary may make guarantees under this subsection on such terms and conditions as the Secretary considers appropriate, except that the term of any debenture guaranteed under this section shall not exceed 15 years.

''(3) FULL FAITH AND CREDIT OF THE UNITED STATES.—Section 3901 shall apply to any guarantee under this subsection.

''(4) MAXIMUM GUARANTEE.—Under this subsection, the Secretary may—

''(A) guarantee the debentures issued by a rural business investment company only to the extent that the total face amount of outstanding guaranteed debentures of the rural business investment company does not exceed the lesser of—

''(i) 300 percent of the private capital of the rural business investment company; or

''(ii) $105,000,000; and

''(B) provide for the use of discounted debentures.

''(f) ISSUANCE AND GUARANTEE OF TRUST CERTIFICATES.—

''(1) ISSUANCE.—The Secretary may issue trust certificates representing ownership of all or a fractional part of debentures issued by a rural business investment company and guaranteed by the Secretary under this section, if the certificates are based on and backed by a trust or pool approved by the Secretary and composed solely of guaranteed debentures.

''(2) GUARANTEE.—

''(A) IN GENERAL.—The Secretary may, under such terms and conditions as the Secretary considers appropriate, guarantee the timely payment of the principal of and interest on trust certificates issued by the Secretary or agents of the Secretary for purposes of this subsection.

''(B) LIMITATION.—Each guarantee under this paragraph shall be limited to the extent of principal and interest on the guaranteed debentures that compose the trust or pool.

''(C) PREPAYMENT OR DEFAULT.—

''(i) IN GENERAL.—

''(I) AUTHORITY TO PREPAY.—A debenture may be prepaid at any time without penalty.

''(II) REDUCTION OF GUARANTEE.—Subject to subclause (I), if a debenture in a trust or pool is prepaid, or in the event of default of such a debenture, the guarantee of timely payment of principal and interest on the trust certificates shall be reduced in proportion to the amount of principal and interest the prepaid debenture represents in the trust or pool.

''(ii) INTEREST.—Interest on prepaid or defaulted debentures shall accrue and be guaranteed by the Secretary only through the date of payment of the guarantee.

''(iii) REDEMPTION.—At any time during the term of a trust certificate, the trust certificate may be called for redemption due to prepayment or default of all debentures.

''(3) FULL FAITH AND CREDIT OF THE UNITED STATES.—Section 3901 shall apply to any guarantee of a trust certificate issued by the Secretary under this section.

''(4) SUBROGATION AND OWNERSHIP RIGHTS.—

''(A) SUBROGATION.—If the Secretary pays a claim under a guarantee issued under this section, the claim shall be subrogated fully to the rights satisfied by the payment.

''(B) OWNERSHIP RIGHTS.—No Federal, State, or local law shall preclude or limit the exercise by the Secretary of the ownership rights of the Secretary in a debenture residing in a trust or pool against which 1 or more trust certificates are issued under this subsection.

''(5) MANAGEMENT AND ADMINISTRATION.—

''(A) REGISTRATION.—The Secretary shall provide for a central registration of all trust certificates issued under this subsection.

''(B) CREATION OF POOLS.—The Secretary may—

''(i) maintain such commercial bank accounts or investments in obligations of the United States as may be necessary to facilitate the creation of trusts or pools backed by debentures guaranteed under this subtitle; and

''(ii) issue trust certificates to facilitate the creation of those trusts or pools.

''(C) FIDELITY BOND OR INSURANCE REQUIREMENT.—Any agent performing functions on behalf of the Secretary under this paragraph shall provide a fidelity bond or insurance in such amount as the Secretary considers to be necessary to fully protect the interests of the United States.

''(D) REGULATION OF BROKERS AND DEALERS.—The Secretary may regulate brokers

and dealers in trust certificates issued under this subsection.

''(E) ELECTRONIC REGISTRATION.—Nothing in this paragraph prohibits the use of a book-entry or other electronic form of registration for trust certificates issued under this subsection.

''(g) FEES.—

''(1) IN GENERAL.—The Secretary may charge a fee that does not exceed $500 with respect to any guarantee or grant issued under this section.

''(2) TRUST CERTIFICATE.—Notwithstanding paragraph (1), the Secretary shall not collect a fee for any guarantee of a trust certificate under subsection (f), except that any agent of the Secretary may collect a fee that does not exceed $500 for the functions described in subsection (f)(5)(B).

''(3) LICENSE.—

''(A) IN GENERAL.—Except as provided in subparagraph (C), the Secretary may prescribe fees to be paid by each applicant for a license to operate as a rural business investment company under this section.

''(B) USE OF AMOUNTS.—Fees collected under this paragraph—

''(i) shall be deposited in the account for salaries and expenses of the Secretary;

''(ii) are authorized to be appropriated solely to cover the costs of licensing examinations; and

''(iii) shall—

''(I) in the case of a license issued before the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, not exceed $500 for any fee collected under this paragraph; and

''(II) in the case of a license issued after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, be a rate as determined by the Secretary.

''(C) PROHIBITION ON COLLECTION OF CERTAIN FEES.—In the case of a license described in subparagraph (A) that was approved before July 1, 2007, the Secretary shall not collect any fees due on or after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013.

''(h) OPERATIONAL ASSISTANCE GRANTS.—

''(1) IN GENERAL.—In accordance with this subsection, the Secretary may make grants to rural business investment companies and to other entities, as authorized by this section, to provide operational assistance to smaller enterprises financed, or expected to be financed, by the entities.

''(2) TERMS.—Grants made under this subsection shall be made over a multiyear period (not to exceed 10 years) under such terms as the Secretary may require.

''(3) USE OF FUNDS.—The proceeds of a grant made under this subsection may be used by the rural business investment company receiving the grant only to provide operational assistance in connection with an equity or prospective equity investment in a business located in a rural area.

''(4) SUBMISSION OF PLANS.—A rural business investment company shall be eligible for a grant under this subsection only if the rural business investment company submits to the Secretary, in such form and manner as the Secretary may require, a plan for use of the grant.

''(5) GRANT AMOUNT.—

''(A) RURAL BUSINESS INVESTMENT COMPANIES.—The amount of a grant made under this subsection to a rural business investment company shall be equal to the lesser of—

''(i) 10 percent of the private capital raised by the rural business investment company; or

''(ii) $1,000,000.

''(6) OTHER ENTITIES.—The amount of a grant made under this subsection to any entity other than a rural business investment company shall be equal to the resources (in cash or in kind) raised by the entity in accordance with the requirements applicable to rural business investment companies under this section.

''(i) RURAL BUSINESS INVESTMENT COMPANIES.—

''(1) ORGANIZATION.—For purposes of this subsection, a rural business investment company shall—

''(A) be an incorporated body, a limited liability company, or a limited partnership organized and chartered or otherwise existing under State law solely for the purpose of performing the functions and conducting the activities authorized by this section; and

''(B)(i) if incorporated, have succession for a period of not less than 30 years unless earlier dissolved by the shareholders of the rural business investment company; and

''(ii) if a limited partnership or a limited liability company, have succession for a period of not less than 10 years; and

''(iii) possess the powers reasonably necessary to perform the functions and conduct the activities.

''(2) ARTICLES.—The articles of any rural business investment company—

''(A) shall specify in general terms—

''(i) the purposes for which the rural business investment company is formed;

''(ii) the name of the rural business investment company;

''(iii) the 1 or more areas in which the operations of the rural business investment company are to be carried out;

''(iv) the place where the principal office of the rural business investment company is to be located; and

''(v) the amount and classes of the shares of capital stock of the rural business investment company;

''(B) may contain any other provisions consistent with this section that the rural business investment company may determine appropriate to adopt for the regulation of the business of the rural business investment company and the conduct of the affairs of the rural business investment company; and

''(C) shall be subject to the approval of the Secretary.

''(3) CAPITAL REQUIREMENTS.—

''(A) IN GENERAL.—Each rural business investment company shall be required to meet the capital requirements as provided by the Secretary.

''(B) TIME FRAME.—Each rural business investment company shall have a period of 2 years to meet the capital requirements of this paragraph.

''(C) ADEQUACY.—In addition to the requirements of subparagraph (A), the Secretary shall—

''(i) determine whether the private capital of each rural business investment company is adequate to ensure a reasonable prospect that the rural business investment company will be operated soundly and profitably, and managed actively and prudently in accordance with the articles of the rural business investment company;

''(ii) determine that the rural business investment company will be able to comply with the requirements of this section;

''(iii) require that at least 75 percent of the capital of each rural business investment company is invested in rural business concerns;

''(iv) ensure that the rural business investment company is designed primarily to meet equity capital needs of the businesses in which the rural business investment company invests and not to compete with traditional small business financing by commercial lenders; and

''(v) require that the rural business investment company makes short-term non-equity investments of less than 5 years only to the extent necessary to preserve an existing investment.

''(4) DIVERSIFICATION OF OWNERSHIP.—The Secretary shall ensure that the management of each rural business investment company licensed after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 is sufficiently diversified from and unaffiliated with the ownership of the rural business investment company so as to ensure independence and objectivity in the financial management and oversight of the investments and operations of the rural business investment company.

''(j) FINANCIAL INSTITUTION INVESTMENTS.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection and notwithstanding any other provision of law, the following banks, associations, and institutions are eligible both to establish and invest in any rural business investment company or in any entity established to invest solely in rural business investment companies:

''(A) Any bank or savings association the deposits of which are insured under the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.), including an investment pool created entirely by such bank or savings association.

''(B) Any Farm Credit System institution described in subsection 1.2(a) of the Farm Credit Act of 1971 (12 U.S.C. 2002(a)).

''(2) LIMITATION.—No bank, association, or institution described in paragraph (1) may make investments described in paragraph (1) that are greater than 5 percent of the capital and surplus of the bank, association, or institution.

''(3) LIMITATION ON RURAL BUSINESS INVESTMENT COMPANIES CONTROLLED BY FARM CREDIT SYSTEM INSTITUTIONS.—If a Farm Credit System institution described in section 1.2(a) of the Farm Credit Act of 1971 (12 U.S.C. 2002(a)) holds more than 25 percent of the shares of a rural business investment company, either alone or in conjunction with other System institutions (or affiliates), the rural business investment company shall not provide equity investments in, or provide other financial assistance to, entities that are not otherwise eligible to receive financing from the Farm Credit System under that Act (12 U.S.C. 2001 et seq.).

''(k) EXAMINATIONS.—

''(1) IN GENERAL.—Each rural business investment company that participates in the program established under this section shall be subject to examinations made at the direction of the Secretary in accordance with this subsection.

''(2) ASSISTANCE OF PRIVATE SECTOR ENTITIES.—An examination under this subsection may be conducted with the assistance of a private sector entity that has the qualifications and the expertise necessary to conduct such an examination.

''(3) COSTS.—

''(A) IN GENERAL.—The Secretary may assess the cost of an examination under this section, including compensation of the examiners, against the rural business investment company examined.

''(B) PAYMENT.—Any rural business investment company against which the Secretary assesses costs under this subparagraph shall pay the costs.

''(4) DEPOSIT OF FUNDS.—Funds collected under this subsection shall—

''(A) be deposited in the account that incurred the costs for carrying out this subsection;

''(B) be made available to the Secretary to carry out this subsection, without further appropriation; and

''(C) remain available until expended.

''(l) REPORTING REQUIREMENTS.—

''(1) RURAL BUSINESS INVESTMENT COMPANIES.—Each entity that participates in a program established under this section shall

provide to the Secretary such information as the Secretary may require, including—

''(A) information relating to the measurement criteria that the entity proposed in the program application of the rural business investment company; and

''(B) in each case in which the entity under this section makes an investment in, or a loan or grant to, a business that is not located in a rural area, a report on the number and percentage of employees of the business who reside in those areas.

''(2) PUBLIC REPORTS.—

''(A) IN GENERAL.—The Secretary shall prepare and make available to the public an annual report on the programs established under this section, including detailed information on—

''(i) the number of rural business investment companies licensed by the Secretary during the previous fiscal year;

''(ii) the aggregate amount of leverage that rural business investment companies have received from the Federal Government during the previous fiscal year;

''(iii) the aggregate number of each type of leveraged instruments used by rural business investment companies during the previous fiscal year and how each number compares to previous fiscal years;

''(iv) the number of rural business investment company licenses surrendered and the number of rural business investment companies placed in liquidation during the previous fiscal year, identifying the amount of leverage each rural business investment company has received from the Federal Government and the type of leverage instruments each rural business investment company has used;

''(v) the amount of losses sustained by the Federal Government as a result of operations under this section during the previous fiscal year and an estimate of the total losses that the Federal Government can reasonably expect to incur as a result of the operations during the current fiscal year;

''(vi) actions taken by the Secretary to maximize recoupment of funds of the Federal Government expended to implement and administer the Rural Business Investment Program under this section during the previous fiscal year and to ensure compliance with the requirements of this section (including regulations);

''(vii) the amount of Federal Government leverage that each licensee received in the previous fiscal year and the types of leverage instruments each licensee used;

''(viii) for each type of financing instrument, the sizes, types of geographic locations, and other characteristics of the small business investment companies using the instrument during the previous fiscal year, including the extent to which the investment companies have used the leverage from each instrument to make loans or equity investments in rural areas; and

''(ix) the actions of the Secretary to carry out this section

''(B) PROHIBITION.—In compiling the report required under subparagraph (A), the Secretary may not—

''(i) compile the report in a manner that permits identification of any particular type of investment by an individual rural business investment company or small business concern in which a rural business investment company invests; or

''(ii) release any information that is prohibited under section 1905 of title 18, United States Code.

''(m) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for the period of fiscal years 2008 through 2018.''.

''CHAPTER 3—GENERAL RURAL DEVELOPMENT PROVISIONS

''SEC. 3701. GENERAL PROVISIONS FOR LOANS AND GRANTS.

''(a) PERIOD FOR REPAYMENT.—Unless otherwise specifically provided for in this subtitle, the period for repayment of a loan under this subtitle shall not exceed 40 years.

''(b) INTEREST RATES.—

''(1) IN GENERAL.—Except as otherwise provided in this title, the interest rate on a loan under this subtitle shall be determined by the Secretary at a rate—

''(A) not to exceed a sum obtained by adding—

''(i) the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of the loan; and

''(ii) an amount not to exceed 1 percent, as determined by the Secretary; and

''(B) adjusted to the nearest ⅛ of 1 percent.

''(2) WATER AND WASTE FACILITY LOANS AND COMMUNITY FACILITIES LOANS.—

''(A) IN GENERAL.—Notwithstanding any provision of State law limiting the rate or amount of interest that may be charged, taken, received, or reserved, except as provided in subparagraph (C) and paragraph (4), the interest rate on a loan (other than a guaranteed loan) to a public body or nonprofit association (including an Indian tribe) for a water or waste disposal facility or essential community facility shall be determined by the Secretary at a rate not to exceed—

''(i) the current market yield on outstanding municipal obligations with remaining periods to maturity comparable to the average maturity for the loan, and adjusted to the nearest ⅛ of 1 percent;

''(ii) 5 percent per year for a loan that is for the upgrading of a facility or construction of a new facility as required to meet applicable health or sanitary standards in—

''(I) an area in which the median family income of the persons to be served by the facility is below the poverty line (as defined in section 673 of the Community Services Block Grant Act (42 U.S.C. 9902)); and

''(II) any areas the Secretary may designate in which a significant percentage of the persons to be served by the facilities are low income persons, as determined by the Secretary; and

''(iii) 7 percent per year for a loan for a facility that does not qualify for the 5 percent per year interest rate prescribed in clause (ii) but that is located in an area in a State in which the median household income of the persons to be served by the facility does not exceed 100 percent of the statewide nonmetropolitan median household income for the State.

''(B) HEALTH CARE AND RELATED FACILITIES.—Notwithstanding subparagraph (A), the Secretary shall establish a rate for a loan for a health care or related facility that is—

''(i) based solely on the income of the area to be served; and

''(ii) otherwise consistent with subparagraph (A).

''(C) INTEREST RATES FOR WATER AND WASTE DISPOSAL FACILITIES LOANS.—

''(i) IN GENERAL.—Except as provided in clause (ii) and notwithstanding subparagraph (A), in the case of a direct loan for a water or waste disposal facility—

''(I) in the case of a loan that would be subject to the 5 percent interest rate limitation under subparagraph (A), the Secretary shall establish the interest rate at a rate that is equal to 60 percent of the current market yield for outstanding municipal obligations with remaining periods to maturity comparable to the average maturity of the loan, adjusted to the nearest ⅛ of 1 percent; and

''(II) in the case of a loan that would be subject to the 7 percent limitation under subparagraph (A), the Secretary shall establish the interest rate at a rate that is equal to 80 percent of the current market yield for outstanding municipal obligations with remaining periods to maturity comparable to the average maturity of the loan, adjusted to the nearest ⅛ of 1 percent.

''(ii) EXCEPTION.—Clause (i) does not apply to a loan for a specific project that is the subject of a loan that has been approved, but not closed, as of the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013.

''(3) INTEREST RATES ON BUSINESS AND OTHER LOANS.—

''(A) IN GENERAL.—Except as provided in paragraph (4), the interest rates on loans under sections 3501(a)(1) (other than guaranteed loans and loans as described in paragraph (2)(A)) shall be as determined by the Secretary in accordance with subparagraph (B).

''(B) MINIMUM RATE.—The interest rates described in subparagraph (A) shall be not less than the sum obtained by adding—

''(i) such rates as determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted in the judgment of the Secretary of the Treasury to provide for rates comparable to the rates prevailing in the private market for similar loans and considering the insurance by the Secretary of the loans; and

''(ii) an additional charge, prescribed by the Secretary, to cover the losses of the Secretary and cost of administration, which shall be deposited in the Rural Development Insurance Fund, and further adjusted to the nearest ⅛ of 1 percent.

''(4) INTEREST RATES ADJUSTMENTS.—

''(A) ADJUSTMENTS.—Notwithstanding any other provision of this subsection, in the case of loans (other than guaranteed loans) made or guaranteed under the authorities of this title specified in subparagraph (C) for activities that involve the use of prime farmland, the interest rates shall be the interest rates otherwise applicable under this section increased by 2 percent per year.

''(B) PRIME FARMLAND.—

''(i) IN GENERAL.—Wherever practicable, construction by a State, municipality, or other political subdivision of local government that is supported by loans described in subparagraph (A) shall be placed on land that is not prime farmland, in order to preserve the maximum practicable quantity of prime farmlands for production of food and fiber.

''(ii) INCREASED RATE.—In any case in which other options exist for the siting of construction described in clause (i) and the governmental authority still desires to carry out the construction on prime farmland, the 2-percent interest rate increase provided by this paragraph shall apply, but that increased interest rate shall not apply where such other options do not exist.

''(C) APPLICABLE AUTHORITIES.—The authorities referred to in subparagraph (A) are—

''(i) the provisions of section 3502(a) relating to loans for recreational developments and essential community facilities;

''(ii) section 3601(e)(2)(A); and

''(iii) section 3601(c).

''(c) PAYMENT OF CHARGES.—A borrower of a loan made or guaranteed under this subtitle shall pay such fees and other charges as the Secretary may require, and prepay to the

Secretary such taxes and insurance as the Secretary may require, on such terms and conditions as the Secretary may prescribe.

''(d) SECURITY.—

''(1) IN GENERAL.—The Secretary shall take as security for an obligation entered into in connection with a loan made under this subtitle such security as the Secretary may require.

''(2) LIENS TO UNITED STATES.—An instrument for security under paragraph (1) may constitute a lien running to the United States notwithstanding the fact that the note for the security may be held by a lender other than the United States.

''(3) MULTIPLE LOANS.—A borrower may use the same collateral to secure 2 or more loans made or guaranteed under this subtitle, except that the outstanding amount of the loans may not exceed the total value of the collateral.

''(e) LEGAL COUNSEL FOR SMALL LOANS.—In the case of a loan of less than $500,000 made or guaranteed under section 3501 that is evidenced by a note or mortgage (as distinguished from a bond issue), the borrower shall not be required to appoint bond counsel to review the legal validity of the loan if the Secretary has available legal counsel to perform the review.

''SEC. 3702. STRATEGIC ECONOMIC AND COMMUNITY DEVELOPMENT.

''(a) PRIORITY.—In the case of any rural development program authorized by this subtitle, the Secretary may give priority to applications that are otherwise eligible and support strategic community and economic development plans on a multijurisdictional basis, as approved by the Secretary.

''(b) EVALUATION.—In evaluating strategic applications, the Secretary shall give a higher priority to strategic applications for a plan described in subsection (a) that demonstrate—

''(1) the plan was developed through the collaboration of multiple stakeholders in the service area of the plan, including the participation of combinations of stakeholders such as State, local, and tribal governments, nonprofit institutions, institutions of higher education, and private entities;

''(2) an understanding of the applicable regional resources that could support the plan, including natural resources, human resources, infrastructure, and financial resources;

''(3) investment from other Federal agencies;

''(4) investment from philanthropic organizations; and

''(5) clear objectives for the plan and the ability to establish measurable performance measures and to track progress toward meeting the objectives.

''(c) FUNDS.—

''(1) IN GENERAL.—Subject to paragraph (3), the Secretary may reserve for projects that support multijurisdictional strategic community and economic development plans described in subsection (a) an amount that does not exceed—

''(A) 20 percent of the funds made available for a fiscal year for a functional category described in paragraph (2); and

''(B) 15 percent of the total funds available for all functional categories.

''(2) FUNCTIONAL CATEGORIES.—The function categories described in this subsection are the following:

''(A) RURAL COMMUNITY FACILITIES.—The rural community development category consists of all amounts made available for community facility grants and direct and guaranteed loans under section 3502.

''(B) RURAL UTILITIES.—The rural utilities category consists of all amounts made available for—

''(i) water or waste disposal grants or direct or guaranteed loans under section 3501(a);

''(ii) emergency community water assistance grants under section 3501(e)(2);

''(iii) solid waste management grants under section 3501(e)(4); or

''(iv) rural water or wastewater technical assistance and training grants under section 3501(e)(5).

''(C) RURAL BUSINESS AND COOPERATIVE DEVELOPMENT.—The rural business and cooperative development category consists of all amounts made available for—

''(i) rural business opportunity grants, rural business enterprise grants, or rural educational network grants under section 3601(a); or

''(ii) business and industry direct and guaranteed loans under section 3601(e).

''(3) LIMITATION.—The reservation of funds described in paragraph (2) may only extend through June 30 of the fiscal year in which the funds were first made available.

''SEC. 3703. GUARANTEED RURAL DEVELOPMENT LOANS.

''(a) IN GENERAL.—The Secretary may provide financial assistance to a borrower for a purpose provided in this subtitle by guaranteeing a loan made by any Federal or State chartered bank, savings and loan association, cooperative lending agency, or other legally organized lending agency.

''(b) INTEREST RATE.—The interest rate payable by a borrower on the portion of a guaranteed loan that is sold by a lender to the secondary market under this subtitle may be lower than the interest rate charged on the portion retained by the lender.

''(c) MAXIMUM GUARANTEE OF 90 PERCENT.—Except as provided in subsections (d) and (e), a loan guarantee under this subtitle shall be for not more than 90 percent of the principal and interest due on the loan.

''(d) REFINANCED LOANS GUARANTEED AT 95 PERCENT.—The Secretary shall guarantee 95 percent of—

''(1) in the case of a loan that solely refinances a direct loan made under this subtitle, the principal and interest due on the loan on the date of the refinancing; or

''(2) in the case of a loan that is used for multiple purposes, the portion of the loan that refinances the principal and interest due on a direct loan made under this subtitle that is outstanding on the date on which the loan is guaranteed.

''(e) RISK OF LOSS.—

''(1) IN GENERAL.—Subject to subsection (b), the Secretary may not make a loan under section 3501 or 3601 unless the Secretary determines that no other lender is willing to make the loan and assume 10 percent of the potential loss to be sustained from the loan.

''(2) EXCEPTION FOR NONPROFIT GROUPS.—Paragraph (1) shall not apply to a public body or nonprofit association, including an Indian tribe.

''SEC. 3704. RURAL DEVELOPMENT INSURANCE FUND.

''(a) DEFINITION OF RURAL DEVELOPMENT LOAN.—In this section, the term 'rural development loan' means a loan provided for by section 3501 or 3601.

''(b) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the 'Rural Development Insurance Fund' that shall be used by the Secretary to discharge the obligations of the Secretary under contracts making or guaranteeing rural development loans.

''SEC. 3705. RURAL ECONOMIC AREA PARTNERSHIP ZONES.

''(a) IN GENERAL.—The Secretary may designate additional areas as rural economic area partnership zones to be assisted under this chapter—

''(1) through an open, competitive process; and

''(2) with priority given to rural areas—

''(A) with excessive unemployment or underemployment, a high percentage of low-income residents, or high rates of outmigration, as determined by the Secretary; and

''(B) that the Secretary determines have a substantial need for assistance.

''(b) REQUIREMENTS.—The Secretary shall carry out those rural economic area partnership zones administratively in effect on the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 in accordance with the terms and conditions contained in the memoranda of agreement entered into by the Secretary for the rural economic area partnership zones.

''SEC. 3706. STREAMLINING APPLICATIONS AND IMPROVING ACCESSIBILITY OF RURAL DEVELOPMENT PROGRAMS.

''The Secretary shall expedite the process of creating user-friendly and accessible application forms and procedures prioritizing programs and applications at the individual applicant level with an emphasis on utilizing current technology including online applications and submission processes.

''SEC. 3707. STATE RURAL DEVELOPMENT PARTNERSHIP.

''(a) DEFINITIONS.—In this section:

''(1) AGENCY WITH RURAL RESPONSIBILITIES.—The term 'agency with rural responsibilities' means any executive agency (as defined in section 105 of title 5, United States Code) that implements a Federal law, or administers a program, targeted at or having a significant impact on rural areas.

''(2) PARTNERSHIP.—The term 'Partnership' means the State Rural Development Partnership continued by subsection (b).

''(3) STATE RURAL DEVELOPMENT COUNCIL.—The term 'State rural development council' means a State rural development council that meets the requirements of subsection (c).

''(b) PARTNERSHIP.—

''(1) IN GENERAL.—The Secretary shall support the State Rural Development Partnership comprised of State rural development councils.

''(2) PURPOSES.—The purposes of the Partnership are to empower and build the capacity of States, regions, and rural communities to design flexible and innovative responses to their rural development needs in a manner that maximizes collaborative public- and private-sector cooperation and minimizes regulatory redundancy.

''(3) COORDINATING PANEL.—A panel consisting of representatives of State rural development councils shall be established—

''(A) to lead and coordinate the strategic operation and policies of the Partnership; and

''(B) to facilitate effective communication among the members of the Partnership, including the sharing of best practices.

''(4) ROLE OF FEDERAL GOVERNMENT.—The role of the Federal Government in the Partnership may be that of a partner and facilitator, with Federal agencies authorized—

''(A) to cooperate with States to implement the Partnership;

''(B) to provide States with the technical and administrative support necessary to plan and implement tailored rural development strategies to meet local needs;

''(C) to ensure that the head of each agency with rural responsibilities directs appropriate field staff to participate fully with the State rural development council within the jurisdiction of the field staff; and

''(D) to enter into cooperative agreements with, and to provide grants and other assistance to, State rural development councils.

''(c) STATE RURAL DEVELOPMENT COUNCILS.—

''(1) ESTABLISHMENT.—Notwithstanding chapter 63 of title 31, United States Code, each State may elect to participate in the Partnership by entering into an agreement with the Secretary to recognize a State rural development council.

''(2) COMPOSITION.—A State rural development council shall—

''(A) be composed of representatives of Federal, State, local, and tribal governments, nonprofit organizations, regional organizations, the private sector, and other entities committed to rural advancement; and

''(B) have a nonpartisan and nondiscriminatory membership that—

''(i) is broad and representative of the economic, social, and political diversity of the State; and

''(ii) shall be responsible for the governance and operations of the State rural development council.

''(3) DUTIES.—A State rural development council shall—

''(A) facilitate collaboration among Federal, State, local, and tribal governments and the private and nonprofit sectors in the planning and implementation of programs and policies that have an impact on rural areas of the State;

''(B) monitor, report, and comment on policies and programs that address, or fail to address, the needs of the rural areas of the State;

''(C) as part of the Partnership, facilitate the development of strategies to reduce or eliminate conflicting or duplicative administrative or regulatory requirements of Federal, State, local, and tribal governments; and

''(D)(i) provide to the Secretary an annual plan with goals and performance measures; and

''(ii) submit to the Secretary an annual report on the progress of the State rural development council in meeting the goals and measures.

''(4) FEDERAL PARTICIPATION IN STATE RURAL DEVELOPMENT COUNCILS.—

''(A) IN GENERAL.—A State Director for Rural Development of the Department of Agriculture, other employees of the Department, and employees of other Federal agencies with rural responsibilities shall fully participate as voting members in the governance and operations of State rural development councils (including activities related to grants, contracts, and other agreements in accordance with this section) on an equal basis with other members of the State rural development councils.

''(B) CONFLICTS.—Participation by a Federal employee in a State rural development council in accordance with this paragraph shall not constitute a violation of section 205 or 208 of title 18, United States Code.

''(d) ADMINISTRATIVE SUPPORT OF THE PARTNERSHIP.—

''(1) DETAIL OF EMPLOYEES.—

''(A) IN GENERAL.—In order to provide experience in intergovernmental collaboration, the head of an agency with rural responsibilities that elects to participate in the Partnership may, and is encouraged to, detail to the Secretary for the support of the Partnership 1 or more employees of the agency with rural responsibilities without reimbursement for a period of up to 1 year.

''(B) CIVIL SERVICE STATUS.—The detail shall be without interruption or loss of civil service status or privilege.

''(2) ADDITIONAL SUPPORT.—The Secretary may provide for any additional support staff to the Partnership as the Secretary determines to be necessary to carry out the duties of the Partnership.

''(3) INTERMEDIARIES.—The Secretary may enter into a contract with a qualified intermediary under which the intermediary shall be responsible for providing administrative and technical assistance to a State rural development council, including administering the financial assistance available to the State rural development council.

''(e) MATCHING REQUIREMENTS FOR STATE RURAL DEVELOPMENT COUNCILS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a State rural development council shall provide matching funds, or in-kind goods or services, to support the activities of the State rural development council in an amount that is not less than 33 percent of the amount of Federal funds received from a Federal agency under subsection (f)(2).

''(2) EXCEPTIONS TO MATCHING REQUIREMENT FOR CERTAIN FEDERAL FUNDS.—Paragraph (1) shall not apply to funds, grants, funds provided under contracts or cooperative agreements, gifts, contributions, or technical assistance received by a State rural development council from a Federal agency that are used—

''(A) to support 1 or more specific program or project activities; or

''(B) to reimburse the State rural development council for services provided to the Federal agency providing the funds, grants, funds provided under contracts or cooperative agreements, gifts, contributions, or technical assistance.

''(3) DEPARTMENT'S SHARE.—The Secretary shall develop a plan to decrease, over time, the share of the Department of Agriculture of the cost of the core operations of State rural development councils.

''(f) FUNDING.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2014 through 2018.

''(2) FEDERAL AGENCIES.—

''(A) IN GENERAL.—Notwithstanding any other provision of law limiting the ability of an agency, along with other agencies, to provide funds to a State rural development council in order to carry out the purposes of this section, a Federal agency may make grants, gifts, or contributions to, provide technical assistance to, or enter into contracts or cooperative agreements with, a State rural development council.

''(B) ASSISTANCE.—Federal agencies are encouraged to use funds made available for programs that have an impact on rural areas to provide assistance to, and enter into contracts with, a State rural development council, as described in subparagraph (A).

''(3) CONTRIBUTIONS.—A State rural development council may accept private contributions.

''(g) TERMINATION.—The authority provided under this section shall terminate on September 30, 2018.

''CHAPTER 4—DELTA REGIONAL AUTHORITY

''SEC. 3801. DEFINITIONS.

''In this chapter:

''(1) AUTHORITY.—The term 'Authority' means the Delta Regional Authority established by section 3802.

''(2) FEDERAL GRANT PROGRAM.—The term 'Federal grant program' means a Federal grant program to provide assistance in—

''(A) acquiring or developing land;

''(B) constructing or equipping a highway, road, bridge, or facility; or

''(C) carrying out other economic development activities.

''(3) REGION.—The term 'region' means the Lower Mississippi (as defined in section 4 of the Delta Development Act (42 U.S.C. 3121 note; Public Law 100–460)).

''SEC. 3802. DELTA REGIONAL AUTHORITY.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—There is established the Delta Regional Authority.

''(2) COMPOSITION.—The Authority shall be composed of—

''(A) a Federal member, to be appointed by the President, with the advice and consent of the Senate; and

''(B) the Governor (or a designee of the Governor) of each State in the region that elects to participate in the Authority.

''(3) COCHAIRPERSONS.—The Authority shall be headed by—

''(A) the Federal member, who shall serve as—

''(i) the Federal cochairperson; and

''(ii) a liaison between the Federal Government and the Authority; and

''(B) a State cochairperson, who shall be—

''(i) a Governor of a participating State in the region; and

''(ii) elected by the State members for a term of not less than 1 year.

''(4) ALABAMA.—Notwithstanding any other provision of law, the State of Alabama shall be a full member of the Authority and shall be entitled to all rights and privileges that the membership affords to all other participating States in the Authority.

''(b) ALTERNATE MEMBERS.—

''(1) STATE ALTERNATES.—The State member of a participating State may have a single alternate, who shall be—

''(A) a resident of that State; and

''(B) appointed by the Governor of the State.

''(2) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal cochairperson.

''(3) QUORUM.—A State alternate shall not be counted toward the establishment of a quorum of the Authority in any instance in which a quorum of the State members is required to be present.

''(4) DELEGATION OF POWER.—No power or responsibility of the Authority specified in paragraphs (2) and (3) of subsection (c), and no voting right of any Authority member, shall be delegated to any person—

''(A) who is not an Authority member; or

''(B) who is not entitled to vote in Authority meetings.

''(c) VOTING.—

''(1) IN GENERAL.—A decision by the Authority shall require a majority vote of the Authority (not including any member representing a State that is delinquent under subsection (g)(2)(C)) to be effective.

''(2) QUORUM.—A quorum of State members shall be required to be present for the Authority to make any policy decision, including—

''(A) a modification or revision of an Authority policy decision;

''(B) approval of a State or regional development plan; and

''(C) any allocation of funds among the States.

''(3) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals shall be—

''(A) a responsibility of the Authority; and

''(B) conducted in accordance with section 3809.

''(4) VOTING BY ALTERNATE MEMBERS.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal or State representative for which the alternate member is an alternate.

''(d) DUTIES.—The Authority shall—

''(1) develop, on a continuing basis, comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other Federal, State, and local planning and development activities in the region;

''(2) review, and where appropriate amend, priorities in a development plan for the region (including 5-year regional outcome targets);

''(3) assess the needs and assets of the region based on available research, demonstrations, investigations, assessments, and evaluations of the region prepared by Federal, State, and local agencies, universities, local development districts, and other nonprofit groups;

''(4) formulate and recommend to the Governors and legislatures of States that participate in the Authority forms of interstate cooperation;

''(5) work with State and local agencies in developing appropriate model legislation;

''(6)(A) enhance the capacity of, and provide support for, local development districts in the region; or

''(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

''(7) encourage private investment in industrial, commercial, and other economic development projects in the region; and

''(8) cooperate with and assist State governments with economic development programs of participating States.

''(e) ADMINISTRATION.—In carrying out subsection (d), the Authority may—

''(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Authority as the Authority considers appropriate;

''(2) authorize, through the Federal or State cochairperson or any other member of the Authority designated by the Authority, the administration of oaths if the Authority determines that testimony should be taken or evidence received under oath;

''(3) request from any Federal, State, or local department or agency such information as may be available to or procurable by the department or agency that may be of use to the Authority in carrying out duties of the Authority;

''(4) adopt, amend, and repeal bylaws, rules, and regulations governing the conduct of Authority business and the performance of Authority duties;

''(5) request the head of any Federal department or agency to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

''(6) request the head of any State department or agency or local government to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

''(7) provide for coverage of Authority employees in a suitable retirement and employee benefit system by—

''(A) making arrangements or entering into contracts with any participating State government; or

''(B) otherwise providing retirement and other employee benefit coverage;

''(8) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

''(9) enter into and perform such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out Authority duties, including any contracts, leases, or cooperative agreements with—

''(A) any department, agency, or instrumentality of the United States;

''(B) any State (including a political subdivision, agency, or instrumentality of the State); or

''(C) any person, firm, association, or corporation; and

''(10) establish and maintain a central office and field offices at such locations as the Authority may select.

''(f) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

''(1) cooperate with the Authority; and

''(2) provide, on request of the Federal cochairperson, appropriate assistance in carrying out this chapter, in accordance with applicable Federal laws (including regulations).

''(g) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—Administrative expenses of the Authority (except for the expenses of the Federal cochairperson, including expenses of the alternate and staff of the Federal cochairperson, which shall be paid solely by the Federal Government) shall be paid—

''(A) by the Federal Government, in an amount equal to 50 percent of the administrative expenses; and

''(B) by the States in the region participating in the Authority, in an amount equal to 50 percent of the administrative expenses.

''(2) STATE SHARE.—

''(A) IN GENERAL.—The share of administrative expenses of the Authority to be paid by each State shall be determined by the Authority.

''(B) NO FEDERAL PARTICIPATION.—The Federal cochairperson shall not participate or vote in any decision under subparagraph (A).

''(C) DELINQUENT STATES.—If a State is delinquent in payment of the State's share of administrative expenses of the Authority under this subsection—

''(i) no assistance under this chapter shall be furnished to the State (including assistance to a political subdivision or a resident of the State); and

''(ii) no member of the Authority from the State shall participate or vote in any action by the Authority.

''(h) COMPENSATION.—

''(1) FEDERAL COCHAIRPERSON.—The Federal cochairperson shall be compensated by the Federal Government at level III of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

''(2) ALTERNATE FEDERAL COCHAIRPERSON.—The alternate Federal cochairperson—

''(A) shall be compensated by the Federal Government at level V of the Executive Schedule described in paragraph (1); and

''(B) when not actively serving as an alternate for the Federal cochairperson, shall perform such functions and duties as are delegated by the Federal cochairperson.

''(3) STATE MEMBERS AND ALTERNATES.—

''(A) IN GENERAL.—A State shall compensate each member and alternate representing the State on the Authority at the rate established by law of the State.

''(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or supplementation of salary from any source other than the State for services provided by the member or alternate to the Authority.

''(4) DETAILED EMPLOYEES.—

''(A) IN GENERAL.—No person detailed to serve the Authority under subsection (e)(6) shall receive any salary or any contribution to or supplementation of salary for services provided to the Authority from—

''(i) any source other than the State, local, or intergovernmental department or agency from which the person was detailed; or

''(ii) the Authority.

''(B) VIOLATION.—Any person that violates this paragraph shall be fined not more than $5,000, imprisoned not more than 1 year, or both.

''(C) APPLICABLE LAW.—The Federal cochairperson, the alternate Federal cochairperson, and any Federal officer or employee detailed to duty on the Authority under subsection (e)(5) shall not be subject to subparagraph (A), but shall remain subject to sections 202 through 209 of title 18, United States Code.

''(5) ADDITIONAL PERSONNEL.—

''(A) COMPENSATION.—

''(i) IN GENERAL.—The Authority may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Authority to carry out the duties of the Authority.

''(ii) EXCEPTION.—Compensation under clause (i) shall not exceed the maximum rate for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

''(B) EXECUTIVE DIRECTOR.—The executive director shall be responsible for—

''(i) the carrying out of the administrative duties of the Authority;

''(ii) direction of the Authority staff; and

''(iii) such other duties as the Authority may assign.

''(C) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of the Authority (except the Federal cochairperson of the Authority, the alternate and staff for the Federal cochairperson, and any Federal employee detailed to the Authority under subsection (e)(5)) shall be considered to be a Federal employee for any purpose.

''(i) CONFLICTS OF INTEREST.—

''(1) IN GENERAL.—Except as provided under paragraph (2), no State member, alternate, officer, or employee of the Authority shall participate personally and substantially as a member, alternate, officer, or employee of the Authority, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other matter in which, to knowledge of the member, alternate, officer, or employee, there is a financial interest of—

''(A) the member, alternate, officer, or employee;

''(B) the spouse, minor child, partner, or organization (other than a State or political subdivision of the State) of the member, alternate, officer, or employee, in which the member, alternate, officer, or employee is serving as officer, director, trustee, partner, or employee; or

''(C) any person or organization with whom the member, alternate, officer, or employee is negotiating or has any arrangement concerning prospective employment.

''(2) DISCLOSURE.—Paragraph (1) shall not apply if the State member, alternate, officer, or employee—

''(A) immediately advises the Authority of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;

''(B) makes full disclosure of the financial interest; and

''(C) before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Authority that the interest is not so substantial as to be likely to affect the integrity of the services that the Authority may expect from the State member, alternate, officer, or employee.

''(3) VIOLATION.—Any person that violates this subsection shall be fined not more than

$10,000, imprisoned not more than 2 years, or both.

''(j) VALIDITY OF CONTRACTS, LOANS, AND GRANTS.—The Authority may declare void any contract, loan, or grant of or by the Authority in relation to which the Authority determines that there has been a violation of any provision under subsection (h)(4), subsection (i), or sections 202 through 209 of title 18, United States Code.

''SEC. 3803. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.

''(a) IN GENERAL.—The Authority may approve grants to States and public and nonprofit entities for projects, approved in accordance with section 3809—

''(1) to develop the transportation infrastructure of the region for the purpose of facilitating economic development in the region (except that grants for this purpose may only be made to a State or local government);

''(2) to assist the region in obtaining the job training, employment-related education, and business development (with an emphasis on entrepreneurship) that are needed to build and maintain strong local economies;

''(3) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for improving basic public services;

''(4) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for equipping industrial parks and related facilities; and

''(5) to otherwise achieve the purposes of this chapter.

''(b) FUNDING.—

''(1) IN GENERAL.—Funds for grants under subsection (a) may be provided—

''(A) entirely from appropriations to carry out this section;

''(B) in combination with funds available under another Federal or Federal grant program; or

''(C) from any other source.

''(2) PRIORITY OF FUNDING.—To best build the foundations for long-term economic development and to complement other Federal and State resources in the region, Federal funds available under this chapter shall be focused on the activities in the following order or priority:

''(A) Basic public infrastructure in distressed counties and isolated areas of distress.

''(B) Transportation infrastructure for the purpose of facilitating economic development in the region.

''(C) Business development, with emphasis on entrepreneurship.

''(D) Job training or employment-related education, with emphasis on use of existing public educational institutions located in the region.

''SEC. 3804. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

''(a) FINDING.—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

''(1) the States or communities lack the economic resources to provide the required matching share; or

''(2) there are insufficient funds available under the applicable Federal law authorizing the Federal grant program to meet pressing needs of the region.

''(b) FEDERAL GRANT PROGRAM FUNDING.—Notwithstanding any provision of law limiting the Federal share, the areas eligible for assistance, or the authorizations of appropriations of any Federal grant program, and in accordance with subsection (c), the Authority, with the approval of the Federal cochairperson and with respect to a project to be carried out in the region—

''(1) may increase the Federal share of the costs of a project under the Federal grant program to not more than 90 percent (except as provided in section 3806(b)); and

''(2) shall use amounts made available to carry out this chapter to pay the increased Federal share.

''(c) CERTIFICATIONS.—

''(1) IN GENERAL.—In the case of any project for which all or any portion of the basic Federal share of the costs of the project is proposed to be paid under this section, no Federal contribution shall be made until the Federal official administering the Federal law that authorizes the Federal grant program certifies that the project—

''(A) meets (except as provided in subsection (b)) the applicable requirements of the applicable Federal grant program; and

''(B) could be approved for Federal contribution under the Federal grant program if funds were available under the law for the project.

''(2) CERTIFICATION BY AUTHORITY.—

''(A) IN GENERAL.—The certifications and determinations required to be made by the Authority for approval of projects under this Act in accordance with section 3809 shall be—

''(i) controlling; and

''(ii) accepted by the Federal agencies.

''(B) ACCEPTANCE BY FEDERAL COCHAIRPERSON.—In the case of any project described in paragraph (1), any finding, report, certification, or documentation required to be submitted with respect to the project to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of the Federal grant program under which the project is carried out shall be accepted by the Federal cochairperson.

''SEC. 3805. LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION AND ADMINISTRATIVE EXPENSES.

''(a) DEFINITION OF LOCAL DEVELOPMENT DISTRICT.—In this section, the term 'local development district' means an entity that—

''(1) is—

''(A) a planning district in existence on the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 that is recognized by the Secretary; or

''(B) if an entity described in subparagraph (A) does not exist—

''(i) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

''(ii) governed by a policy board with at least a simple majority of members consisting of elected officials or employees of a general purpose unit of local government who have been appointed to represent the government;

''(iii) certified to the Authority as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region—

''(I) by the Governor of each State in which the entity is located; or

''(II) by the State officer designated by the appropriate State law to make the certification; and

''(iv)(I) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

''(II) a nonprofit agency or instrumentality of a State or local government;

''(III) a public organization established before December 21, 2000, under State law for creation of multi-jurisdictional, area-wide planning organizations; or

''(IV) a nonprofit association or combination of bodies, agencies, and instrumentalities described in subclauses (I) through (III); and

''(2) has not, as certified by the Federal cochairperson—

''(A) inappropriately used Federal grant funds from any Federal source; or

''(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

''(b) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

''(1) IN GENERAL.—The Authority shall make grants for administrative expenses under this section.

''(2) CONDITIONS FOR GRANTS.—

''(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the local development district receiving the grant.

''(B) MAXIMUM PERIOD.—No grant described in paragraph (1) shall be awarded to a State agency certified as a local development district for a period greater than 3 years.

''(C) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

''(c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—A local development district shall—

''(1) operate as a lead organization serving multicounty areas in the region at the local level; and

''(2) serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

''(A) are involved in multijurisdictional planning;

''(B) provide technical assistance to local jurisdictions and potential grantees; and

''(C) provide leadership and civic development assistance.

''SEC. 3806. DISTRESSED COUNTIES AND AREAS AND NONDISTRESSED COUNTIES.

''(a) DESIGNATIONS.—Each year, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

''(1) as distressed counties, counties in the region that are the most severely and persistently distressed and underdeveloped and have high rates of poverty or unemployment;

''(2) as nondistressed counties, counties in the region that are not designated as distressed counties under paragraph (1); and

''(3) as isolated areas of distress, areas located in nondistressed counties (as designated under paragraph (2)) that have high rates of poverty or unemployment.

''(b) DISTRESSED COUNTIES.—

''(1) IN GENERAL.—The Authority shall allocate at least 75 percent of the appropriations made available under section 3813 for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

''(2) FUNDING LIMITATIONS.—The funding limitations under section 3804(b) shall not apply to a project providing transportation or basic public services to residents of 1 or more distressed counties or isolated areas of distress in the region.

''(c) NONDISTRESSED COUNTIES.—

''(1) IN GENERAL.—Except as provided in this subsection, no funds shall be provided under this chapter for a project located in a county designated as a nondistressed county under subsection (a)(2).

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—The funding prohibition under paragraph (1) shall not apply to grants

to fund the administrative expenses of local development districts under section 3805(b).

''(B) MULTICOUNTY PROJECTS.—The Authority may waive the application of the funding prohibition under paragraph (1) to a multicounty project that includes participation by a nondistressed county; or any other type of project if the Authority determines that the project could bring significant benefits to areas of the region outside a nondistressed county.

''(C) ISOLATED AREAS OF DISTRESS.—For a designation of an isolated area of distress for assistance to be effective, the designation shall be supported—

''(i) by the most recent Federal data available; or

''(ii) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

''(d) TRANSPORTATION AND BASIC PUBLIC INFRASTRUCTURE.—The Authority shall allocate at least 50 percent of any funds made available under section 3813 for transportation and basic public infrastructure projects authorized under paragraphs (1) and (3) of section 3803(a).

''SEC. 3807. DEVELOPMENT PLANNING PROCESS.

''(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Authority, each State member shall submit a development plan for the area of the region represented by the State member.

''(b) CONTENT OF PLAN.—A State development plan submitted under subsection (a) shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 3802(d)(2).

''(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State may—

''(1) consult with—

''(A) local development districts; and

''(B) local units of government; and

''(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

''(d) PUBLIC PARTICIPATION.—

''(1) IN GENERAL.—The Authority and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this chapter.

''(2) REGULATIONS.—The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

''SEC. 3808. PROGRAM DEVELOPMENT CRITERIA.

''(a) IN GENERAL.—In considering programs and projects to be provided assistance under this chapter and in establishing a priority ranking of the requests for assistance provided by the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—

''(1) the relationship of the project or class of projects to overall regional development;

''(2) the per capita income and poverty and unemployment rates in an area;

''(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

''(4) the importance of the project or class of projects in relation to other projects or classes of projects that may be in competition for the same funds;

''(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area served by the project; and

''(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

''(b) NO RELOCATION ASSISTANCE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no financial assistance authorized by this chapter shall be used to assist a person or entity in relocating from 1 area to another.

''(2) OUTSIDE BUSINESSES.—Financial assistance under this chapter may be used as otherwise authorized by this subtitle to attract businesses from outside the region to the region.

''(c) REDUCTION OF FUNDS.—Funds may be provided for a program or project in a State under this chapter only if the Authority determines that the level of Federal or State financial assistance provided under a law other than this chapter, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this chapter.

''SEC. 3809. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.

''(a) IN GENERAL.—A State or regional development plan or any multistate subregional plan that is proposed for development under this chapter shall be reviewed and approved by the Authority.

''(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this chapter shall be made through and evaluated for approval by the State member of the Authority representing the applicant.

''(c) CERTIFICATION.—An application for a grant or other assistance for a project shall be approved only on certification by the State member that the application for the project—

''(1) describes ways in which the project complies with any applicable State development plan;

''(2) meets applicable criteria under section 3808;

''(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

''(4) otherwise meets the requirements of this chapter.

''(d) APPROVAL OF GRANT APPLICATIONS.—On certification by a State member of the Authority of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Authority under section 3802(c) shall be required for approval of the application.

''SEC. 3810. CONSENT OF STATES.

''Nothing in this chapter requires any State to engage in or accept any program under this chapter without the consent of the State.

''SEC. 3811. RECORDS.

''(a) RECORDS OF THE AUTHORITY.—

''(1) IN GENERAL.—The Authority shall maintain accurate and complete records of all transactions and activities of the Authority.

''(2) AVAILABILITY.—All records of the Authority shall be available for audit and examination by the Comptroller General of the United States and the Inspector General of the Department of Agriculture (including authorized representatives of the Comptroller General and the Inspector General of the Department of Agriculture).

''(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

''(1) IN GENERAL.—A recipient of Federal funds under this chapter shall, as required by the Authority, maintain accurate and complete records of transactions and activities financed with Federal funds and report on the transactions and activities to the Authority.

''(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States, the Inspector General of the Department of Agriculture, and the Authority (including authorized representatives of the Comptroller General, the Inspector General of the Department of Agriculture, and the Authority).

''SEC. 3812. ANNUAL REPORT.

''Not later than 180 days after the end of each fiscal year, the Authority shall submit to the President and to Congress a report describing the activities carried out under this chapter.

''SEC. 3813. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this chapter $30,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.

''(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount appropriated under subsection (a) for a fiscal year shall be used for administrative expenses of the Authority.

''SEC. 3814. TERMINATION OF AUTHORITY.

''This chapter and the authority provided under this chapter expire on October 1, 2018.

''CHAPTER 5—NORTHERN GREAT PLAINS REGIONAL AUTHORITY

''SEC. 3821. DEFINITIONS.

''In this chapter:

''(1) AUTHORITY.—The term 'Authority' means the Northern Great Plains Regional Authority established by section 3822.

''(2) FEDERAL GRANT PROGRAM.—The term 'Federal grant program' means a Federal grant program to provide assistance in—

''(A) implementing the recommendations of the Northern Great Plains Rural Development Commission established by the Northern Great Plains Rural Development Act (7 U.S.C. 2661 note; Public Law 103–318);

''(B) acquiring or developing land;

''(C) constructing or equipping a highway, road, bridge, or facility;

''(D) carrying out other economic development activities; or

''(E) conducting research activities related to the activities described in subparagraphs (A) through (D).

''(3) REGION.—The term 'region' means the States of Iowa, Minnesota, Missouri (other than counties included in the Delta Regional Authority), Nebraska, North Dakota, and South Dakota.

''SEC. 3822. NORTHERN GREAT PLAINS REGIONAL AUTHORITY.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—There is established the Northern Great Plains Regional Authority.

''(2) COMPOSITION.—The Authority shall be composed of—

''(A) a Federal member, to be appointed by the President, by and with the advice and consent of the Senate;

''(B) the Governor (or a designee of the Governor) of each State in the region that elects to participate in the Authority; and

''(C) a member of an Indian tribe, who shall be a chairperson of an Indian tribe in the region or a designee of such a chairperson, to be appointed by the President, by and with the advice and consent of the Senate.

''(3) COCHAIRPERSONS.—The Authority shall be headed by—

''(A) the Federal member, who shall serve as—

''(i) the Federal cochairperson; and

''(ii) a liaison between the Federal Government and the Authority;

''(B) a State cochairperson, who shall be—

''(i) a Governor of a participating State in the region; and

''(ii) elected by the State members for a term of not less than 1 year; and

''(C) the member of an Indian tribe, who shall serve as—

''(i) the tribal cochairperson; and

''(ii) a liaison between the governments of Indian tribes in the region and the Authority.

''(4) FAILURE TO CONFIRM.—

''(A) FEDERAL MEMBER.—Notwithstanding any other provision of this section, if a Federal member described in paragraph (2)(A) has not been confirmed by the Senate by not later than 180 days after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, the Authority may organize and operate without the Federal member.

''(B) TRIBAL COCHAIRPERSON.—In the case of the tribal cochairperson, if no tribal cochairperson is confirmed by the Senate, the regional authority shall consult and coordinate with the leaders of Indian tribes in the region concerning the activities of the Authority, as appropriate.

''(b) ALTERNATE MEMBERS.—

''(1) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal cochairperson.

''(2) STATE ALTERNATES.—

''(A) IN GENERAL.—The State member of a participating State may have a single alternate, who shall be—

''(i) a resident of that State; and

''(ii) appointed by the Governor of the State.

''(B) QUORUM.—A State alternate member shall not be counted toward the establishment of a quorum of the members of the Authority in any case in which a quorum of the State members is required to be present.

''(3) ALTERNATE TRIBAL COCHAIRPERSON.—The President shall appoint an alternate tribal cochairperson, by and with the advice and consent of the Senate.

''(4) DELEGATION OF POWER.—No power or responsibility of the Authority specified in paragraphs (2) and (3) of subsection (c), and no voting right of any member of the Authority, shall be delegated to any person who is not—

''(A) a member of the Authority; or

''(B) entitled to vote in Authority meetings.

''(c) VOTING.—

''(1) IN GENERAL.—A decision by the Authority shall require a majority vote of the Authority (not including any member representing a State that is delinquent under subsection (g)(2)(D)) to be effective.

''(2) QUORUM.—A quorum of State members shall be required to be present for the Authority to make any policy decision, including—

''(A) a modification or revision of an Authority policy decision;

''(B) approval of a State or regional development plan; and

''(C) any allocation of funds among the States.

''(3) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals shall be—

''(A) a responsibility of the Authority; and

''(B) conducted in accordance with section 3830.

''(4) VOTING BY ALTERNATE MEMBERS.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal, State, or Indian tribe member for whom the alternate member is an alternate.

''(d) DUTIES.—The Authority shall—

''(1) develop, on a continuing basis, comprehensive and coordinated plans and programs for multistate cooperation to advance the economic and social well-being of the region and to approve grants for the economic development of the region, giving due consideration to other Federal, State, tribal, and local planning and development activities in the region;

''(2) review, and when appropriate amend, priorities in a development plan for the region (including 5-year regional outcome targets);

''(3) assess the needs and assets of the region based on available research, demonstrations, investigations, assessments, and evaluations of the region prepared by Federal, State, tribal, and local agencies, universities, regional and local development districts or organizations, and other nonprofit groups;

''(4) formulate and recommend to the Governors and legislatures of States that participate in the Authority forms of interstate cooperation for—

''(A) renewable energy development and transmission;

''(B) transportation planning and economic development;

''(C) information technology;

''(D) movement of freight and individuals within the region;

''(E) federally funded research at institutions of higher education; and

''(F) conservation land management;

''(5) work with State, tribal, and local agencies in developing appropriate model legislation;

''(6) enhance the capacity of, and provide support for, multistate development and research organizations, local development organizations and districts, and resource conservation districts in the region;

''(7) encourage private investment in industrial, commercial, renewable energy, and other economic development projects in the region; and

''(8) cooperate with and assist State governments with economic development programs of participating States.

''(e) ADMINISTRATION.—In carrying out subsection (d), the Authority may—

''(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Authority as the Authority considers appropriate;

''(2) authorize, through the Federal, State, or tribal cochairperson or any other member of the Authority designated by the Authority, the administration of oaths if the Authority determines that testimony should be taken or evidence received under oath;

''(3) request from any Federal, State, tribal, or local agency such information as may be available to or procurable by the agency that may be of use to the Authority in carrying out the duties of the Authority;

''(4) adopt, amend, and repeal bylaws and rules governing the conduct of business and the performance of duties of the Authority;

''(5) request the head of any Federal agency to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

''(6) request the head of any State agency, tribal government, or local government to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

''(7) provide for coverage of Authority employees in a suitable retirement and employee benefit system by—

''(A) making arrangements or entering into contracts with any participating State government or tribal government; or

''(B) otherwise providing retirement and other employee benefit coverage;

''(8) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

''(9) enter into and perform such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out Authority duties, including any contracts, leases, or cooperative agreements with—

''(A) any department, agency, or instrumentality of the United States;

''(B) any State (including a political subdivision, agency, or instrumentality of the State);

''(C) any Indian tribe in the region; or

''(D) any person, firm, association, or corporation; and

''(10) establish and maintain a central office and field offices at such locations as the Authority may select.

''(f) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

''(1) cooperate with the Authority; and

''(2) provide, on request of a cochairperson, appropriate assistance in carrying out this chapter, in accordance with applicable Federal laws (including regulations).

''(g) ADMINISTRATIVE EXPENSES.—

''(1) FEDERAL SHARE.—The Federal share of the administrative expenses of the Authority shall be—

''(A) for fiscal year 2014, 100 percent;

''(B) for fiscal year 2015, 75 percent; and

''(C) for fiscal year 2016 and each fiscal year thereafter, 50 percent.

''(2) NON-FEDERAL SHARE.—

''(A) IN GENERAL.—The non-Federal share of the administrative expenses of the Authority shall be paid by non-Federal sources in the States that participate in the Authority.

''(B) SHARE PAID BY EACH STATE.—The share of administrative expenses of the Authority to be paid by non-Federal sources in each State shall be determined by the Authority.

''(C) NO FEDERAL PARTICIPATION.—The Federal cochairperson shall not participate or vote in any decision under subparagraph (B).

''(D) DELINQUENT STATES.—If a State is delinquent in payment of the State's share of administrative expenses of the Authority under this subsection—

''(i) no assistance under this chapter shall be provided to the State (including assistance to a political subdivision or a resident of the State); and

''(ii) no member of the Authority from the State shall participate or vote in any action by the Authority.

''(h) COMPENSATION.—

''(1) FEDERAL AND TRIBAL COCHAIRPERSONS.—The Federal cochairperson and the tribal cochairperson shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level III of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

''(2) ALTERNATE FEDERAL AND TRIBAL COCHAIRPERSONS.—The alternate Federal cochairperson and the alternate tribal cochairperson—

''(A) shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level V of the Executive Schedule described in paragraph (1); and

''(B) when not actively serving as an alternate, shall perform such functions and duties as are delegated by the Federal cochairperson or the tribal cochairperson, respectively.

''(3) STATE MEMBERS AND ALTERNATES.—

''(A) IN GENERAL.—A State shall compensate each member and alternate representing the State on the Authority at the rate established by State law.

''(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or supplementation of salary from any source other than the State for services provided by the member or alternate member to the Authority.

''(4) DETAILED EMPLOYEES.—

''(A) IN GENERAL.—No person detailed to serve the Authority under subsection (e)(6) shall receive any salary or any contribution to or supplementation of salary for services provided to the Authority from—

''(i) any source other than the State, tribal, local, or intergovernmental agency from which the person was detailed; or

''(ii) the Authority.

''(B) VIOLATION.—Any person that violates this paragraph shall be fined not more than $5,000, imprisoned not more than 1 year, or both.

''(C) APPLICABLE LAW.—The Federal cochairperson, the alternate Federal cochairperson, and any Federal officer or employee detailed to duty on the Authority under subsection (e)(5) shall not be subject to subparagraph (A), but shall remain subject to sections 202 through 209 of title 18, United States Code.

''(5) ADDITIONAL PERSONNEL.—

''(A) COMPENSATION.—

''(i) IN GENERAL.—The Authority may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Authority to carry out the duties of the Authority.

''(ii) EXCEPTION.—Compensation under clause (i) shall not exceed the maximum rate for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

''(B) EXECUTIVE DIRECTOR.—The executive director shall be responsible for—

''(i) the carrying out of the administrative duties of the Authority;

''(ii) direction of the Authority staff; and

''(iii) such other duties as the Authority may assign.

''(C) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of the Authority (except the Federal cochairperson of the Authority, the alternate and staff for the Federal cochairperson, and any Federal employee detailed to the Authority under subsection (e)(5)) shall be considered to be a Federal employee for any purpose.

''(i) CONFLICTS OF INTEREST.—

''(1) IN GENERAL.—Except as provided under paragraph (2), no State member, Indian tribe member, State alternate, officer, or employee of the Authority shall participate personally and substantially as a member, alternate, officer, or employee of the Authority, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other matter in which, to knowledge of the member, alternate, officer, or employee, there is a financial interest of—

''(A) the member, alternate, officer, or employee;

''(B) the spouse, minor child, partner, or organization (other than a State or political subdivision of the State or the Indian tribe) of the member, alternate, officer, or employee, in which the member, alternate, officer, or employee is serving as officer, director, trustee, partner, or employee; or

''(C) any person or organization with whom the member, alternate, officer, or employee is negotiating or has any arrangement concerning prospective employment.

''(2) DISCLOSURE.—Paragraph (1) shall not apply if the State member, Indian tribe member, alternate, officer, or employee—

''(A) immediately advises the Authority of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;

''(B) makes full disclosure of the financial interest; and

''(C) before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Authority that the interest is not so substantial as to be likely to affect the integrity of the services that the Authority may expect from the State member, Indian tribe member, alternate, officer, or employee.

''(3) VIOLATION.—Any person that violates this subsection shall be fined not more than $10,000, imprisoned not more than 2 years, or both.

''(j) VALIDITY OF CONTRACTS, LOANS, AND GRANTS.—The Authority may declare void any contract, loan, or grant of or by the Authority in relation to which the Authority determines that there has been a violation of any provision under subsection (h)(4) or subsection (i) of this chapter, or sections 202 through 209 of title 18, United States Code.

''SEC. 3823. INTERSTATE COOPERATION FOR ECONOMIC OPPORTUNITY AND EFFICIENCY.

''(a) IN GENERAL.—The Authority shall provide assistance to States in developing regional plans to address multistate economic issues, including plans—

''(1) to develop a regional transmission system for movement of renewable energy to markets outside the region;

''(2) to address regional transportation concerns, including the establishment of a Northern Great Plains Regional Transportation Working Group;

''(3) to encourage and support interstate collaboration on federally funded research that is in the national interest; and

''(4) to establish a Regional Working Group on Agriculture Development and Transportation.

''(b) ECONOMIC ISSUES.—The multistate economic issues referred to in subsection (a) shall include—

''(1) renewable energy development and transmission;

''(2) transportation planning and economic development;

''(3) information technology;

''(4) movement of freight and individuals within the region;

''(5) federally funded research at institutions of higher education; and

''(6) conservation land management.

''SEC. 3824. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.

''(a) IN GENERAL.—The Authority may approve grants to States, Indian tribes, local governments, and public and nonprofit organizations for projects, approved in accordance with section 3830—

''(1) to assist the region in obtaining the job training, employment-related education, and business development (with an emphasis on entrepreneurship) that are needed to build and maintain strong local economies;

''(2) to develop the transportation, renewable energy transmission, and telecommunication infrastructure of the region for the purpose of facilitating economic development in the region (except that grants for this purpose may be made only to States, Indian tribes, local governments, and nonprofit organizations);

''(3) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for improving basic public services;

''(4) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for equipping industrial parks and related facilities; and

''(5) to otherwise achieve the purposes of this chapter.

''(b) FUNDING.—

''(1) IN GENERAL.—Funds for grants under subsection (a) may be provided—

''(A) entirely from appropriations to carry out this section;

''(B) in combination with funds available under another Federal grant program; or

''(C) from any other source.

''(2) PRIORITY OF FUNDING.—To best build the foundations for long-term economic development and to complement other Federal, State, and tribal resources in the region, Federal funds available under this chapter shall be focused on the following activities:

''(A) Basic public infrastructure in distressed counties and isolated areas of distress.

''(B) Transportation and telecommunication infrastructure for the purpose of facilitating economic development in the region.

''(C) Business development, with emphasis on entrepreneurship.

''(D) Job training or employment-related education, with emphasis on use of existing public educational institutions located in the region.

''SEC. 3825. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

''(a) FINDING.—Congress finds that certain States and local communities of the region may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

''(1) the States and communities lack the economic resources to provide the required matching share; or

''(2) there are insufficient funds available under the applicable Federal law authorizing the Federal grant program to meet pressing needs of the region.

''(b) FEDERAL GRANT PROGRAM FUNDING.—Notwithstanding any provision of law limiting the Federal share, the areas eligible for assistance, or the authorizations of appropriations, under any Federal grant program, and in accordance with subsection (c), the Authority, with the approval of the Federal cochairperson and with respect to a project to be carried out in the region—

''(1) may increase the Federal share of the costs of a project under any Federal grant program to not more than 90 percent (except as provided in section 3827(b)); and

''(2) shall use amounts made available to carry out this chapter to pay the increased Federal share.

''(c) CERTIFICATIONS.—

''(1) IN GENERAL.—In the case of any project for which all or any portion of the basic Federal share of the costs of the project is proposed to be paid under this section, no Federal contribution shall be made until the Federal official administering the Federal law that authorizes the Federal grant program certifies that the project—

''(A) meets (except as provided in subsection (b)) the applicable requirements of the applicable Federal grant program; and

''(B) could be approved for Federal contribution under the Federal grant program if funds were available under the law for the project.

''(2) CERTIFICATION BY AUTHORITY.—

''(A) IN GENERAL.—The certifications and determinations required to be made by the Authority for approval of projects under this Act in accordance with section 3830 shall be—

''(i) controlling; and

''(ii) accepted by the Federal agencies.

''(B) ACCEPTANCE BY FEDERAL COCHAIRPERSON.—In the case of any project described in paragraph (1), any finding, report, certification, or documentation required to be submitted with respect to the project to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of the Federal grant program under which the project is carried out shall be accepted by the Federal cochairperson.

''SEC. 3826. MULTISTATE AND LOCAL DEVELOPMENT DISTRICTS AND ORGANIZATIONS AND NORTHERN GREAT PLAINS INC.

''(a) DEFINITION OF MULTISTATE AND LOCAL DEVELOPMENT DISTRICT OR ORGANIZATION.—In this section, the term 'multistate and local development district or organization' means an entity—

''(1) that—

''(A) is a planning district that is recognized by the Economic Development Administration of the Department of Commerce; or

''(B) is—

''(i) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

''(ii) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

''(iii) a nonprofit agency or instrumentality of a State or local government;

''(iv) a public organization established before the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 under State law for creation of multijurisdictional, area-wide planning organizations;

''(v) a nonprofit agency or instrumentality of a State that was established for the purpose of assisting with multistate cooperation; or

''(vi) a nonprofit association or combination of bodies, agencies, and instrumentalities described in clauses (ii) through (v); and

''(2) that has not, as certified by the Authority (in consultation with the Federal cochairperson or Secretary, as appropriate)—

''(A) inappropriately used Federal grant funds from any Federal source; or

''(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

''(b) GRANTS TO MULTISTATE, LOCAL, OR REGIONAL DEVELOPMENT DISTRICTS AND ORGANIZATIONS.—

''(1) IN GENERAL.—The Authority may make grants for administrative expenses under this section to multistate, local, and regional development districts and organizations.

''(2) CONDITIONS FOR GRANTS.—

''(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the multistate, local, or regional development district or organization receiving the grant.

''(B) MAXIMUM PERIOD.—No grant described in paragraph (1) shall be awarded for a period of greater than 3 years.

''(3) LOCAL SHARE.—The contributions of a multistate, local, or regional development district or organization for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

''(c) DUTIES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a local development district shall operate as a lead organization serving multicounty areas in the region at the local level.

''(2) DESIGNATION.—The Federal cochairperson may designate an Indian tribe or multijurisdictional organization to serve as a lead organization in such cases as the Federal cochairperson or Secretary, as appropriate, determines appropriate.

''(d) NORTHERN GREAT PLAINS INC.—Northern Great Plains Inc., a nonprofit corporation incorporated in the State of Minnesota to implement the recommendations of the Northern Great Plains Rural Development Commission established by the Northern Great Plains Rural Development Act (7 U.S.C. 2661 note; Public Law 103–318)—

''(1) shall serve as an independent, primary resource for the Authority on issues of concern to the region;

''(2) shall advise the Authority on development of international trade;

''(3) may provide research, education, training, and other support to the Authority; and

''(4) may carry out other activities on its own behalf or on behalf of other entities.

''SEC. 3827. DISTRESSED COUNTIES AND AREAS AND NONDISTRESSED COUNTIES.

''(a) DESIGNATIONS.—Each year, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

''(1) as distressed counties, counties in the region that are the most severely and persistently distressed and underdeveloped and have high rates of poverty, unemployment, or outmigration;

''(2) as nondistressed counties, counties in the region that are not designated as distressed counties under paragraph (1); and

''(3) as isolated areas of distress, areas located in nondistressed counties (as designated under paragraph (2)) that have high rates of poverty, unemployment, or outmigration.

''(b) DISTRESSED COUNTIES.—

''(1) IN GENERAL.—The Authority shall allocate at least 50 percent of the appropriations made available under section 3834 for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

''(2) FUNDING LIMITATIONS.—The funding limitations under section 3825(b) shall not apply to a project to provide transportation or telecommunication or basic public services to residents of 1 or more distressed counties or isolated areas of distress in the region.

''(c) TRANSPORTATION, TELECOMMUNICATION, RENEWABLE ENERGY, AND BASIC PUBLIC INFRASTRUCTURE.—The Authority shall allocate at least 50 percent of any funds made available under section 3834 for transportation, telecommunication, renewable energy, and basic public infrastructure projects authorized under paragraphs (1) and (3) of section 3824(a).

''SEC. 3828. DEVELOPMENT PLANNING PROCESS.

''(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Authority, each State member shall submit a development plan for the area of the region represented by the State member.

''(b) CONTENT OF PLAN.—A State development plan submitted under subsection (a) shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 3823(d)(2).

''(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State may—

''(1) consult with—

''(A) multistate, regional, and local development districts and organizations; and

''(B) local units of government; and

''(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

''(d) PUBLIC PARTICIPATION.—

''(1) IN GENERAL.—The Authority and applicable multistate, regional, and local development districts and organizations shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this chapter.

''(2) REGULATIONS.—The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

''SEC. 3829. PROGRAM DEVELOPMENT CRITERIA.

''(a) IN GENERAL.—In considering programs and projects to be provided assistance under this chapter, and in establishing a priority ranking of the requests for assistance provided to the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—

''(1) the relationship of the project or class of projects to overall multistate or regional development;

''(2) the per capita income and poverty and unemployment and outmigration rates in an area;

''(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

''(4) the importance of the project or class of projects in relation to other projects or classes of projects that may be in competition for the same funds;

''(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area to be served by the project; and

''(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

''(b) NO RELOCATION ASSISTANCE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no financial assistance authorized by this chapter shall be used to assist a person or entity in relocating from 1 area to another.

''(2) OUTSIDE BUSINESSES.—Financial assistance under this chapter may be used as otherwise authorized by this title to attract businesses from outside the region to the region.

''(c) MAINTENANCE OF EFFORT.—Funds may be provided for a program or project in a State under this chapter only if the Authority determines that the level of Federal or State financial assistance provided under a law other than this chapter, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this chapter.

''SEC. 3830. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.

''(a) IN GENERAL.—A State or regional development plan or any multistate subregional plan that is proposed for development under this chapter shall be reviewed by the Authority.

''(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this chapter shall be made through and evaluated for approval by the State member of the Authority representing the applicant.

''(c) CERTIFICATION.—An application for a grant or other assistance for a project shall

be approved only on certification by the State member that the application for the project—

''(1) describes ways in which the project complies with any applicable State development plan;

''(2) meets applicable criteria under section 3829;

''(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

''(4) otherwise meets the requirements of this chapter.

''(d) VOTES FOR DECISIONS.—On certification by a State member of the Authority of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Authority under section 3822(c) shall be required for approval of the application.

''SEC. 3831. CONSENT OF STATES.

''Nothing in this chapter requires any State to engage in or accept any program under this chapter without the consent of the State.

''SEC. 3832. RECORDS.

''(a) RECORDS OF THE AUTHORITY.—

''(1) IN GENERAL.—The Authority shall maintain accurate and complete records of all transactions and activities of the Authority.

''(2) AVAILABILITY.—All records of the Authority shall be available for audit and examination by the Comptroller General of the United States and the Inspector General of the Department of Agriculture (including authorized representatives of the Comptroller General and the Inspector General of the Department of Agriculture).

''(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

''(1) IN GENERAL.—A recipient of Federal funds under this chapter shall, as required by the Authority, maintain accurate and complete records of transactions and activities financed with Federal funds and report to the Authority on the transactions and activities to the Authority.

''(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States, the Inspector General of the Department of Agriculture, and the Authority (including authorized representatives of the Comptroller General, the Inspector General of the Department of Agriculture, and the Authority).

''(c) ANNUAL AUDIT.—The Inspector General of the Department of Agriculture shall audit the activities, transactions, and records of the Authority on an annual basis for any fiscal year for which funds are appropriated.

''SEC. 3833. ANNUAL REPORT.

''Not later than 180 days after the end of each fiscal year, the Authority shall submit to the President and to Congress a report describing the activities carried out under this chapter.

''SEC. 3834. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this chapter $30,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.

''(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount appropriated under subsection (a) for a fiscal year shall be used for administrative expenses of the Authority.

''(c) MINIMUM STATE SHARE OF GRANTS.—Notwithstanding any other provision of this chapter, for any fiscal year, the aggregate amount of grants received by a State and all persons or entities in the State under this chapter shall be not less than ⅓ of the product obtained by multiplying—

''(1) the aggregate amount of grants under this chapter for the fiscal year; and

''(2) the ratio that—

''(A) the population of the State (as determined by the Secretary of Commerce based on the most recent decennial census for which data are available); bears to

''(B) the population of the region (as so determined).

''SEC. 3835. TERMINATION OF AUTHORITY.

''The authority provided by this chapter terminates effective October 1, 2018.

''Subtitle C—General Provisions

''SEC. 3901. FULL FAITH AND CREDIT.

''(a) IN GENERAL.—A guarantee executed by the Secretary under this title shall be an obligation supported by the full faith and credit of the United States.

''(b) CONTESTABILITY.—A guarantee executed by the Secretary under this title shall be incontestable except for fraud or misrepresentation that the lender or any holder—

''(1) has actual knowledge of at the time the guarantee is executed; or

''(2) participates in or condones.

''SEC. 3902. PURCHASE AND SALE OF GUARANTEED PORTIONS OF LOANS.

''(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary may purchase, on such terms and conditions as the Secretary considers appropriate, the guaranteed portion of a loan guaranteed under this title, if the Secretary determines that an adequate secondary market is not available in the private sector.

''(b) MAXIMUM PAYMENT.—The Secretary may not pay for any guaranteed portion of a loan under subsection (a) in excess of an amount equal to the unpaid principal balance and accrued interest on the guaranteed portion of the loan.

''(c) SOURCES OF FUNDING.—The Secretary may use for the purchases—

''(1) funds from the Rural Development Insurance Fund with respect to rural development loans (as defined in section 3704(a)); and

''(2) funds from the Agricultural Credit Insurance Fund with respect to all other loans under this title.

''(d) SALE OF GUARANTEED LOANS.—

''(1) SALES.—

''(A) REGULATION.—

''(i) IN GENERAL.—The guaranteed portion of any loan made under this title may be sold by the lender, and by any subsequent holder, in accordance with such regulations governing the sales as the Secretary shall establish, subject to clauses (ii) and (iii).

''(ii) FEES TO BE PAID IN FULL.—All fees due the Secretary with respect to a guaranteed loan shall be paid in full before any sale.

''(iii) LOAN TO BE FULLY DISBURSED.—The loan shall be fully disbursed to the borrower before the sale.

''(B) POST-SALE.—After a loan is sold in the secondary market, the lender shall—

''(i) remain obligated under the guarantee agreement of the lender with the Secretary; and

''(ii) continue to service the loan in accordance with the terms and conditions of that agreement.

''(C) PROCEDURES.—The Secretary shall develop such procedures as are necessary for—

''(i) the facilitation, administration, and promotion of secondary market operations; and

''(ii) determining the increase of access of farmers to capital at reasonable rates and terms as a result of secondary market operations.

''(D) RIGHTS TO PREPAY.—This subsection does not impede or extinguish—

''(i) the right of the borrower or the successor in interest to the borrower to prepay (in whole or in part) any loan made under this title; or

''(ii) the rights of any party under any provision of this title.

''(2) ISSUE POOL CERTIFICATES.—

''(A) IN GENERAL.—The Secretary may, directly or through a market maker approved by the Secretary, issue pool certificates representing ownership of part or all of the guaranteed portion of any loan guaranteed by the Secretary under this title.

''(B) APPROVAL.—Certificates under subparagraph (A) shall be based on and backed by a pool established or approved by the Secretary and composed solely of the entire guaranteed portion of the loans.

''(C) GUARANTEE OF POOL.—On such terms and conditions as the Secretary considers appropriate, the Secretary may guarantee the timely payment of the principal and interest on pool certificates issued on behalf of the Secretary by approved market makers for purposes of this subsection.

''(D) LIMITATIONS.—A guarantee under subparagraph (C) shall be limited to the extent of principal and interest on the guaranteed portions of loans that compose the pool.

''(E) PREPAYMENT.—If a loan in a pool is prepaid, either voluntarily or by reason of default, the guarantee of timely payment of principal and interest on the pool certificates shall be reduced in proportion to the amount of principal and interest that the prepaid loan represents in the pool.

''(F) INTEREST ACCRUAL.—Interest on prepaid or defaulted loans shall accrue and be guaranteed by the Secretary only through the date of payment on the guarantee.

''(G) REDEMPTION.—During the term of the pool certificate, the certificate may be called for redemption due to prepayment or default of all loans constituting the pool.

''(H) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all amounts that may be required to be paid under any guarantee of the pool certificates issued by approved market makers under this subsection.

''(I) FEES.—

''(i) IN GENERAL.—The Secretary shall not collect any fee for any guarantee under this subsection.

''(ii) SECRETARIAL FUNCTIONS.—Clause (i) does not preclude the Secretary from collecting a fee for the functions described in paragraph (3).

''(J) DEFAULT.—Not later than 30 days after a borrower of a guaranteed loan is in default of any principal or interest payment due for 60 days or more, the Secretary shall—

''(i) purchase the pool certificates representing ownership of the guaranteed portion of the loan; and

''(ii) pay the registered holder of the certificates an amount equal to the guaranteed portion of the loan represented by the certificate.

''(K) PAYMENT OF CLAIMS.—If the Secretary pays a claim under a guarantee issued under this subsection, the claim shall be subrogated fully to the rights satisfied by the payment, as may be provided by the Secretary.

''(L) APPLICATION OF LAWS.—No State or local law, and no Federal law, shall preclude or limit the exercise by the Secretary of the ownership rights of the Secretary in the portions of loans constituting the pool against which the certificates are issued.

''(3) DUTIES OF THE SECRETARY.—

''(A) IN GENERAL.—On the adoption of final rules and regulations, the Secretary shall—

''(i) provide for the central collection of registration information from all participating market makers for all loans and pool certificates sold under paragraphs (1) and (2),

including, with respect to each original sale and any subsequent sale—

''(I) identification of the interest rate paid by the borrower to the lender;

''(II) the servicing fee of the lender;

''(III) disclosure of whether interest on the loan is at a fixed or variable rate;

''(IV) identification of each purchaser of a pool certificate;

''(V) the interest rate paid on the certificate; and

''(VI) such other information as the Secretary considers appropriate.

''(ii) before any sale, require the seller (as defined in subparagraph (B)) to disclose to each prospective purchaser of the portion of a loan guaranteed under this title and to each prospective purchaser of a pool certificate issued under paragraph (2) information on the terms, conditions, and yield of such instrument;

''(iii) provide for adequate custody of any pooled guaranteed loans;

''(iv) take such actions as are necessary, in restructuring pools of the guaranteed portion of loans, to minimize the estimated costs of paying claims under guarantees issued under this subsection;

''(v) require each market maker—

''(I) to service all pools formed, and participations sold, by the market maker; and

''(II) to provide the Secretary with information relating to the collection and disbursement of all periodic payments, prepayments, and default funds from lenders, to or from the reserve fund that the Secretary shall establish to enable the timely payment guarantee to be self-funding, and from all beneficial holders; and

''(vi) regulate market makers in pool certificates sold under this subsection.

''(B) DEFINITION OF SELLER.—For purposes of subparagraph (A)(ii), if the instrument being sold is a loan, the term 'seller' does not include—

''(i) the person who made the loan; or

''(ii) any person who sells 3 or fewer guaranteed loans per year.

''(4) CONTRACT FOR SERVICES.—The Secretary may contract for goods and services to be used for the purposes of this subsection without regard to titles 5, 40, and 41, United States Code (including any regulations issued under those titles).

''SEC. 3903. ADMINISTRATION.

''(a) POWERS OF SECRETARY.—The Secretary may—

''(1)(A) administer the powers and duties of the Secretary through such national, area, State, or local offices and employees in the United States as the Secretary determines to be necessary; and

''(B) authorize an office to serve an area composed of 2 or more States if the Secretary determines that the volume of business in the area is not sufficient to justify separate State offices;

''(2)(A) accept and use voluntary and uncompensated services; and

''(B) with the consent of the agency concerned, use the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, territory, or political subdivision;

''(3) subject to appropriations, make necessary expenditures for the purchase or hire of passenger vehicles, and such other facilities and services as the Secretary may from time to time find necessary for the proper administration of this title;

''(4) subject to subsection (b), compromise, adjust, reduce, or charge-off debts or claims (including debts and claims arising from loan guarantees), and adjust, modify, subordinate, or release the terms of security instruments, leases, contracts, and agreements entered into or administered by the Farm Service Agency, the Rural Utilities Service, the Rural Housing Service, the Rural Business-Cooperative Service, or successor agencies under this title, except for activities conducted under the Housing Act of 1949 (42 U.S.C. 1441 et seq.);

''(5)(A) except for activities conducted under the Housing Act of 1949 (42 U.S.C. 1441 et seq.), collect all claims and obligations administered by the Farm Service Agency, the Rural Utilities Service, the Rural Housing Service, or the Rural Business-Cooperative Service, or under any mortgage, lease, contract, or agreement entered into or administered by the Agency or Service; and

''(B) if the Secretary determines the action is necessary and advisable, pursue the collection to final collection in any court having jurisdiction;

''(6) release mortgage and other contract liens if it appears that the mortgage and liens have no present or prospective value or that the enforcement of the mortgage and liens likely would be ineffectual or uneconomical;

''(7) obtain fidelity bonds protecting the Federal Government against fraud and dishonesty of officers and employees of the Farm Service Agency, the Rural Utilities Service, the Rural Housing Service, or the Rural Business-Cooperative Service in lieu of faithful performance of duties bonds under section 14 of title 6, United States Code, but otherwise in accordance with the section;

''(8) consent to—

''(A) long-term leases of facilities financed under this title notwithstanding the failure of the lessee to meet any of the requirements of this title if the long-term leases are necessary to ensure the continuation of services for which financing was extended to the lessor; and

''(B) the transfer of property securing any loan or financed by any loan or grant made or guaranteed by the Farm Service Agency, the Rural Utilities Service, the Rural Housing Service, or the Rural Business-Cooperative Service under this title, or any other law administered by the Secretary, on such terms as the Secretary considers necessary to carry out the purpose of the loan or grant or to protect the financial interest of the Federal Government, provided that the Secretary shall document the consent of the Secretary for the transfer of the property of a borrower in the file of the borrower; and

''(9) notwithstanding that an area ceases, or has ceased, to be rural, in a rural area, or an eligible area, make loans and grants, and approve transfers and assumptions, under this title on the same basis as though the area still was rural in connection with property securing any loan made or guaranteed by the Secretary under this title or in connection with any property held by the Secretary under this title.

''(b) LOAN ADJUSTMENTS.—

''(1) NO LIQUIDATION OF PROPERTY.—The Secretary may not require liquidation of property securing any farmer program loan or acceleration of any payment required under any farmer program loan as a prerequisite to initiating an action authorized under subsection (a).

''(2) RELEASE OF PERSONAL LIABILITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may release a borrower or other person obligated on a debt (other than debt incurred under the Housing Act of 1949 (42 U.S.C. 1441 et seq.)) from personal liability with or without payment of any consideration at the time of the compromise, adjustment, reduction, or charge-off of any claim.

''(B) EXCEPTION.—No compromise, adjustment, reduction, or charge-off of any claim may be made or carried out after the claim has been referred to the Attorney General, unless the Attorney General approves.

''(3) RURAL ELECTRIFICATION SECURITY INSTRUMENTS.—In the case of a security instrument entered into under the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.), the Secretary shall notify the Attorney General of the intent of the Secretary to exercise the authority of the Secretary under paragraph (2).

''(c) SIMPLIFIED APPLICATION FORMS FOR LOAN GUARANTEES.—

''(1) IN GENERAL.—The Secretary shall provide to lenders a short, simplified application form for guarantees under this title of—

''(A) farmer program loans the principal amount of which is $125,000 or less; and

''(B) business and industry guaranteed loans under section 3601(a)(2)(A) the principal amount of which is—

''(i) $400,000 or less; or

''(ii) if the Secretary determines that there is not a significant increased risk of a default on the loan, $600,000 or less.

''(2) WATER AND WASTE DISPOSAL GRANTS AND LOANS.—The Secretary shall develop an application process that accelerates, to the maximum extent practicable, the processing of applications for water and waste disposal grants or direct or guaranteed loans under section 3501(a)(1) the grant award amount or principal loan amount, respectively, of which is $300,000 or less.

''(3) ADMINISTRATION.—In developing an application under this subsection, the Secretary shall—

''(A) consult with commercial and cooperative lenders; and

''(B) ensure that—

''(i) the form can be completed manually or electronically, at the option of the lender;

''(ii) the form minimizes the documentation required to accompany the form;

''(iii) the cost of completing and processing the form is minimal; and

''(iv) the form can be completed and processed in an expeditious manner.

''(d) USE OF ATTORNEYS FOR PROSECUTION OR DEFENSE OF CLAIMS.—The Secretary may use for the prosecution or defense of any claim or obligation described in subsection (a)(5) the Attorney General, the General Counsel of the Department, or a private attorney who has entered into a contract with the Secretary.

''(e) PRIVATE COLLECTION AGENCY.—The Secretary may use a private collection agency to collect a claim or obligation described in subsection (a)(5).

''(f) SECURITY SERVICING.—

''(1) IN GENERAL.—The Secretary may—

''(A) make advances, without regard to any loan or total indebtedness limitation, to preserve and protect the security for, or the lien or priority of the lien securing any loan or other indebtedness owing to or acquired by the Secretary under this title or under any other program administered by the Farm Service Agency, the Rural Utilities Service, the Rural Housing Service, or the Rural Business-Cooperative Service applicable program, as determined by the Secretary; and

''(B)(i) bid for and purchase at any execution, foreclosure, or other sale or otherwise acquire property on which the United States has a lien by reason of a judgment or execution arising from, or that is pledged, mortgaged, conveyed, attached, or levied on to secure the payment of, the indebtedness regardless of whether the property is subject to other liens;

''(ii) accept title to any property so purchased or acquired; and

''(iii) sell, manage, or otherwise dispose of the property in accordance with this subsection.

''(2) OPERATION OR LEASE OF REALTY.—Except as provided in subsections (c) and (e),

real property administered under this title may be operated or leased by the Secretary for such period as the Secretary may consider necessary to protect the investment of the Federal Government in the property.

''(g) PAYMENTS TO LENDERS.—

''(1) REQUIREMENT.—Not later than 90 days after a court of competent jurisdiction confirms a plan of reorganization under chapter 12 of title 11, United States Code, for any borrower to whom a lender has made a loan guaranteed under this title, the Secretary shall pay the lender an amount estimated by the Secretary to be equal to the loss incurred by the lender for purposes of the guarantee.

''(2) PAYMENT TOWARD LOAN GUARANTEE.—Any amount paid to a lender under this subsection with respect to a loan guaranteed under this title shall be treated as payment towards satisfaction of the loan guarantee.

''SEC. 3904. LOAN MORATORIUM AND POLICY ON FORECLOSURES.

''(a) IN GENERAL.—In addition to any other authority that the Secretary may have to defer principal and interest and forgo foreclosure, the Secretary may permit, at the request of the borrower, the deferral of principal and interest on any outstanding loan made or guaranteed by the Secretary under this title, or under any other law administered by the Farm Service Agency, the Rural Utilities Service, the Rural Housing Service, or the Rural Business-Cooperative Service, and may forgo foreclosure of the loan, for such period as the Secretary considers necessary on a showing by the borrower that, due to circumstances beyond the control of the borrower, the borrower is temporarily unable to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower.

''(b) INTEREST.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may permit any loan deferred under this section to bear no interest during or after the deferral period.

''(2) EXCEPTION.—If the security instrument securing the loan is foreclosed, such interest as is included in the purchase price at the foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law.

''(c) MORATORIUM REGARDING CIVIL RIGHTS CLAIMS.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, effective beginning on May 22, 2008, there shall be in effect a moratorium, with respect to farmer program loans made under subtitle A, on all acceleration and foreclosure proceedings instituted by the Department against any farmer who—

''(A) has pending against the Department a claim of program discrimination that is accepted by the Department as valid; or

''(B) files a claim of program discrimination that is accepted by the Department as valid.

''(2) WAIVER OF INTEREST AND OFFSETS.—During the period of the moratorium, the Secretary shall waive the accrual of interest and offsets on all farmer program loans made under subtitle A for which loan acceleration or foreclosure proceedings have been suspended under paragraph (1).

''(3) TERMINATION OF MORATORIUM.—The moratorium shall terminate with respect to a claim of discrimination by a farmer on the earlier of—

''(A) the date the Secretary resolves the claim; or

''(B) if the farmer appeals the decision of the Secretary on the claim to a court of competent jurisdiction, the date that the court renders a final decision on the claim.

''(4) FAILURE TO PREVAIL.—If a farmer does not prevail on a claim of discrimination described in paragraph (1), the farmer shall be liable for any interest and offsets that accrued during the period that loan acceleration or foreclosure proceedings have been suspended under paragraph (1).

''SEC. 3905. OIL AND GAS ROYALTY PAYMENTS ON LOANS.

''(a) IN GENERAL.—The Secretary shall permit a borrower of a loan made or guaranteed under this title to make a prospective payment on the loan with proceeds from—

''(1) the leasing of oil, gas, or other mineral rights to real property used to secure the loan; or

''(2) the sale of oil, gas, or other minerals removed from real property used to secure the loan, if the value of the rights to the oil, gas, or other minerals has not been used to secure the loan.

''(b) APPLICABILITY.—Subsection (a) shall not apply to a borrower of a loan made or guaranteed under this title with respect to which a liquidation or foreclosure proceeding was pending on December 23, 1985.

''SEC. 3906. TAXATION.

''(a) IN GENERAL.—Except as provided in subsection (b), all property subject to a lien held by the United States or the title to which is acquired or held by the Secretary under this title (other than property used for administrative purposes) shall be subject to taxation by State, territory, district, and local political subdivisions in the same manner and to the same extent as other property is taxed.

''(b) EXCEPTIONS.—No tax shall be imposed or collected as described in subsection (a) if the tax (whether as a tax on the instrument or in connection with conveying, transferring, or recording the instrument) is based on—

''(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

''(2) any notes or lien instruments administered under this title that are made, assigned, or held by a person otherwise liable for the tax; or

''(3) the value of any property conveyed or transferred to the Secretary.

''(c) FAILURE TO PAY OR COLLECT TAX.—The failure to pay or collect a tax under subsection (a) shall not—

''(1) be a ground for—

''(A) refusal to record or file an instrument; or

''(B) failure to provide notice; or

''(2) prevent the enforcement of the instrument in any Federal or State court.

''SEC. 3907. CONFLICTS OF INTEREST.

''(a) ACCEPTANCE OF CONSIDERATION PROHIBITED.—No officer, attorney, or other employee of the Department shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this title other than such salary, fee, or other compensation as the officer, attorney, or employee may receive as the officer, attorney, or employee.

''(b) ACQUISITION OF INTEREST IN LAND PROHIBITED.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no officer or employee of the Department who acts on or reviews an application made by any person under this title for a loan to purchase land may acquire, directly or indirectly, any interest in the land for a period of 3 years after the date on which the action is taken or the review is made.

''(2) FORMER COUNTY COMMITTEE MEMBERS.—Paragraph (1) shall not apply to a former member of a county committee on a determination by the Secretary, prior to the acquisition of the interest, that the former member acted in good faith when acting on or reviewing the application.

''(c) PENALTIES.—Any person violating this section shall, on conviction of the violation, be punished by a fine of not more than $2,000 or imprisonment for not more than 2 years, or both.

''SEC. 3908. LOAN SUMMARY STATEMENTS.

''(a) DEFINITION OF SUMMARY PERIOD.—In this section, the term 'summary period' means the period beginning on the date of issuance of the preceding loan summary statement and ending on the date of issuance of the current loan summary statement.

''(b) ISSUANCE OF STATEMENTS.—On the request of a borrower of a loan made (but not guaranteed) under this title, the Secretary shall issue to the borrower a loan summary statement that reflects the account activity during the summary period for each loan made under this title to the borrower, including—

''(1) the outstanding amount of principal due on each loan at the beginning of the summary period;

''(2) the interest rate charged on each loan;

''(3) the amount of payments made on, and the application of the payments to, each loan during the summary period and an explanation of the basis for the application of the payments;

''(4) the amount of principal and interest due on each loan at the end of the summary period;

''(5) the total amount of unpaid principal and interest on all loans at the end of the summary period;

''(6) any delinquency in the repayment of any loan;

''(7) a schedule of the amount and date of payments due on each loan; and

''(8) the procedure the borrower may use to obtain more information concerning the status of the loans.

''SEC. 3909. CERTIFIED LENDERS PROGRAM.

''(a) CERTIFIED LENDERS PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish a program under which the Secretary shall guarantee loans under this title that are made by lending institutions certified by the Secretary.

''(2) CERTIFICATION REQUIREMENTS.—The Secretary shall certify a lending institution that meets such criteria as the Secretary may prescribe in regulations, including the ability of the institution to properly make, service, and liquidate the loans of the institution.

''(3) CONDITION OF CERTIFICATION.—

''(A) IN GENERAL.—As a condition of the certification, the Secretary shall require the institution to undertake to service the loans guaranteed by the Secretary under this section, using standards that are not less stringent than generally accepted banking standards concerning loan servicing employed by prudent commercial or cooperative lenders.

''(B) MONITORING.—The Secretary shall, at least annually, monitor the performance of each certified lender to ensure that the conditions of the certification are being met.

''(4) EFFECT OF CERTIFICATION.—Notwithstanding any other provision of law:

''(A) AMOUNT OF LOAN GUARANTEE.—In the case of a loan made or guaranteed under subtitle A, the Secretary shall guarantee not more than 80 percent of a loan made under this section by a certified lending institution as described in paragraph (1), subject to a determination that the borrower of the loan meets the eligibility requirements and such other criteria as may be applicable to loans guaranteed by the Secretary under other provisions of this title.

''(B) CERTIFICATIONS BY LENDING INSTITUTIONS.—In the case of loans to be guaranteed by the Secretary under this section, the Secretary shall permit certified lending institutions to make appropriate certifications (as

provided by regulations issued by the Secretary)—

''(i) relating to issues such as creditworthiness, repayment ability, adequacy of collateral, and feasibility of farm operation; and

''(ii) that the borrower is in compliance with all requirements of law, including regulations issued by the Secretary.

''(C) APPROVAL PROCESS.—

''(i) IN GENERAL.—The Secretary shall approve or disapprove a guarantee not later than 14 days after the date that the lending institution applies to the Secretary for the guarantee.

''(ii) DISAPPROVAL.—If the Secretary disapproves the loan application during the 14-day period, the Secretary shall state, in writing, all of the reasons the application was disapproved.

''(5) RELATIONSHIP TO OTHER REQUIREMENTS.—Nothing in this section affects the responsibility of the Secretary to certify eligibility, review financial information, and otherwise assess an application.

''(b) PREFERRED CERTIFIED LENDERS PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish a Preferred Certified Lenders Program for lenders under this title who establish—

''(A) knowledge of, and experience under, the program established under subsection (a);

''(B) knowledge of the regulations concerning the guaranteed loan program; and

''(C) proficiency related to the certified lender program requirements.

''(2) REVOCATION OF DESIGNATION.—

''(A) IN GENERAL.—Subject to subparagraph (B), the designation of a lender as a Preferred Certified Lender shall be revoked at any time—

''(i) that the Secretary determines that the lender is not adhering to the rules and regulations applicable to the program; or

''(ii) if the loss experiences of a Preferred Certified Lender are excessive as compared to other Preferred Certified Lenders.

''(B) EFFECT.—A suspension or revocation under subparagraph (A) shall not affect any outstanding guarantee.

''(3) CONDITION OF CERTIFICATION.—As a condition of preferred certification, the Secretary shall require the institution to undertake to service the loans guaranteed by the Secretary under this subsection using generally accepted banking standards concerning loan servicing employed by prudent commercial or cooperative lenders.

''(4) MONITORING.—The Secretary shall, at least annually, monitor the performance of each Preferred Certified Lender to ensure that the conditions of certification are being met.

''(5) EFFECT OF PREFERRED LENDER CERTIFICATION.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall—

''(i) guarantee not more than 80 percent of an approved loan made by a certified lending institution as described in this subsection, subject to a determination that the borrower meets the eligibility requirements or such other criteria as may be applicable to loans guaranteed by the Secretary under other provisions of this title;

''(ii) permit certified lending institutions—

''(I) to make all decisions, with respect to loans to be guaranteed by the Secretary under this subsection relating to credit worthiness, the closing, monitoring, collection and liquidation of loans; and

''(II) to accept appropriate certifications, as provided by regulations issued by the Secretary, that the borrower is in compliance with all requirements of law or regulations promulgated by the Secretary; and

''(iii) be considered to have guaranteed 80 percent of a loan made by a preferred certified lending institution as described in paragraph (1), if the Secretary fails to approve or reject the application of such institution within 14 calendar days after the date that the lending institution presented the application to the Secretary.

''(B) REQUIREMENT.—If the Secretary rejects an application under subparagraph (A)(iii) during the 14-day period, the Secretary shall state, in writing, the reasons the application was rejected.

''(c) ADMINISTRATION OF CERTIFIED LENDERS AND PREFERRED CERTIFIED LENDERS PROGRAMS.—The Secretary may administer the loan guarantee programs under subsections (a) and (b) through central offices established in States or in multi-State areas.

''SEC. 3910. LOANS TO RESIDENT ALIENS.

''(a) IN GENERAL.—Notwithstanding the provisions of this title limiting the making of a loan to a citizen of the United States, the Secretary may make a loan under this title to an alien lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

''(b) REGULATIONS.—

''(1) IN GENERAL.—No loan may be made under this title to an alien referred to in subsection (a) until the Secretary issues regulations establishing the terms and conditions under which the alien may receive the loan.

''(2) REQUIREMENT.—The Secretary shall submit the regulations to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate at least 30 days prior to the date on which the regulations are published in the Federal Register.

''SEC. 3911. EXPEDITED CLEARING OF TITLE TO INVENTORY PROPERTY.

''(a) IN GENERAL.—The Secretary may employ local attorneys, on a case-by-case basis, to process all legal procedures necessary to clear the title to foreclosed properties in the inventory of the Department.

''(b) COMPENSATION.—Attorneys shall be compensated at not more than the usual and customary charges of the attorneys for the work.

''SEC. 3912. TRANSFER OF LAND TO SECRETARY.

''The President may at any time, in the discretion of the President, transfer to the Secretary any right, interest, or title held by the United States in any land acquired in the program of national defense and no longer needed for that purpose that the President finds suitable for the purposes of this title, and the Secretary shall dispose of the transferred land in the manner and subject to the terms and conditions of this title.

''SEC. 3913. COMPETITIVE SOURCING LIMITATIONS.

''The Secretary may not complete a study of, or enter into a contract with a private party to carry out, without specific authorization in a subsequent Act of Congress, a competitive sourcing activity of the Secretary, including support personnel of the Department, relating to rural development or farmer program loans.

''SEC. 3914. REGULATIONS.

''The Secretary may issue such regulations, prescribe such terms and conditions for making or guaranteeing loans, security instruments, and agreements, except as otherwise specified in this title, and make such delegations of authority as the Secretary considers necessary to carry out this title.''.

SEC. 6002. CONFORMING AMENDMENTS.

(a) Section 17(c) of the Rural Electrification Act of 1936 (7 U.S.C. 917(c)) is amended by striking paragraph (1) and inserting the following:

''(1) Subtitle B of the Consolidated Farm and Rural Development Act.''.

(b) Section 305(c)(2)(B)(i)(I) of the Rural Electrification Act of 1936 (7 U.S.C. 935(c)(2)(B)(i)(I)) is amended by striking ''section 307(a)(3)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(3)(A))'' and inserting ''section 3701(b)(2) of the Consolidated Farm and Rural Development Act''.

(c) Section 306F(a)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 936f(a)(1)) is amended by striking subparagraph (B) and inserting the following:

''(B) chapter 1 of subtitle B of the Consolidated Farm and Rural Development Act.''.

(d) Section 2333(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa–2(d)) is amended—

(1) in paragraph (11), by adding ''and'' at the end;

(2) by striking paragraph (12); and

(3) by redesignating paragraph (13) as paragraph (12).

(e) Section 601(b) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(b)) is amended by striking paragraph (3).

(f) Section 602(5) of the Emergency Livestock Feed Assistance Act of 1988 (7 U.S.C. 1471(5)) is amended by striking ''section 355(e)(1)(D)(ii) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(e)(1)(D)(ii))'' and inserting ''section 3409(c)(1)(A) of the Consolidated Farm and Rural Development Act)''.

(g) Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(1) in subsection (b)(7)(A), by striking ''section 371 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008f)'' and inserting ''section 3424 of the Consolidated Farm and Rural Development Act''; and

(2) in subsection (n)(2), by striking ''subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.)'' and inserting ''chapter 3 of subtitle A of the Consolidated Farm and Rural Development Act''.

(h) Section 231(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(a)) is amended—

(1) in paragraph (1), by striking ''section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act''; and

(2) in paragraph (4), by striking ''section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act''.

(i) Section 14204(a) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2008q–1(a)) is amended by striking ''an entity described in section 379C(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008q(a))'' and inserting ''an entity determined by the Secretary''.

(j) Section 607(c)(6) of the Rural Development Policy Act of 1972 (7 U.S.C. 2204b(c)(6)) is amended in the last sentence—

(1) by striking '', and'' and inserting ''and any''; and

(2) by striking ''required under section 306(a)(12) of the Consolidated Farm and Rural Development Act''.

(k) Section 901(b) of the Agricultural Act of 1970 (7 U.S.C. 2204b–1(b)) is amended by striking ''rural areas as defined in the private business enterprise exception in section 306(a)(7) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926)'' and inserting ''rural areas, as defined in section 3002 of the Consolidated Farm and Rural Development Act''.

(l) Section 14220 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2206b) is amended by striking ''section 343(a)(13)(A) of

the Consolidated Farm and Rural Development Act)'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act)''.

(m) Section 2501(c)(2)(D) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(c)(2)(D)) is amended by striking ''sections 355(a)(1) and 355(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(a)(1))'' and inserting ''paragraphs (1) and (3) of section 3416(a) of the Consolidated Farm and Rural Development Act''.

(n) Section 2501A(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279–1(b)) is amended by striking ''section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act''.

(o) Section 7405(c)(8)(B) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f(c)(8)(B)) is amended by striking ''section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act)''.

(p) Section 1101(d)(2)(A) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8711(d)(2)(A)) is amended by striking ''section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act)''.

(q) Section 1302(d)(2)(A) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8752(d)(2)(A)) is amended by striking ''section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act)''.

(r) Section 2375(g) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6613(g)) is amended by striking ''section 304(b), 306(a), or 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1924(b), 1926(a), and 1932(e))'' and inserting ''subtitle B of the Consolidated Farm and Rural Development Act''.

(s) Section 226B(a)(1) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934(a)(1)) is amended by striking ''section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act''.

(t) Section 196(i)(3)(B) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(i)(3)(B)) is amended by striking ''subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.)'' and inserting ''chapter 3 of subtitle A of the Consolidated Farm and Rural Development Act''.

(u) Section 9009(a)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8109(a)(1)) is amended by striking ''section 343(a)(13)(A) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)(A)))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act''.

(v) Section 9011(c)(2)(B)(v) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111(c)(2)(B)(v)) is amended by striking subclause (I) and inserting the following:

''(I) beginning farmers (as defined in accordance with section 3002 of the Consolidated Farm and Rural Development Act); or''.

(w) Section 7(b)(2)(B) of the Small Business Act (15 U.S.C. 636(b)(2)(B)) is amended by striking ''section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961)'' and inserting ''section 3301 of the Consolidated Farm and Rural Development Act''.

(x) Section 8(b)(5)(B)(iii)(III)(bb) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)(B)(iii)(III)(bb)) is amended by striking ''section 355(e)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)(1))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act)''.

(y) Section 10(b)(3) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2106(b)(3)) is amended in the last sentence by striking ''set out in the first clause of section 306(a)(7) of the Consolidated Farm and Rural Development Act'' and inserting ''given the term in section 3002 of the Consolidated Farm and Rural Development Act''.

(z) Section 1201(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3801(a)(2)) is amended by striking ''section 343(a)(8) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(8))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act''.

(aa) Section 1238(2) of the Food Security Act of 1985 (16 U.S.C. 3838(2)) is amended by striking ''section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a))'' and inserting ''section 3002 of the Consolidated Farm and Rural Development Act''.

(bb) Section 5 of Public Law 91–229 (25 U.S.C. 492) is amended by striking ''section 307(a)(3)(B) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of subtitle D of that Act except sections 340, 341, 342, and 343'' and inserting ''3105(b)(2) of the Consolidated Farm and Rural Development Act''.

(cc) Section 6(c) of Public Law 91–229 (25 U.S.C. 493(c)) is amended by striking ''section 333B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1983b)'' and inserting ''subtitle H of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6991 et seq.)''.

(dd) Section 181(a)(2)(B)(ii) of the Internal Revenue Code of 1986 is amended by striking ''section 2009aa–1 of title 7, United States Code'' and inserting ''section 3801 of the Consolidated Farm and Rural Development Act''.

(ee) Section 515(b)(3) of the Housing Act of 1949 (42 U.S.C. 1485(b)(3)) is amended by striking ''all the provisions of section 309 and the second and third sentences of section 308 of the Consolidated Farmers Home Administration Act of 1961, including the authority in section 309(f)(1) of that Act'' and inserting ''section 3401 of the Consolidated Farm and Rural Development Act''.

(ff) Section 517(b) of the Housing Act of 1949 (42 U.S.C. 1487(b)) is amended in the third sentence by striking ''(7 U.S.C. 1929)'' and inserting ''under section 3401 of the Consolidated Farm and Rural Development Act''.

(gg) Section 3(8) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3122(8)) is amended—

(1) by striking subparagraph (B) and inserting the following:

''(B) the Delta Regional Authority established under chapter 4 of subtitle B of the Consolidated Farm and Rural Development Act;''; and

(2) by striking subparagraph (D) and inserting the following:

''(D) the Northern Great Plains Regional Authority established under chapter 5 of subtitle B of the Consolidated Farm and Rural Development Act.''.

(hh) Section 310(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5153(a)) is amended by striking paragraph (4) and inserting the following:

''(4) Chapter 1 of subtitle B of the Consolidated Farm and Rural Development Act.''.

(ii) Section 582(d)(1) of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 5154a(d)(1)) is amended by striking ''section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a))'' and inserting ''section 3301(b) of the Consolidated Farm and Rural Development Act''.

(jj) Section 213(c)(1) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8813(c)(1)) is amended in the first sentence by striking ''section 309 of the Consolidated Farm and Rural Development Act or the Rural Development Insurance Fund in section 309A of such Act'' and inserting ''under section 3401 of the Consolidated Farm and Rural Development Act or the Rural Development Insurance Fund under section 3704 of that Act''.

(kk) Section 1323(b)(2) of the Food Security Act of 1985 (Public Law 99–198; 7 U.S.C. 1932 note) is amended—

(1) in subparagraph (A), by inserting ''and'' at the end;

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

(3) by striking subparagraph (C).

Subtitle B—Rural Electrification

SEC. 6101. DEFINITION OF RURAL AREA.

Section 13(3) of the Rural Electrification Act of 1936 (7 U.S.C. 913(A)) is amended by striking subparagraph (A) and inserting the following:

''(A) any area described in section 3002(28)(A)(i) of the Consolidated Farm and Rural Development Act; and''.

SEC. 6102. GUARANTEES FOR BONDS AND NOTES ISSUED FOR ELECTRIFICATION OR TELEPHONE PURPOSES.

Section 313A(f) of the Rural Electrification Act of 1936 (7 U.S.C. 940c–1(f)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 6103. EXPANSION OF 911 ACCESS.

Section 315(d) of the Rural Electrification Act of 1936 (7 U.S.C. 940e(d)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 6104. ACCESS TO BROADBAND TELECOMMUNICATIONS SERVICES IN RURAL AREAS.

Section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) is amended—

(1) in subsection (a), by striking ''loans and'' and inserting ''grants, loans, and'';

(2) in subsection (b), by striking paragraph (3) and inserting the following:

''(3) RURAL AREA.—The term 'rural area' means any area described in section 3002 of the Consolidated Farm and Rural Development Act.

''(4) ULTRA-HIGH SPEED SERVICE.—The term 'ultra-high speed service' means broadband service operating at a 1 gigabit per second downstream transmission capacity.'';

(3) in subsection (c)—

(A) in the subsection heading, by striking ''LOANS AND'' and inserting ''GRANTS, LOANS, AND'';

(B) in paragraph (1), by inserting ''make grants and'' after ''Secretary shall'';

(C) by striking paragraph (2) and inserting the following:

''(2) PRIORITY.—

''(A) IN GENERAL.—In making grants, loans, or loan guarantees under paragraph (1), the Secretary shall—

''(i) establish not less than 2, and not more than 4, evaluation periods for each fiscal year to compare grant, loan, and loan guarantee applications and to prioritize grants, loans, and loan guarantees to all or part of rural communities that do not have residential broadband service that meets the minimum acceptable level of broadband service established under subsection (e);

''(ii) give the highest priority to applicants that offer to provide broadband service to the greatest proportion of unserved rural households or rural households that do not have residential broadband service that meets the minimum acceptable level of

broadband service established under subsection (e), as—

''(I) certified by the affected community, city, county, or designee; or

''(II) demonstrated on—

''(aa) the broadband map of the affected State if the map contains address-level data; or

''(bb) the National Broadband Map if address-level data is unavailable; and

''(iii) provide equal consideration to all qualified applicants, including those that have not previously received grants, loans, or loan guarantees under paragraph (1).

''(B) OTHER.—After giving priority to the applicants described in subparagraph (A), the Secretary shall then give priority to projects that serve rural communities—

''(i) with a population of less than 20,000 permanent residents;

''(ii) experiencing outmigration;

''(iii) with a high percentage of low-income residents; and

''(iv) that are isolated from other significant population centers.''; and

(D) by adding at the end the following:

''(3) GRANT AMOUNTS.—

''(A) ELIGIBILITY.—To be eligible for a grant under this section, the project that is the subject of the grant shall be carried out in a rural area.

''(B) MAXIMUM.—Except as provided in subparagraph (D), the amount of any grant made under this section shall not exceed 50 percent of the development costs of the project for which the grant is provided.

''(C) GRANT RATE.—The Secretary shall establish the grant rate for each project in accordance with regulations issued by the Secretary that shall provide for a graduated scale of grant rates that establish higher rates for projects in communities that have—

''(i) remote locations;

''(ii) low community populations;

''(iii) low income levels;

''(iv) developed the applications of the communities with the participation of combinations of stakeholders, including—

''(I) State, local, and tribal governments;

''(II) nonprofit institutions;

''(III) institutions of higher education;

''(IV) private entities; and

''(V) philanthropic organizations; and

''(v) targeted funding to provide the minimum acceptable level of broadband service established under subsection (e) in all or part of an unserved community that is below that minimum acceptable level of broadband service.

''(D) SECRETARIAL AUTHORITY TO ADJUST.—The Secretary may make grants of up to 75 percent of the development costs of the project for which the grant is provided to an eligible entity if the Secretary determines that the project serves a remote or low income area that does not have access to broadband service from any provider of broadband service (including the applicant).'';

(4) in subsection (d)—

(A) in paragraph (1)(A)—

(i) in the matter preceding clause (i), by striking ''loan or'' and inserting ''grant, loan, or'';

(ii) by striking clause (i) and inserting the following:

''(i) demonstrate the ability—

''(I) to furnish, improve in order to meet the minimum acceptable level of broadband service established under subsection (e), or extend broadband service to all or part of an unserved rural area or an area below the minimum acceptable level of broadband service established under subsection (e); or

''(II) to carry out a project under paragraph (4)(B)(ii);'';

(iii) in clause (ii), by striking ''a loan application'' and inserting ''an application''; and

(iv) in clause (iii)—

(I) by striking ''the loan application'' and inserting ''the application''; and

(II) by striking ''proceeds from the loan made or guaranteed under this section are'' and inserting ''assistance under this section is'';

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i)—

(aa) by striking ''the proceeds of a loan made or guaranteed'' and inserting ''assistance''; and

(bb) by striking ''for the loan or loan guarantee'' and inserting ''of the eligible entity'';

(II) in clause (i), by striking ''is offered broadband service by not more than 1 incumbent service provider'' and inserting ''are unserved or have service levels below the minimum acceptable level of broadband service established under subsection (e)''; and

(III) in clause (ii), by striking ''3'' and inserting ''2'';

(ii) by striking subparagraph (B) and inserting the following:

''(B) ADJUSTMENTS.—

''(i) INCREASE.—The Secretary may increase the household percentage requirement under subparagraph (A)(i) if—

''(I) more than 25 percent of the costs of the project are funded by grants made under this section; or

''(II) the proposed service territory includes 1 or more communities with a population in excess of 20,000.

''(ii) REDUCTION.—The Secretary may reduce the household percentage requirement under subparagraph (A)(i)—

''(I) to not less than 15 percent, if the proposed service territory does not have a population in excess of 5,000 people; or

''(II) to not less than 18 percent, if the proposed service territory does not have a population in excess of 7,500 people.''; and

(iii) in subparagraph (C)—

(I) in the subparagraph heading, by striking ''3'' and inserting ''2'';

(II) in clause (i), by inserting ''the minimum acceptable level of broadband service established under subsection (e) in'' after ''service to''; and

(III) by striking clause (ii) and inserting the following:

''(ii) EXCEPTIONS.—Clause (i) shall not apply if—

''(I) the applicant is eligible for funding under another title of this Act; or

''(II) the project is being carried out under paragraph (4)(B)(ii), unless an incumbent service provider is providing ultra-high speed service as of the date of an application for assistance submitted to the Secretary under this section.'';

(C) in paragraph (3)—

(i) in subparagraph (A), by striking ''loan or'' and inserting ''grant, loan, or''; and

(ii) in subparagraph (B), by adding at the end the following:

''(iii) INFORMATION.—Information submitted under this subparagraph shall be—

''(I) certified by the affected community, city, county, or designee; and

''(II) demonstrated on—

''(aa) the broadband map of the affected State if the map contains address-level data; or

''(bb) the National Broadband Map if address-level data is unavailable.'';

(D) in paragraph (4)—

(i) by striking ''Subject to paragraph (1),'' and inserting the following:

''(A) IN GENERAL.—Subject to paragraph (1) and subparagraph (B),'';

(ii) by striking ''loan or'' and inserting ''grant, loan, or''; and

(iii) by adding at the end the following:

''(B) PILOT PROGRAMS.—The Secretary shall establish pilot programs under which the Secretary may, at the discretion of the Secretary, provide grants, loans, or loan guarantees under this section to eligible entities, including interested entities described in subparagraph (A)—

''(i) to address areas that are unserved or have service levels below the minimum acceptable level of broadband service established under subsection (e); or

''(ii) for the purposes of providing a proposed service territory with ultra-high speed service, subject to the conditions that—

''(I) not more than 5 projects, and not more than 1 project in any State, shall be carried out under this clause during the period beginning on the date of enactment of this Act and ending on September 30, 2018;

''(II) for each fiscal year, not more than 10 percent of the funds made available under subsection (l) shall be used to carry out this clause;

''(III) for each fiscal year, not more than 20 percent of the funds made available under subclause (II) shall be used for any 1 project; and

''(IV) paragraph (2)(A)(i) shall apply to the project, unless—

''(aa) the Secretary determines that no other project in the State is funded under this section; and

''(bb) no application for any other project that could be funded under this section, other than under this clause, is pending in the State.'';

(E) in paragraph (5)—

(i) in the matter preceding subparagraph (A), by striking ''loan or'' and inserting ''grant, loan, or''; and

(ii) in subparagraph (C), by inserting '', and proportion relative to the service territory,'' after ''estimated number'';

(F) in paragraph (6), by striking ''loan or'' and inserting ''grant, loan, or'';

(G) in paragraph (7), by striking ''a loan application'' and inserting ''an application''; and

(H) by adding at the end the following:

''(8) TRANSPARENCY AND REPORTING.—The Secretary—

''(A) shall require any entity receiving assistance under this section to submit quarterly, in a format specified by the Secretary, a report that describes—

''(i) the use by the entity of the assistance, including new equipment and capacity enhancements that support high-speed broadband access for educational institutions, health care providers, and public safety service providers (including the estimated number of end users who are currently using or forecasted to use the new or upgraded infrastructure); and

''(ii) the progress towards fulfilling the objectives for which the assistance was granted, including—

''(I) the number and location of residences and businesses that will receive new broadband service, existing network service improvements, and facility upgrades resulting from the Federal assistance;

''(II) the speed of broadband service;

''(III) the price of broadband service;

''(IV) any changes in broadband service adoption rates, including new subscribers generated from demand-side projects; and

''(V) any other metrics the Secretary determines to be appropriate;

''(B) shall maintain a fully searchable database, accessible on the Internet at no cost to the public, that contains, at a minimum—

''(i) a list of each entity that has applied for assistance under this section;

''(ii) a description of each application, including the status of each application;

''(iii) for each entity receiving assistance under this section—

''(I) the name of the entity;

''(II) the type of assistance being received;

''(III) the purpose for which the entity is receiving the assistance; and

''(IV) each quarterly report submitted under subparagraph (A); and

''(iv) such other information as is sufficient to allow the public to understand and monitor assistance provided under this section;

''(C) shall, in addition to other authority under applicable law, establish written procedures for all broadband programs administered by the Secretary that, to the maximum extent practicable—

''(i) recover funds from loan defaults;

''(ii)(I) deobligate awards to grantees that demonstrate an insufficient level of performance (including failure to meet build-out requirements, service quality issues, or other metrics determined by the Secretary) or wasteful or fraudulent spending; and

''(II) award those funds, on a competitive basis, to new or existing applicants consistent with this section; and

''(iii) consolidate and minimize overlap among the programs;

''(D) with respect to an application for assistance under this section, shall—

''(i) promptly post on the website of the Rural Utility Service—

''(I) an announcement that identifies—

''(aa) each applicant;

''(bb) the amount and type of support requested by each applicant; and

''(II) a list of the census block groups or proposed service territory, in a manner specified by the Secretary, that the applicant proposes to service;

''(ii) provide not less than 15 days for broadband service providers to voluntarily submit information about the broadband services that the providers offer in the groups or tracts listed under clause (i)(II) so that the Secretary may assess whether the applications submitted meet the eligibility requirements under this section; and

''(iii) if no broadband service provider submits information under clause (ii), consider the number of providers in the group or tract to be established by reference to—

''(I) the most current National Broadband Map of the National Telecommunications and Information Administration; or

''(II) any other data regarding the availability of broadband service that the Secretary may collect or obtain through reasonable efforts; and

''(E) may establish additional reporting and information requirements for any recipient of any assistance under this section so as to ensure compliance with this section.'';

(5) in subsection (e)—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—Subject to paragraph (2), for purposes of this section, the minimum acceptable level of broadband service for a rural area shall be at least—

''(A) a 4-Mbps downstream transmission capacity; and

''(B) a 1-Mbps upstream transmission capacity.

''(2) ADJUSTMENTS.—

''(A) IN GENERAL.—At least once every 2 years, the Secretary shall review, and may adjust, the minimum acceptable level of broadband service established under paragraph (1) to ensure that high quality, cost-effective broadband service is provided to rural areas over time.

''(B) CONSIDERATIONS.—In making an adjustment to the minimum acceptable level of broadband service under subparagraph (A), the Secretary may consider establishing different transmission rates for fixed broadband service and mobile broadband service.'';

(6) in subsection (f), by striking ''make a loan or loan guarantee'' and inserting ''provide assistance'';

(7) in subsection (g), by striking paragraph (2) and inserting the following:

''(2) TERMS.—In determining the term and conditions of a loan or loan guarantee, the Secretary may—

''(A) consider whether the recipient would be serving an area that is unserved; and

''(B) if the Secretary makes a determination in the affirmative under subparagraph (A), establish a limited initial deferral period or comparable terms necessary to achieve the financial feasibility and long-term sustainability of the project.'';

(8) in subsection (j)—

(A) in the matter preceding paragraph (1), by striking ''loan and loan guarantee'';

(B) in paragraph (1)—

(i) by inserting ''grants and'' after ''number of''; and

(ii) by inserting '', including any loan terms or conditions for which the Secretary provided additional assistance to unserved areas'' before the semicolon at the end;

(C) in paragraph (2)—

(i) in subparagraph (A), by striking ''loan''; and

(ii) in subparagraph (B), by striking ''loans and'' and inserting ''grants, loans, and'';

(D) in paragraph (3), by striking ''loan'';

(E) in paragraph (5), by striking ''and'' at the end;

(F) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(G) by adding at the end the following:

''(7) the overall progress towards fulfilling the goal of improving the quality of rural life by expanding rural broadband access, as demonstrated by metrics, including—

''(A) the number of residences and businesses receiving new broadband services;

''(B) network improvements, including facility upgrades and equipment purchases;

''(C) average broadband speeds and prices on a local and statewide basis;

''(D) any changes in broadband adoption rates; and

''(E) any specific activities that increased high speed broadband access for educational institutions, health care providers. and public safety service providers.''; and

(9) by redesignating subsections (k) and (l) as subsections (l) and (m), respectively;

(10) by inserting after subsection (j) the following:

''(k) BROADBAND BUILDOUT DATA.—

''(1) IN GENERAL.—As a condition of receiving a grant, loan, or loan guarantee under this section, a recipient of assistance shall provide to the Secretary address-level broadband buildout data that indicates the location of new broadband service that is being provided or upgraded within the service territory supported by the grant, loan, or loan guarantee—

''(A) for purposes of inclusion in the semiannual updates to the National Broadband Map that is managed by the National Telecommunications and Information Administration (referred to in this subsection as the 'Administration'); and

''(B) not later than 30 days after the earlier of—

''(i) the date of completion of any project milestone established by the Secretary; or

''(ii) the date of completion of the project.

''(2) ADDRESS-LEVEL DATA.—Effective beginning on the date the Administration receives data described in paragraph (1), the Administration shall use only address-level broadband buildout data for the National Broadband Map.

''(3) CORRECTIONS.—

''(A) IN GENERAL.—The Secretary shall submit to the Administration any correction to the National Broadband Map that is based on the actual level of broadband coverage within the rural area, including any requests for a correction from an elected or economic development official.

''(B) INCORPORATION.—Not later than 30 days after the date on which the Administration receives a correction submitted under subparagraph (A), the Administration shall incorporate the correction into the National Broadband Map.

''(C) USE.—If the Secretary has submitted a correction to the Administration under subparagraph (A), but the National Broadband Map has not been updated to reflect the correct by the date on which the Secretary is making a grant or loan award decision under this section, the Secretary may use the correction submitted under that subparagraph for purposes of make the grant or loan award decision.'';

(11) subsection (l) (as redesignated by paragraph (9))—

(A) in paragraph (1)—

(i) by striking ''$25,000,000'' and inserting ''$50,000,000''; and

(ii) by striking ''2012'' and inserting ''2018''; and

(B) in paragraph (2)(A)—

(i) in clause (i), by striking ''and'' at the end;

(ii) in clause (ii), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(iii) set aside at least 1 percent to be used for—

''(I) conducting oversight under this section; and

''(II) implementing accountability measures and related activities authorized under this section.''; and

(12) in subsection (m) (as redesignated by paragraph (9))—

(A) by striking ''loan or'' and inserting ''grant, loan, or''; and

(B) by striking ''2012'' and inserting ''2018''.

Subtitle C—Miscellaneous

SEC. 6201. DISTANCE LEARNING AND TELEMEDICINE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2335A of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 950aaa–5) is amended by striking ''2012'' and inserting ''2018''.

(b) CONFORMING AMENDMENT.—Section 1(b) of Public Law 102–551 (7 U.S.C. 950aaa note) is amended by striking ''2012'' and inserting ''2018''.

SEC. 6202. DEFINITION OF RURAL AREA FOR PURPOSES OF THE HOUSING ACT OF 1949.

The second sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended—

(1) by striking ''1990 or 2000 decennial census shall continue to be so classified until the receipt of data from the decennial census in the year 2010'' and inserting ''1990, 2000, or 2010 decennial census, and any area deemed to be a 'rural area' for purposes of this title under any other provision of law at any time during the period beginning January 1, 2000, and ending December 31, 2010, shall continue to be so classified until the receipt of data from the decennial census in the year 2020''; and

(2) by striking ''25,000'' and inserting ''35,000''.

SEC. 6203. RURAL ENERGY SAVINGS PROGRAM.

Subtitle E of title VI of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 116 Stat. 424) is amended by adding at the end the following:

''SEC. 6407. RURAL ENERGY SAVINGS PROGRAM.

''(a) PURPOSE.—The purpose of this section is to create jobs, promote rural development,

and help rural families and small businesses achieve cost savings by providing loans to qualified consumers to implement durable cost-effective energy efficiency measures.

''(b) DEFINITIONS.—In this section:

''(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

''(A) any public power district, public utility district, or similar entity, or any electric cooperative described in section 501(c)(12) or 1381(a)(2) of the Internal Revenue Code of 1986, that borrowed and repaid, prepaid, or is paying an electric loan made or guaranteed by the Rural Utilities Service (or any predecessor agency);

''(B) any entity primarily owned or controlled by 1 or more entities described in subparagraph (A); or

''(C) any other entity that is an eligible borrower of the Rural Utility Service, as determined under section 1710.101 of title 7, Code of Federal Regulations (or a successor regulation).

''(2) ENERGY EFFICIENCY MEASURES.—The term 'energy efficiency measures' means, for or at property served by an eligible entity, structural improvements and investments in cost-effective, commercial technologies to increase energy efficiency.

''(3) QUALIFIED CONSUMER.—The term 'qualified consumer' means a consumer served by an eligible entity that has the ability to repay a loan made under subsection (d), as determined by the eligible entity.

''(4) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture, acting through the Administrator of the Rural Utilities Service.

''(c) LOANS TO ELIGIBLE ENTITIES.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall make loans to eligible entities that agree to use the loan funds to make loans to qualified consumers for the purpose of implementing energy efficiency measures.

''(2) REQUIREMENTS.—

''(A) IN GENERAL.—As a condition of receiving a loan under this subsection, an eligible entity shall—

''(i) establish a list of energy efficiency measures that is expected to decrease energy use or costs of qualified consumers;

''(ii) prepare an implementation plan for use of the loan funds, including use of any interest to be received pursuant to subsection (d)(1)(A);

''(iii) provide for appropriate measurement and verification to ensure—

''(I) the effectiveness of the energy efficiency loans made by the eligible entity; and

''(II) that there is no conflict of interest in carrying out this section; and

''(iv) demonstrate expertise in effective use of energy efficiency measures at an appropriate scale.

''(B) REVISION OF LIST OF ENERGY EFFICIENCY MEASURES.—Subject to the approval of the Secretary, an eligible entity may update the list required under subparagraph (A)(i) to account for newly available efficiency technologies.

''(C) EXISTING ENERGY EFFICIENCY PROGRAMS.—An eligible entity that, at any time before the date that is 60 days after the date of enactment of this section, has established an energy efficiency program for qualified consumers may use an existing list of energy efficiency measures, implementation plan, or measurement and verification system of that program to satisfy the requirements of subparagraph (A) if the Secretary determines the list, plan, or systems are consistent with the purposes of this section.

''(3) NO INTEREST.—A loan under this subsection shall bear no interest.

''(4) REPAYMENT.—With respect to a loan under paragraph (1)—

''(A) the term shall not exceed 20 years from the date on which the loan is closed; and

''(B) except as provided in paragraph (6), the repayment of each advance shall be amortized for a period not to exceed 10 years.

''(5) AMOUNT OF ADVANCES.—Any advance of loan funds to an eligible entity in any single year shall not exceed 50 percent of the approved loan amount.

''(6) SPECIAL ADVANCE FOR START-UP ACTIVITIES.—

''(A) IN GENERAL.—In order to assist an eligible entity in defraying the appropriate start-up costs (as determined by the Secretary) of establishing new programs or modifying existing programs to carry out subsection (d), the Secretary shall allow an eligible entity to request a special advance.

''(B) AMOUNT.—No eligible entity may receive a special advance under this paragraph for an amount that is greater than 4 percent of the loan amount received by the eligible entity under paragraph (1).

''(C) REPAYMENT.—Repayment of the special advance—

''(i) shall be required during the 10-year period beginning on the date on which the special advance is made; and

''(ii) at the election of the eligible entity, may be deferred to the end of the 10-year period.

''(7) LIMITATION.—All special advances shall be made under a loan described in paragraph (1) during the first 10 years of the term of the loan.

''(d) LOANS TO QUALIFIED CONSUMERS.—

''(1) TERMS OF LOANS.—Loans made by an eligible entity to qualified consumers using loan funds provided by the Secretary under subsection (c)—

''(A) may bear interest, not to exceed 3 percent, to be used for purposes that include—

''(i) to establish a loan loss reserve; and

''(ii) to offset personnel and program costs of eligible entities to provide the loans;

''(B) shall finance energy efficiency measures for the purpose of decreasing energy usage or costs of the qualified consumer by an amount that ensures, to the maximum extent practicable, that a loan term of not more than 10 years will not pose an undue financial burden on the qualified consumer, as determined by the eligible entity;

''(C) shall not be used to fund purchases of, or modifications to, personal property unless the personal property is or becomes attached to real property (including a manufactured home) as a fixture;

''(D) shall be repaid through charges added to the electric bill for the property for, or at which, energy efficiency measures are or will be implemented, on the condition that this requirement does not prohibit—

''(i) the voluntary prepayment of a loan by the owner of the property; or

''(ii) the use of any additional repayment mechanisms that are—

''(I) demonstrated to have appropriate risk mitigation features, as determined by the eligible entity; or

''(II) required if the qualified consumer is no longer a customer of the eligible entity; and

''(E) shall require an energy audit by an eligible entity to determine the impact of proposed energy efficiency measures on the energy costs and consumption of the qualified consumer.

''(2) CONTRACTORS.—In addition to any other qualified general contractor, eligible entities may serve as general contractors.

''(e) CONTRACT FOR MEASUREMENT AND VERIFICATION, TRAINING, AND TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—Not later than 90 days after the date of enactment of this section, the Secretary—

''(A) shall establish a plan for measurement and verification, training, and technical assistance of the program; and

''(B) may enter into 1 or more contracts with a qualified entity for the purposes of—

''(i) providing measurement and verification activities; and

''(ii) developing a program to provide technical assistance and training to the employees of eligible entities to carry out this section.

''(2) USE OF SUBCONTRACTORS AUTHORIZED.—A qualified entity that enters into a contract under paragraph (1) may use subcontractors to assist the qualified entity in carrying out the contract.

''(f) FAST START DEMONSTRATION PROJECTS.—

''(1) IN GENERAL.—The Secretary shall offer to enter into agreements with eligible entities (or groups of eligible entities) that have energy efficiency programs described in subsection (c)(2)(C) to establish an energy efficiency loan demonstration projects consistent with the purposes of this section.

''(2) EVALUATION CRITERIA.—In determining which eligible entities to award loans under this section, the Secretary shall take into consideration eligible entities that—

''(A) implement approaches to energy audits and investments in energy efficiency measures that yield measurable and predictable savings;

''(B) use measurement and verification processes to determine the effectiveness of energy efficiency loans made by eligible entities;

''(C) include training for employees of eligible entities, including any contractors of such entities, to implement or oversee the activities described in subparagraphs (A) and (B);

''(D) provide for the participation of a majority of eligible entities in a State;

''(E) reduce the need for generating capacity;

''(F) provide efficiency loans to—

''(i) in the case of a single eligible entity, not fewer than 20,000 consumers; or

''(ii) in the case of a group of eligible entities, not fewer than 80,000 consumers; and

''(G) serve areas in which, as determined by the Secretary, a large percentage of consumers reside—

''(i) in manufactured homes; or

''(ii) in housing units that are more than 50 years old.

''(3) DEADLINE FOR IMPLEMENTATION.—To the maximum extent practicable, the Secretary shall enter into agreements described in paragraph (1) by not later than 90 days after the date of enactment of this section.

''(4) EFFECT ON AVAILABILITY OF LOANS NATIONALLY.—Nothing in this subsection shall delay the availability of loans to eligible entities on a national basis beginning not later than 180 days after the date of enactment of this section.

''(5) ADDITIONAL DEMONSTRATION PROJECT AUTHORITY.—

''(A) IN GENERAL.—The Secretary may conduct demonstration projects in addition to the project required by paragraph (1).

''(B) INAPPLICABILITY OF CERTAIN CRITERIA.—The additional demonstration projects may be carried out without regard to subparagraphs (D), (F), or (G) of paragraph (2).

''(g) ADDITIONAL AUTHORITY.—The authority provided in this section is in addition to any other authority of the Secretary to offer loans under any other law.

''(h) EFFECTIVE PERIOD.—Subject to the availability of funds and except as otherwise provided in this section, the loans and other expenditures required to be made under this section shall be available until expended,

with the Secretary authorized to make new loans as loans are repaid.

''(i) REGULATIONS.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, not later than 180 days after the date of enactment of this section, the Secretary shall promulgate such regulations as are necessary to implement this section.

''(2) PROCEDURE.—The promulgation of the regulations and administration of this section shall be made without regard to—

''(A) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

''(B) chapter 35 of title 44, United States Code (commonly known as the 'Paperwork Reduction Act').

''(3) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

''(4) INTERIM REGULATIONS.—Notwithstanding paragraphs (1) and (2), to the extent regulations are necessary to carry out any provision of this section, the Secretary shall implement such regulations through the promulgation of an interim rule.''.

SEC. 6204. FUNDING OF PENDING RURAL DEVELOPMENT LOAN AND GRANT APPLICATIONS.

(a) IN GENERAL.—The Secretary shall use funds made available under subsection (b) to provide funds for applications that are pending on the date of enactment of this Act in accordance with the terms and conditions of section 6029 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1955).

(b) FUNDING.—Notwithstanding any other provision of law, beginning in fiscal year 2014, of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $150,000,000, to remain available until expended.

SEC. 6205. STUDY OF RURAL TRANSPORTATION ISSUES.

(a) IN GENERAL.—The Secretary and the Secretary of Transportation shall jointly conduct a study of transportation issues regarding the movement of agricultural products, domestically produced renewable fuels, and domestically produced resources for the production of electricity for rural areas of the United States, and economic development in those areas.

(b) INCLUSIONS.—The study shall include an examination of—

(1) the importance of freight transportation, including rail, truck, and barge, to—

(A) the delivery of equipment, seed, fertilizer, and other products important to the development of agricultural commodities and products;

(B) the movement of agricultural commodities and products to market;

(C) the delivery of ethanol and other renewable fuels;

(D) the delivery of domestically produced resources for use in the generation of electricity for rural areas;

(E) the location of grain elevators, ethanol plants, and other facilities;

(F) the development of manufacturing facilities in rural areas; and

(G) the vitality and economic development of rural communities;

(2) the sufficiency in rural areas of transportation capacity, the sufficiency of competition in the transportation system, the reliability of transportation services, and the reasonableness of transportation rates;

(3) the sufficiency of facility investment in rural areas necessary for efficient and cost-effective transportation; and

(4) the accessibility to shippers in rural areas of Federal processes for the resolution of grievances arising within various transportation modes.

(c) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary and the Secretary of Transportation shall submit a report to Congress that contains the results of the study required under subsection (a).

(d) PERIODIC UPDATES.—The Secretary and the Secretary of Transportation shall publish triennially an updated version of the study described in subsection (a).

SEC. 6206. AGRICULTURAL TRANSPORTATION POLICY.

Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended by striking subsection (j) and inserting the following:

''(j) POLICY DEVELOPMENT PROCEEDINGS.—The Secretary shall participate on behalf of the interests of agriculture and rural America in all policy development proceedings or other proceedings of the Surface Transportation Board that may establish freight rail transportation policy affecting agriculture and rural America.''.

SEC. 6207. VALUE-ADDED AGRICULTURAL MARKET DEVELOPMENT PROGRAM GRANTS.

Section 231(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(b)) is amended—

(1) in paragraph (6)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) veteran farmers or ranchers (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e))).''; and

(2) in paragraph (7)(B), by striking ''2012'' and inserting ''2017''.

TITLE VII—RESEARCH, EXTENSION, AND RELATED MATTERS

Subtitle A—National Agricultural Research, Extension, and Teaching Policy Act of 1977

SEC. 7101. NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 1408(h) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(h)) is amended by striking ''2012'' and inserting ''2018''.

(b) DUTIES OF NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.—Section 1408(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(c)) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) in paragraph (4)(C), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(5) consult with industry groups on agricultural research, extension, education, and economics, and make recommendations to the Secretary based on that consultation.''.

SEC. 7102. SPECIALTY CROP COMMITTEE.

Section 1408A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123a) is amended—

(1) in subsection (b)—

(A) by striking ''Individuals'' and inserting the following:

''(1) ELIGIBILITY.—Individuals'';

(B) by striking ''Members'' and inserting the following:

''(2) SERVICE.—Members''; and

(C) by adding at the end the following:

''(3) DIVERSITY.—Membership of the specialty crops committee shall reflect diversity in the specialty crops represented.'';

(2) in subsection (c), by adding at the end the following:

''(6) Analysis of alignment of specialty crop committee recommendations with specialty crop research initiative grants awarded under section 412(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632).'';

(3) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively;

(4) by inserting after subsection (c) the following:

''(d) CONSULTATION WITH SPECIALTY CROP INDUSTRY.—In studying the scope and effectiveness of programs under subsection (a), the specialty crops committee shall consult on an ongoing basis with diverse sectors of the specialty crop industry.''; and

(5) in subsection (f) (as redesignated by paragraph (3)), by striking ''subsection (d)'' and inserting ''subsection (e)''.

SEC. 7103. VETERINARY SERVICES GRANT PROGRAM.

The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1415A (7 U.S.C. 3151a) the following:

''SEC. 1415B. VETERINARY SERVICES GRANT PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) QUALIFIED ENTITY.—The term 'qualified entity' means—

''(A) a for-profit or nonprofit entity located in the United States that operates a veterinary clinic providing veterinary services—

''(i) in a rural area, as defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)); and

''(ii) in response to a veterinarian shortage situation;

''(B) a State, national, allied, or regional veterinary organization or specialty board recognized by the American Veterinary Medical Association;

''(C) a college or school of veterinary medicine accredited by the American Veterinary Medical Association;

''(D) a university research foundation or veterinary medical foundation;

''(E) a department of veterinary science or department of comparative medicine accredited by the Department of Education;

''(F) a State agricultural experiment station; and

''(G) a State, local, or tribal government agency.

''(2) VETERINARIAN SHORTAGE SITUATION.—The term 'veterinarian shortage situation' means a veterinarian shortage situation determined by the Secretary under section 1415A(b).

''(b) ESTABLISHMENT OF PROGRAM.—

''(1) COMPETITIVE GRANTS.—The Secretary shall carry out a program to make competitive grants to qualified entities that carry out programs or activities described in paragraph (2) for the purpose of developing, implementing, and sustaining veterinary services.

''(2) ELIGIBILITY REQUIREMENTS.—To be eligible to receive a grant described in paragraph (1), a qualified entity shall carry out programs or activities that the Secretary determines will—

''(A) substantially relieve veterinarian shortage situations;

''(B) support or facilitate private veterinary practices engaged in public health activities; or

''(C) support or facilitate the practices of veterinarians who are participating in or have successfully completed a service requirement under section 1415A(a)(2).

''(c) AWARD PROCESSES AND PREFERENCES.—

''(1) APPLICATION, EVALUATION, AND INPUT PROCESSES.—In administering the grant program under this section, the Secretary shall—

''(A) use an appropriate application and evaluation process, as determined by the Secretary; and

''(B) seek the input of interested persons.

''(2) GRANT PREFERENCES.—In selecting recipients of grants to be used for any of the purposes described in paragraphs (2) through (6) of subsection (d), the Secretary shall give a preference to qualified entities that provide documentation of coordination with other qualified entities, with respect to any such purpose.

''(3) ADDITIONAL PREFERENCES.—In awarding grants under this section, the Secretary may develop additional preferences by taking into account the amount of funds available for grants and the purposes for which the grant funds will be used.

''(4) APPLICABILITY OF OTHER PROVISIONS.—Sections 1413B, 1462(a), 1469(a)(3), 1469(c), and 1470 apply to the administration of the grant program under this section.

''(d) USE OF GRANTS TO RELIEVE VETERINARIAN SHORTAGE SITUATIONS AND SUPPORT VETERINARY SERVICES.—A qualified entity may use funds provided by grants under this section to relieve veterinarian shortage situations and support veterinary services for the following purposes:

''(1) To assist veterinarians with establishing or expanding practices for the purpose of—

''(A) equipping veterinary offices;

''(B) sharing in the reasonable overhead costs of the practices, as determined by the Secretary; or

''(C) establishing mobile veterinary facilities in which a portion of the facilities will address education or extension needs.

''(2) To promote recruitment (including for programs in secondary schools), placement, and retention of veterinarians, veterinary technicians, students of veterinary medicine, and students of veterinary technology.

''(3) To allow veterinary students, veterinary interns, externs, fellows, and residents, and veterinary technician students to cover expenses (other than the types of expenses described in 1415A(c)(5)) to attend training programs in food safety or food animal medicine.

''(4) To establish or expand accredited veterinary education programs (including faculty recruitment and retention), veterinary residency and fellowship programs, or veterinary internship and externship programs carried out in coordination with accredited colleges of veterinary medicine.

''(5) To assess veterinarian shortage situations and the preparation of applications submitted to the Secretary for designation as a veterinarian shortage situation under section 1415A(b).

''(6) To provide continuing education and extension, including veterinary telemedicine and other distance-based education, for veterinarians, veterinary technicians, and other health professionals needed to strengthen veterinary programs and enhance food safety.

''(e) SPECIAL REQUIREMENTS FOR CERTAIN GRANTS.—

''(1) TERMS OF SERVICE REQUIREMENTS.—

''(A) IN GENERAL.—Grants provided under this section for the purpose specified in subsection (d)(1) shall be subject to an agreement between the Secretary and the grant recipient that includes a required term of service for the recipient, as established by the Secretary.

''(B) CONSIDERATIONS.—In establishing a term of service under subparagraph (A), the Secretary shall consider only—

''(i) the amount of the grant awarded; and

''(ii) the specific purpose of the grant.

''(2) BREACH REMEDIES.—

''(A) IN GENERAL.—An agreement under paragraph (1) shall provide remedies for any breach of the agreement by the grant recipient, including repayment or partial repayment of the grant funds, with interest.

''(B) WAIVER.—The Secretary may grant a waiver of the repayment obligation for breach of contract if the Secretary determines that the grant recipient demonstrates extreme hardship or extreme need.

''(C) TREATMENT OF AMOUNTS RECOVERED.—Funds recovered under this paragraph shall—

''(i) be credited to the account available to carry out this section; and

''(ii) remain available until expended.

''(f) COST-SHARING REQUIREMENTS.—

''(1) RECIPIENT SHARE.—Subject to paragraph (2), to be eligible to receive a grant under this section, a qualified entity shall provide matching non-Federal funds, either in cash or in-kind support, in an amount equal to not less than 25 percent of the Federal funds provided by the grant.

''(2) WAIVER.—The Secretary may establish, by regulation, conditions under which the cost-sharing requirements of paragraph (1) may be reduced or waived.

''(g) PROHIBITION ON USE OF GRANT FUNDS FOR CONSTRUCTION.—Funds made available for grants under this section may not be used—

''(1) to construct a new building or facility; or

''(2) to acquire, expand, remodel, or alter an existing building or facility, including site grading and improvement and architect fees.

''(h) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations to carry out this section.

''(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $10,000,000 for fiscal year 2014 and each fiscal year thereafter, to remain available until expended.''.

SEC. 7104. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURE SCIENCES EDUCATION.

Section 1417(m) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(m)) is amended by striking ''section $60,000,000'' and all that follows and inserting the following: ''section—

''(1) $60,000,000 for each of fiscal years 1990 through 2013; and

''(2) $40,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7105. AGRICULTURAL AND FOOD POLICY RESEARCH CENTERS.

Section 1419A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155) is amended—

(1) in the section heading, by inserting ''**agricultural and food**'' before ''**policy**'';

(2) in subsection (a), in the matter preceding paragraph (1)—

(A) by striking ''Secretary may'' and inserting ''Secretary shall, acting through the Office of the Chief Economist,''; and

(B) by inserting ''with a history of providing unbiased, nonpartisan economic analysis to Congress'' after ''subsection (b)'';

(3) in subsection (b), by striking ''other research institutions'' and all that follows through ''shall be eligible'' and inserting ''other public research institutions and organizations shall be eligible'';

(4) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting '', with preference given to policy research centers having extensive databases, models, and demonstrated experience in providing Congress with agricultural market projections, rural development analysis, agricultural policy analysis, and baseline projections at the farm, multiregional, national, and international levels, including information, analysis, and research relating to drought mitigation,'' after ''with this section''; and

(B) in paragraph (2), by inserting ''applied'' after ''theoretical''; and

(5) by striking subsection (d) and inserting the following:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2013 and each fiscal year thereafter.''.

SEC. 7106. EDUCATION GRANTS TO ALASKA NATIVE SERVING INSTITUTIONS AND NATIVE HAWAIIAN SERVING INSTITUTIONS.

Section 1419B of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3156) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''(or grants without regard to any requirement for competition)''; and

(B) in paragraph (3), by striking ''2012'' and inserting ''2018''; and

(2) in subsection (b)(1), by striking ''(or grants without regard to any requirement for competition)''; and

(3) in paragraph (3), by striking ''2012'' and inserting ''2018''.

SEC. 7107. NUTRITION EDUCATION PROGRAM.

Section 1425(f) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175(f)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7108. CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.

Section 1433 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3195) is amended by striking the section designation and heading and all that follows through subsection (a) and inserting the following:

''SEC. 1433. APPROPRIATIONS FOR CONTINUING ANIMAL HEALTH AND DISEASE RESEARCH PROGRAMS.

''(a) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to support continuing animal health and disease research programs at eligible institutions such sums as are necessary, but not to exceed $25,000,000 for each of fiscal years 1991 through 2018.

''(2) USE OF FUNDS.—Funds made available under this section shall be used—

''(A) to meet the expenses of conducting animal health and disease research, publishing and disseminating the results of such research, and contributing to the retirement of employees subject to the Act of March 4, 1940 (7 U.S.C. 331);

''(B) for administrative planning and direction; and

''(C) to purchase equipment and supplies necessary for conducting research described in subparagraph (A).''.

SEC. 7109. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.

Section 1447(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b(b)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7110. GRANTS TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AND EQUIPMENT AT INSULAR AREA LAND-GRANT INSTITUTIONS.

Section 1447B(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b–2(d)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7111. HISPANIC-SERVING INSTITUTIONS.

Section 1455(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3241(c)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7112. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.

Section 1459A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b) is amended by striking subsection (c) and inserting the following:

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

''(1) such sums as are necessary for each of fiscal years 1999 through 2013; and

''(2) $5,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7113. UNIVERSITY RESEARCH.

Section 1463 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311) is amended in each of subsections (a) and (b) by striking ''2012'' each place it appears and inserting ''2018''.

SEC. 7114. EXTENSION SERVICE.

Section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3312) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7115. SUPPLEMENTAL AND ALTERNATIVE CROPS.

(a) AUTHORIZATION OF APPROPRIATIONS AND TERMINATION.—Section 1473D of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d) is amended—

(1) in subsection (a), by striking ''2012'' and inserting ''2018''; and

(2) by adding at the end the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

''(1) such sums as are necessary for each of fiscal years 2012 and 2013; and

''(2) $1,000,000 for each of fiscal years 2014 through 2018.''.

(b) COMPETITIVE GRANTS.—Section 1473D(c)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d(c)(1)) is amended by striking ''use such research funding, special or competitive grants, or other means, as the Secretary determines,'' and inserting ''make competitive grants''.

SEC. 7116. CAPACITY BUILDING GRANTS FOR NLGCA INSTITUTIONS.

Section 1473F(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319i(b)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7117. AQUACULTURE ASSISTANCE PROGRAMS.

(a) COMPETITIVE GRANTS.—Section 1475(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3322(b)) is amended in the matter preceding paragraph (1) by inserting ''competitive'' before ''grants''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 1477 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324) is amended to read as follows:

''SEC. 1477. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated to carry out this subtitle—

''(1) $7,500,000 for each of fiscal years 1991 through 2013; and

''(2) $5,000,000 for each of fiscal years 2014 through 2018.

''(b) PROHIBITION ON USE.—Funds made available under this section may not be used to acquire or construct a building.''.

SEC. 7118. RANGELAND RESEARCH PROGRAMS.

Section 1483(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3336(a)) is amended by striking ''subtitle'' and all that follows and inserting the following: ''subtitle—

''(1) $10,000,000 for each of fiscal years 1991 through 2013; and

''(2) $2,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7119. SPECIAL AUTHORIZATION FOR BIOSECURITY PLANNING AND RESPONSE.

Section 1484(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3351(a)) is amended by striking ''response such sums as are necessary'' and all that follows and inserting the following: ''response—

''(1) such sums as are necessary for each of fiscal years 2002 through 2013; and

''(2) $20,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7120. DISTANCE EDUCATION AND RESIDENT INSTRUCTION GRANTS PROGRAM FOR INSULAR AREA INSTITUTIONS OF HIGHER EDUCATION.

(a) DISTANCE EDUCATION GRANTS FOR INSULAR AREAS.—

(1) COMPETITIVE GRANTS.—Section 1490(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362(a)) is amended by striking ''or noncompetitive''.

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 1490(f) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362(f)) is amended by striking ''section'' and all that follows and inserting the following: ''section—

''(1) such sums as are necessary for each of fiscal years 2002 through 2013; and

''(2) $2,000,000 for each of fiscal years 2014 through 2018.''.

(b) RESIDENT INSTRUCTION GRANTS FOR INSULAR AREAS.—Section 1491(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363(c)) is amended by striking ''such sums as are necessary'' and all that follows and inserting the following: ''to carry out this section—

''(1) such sums as are necessary for each of fiscal years 2002 through 2013; and

''(2) $2,000,000 for each of fiscal years 2014 through 2018.''.

Subtitle B—Food, Agriculture, Conservation, and Trade Act of 1990

SEC. 7201. BEST UTILIZATION OF BIOLOGICAL APPLICATIONS.

Section 1624 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5814) is amended—

(1) by striking ''$40,000,000 for each fiscal year''; and

(2) by inserting ''$40,000,000 for each of fiscal years 2014 through 2018'' after ''chapter''.

SEC. 7202. INTEGRATED MANAGEMENT SYSTEMS.

Section 1627 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5821) is amended by striking subsection (d) and inserting the following:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section through the National Institute of Food and Agriculture $20,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7203. SUSTAINABLE AGRICULTURE TECHNOLOGY DEVELOPMENT AND TRANSFER PROGRAM.

Section 1628 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5831) is amended by striking subsection (f) and inserting the following:

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2014 through 2018.''.

SEC. 7204. NATIONAL TRAINING PROGRAM.

Section 1629 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5832) is amended by striking subsection (i) and inserting the following:

''(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the National Training Program $20,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7205. NATIONAL GENETICS RESOURCES PROGRAM.

Section 1635(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5844(b)) is amended—

(1) by striking ''such funds as may be necessary''; and

(2) by striking ''subtitle'' and all that follows and inserting the following: ''subtitle—

''(1) such sums as are necessary for each of fiscal years 1991 through 2013; and

''(2) $1,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7206. NATIONAL AGRICULTURAL WEATHER INFORMATION SYSTEM.

Section 1641(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5855(c)) is amended by inserting ''and $1,000,000 for each of fiscal years 2014 through 2018'' before the period at the end.

SEC. 7207. AGRICULTURAL GENOME INITIATIVE.

Section 1671(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924(c)) is amended by adding at the end the following:

''(3) CONSORTIA.—The Secretary shall encourage awards under this section to consortia of eligible entities.''.

SEC. 7208. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.

Section 1672 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925) is amended—

(1) in the first sentence of subsection (a), by striking ''subsections (e) through (i) of'';

(2) in subsection (b)(2)—

(A) by striking the first sentence and inserting the following:

''(A) IN GENERAL.—To facilitate the making of research and extension grants under subsection (d), the Secretary may appoint a task force to make recommendations to the Secretary.''; and

(B) in the second sentence, by striking ''The Secretary may not incur costs in excess of $1,000 for any fiscal year in connection with each'' and inserting the following:

''(B) COSTS.—The Secretary may not incur costs in excess of $1,000 for any fiscal year in connection with a'';

(3) in subsection (e)—

(A) by striking paragraphs (1) through (5), (7), (8), (11) through (43), (47), (48), (51), and (52);

(B) by redesignating paragraphs (6), (9), (10), (44), (45), (46), (49), and (50) as paragraphs (1), (2), (3), (4), (5), (6), (7), and (8), respectively; and

(C) by adding at the end the following:

''(9) CERVIDAE INITIATIVE.—Research and extension grants may be made under this section to support collaborative research focusing on the development of viable strategies for the prevention, diagnosis, and treatment of parasites and diseases of farmed deer and elk such as epizootic hemorrhagic disease and chronic wasting disease and the mapping of the cervid genome.

''(10) CORN, SOYBEAN MEAL, CEREAL GRAINS, AND GRAIN BYPRODUCTS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of carrying out or enhancing research to improve the digestibility, nutritional value, and efficiency of use of corn, soybean meal, cereal grains, and grain byproducts for the poultry and food animal production industries.'';

(4) by striking subsections (f), (g), and (i);

(5) by redesignating subsections (h) and (j) as subsections (j) and (k), respectively;

(6) by inserting after subsection (e) the following:

''(f) PULSE HEALTH INITIATIVE.—

''(1) DEFINITIONS.—In this subsection;

''(A) INITIATIVE.—The term 'Initiative' means the pulse health initiative established by paragraph (2).

''(B) PULSE.—The term 'pulse' means dry beans, dry peas, lentils, and chickpeas or garbanzo beans.

''(2) ESTABLISHMENT.—Notwithstanding any other provision of law, during the period beginning on the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 and ending on September 30, 2018, the Secretary shall carry out a pulse crop health and extension initiative to address the critical needs of the pulse crop industry by developing and disseminating science-based tools and information, including—

''(A) research in health and nutrition, such as—

''(i) identifying global dietary patterns of pulse crops in relation to population health;

''(ii) researching pulse crop diets and the ability of the diets to reduce obesity and associated chronic disease (including cardiovascular disease, type 2 diabetes, and cancer); and

''(iii) identifying the underlying mechanisms of the health benefits of pulse crop consumption (including disease biomarkers, bioactive components, and relevant plant genetic components to enhance the health promoting value of pulse crops);

''(B) research in functionality, such as—

''(i) improving the functional properties of pulse crops and pulse fractions;

''(ii) developing new and innovative technologies to improve pulse crops as an ingredient in food products; and

''(iii) developing nutrient-dense food product solutions to ameliorate chronic disease and enhance food security worldwide;

''(C) research in sustainability to enhance global food security, such as—

''(i) plant breeding, genetics and genomics to improve productivity, nutrient density, and phytonutrient content for a growing world population;

''(ii) pest and disease management, including resistance to pests and diseases resulting in reduced application management strategies; and

''(iii) improving nitrogen fixation to reduce the carbon and energy footprint of agriculture;

''(D) optimizing pulse cropping systems to reduce water usage; and

''(E) education and technical service, such as—

''(i) providing technical expertise to help food companies include nutrient-dense pulse crops in innovative and healthy foods; and

''(ii) establishing an educational program to encourage the consumption and production of pulse crops in the United States and other countries.

''(3) ELIGIBLE ENTITIES.—The Secretary may carry out the Initiative through—

''(A) Federal agencies, including the Agricultural Research Service and the National Institute of Food and Agriculture;

''(B) National Laboratories;

''(C) institutions of higher education;

''(D) research institutions or organizations;

''(E) private organizations or corporations;

''(F) State agricultural experiment stations;

''(G) individuals; or

''(H) groups consisting of 2 or more entities or individuals described in subparagraphs (A) through (G).

''(4) RESEARCH PROJECT GRANTS.—

''(A) IN GENERAL.—In carrying out this subsection, the Secretary shall award grants on a competitive basis.

''(B) IN GENERAL.—The Secretary shall—

''(i) seek and accept proposals for grants;

''(ii) determine the relevance and merit of proposals through a system of peer review, in consultation with the pulse crop industry; and

''(iii) award grants on the basis of merit, quality, and relevance.

''(C) PRIORITIES.—In making grants under this subsection, the Secretary shall provide a higher priority to projects that—

''(i) are multistate, multiinstitutional, and multidisciplinary; and

''(ii) include explicit mechanisms to communicate results to the pulse crop industry and the public.

''(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $25,000,000 for each of fiscal years 2014 through 2018.

''(g) FORESTRY PRODUCTS ADVANCED UTILIZATION RESEARCH.—

''(1) ESTABLISHMENT.—The Secretary shall establish a forestry and forestry products research and extension initiative to develop and disseminate science-based tools that address the needs of the forestry sector and their respective regions, forest and timberland owners and managers, and forestry products engineering, manufacturing, and related interests, including—

''(A) research in wood quality improvement with respect to lumber strength and grade yield;

''(B) improvement in forestry products, lumber, and evaluation standards and valuation techniques;

''(C) research and development of novel engineered lumber products and renewable energy from wood;

''(D) efforts to improve lumber quality and value based on forest management techniques;

''(E) efforts to improve forestry products conversion and manufacturing efficiency, productivity, and profitability over the long term (including forestry product marketing); and

''(F) other research to support the longevity, sustainability, and profitability of timberland through sound management and utilization.

''(2) GRANTS.—

''(A) IN GENERAL.—As part of the initiative described in paragraph (1), the Secretary shall make grants to eligible entities to carry out the activities described in subparagraphs (A) through (F) of paragraph (1).

''(B) ELIGIBLE ENTITIES.—Entities eligible for grants described in subparagraph (A) shall include—

''(i) Federal agencies;

''(ii) National Laboratories

''(iii) colleges and universities;

''(iv) research institutions and organizations;

''(v) private organizations or corporations;

''(vi) State agricultural experiment stations; and

''(vii) groups consisting of 2 or more such entities.

''(C) PRIORITIES.—In making grants, the Secretary shall give higher priority to projects that—

''(i) are multistate, multiinstitutional, or multidisciplinary;

''(ii) include explicit mechanisms to communicate results to producers, forestry industry stakeholders, policymakers, and the public; and

''(iii) have—

''(I) extensive history and demonstrated experience in forestry and forestry products research;

''(II) existing capacity in forestry products research and dissemination; and

''(III) a demonstrated means of evaluating and responding to the needs of the related commercial sector.

''(D) ADMINISTRATION.—

''(i) SELECTION PROCESS.—In awarding grants under this subsection, the Secretary shall—

''(I) seek and accept proposals;

''(II) determine the relevance and merit of proposals through a system of peer and merit review; and

''(III) award grants on the basis of merit, quality, and relevance.

''(ii) TERMS.—The term of a grant made under this paragraph may not exceed 10 years.

''(iii) MATCHING FUNDS.—The Secretary shall require the recipient of a grant to provide funds or in-kind support from non-Federal sources in an amount that is at least equal to the amount provided by the Federal Government.

''(iv) BUILDINGS AND FACILITIES.—Funds made available under this paragraph shall not be used for the construction of a new building or facility or the acquisition, expansion, remodeling, or alteration of an existing building or facility (including site grading and improvement, and architect fees).

''(v) COORDINATION.—The Secretary shall ensure that any activities carried out under this paragraph are done in coordination with the Forest Products Laboratory.

''(3) AUTHORIZATION OF APPROPRIATIONS.—

''(A) IN GENERAL.—There is authorized to be appropriated to carry out this subsection $7,000,000 for each of fiscal years 2014 through 2018.

''(B) MATCHING FUNDS.—To the extent practicable, the Secretary shall match any funds received under subparagraph (A) with funds received for the research and development program of the Forest Service under section 3 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642).

''(h) TRAINING COORDINATION FOR FOOD AND AGRICULTURE PROTECTION.—

''(1) IN GENERAL.—The Secretary shall make grants and enter into contracts or cooperative agreements with eligible entities described in paragraph (2) for the purposes of establishing a Comprehensive Food Safety Training Network.

''(2) ELIGIBILITY.—

''(A) IN GENERAL.—For purposes of this subsection, an eligible entity is a multiinstitutional consortium that includes—

''(i) a nonprofit institution that provides administering food protection training; and

''(ii) 1 or more training centers in institutions of higher education that have demonstrated expertise in developing and delivering community-based training in food and agricultural safety and defense.

''(B) REQUIREMENTS.—To ensure that coordination and administration is provided across all the disciplines and provide comprehensive food protection training, the Secretary may only consider an entire consortium collectively rather than on an institution-by-institution basis.

''(C) MEMBERSHIP.—An eligible entity may alter the consortium membership to meet specific training expertise needs.

''(3) DUTIES OF ELIGIBLE ENTITY.—As a condition of the receipt of assistance under this subsection, an eligible entity, in cooperation with the Secretary, shall establish and maintain the network for an internationally integrated training system to enhance protection of the United States food supply, including, at a minimum—

''(A) developing curricula and a training network to provide basic, technical, management, and leadership training to regulatory

and public health officials, producers, processors, and other agrifood businesses;

''(B) serving as the hub for the administration of an open training network;

''(C) implementing standards to ensure the delivery of quality training through a national curricula;

''(D) building and overseeing a nationally recognized instructor cadre to ensure the availability of highly qualified instructors;

''(E) reviewing training proposed through the National Institute of Food and Agriculture and other relevant Federal agencies that report to the Secretary on the quality and content of proposed and existing courses;

''(F) assisting Federal agencies in the implementation of food protection training requirements including requirements contained in the Agriculture Reform, Food, and Jobs Act of 2013, the FDA Food Safety Modernization Act (Public Law 111–353; 124 Stat. 3885), and amendments made by those Acts; and

''(G) performing evaluation and outcome-based studies to provide to the Secretary feedback on the effectiveness and impact of training and metrics on jurisdictions and sectors within the food safety system.

''(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.

''(i) FARM ANIMAL AGRICULTURE INTEGRATED RESEARCH INITIATIVE.—

''(1) DEFINITION OF INITIATIVE.—In this subsection, the term 'Initiative' means the farm animal integrated research initiative established under paragraph (2).

''(2) ESTABLISHMENT.—Notwithstanding any other provision of law, during the period beginning on the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013 and ending on September 30, 2018, the Secretary shall carry out a farm animal integrated research initiative to address the critical needs of animal agriculture, by developing and disseminating science-based tools and information, including—

''(A) research to promote food security, such as—

''(i) improving feed efficiency;

''(ii) improving energetic efficiency;

''(iii) connecting genomics, proteomics, metabolomics, and related phenomena to animal production;

''(iv) improving reproductive efficiency; and

''(v) enhancing pre- and post-harvest food safety systems;

''(B) research on the interrelationship between animal and human health, such as—

''(i) exploring new approaches for vaccine development;

''(ii) understanding and controlling zoonoses, including the impact of zoonoses on food safety;

''(iii) improving animal health through feed; and

''(iv) enhancing product quality and nutritive value; and

''(C) research on stewardship, such as—

''(i) minimizing or reducing the flow of nutrients from animal production systems;

''(ii) improving sustainability and increasing efficiency of natural resource use; and

''(iii) better understanding animal production systems and the interactions between animals, plants, and human management.

''(3) ELIGIBLE ENTITIES.—The Secretary may carry out the Initiative through—

''(A) Federal agencies, including the Agricultural Research Service and the National Institute of Food and Agriculture;

''(B) National Laboratories;

''(C) institutions of higher education;

''(D) research institutions or organizations;

''(E) private organizations or corporations;

''(F) State agricultural experiment stations;

''(G) individuals; and

''(H) groups consisting of 2 or more entities or individuals described in subparagraphs (A) through (G).

''(4) RESEARCH PROJECT GRANTS.—

''(A) IN GENERAL.—In carrying out this subsection, the Secretary shall award grants on a competitive basis in accordance with subparagraphs (B) and (C).

''(B) PROCESS FOR AWARDING GRANTS.—The Secretary shall—

''(i) seek and accept proposals for grants;

''(ii) determine the relevance and merit of proposals through a system of peer review, in consultation with the animal agriculture industry; and

''(iii) award grants on the basis of merit, quality, and relevance.

''(C) PRIORITIES.—In making grants under this subsection, the Secretary shall give priority to projects that—

''(i) are multistate, multiinstitutional, and multidisciplinary; and

''(ii) include explicit mechanisms to communicate results to the animal agriculture industry and the public.

''(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $50,000,000 for each of fiscal years 2014 through 2018.'';

(7) in subsection (j) (as redesignated by paragraph (5)), by striking ''2012'' each place it appears and inserting ''2018''; and

(8) in subsection (k) (as redesignated by paragraph (5)), by striking ''2012'' and inserting ''2018''.

SEC. 7209. ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.

Section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting '', education,'' after ''support research'';

(B) in paragraph (1), by inserting ''and improvement'' after ''development'';

(C) in paragraph (2), by striking ''to producers and processors who use organic methods'' and inserting ''of organic agricultural production and methods to producers, processors, and rural communities'';

(D) in paragraph (5), by inserting ''and researching solutions to'' after ''identifying''; and

(E) in paragraph (6), by striking ''and marketing'' and inserting '', marketing, and food safety'';

(2) by striking subsection (e);

(3) by redesignating subsection (f) as subsection (e); and

(4) in paragraph (1) of subsection (e) (as so redesignated)—

(A) in the heading, by striking ''FOR FISCAL YEARS 2008 THROUGH 2012'';

(B) in subparagraph (A), by striking ''and'' at the end;

(C) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(C) $16,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7210. FARM BUSINESS MANAGEMENT.

Section 1672D(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925f(d)) is amended by striking ''such sums as are necessary to carry out this section.'' and inserting the following: ''to carry out this section—

''(1) such sums as are necessary for fiscal year 2013; and

''(2) $5,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7211. REGIONAL CENTERS OF EXCELLENCE.

Subtitle H of the Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 1672D (7 U.S.C. 5925) the following:

''SEC. 1673. REGIONAL CENTERS OF EXCELLENCE.

''(a) ESTABLISHMENT.—The Secretary may prioritize regional centers of excellence established for specific agricultural commodities for the receipt of funding.

''(b) COMPOSITION.—A regional center of excellence shall be composed of 1 or more colleges and universities (including land-grant institutions, schools of forestry, schools of veterinary medicine, or NLGCA Institutions (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103))) that provide financial support to the regional center of excellence.

''(c) CRITERIA FOR REGIONAL CENTERS OF EXCELLENCE.—The criteria for consideration to be a regional center of excellence shall include efforts—

''(1) to ensure coordination and cost-effectiveness by reducing unnecessarily duplicative efforts regarding research, teaching, and extension;

''(2) to leverage available resources by using public/private partnerships among agricultural industry groups, institutions of higher education, and the Federal Government;

''(3) to implement teaching initiatives to increase awareness and effectively disseminate solutions to target audiences through extension activities;

''(4) to increase the economic returns to rural communities by identifying, attracting, and directing funds to high-priority agricultural issues; and

''(5) to improve teaching capacity and infrastructure at colleges and universities (including land-grant institutions, schools of forestry, and schools of veterinary medicine, and NLGCA Institutions).

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7212. ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.

Section 1680(c)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933(c)(1)) is amended—

(1) by striking ''is'' and inserting ''are''; and

(2) by striking ''section'' and all that follows and inserting the following: ''section—

''(A) $6,000,000 for each of fiscal years 1999 through 2013; and

''(B) $5,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7213. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.

Section 2381(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is amended by striking ''2012'' and inserting ''2018''.

Subtitle C—Agricultural Research, Extension, and Education Reform Act of 1998

SEC. 7301. RELEVANCE AND MERIT OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION FUNDED BY THE DEPARTMENT.

Section 103(a)(2) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7613(a)(2)) is amended—

(1) by striking the paragraph designation and heading and inserting the following:

''(2) RELEVANCE AND MERIT REVIEW OF RESEARCH, EXTENSION, AND EDUCATION GRANTS.—'';

(2) in subparagraph (A)—

(A) by inserting ''relevance and'' before ''merit''; and

(B) by striking ''extension or education'' and inserting, ''research, extension, or education''; and

(3) in subparagraph (B) by inserting ''on a continuous basis'' after ''procedures''.

SEC. 7302. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.

Section 406(f) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626(f)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7303. SUPPORT FOR RESEARCH REGARDING DISEASES OF WHEAT, TRITICALE, AND BARLEY CAUSED BY FUSARIUM GRAMINEARUM OR BY TILLETIA INDICA.

Section 408(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7628(e)) is amended by striking ''such sums as may be necessary for each of fiscal years 1999 through 2012'' and inserting ''$10,000,000 for each of fiscal years 2014 through 2018''.

SEC. 7304. GRANTS FOR YOUTH ORGANIZATIONS.

Section 410(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7630(d)) is amended by striking ''section such sums as are necessary'' and all that follows and inserting the following: ''section—

''(1) such sums as are necessary for each of fiscal years 2008 through 2013; and

''(2) $3,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7305. SPECIALTY CROP RESEARCH INITIATIVE.

Section 412 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632) is amended—

(1) in subsection (b)(3), by inserting ''handling and processing,'' after ''production efficiency,'';

(2) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking ''and'' at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(iii) by inserting after subparagraph (C) the following:

''(D) consult with the specialty crops committee authorized under section 1408A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123a) during the peer and merit review process.''; and

(B) in paragraph (3), by striking ''non-Federal'' and all that follows through the end of the paragraph and inserting ''other sources in an amount that is at least equal to the amount provided by a grant received under this section.''; and

(3) in subsection (h), by striking paragraph (3) and inserting the following:

''(3) SUBSEQUENT FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

''(A) $25,000,000 for fiscal year 2014;

''(B) $30,000,000 for each of fiscal years 2015 and 2016;

''(C) $65,000,000 for fiscal year 2017; and

''(D) $50,000,000 for fiscal year 2018 and each fiscal year thereafter.''.

SEC. 7306. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.

Section 604(e) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7642(e)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7307. OFFICE OF PEST MANAGEMENT POLICY.

Section 614(f) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7653(f)) is amended—

(1) by striking ''such sums as are necessary''; and

(2) by striking ''section'' and all that follows and inserting the following: ''section—

''(1) such sums as are necessary for each of fiscal years 1999 through 2013; and

''(2) $3,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7308. AUTHORIZATION OF REGIONAL INTEGRATED PEST MANAGEMENT CENTERS.

Subtitle B of title VI of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7651 et seq.) is amended by adding at the end the following:

''SEC. 621. AUTHORIZATION OF REGIONAL INTEGRATED PEST MANAGEMENT CENTERS.

''(a) IN GENERAL.—There are established 4 regional integrated pest management centers (referred to in this section as the 'Centers'), which shall be located at such specific locations in the north central, northeastern, southern, and western regions of the United States as the Secretary shall specify.

''(b) PURPOSES.—The purposes of the Centers shall be—

''(1) to strengthen the connection of the Department with production agriculture, research, and extension programs, and agricultural stakeholders throughout the United States;

''(2) to increase the effectiveness of providing pest management solutions for the private and public sectors;

''(3) to quickly respond to information needs of the public and private sectors; and

''(4) to improve communication among the relevant stakeholders.

''(c) DUTIES.—In meeting the purposes described in subsection (b) and otherwise carrying out this section, the Centers shall—

''(1) develop regional strategies to address pest management needs;

''(2) assist the Department and partner institutions of the Department in identifying, prioritizing, and coordinating a national pest management research, extension, and education program implemented on a regional basis;

''(3) establish a national pest management communication network that includes—

''(A) the agencies of the Department and other government agencies;

''(B) scientists at institutions of higher education; and

''(C) stakeholders focusing on pest management issues;

''(4) serve as regional hubs responsible for ensuring efficient access to pest management expertise and data available through institutions of higher education; and

''(5) on behalf of the Department, manage grants that can be most effectively and efficiently delivered at the regional level, as determined by the Secretary.''.

Subtitle D—Other Laws

SEC. 7401. CRITICAL AGRICULTURAL MATERIALS ACT.

Section 16(a) of the Critical Agricultural Materials Act (7 U.S.C. 178n(a)) is amended—

(1) by striking ''such sums as are necessary''; and

(2) by striking ''Act'' and all that follows and inserting the following: ''Act—

''(1) such sums as are necessary for each of fiscal years 1991 through 2013; and

''(2) $2,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7402. EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.

(a) DEFINITION OF 1994 INSTITUTIONS.—Section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended to read as follows:

''SEC. 532. DEFINITION OF 1994 INSTITUTIONS.

''In this part, the term '1994 Institutions' means any 1 of the following:

''(1) Aaniiih Nakoda College.

''(2) Bay Mills Community College.

''(3) Blackfeet Community College.

''(4) Cankdeska Cikana Community College.

''(5) Chief Dull Knife Memorial College.

''(6) College of Menominee Nation.

''(7) College of the Muscogee Nation.

''(8) D–Q University.

''(9) Dine College.

''(10) Fond du Lac Tribal and Community College.

''(11) Fort Berthold Community College.

''(12) Fort Peck Community College.

''(13) Haskell Indian Nations University.

''(14) Ilisagvik College.

''(15) Institute of American Indian and Alaska Native Culture and Arts Development.

''(16) Keweenaw Bay Ojibwa Community College.

''(17) Lac Courte Oreilles Ojibwa Community College.

''(18) Leech Lake Tribal College.

''(19) Little Big Horn College.

''(20) Little Priest Tribal College.

''(21) Navajo Technical College.

''(22) Nebraska Indian Community College.

''(23) Northwest Indian College.

''(24) Oglala Lakota College.

''(25) Saginaw Chippewa Tribal College.

''(26) Salish Kootenai College.

''(27) Sinte Gleska University.

''(28) Sisseton Wahpeton College.

''(29) Sitting Bull College.

''(30) Southwestern Indian Polytechnic Institute.

''(31) Stone Child College.

''(32) Tohono O'odham Community College.

''(33) Turtle Mountain Community College.

''(34) United Tribes Technical College.

''(35) White Earth Tribal and Community College.''.

(b) ENDOWMENT FOR 1994 INSTITUTIONS.—

(1) IN GENERAL.—Section 533 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended—

(A) in subsection (a)(2)(A)(ii), by striking ''of such Act as added by section 534(b)(1) of this part'' and inserting ''of that Act (7 U.S.C. 343(b)(3)) and for programs for children, youth, and families at risk and for Federally recognized tribes implemented under section 3(d) of that Act (7 U.S.C. 343(d))''; and

(B) in subsection (b), in the first sentence by striking ''2012'' and inserting ''2018''.

(2) CONFORMING AMENDMENT.—Section 3(d) of the Smith-Lever Act (7 U.S.C. 343(d)) is amended in the second sentence by inserting ''and, in the case of programs for children, youth, and families at risk and for Federally recognized tribes, the 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382)),'' before ''may compete for''.

(c) INSTITUTIONAL CAPACITY BUILDING GRANTS.—Section 535 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking ''2012'' each place it appears in subsections (b)(1) and (c) and inserting ''2018''.

(d) RESEARCH GRANTS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Section 536(c) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended in the first sentence by striking ''2012'' and inserting ''2018''.

(2) RESEARCH GRANT REQUIREMENTS.—Section 536(b) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382) is amended by striking ''with at least 1 other land-grant college or university'' and all that follows and inserting the following: ''with—

''(1) the Agricultural Research Service of the Department of Agriculture; or

''(2) at least 1—

''(A) other land-grant college or university (exclusive of another 1994 Institution);

''(B) non-land-grant college of agriculture (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); or

''(C) cooperating forestry school (as defined in that section).''.

(e) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (d)(2) take effect on October 1, 2013.

SEC. 7403. RESEARCH FACILITIES ACT.

Section 6(a) of the Research Facilities Act (7 U.S.C. 390d(a)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7404. COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANT ACT.

Section 2 of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) is amended—

(1) in subsection (b)(11)(A)—

(A) in the matter preceding clause (i), by striking ''2012'' and inserting ''2018''; and

(B) in clause (i), by striking ''integrated research'' and all that follows through ''; and'' and inserting ''integrated research, extension, and education activities; and''; and

(2) by adding at the end the following:

''(l) STREAMLINING GRANT APPLICATION PROCESS.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall submit to Congress a report that includes—

''(1) an analysis of barriers that exist in the competitive grants process administered by the National Institute of Food and Agriculture that prevent eligible institutions and organizations with limited institutional capacity from successfully applying and competing for competitive grants; and

''(2) specific recommendations for future steps that the Department can take to streamline the competitive grants application process so as to remove the barriers and increase the success rates of applicants described in paragraph (1).''.

SEC. 7405. ENHANCED USE LEASE AUTHORITY PILOT PROGRAM UNDER DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1994.

Section 308(b)(6) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 3125a note; Public Law 103–354) is amended by striking subparagraph (A) and inserting the following:

''(A) on September 30, 2018; or''.

SEC. 7406. RENEWABLE RESOURCES EXTENSION ACT OF 1978.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 6 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1675) is amended in the first sentence by striking ''2012'' and inserting ''2018''.

(b) TERMINATION DATE.—Section 8 of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 note; Public Law 95–306) is amended by striking ''2012'' and inserting ''2018''.

SEC. 7407. NATIONAL AQUACULTURE ACT OF 1980.

Section 10 of the National Aquaculture Act of 1980 (16 U.S.C. 2809) is amended by striking ''2012'' each place it appears and inserting ''2018''.

SEC. 7408. BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM UNDER FARM SECURITY AND RURAL INVESTMENT ACT OF 2002.

Section 7405 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f) is amended—

(1) in subsection (c)(8)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) beginning farmers and ranchers who are veterans (as defined in section 101 of title 38, United States Code).''; and

(2) by redesignating subsection (h) as subsection (i);

(3) by inserting after subsection (g) the following:

''(h) STATE GRANTS.—

''(1) DEFINITION OF ELIGIBLE ENTITY.—In this subsection, the term 'eligible entity' means—

''(A) an agency of a State or political subdivision of a State;

''(B) a national, State, or regional organization of agricultural producers; and

''(C) any other entity determined appropriate by the Secretary.

''(2) GRANTS.—The Secretary shall use such sums as are necessary of funds made available to carry out this section for each fiscal year under subsection (i) to make grants to States, on a competitive basis, which States shall use the grants to make grants to eligible entities to establish and improve farm safety programs at the local level.''; and

(4) in subsection (i) (as redesignated by paragraph (2))—

(A) in paragraph (1)—

(i) in the heading, by striking ''FOR FISCAL YEARS 2009 THROUGH 2012'';

(ii) in subparagraph (A), by striking ''and'' at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(C) $17,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.'';

(B) in paragraph (2)—

(i) in the heading, by striking ''FOR FISCAL YEARS 2009 THROUGH 2012''; and

(ii) striking ''2012'' and inserting ''2018''; and

(C) by striking paragraph (3).

Subtitle E—Food, Conservation, and Energy Act of 2008

PART I—AGRICULTURAL SECURITY

SEC. 7501. AGRICULTURAL BIOSECURITY COMMUNICATION CENTER.

Section 14112 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8912) is amended by striking subsection (c) and inserting the following:

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

''(1) such sums as are necessary for each of fiscal years 2008 through 2013; and

''(2) $2,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7502. ASSISTANCE TO BUILD LOCAL CAPACITY IN AGRICULTURAL BIOSECURITY PLANNING, PREPARATION, AND RESPONSE.

Section 14113 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8913) is amended—

(1) in subsection (a)(2)—

(A) by striking ''such sums as may be necessary''; and

(B) by striking ''subsection'' and all that follows and inserting the following: ''subsection—

''(1) such sums as are necessary for each of fiscal years 2008 through 2013; and

''(2) $15,000,000 for each of fiscal years 2014 through 2018.''; and

(2) in subsection (b)(2), by striking ''is authorized to be appropriated to carry out this subsection'' and all that follows and inserting the following: ''are authorized to be appropriated to carry out this subsection—

''(1) $25,000,000 for each of fiscal years 2008 through 2013; and

''(2) $15,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7503. RESEARCH AND DEVELOPMENT OF AGRICULTURAL COUNTERMEASURES.

Section 14121(b) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8921(b)) is amended by striking ''is authorized to be appropriated to carry out this section'' and all that follows and inserting the following: ''are authorized to be appropriated to carry out this section—

''(1) $50,000,000 for each of fiscal years 2008 through 2013; and

''(2) $15,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7504. AGRICULTURAL BIOSECURITY GRANT PROGRAM.

Section 14122(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8922(e)) is amended—

(1) by striking ''such sums as are necessary''; and

(2) by striking ''section'' and all that follows and inserting the following: ''section—

''(1) such sums as are necessary for each of fiscal years 2008 through 2013, to remain available until expended; and

''(2) $5,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.''.

PART II—MISCELLANEOUS

SEC. 7511. GRAZINGLANDS RESEARCH LABORATORY.

Section 7502 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 112 Stat. 2019) is amended by striking ''for the 5-year period beginning on the date of enactment of this Act'' and inserting ''until September 30, 2018''.

SEC. 7512. BUDGET SUBMISSION AND FUNDING.

Section 7506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7614c) is amended—

(1) in subsection (a)—

(A) by striking ''(a) DEFINITION OF COMPETITIVE PROGRAMS.—In this section, the term''; and inserting the following:

''(a) DEFINITIONS.—In this section:

''(1) COMPETITIVE PROGRAMS.—The term''; and

(B) by adding at the end the following:

''(2) COVERED PROGRAM.—The term 'covered program' means—

''(A) each research program carried out by the Agricultural Research Service or the Economic Research Service for which annual appropriations are requested in the annual budget submission of the President; and

''(B) each competitive program (as defined in section 251(f)(1) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971(f)(1))) carried out by the National Institute of Food and Agriculture for which annual appropriations are requested in the annual budget submission of the President.

''(3) REQUEST FOR AWARDS.—The term 'request for awards' means a funding announcement published by the National Institute of Food and Agriculture that provides detailed information on funding opportunities at the Institute, including the purpose, eligibility, restriction, focus areas, evaluation criteria, regulatory information, and instructions on how to apply for such opportunities.''; and

(2) by adding at the end the following:

''(e) ADDITIONAL PRESIDENTIAL BUDGET SUBMISSION REQUIREMENT.—

''(1) IN GENERAL.—Each year, the President shall submit to Congress, together with the annual budget submission of the President, the information described in paragraph (2) for each funding request for a covered program.

''(2) INFORMATION DESCRIBED.—The information described in this paragraph includes—

''(A) baseline information, including with respect to each covered program—

''(i) the funding level for the program for the fiscal year preceding the year the annual

budget submission of the President is submitted;

''(ii) the funding level requested in the annual budget submission of the President, including any increase or decrease in the funding level; and

''(iii) an explanation justifying any change from the funding level specified in clause (i) to the level specified in clause (ii);

''(B) with respect to each covered program that is carried out by the Economic Research Service or the Agricultural Research Service, the location and staff years of the program;

''(C) the proposed funding levels to be allocated to, and the expected publication date, scope, and allocation level for, each request for awards to be published under—

''(i) each priority area specified in section 2(b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(2));

''(ii) each research and extension project carried out under section 1621(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5811(a));

''(iii) each grant awarded under section 1672B(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b(a));

''(iv) each grant awarded under section 412(b) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(b)); and

''(v) each grant awarded under 7405(c)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f(c)(1)); or

''(D) any other information the Secretary determines will increase congressional oversight with respect to covered programs.

''(f) REPORT OF THE SECRETARY OF AGRICULTURE.—Each year on a date that is not later than the date on which the President submits the annual budget submission, the Secretary shall submit to Congress a report containing a description of the agricultural research, extension, and education activities carried out by the Federal Government during the fiscal year that immediately precedes the year for which the report is submitted, including—

''(1) a review of the extent to which those activities—

''(A) are duplicative or overlap within the Department of Agriculture; or

''(B) are similar to activities carried out by—

''(i) other Federal agencies;

''(ii) the States (including the District of Columbia, the Commonwealth of Puerto Rico, and other territories or possessions of the United States);

''(iii) institutions of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)); or

''(iv) the private sector; and

''(2) for each report submitted under this section on or after January 1, 2014, a 5-year projection of national priorities with respect to agricultural research, extension, and education, taking into account both domestic and international needs.''.

SEC. 7513. NATURAL PRODUCTS RESEARCH PROGRAM.

Section 7525 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 5937) is amended by striking subsection (e) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 7514. SUN GRANT PROGRAM.

(a) IN GENERAL.—Section 7526 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114) is amended—

(1) in subsection (a)(4)(B), by striking ''the Department of Energy'' and inserting ''other appropriate Federal agencies (as determined by the Secretary)'';

(2) in subsection (b)(1)—

(A) in subparagraph (A), by striking ''at South Dakota State University'';

(B) in subparagraph (B), by striking ''at the University of Tennessee at Knoxville'';

(C) in subparagraph (C), by striking ''at Oklahoma State University'';

(D) in subparagraph (D), by striking ''at Oregon State University'';

(E) in subparagraph (E), by striking ''at Cornell University''; and

(F) in subparagraph (F), by striking ''at the University of Hawaii'';

(3) in subsection (c)(1)—

(A) in subparagraph (B), by striking ''multistate'' and all that follows through ''technology implementation'' and inserting ''integrated, multistate research, extension, and education programs on technology development and technology implementation'';

(B) by striking subparagraph (C); and

(C) by redesignating subparagraph (D) as subparagraph (C);

(4) in subsection (d)—

(A) in paragraph (1)—

(i) by striking ''gasification'' and inserting ''bioproducts''; and

(ii) by striking ''the Department of Energy'' and inserting ''other appropriate Federal agencies'';

(B) by striking paragraph (2);

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

(D) in paragraph (1), by striking ''in accordance with paragraph (2)''; and

(5) in subsection (g), by striking ''2012'' and inserting ''2018''.

(b) CONFORMING AMENDMENTS.—Section 7526(f) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8114(f)) is amended—

(1) in paragraph (1), by striking ''subsection (c)(1)(D)(i)'' and inserting ''subsection (c)(1)(C)(i)''; and

(2) in paragraph (2), by striking ''subsection (d)(1)'' and inserting ''subsection (d)''.

Subtitle F—Miscellaneous

SEC. 7601. FOUNDATION FOR FOOD AND AGRICULTURE RESEARCH.

(a) DEFINITIONS.—In this section:

(1) BOARD.—The term ''Board'' means the Board of Directors described in subsection (e).

(2) DEPARTMENT.—The term ''Department'' means the Department of Agriculture.

(3) FOUNDATION.—The term ''Foundation'' means the Foundation for Food and Agriculture Research established under subsection (b).

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a nonprofit corporation to be known as the ''Foundation for Food and Agriculture Research''.

(2) STATUS.—The Foundation shall not be an agency or instrumentality of the United States Government.

(c) PURPOSES.—The purposes of the Foundation shall be—

(1) to advance the research mission of the Department by supporting agricultural research activities focused on addressing key problems of national and international significance including—

(A) plant health, production, and plant products;

(B) animal health, production, and products;

(C) food safety, nutrition, and health;

(D) renewable energy, natural resources, and the environment;

(E) agricultural and food security;

(F) agriculture systems and technology; and

(G) agriculture economics and rural communities; and

(2) to foster collaboration with agricultural researchers from the Federal Government, institutions of higher education, industry, and nonprofit organizations.

(d) DUTIES.—

(1) IN GENERAL.—The Foundation shall—

(A) award grants to, or enter into contracts, memoranda of understanding, or cooperative agreements with, scientists and entities, which may include agricultural research agencies in the Department, university consortia, public-private partnerships, institutions of higher education, nonprofit organizations, and industry, to efficiently and effectively advance the goals and priorities of the Foundation;

(B) in consultation with the Secretary—

(i) identify existing and proposed Federal intramural and extramural research and development programs relating to the purposes of the Foundation described in subsection (c); and

(ii) coordinate Foundation activities with those programs so as to minimize duplication of existing efforts;

(C) identify unmet and emerging agricultural research needs after reviewing the Roadmap for Agricultural Research, Education and Extension as required by section 7504 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7614a);

(D) facilitate technology transfer and release of information and data gathered from the activities of the Foundation to the agricultural research community;

(E) promote and encourage the development of the next generation of agricultural research scientists; and

(F) carry out such other activities as the Board determines to be consistent with the purposes of the Foundation.

(2) AUTHORITY.—Subject to paragraph (3), the Foundation shall be the sole entity responsible for carrying out the duties enumerated in this subsection.

(3) RELATIONSHIP TO OTHER ACTIVITIES.—The activities described in paragraph (1) shall be supplemental to any other activities at the Department and shall not preempt any authority or responsibility of the Department under another provision of law.

(e) BOARD OF DIRECTORS.—

(1) ESTABLISHMENT.—The Foundation shall be governed by a Board of Directors.

(2) COMPOSITION.—

(A) IN GENERAL.—The Board shall be composed of appointed and ex-officio, nonvoting members.

(B) EX-OFFICIO MEMBERS.—The ex-officio members of the Board shall be the following individuals or designees:

(i) The Secretary.

(ii) The Under Secretary of Agriculture for Research, Education, and Economics.

(iii) The Administrator of the Agricultural Research Service.

(iv) The Director of the National Institute of Food and Agriculture.

(v) The Director of the National Science Foundation.

(C) APPOINTED MEMBERS.—

(i) IN GENERAL.—The ex-officio members of the Board under subparagraph (B) shall, by majority vote, appoint to the Board 15 individuals, of whom—

(I) 8 shall be selected from a list of candidates to be provided by the National Academy of Sciences; and

(II) 7 shall be selected from lists of candidates provided by industry.

(ii) REQUIREMENTS.—

(I) EXPERTISE.—The ex-officio members shall ensure that a majority of the members

of the Board have actual experience in agricultural research and, to the extent practicable, represent diverse sectors of agriculture.

(II) LIMITATION.—No employee of the Federal Government may serve as an appointed member of the Board under this subparagraph.

(III) NOT FEDERAL EMPLOYMENT.—Appointment to the Board under this subparagraph shall not constitute Federal employment.

(iii) AUTHORITY.—All appointed members of the Board shall be voting members.

(D) CHAIR.—The Board shall, from among the members of the Board, designate an individual to serve as Chair of the Board.

(3) INITIAL MEETING.—Not later than 60 days after the date of enactment of this Act, the Secretary shall convene a meeting of the ex-officio members of the Board—

(A) to incorporate the Foundation; and

(B) to appoint the members of the Board in accordance with paragraph (2)(C)(i).

(4) DUTIES.—

(A) IN GENERAL.—The Board shall—

(i) establish bylaws for the Foundation that, at a minimum, include—

(I) policies for the selection of future Board members, officers, employees, agents, and contractors of the Foundation;

(II) policies, including ethical standards, for—

(aa) the acceptance, solicitation, and disposition of donations and grants to the Foundation; and

(bb) the disposition of assets of the Foundation, including appropriate limits on the ability of donors to designate, by stipulation or restriction, the use or recipient of donated funds;

(III) policies that would subject all employees, fellows, trainees, and other agents of the Foundation (including members of the Board) to the conflict of interest standards under section 208 of title 18, United States Code;

(IV) policies for writing, editing, printing, publishing, and vending of books and other materials;

(V) policies for the conduct of the general operations of the Foundation, including a cap on administrative expenses for recipients of a grant, contract, or cooperative agreement from the Foundation; and

(VI) specific duties for the Executive Director;

(ii) prioritize and provide overall direction for the activities of the Foundation;

(iii) evaluate the performance of the Executive Director; and

(iv) carry out any other necessary activities regarding the Foundation.

(B) ESTABLISHMENT OF BYLAWS.—In establishing bylaws under subparagraph (A)(i), the Board shall ensure that the bylaws do not—

(i) reflect unfavorably on the ability of the Foundation to carry out the duties of the Foundation in a fair and objective manner; or

(ii) compromise, or appear to compromise, the integrity of any governmental agency or program, or any officer or employee employed by or involved in a governmental agency or program.

(5) TERMS AND VACANCIES.—

(A) TERMS.—

(i) IN GENERAL.—The term of each member of the Board appointed under paragraph (2)(C) shall be 5 years.

(ii) PARTIAL TERMS.—If a member of the Board does not serve the full term applicable under clause (i), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(iii) TRANSITION.—A member of the Board may continue to serve after the expiration of the term of the member until a successor is appointed.

(B) VACANCIES.—Any vacancy in the membership of the Board shall be filled in the manner in which the original position was made and shall not affect the power of the remaining members to execute the duties of the Board.

(6) COMPENSATION.—Members of the Board may not receive compensation for service on the Board but may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Board.

(7) MEETINGS AND QUORUM.—A majority of the members of the Board shall constitute a quorum for purposes of conducting business of the Board.

(f) ADMINISTRATION.—

(1) EXECUTIVE DIRECTOR.—

(A) IN GENERAL.—The Board shall hire an Executive Director who shall carry out such duties and responsibilities as the Board may prescribe.

(B) SERVICE.—The Executive Director shall serve at the pleasure of the Board.

(2) ADMINISTRATIVE POWERS.—

(A) IN GENERAL.—In carrying out this section, the Board, acting through the Executive Director, may—

(i) adopt, alter, and use a corporate seal, which shall be judicially noticed;

(ii) hire, promote, compensate, and discharge 1 or more officers, employees, and agents, as may be necessary, and define the duties of the officers, employees, and agents;

(iii) solicit and accept any funds, gifts, grants, devises, or bequests of real or personal property made to the Foundation, including such support from private entities;

(iv) prescribe the manner in which—

(I) real or personal property of the Foundation is acquired, held, and transferred;

(II) general operations of the Foundation are to be conducted; and

(III) the privileges granted to the Board by law are exercised and enjoyed;

(v) with the consent of the applicable executive department or independent agency, use the information, services, and facilities of the department or agency in carrying out this section;

(vi) enter into contracts with public and private organizations for the writing, editing, printing, and publishing of books and other material;

(vii) hold, administer, invest, and spend any gift, devise, or bequest of real or personal property made to the Foundation;

(viii) enter into such contracts, leases, cooperative agreements, and other transactions as the Board considers appropriate to conduct the activities of the Foundation;

(ix) modify or consent to the modification of any contract or agreement to which the Foundation is a party or in which the Foundation has an interest;

(x) take such action as may be necessary to obtain patents and licenses for devices and procedures developed by the Foundation and employees of the Foundation;

(xi) sue and be sued in the corporate name of the Foundation, and complain and defend in courts of competent jurisdiction;

(xii) appoint other groups of advisors as may be determined necessary to carry out the functions of the Foundation; and

(xiii) exercise such other incidental powers as are necessary to carry out the duties and functions of the Foundation in accordance with this section.

(B) LIMITATION.—No appointed member of the Board or officer or employee of the Foundation or of any program established by the Foundation (other than ex-officio members of the Board) shall exercise administrative control over any Federal employee.

(3) RECORDS.—

(A) AUDITS.—The Foundation shall—

(i) provide for annual audits of the financial condition of the Foundation; and

(ii) make the audits, and all other records, documents, and other papers of the Foundation, available to the Secretary and the Comptroller General of the United States for examination or audit.

(B) REPORTS.—

(i) ANNUAL REPORT ON FOUNDATION.—

(I) IN GENERAL.—Not later than 5 months following the end of each fiscal year, the Foundation shall publish a report for the preceding fiscal year that includes—

(aa) a description of Foundation activities, including accomplishments; and

(bb) a comprehensive statement of the operations and financial condition of the Foundation.

(II) FINANCIAL CONDITION.—Each report under subclause (I) shall include a description of all gifts or grants to the Foundation of real or personal property or money, which shall include—

(aa) the source of the gifts or grants; and

(bb) any restrictions on the purposes for which the gift or grant may be used.

(III) AVAILABILITY.—The Foundation shall—

(aa) make copies of each report submitted under subclause (I) available for public inspection; and

(bb) on request, provide a copy of the report to any individual.

(IV) PUBLIC MEETING.—The Board shall hold an annual public meeting to summarize the activities of the Foundation.

(ii) GRANT REPORTING.—Any recipient of a grant under subsection (d)(1)(A) shall provide the Foundation with a report at the conclusion of any research or studies conducted the describes the results of the research or studies, including any data generated.

(4) INTEGRITY.—

(A) IN GENERAL.—To ensure integrity in the operations of the Foundation, the Board shall develop and enforce procedures relating to standards of conduct, financial disclosure statements, conflict of interest (including recusal and waiver rules), audits, and any other matters determined appropriate by the Board.

(B) FINANCIAL CONFLICTS OF INTEREST.—Any individual who is an officer, employee, or member of the Board is prohibited from any participation in deliberations by the Foundation of a matter that would directly or predictably affect any financial interest of—

(i) the individual;

(ii) a relative (as defined in section 109 of the Ethics in Government Act of 1978 (5 U.S.C. App.)) of that individual; or

(iii) a business organization or other entity in which the individual has an interest, including an organization or other entity with which the individual is negotiating employment.

(5) INTELLECTUAL PROPERTY.—The Board shall adopt written standards to govern ownership of any intellectual property rights derived from the collaborative efforts of the Foundation.

(6) LIABILITY.—The United States shall not be liable for any debts, defaults, acts, or omissions of the Foundation nor shall the full faith and credit of the United States extend to any obligations of the Foundation.

(g) FUNDS.—

(1) MANDATORY FUNDING.—

(A) IN GENERAL.—On October 1, 2013, of the funds of the Commodity Credit Corporation, the Secretary shall transfer to the Foundation to carry out this section $200,000,000, to remain available until expended under the conditions described in subparagraph (B).

(B) CONDITIONS ON EXPENDITURE.—The Foundation may use the funds made available under subparagraph (A) to carry out the purposes of the Foundation only to the extent that the Foundation secures an equal amount of non-Federal matching funds for each expenditure.

(C) PROHIBITION ON CONSTRUCTION.—None of the funds made available under subparagraph (A) may be used for construction.

(2) SEPARATION OF FUNDS.—The Executive Director shall ensure that any funds received under paragraph (1) are held in separate accounts from funds received from nongovernmental entities as described in subsection (f)(2)(A)(iii).

SEC. 7602. AGRICULTURAL AND FOOD LAW RESEARCH, LEGAL TOOLS, AND INFORMATION.

(a) FINDINGS.—Congress finds that—

(1) the farms, ranches, and forests of the United States are impacted by a complex and rapidly evolving web of competition and international, Federal, State, and local laws (including regulations);

(2) objective, scholarly, and authoritative agricultural and food law research, legal tools, and information helps the farm, ranch, and forestry community contribute to the strength of the United States through improved conservation, environmental protection, job creation, economic development, renewable energy production, outdoor recreational opportunities, and increased and diversified local and regional supplies of food, fiber, and fuel; and

(3) the vast agricultural community of the United States, including farmers, ranchers, foresters, attorneys, policymakers, and extension personnel, need access to agricultural and food law research and information provided by an objective, scholarly, and neutral source.

(b) PARTNERSHIPS.—The Secretary, acting through the National Agricultural Library, shall support the dissemination of objective, scholarly, and authoritative agricultural and food law research, legal tools, and information by entering into cooperative agreements with institutions of higher education that on the date of enactment of this Act are carrying out objective programs for research, legal tools, and information in agricultural and food law.

(c) AUTHORIZATION OF APPROPRIATIONS.—For each fiscal year, the Secretary may use not more than $5,000,000 of the amounts made available to the National Agricultural Library to carry out this section.

TITLE VIII—FORESTRY

Subtitle A—Repeal of Certain Forestry Programs

SEC. 8001. FOREST LAND ENHANCEMENT PROGRAM.

(a) REPEAL.—Section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103) is repealed.

(b) CONFORMING AMENDMENT.—Section 8002 of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 16 U.S.C. 2103 note) is amended by striking subsection (a).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2013.

SEC. 8002. HISPANIC-SERVING INSTITUTION AGRICULTURAL LAND NATIONAL RESOURCES LEADERSHIP PROGRAM.

(a) REPEAL.—Section 8402 of the Food, Conservation, and Energy Act of 2008 (16 U.S.C. 1649a) is repealed.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

SEC. 8003. TRIBAL WATERSHED FORESTRY ASSISTANCE PROGRAM.

(a) REPEAL.—Section 303 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6542) is repealed.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 2013.

Subtitle B—Reauthorization of Cooperative Forestry Assistance Act of 1978 Programs

SEC. 8101. STATE-WIDE ASSESSMENT AND STRATEGIES FOR FOREST RESOURCES.

Section 2A(f)(1) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101a(f)(1)) is amended by striking ''2012'' and inserting ''2018''.

Subtitle C—Reauthorization of Other Forestry-Related Laws

SEC. 8201. RURAL REVITALIZATION TECHNOLOGIES.

Section 2371(d)(2) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6601(d)(2)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 8202. OFFICE OF INTERNATIONAL FORESTRY.

Section 2405(d) of the Global Climate Change Prevention Act of 1990 (7 U.S.C. 6704(d)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 8203. INSECT AND DISEASE INFESTATION.

Title VI of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591 et seq.) is amended by adding at the end the following:

''SEC. 602. DESIGNATION OF TREATMENT AREAS.

''(a) DEFINITION OF DECLINING FOREST HEALTH.—In this section, the term 'declining forest health' means a forest that is experiencing—

''(1) substantially increased tree mortality due to insect or disease infestation; or

''(2) dieback due to infestation or defoliation by insects or disease.

''(b) DESIGNATION OF TREATMENT AREAS.—

''(1) INITIAL AREAS.—Not later than 60 days after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, the Secretary shall, if requested by the Governor of the State, designate as part of an insect and disease treatment program 1 or more subwatersheds (sixth-level hydrologic units, according to the System of Hydrologic Unit Codes of the United States Geological Survey) in at least 1 national forest in each State that is experiencing an insect or disease epidemic.

''(2) ADDITIONAL AREAS.—After the end of the 60-day period described in paragraph (1), the Secretary may designate additional subwatersheds under this section as needed to address insect or disease threats.

''(c) REQUIREMENTS.—To be designated a subwatershed under subsection (b), the subwatershed shall be—

''(1) experiencing declining forest health, based on annual forest health surveys conducted by the Secretary;

''(2) at risk of experiencing substantially increased tree mortality over the next 15 years due to insect or disease infestation, based on the most recent National Insect and Disease Risk Map published by the Forest Service; or

''(3) in an area in which the risk of hazard trees poses an imminent risk to public infrastructure, health, or safety.

''(d) TREATMENT OF AREAS.—

''(1) IN GENERAL.—The Secretary may carry out priority projects on Federal land in the subwatersheds designated under subsection (b) to reduce the risk or extent of, or increase the resilience to, insect or disease infestation in the subwatersheds.

''(2) AUTHORITY.—Any project under paragraph (1) for which a public notice to initiate scoping is issued on or before September 30, 2018, may be carried out in accordance with subsections (b), (c), and (d) of section 102, and sections 104, 105, and 106.

''(3) EFFECT.—Projects carried out under this subsection shall be considered authorized hazardous fuel reduction projects for purposes of the authorities described in paragraph (2).

''(4) REPORT.—Not later than September 30, 2018, the Secretary shall issue a report on actions taken to carry out this subsection, including—

''(A) an evaluation of the progress towards project goals; and

''(B) recommendations for modifications to the projects and management treatments.

''(e) TREE RETENTION.—The Secretary shall carry out projects under subsection (d) in a manner that maximizes the retention of old-growth and large trees, as appropriate for the forest type, to the extent that the trees promote stands that are resilient to insects and disease.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 8204. STEWARDSHIP END RESULT CONTRACTING PROJECTS.

(a) IN GENERAL.—Title VI of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6591) (as amended by section 8203) is amended by adding at the end the following:

''SEC. 603. STEWARDSHIP END RESULT CONTRACTING PROJECTS.

''(a) DEFINITIONS.—In this section:

''(1) CHIEF.—The term 'Chief' means the Chief of the Forest Service.

''(2) DIRECTOR.—The term 'Director' means the Director of the Bureau of Land Management.

''(b) PROJECTS.—The Chief and the Director, via agreement or contract as appropriate, may enter into stewardship contracting projects with private persons or other public or private entities to perform services to achieve land management goals for the national forests and the public lands that meet local and rural community needs.

''(c) LAND MANAGEMENT GOALS.—The land management goals of a project under subsection (b) may include—

''(1) road and trail maintenance or obliteration to restore or maintain water quality;

''(2) soil productivity, habitat for wildlife and fisheries, or other resource values;

''(3) setting of prescribed fires to improve the composition, structure, condition, and health of stands or to improve wildlife habitat;

''(4) removing vegetation or other activities to promote healthy forest stands, reduce fire hazards, or achieve other land management objectives;

''(5) watershed restoration and maintenance;

''(6) restoration and maintenance of wildlife and fish; or

''(7) control of noxious and exotic weeds and reestablishing native plant species.

''(d) AGREEMENTS OR CONTRACTS.—

''(1) PROCUREMENT PROCEDURE.—A source for performance of an agreement or contract under subsection (b) shall be selected on a best-value basis, including consideration of source under other public and private agreements or contracts.

''(2) CONTRACT FOR SALE OF PROPERTY.—A contract entered into under this section may, at the discretion of the Secretary of Agriculture, be considered a contract for the sale of property under such terms as the Secretary may prescribe without regard to any other provision of law.

''(3) TERM.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Chief and the Director may enter into a contract under subsection (b) in accordance with section 3903 of title 41, United States Code.

''(B) MAXIMUM.—The period of the contract under subsection (b) may exceed 5 years but may not exceed 10 years.

''(4) OFFSETS.—

''(A) IN GENERAL.—The Chief and the Director may apply the value of timber or other forest products removed as an offset against the cost of services received under the agreement or contract described in subsection (b).

''(B) METHODS OF APPRAISAL.—The value of timber or other forest products used as an offset under subparagraph (A)—

''(i) shall be determined using appropriate methods of appraisal commensurate with the quantity of products to be removed; and

''(ii) may—

''(I) be determined using a unit of measure appropriate to the contracts; and

''(II) may include valuing products on a per-acre basis.

''(5) RELATION TO OTHER LAWS.—Notwithstanding subsections (d) and (g) of section 14 of the National Forest Management Act of 1976 (16 U.S.C. 472a), the Chief may enter into an agreement or contract under subsection (b).

''(6) CONTRACTING OFFICER.—Notwithstanding any other provision of law, the Secretary or the Secretary of the Interior may determine the appropriate contracting officer to enter into and administer an agreement or contract under subsection (b).

''(e) RECEIPTS.—

''(1) IN GENERAL.—The Chief and the Director may collect monies from an agreement or contract under subsection (b) if the collection is a secondary objective of negotiating the contract that will best achieve the purposes of this section.

''(2) USE.—Monies from an agreement or contract under subsection (b)—

''(A) may be retained by the Chief and the Director; and

''(B) shall be available for expenditure without further appropriation at the project site from which the monies are collected or at another project site.

''(3) RELATION TO OTHER LAWS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, the value of services received by the Chief or the Director under a stewardship contract project conducted under this section, and any payments made or resources provided by the contractor, Chief, or Director shall not be considered monies received from the National Forest System or the public lands.

''(B) KNUTSON-VANDERBERG ACT.—The Act of June 9, 1930 (commonly known as the 'Knutson-Vanderberg Act') (16 U.S.C. 576 et seq.) shall not apply to any agreement or contract under subsection (b).

''(f) COSTS OF REMOVAL.—Notwithstanding the fact that a contractor did not harvest the timber, the Chief may collect deposits from a contractor covering the costs of removal of timber or other forest products under—

''(1) the Act of August 11, 1916 (16 U.S.C. 490); and

''(2) the Act of June 30, 1914 (16 U.S.C. 498).

''(g) PERFORMANCE AND PAYMENT GUARANTEES.—

''(1) IN GENERAL.—The Chief and the Director may require performance and payment bonds under sections 28.103–2 and 28.103–3 of the Federal Acquisition Regulation, in an amount that the contracting officer considers sufficient to protect the investment in receipts by the Federal Government generated by the contractor from the estimated value of the forest products to be removed under a contract under subsection (b).

''(2) EXCESS OFFSET VALUE.—If the offset value of the forest products exceeds the value of the resource improvement treatments, the Chief and the Director may—

''(A) collect any residual receipts under the Act of June 9, 1930 (commonly known as the 'Knutson-Vanderberg Act') (16 U.S.C. 576 et seq.); and

''(B) apply the excess to other authorized stewardship projects.

''(h) MONITORING AND EVALUATION.—

''(1) IN GENERAL.—The Chief and the Director shall establish a multiparty monitoring and evaluation process that accesses the stewardship contracting projects conducted under this section.

''(2) PARTICIPANTS.—Other than the Chief and Director, participants in the process described in paragraph (1) may include—

''(A) any cooperating governmental agencies, including tribal governments; and

''(B) any other interested groups or individuals.

''(i) REPORTING.—Not later than 1 year after the date of enactment of this section, and annually thereafter, the Chief and the Director shall report to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives on—

''(1) the status of development, execution, and administration of agreements or contracts under subsection (b);

''(2) the specific accomplishments that have resulted; and

''(3) the role of local communities in the development of agreements or contract plans.''.

(b) CONFORMING AMENDMENT.—Section 347 of the Department of the Interior and Related Agencies Appropriations Act, 1999 (16 U.S.C. 2104 note; Public Law 105–277) is repealed.

SEC. 8205. HEALTHY FORESTS RESERVE PROGRAM.

(a) DEFINITION OF ACREAGE OWNED BY INDIAN TRIBES.—Section 502(e)(3) of the Healthy Forests Restoration Act (16 U.S.C. 6572(e)(3)) is amended—

(1) in subparagraph (C), by striking ''subparagraphs (A) and (B)'' and inserting ''clauses (i) and (ii)'';

(2) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and indenting appropriately; and

(3) by striking ''In the case of'' and inserting the following:

''(A) DEFINITION OF ACREAGE OWNED BY INDIAN TRIBES.—In this paragraph, the term 'acreage owned by Indian tribes' includes—

''(i) land that is held in trust by the United States for Indian tribes or individual Indians;

''(ii) land, the title to which is held by Indian tribes or individual Indians subject to Federal restrictions against alienation or encumbrance;

''(iii) land that is subject to rights of use, occupancy, and benefit of certain Indian tribes;

''(iv) land that is held in fee title by an Indian tribe; or

''(v) land that is owned by a native corporation formed under section 17 of the Act of June 18, 1934 (commonly known as the 'Indian Reorganization Act') (25 U.S.C. 477) or section 8 of the Alaska Native Claims Settlement Act (43 U.S.C. 1607); or

''(vi) a combination of 1 or more types of land described in clauses (i) through (v).

''(B) ENROLLMENT OF ACREAGE.—In the case of''.

(b) CHANGE IN FUNDING SOURCE FOR HEALTHY FORESTS RESERVE PROGRAM.—Section 508 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6578) is amended—

(1) in subsection (a), by striking ''IN GENERAL'' and inserting ''FISCAL YEARS 2009 THROUGH 2013'';

(2) by redesignating subsection (b) as subsection (d); and

(3) by inserting after subsection (a) the following:

''(b) FISCAL YEARS 2014 THROUGH 2018.—There is authorized to be appropriated to the Secretary of Agriculture to carry out this section $9,750,000 for each of fiscal years 2014 through 2018.

''(c) ADDITIONAL SOURCE OF FUNDS.—In addition to funds appropriated pursuant to the authorization of appropriations in subsection (b) for a fiscal year, the Secretary may use such amount of the funds appropriated for that fiscal year to carry out the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a et seq.) as the Secretary determines necessary to cover the cost of technical assistance, management, and enforcement responsibilities for land enrolled in the healthy forests reserve program pursuant to subsections (a) and (b) of section 504.''.

Subtitle D—Miscellaneous Provisions

SEC. 8301. MCINTIRE-STENNIS COOPERATIVE FORESTRY ACT.

(a) 1890 WAIVERS.—Section 4 of Public Law 87–788 (commonly known as the ''McIntire-Stennis Cooperative Forestry Act'') (16 U.S.C. 582a–3) is amended by inserting ''The matching funds requirement shall not be applicable to eligible 1890 Institutions (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601)) if the allocation is below $200,000.'' before ''The Secretary is authorized'' in the second sentence.

(b) PARTICIPATION.—Section 8 of Public Law 87–788 (commonly known as the ''McIntire-Stennis Cooperative Forestry Act'') (16 U.S.C. 582a–7) is amended by inserting ''the Federated States of Micronesia, American Samoa, the Northern Mariana Islands, the District of Columbia,'' before ''and Guam''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2013.

SEC. 8302. REVISION OF STRATEGIC PLAN FOR FOREST INVENTORY AND ANALYSIS.

(a) REVISION REQUIRED.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall revise the strategic plan for forest inventory and analysis initially prepared pursuant to section 3(e) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(e)) to address the requirements imposed by subsection (b).

(b) ELEMENTS OF REVISED STRATEGIC PLAN.—In revising the strategic plan, the Secretary of Agriculture shall describe in detail the organization, procedures, and funding needed to achieve each of the following:

(1) Complete the transition to a fully annualized forest inventory program and include inventory and analysis of interior Alaska.

(2) Implement an annualized inventory of trees in urban settings, including the status and trends of trees and forests, and assessments of their ecosystem services, values, health, and risk to pests and diseases.

(3) Report information on renewable biomass supplies and carbon stocks at the local, State, regional, and national level, including by ownership type.

(4) Engage State foresters and other users of information from the forest inventory and analysis in reevaluating the list of core data variables collected on forest inventory and analysis plots with an emphasis on demonstrated need.

(5) Improve the timeliness of the timber product output program and accessibility of the annualized information on that database.

(6) Foster greater cooperation among the forest inventory and analysis program, research station leaders, and State foresters and other users of information from the forest inventory and analysis.

(7) Availability of and access to non-Federal resources to improve information analysis and information management.

(8) Collaborate with the Natural Resources Conservation Service, National Aeronautics

and Space Administration, National Oceanic and Atmospheric Administration, and United States Geological Survey to integrate remote sensing, spatial analysis techniques, and other new technologies in the forest inventory and analysis program.

(9) Understand and report on changes in land cover and use.

(10) Expand existing programs to promote sustainable forest stewardship through increased understanding, in partnership with other Federal agencies, of the over 10 million family forest owners, their demographics, and the barriers to forest stewardship.

(11) Implement procedures to improve the statistical precision of estimates at the sub-State level.

(c) SUBMISSION OF REVISED STRATEGIC PLAN.—The Secretary of Agriculture shall submit the revised strategic plan to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 8303. REIMBURSEMENT OF FIRE FUNDS.

(a) DEFINITION OF STATE.—In this section, the term ''State'' means—

(1) a State; and

(2) the Commonwealth of Puerto Rico.

(b) IN GENERAL.—If a State seeks reimbursement for amounts expended for resources and services provided to another State for the management and suppression of a wildfire, the Secretary of Agriculture, subject to subsections (c) and (d)—

(1) may accept the reimbursement amounts from the other State; and

(2) shall pay those amounts to the State seeking reimbursement.

(c) MUTUAL ASSISTANCE AGREEMENT.—As a condition of seeking and providing reimbursement under subsection (b), the State seeking reimbursement and the State providing reimbursement must each have a mutual assistance agreement with the Forest Service or another Federal agency for providing and receiving wildfire management and suppression resources and services.

(d) TERMS AND CONDITIONS.—The Secretary of Agriculture may prescribe the terms and conditions determined to be necessary to carry out subsection (b).

(e) EFFECT ON PRIOR REIMBURSEMENTS.—Any acceptance of funds or reimbursements made by the Secretary of Agriculture before the date of enactment of this Act that otherwise would have been authorized under this section shall be considered to have been made in accordance with this section.

TITLE IX—ENERGY

SEC. 9001. DEFINITIONS.

Section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101) is amended—

(1) by redesignating paragraphs (9) through (12) and (13) and (14) as paragraphs (10) through (13) and (15) and (16) respectively;

(2) by inserting after paragraph (8) the following:

''(9) FOREST PRODUCT.—The term 'forest product' means a product made from materials derived from the practice of forestry or the management of growing timber, including—

''(A) pulp, paper, paperboard, pellets, lumber, and wood products; and

''(B) any recycled products derived from forest materials.''; and

(3) by inserting after paragraph (13) (as redesignated by paragraph (1)) the following:

''(14) RENEWABLE CHEMICAL.—The term 'renewable chemical' means a monomer, polymer, plastic, formulated product, or chemical substance produced from renewable biomass.''.

SEC. 9002. BIOBASED MARKETS PROGRAM.

(a) IN GENERAL.—Section 9002 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102) is amended—

(1) in subsection (a)—

(A) in paragraph (2)(A)(i)—

(i) in subclause (I), by striking ''and'' at the end;

(ii) in subclause (II)(bb), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(III) establish a targeted biobased-only procurement requirement under which the procuring agency shall issue a certain number of biobased-only contracts when the procuring agency is purchasing products, or purchasing services that include the use of products, that are included in a biobased product category designated by the Secretary.''; and

(B) in paragraph (3)—

(i) in subparagraph (B)—

(I) in clause (v), by inserting ''as determined to be necessary by the Secretary based on the availability of data,'' before ''provide information'';

(II) by redesignating clauses (v) and (vi) as clauses (vii) and (viii), respectively; and

(III) by inserting after clause (iv) the following:

''(v) require reporting of quantities and types of biobased products purchased by procuring agencies;

''(vi) focus on products that meet the biobased content requirements, including forest products, that apply an innovative approach to growing, harvesting, sourcing, procuring, processing, manufacturing, or application of biobased products regardless of the date of entry of the products into the marketplace;''; and

(ii) by adding at the end the following:

''(F) REQUIRED DESIGNATIONS.—Not later than 1 year after the date of enactment of this subparagraph, the Secretary shall begin to designate intermediate ingredients or feedstocks and assembled and finished biobased products in the guidelines issued under this paragraph.'';

(2) in subsection (b)—

(A) in paragraph (3)—

(i) by striking ''The Secretary'' and inserting the following:

''(A) IN GENERAL.—The Secretary''; and

(ii) by adding at the end the following:

''(B) AUDITING AND COMPLIANCE.—The Secretary may carry out such auditing and compliance activities as the Secretary determines to be necessary to ensure compliance with subparagraph (A).''; and

(B) by adding at the end the following:

''(4) ASSEMBLED AND FINISHED PRODUCTS.—Not later than 1 year after the date of enactment of this paragraph, the Secretary shall begin issuing criteria for determining which assembled and finished products may qualify to receive the label under paragraph (1).'';

(3) by redesignating subsections (d), (e), (f), (g), and (h) as subsections (e), (f), (g), (i), and (j), respectively;

(4) by inserting after subsection (c) the following:

''(d) OUTREACH, EDUCATION, AND PROMOTION.—

''(1) IN GENERAL.—The Secretary may engage in outreach, educational, and promotional activities intended to increase knowledge, awareness, and benefits of biobased products.

''(2) AUTHORIZED ACTIVITIES.—In carrying out this subsection, the Secretary may—

''(A) conduct consumer education and outreach (including consumer and awareness surveys);

''(B) conduct outreach to and support for State and local governments interested in implementing biobased purchasing programs;

''(C) partner with industry and nonprofit groups to produce educational and outreach materials and conduct educational and outreach events;

''(D) sponsor special conferences and events to bring together buyers and sellers of biobased products; and

''(E) support pilot and demonstration projects.'';

(5) in subsection (h) (as redesignated by paragraph (3))—

(A) in paragraph (2)—

(i) in the matter preceding subparagraph (A) by striking ''The report'' and inserting ''Each report under paragraph (1)'';

(ii) in subparagraph (A), by striking ''and'' at the end;

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

(iv) by adding at the end the following:

''(C) the progress made by other Federal agencies in compliance with the biobased procurement requirements, including the quantity of purchases made; and

''(D) the status of outreach, educational, and promotional activities carried out by the Secretary under subsection (d), including the attainment of specific milestones and overall results.''; and

(B) by adding at the end the following:

''(3) ECONOMIC IMPACT STUDY AND REPORT.—

''(A) IN GENERAL.—The Secretary shall conduct a study to assess the economic impact of the biobased products industry, including—

''(i) the quantity of biobased products sold;

''(ii) the value of the biobased products;

''(iii) the quantity of jobs created;

''(iv) the quantity of petroleum displaced;

''(v) other environmental benefits; and

''(vi) areas in which the use or manufacturing of biobased products could be more effectively used, including identifying any technical and economic obstacles and recommending how those obstacles can be overcome.

''(B) REPORT.—Not later than 180 days after the date of enactment of this subparagraph, the Secretary shall submit to Congress a report describing the results of the study conducted under subparagraph (A).''.

(6) by inserting after subsection (g) (as redesignated by paragraph (3)) the following:

''(h) FOREST PRODUCTS LABORATORY COORDINATION.—In determining whether products are eligible for the 'USDA Certified Biobased Product' label, the Secretary (acting through the Forest Products Laboratory) shall provide appropriate technical and other assistance to the program and applicants for forest products.''; and

(7) in subsection (j) (as redesignated by paragraph (3))—

(A) in the heading of paragraph (1), by inserting ''FOR FISCAL YEARS 2008 THROUGH 2012'' after ''FUNDING'';

(B) in the heading of paragraph (2), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2013'' after ''FUNDING''; and

(C) by adding at the end the following:

''(3) FISCAL YEARS 2014 THROUGH 2018.—There is authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2014 through 2018.

''(4) MANDATORY FUNDING FOR FISCAL YEARS 2014 THROUGH 2018.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $3,000,000 for each of fiscal years 2014 through 2018.''.

(b) CONFORMING AMENDMENT.—Section 944(c)(2)(A) of the Energy Policy Act of 2005 (42 U.S.C. 16253(c)(2)(A)) is amended by striking ''section 9002(h)(1)'' and inserting ''section 9002(b)''.

SEC. 9003. BIOREFINERY, RENEWABLE CHEMICAL, AND BIOBASED PRODUCT MANUFACTURING ASSISTANCE.

(a) PROGRAM ADJUSTMENTS.—

(1) IN GENERAL.—Section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) is amended—

(A) in the section heading, by inserting ''**, RENEWABLE CHEMICAL, AND BIOBASED PRODUCT MANUFACTURING**'' after ''**BIOREFINERY**'';

(B) in subsection (a), in the matter preceding paragraph (1), by inserting ''renewable chemicals, and biobased product manufacturing'' after ''advanced biofuels,'';

(C) in subsection (b)—

(i) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(ii) by inserting before paragraph (2) (as so redesignated) the following:

''(1) BIOBASED PRODUCT MANUFACTURING.—The term 'biobased product manufacturing' means development, construction, and retrofitting of technologically new commercial-scale processing and manufacturing equipment and required facilities that will be used to convert renewable chemicals and other biobased outputs of biorefineries into end-user products on a commercial scale.''; and

(D) in subsection (c)—

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

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

(iii) by adding at the end the following:

''(3) grants and loan guarantees to fund the development and construction of renewable chemical and biobased product manufacturing facilities.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on October 1, 2013.

(b) FUNDING.—Section 9003(h) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103(h)) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) MANDATORY FUNDING.—

''(A) IN GENERAL.—Subject to subparagraph (B), of the funds of the Commodity Credit Corporation, the Secretary shall use for the cost of loan guarantees under this section, to remain available until expended—

''(i) $100,000,000 for fiscal year 2014; and

''(ii) $58,000,000 for each of fiscal years 2015 and 2016.

''(B) BIOBASED PRODUCT MANUFACTURING.—Of the total amount of funds made available for fiscal years 2014 and 2015 under subparagraph (A), the Secretary use for the cost of loan guarantees under this section not more than $25,000,000 to promote biobased product manufacturing.''; and

(2) in paragraph (2), by striking ''2013'' and inserting ''2018''.

SEC. 9004. BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.

Section 9005(g) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105(g)) is amended—

(1) in the heading of paragraph (1), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2012'' after ''FUNDING'';

(2) in the heading of paragraph (2), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2013'' after ''FUNDING'';

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following:

''(3) FISCAL YEARS 2014 THROUGH 2018.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 9005. BIODIESEL FUEL EDUCATION PROGRAM.

Section 9006(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(d)) is amended—

(1) in paragraph (1)—

(A) in the heading, by striking ''FISCAL YEARS 2009 THROUGH 2012'' and inserting ''MANDATORY FUNDING'' ; and

(B) by striking ''2012'' and inserting ''2018''; and

(2) in paragraph (2), by striking ''fiscal year 2013'' and inserting ''each of fiscal years 2014 through 2018''.

SEC. 9006. RURAL ENERGY FOR AMERICA PROGRAM.

(a) PROGRAM ADJUSTMENTS.—

(1) IN GENERAL.—Section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) is amended—

(A) in subsection (b)(2)—

(i) in subparagraph (C), by striking ''and'' at the end;

(ii) by redesignating subparagraph (D) as subparagraph (E); and

(iii) by inserting after subparagraph (C) the following:

''(D) a council (as defined in section 1528 of the Agriculture and Food Act of 1981 (16 U.S.C. 3451)); and''; and

(B) in subsection (c)—

(i) in paragraph (1)(A), by inserting '', such as for agricultural and associated residential purposes'' after ''electricity'';

(ii) by striking paragraph (3);

(iii) by redesignating paragraph (4) as paragraph (3);

(iv) in paragraph (3) (as so redesignated), by striking subparagraph (A) and inserting the following:

''(A) GRANTS.—The amount of a grant under this subsection shall not exceed the lesser of—

''(i) $500,000; and

''(ii) 25 percent of the cost of the activity carried out using funds from the grant.''; and

(v) by adding at the end the following:

''(4) TIERED APPLICATION PROCESS.—

''(A) IN GENERAL.—In providing loan guarantees and grants under this subsection, the Secretary shall use a 3-tiered application process that reflects the size of proposed projects in accordance with this paragraph.

''(B) TIER 1.—The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is not more than $80,000.

''(C) TIER 2.—The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is greater than $80,000 but less than $200,000.

''(D) TIER 3.—The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is equal to or greater than $200,000.

''(E) APPLICATION PROCESS.—The Secretary shall establish an application, evaluation, and oversight process that is the most simplified for tier I projects and more comprehensive for each subsequent tier.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on October 1, 2013.

(b) FUNDING.—Section 9007(g) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107(g)) is amended—

(1) in the heading of paragraph (1), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2012'' after ''FUNDING'';

(2) in the heading of paragraph (2), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2012'' after ''FUNDING'';

(3) in the heading of paragraph (3), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2013'' after ''FUNDING''; and

(4) by adding at the end the following:

''(4) FISCAL YEARS 2014 THROUGH 2018.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2014 through 2018.

''(5) MANDATORY FUNDING FOR FISCAL YEARS 2014 THROUGH 2018.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $68,200,000 for each of fiscal years 2014 through 2018.''.

SEC. 9007. BIOMASS RESEARCH AND DEVELOPMENT.

Section 9008(h) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108(h)) is amended—

(1) in the heading of paragraph (1), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2012'' after ''FUNDING'';

(2) in the heading of paragraph (2), by inserting ''FOR FISCAL YEARS 2009 THROUGH 2013'' after ''FUNDING''; and

(3) by adding at the end the following:

''(3) FISCAL YEARS 2014 THROUGH 2018.—There is authorized to be appropriated to carry out this section $30,000,000 for each of fiscal years 2014 through 2018.

''(4) MANDATORY FUNDING FOR FISCAL YEARS 2014 THROUGH 2018.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $26,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 9008. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIOENERGY PRODUCERS.

Section 9010(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8110(b)) is amended—

(1) in paragraph (1)(A), by striking ''2013'' and inserting ''2018''; and

(2) in paragraph (2)(A), by striking ''2013'' and inserting ''2018''.

SEC. 9009. BIOMASS CROP ASSISTANCE PROGRAM.

Section 9011 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111) is amended to read as follows:

''SEC. 9011. BIOMASS CROP ASSISTANCE PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) BCAP.—The term 'BCAP' means the Biomass Crop Assistance Program established under this section.

''(2) BCAP PROJECT AREA.—The term 'BCAP project area' means an area that—

''(A) has specified boundaries that are submitted to the Secretary by the project sponsor and subsequently approved by the Secretary;

''(B) includes producers with contract acreage that will supply a portion of the renewable biomass needed by a biomass conversion facility; and

''(C) is physically located within an economically practicable distance from the biomass conversion facility.

''(3) CONTRACT ACREAGE.—The term 'contract acreage' means eligible land that is covered by a BCAP contract entered into with the Secretary.

''(4) ELIGIBLE CROP.—

''(A) IN GENERAL.—The term 'eligible crop' means a crop of renewable biomass.

''(B) EXCLUSIONS.—The term 'eligible crop' does not include—

''(i) any crop that is eligible to receive payments under title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702 et seq.) or an amendment made by that title; or

''(ii) any plant that is invasive or noxious or species or varieties of plants that credible risk assessment tools or other credible sources determine are potentially invasive, as determined by the Secretary in consultation with other appropriate Federal or State departments and agencies.

''(5) ELIGIBLE LAND.—

''(A) IN GENERAL.—The term 'eligible land' includes—

''(i) agricultural and nonindustrial private forest lands (as defined in section 5(c) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103a(c))); and

''(ii) land enrolled in the conservation reserve program established under subchapter B of chapter I of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) or the Agricultural Conservation Easement Program established under subtitle H of title XII of that Act under a contract that will expire at the end of the current fiscal year.

''(B) EXCLUSIONS.—The term 'eligible land' does not include—

''(i) Federal- or State-owned land;

''(ii) land that is native sod, as of the date of enactment of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8701 et seq.);

''(iii) land enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.), other than land described in subparagraph (A)(ii); or

''(iv) land enrolled in the Agricultural Conservation Easement Program established under subtitle H of title XII of that Act, other than land described in subparagraph (A)(ii).

''(6) ELIGIBLE MATERIAL.—

''(A) IN GENERAL.—The term 'eligible material' means renewable biomass harvested directly from the land, including crop residue from any crop that is eligible to receive payments under title I of the Agriculture Reform, Food, and Jobs Act of 2013 or an amendment made by that title.

''(B) INCLUSIONS.—The term 'eligible material' shall only include—

''(i) eligible material that is collected or harvested by the eligible material owner—

''(I) directly from—

''(aa) National Forest System;

''(bb) Bureau of Land Management land;

''(cc) non-Federal land; or

''(dd) land owned by an individual Indian or Indian tribe that is held in trust by the United States for the benefit of the individual Indian or Indian tribe or subject to a restriction against alienation imposed by the United States;

''(II) in a manner that is consistent with—

''(aa) a conservation plan;

''(bb) a forest stewardship plan; or

''(cc) a plan that the Secretary determines is equivalent to a plan described in item (aa) or (bb) and consistent with Executive Order 13112 (42 U.S.C. 4321 note; relating to invasive species);

''(ii) if woody eligible material, woody eligible material that is produced on land other than contract acreage that—

''(I) is a byproduct of a preventative treatment that is removed to reduce hazardous fuel or to reduce or contain disease or insect infestation; and

''(II) if harvested from Federal land, is harvested in accordance with section 102(e) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6512(e)); and

''(iii) eligible material that is delivered to a qualified biomass conversion facility to be used for heat, power, biobased products, research, or advanced biofuels.

''(C) EXCLUSIONS.—The term 'eligible material' does not include—

''(i) material that is whole grain from any crop that is eligible to receive payments under title I of the Agriculture Reform, Food, and Jobs Act of 2013 or an amendment made by that title, including—

''(I) barley, corn, grain sorghum, oats, rice, or wheat;

''(II) honey;

''(III) mohair;

''(IV) oilseeds, including canola, crambe, flaxseed, mustard seed, rapeseed, safflower seed, soybeans, sesame seed, and sunflower seed;

''(V) peanuts;

''(VI) pulse;

''(VII) chickpeas, lentils, and dry peas;

''(VIII) dairy products;

''(IX) sugar; and

''(X) wool and cotton boll fiber;

''(ii) animal waste and byproducts, including fat, oil, grease, and manure;

''(iii) food waste and yard waste;

''(iv) algae;

''(v) woody eligible material that—

''(I) is removed outside contract acreage; and

''(II) is not a byproduct of a preventative treatment to reduce hazardous fuel or to reduce or contain disease or insect infestation;

''(vi) any woody eligible material collected or harvested outside contract acreage that would otherwise be used for existing market products; or

''(vii) bagasse.

''(7) PRODUCER.—The term 'producer' means an owner or operator of contract acreage that is physically located within a BCAP project area.

''(8) PROJECT SPONSOR.—The term 'project sponsor' means—

''(A) a group of producers; or

''(B) a biomass conversion facility.

''(9) SOCIALLY DISADVANTAGED FARMER OR RANCHER.—The term 'socially disadvantaged farmer or rancher' has the meaning given the term in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e)).

''(b) ESTABLISHMENT AND PURPOSE.—The Secretary shall establish and administer a Biomass Crop Assistance Program to—

''(1) support the establishment and production of eligible crops for conversion to bioenergy in selected BCAP project areas; and

''(2) assist agricultural and forest land owners and operators with the collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility.

''(c) BCAP PROJECT AREA.—

''(1) IN GENERAL.—The Secretary shall provide financial assistance to a producer of an eligible crop in a BCAP project area.

''(2) SELECTION OF PROJECT AREAS.—

''(A) IN GENERAL.—To be considered for selection as a BCAP project area, a project sponsor shall submit to the Secretary a proposal that, at a minimum, includes—

''(i) a description of the eligible land and eligible crops of each producer that will participate in the proposed BCAP project area;

''(ii) a letter of commitment from a biomass conversion facility that the facility will use the eligible crops intended to be produced in the proposed BCAP project area;

''(iii) evidence that the biomass conversion facility has sufficient equity available, as determined by the Secretary, if the biomass conversion facility is not operational at the time the proposal is submitted to the Secretary; and

''(iv) any other information about the biomass conversion facility or proposed biomass conversion facility that the Secretary determines necessary for the Secretary to be reasonably assured that the plant will be in operation by the date on which the eligible crops are ready for harvest.

''(B) BCAP PROJECT AREA SELECTION CRITERIA.—In selecting BCAP project areas, the Secretary shall consider—

''(i) the volume of the eligible crops proposed to be produced in the proposed BCAP project area and the probability that those crops will be used for the purposes of the BCAP;

''(ii) the volume of renewable biomass projected to be available from sources other than the eligible crops grown on contract acres;

''(iii) the anticipated economic impact in the proposed BCAP project area;

''(iv) the opportunity for producers and local investors to participate in the ownership of the biomass conversion facility in the proposed BCAP project area;

''(v) the participation rate by—

''(I) beginning farmers or ranchers (as defined in accordance with section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a))); or

''(II) socially disadvantaged farmers or ranchers;

''(vi) the impact on soil, water, and related resources;

''(vii) the variety in biomass production approaches within a project area, including (as appropriate)—

''(I) agronomic conditions;

''(II) harvest and postharvest practices; and

''(III) monoculture and polyculture crop mixes;

''(viii) the range of eligible crops among project areas; and

''(ix) any additional information that the Secretary determines to be necessary.

''(3) CONTRACT.—

''(A) IN GENERAL.—On approval of a BCAP project area by the Secretary, each producer in the BCAP project area shall enter into a contract directly with the Secretary.

''(B) MINIMUM TERMS.—At a minimum, a contract under this subsection shall include terms that cover—

''(i) an agreement to make available to the Secretary, or to an institution of higher education or other entity designated by the Secretary, such information as the Secretary considers to be appropriate to promote the production of eligible crops and the development of biomass conversion technology;

''(ii) compliance with the highly erodible land conservation requirements of subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.) and the wetland conservation requirements of subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);

''(iii) the implementation of (as determined by the Secretary)—

''(I) a conservation plan;

''(II) a forest stewardship plan; or

''(III) a plan that is equivalent to a conservation or forest stewardship plan; and

''(iv) any additional requirements that Secretary determines to be necessary.

''(C) DURATION.—A contract under this subsection shall have a term of not more than—

''(i) 5 years for annual and perennial crops; or

''(ii) 15 years for woody biomass.

''(4) RELATIONSHIP TO OTHER PROGRAMS.—In carrying out this subsection, the Secretary shall provide for the preservation of cropland base and yield history applicable to the land enrolled in a BCAP contract.

''(5) PAYMENTS.—

''(A) IN GENERAL.—The Secretary shall make establishment and annual payments directly to producers to support the establishment and production of eligible crops on contract acreage.

''(B) AMOUNT OF ESTABLISHMENT PAYMENTS.—

''(i) IN GENERAL.—Subject to clause (ii), the amount of an establishment payment under this subsection shall be not more than 50 percent of the costs of establishing an eligible perennial crop covered by the contract but not to exceed $500 per acre, including—

''(I) the cost of seeds and stock for perennials;

''(II) the cost of planting the perennial crop, as determined by the Secretary; and

''(III) in the case of nonindustrial private forestland, the costs of site preparation and tree planting.

''(ii) SOCIALLY DISADVANTAGED FARMERS OR RANCHERS.—In the case of socially disadvantaged farmers or ranchers, the costs of establishment may not exceed $750 per acre.

''(C) AMOUNT OF ANNUAL PAYMENTS.—

''(i) IN GENERAL.—Subject to clause (ii), the amount of an annual payment under this subsection shall be determined by the Secretary.

''(ii) REDUCTION.—The Secretary shall reduce an annual payment by an amount determined to be appropriate by the Secretary, if—

''(I) an eligible crop is used for purposes other than the production of energy at the biomass conversion facility;

''(II) an eligible crop is delivered to the biomass conversion facility;

''(III) the producer receives a payment under subsection (d);

''(IV) the producer violates a term of the contract; or

''(V) the Secretary determines a reduction is necessary to carry out this section.

''(D) EXCLUSION.—The Secretary shall not make any BCAP payments on land for which payments are received under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) or the agricultural conservation easement program established under subtitle H of title XII of that Act.

''(d) ASSISTANCE WITH COLLECTION, HARVEST, STORAGE, AND TRANSPORTATION.—

''(1) IN GENERAL.—The Secretary shall make a payment for the delivery of eligible material to a biomass conversion facility to—

''(A) a producer of an eligible crop that is produced on BCAP contract acreage; or

''(B) a person with the right to collect or harvest eligible material, regardless of whether the eligible material is produced on contract acreage.

''(2) PAYMENTS.—

''(A) COSTS COVERED.—A payment under this subsection shall be in an amount described in subparagraph (B) for—

''(i) collection;

''(ii) harvest;

''(iii) storage; and

''(iv) transportation to a biomass conversion facility.

''(B) AMOUNT.—Subject to paragraph (3), the Secretary may provide matching payments at a rate of up to $1 for each $1 per ton provided by the biomass conversion facility, in an amount not to exceed $20 per dry ton for a period of 4 years.

''(3) LIMITATION ON ASSISTANCE FOR BCAP CONTRACT ACREAGE.—As a condition of the receipt of an annual payment under subsection (c), a producer receiving a payment under this subsection for collection, harvest, storage, or transportation of an eligible crop produced on BCAP acreage shall agree to a reduction in the annual payment.

''(e) REPORT.—Not later than 4 years after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the dissemination by the Secretary of the best practice data and information gathered from participants receiving assistance under this section.

''(f) FUNDING.—

''(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $38,600,000 for each of fiscal years 2014 through 2018.

''(2) COLLECTION, HARVEST, STORAGE, AND TRANSPORTATION PAYMENTS.—Of the amount made available under paragraph (1) for each fiscal year, the Secretary shall use not less than 10 percent, nor more than 50 percent, of the amount to make collection, harvest, transportation, and storage payments under subsection (d)(2).''.

SEC. 9010. REPEAL OF FOREST BIOMASS FOR ENERGY.

Section 9012 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8112) is repealed.

SEC. 9011. COMMUNITY WOOD ENERGY PROGRAM.

(a) DEFINITION OF BIOMASS CONSUMER COOPERATIVE.—Section 9013(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(2) by inserting before paragraph (2) (as so redesignated) the following:

''(1) BIOMASS CONSUMER COOPERATIVE.—The term 'biomass consumer cooperative' means a consumer membership organization the purpose of which is to provide members with services or discounts relating to the purchase of biomass heating products or biomass heating systems.''.

(b) GRANT PROGRAM.—Section 9013(b)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(b)(1)) is amended—

(1) in subparagraph (A), by striking ''and'' after the semicolon at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(C) grants of up to $50,000 to biomass consumer cooperatives for the purpose of establishing or expanding biomass consumer cooperatives that will provide consumers with services or discounts relating to—

''(i) the purchase of biomass heating systems;

''(ii) biomass heating products, including wood chips, wood pellets, and advanced biofuels; or

''(iii) the delivery and storage of biomass of heating products.''.

(c) MATCHING FUNDS.—Section 9013(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(d)) is amended—

(1) by striking ''A State or local government that receives a grant under subsection (b)'' and inserting the following:

''(1) STATE AND LOCAL GOVERNMENTS.—A State or local government that receives a grant under subparagraph (A) or (B) of subsection (b)(1)''; and

(2) by adding at the end the following:

''(2) BIOMASS CONSUMER COOPERATIVES.—A biomass consumer cooperative that receives a grant under subsection (b)(1)(C) shall contribute an amount of non-Federal funds (which may include State, local, and nonprofit funds and membership dues) toward the establishment or expansion of a biomass consumer cooperative that is at least equal to 50 percent of the amount of Federal funds received for that purpose.''.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 9013(e) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(e)) is amended by striking ''2013'' and inserting ''2018''.

SEC. 9012. REPEAL OF RENEWABLE FERTILIZER STUDY.

Section 9003 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2096) is repealed.

TITLE X—HORTICULTURE

SEC. 10001. SPECIALTY CROPS MARKET NEWS ALLOCATION.

Section 10107(b) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622b(b)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 10002. REPEAL OF GRANT PROGRAM TO IMPROVE MOVEMENT OF SPECIALTY CROPS.

Section 10403 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622c) is repealed.

SEC. 10003. FARMERS MARKET AND LOCAL FOOD PROMOTION PROGRAM.

Section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005) is amended—

(1) in the section heading, by adding ''AND LOCAL FOOD'' after ''MARKET'';

(2) in subsection (a)—

(A) by inserting ''and Local Food'' after ''Market'';

(B) by striking ''farmers' markets and to promote''; and

(C) by inserting ''and local food capacity development'' before the period at the end;

(3) in subsection (b), by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—The purposes of the Program are to increase domestic consumption of and access to locally and regionally produced agricultural products by developing, improving, expanding, and providing outreach, training, and technical assistance to, or assisting in the development, improvement and expansion of—

''(A) domestic farmers' markets, roadside stands, community-supported agriculture programs, agritourism activities, and other direct producer-to-consumer market opportunities; and

''(B) local and regional food enterprises that are not direct producer-to-consumer markets but process, distribute, aggregate, store, and market locally or regionally produced food products.'';

(4) in subsection (c)(1)—

(A) by inserting ''or other business entity'' after ''cooperative''; and

(B) by inserting '', including a community supported agriculture network or association'' after ''association'';

(5) by redesignating subsection (e) as subsection (f);

(6) by inserting after subsection (d) the following:

''(e) PRIORITIES.—In providing grants under the Program, priority shall be given to applications that include projects that—

''(1) benefit underserved communities;

''(2) develop market opportunities for small and mid-sized farm and ranch operations; and

''(3) include a strategic plan to maximize the use of funds to build capacity for local and regional food systems in a community.'';

(7) in subsection (f) (as redesignated by paragraph (5))—

(A) in paragraph (1)—

(i) in the heading, by striking ''FISCAL YEARS 2008 THROUGH 2012'' and inserting ''MANDATORY FUNDING'';

(ii) in subparagraph (B), by striking ''and'' after the semicolon at the end;

(iii) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(iv) by adding at the end the following:

''(D) $20,000,000 for each of fiscal years 2014 through 2018.'';

(B) by striking paragraphs (3) and (5);

(C) by inserting after paragraph (2) the following:

''(3) AUTHORIZATION OF APPROPRIATIONS.—In addition to funds made available under paragraph (1), there is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2014 through 2018.''; and

(D) by adding at the end the following:

''(5) USE OF FUNDS.—

''(A) IN GENERAL.—Of the funds made available to carry out the Program for each fiscal year, 50 percent shall be used for the purposes described in subsection (b)(1)(A) and 50

percent shall be used for the purposes described in subsection (b)(1)(B).

''(B) COST SHARE.—To be eligible to receive a grant for a project described in subsection (b)(1)(B), a recipient shall provide a match in the form of cash or in-kind contributions in an amount equal to 25 percent of the total cost of the project.

''(6) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the total amount made available to carry out this section for a fiscal year may be used for administrative expenses.

''(7) LIMITATIONS.—An eligible entity may not use a grant or other assistance provided under the Program for the purchase, construction, or rehabilitation of a building or structure.''.

SEC. 10004. STUDY ON LOCAL FOOD PRODUCTION AND PROGRAM EVALUATION.

(a) IN GENERAL.—The Secretary shall—

(1) collect data on the production and marketing of locally or regionally produced agricultural food products;

(2) facilitate interagency collaboration and data sharing on programs related to local and regional food systems; and

(3) monitor the effectiveness of programs designed to expand or facilitate local food systems.

(b) REQUIREMENTS.—In carrying out this section, the Secretary shall, at a minimum—

(1) collect and distribute comprehensive reporting of prices of locally or regionally produced agricultural food products;

(2) conduct surveys and analysis and publish reports relating to the production, handling, distribution, retail sales, and trend studies (including consumer purchasing patterns) of or on locally or regionally produced agricultural food products;

(3) evaluate the effectiveness of existing programs in growing local and regional food systems, including—

(A) the impact of local food systems on job creation and economic development;

(B) the level of participation in the Farmers' Market and Local Food Promotion Program established under section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005), including the percentage of projects funded in comparison to applicants and the types of eligible entities receiving funds;

(C) the ability for participants to leverage private capital and a synopsis of the places from which non-Federal funds are derived; and

(D) any additional resources required to aid in the development or expansion of local and regional food systems;

(4) expand the Agricultural Resource Management Survey to include questions on locally or regionally produced agricultural food products; and

(5) seek to establish or expand private-public partnerships to facilitate, to the maximum extent practicable, the collection of data on locally or regionally produced agricultural food products, including the development of a nationally coordinated and regionally balanced evaluation of the redevelopment of locally or regionally produced food systems.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act and annually thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the progress that has been made in implementing this section and identifying any additional needs related to developing local and regional food systems.

SEC. 10005. ORGANIC AGRICULTURE.

(a) ORGANIC PRODUCTION AND MARKET DATA INITIATIVES.—Section 7407 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925c) is amended—

(1) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting ''and annually thereafter'' after ''this subsection'';

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

(C) by redesignating paragraph (2) as paragraph (3); and

(D) by inserting after paragraph (1) the following:

''(2) describes how data collection agencies (such as the Agricultural Marketing Service and the National Agricultural Statistics Service) are coordinating with data user agencies (such as the Risk Management Agency) to ensure that data collected under this section can be used by data user agencies, including by the Risk Management Agency to offer price elections for all organic crops; and''; and

(2) in subsection (d)—

(A) by striking paragraph (3);

(B) by redesignating paragraph (2) as paragraph (3);

(C) by inserting after paragraph (1) the following:

''(2) MANDATORY FUNDING.—In addition to any funds available under paragraph (1), of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $5,000,000, to remain available until expended.''; and

(D) in paragraph (3) (as redesignated by subparagraph (B))—

(i) in the heading, by striking ''FOR FISCAL YEARS 2008 THROUGH 2012'';

(ii) by striking ''paragraph (1)'' and inserting ''paragraphs (1) and (2)''; and

(iii) by striking ''2012'' and inserting ''2018''.

(b) MODERNIZATION AND TECHNOLOGY UPGRADE FOR NATIONAL ORGANIC PROGRAM.—Section 2123 of the Organic Foods Production Act of 1990 (7 U.S.C. 6522) is amended—

(1) in subsection (b)—

(A) in paragraph (5), by striking ''and'' at the end;

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following:

''(6) $15,000,000 for each of fiscal years 2014 through 2018; and''; and

(2) by adding at the end the following:

''(c) MODERNIZATION AND TECHNOLOGY UPGRADE FOR NATIONAL ORGANIC PROGRAM.—

''(1) IN GENERAL.—The Secretary shall modernize database and technology systems of the national organic program.

''(2) FUNDING.—Of the funds of the Commodity Credit Corporation and in addition to any other funds made available for that purpose, the Secretary shall make available to carry out this subsection $5,000,000 for fiscal year 2014, to remain available until expended.''.

SEC. 10006. FOOD SAFETY EDUCATION INITIATIVES.

Section 10105(c) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7655a(c)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 10007. COORDINATED PLANT MANAGEMENT PROGRAM.

(a) IN GENERAL.—Section 420 of the Plant Protection Act (7 U.S.C. 7721) is amended—

(1) by striking the section heading and inserting ''**COORDINATED PLANT MANAGEMENT PROGRAM.**'';

(2) by redesignating subsection (e) as subsection (f); and

(3) by inserting after subsection (d) the following:

''(e) NATIONAL CLEAN PLANT NETWORK.—

''(1) IN GENERAL.—The Secretary shall establish a program to be known as the 'National Clean Plant Network' (referred to in this subsection as the 'Program').

''(2) REQUIREMENTS.—Under the Program, the Secretary shall establish a network of clean plant centers for diagnostic and pathogen elimination services—

''(A) to produce clean propagative plant material; and

''(B) to maintain blocks of pathogen-tested plant material in sites located throughout the United States.

''(3) AVAILABILITY OF CLEAN PLANT SOURCE MATERIAL.—Clean plant source material produced or maintained under the Program may be made available to—

''(A) a State for a certified plant program of the State; and

''(B) private nurseries and producers.

''(4) CONSULTATION AND COLLABORATION.—In carrying out the Program, the Secretary shall—

''(A) consult with—

''(i) State departments of agriculture; and

''(ii) land-grant colleges and universities and NLGCA Institutions (as those terms are defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); and

''(B) to the extent practicable and with input from the appropriate State officials and industry representatives, use existing Federal or State facilities to serve as clean plant centers.''.

(b) FUNDING.—Subsection (f) of section 420 of the Plant Protection Act (7 U.S.C. 7721) (as redesignated by subsection (a)(2)) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) in paragraph (4), by striking ''and each fiscal year thereafter.'' and inserting a semicolon; and

(3) by adding at the end the following:

''(5) $60,000,000 for each of fiscal years 2014 through 2017; and

''(6) $65,000,000 for fiscal year 2018 and each fiscal year thereafter.''.

(c) REPEAL OF EXISTING PROVISION.—Section 10202 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7761) is repealed.

(d) CLARIFICATION OF USE OF FUNDS FOR TECHNICAL ASSISTANCE.—Section 420 of the Plant Protection Act (7 U.S.C. 7721) (as amended by subsection (a)) is amended by adding at the end the following:

''(g) RELATIONSHIP TO OTHER LAW.—The use of Commodity Credit Corporation funds under this section to provide technical assistance shall not be considered an allotment or fund transfer from the Commodity Credit Corporation for purposes of the limit on expenditures for technical assistance imposed by section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i).''.

SEC. 10008. SPECIALTY CROP BLOCK GRANTS.

Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended—

(1) in subsection (a)—

(A) by striking ''subsection (j)'' and inserting ''subsection (l)''; and

(B) by striking ''2012'' and inserting ''2018'';

(2) by striking subsection (b) and inserting the following:

''(b) GRANTS BASED ON VALUE AND ACREAGE.—Subject to subsection (c), in the case of each State with an application for a grant for a fiscal year that is accepted by the Secretary of Agriculture under subsection (f), the amount of a grant for a fiscal year to a State under this section shall bear the same ratio to the total amount made available under subsection (l) for that fiscal year as—

''(1) the average of the most recent available value of specialty crop production in the State and the acreage of specialty crop production in the State, as demonstrated in the

most recent Census of Agriculture data; bears to

''(2) the average of the most recent available value of specialty crop production in all States and the acreage of specialty crop production in all States, as demonstrated in the most recent Census of Agriculture data.'';

(3) by redesignating subsection (j) as subsection (l);

(4) by inserting after subsection (i) the following:

''(j) MULTISTATE PROJECTS.—

''(1) IN GENERAL.—Not later than 180 days after the date of enactment of the Agriculture Reform, Food, and Jobs Act of 2013, the Secretary of Agriculture shall issue guidance for the purpose of making grants to multistate projects under this section for projects involving—

''(A) food safety;

''(B) plant pests and disease;

''(C) crop-specific projects addressing common issues; and

''(D) any other area that furthers the purposes of this section, as determined by the Secretary.

''(2) FUNDING.—Of the funds provided under subsection (l), the Secretary of Agriculture may allocate for grants under this subsection, to remain available until expended—

''(A) $1,000,000 for fiscal year 2014;

''(B) $2,000,000 for fiscal year 2015;

''(C) $3,000,000 for fiscal year 2016;

''(D) $4,000,000 for fiscal year 2017; and

''(E) $5,000,000 for fiscal year 2018.

''(k) ADMINISTRATION.—

''(1) DEPARTMENT.—The Secretary of Agriculture may not use more than 3 percent of the funds made available to carry out this section for a fiscal year for administrative expenses.

''(2) STATES.—A State receiving a grant under this section may not use more than 8 percent of the funds received under the grant for a fiscal year for administrative expenses.''; and

(5) in subsection (l) (as redesignated by paragraph (3))—

(A) in paragraph (2), by striking ''and'' at the end;

(B) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(4) $70,000,000 for fiscal year 2014 and each fiscal year thereafter.''.

SEC. 10009. RECORDKEEPING, INVESTIGATIONS, AND ENFORCEMENT.

The Organic Foods Production Act of 1990 is amended by inserting after section 2120 (7 U.S.C. 6519) the following:

''SEC. 2120A. RECORDKEEPING, INVESTIGATIONS, AND ENFORCEMENT.

''(a) RECORDKEEPING.—

''(1) IN GENERAL.—Except as otherwise provided in this title, all persons, including producers, handlers, and certifying agents, required to report information to the Secretary under this title shall maintain, and make available to the Secretary on the request of the Secretary, all contracts, agreements, receipts, and other records associated with the organic certification program established by the Secretary under this title.

''(2) DURATION OF RECORDKEEPING REQUIREMENT.—A record covered by paragraph (1) shall be maintained—

''(A) by a person covered by this title, except for a certifying agent, for a period of 5 years beginning on the date of the creation of the record; and

''(B) by a certifying agent, for a period of 10 years beginning on the date of the creation of the record.

''(b) CONFIDENTIALITY.—

''(1) IN GENERAL.—Subject to paragraph (2), and except as provided in section 2107(a)(9) and as otherwise directed by the Secretary or the Attorney General for enforcement purposes, no officer, employee, or agent of the United States shall make available to the public information, statistics, or documents obtained from or made available by any person under this title, other than in a manner that ensures that confidentiality is preserved regarding the identity of persons, including parties to a contract, and proprietary business information.

''(2) VIOLATORS AND NATURE OF ACTIONS.—The Secretary may release the name of the violator and the nature of the actions triggering an order or revocation under subsection (e).

''(c) INVESTIGATION.—

''(1) IN GENERAL.—The Secretary may take such investigative actions as the Secretary considers to be necessary to carry out this title—

''(A) to verify the accuracy of any information reported or made available under this title; and

''(B) to determine, with regard to actions, practices, or information required under this title, whether a person covered by this title has committed, or will commit, a violation of any provision of this title, including an order or regulation promulgated by the Secretary.

''(2) INVESTIGATIVE POWERS.—The Secretary may administer oaths and affirmations, subpoena witnesses, compel attendance of witnesses, take evidence, and require the production of any records required to be maintained under subsection (a) or section 2112(d) or 2116(c) that are relevant to the investigation.

''(d) UNLAWFUL ACT.—It shall be unlawful and a violation of this title for any person covered by this title—

''(1) to fail or refuse to provide, or delay the timely provision of, accurate information required by the Secretary under this section;

''(2) to violate—

''(A) an order of the Secretary;

''(B) a revocation of the organic certification of a producer or handler; or

''(C) a revocation of the accreditation of a certifying agent; or

''(3) to sell, or attempt to sell, a product that is represented as being organically produced under this title (including an order or regulation promulgated under this title) if in fact the product has been produced or handled by an operation that is not yet a certified organic producer or handler under this title.

''(e) ENFORCEMENT.—

''(1) ORDER.—

''(A) IN GENERAL.—The Secretary may issue an order to stop the sale of an agricultural product that is labeled or otherwise represented as being organically produced in cases of suspected fraudulent or otherwise unlawful acts as described in subsection (d) that are willful, noncorrectable, or the subject of a combined noncompliance and adverse action until the product can be verified—

''(i) as meeting the national and State standards for organic production and handling as provided in sections 2105 through 2114;

''(ii) as having been produced or handled without the use of a prohibited substance listed under section 2118; and

''(iii) as being produced and handled by a certified organic operation.

''(B) AFFIRMATIVE DEFENSE TO STOP SALE ORDER.—

''(i) IN GENERAL.—If a producer or handler has a valid organic certification from the Department of Agriculture, the burden shall shift to the Secretary to prove fraud or unlawful activity that is willful, noncorrectable, or the subject of a combined noncompliance and adverse action before a stop sale order under subparagraph (A) may be implemented.

''(ii) INFORMATION.—

''(I) IN GENERAL.—The producer or handler shall comply with any requests of the Secretary for documents and other information not later than 30 days after a request is made.

''(II) NONCOMPLIANCE.—If the producer or handler fails to comply within the period described in subclause (I), the Secretary may issue a stop sale order.

''(C) APPEAL OF STOP SALE ORDER.—

''(i) IN GENERAL.—If the Secretary proves fraud or unlawful activity that is willful, noncorrectable, or the subject of a combined noncompliance and adverse action, the determination may be appealed through an expedited administrative appeal process.

''(ii) DEADLINE.—The expedited appeal process shall be completed not later than 30 days after the date of the issuance of the stop sale order.

''(iii) STAY.—Any stop sale order shall be stayed pending the 30 day-expedited appeal under this subparagraph.

''(2) CERTIFICATION OR ACCREDITATION.—After notice and opportunity for an administrative appeal under section 2121, if a violation described in subparagraph (A)(ii) is determined to have occurred and is an unlawful act under subsection (d), the Secretary shall revoke the organic certification of the producer or handler, or the accreditation of the certifying agent.

''(3) VIOLATION OF ORDER OR REVOCATION.—A person who violates an order to stop the sale of a product as an organically produced product under paragraph (1), or a revocation of certification or accreditation under paragraph (2), shall be subject to 1 or more of the penalties provided under subsections (a) and (b) of section 2120.

''(f) APPEAL.—

''(1) IN GENERAL.—An order under subsection (e)(1), or a revocation of certification or accreditation under subsection (e)(2)(B), shall be final and conclusive unless the affected person files an appeal of the order—

''(A) first, to the administrative appeals process established under section 2121(a); and

''(B) after a final decision of the Secretary, if the affected person so elects, to a United States district court as provided in section 2121(b) not later than 30 days after the date of the determination under subparagraph (A).

''(2) STANDARD.—An order under subsection (e)(1)(A), or a revocation of certification or accreditation under subsection (e)(2), shall be set aside if the order, or the revocation of certification or accreditation, fails to comply with section 706 of title 5, United States Code.

''(g) NONCOMPLIANCE.—

''(1) IN GENERAL.—If a person covered by this title fails to obey an order, or a revocation of certification or accreditation, described in subsection (f)(2) after the order or revocation has become final and conclusive or after the appropriate United States district court has entered a final judgment in favor of the Secretary, the United States may apply to the appropriate United States district court for enforcement of the order, or the revocation of certification or accreditation.

''(2) ENFORCEMENT.—If the court determines that the order or revocation was lawfully made and duly served and that the person violated the order or revocation, the court shall enforce the order or revocation.

''(3) CIVIL PENALTY.—If the court finds that the person violated the order or revocation, the person shall be subject to a civil penalty of not more than $10,000 for each offense.''.

SEC. 10010. REPORT ON HONEY.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with affected stakeholders, shall submit to the Commissioner of Food and Drugs a report describing how an appropriate Federal standard for the identity of honey would promote honesty and fair dealing and would be in the interest of consumers, the honey industry, and United States agriculture.

(b) CONTENTS.—In preparing the report under subsection (a), the Secretary shall take into consideration the March 2006 Standard of Identity citizens petition filed with the Food and Drug Administration, including any current industry amendments or clarifications necessary to update that 2006 petition.

SEC. 10011. REMOVAL OF AMS INSPECTION AUTHORITY OVER APPLES IN BULK BINS.

(a) DEFINITION OF BULK BIN.—In this section, the term ''bulk bin'' means a bin that contains a quantity of apples weighing more than 100 pounds.

(b) PROHIBITION.—Notwithstanding any other provision of law, the Secretary of Agriculture, acting through the Agricultural Marketing Service, shall have no authority to inspect apples in bulk bins prior to export to Canada.

SEC. 10012. ORGANIC PRODUCT PROMOTION ORDERS.

(a) EXEMPTION OF CERTIFIED ORGANIC PRODUCTS FROM PROMOTION ORDER ASSESSMENTS.—Section 501 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401) is amended by striking subsection (e) and inserting the following:

''(e) EXEMPTION OF CERTIFIED ORGANIC PRODUCTS FROM PROMOTION ORDER ASSESSMENTS.—

''(1) IN GENERAL.—Notwithstanding any provision of a commodity promotion law, a person that produces, handles, markets, or imports organic products may be exempt from the payment of an assessment under a commodity promotion law with respect to any agricultural commodity that is certified as 'organic' or '100 percent organic' (as defined in part 205 of title 7, Code of Federal Regulations (or successor regulations)).

''(2) SPLIT OPERATIONS.—The exemption described in paragraph (1) shall apply to an agricultural commodity described in that paragraph regardless of whether the agricultural commodity subject to the exemption is produced, handled, or marketed by a person that also produces, handles, or markets conventional or nonorganic agricultural products, including conventional or nonorganic agricultural products of the same agricultural commodity as that for which the exemption is claimed.

''(3) APPROVAL.—The Secretary shall approve the exemption of a person under this subsection if the person maintains a valid organic certificate issued under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).

''(4) TERMINATION OF EFFECTIVENESS.—This subsection shall be effective until the date on which the Secretary issues an organic commodity promotion order in accordance with subsection (f).

''(5) REGULATIONS.—The Secretary shall promulgate regulations concerning eligibility and compliance for an exemption under paragraph (1).''.

(b) ORGANIC COMMODITY PROMOTION ORDER.—Section 501 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401) (as amended by subsection (a)) is amended by adding at the end the following:

''(f) ORGANIC COMMODITY PROMOTION ORDER.—

''(1) DEFINITIONS.—In this subsection:

''(A) CERTIFIED ORGANIC FARM.—The term 'certified organic farm' has the meaning given the term in section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502).

''(B) COVERED PERSON.—The term 'covered person' means a producer, handler, marketer, or importer of an organic agricultural commodity.

''(C) DUAL-COVERED AGRICULTURAL COMMODITY.—The term 'dual-covered agricultural commodity' means an agricultural commodity that—

''(i) is produced on a certified organic farm; and

''(ii) is covered under both—

''(I) an organic commodity promotion order issued under paragraph (2); and

''(II) any other agricultural commodity promotion order issued under this section.

''(2) AUTHORIZATION.—The Secretary may issue an organic commodity promotion order under section 514 that includes any agricultural commodity that—

''(A) is—

''(i) produced or handled (as defined in section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502)); and

''(ii) certified to be sold or labeled as 'organic' or '100 percent organic' (as defined in part 205 of title 7, Code of Federal Regulations (or successor regulations)); or

''(B) is imported with a valid organic certificate (as defined in that part).

''(3) ELECTION.—If the Secretary issues an organic commodity promotion order described in paragraph (2), a covered person may elect, for applicable dual-covered agricultural commodities and in the sole discretion of the covered person, whether to be assessed under the organic commodity promotion order or another applicable agricultural commodity promotion order.

''(4) REGULATIONS.—The Secretary shall promulgate regulations concerning eligibility and compliance for an exemption under paragraph (1).''.

(c) DEFINITION OF AGRICULTURAL COMMODITY.—Section 513(1) of the Commodity Promotion, Research, and Information Act of 1996 (7 U.S.C. 7412(1)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

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

''(E) products, as a class, that are produced on a certified organic farm (as defined in section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502)) and that are certified to be sold or labeled as 'organic' or '100 percent organic' (as defined in part 205 of title 7, Code of Federal Regulations (or successor regulations));''.

SEC. 10013. EFFECTIVE DATE.

This title and the amendments made by this title take effect on October 1, 2013.

TITLE XI—CROP INSURANCE

SEC. 11001. SUPPLEMENTAL COVERAGE OPTION.

(a) AVAILABILITY OF SUPPLEMENTAL COVERAGE OPTION.—Section 508(c) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)) is amended by striking paragraph (3) and inserting the following:

''(3) YIELD AND LOSS BASIS OPTIONS.—A producer shall have the option of purchasing additional coverage based on—

''(A)(i) an individual yield and loss basis; or

''(ii) an area yield and loss basis; or

''(B) an individual yield and loss basis, supplemented with coverage based on an area yield and loss basis to cover part of the deductible under the individual yield and loss policy, as authorized in paragraph (4)(C).''.

(b) LEVEL OF COVERAGE.—Section 508(c) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)) is amended by striking paragraph (4) and inserting the following:

''(4) LEVEL OF COVERAGE.—

''(A) DOLLAR DENOMINATION AND PERCENTAGE OF YIELD.—Except as provided in subparagraph (C), the level of coverage—

''(i) shall be dollar denominated; and

''(ii) may be purchased at any level not to exceed 85 percent of the individual yield or 95 percent of the area yield (as determined by the Corporation).

''(B) INFORMATION.—The Corporation shall provide producers with information on catastrophic risk and additional coverage in terms of dollar coverage (within the allowable limits of coverage provided in this paragraph).

''(C) SUPPLEMENTAL COVERAGE OPTION.—

''(i) IN GENERAL.—Notwithstanding subparagraph (A), in the case of the supplemental coverage option described in paragraph (3)(B), the Corporation shall offer producers the opportunity to purchase coverage in combination with an individual buy up policy or plan of insurance offered under this subtitle that would allow indemnities to be paid to a producer equal to part of the deductible under the policy or plan of insurance, if sufficient area data is available (as determined by the Corporation).

''(ii) DEDUCTIBLE.—Coverage offered under this subparagraph shall be subject to a deductible in an amount equal to—

''(I) in the case of a producer who participates in the agriculture risk coverage program under section 1108(c) of the Agriculture Reform, Food, and Jobs Act of 2013, 22 percent of the expected value of the crop of the producer covered by the underlying policy or plan of insurance, as determined by the Corporation; and

''(II) in the case of all other producers, 10 percent of the expected value of the crop of the producer covered by the underlying policy or plan of insurance, as determined by the Corporation.

''(iii) COVERAGE.—Subject to the deductible imposed by clause (ii), coverage offered under this subparagraph shall cover the first loss incurred by the producer, not to exceed the difference between—

''(I) 100 percent; and

''(II) the coverage level selected by the producer for the underlying policy or plan of insurance.

''(iv) CALCULATION OF PREMIUM.—Notwithstanding subsection (d), the premium shall—

''(I) be sufficient to cover anticipated losses and a reasonable reserve; and

''(II) include an amount for operating and administrative expenses established in accordance with subsection (k)(4)(F).''.

(c) PAYMENT OF PORTION OF PREMIUM BY CORPORATION.—Section 508(e)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(2)) is amended by adding at the end the following:

''(H) In the case of the supplemental coverage option authorized in subsection (c)(4)(C), the amount shall be equal to the sum of—

''(i) 65 percent of the additional premium associated with the coverage; and

''(ii) the amount determined under subsection (c)(4)(C)(iv)(II) for the coverage to cover operating and administrative expenses.''.

(d) CONFORMING AMENDMENT.—Section 508(k)(4)(F) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(4)(F)) is amended by inserting ''or authorized under subsection (c)(4)(C)'' after ''of this subparagraph''.

(e) EFFECTIVE DATE.—The Federal Crop Insurance Corporation shall begin to provide additional coverage based on an individual yield and loss basis, supplemented with coverage based on an area yield and loss basis, not later than for the 2014 crop year.

SEC. 11002. CROP MARGIN COVERAGE OPTION.

(a) AVAILABILITY OF CROP MARGIN COVERAGE OPTION.—Section 508(c)(3) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)) (as amended by section 11001(a)) is amended—

(1) in subparagraph (A)(ii), by striking ''or'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(C) a margin basis alone or in combination with—

''(i) individual yield and loss coverage; or

''(ii) area yield and loss coverage.''.

SEC. 11003. PREMIUM AMOUNTS FOR CATASTROPHIC RISK PROTECTION.

Section 508(d)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)(2)) is amended by striking subparagraph (A) and inserting the following:

''(A) In the case of catastrophic risk protection, the amount of the premium established by the Corporation for each crop for which catastrophic risk protection is available shall be reduced by the percentage equal to the difference between the average loss ratio for the crop and 100 percent, plus a reasonable reserve, as determined by the Corporation.''.

SEC. 11004. PERMANENT ENTERPRISE UNIT.

Section 508(e)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(5)) is amended by striking subparagraph (A) and inserting the following:

''(A) IN GENERAL.—The Corporation may pay a portion of the premiums for plans or policies of insurance for which the insurable unit is defined on a whole farm or enterprise unit basis that is higher than would otherwise be paid in accordance with paragraph (2).''.

SEC. 11005. ENTERPRISE UNITS FOR IRRIGATED AND NONIRRIGATED CROPS.

Section 508(e)(5) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(5)) is amended by adding at the end the following:

''(D) NONIRRIGATED CROPS.—Beginning with the 2014 crop year, the Corporation shall make available separate enterprise units for irrigated and nonirrigated acreages of crops in counties.''.

SEC. 11006. DATA COLLECTION.

Section 508(g)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)(2)) is amended by adding at the end the following:

''(E) SOURCES OF YIELD DATA.—To determine yields under this paragraph, the Corporation—

''(i) shall use county data collected by the Risk Management Agency or the National Agricultural Statistics Service, or both; or

''(ii) if sufficient county data is not available, may use other data considered appropriate by the Secretary.''.

SEC. 11007. ADJUSTMENT IN ACTUAL PRODUCTION HISTORY TO ESTABLISH INSURABLE YIELDS.

Section 508(g)(4)(B) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)(4)(B)) is amended—

(1) in the matter preceding clause (i), by inserting ''for the 2013 crop year or any prior crop year, or 65 percent of the applicable transitional yield for the 2014 or any subsequent crop year,'' after ''transitional yield''; and

(2) in clause (ii), by striking ''60 percent of the applicable transitional yield'' and inserting ''the applicable percentage of the transitional yield described in this subparagraph''.

SEC. 11008. SUBMISSION AND REVIEW OF POLICIES.

Section 508(h)(1) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)(1)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(2) by striking ''(1) IN GENERAL.—'' and inserting the following:

''(1) SUBMISSION AND REVIEW OF POLICIES.—

''(A) SUBMISSIONS.—In addition''; and

(3) by adding at the end the following:

''(B) REVIEW.—The Corporation shall review any policy developed under section 522(c) or any pilot program developed under section 523 and submit the policy or program to the Board under this subsection if the Corporation, at the sole discretion of the Corporation, finds that the policy or program—

''(i) will likely result in a viable and marketable policy consistent with this subsection;

''(ii) would provide crop insurance coverage in a significantly improved form; and

''(iii) adequately protects the interests of producers.''.

SEC. 11009. BOARD REVIEW AND APPROVAL.

(a) REVIEW AND APPROVAL BY THE BOARD.—Section 508(h) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)) is amended by striking paragraph (3) and inserting the following:

''(3) REVIEW AND APPROVAL BY THE BOARD.—

''(A) IN GENERAL.—A policy, plan of insurance, or other material submitted to the Board under this subsection shall be reviewed by the Board and shall be approved by the Board for reinsurance and for sale by approved insurance providers to producers at actuarially appropriate rates and under appropriate terms and conditions if the Board, at the sole discretion of the Board, determines that—

''(i) the interests of producers are adequately protected;

''(ii) the rates of premium and price election methodology are actuarially appropriate;

''(iii) the terms and conditions for the proposed policy or plan of insurance are appropriate and would not unfairly discriminate among producers;

''(iv) the proposed policy or plan of insurance will, at the sole discretion of the Board—

''(I) likely result in a viable and marketable policy that can reasonably attain levels of participation similar to other like policies or plans of insurance;

''(II) provide crop insurance coverage in a significantly improved form or in a manner that addresses a recognized flaw or problem in an existing policy; or

''(III) provide a new kind of coverage for a commodity that previously had no available crop insurance, or has demonstrated a low level of participation under existing coverage;

''(v) the proposed policy or plan of insurance will, at the sole discretion of the Board, not have a significant adverse impact on the crop insurance delivery system; and

''(vi) the proposed policy or plan of insurance meets such other requirements as are determined appropriate by the Board.

''(B) PRIORITIES.—

''(i) ESTABLISHMENT.—The Board, at the sole discretion of the Board, may—

''(I) annually establish priorities under this subsection that specify types of submissions needed to fulfill the portfolio of policies or plans of insurance to be reviewed and approved under this subsection; and

''(II) make the priorities available on the website of the Corporation.

''(ii) PROCESS.—

''(I) IN GENERAL.—Policies or plans of insurance that satisfy the priorities established by the Board under this subsection shall be considered by the Board for approval prior to other submissions.

''(II) CONSIDERATIONS.—In approving policies or plans of insurance, the Board shall—

''(aa) consider providing the highest priorities for policies or plans of insurance that address underserved commodities, including commodities for which there is no insurance; and

''(bb) consider providing the highest priorities for existing policies for which there is inadequate coverage or there exists low levels of participation.

''(iii) OTHER CRITERIA.—The Board may establish such other criteria as the Board determines to meet the needs of producers and the priorities of this subsection, consistent with the purposes of this subtitle.''.

SEC. 11010. CONSULTATION.

Section 508(h)(4) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)) is amended by adding at the end the following:

''(E) CONSULTATION.—

''(i) REQUIREMENT.—As part of the feasibility and research associated with the development of a policy or other material conducted prior to making a submission to the Board under this subsection, the submitter shall consult with groups representing producers of agricultural commodities in all major producing areas for the commodities to be served or potentially impacted, either directly or indirectly.

''(ii) SUBMISSION TO THE BOARD.—Any submission made to the Board under this subsection shall contain a summary and analysis of the feasibility and research findings from the impacted groups described in clause (i), including a summary assessment of the support for or against development of the policy and an assessment on the impact of the proposed policy to the general marketing and production of the crop from both a regional and national perspective.

''(iii) EVALUATION BY THE BOARD.—In evaluating whether the interests of producers are adequately protected pursuant to paragraph (3) with respect to an submission made under this subsection, the Board shall review the information provided pursuant to clause (ii) to determine if the submission will create adverse market distortions with respect to the production of commodities that are the subject of the submission.''.

SEC. 11011. BUDGET LIMITATIONS ON RENEGOTIATION OF THE STANDARD REINSURANCE AGREEMENT.

Section 508(k)(8) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(8)) is amended by adding at the end the following:

''(F) BUDGET.—

''(i) IN GENERAL.—The Board shall ensure that any Standard Reinsurance Agreement negotiated under subparagraph (A)(ii), as compared to the previous Standard Reinsurance Agreement—

''(I) to the maximum extent practicable, shall be budget neutral; and

''(II) in no event, may significantly depart from budget neutrality.

''(ii) USE OF SAVINGS.—To the extent that any budget savings is realized in the renegotiation of a Standard Reinsurance Agreement under subparagraph (A)(ii), and the savings are determined not to be a significant departure from budget neutrality under clause (i), the savings shall be used for programs administered or managed by the Risk Management Agency.''.

SEC. 11012. TEST WEIGHT FOR CORN.

Section 508(m) of the Federal Crop Insurance Act (7 U.S.C. 1508(m)) is amended by adding at the end the following:

''(6) TEST WEIGHT FOR CORN.—

''(A) IN GENERAL.—The Corporation shall establish procedures to allow insured producers not more than 120 days to settle claims, in accordance with procedures established by the Secretary, involving corn that is determined to have low test weight.

''(B) IMPLEMENTATION.—As soon as practicable after the date of enactment of this paragraph, the Corporation shall implement

subparagraph (A) on a regional basis based on market conditions and the interests of producers.

''(C) TERMINATION OF EFFECTIVENESS.—The authority provided by this paragraph terminates effective on the date that is 5 years after the date on which subparagraph (A) is implemented.''.

SEC. 11013. STACKED INCOME PROTECTION PLAN FOR PRODUCERS OF UPLAND COTTON.

(a) AVAILABILITY OF STACKED INCOME PROTECTION PLAN.—The Federal Crop Insurance Act is amended by inserting after section 508A (7 U.S.C. 1508a) the following:

''SEC. 508B. STACKED INCOME PROTECTION PLAN FOR PRODUCERS OF UPLAND COTTON.

''(a) AVAILABILITY.—Beginning not later than the 2014 crop of upland cotton, if practicable, the Corporation shall make available to producers of maximum eligible acres of upland cotton an additional policy (to be known as the 'Stacked Income Protection Plan'), which shall provide coverage consistent with the Group Risk Income Protection Plan (and the associated Harvest Revenue Option Endorsement) offered by the Corporation for the 2011 crop year.

''(b) REQUIRED TERMS.—The Corporation may modify the Stacked Income Protection Plan on a program-wide basis, except that the Stacked Income Protection Plan shall comply with the following requirements:

''(1)(A) Provide coverage for revenue loss of not more than 30 percent of expected county revenue, specified in increments of 5 percent.

''(B) The deductible is the minimum percent of revenue loss at which indemnities are triggered under the plan, not to be less than 10 percent of the expected county revenue.

''(C) Once the deductible is met, any losses in excess of the deductible will be paid up to the coverage selected by the producer.

''(2) Be offered to producers of upland cotton in all counties with upland cotton production—

''(A) at a county-wide level to the fullest extent practicable; or

''(B) in counties that lack sufficient data, on the basis of such larger geographical area as the Corporation determines to provide sufficient data for purposes of providing the coverage.

''(3) Be purchased in addition to any other individual or area coverage in effect on the producer's acreage or as a stand-alone policy, except that if a producer has an individual or area coverage for the same acreage, the maximum coverage available under the Stacked Income Protection Plan shall not exceed the deductible for the individual or area coverage.

''(4) Establish coverage based on—

''(A) an expected price that is the expected price established under existing Group Risk Income Protection or area wide policy offered by the Corporation for the applicable county (or area) and crop year; and

''(B) an expected county yield that is the higher of—

''(i) the expected county yield established for the existing area-wide plans offered by the Corporation for the applicable county (or area) and crop year (or, in geographic areas where area-wide plans are not offered, an expected yield determined in a manner consistent with those of area-wide plans); or

''(ii)(I) the average of the applicable yield data for the county (or area) for the most recent 5 years, excluding the highest and lowest observations, from the Risk Management Agency or the National Agricultural Statistics, or both; or

''(II) if sufficient county data is not available, such other data considered appropriate by the Secretary.

''(5) Use a multiplier factor to establish maximum protection per acre (referred to as a 'protection factor') of not more than 120 percent.

''(6) Pay an indemnity based on the amount that the expected county revenue exceeds the actual county revenue, as applied to the individual coverage of the producer. Indemnities under the Stacked Income Protection Plan shall not include or overlap the amount of the deductible selected under paragraph (1).

''(7) To the maximum extent practicable, in all counties for which data are available, establish separate coverage for irrigated and nonirrigated practices.

''(8) Notwithstanding section 508(d), include a premium that—

''(A) is sufficient to cover anticipated losses and a reasonable reserve; and

''(B) includes an amount for operating and administrative expenses established in accordance with section 508(k)(4)(F).

''(c) RELATION TO OTHER COVERAGES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Stacked Income Protection Plan is in addition to all other coverages available to producers of upland cotton.

''(2) LIMITATION.—Acreage of upland cotton insured under the Supplemental Coverage Option shall not be eligible for the Stacked Income Protection Plan.

''(d) PAYMENT OF PORTION OF PREMIUM BY CORPORATION.—Subject to section 508(e)(4), the amount of premium paid by the Corporation for all qualifying coverage levels of the Stacked Income Protection Plan shall be—

''(1) 80 percent of the amount of the premium established under subsection (b)(8)(A) for the coverage level selected; and

''(2) the amount determined under subsection (b)(8)(B) to cover administrative and operating expenses.''.

(b) CONFORMING AMENDMENT.—Section 508(k)(4)(F) of the Federal Crop Insurance Act (7 U.S.C. 1508(k)(4)(F)) (as amended by section 11001(d)) is amended by inserting ''or under section 508B'' after ''subsection (c)(4)(C)''.

SEC. 11014. PEANUT REVENUE CROP INSURANCE.

The Federal Crop Insurance Act is amended by inserting after section 508B (as added by section 11013(a)) the following:

''SEC. 508C. PEANUT REVENUE CROP INSURANCE.

''(a) IN GENERAL.—Effective beginning with the 2014 crop year, the Risk Management Agency and the Corporation shall make available to producers of peanuts a revenue crop insurance program for peanuts.

''(b) EFFECTIVE PRICE.—

''(1) IN GENERAL.—Subject to paragraph (2), for purposes of the policies and plans of insurance offered under subsections (a) and (b) of section 508, the effective price for peanuts shall be equal to the Rotterdam price index for peanuts, as adjusted to reflect the farmer stock price of peanuts in the United States.

''(2) ADJUSTMENTS.—

''(A) IN GENERAL.—The effective price for peanuts established under paragraph (1) may be adjusted by the Risk Management Agency and the Corporation to correct distortions.

''(B) ADMINISTRATION.—If an adjustment is made under subparagraph (A), the Risk Management Agency and the Corporation shall—

''(i) make the adjustment in an open and transparent manner; and

''(ii) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the reasons for the adjustment.''.

SEC. 11015. AUTHORITY TO CORRECT ERRORS.

Section 515(c) of the Federal Crop Insurance Act (7 U.S.C. 1515(c)) is amended—

(1) in the first sentence, by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'';

(2) in the second sentence, by striking ''Beginning with'' and inserting the following:

''(2) FREQUENCY.—Beginning with''; and

(3) by adding at the end the following:

''(3) CORRECTIONS.—

''(A) IN GENERAL.—The Corporation shall establish procedures that allow an agent and approved insurance provider within a reasonable amount of time following the applicable sales closing date to correct information regarding the entity name, social security number, tax identification number, or such other eligibility information as determined by the Corporation that is provided by a producer for the purpose of obtaining coverage under any policy or plan of insurance made available under this subtitle to ensure that the eligibility information is consistent with the information reported by the producer to the Farm Service Agency.

''(B) LIMITATION.—In accordance with the procedures of the Corporation, procedures under subparagraph (A) may include any subsequent correction to the eligibility information described in that subparagraph made by the Farm Service Agency if the corrections do not allow the producer—

''(i) to obtain a disproportionate benefit under the crop insurance program or any related program of the Department of Agriculture;

''(ii) to avoid ineligibility requirements for insurance; or

''(iii) to avoid an obligation or requirement under any Federal or State law.''.

SEC. 11016. IMPLEMENTATION.

Section 515 of the Federal Crop Insurance Act (7 U.S.C. 1515) is amended—

(1) in subsection (j), by striking paragraph (1) and inserting the following:

''(1) SYSTEMS MAINTENANCE AND UPGRADES.—

''(A) IN GENERAL.—The Secretary shall maintain and upgrade the information management systems of the Corporation used in the administration and enforcement of this subtitle.

''(B) REQUIREMENT.—

''(i) IN GENERAL.—In maintaining and upgrading the systems, the Secretary shall ensure that new hardware and software are compatible with the hardware and software used by other agencies of the Department to maximize data sharing and promote the purposes of this section.

''(ii) ACREAGE REPORT STREAMLINING INITIATIVE PROJECT.—As soon as practicable, the Secretary shall develop and implement an acreage report streamlining initiative project to allow producers to report acreage and other information directly to the Department.''; and

(2) in subsection (k), by striking paragraph (1) and inserting the following:

''(1) INFORMATION TECHNOLOGY.—

''(A) IN GENERAL.—For purposes of subsection (j)(1), the Corporation may use, from amounts made available from the insurance fund established under section 516(c), not more than—

''(i)(I) for fiscal year 2014, $25,000,000; and

''(II) for each of fiscal years 2015 through 2018, $10,000,000; or

''(ii) if the Acreage Crop Reporting Streamlining Initiative (ACRSI) project is substantially completed by September 30, 2013, not more than $15,000,000 for each of fiscal years 2015 through 2018.

''(B) NOTIFICATION.—Not later than July 1, 2013, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the status of the substantial completion of the Acreage Crop Reporting Streamlining Initiative (ACRSI) project.''.

SEC. 11017. CROP INSURANCE FRAUD.

Section 516(b)(2) of the Federal Crop Insurance Act (7 U.S.C. 1516(b)(2)) is amended by adding at the end the following:

''(C) REVIEWS, COMPLIANCE, AND PROGRAM INTEGRITY.—For each of the 2014 and subsequent reinsurance years, the Corporation may use the insurance fund established under subsection (c), but not to exceed $5,000,000 for each fiscal year, to pay the following:

''(i) Costs to reimburse expenses incurred for the review of policies, plans of insurance, and related materials and to assist the Corporation in maintaining program integrity.

''(ii) In addition to other available funds, costs incurred by the Risk Management Agency for compliance operations associated with activities authorized under this title.''.

SEC. 11018. APPROVAL OF COSTS FOR RESEARCH AND DEVELOPMENT.

Section 522(b)(2) of the Federal Crop Insurance Act (7 U.S.C. 1522(b)(2)) is amended by striking subparagraph (E) and inserting the following:

''(E) APPROVAL.—

''(i) IN GENERAL.—The Board may approve up to 50 percent of the projected total research and development costs to be paid in advance to an applicant, in accordance with the procedures developed by the Board for the making of the payments, if, after consideration of the reviewer reports described in subparagraph (D) and such other information as the Board determines appropriate, the Board determines that—

''(I) the concept, in good faith, will likely result in a viable and marketable policy consistent with section 508(h);

''(II) at the sole discretion of the Board, the concept, if developed into a policy and approved by the Board, would provide crop insurance coverage—

''(aa) in a significantly improved form or that addresses a unique need of agricultural producers;

''(bb) to a crop or region not traditionally served by the Federal crop insurance program; or

''(cc) in a form that addresses a recognized flaw or problem in the program;

''(III) the applicant agrees to provide such reports as the Corporation determines are necessary to monitor the development effort;

''(IV) the proposed budget and timetable are reasonable, as determined by the Board; and

''(V) the concept proposal meets any other requirements that the Board determines appropriate.

''(ii) WAIVER.—The Board may waive the 50-percent limitation and, upon request of the submitter after the submitter has begun research and development activities, the Board may approve an additional 25 percent advance payment to the submitter for research and development costs, if, at the sole discretion of the Board, the Board determines that—

''(I) the intended policy or plan of insurance developed by the submitter will provide coverage for a region or crop that is underserved by the Federal crop insurance program, including specialty crops;

''(II) the submitter is making satisfactory progress towards developing a viable and marketable policy or plan of insurance consistent with section 508(h); and

''(III) the submitter does not have sufficient financial resources to complete the development of the submission into a viable and marketable policy or plan of insurance consistent with section 508(h).''.

SEC. 11019. WHOLE FARM RISK MANAGEMENT INSURANCE.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) is amended by adding at the end the following:

''(18) WHOLE FARM DIVERSIFIED RISK MANAGEMENT INSURANCE PLAN.—

''(A) IN GENERAL.—The Corporation shall conduct activities or enter into contracts to carry out research and development to develop a whole farm risk management insurance plan, with a liability limitation of $1,500,000, that allows a diversified crop or livestock producer the option to qualify for an indemnity if actual gross farm revenue is below 85 percent of the average gross farm revenue or the expected gross farm revenue that can reasonably be expected of the producer, as determined by the Corporation.

''(B) ELIGIBLE PRODUCERS.—The Corporation shall permit producers (including direct-to-consumer marketers, and producers servicing local and regional and farm identity-preserved markets) who produce multiple agricultural commodities, including specialty crops, industrial crops, livestock, and aquaculture products, to participate in the plan in lieu of any other plan under this subtitle.

''(C) DIVERSIFICATION.—The Corporation may provide diversification-based additional coverage payment rates, premium discounts, or other enhanced benefits in recognition of the risk management benefits of crop and livestock diversification strategies for producers that grow multiple crops or that may have income from the production of livestock that uses a crop grown on the farm.

''(D) MARKET READINESS.—The Corporation may include coverage for the value of any packing, packaging, or any other similar on-farm activity the Corporation determines to be the minimum required in order to remove the commodity from the field.

''(E) REPORT.—Not later than 2 years after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results and feasibility of the research and development conducted under this paragraph, including an analysis of potential adverse market distortions.''.

SEC. 11020. STUDY OF FOOD SAFETY INSURANCE.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) (as amended by section 11018) is amended by adding at the end the following:

''(19) STUDY OF FOOD SAFETY INSURANCE.—

''(A) IN GENERAL.—The Corporation shall offer to enter into a contract with 1 or more qualified entities to conduct a study to determine whether offering policies that provide coverage for specialty crops from food safety and contamination issues would benefit agricultural producers.

''(B) SUBJECT.—The study described in subparagraph (A) shall evaluate policies and plans of insurance coverage that provide protection for production or revenue impacted by food safety concerns including, at a minimum, government, retail, or national consumer group announcements of a health advisory, removal, or recall related to a contamination concern.

''(C) REPORT.—Not later than 1 year after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).''.

SEC. 11021. CROP INSURANCE FOR LIVESTOCK.

Section 522(c) of the Federal Crop Insurance Act (as amended by section 11019) is amended by adding at the end the following:

''(20) STUDY ON SWINE CATASTROPHIC DISEASE PROGRAM.—

''(A) IN GENERAL.—The Corporation shall contract with a qualified person to conduct a study to determine the feasibility of insuring swine producers for a catastrophic event.

''(B) REPORT.—Not later than 1 year after the date of the enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).''.

SEC. 11022. MARGIN COVERAGE FOR CATFISH.

Section 522(c) of the Federal Crop Insurance Act (as amended by section 11020) is amended by adding at the end the following:

''(21) MARGIN COVERAGE FOR CATFISH.—

''(A) IN GENERAL.—The Corporation shall offer to enter into a contract with a qualified entity to conduct research and development regarding a policy to insure producers against reduction in the margin between the market value of catfish and selected costs incurred in the production of catfish.

''(B) ELIGIBILITY.—Eligibility for the policy described in subparagraph (A) shall be limited to freshwater species of catfish that are propagated and reared in controlled or selected environments.

''(C) IMPLEMENTATION.—The Board shall review the policy described in subparagraph (B) under subsection 508(h) and approve the policy if the Board finds that the policy—

''(i) will likely result in a viable and marketable policy consistent with this subsection;

''(ii) would provide crop insurance coverage in a significantly improved form;

''(iii) adequately protects the interests of producers; and

''(iv) the proposed policy meets other requirements of this subtitle determined appropriate by the Board.''.

SEC. 11023. POULTRY BUSINESS DISRUPTION INSURANCE POLICY.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) (as amended by section 11021) is amended by adding at the end the following:

''(22) POULTRY BUSINESS DISRUPTION INSURANCE POLICY AND CATASTROPHIC DISEASE PROGRAM.—

''(A) DEFINITION OF POULTRY.—In this paragraph, the term 'poultry' has the meaning given the term in section 2(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 182(a)).

''(B) AUTHORITY.—The Corporation shall offer to enter into 1 or more contracts with qualified entities to carry out—

''(i) a study to determine the feasibility of insuring commercial poultry production against business disruptions caused by integrator bankruptcy; and

''(ii) a study to determine the feasibility of insuring poultry producers for a catastrophic event.

''(C) BUSINESS DISRUPTION STUDY.—The study described in subparagraph (B)(i) shall—

''(i) evaluate the market place for business disruption insurance that is available to poultry producers;

''(ii) assess the feasibility of a policy to allow producers to ensure against a portion of losses from loss under contract due to business disruption from integrator bankruptcy; and

''(iii) analyze the costs to the Federal Government of a Federal business disruption insurance program for poultry producers.

''(D) REPORTS.—Not later than 1 year after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of—

''(i) the study carried out under subparagraph (B)(i); and

''(ii) the study carried out under subparagraph (B)(ii).''.

SEC. 11024. STUDY OF CROP INSURANCE FOR SEAFOOD HARVESTERS.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) (as amended by section 11022) is amended by adding at the end the following:

''(23) FEASIBILITY STUDY TO ASSIST SEAFOOD HARVESTERS.—

''(A) IN GENERAL.—The Corporation shall offer to enter into a contract with a qualified entity to conduct a feasibility study to determine the best method of insuring seafood harvesters, including such data collection and analysis as is necessary to conduct the study.

''(B) REPORT.—Not later than 1 year after the date of enactment of this subsection, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the study.''.

SEC. 11025. BIOMASS AND SWEET SORGHUM ENERGY CROP INSURANCE POLICIES.

Section 522(c) of the Federal Crop Insurance Act of 1938 (7 U.S.C. 1522(c)) (as amended by section 11023) is amended by adding at the end the following:

''(24) BIOMASS AND SWEET SORGHUM ENERGY CROP INSURANCE POLICIES.—

''(A) AUTHORITY.—The Corporation shall offer to enter into 1 or more contracts with qualified entities to carry out research and development regarding—

''(i) a policy to insure biomass sorghum that is grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or biobased products; and

''(ii) a policy to insure sweet sorghum that is grown for a purpose described in clause (i).

''(B) RESEARCH AND DEVELOPMENT.—Research and development with respect to each of the policies described in subparagraph (A) shall evaluate the effectiveness of risk management tools for the production of biomass sorghum or sweet sorghum, including policies and plans of insurance that—

''(i) are based on market prices and yields;

''(ii) to the extent that insufficient data exist to develop a policy based on market prices and yields, are based on the use of weather indices, including, at a minimum, excessive or inadequate rainfall, to protect the interests of crop producers; and

''(iii) provide protection for production or revenue losses, or both.''.

SEC. 11026. ALFALFA CROP INSURANCE POLICY.

Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) (as amended by section 11024) is amended by adding at the end the following:

''(25) ALFALFA CROP INSURANCE POLICY.—

''(A) IN GENERAL.—The Corporation shall offer to enter into 1 or more contracts with qualified entities to carry out research and development regarding a policy to insure alfalfa.

''(B) REPORT.—Not later than 1 year after the date of enactment of this paragraph, the Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under subparagraph (A).''.

SEC. 11027. CROP INSURANCE FOR ORGANIC CROPS.

(a) IN GENERAL.—Section 508(c)(6) of the Federal Crop Insurance Act (7 U.S.C. 1508(c)(6)) is amended by adding at the end the following:

''(D) ORGANIC CROPS.—

''(i) IN GENERAL.—As soon as possible, but not later than the 2015 reinsurance year, the Corporation shall offer producers of organic crops price elections for all organic crops produced in compliance with standards issued by the Department of Agriculture under the national organic program established under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.) that reflect the actual retail or wholesale prices, as appropriate, received by producers for organic crops, as determined by the Secretary using all relevant sources of information.

''(ii) ANNUAL REPORT.—The Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on progress made in developing and improving Federal crop insurance for organic crops, including—

''(I) the numbers and varieties of organic crops insured;

''(II) the progress of implementing the price elections required under this subparagraph, including the rate at which additional price elections are adopted for organic crops;

''(III) the development of new insurance approaches relevant to organic producers; and

''(IV) any recommendations the Corporation considers appropriate to improve Federal crop insurance coverage for organic crops.''.

(b) CONFORMING AMENDMENT.—Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) (as amended by section 11024) is amended—

(1) by striking paragraph (10); and

(2) by redesignating paragraphs (11) through (24) as paragraphs (10) through (23), respectively.

SEC. 11028. RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—Section 522(c) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)) is amended—

(1) in the subsection heading, by striking ''Contracting'';

(2) in paragraph (1), in the matter preceding subparagraph (A), by striking ''may enter into contracts to carry out research and development to'' and inserting ''may conduct activities or enter into contracts to carry out research and development to maintain or improve existing policies or develop new policies to'';

(3) in paragraph (2)—

(A) in subparagraph (A), by inserting ''conduct research and development or'' after ''The Corporation may''; and

(B) by striking subparagraph (B) and inserting the following:

''(B) CONSULTATION.—Before conducting research and development or entering into a contract under subparagraph (A), the Corporation shall follow the consultation requirements described in section 508(h)(4)(E).'';

(4) in paragraph (5), by inserting ''after expert review in accordance with section 505(e) and procedures of the Board'' after ''approved by the Board''; and

(5) in paragraph (6), by striking ''a pasture, range, and forage program'' and inserting ''policies that increase participation by producers of underserved agricultural commodities, including sweet sorghum, sorghum for biomass, specialty crops, sugarcane, and dedicated energy crops''.

(b) FUNDING.—Section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) is amended—

(1) in paragraph (2)—

(A) by striking ''(A) AUTHORITY.—'' and inserting ''(A) CONDUCTING AND CONTRACTING FOR RESEARCH AND DEVELOPMENT.—'';

(B) in subparagraph (A), by inserting ''conduct research and development and'' after ''the Corporation may use to''; and

(C) in subparagraph (B), by inserting ''conduct research and development and'' after ''for the fiscal year to'';

(2) in paragraph (3), in the matter preceding subparagraph (A), by striking ''to provide either reimbursement payments or contract payments''; and

(3) by striking paragraph (4).

SEC. 11029. PILOT PROGRAMS.

Section 523(a) of the Federal Crop Insurance Act (7 U.S.C. 1523(a)) is amended—

(1) in paragraph (1), by inserting '', at the sole discretion of the Corporation,'' after ''may''; and

(2) by striking paragraph (5).

SEC. 11030. INDEX-BASED WEATHER INSURANCE PILOT PROGRAM.

Section 523(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1523(a)(2)) is amended—

(1) by striking ''Under'' inserting the following:

''(A) IN GENERAL.—Under''; and

(2) by adding at the end the following:

''(B) INDEX-BASED WEATHER INSURANCE PILOT PROGRAM.—

''(i) IN GENERAL.—Notwithstanding subparagraph (A), the Corporation, at the sole discretion of the Corporation, may conduct a pilot program to provide financial assistance for producers of underserved crops and livestock (including specialty crops) to purchase an index-based weather insurance product from a private insurance company, subject to the requirements of this subparagraph.

''(ii) PAYMENT OF PREMIUM.—

''(I) IN GENERAL.—Subject to subclause (II) and clause (v), the Corporation may pay a portion of the premium for producers who purchase index-based weather insurance protection from a private insurance company for a crop and policy that is not reinsured under this subtitle, as determined by the Corporation.

''(II) CONDITION.—The premium assistance under subclause (I) shall not exceed 60 percent of the estimated premium amount, based on expected losses, representative operating expenses, and representative profit margins, as determined by the Corporation.

''(iii) ELIGIBLE PROVIDERS.—Before providing premium assistance to producers to purchase index-based weather insurance from a private insurance company pursuant to this subparagraph, the Corporation shall verify that the company has adequate experience—

''(I) to develop and manage the index-based weather insurance products, including adequate resources, experience, and assets or sufficient reinsurance to meet the obligations of the company under this subparagraph; and

''(II) to support and deliver the index-based weather insurance products.

''(iv) PROCEDURES.—The Corporation shall develop and publish procedures to administer the pilot program under this subparagraph that—

''(I) require each applicable private insurance company to report claim and sales data, and any other data the Corporation determines to be appropriate, to allow the Corporation to evaluate product pricing and performance;

''(II) allow the private insurance companies exclusive rights over the private insurance offered under this subparagraph, including rating of policies, protection of intellectual property rights on the product or policy, and associated rating methodology, for the period during which the companies are eligible under clause (iii); and

''(III) contain such other requirements as the Corporation determines to be necessary to ensure that—

''(aa) the interests of producers are protected; and

''(bb) the program operates in an actuarially sound manner.

''(v) FUNDING.—Of the funds of the Corporation, the Corporation shall use to carry out this subparagraph $10,000,000 for each of fiscal years 2014 through 2018, to remain available until expended.''.

SEC. 11031. ENHANCING PRODUCER SELF-HELP THROUGH FARM FINANCIAL BENCHMARKING.

(a) DEFINITION.—Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) is amended—

(1) by redesignating paragraphs (6) through (9) as paragraphs (7) through (10), respectively; and

(2) by inserting after paragraph (5) the following:

''(6) FARM FINANCIAL BENCHMARKING.—The term 'farm financial benchmarking' means—

''(A) the process of comparing the performance of an agricultural enterprise against the performance of other similar enterprises, through the use of comparable and reliable data, in order to identify business management strengths, weaknesses, and steps necessary to improve management performance and business profitability; and

''(B) benchmarking of the type conducted by farm management and producer associations consistent with the activities described in or funded pursuant to section 1672D of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925f).''.

(b) PARTNERSHIPS FOR RISK MANAGEMENT FOR PRODUCERS OF SPECIALTY CROPS AND UNDERSERVED AGRICULTURAL COMMODITIES.—Section 522(d)(3)(F) of the Federal Crop Insurance Act (7 U.S.C. 1522(d)(3)(F)) is amended by inserting ''farm financial benchmarking,'' after ''management,''.

(c) CROP INSURANCE EDUCATION AND RISK MANAGEMENT ASSISTANCE.—Section 524(a) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)) is amended—

(1) in paragraph (3)(A), by inserting ''farm financial benchmarking,'' after ''risk reduction,''; and

(2) in paragraph (4), in the matter preceding subparagraph (A), by inserting ''(including farm financial benchmarking)'' after ''management strategies''.

SEC. 11032. BEGINNING FARMER AND RANCHER PROVISIONS.

(a) DEFINITION.—Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) (as amended by section 11029(a)) is amended—

(1) by redesignating paragraphs (3) through (10) as paragraphs (4) through (11), respectively; and

(2) by inserting after paragraph (2) the following:

''(3) BEGINNING FARMER OR RANCHER.—The term 'beginning farmer or rancher' means a farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 5 crop years, as determined by the Secretary.''.

(b) PREMIUM ADJUSTMENTS.—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended—

(1) in subsection (b)(5)(E), by inserting ''and beginning farmers or ranchers'' after ''limited resource farmers'';

(2) in subsection (e), by adding at the end the following:

''(8) PREMIUM FOR BEGINNING FARMERS OR RANCHERS.—Notwithstanding any other provision of this subsection regarding payment of a portion of premiums, a beginning farmer or rancher shall receive premium assistance that is 10 percentage points greater than premium assistance that would otherwise be available under paragraphs (2) (except for subparagraph (A) of that paragraph), (5), (6), and (7) for the applicable policy, plan of insurance, and coverage level selected by the beginning farmer or rancher.''; and

(3) in subsection (g)—

(A) in paragraph (2)(B)—

(i) in clause (i), by striking ''or'' at the end;

(ii) in clause (ii)(III), by striking the period at the end and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) if the producer is a beginning farmer or rancher who was previously involved in a farming or ranching operation, including involvement in the decisionmaking or physical involvement in the production of the crop or livestock on the farm, for any acreage obtained by the beginning farmer or rancher, a yield that is the higher of—

''(I) the actual production history of the previous producer of the crop or livestock on the acreage determined under subparagraph (A); or

''(II) a yield of the producer, as determined in clause (i).''; and

(B) in paragraph (4)(B)(ii) (as amended by section 11007)—

(i) by inserting ''(I)'' after ''(ii)'';

(ii) by striking the period at the end and inserting ''; or''; and

(iii) by adding at the end the following:

''(II) in the case of beginning farmers or ranchers, replace each excluded yield with a yield equal to 80 percent of the applicable transitional yield.''.

SEC. 11033. LIMITATION ON PREMIUM SUBSIDY BASED ON AVERAGE ADJUSTED GROSS INCOME.

Section 508(e) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)) (as amended by section 11030(b)) is amended by adding at the end the following:

''(9) LIMITATION ON PREMIUM SUBSIDY BASED ON AVERAGE ADJUSTED GROSS INCOME.—

''(A) DEFINITION OF AVERAGE ADJUSTED GROSS INCOME.—In this paragraph, the term 'average adjusted gross income' has the meaning given the term in section 1001D(a) of the Food Security Act of 1985 (7 U.S.C. 1308–3a(a)).

''(B) LIMITATION.—Notwithstanding any other provision of this subtitle and beginning with the 2014 reinsurance year, in the case of any producer that is a person or legal entity that has an average adjusted gross income in excess of $750,000 based on the most recent data available from the Farm Service Agency as of the beginning of the reinsurance year, the total amount of premium subsidy provided with respect to additional coverage under subsection (c), section 508B, or section 508C issued on behalf of the producer for a reinsurance year shall be 15 percentage points less than the premium subsidy provided in accordance with this subsection that would otherwise be available for the applicable policy, plan of insurance, and coverage level selected by the producer.

''(C) APPLICATION.—

''(i) STUDY.—Not later than 1 year after the date of enactment of this Act, the Secretary, in consultation with the Government Accountability Office, shall carry out a study to determine the effects of the limitation described in subparagraph (B) on—

''(I) the overall operations of the Federal crop insurance program;

''(II) the number of producers participating in the Federal crop insurance program;

''(III) the level of coverage purchased by participating producers;

''(IV) the amount of premiums paid by participating producers and the Federal Government;

''(V) any potential liability for participating producers, approved insurance providers, and the Federal Government;

''(VI) different crops or growing regions;

''(VII) program rating structures;

''(VIII) creation of schemes or devices to evade the impact of the limitation; and

''(IX) administrative and operating expenses paid to approved insurance providers and underwriting gains and loss for the Federal government and approved insurance providers.

''(ii) EFFECTIVENESS.—The limitation described in subparagraph (B) shall not take effect unless the Secretary determines, through the study described in clause (i), that the limitation would not—

''(I) significantly increase the premium amount paid by producers with an average adjusted gross income of less than $750,000;

''(II) result in a decline in the crop insurance coverage available to producers; and

''(III) increase the total cost of the Federal crop insurance program.''.

SEC. 11034. AGRICULTURAL MANAGEMENT ASSISTANCE, RISK MANAGEMENT EDUCATION, AND ORGANIC CERTIFICATION COST SHARE ASSISTANCE.

Section 524 of the Federal Crop Insurance Act (7 U.S.C. 1524) is amended by striking subsection (b) and inserting the following:

''(b) AGRICULTURAL MANAGEMENT ASSISTANCE, RISK MANAGEMENT EDUCATION, AND ORGANIC CERTIFICATION COST SHARE ASSISTANCE.—

''(1) AUTHORITY FOR PROVISION OF ASSISTANCE.—The Secretary shall provide assistance under this section as follows:

''(A) Provision of organic certification cost share assistance pursuant to section 10606 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523).

''(B) Activities to support risk management education and community outreach partnerships pursuant to section 522(d), including—

''(i) entering into futures or hedging;

''(ii) entering into agricultural trade options as a hedging transaction to reduce production, price, or revenue risk; or

''(iii) conducting any other activity relating to an activity described in clause (i) or (ii), including farm financial benchmarking, as determined by the Secretary.

''(C) Provision of agricultural management assistance grants to producers in States in which there has been traditionally, and continues to be, a low level of Federal crop insurance participation and availability, and producers underserved by the Federal crop insurance program, as determined by the Secretary, for the purposes of—

''(i) constructing or improving—

''(I) watershed management structures; or

''(II) irrigation structures;

''(ii) planting trees to form windbreaks or to improve water quality; and

''(iii) mitigating financial risk through production or marketing diversification or resource conservation practices, including—

''(I) soil erosion control;

''(II) integrated pest management;

''(III) organic farming; or

''(IV) to develop and implement a plan to create marketing opportunities for the producer, including through value-added processing.

''(2) PAYMENT LIMITATION.—The total amount of payments made to a person (as defined in section 1001(a)(5) of the Food Security Act (7 U.S.C. 1308(a)(5))) (as in existence before the amendment made by section 1603(b) of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1730)) under paragraph (1) for any year may not exceed $50,000.

''(3) FUNDING.—

''(A) IN GENERAL.—The Secretary shall carry out this subsection through the Commodity Credit Corporation.

''(B) FUNDING.—For each of fiscal years 2014 through 2018, the Commodity Credit Corporation shall make available to carry out this subsection $23,000,000.

''(C) DISTRIBUTION OF FUNDS.—Of the amount made available to carry out this subsection for a fiscal year, the Commodity Credit Corporation shall use not less than—

''(i) 50 percent to carry out paragraph (1)(A);

''(ii) 26 percent to carry out paragraph (1)(B); and

''(iii) 24 percent to carry out paragraph (1)(C).''.

SEC. 11035. CROP PRODUCTION ON NATIVE SOD.

(a) FEDERAL CROP INSURANCE.—Section 508(o) of the Federal Crop Insurance Act (7 U.S.C. 1508(o)) is amended—

(1) in paragraph (1)(B), by inserting '', or the producer cannot substantiate that the ground has ever been tilled,'' after ''tilled'';

(2) in paragraph (2)(A), by striking ''for benefits under—'' and all that follows through the period at the end and inserting ''for—

''(i) a portion of crop insurance premium subsidies under this subtitle in accordance with paragraph (3);

''(ii) benefits under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333); and

''(iii) payments described in section 1001(b) of the Food Security Act of 1985 (7 U.S.C. 1308(b)).''; and

(3) by striking paragraph (3) and inserting the following:

''(3) ADMINISTRATION.—

''(A) IN GENERAL.—During the first 4 crop years of planting on native sod acreage by a producer described in paragraph (2)—

''(i) paragraph (2) shall apply to 65 percent of the applicable transitional yield; and

''(ii) the crop insurance premium subsidy provided for the producer under this subtitle shall be 50 percentage points less than the premium subsidy that would otherwise apply.

''(B) YIELD SUBSTITUTION.—During the period native sod acreage is covered by this subsection, a producer may not substitute yields for the native sod acreage.''.

(b) NONINSURED CROP DISASTER ASSISTANCE.—Section 196(a)(4) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)(4)) is amended—

(1) in subparagraph (A)(ii), by inserting '', or the producer cannot substantiate that the ground has ever been tilled,'' after ''tilled'';

(2) in subparagraph (B)(i), by striking ''for benefits under—'' and all that follows through the period at the end and inserting ''for—

''(I) benefits under this section;

''(II) a portion of crop insurance premium subsidies under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) in accordance with subparagraph (C); and

''(III) payments described in section 1001(b) of the Food Security Act of 1985 (7 U.S.C. 1308(b)).''; and

(3) by striking subparagraph (C) and inserting the following:

''(C) ADMINISTRATION.—

''(i) IN GENERAL.—During the first 4 crop years of planting on native sod acreage by a producer described in subparagraph (B)—

''(I) subparagraph (B) shall apply to 65 percent of the applicable transitional yield; and

''(II) the crop insurance premium subsidy provided for the producer under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) shall be 50 percentage points less than the premium subsidy that would otherwise apply.

''(ii) YIELD SUBSTITUTION.—During the period native sod acreage is covered by this paragraph, a producer may not substitute yields for the native sod acreage.''.

(c) CROPLAND REPORT.—

(1) BASELINE.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the cropland acreage in each county and State, and the change in cropland acreage from the preceding year in each county and State, beginning with calendar year 2000 and including that information for the most recent year for which that information is available.

(2) ANNUAL UPDATES.—Not later than January 1, 2014, and each January 1 thereafter through January 1, 2018, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

(A) the cropland acreage in each county and State as of the date of submission of the report;

(B) the change in cropland acreage from the preceding year in each county and State; and

(C) the number of acres of native sod that have been converted to cropland or to any other use in the preceding year in each county and State.

SEC. 11036. TECHNICAL AMENDMENTS.

Section 508(b) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)) is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraphs (8) through (11) as paragraphs (7) through (10), respectively.

SEC. 11037. GREATER ACCESSIBILITY FOR CROP INSURANCE.

(a) FINDINGS.—Congress finds that—

(1) due to changes in commodity and other agricultural programs made by the Agriculture Reform, Food, and Jobs Act of 2013, it is more important than ever that agricultural producers be able to fully understand the terms of plans and policies of crop insurance offered under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

(2) proposed reductions by the Secretary in the number of State and local offices of the Farm Service Agency will reduce the services available to assist agricultural producers in understanding crop insurance.

(b) REQUIREMENT FOR USE OF PLAIN LANGUAGE.—

(1) IN GENERAL.—In issuing regulations and guidance relating to plans and policies of crop insurance, the Risk Management Agency and the Federal Crop Insurance Corporation shall, to the greatest extent practicable, use plain language, as required under Executive Orders 12866 (5 U.S.C. 601 note; relating to regulatory planning and review) and 12988 (28 U.S.C. 519 note; relating to civil justice reform).

(2) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the efforts of the Secretary to accelerate compliance with the Executive orders described in paragraph (1).

(c) WEBSITE.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in consultation with the approved insurance providers (as defined in section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)), shall improve the existing Internet website through which agricultural producers in any State may identify crop insurance options in that State.

(2) REQUIREMENTS.—The website described in paragraph (1) shall—

(A) provide answers in an easily accessible format to frequently asked questions; and

(B) include published materials of the Department of Agriculture that relate to plans and policies of crop insurance offered under that Act.

(d) ADMINISTRATION.—Nothing in this section authorizes the Risk Management Agency to sell a crop insurance policy or plan of insurance.

SEC. 11038. GAO CROP INSURANCE FRAUD REPORT.

Section 515(d) of the Federal Crop Insurance Act (7 U.S.C. 1515(d)) is amended by adding at the end the following:

''(6) GAO CROP INSURANCE FRAUD REPORT.—As soon as practicable after the date of enactment of this paragraph, the Comptroller General of the United States shall conduct, and submit to Congress a report describing the results of, a study regarding fraudulent claims filed, and benefits provided, under this subtitle.''.

TITLE XII—MISCELLANEOUS

Subtitle A—Socially Disadvantaged Producers and Limited Resource Producers

SEC. 12001. OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND VETERAN FARMERS AND RANCHERS.

(a) OUTREACH AND ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS AND VETERAN FARMERS AND RANCHERS.—Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279) is amended—

(1) in the section heading, by inserting ''**AND VETERAN FARMERS AND RANCHERS**'' after ''**RANCHERS**'';

(2) in subsection (a)—

(A) in paragraph (2)(B)(i), by inserting ''and veteran farmers or ranchers'' after ''ranchers''; and

(B) in paragraph (4)—

(i) in subparagraph (A)—

(I) in the heading, by striking ''FISCAL YEARS 2009 THROUGH 2012'' and inserting ''MANDATORY FUNDING'';

(II) in clause (i), by striking ''and'' at the end;

(III) in clause (ii), by striking the period at the end and inserting ''; and''; and

(IV) by adding at the end the following:

''(iii) $10,000,000 for each of fiscal years 2014 through 2018.''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2014 through 2018.'';

(3) in subsection (b)(2), by inserting ''or veteran farmers and ranchers'' after ''socially disadvantaged farmers and ranchers''; and

(4) in subsection (c)—

(A) in paragraph (1)(A), by inserting ''veteran farmers or ranchers and'' before ''members''; and

(B) in paragraph (2)(A), by inserting ''veteran farmers or ranchers and'' before ''members''.

(b) DEFINITION OF VETERAN FARMER OR RANCHER.—Section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e)) is amended by adding at the end the following:

''(7) VETERAN FARMER OR RANCHER.—The term 'veteran farmer or rancher' means a farmer or rancher who served in the active military, naval, or air service, and who was discharged or released from the service under conditions other than dishonorable.''.

SEC. 12002. SOCIALLY DISADVANTAGED FARMERS AND RANCHERS POLICY RESEARCH CENTER.

Section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C.

2279) is amended by adding at the end the following:

''(i) SOCIALLY DISADVANTAGED FARMERS AND RANCHERS POLICY RESEARCH CENTER.—The Secretary shall award a grant, through a competitive grant program, to an eligible 1890 Institution (as defined in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601)) to establish a policy research center, to be known as the 'Socially Disadvantaged Farmers and Ranchers Policy Research Center', for the purpose of developing policy recommendations for the protection and promotion of the interests of socially disadvantaged farmers and ranchers.''.

SEC. 12003. OFFICE OF ADVOCACY AND OUTREACH.

Section 226B(f)(3) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6934(f)(3)) is amended to read as follows:

''(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection—

''(A) such sums as are necessary for each of fiscal years 2009 through 2013; and

''(B) $2,000,000 for each of fiscal years 2014 through 2018.''.

Subtitle B—Livestock

SEC. 12101. WILDLIFE RESERVOIR ZOONOTIC DISEASE INITIATIVE.

Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq.) is amended by adding at the end the following:

''SEC. 413. WILDLIFE RESERVOIR ZOONOTIC DISEASE INITIATIVE.

''(a) DEFINITION OF COVERED DISEASE.—In this section, the term 'covered disease' means a zoonotic disease affecting domestic livestock that is transmitted primarily from wildlife.

''(b) ESTABLISHMENT.—There is established within the Department a wildlife reservoir zoonotic disease initiative to provide assistance through Coordinated Agricultural Project grants for research and development of surveillance methods, vaccines, vaccination delivery systems, or diagnostic tests for covered diseases.

''(c) COVERED DISEASE.—

''(1) IN GENERAL.—To be eligible for a grant under this section, an eligible entity shall conduct research and development of surveillance methods, vaccines, vaccination delivery systems, or diagnostic tests for covered diseases in—

''(A) a wildlife reservoir in the United States; or

''(B) domestic livestock or wildlife presenting a potential concern to public health.

''(2) PRIORITY.—In making grants under this section, the Secretary shall give priority to grants that address—

''(A) Brucella abortus (Bovine Brucellosis);

''(B) Mycobacterium bovis (Bovine Tuberculosis); or

''(C) other zoonotic disease in livestock that is covered by a high-priority research and extension initiative conducted under section 1672 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925).

''(d) ELIGIBLE ENTITIES.—The Secretary shall carry out the initiative established under subsection (b) through public scientific research consortia that may consist of members from—

''(1) Federal agencies;

''(2) National Laboratories;

''(3) institutions of higher education;

''(4) research institutions and organizations; or

''(5) State agricultural experiment stations.

''(e) RESEARCH PROJECTS.—In carrying out this section, the Secretary shall award grants on a competitive basis.

''(f) ADMINISTRATION.—

''(1) IN GENERAL.—In the case of grants awarded under this section, the Secretary shall—

''(A) seek and accept proposals for grants;

''(B) determine the relevance and merit of proposals through a system of peer and merit review in accordance with section 103;

''(C) award grants on the basis of merit, quality, and relevance; and

''(D) manage the initiative established under subsection (b) using a Coordinated Agricultural Project format.

''(2) TERM.—The term of a grant under this section may not exceed 10 years.

''(3) MATCHING FUNDS REQUIRED.—The Secretary shall require the recipient of a grant under this section to provide funds or in-kind support from non-Federal sources in an amount that is not less than 25 percent of the amount provided by the Federal Government.

''(4) OTHER CONDITIONS.—The Secretary may set such other conditions on the award of a grant under this section as the Secretary determines to be appropriate.

''(g) BUILDINGS AND FACILITIES.—Funds made available under this section shall not be used for—

''(1) the construction of a new building or facility; or

''(2) the acquisition, expansion, remodeling, or alteration of an existing building or facility (including site grading and improvement and architect fees).

''(h) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2014 through 2018.

''(2) ALLOCATION.—Of the amount made available for a fiscal year under paragraph (1), the Secretary shall use not less than 30 percent of the amount for the fiscal year to carry out activities under each of subparagraphs (A) and (B) of subsection (c)(2).''.

SEC. 12102. TRICHINAE CERTIFICATION PROGRAM.

(a) ALTERNATIVE CERTIFICATION PROCESS.—

(1) IN GENERAL.—The Secretary shall amend the regulation issued under section 11010(a)(2) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8304(a)(2)) to implement the voluntary trichinae certification program established under section 11010(a)(1) of that Act, to include a requirement to establish an alternative trichinae certification process based on surveillance or other methods consistent with international standards for categorizing compartments as having negligible risk for trichinae.

(2) FINAL REGULATIONS.—Not later than 1 year after the date on which the international standards described in paragraph (1) are adopted, the Secretary shall finalize the rule amended under paragraph (1).

(b) REAUTHORIZATION.—Section 10405(d)(1) of the Animal Health Protection Act (7 U.S.C. 8304(d)(1)) is amended in subparagraphs (A) and (B) by striking ''2012'' each place it appears and inserting ''2018''.

SEC. 12103. NATIONAL AQUATIC ANIMAL HEALTH PLAN.

Section 11013(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8322(d)) is amended by striking ''2012'' and inserting ''2018''.

SEC. 12104. SHEEP PRODUCTION AND MARKETING GRANT PROGRAM.

(a) IN GENERAL.—Subtitle A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

''SEC. 209. SHEEP PRODUCTION AND MARKETING GRANT PROGRAM.

''(a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Agricultural Marketing Service (referred to in this section as the 'Secretary') shall establish a competitive grant program for the purposes of improving the United States sheep industry.

''(b) PURPOSE.—The purpose of the grant program shall be to strengthen and enhance the production and marketing of sheep and sheep products, including improvement of—

''(1) infrastructure;

''(2) business;

''(3) resource development; and

''(4) innovative approaches to solve long-term needs.

''(c) ELIGIBILITY.—The Secretary shall make grants under this section to 1 or more national entities the mission of which is consistent with the purpose of the grant program.

''(d) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $1,500,000 for fiscal year 2014, to remain available until expended.''.

(b) CONFORMING AMENDMENT.—Section 374 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j) (as in existence on the day before the date of enactment of this Act) is—

(1) amended in subsection (e)—

(A) in paragraph (3)(D), by striking ''3 percent'' and inserting ''10 percent''; and

(B) by striking paragraph (6); and

(2) redesignated as section 210 of the Agricultural Marketing Act of 1946; and

(3) moved so as to appear at the end of subtitle A of that Act (as amended by subsection (a)).

SEC. 12105. FERAL SWINE ERADICATION PILOT PROGRAM.

(a) IN GENERAL.—To eradicate or control the threat feral swine pose to the domestic swine population, the entire livestock industry, and the destruction of crops and natural plant communities and native habitats, the Secretary of Agriculture may establish a feral swine eradication pilot program.

(b) PILOT.—Subject to the availability of appropriations under this section, the Secretary may provide financial assistance for the cost of carrying out a pilot program—

(1) to study and assess the nature and extent of damage to the pilot area caused by feral swine;

(2) to develop methods to eradicate or control feral swine in the pilot area; and

(3) to develop methods to restore damage caused by feral swine.

(c) COORDINATION.—The Secretary shall ensure that the Natural Resource Conservation Service and the Animal and Plant Health Inspection Service coordinate to carry out the pilot program.

(d) COST SHARING.—

(1) FEDERAL SHARE.—The Federal share of the costs of the pilot program under this section may not exceed 75 percent of the total costs of carrying out the pilot program.

(2) IN-KIND CONTRIBUTIONS.—The non-Federal share of the costs of the pilot program may be provided in the form of in-kind contributions of materials or services.

(e) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not more than 10 percent of financial assistance provided by the Secretary under this section may be used for administrative expenses.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2014 through 2018.

SEC. 12106. NATIONAL ANIMAL HEALTH LABORATORY NETWORK.

Subtitle E of title X of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8301 et seq.) is amended by inserting after section 10409 the following:

''SEC. 10409A. NATIONAL ANIMAL HEALTH LABORATORY NETWORK.

''(a) DEFINITION OF ELIGIBLE LABORATORY.—In this section, the term 'eligible laboratory' means a diagnostic laboratory that meets specific criteria developed by the Secretary, in consultation with State animal health officials, State veterinary diagnostic laboratories, and veterinary diagnostic laboratories at institutions of higher education.

''(b) CONTRACTS.—The Secretary, in consultation with State veterinarians, shall offer to enter into contracts, grants, cooperative agreements, or other legal instruments with eligible laboratories—

''(1) to enhance the capability of the Secretary to respond in a timely manner to emerging or existing bioterrorist threats to animal health; and

''(2) to provide the capacity and capability for standardized—

''(A) test procedures, reference materials, and equipment;

''(B) laboratory biosafety and biosecurity levels;

''(C) quality management system requirements;

''(D) interconnected electronic reporting and transmission of data; and

''(E) evaluation for emergency preparedness; and

''(3) to coordinate the development, implementation, and enhancement of national veterinary diagnostic laboratory capabilities, with special emphasis on surveillance planning and vulnerability analysis, technology development and validation, training, and outreach.

''(c) PRIORITY.—To the extent practicable and to the extent capacity and specialized expertise may be necessary, the Secretary shall give priority to eligible laboratories at existing Federal facilities, State facilities, and facilities at institutions of higher education.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 12107. NATIONAL POULTRY IMPROVEMENT PLAN (NPIP).

(a) SURVEILLANCE PROGRAM.—The Secretary shall ensure that the Department of Agriculture continues to administer the avian influenza surveillance program in commercial poultry through the National Poultry Improvement Program.

(b) STANDARDS.—The Secretary shall ensure that the program described in subsection (a) meets any relevant standards established by the World Organization for Animal Health.

Subtitle C—Other Miscellaneous Provisions

SEC. 12201. MILITARY VETERANS AGRICULTURAL LIAISON.

Subtitle A of the Department of Agriculture Reorganization Act of 1994 is amended by inserting after section 218 (7 U.S.C. 6918) the following:

''SEC. 219. MILITARY VETERANS AGRICULTURAL LIAISON.

''(a) AUTHORIZATION.—The Secretary shall establish in the Department the position of Military Veterans Agricultural Liaison.

''(b) DUTIES.—The Military Veterans Agricultural Liaison shall—

''(1) provide information to returning veterans about, and connect returning veterans with, beginning farmer training and agricultural vocational and rehabilitation programs appropriate to the needs and interests of returning veterans, including assisting veterans in using Federal veterans educational benefits for purposes relating to beginning a farming or ranching career;

''(2) provide information to veterans concerning the availability of and eligibility requirements for participation in agricultural programs, with particular emphasis on beginning farmer and rancher programs;

''(3) serving as a resource for assisting veteran farmers and ranchers, and potential farmers and ranchers, in applying for participation in agricultural programs; and

''(4) advocating on behalf of veterans in interactions with employees of the Department.

''(c) CONTRACTS AND COOPERATIVE AGREEMENTS.—For purposes of carrying out the duties under subsection (b), the Military Veterans Agricultural Liaison may enter into contracts or cooperative agreements with the research centers of the Agricultural Research Service, institutions of higher education, or nonprofit organizations for—

''(1) the conduct of regional research on the profitability of small farms;

''(2) the development of educational materials;

''(3) the conduct of workshops, courses, and certified vocational training;

''(4) the conduct of mentoring activities; or

''(5) the provision of internship opportunities.''.

SEC. 12202. INFORMATION GATHERING.

Section 1619(b)(3) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8791) is amended by adding at the end the following:

''(B) COOPERATION WITH STATE AND LOCAL GOVERNMENTS.—

''(i) IN GENERAL.—Subject to clause (ii), in the case of a State agency, political subdivision, or local governmental agency that is charged with implementing an agriculture or conservation program under State law, on request of the State agency, political subdivision, or local governmental agency, the information described in paragraph (2) shall be disclosed to the State agency, political subdivision, or local governmental agency if the Secretary determines that the State agency, political subdivision, or local governmental agency demonstrates that the disclosure is required for implementing the State program.

''(ii) RESTRICTION.—Any information disclosed to a State agency, political subdivision, or local governmental agency under clause (i) shall be—

''(I) used solely by the State agency, political subdivision, or local governmental agency; and

''(II) exempt from disclosure to the public, including under any State law that allows a citizen to petition a State agency for that information.''.

SEC. 12203. GRANTS TO IMPROVE SUPPLY, STABILITY, SAFETY, AND TRAINING OF AGRICULTURAL LABOR FORCE.

Section 14204(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 2008q–1(d)) is amended to read as follows:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

''(1) such sums as are necessary for each of fiscal years 2008 through 2013; and

''(2) $10,000,000 for each of fiscal years 2014 through 2018.''.

SEC. 12204. NONINSURED CROP ASSISTANCE PROGRAM.

(a) IN GENERAL.—Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) is amended—

(1) in subsection (a)—

(A) by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—

''(A) COVERAGES.—In the case of an eligible crop described in paragraph (2), the Secretary of Agriculture shall operate a noninsured crop disaster assistance program to provide coverages based on individual yields (other than for value-loss crops) equivalent to—

''(i) catastrophic risk protection available under section 508(b) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)); or

''(ii) additional coverage available under subsections (c) and (h) of section 508 of that Act (7 U.S.C. 1508) that does not exceed 65 percent.

''(B) ADMINISTRATION.—The Secretary shall carry out this section through the Farm Service Agency (referred to in this section as the 'Agency').''; and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in the matter before clause (i), by striking ''(except livestock)'' and inserting ''(except livestock and crops and grasses used for grazing)'';

(II) in clause (i), by striking ''and'' after the semicolon at the end;

(III) by redesignating clause (ii) as clause (iii); and

(IV) by inserting after clause (i) the following:

''(ii) for which additional coverage under subsections (c) and (h) of section 508 of that Act (7 U.S.C. 1508) is not available; and''; and

(ii) in subparagraph (B)—

(I) by inserting ''(except ferns)'' after ''floricultural'';

(II) by inserting ''(except ferns)'' after ''ornamental nursery''; and

(III) by striking ''(including ornamental fish)'' and inserting ''(including ornamental fish, but excluding tropical fish)'';

(2) in subsection (d), by striking ''The Secretary'' and inserting ''Subject to subsection (l), the Secretary'';

(3) in subsection (k)(1)—

(A) in subparagraph (A), by striking ''$250'' and inserting ''$260''; and

(B) in subparagraph (B)—

(i) by striking ''$750'' and inserting ''$780''; and

(ii) by striking ''$1,875'' and inserting ''$1,950''; and

(4) by adding at the end the following:

''(l) PAYMENT EQUIVALENT TO ADDITIONAL COVERAGE.—

''(1) IN GENERAL.—The Secretary shall make available to a producer eligible for noninsured assistance under this section a payment equivalent to an indemnity for additional coverage under subsections (c) and (h) of section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) that does not exceed 65 percent, computed by multiplying—

''(A) the quantity that is less than 50 to 65 percent of the established yield for the crop, as determined by the Secretary, specified in increments of 5 percent;

''(B) 100 percent of the average market price for the crop, as determined by the Secretary; and

''(C) a payment rate for the type of crop, as determined by the Secretary, that reflects—

''(i) in the case of a crop that is produced with a significant and variable harvesting expense, the decreasing cost incurred in the production cycle for the crop that is, as applicable—

''(I) harvested;

''(II) planted but not harvested; or

''(III) prevented from being planted because of drought, flood, or other natural disaster, as determined by the Secretary; or

''(ii) in the case of a crop that is produced without a significant and variable harvesting expense, such rate as shall be determined by the Secretary.

''(2) PREMIUM.—To be eligible to receive a payment under this subsection, a producer shall pay—

''(A) the service fee required by subsection (k); and

''(B) a premium for the applicable crop year that is equal to—

''(i) the product obtained by multiplying—

''(I) the number of acres devoted to the eligible crop;

''(II) the yield, as determined by the Secretary under subsection (e);

''(III) the coverage level elected by the producer;

''(IV) the average market price, as determined by the Secretary; and

''(ii) 5.25-percent premium fee.

''(3) LIMITED RESOURCE, BEGINNING, AND SOCIALLY DISADVANTAGED FARMERS.—The additional coverage made available under this subsection shall be available to limited resource, beginning, and socially disadvantaged producers, as determined by the Secretary, in exchange for a premium that is 50 percent of the premium determined for a producer under paragraph (2).

''(4) ADDITIONAL AVAILABILITY.—

''(A) IN GENERAL.—As soon as practicable after October 1, 2013, the Secretary shall make assistance available to producers of an otherwise eligible crop described in subsection (a)(2) that suffered losses—

''(i) to a 2012 annual fruit crop grown on a bush or tree; and

''(ii) in a county covered by a declaration by the Secretary of a natural disaster for production losses due to a freeze or frost.

''(B) ASSISTANCE.—The Secretary shall make assistance available under subparagraph (A) in an amount equivalent to assistance available under paragraph (1), less any fees not previously paid under paragraph (2).''.

(b) TERMINATION DATE.—

(1) IN GENERAL.—Effective October 1, 2018, subsection (a) and the amendments made by subsection (a) (other than the amendments made by clauses (i)(I) and (ii) of subsection (a)(1)(B)) are repealed.

(2) ADMINISTRATION.—Effective October 1, 2018, section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) shall be applied and administered as if subsection (a) and the amendments made by subsection (a) (other than the amendments made by clauses (i)(I) and (ii) of subsection (a)(1)(B)) had not been enacted.

SEC. 12205. BIOENERGY COVERAGE IN NONINSURED CROP ASSISTANCE PROGRAM.

Section 196(a)(2)(B) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)(2)(B)) is amended by inserting ''(including those grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or biobased products)'' after ''industrial crops''.

SEC. 12206. REGIONAL ECONOMIC AND INFRASTRUCTURE DEVELOPMENT.

Section 15751 of title 40, United States Code, is amended—

(1) in subsection (a), by striking ''2012'' and inserting ''2018''; and

(2) in subsection (b)—

(A) by striking ''Not more than'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), not more than''; and

(B) by adding at the end the following:

''(2) LIMITED FUNDING.—In a case in which less than $10,000,000 is made available to a Commission for a fiscal year under this section, paragraph (1) shall not apply.''.

SEC. 12207. OFFICE OF TRIBAL RELATIONS.

Title III of the Department of Agriculture Reorganization Act of 1994 is amended by adding after section 308 (7 U.S.C. 3125a note; Public Law 103–354) the following:

''SEC. 309. OFFICE OF TRIBAL RELATIONS.

''The Secretary shall establish in the Office of the Secretary an Office of Tribal Relations.''.

SEC. 12208. ACER ACCESS AND DEVELOPMENT PROGRAM.

(a) GRANTS AUTHORIZED; AUTHORIZED ACTIVITIES.—The Secretary of Agriculture may make grants to States and tribal governments to support their efforts to promote the domestic maple syrup industry through the following activities:

(1) Promotion of research and education related to maple syrup production.

(2) Promotion of natural resource sustainability in the maple syrup industry.

(3) Market promotion for maple syrup and maple-sap products.

(4) Encouragement of owners and operators of privately held land containing species of tree in the genus Acer—

(A) to initiate or expand maple-sugaring activities on the land; or

(B) to voluntarily make the land available, including by lease or other means, for access by the public for maple-sugaring activities.

(b) APPLICATIONS.—In submitting an application for a grant under this section, a State or tribal government shall include—

(1) a description of the activities to be supported using the grant funds;

(2) a description of the benefits that the State or tribal government intends to achieve as a result of engaging in such activities; and

(3) an estimate of the increase in maple-sugaring activities or maple syrup production that the State or tribal government anticipates will occur as a result of engaging in such activities.

(c) RELATIONSHIP TO OTHER LAWS.—Nothing in this section preempts a State or tribal government law, including any State or tribal government liability law.

(d) DEFINITION OF MAPLE SUGARING.—In this section, the term ''maple-sugaring'' means the collection of sap from any species of tree in the genus Acer for the purpose of boiling to produce food.

(e) REGULATIONS.—The Secretary of Agriculture shall promulgate such regulations as are necessary to carry out this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2014 and 2015.

SEC. 12209. PROHIBITION ON ATTENDING AN ANIMAL FIGHT OR CAUSING A MINOR TO ATTEND AN ANIMAL FIGHT; ENFORCEMENT OF ANIMAL FIGHTING PROVISIONS.

(a) PROHIBITION ON ATTENDING AN ANIMAL FIGHT OR CAUSING A MINOR TO ATTEND AN ANIMAL FIGHT.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended—

(1) in subsection (a)—

(A) in the heading, by striking ''SPONSORING OR EXHIBITING AN ANIMAL IN'' and inserting ''SPONSORING OR EXHIBITING AN ANIMAL IN, ATTENDING, OR CAUSING A MINOR TO ATTEND'';

(B) in paragraph (1)—

(i) in the heading, by striking ''IN GENERAL'' and inserting ''SPONSORING OR EXHIBITING''; and

(ii) by striking ''paragraph (2)'' and inserting ''paragraph (3)'';

(C) by redesignating paragraph (2) as paragraph (3); and

(D) by inserting after paragraph (1) the following:

''(2) ATTENDING OR CAUSING A MINOR TO ATTEND.—It shall be unlawful for any person to—

''(A) knowingly attend an animal fighting venture; or

''(B) knowingly cause a minor to attend an animal fighting venture.''; and

(2) in subsection (g), by adding at the end the following:

''(5) the term 'minor' means a person under the age of 18 years old.''.

(b) ENFORCEMENT OF ANIMAL FIGHTING PROHIBITIONS.—Section 49 of title 18, United States Code, is amended—

(1) by striking ''Whoever'' and inserting ''(a) IN GENERAL.—Whoever'';

(2) in subsection (a), as designated by paragraph (1) of this section, by striking ''subsection (a),'' and inserting ''subsection (a)(1),''; and

(3) by adding at the end the following:

''(b) ATTENDING AN ANIMAL FIGHTING VENTURE.—Whoever violates subsection (a)(2)(A) of section 26 of the Animal Welfare Act (7 U.S.C. 2156) shall be fined under this title, imprisoned for not more than 1 year, or both, for each violation.

''(c) CAUSING A MINOR TO ATTEND AN ANIMAL FIGHTING VENTURE.—Whoever violates subsection (a)(2)(B) of section 26 (7 U.S.C. 2156) of the Animal Welfare Act shall be fined under this title, imprisoned for not more than 3 years, or both, for each violation.''.

SEC. 12210. PIMA COTTON TRUST FUND.

(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the ''Pima Cotton Trust Fund'', consisting of such amounts as may be transferred to the Pima Cotton Trust Fund pursuant to the authorization of appropriations under subsection (e).

(b) DISTRIBUTION OF FUNDS.—From amounts in the Pima Cotton Trust Fund, the Secretary may make payments annually beginning in fiscal year 2014 as follows:

(1) To nationally recognized associations established for the promotion of pima cotton for use in textile and apparel goods.

(2) To yarn spinners of pima cotton that produce ring spun cotton yarns in the United States, to be allocated to each spinner in an amount that bears the same ratio as—

(A) the spinner's production of ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number) from pima cotton in single and plied form during the period January 1, 1998, through December 31, 2003 (as evidenced by an affidavit provided by the spinner that meets the requirements of subsection (c)) bears to—

(B) the production of the yarns described in subparagraph (A) during the period January 1, 1998, through December 31, 2003, for all spinners who qualify under this paragraph.

(3) To manufacturers who cut and sew cotton shirts in the United States who certify that they used imported cotton fabric during the period January 1, 1998, through July 1, 2003, to be allocated to each such manufacturer in an amount that bears the same ratio as—

(A) the dollar value (excluding duty, shipping, and related costs) of imported woven cotton shirting fabric of 80s or higher count and 2-ply in warp purchased by the manufacturer during calendar year 2002 (as evidenced by an affidavit provided by the manufacturer that meets the requirements of subsection (d)) used in the manufacturing of men's and boys' cotton shirts, bears to—

(B) the dollar value (excluding duty, shipping, and related costs) of the fabric described in subparagraph (A) purchased during calendar year 2002 by all manufacturers who qualify under this paragraph.

(c) AFFIDAVIT OF YARN SPINNERS.—The affidavit required by subsection (c)(2)(A) is a notarized affidavit provided annually by an officer of a producer of ring spun yarns that affirms—

(1) that the producer used pima cotton during the year in which the affidavit is filed and during the period January 1, 2002, through December 31, 2002, to produce ring spun cotton yarns in the United States, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form during 2002;

(2) the quantity, measured in pounds, of ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form during calendar year 2002; and

(3) that the producer maintains supporting documentation showing the quantity of such yarns produced, and evidencing the yarns as ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form during calendar year 2002.

(d) AFFIDAVIT OF SHIRTING MANUFACTURERS.—The affidavit required by subsection (c)(3)(A) is a notarized affidavit provided annually by an officer of a manufacturer of men's and boys' shirts that affirms—

(1) that the manufacturer used imported cotton fabric during the year in which the affidavit is filed and during the period January 1, 1998, through July 1, 2003, to cut and sew men's and boys' woven cotton shirts in the United States;

(2) the dollar value of imported woven cotton shirting fabric of 80s or higher count and 2-ply in warp purchased by the manufacturer during calendar year 2002;

(3) that the manufacturer maintains invoices along with other supporting documentation (such as price lists and other technical descriptions of the fabric qualities) showing the dollar value of such fabric purchased, the date of purchase, and evidencing the fabric as woven cotton fabric of 80s or higher count and 2-ply in warp; and

(4) that the fabric was suitable for use in the manufacturing of men's and boys' cotton shirts.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2014 through 2019.

SEC. 12211. AGRICULTURE WOOL APPAREL MANUFACTURERS TRUST FUND.

(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the ''Agriculture Wool Apparel Manufacturers Trust Fund'' (in this section referred to as the ''Wool Trust Fund''), consisting of such amounts as may be transferred to the Wool Trust Fund pursuant to the authorization of appropriations under subsection (e).

(b) DISTRIBUTION OF FUNDS.—From amounts in the Wool Trust Fund, the Secretary of Agriculture may make payments annually beginning in fiscal year 2014 for calendar years 2010 through 2019 as follows:

(1) To eligible manufactures under paragraph (3) of section 4002(c) of the Wool Suit and Textile Trade Extension Act of 2004 (Public Law 108–429; 118 Stat. 2600), as amended by section 1633(c) of the Miscellaneous Trade and Technical Corrections Act of 2006 (Public Law 109–280; 120 Stat. 1166) and section 325(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (division C of Public Law 110–343; 122 Stat. 3875), who filed an affidavit with U.S. Customs and Border Protection not later than April 15 of the year of the payment, so that the amount of such payments, when added to any other payments made to eligible manufacturers under that paragraph in calendar years 2010 through 2019, equal the total amount of payments authorized to be provided to eligible manufacturers under that paragraph, or the provisions of this section, in such calendar years.

(2) To eligible manufacturers under paragraph (6) of such section 4002(c), so that the amount of such payments, when added to any other payments made to eligible manufacturers under that paragraph in calendar years 2010 through 2019, equal the total amount of payments authorized to be provided to eligible manufacturers under that paragraph, or the provisions of this section, in such calendar years.

(c) PAYMENT OF AMOUNTS.—The Secretary of Agriculture shall make payments to eligible manufacturers described in paragraphs (1) and (2) of subsection (b)—

(1) for calendar years 2010 through 2013, not later than 30 days after the transfer of amounts from the general fund of the Treasury to the Wool Trust Fund under this section; and

(2) for calendar years 2014 through 2019, not later than April 15 of the year of the payment.

(d) RELATIONSHIP TO OTHER LAW.—The payments authorized under this section shall be made through the end of fiscal year 2019 notwithstanding any lapse of authority under any other provision of law to transfer funds to—

(1) the Wool Apparel Manufacturers Trust Fund established by section 4002(c) of the Wool Suit and Textile Trade Extension Act of 2004 (Public Law 108–429; 118 Stat. 2600), as amended by section 1633(c) of the Miscellaneous Trade and Technical Corrections Act of 2006 (Public Law 109–280; 120 Stat. 1166) and section 325(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (division C of Public Law 110–343; 122 Stat. 3875); or

(2) the Wool Research, Development, and Promotion Trust Fund established by 506 of the Trade and Development Act of 2000 (7 U.S.C. 7101 note).

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2014 through 2019.

SEC. 12212. CITRUS DISEASE RESEARCH AND DEVELOPMENT TRUST FUND.

(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the ''Citrus Disease Research and Development Trust Fund'' (in this section referred to as the ''Citrus Trust Fund''), consisting of such amounts as may be transferred to the Citrus Trust Fund pursuant to the authorization of appropriations under subsection (f).

(b) DISTRIBUTION OF FUNDS.—From amounts in the Citrus Trust Fund, the Secretary may make payments annually beginning in fiscal year 2014 to the following:

(1) Entities engaged in scientific research concerning diseases and pests, both domestic and invasive, afflicting the citrus industry.

(2) Entities engaged in dissemination and commercialization of relevant information, techniques, or technologies, or in research projects intended to solve problems caused by citrus production diseases and invasive pests.

(3) The Citrus Disease Research and Development Trust Fund Advisory Board, if established under subsection (c).

(c) CITRUS ADVISORY BOARD.—

(1) IN GENERAL.—From amounts in the Citrus Trust Fund, and with the advice and recommendations of citrus producers and other entities with an interest in the citrus industry, the Secretary may establish a Citrus Disease Research and Development Trust Fund Advisory Board (in this subsection referred to as the ''Citrus Advisory Board'').

(2) MEMBERSHIP.—The Citrus Advisory Board, if established under paragraph (1), shall consist of 9 members, who shall be appointed by the Secretary as follows:

(A) Five members who are domestic producers of citrus in Florida.

(B) Three members who are domestic producers of citrus in Arizona or California.

(C) One member who is a domestic producer of citrus in Texas.

(3) REGULATIONS.—The Secretary may prescribe such rules and regulations as are necessary to carry out this subsection, including rules establishing procedures for disqualification from service on the Citrus Advisory Board, appointment terms for members of the Citrus Advisory Board, compensation for those members, and powers and responsibilities of the Citrus Advisory Board.

(4) LIMITATION ON EXPENDITURES.—The Secretary shall ensure that not more than 5 percent of total expenditures from the Citrus Trust Fund in any year are used for the operations of the Citrus Advisory Board.

(d) SECRETARIAL DISCRETION OF FUND ALLOCATION.—Subject to subsection (e), in distributing amounts under subsection (b), the Secretary shall give strong deference to providing funding for research projects exploring the proximity of citrus producers to the effects of diseases such as huanglongbing and the quickly evolving nature of scientific understanding of the effect of the diseases on citrus production.

(e) OTHER FUNDING.—The Secretary should take into account other public and private citrus-related research and development projects and funding.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2014 through 2019.

APPOINTMENT

The PRESIDING OFFICER. The Chair announces, on behalf of the Republican leader, after consultation with the ranking member of the Committee on Armed Services, pursuant to the provisions of Public Law 112–239, the appointment of the following individuals to be members of the Military Compensation and Retirement Modernization Commission: The Honorable Stephen E. Buyer, of Indiana, and Edmund P. Giambastiani, Admiral, US Navy (ret), of Florida.

ORDERS FOR WEDNESDAY, JUNE 12, 2013

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. tomorrow, June 12; that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and that following any leader remarks the Senate be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each during that time, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans the final half; further, that following morning business the Senate resume consideration of S. 744.

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

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. 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 6:39 p.m., adjourned until Wednesday, June 12, 2013, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF DEFENSE

STEPHEN WOOLMAN PRESTON, OF THE DISTRICT OF COLUMBIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE, VICE JEH CHARLES JOHNSON, RESIGNED.

EXECUTIVE OFFICE OF THE PRESIDENT

JASON FURMAN, OF NEW YORK, TO BE A MEMBER AND CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS, VICE ALAN B. KRUEGER.

DEPARTMENT OF STATE

DANIEL BROOKS BAER, OF COLORADO, TO BE U.S. REPRESENTATIVE TO THE ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE, WITH THE RANK OF AMBASSADOR.

KEITH MICHAEL HARPER, OF MARYLAND, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS UNITED STATES REPRESENTATIVE TO THE UN HUMAN RIGHTS COUNCIL.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

MICHAEL G. CARROLL, OF NEW YORK, TO BE INSPECTOR GENERAL, UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE DONALD A. GAMBATESA, RESIGNED.

DEPARTMENT OF EDUCATION

JAMES COLE, JR., OF NEW YORK, TO BE GENERAL COUNSEL, DEPARTMENT OF EDUCATION, VICE CHARLES P. ROSE.

CATHERINE ELIZABETH LHAMON, OF CALIFORNIA, TO BE ASSISTANT SECRETARY FOR CIVIL RIGHTS, DEPARTMENT OF EDUCATION, VICE RUSSLYN ALI.