

Fudge	Lowey	Ross (AR)
Gallegly	Lucas	Ross (FL)
Garamendi	Luetkemeyer	Rothman (NJ)
Garrett	Lujan	Roybal-Allard
Gerlach	Lungren, Daniel	Royce
Gibbs	E.	Runyan
Gibson	Lynch	Ruppersberger
Gingrey (GA)	Maloney	Rush
Gonzalez	Manzullo	Ryan (OH)
Gosar	Marino	Ryan (WI)
Gowdy	Markey	Sánchez, Linda
Granger	Matheson	T.
Graves (MO)	Matsui	Sanchez, Loretta
Green, Al	McCaul	Sarbanes
Green, Gene	McDermott	Scalise
Griffin (AR)	McGovern	Schakowsky
Griffith (VA)	McHenry	Schiff
Grimm	McIntyre	Schilling
Guinta	McKeon	Schmidt
Guthrie	McKinley	Schock
Gutierrez	McMorris	Schrader
Hahn	Rodgers	Schwartz
Hall	McNerney	Schweikert
Hanabusa	Meehan	Scott (SC)
Hanna	Meeks	Scott (VA)
Harper	Michaud	Scott, Austin
Harris	Miller (FL)	Scott, David
Hartzler	Miller (MI)	Serrano
Hastings (FL)	Miller (NC)	Sessions
Hastings (WA)	Miller, Gary	Sewell
Hayworth	Miller, George	Sherman
Heck	Moore	Shimkus
Heinrich	Moran	Shuler
Heger	Murphy (CT)	Shuster
Herrera Beutler	Murphy (PA)	Simpson
Higgins	Myrick	Sires
Himes	Nadler	Slaughter
Hinche	Napolitano	Smith (NE)
Hinojosa	Neal	Smith (NJ)
Hirono	Neugebauer	Smith (TX)
Hochul	Noem	Smith (WA)
Holden	Nugent	Speier
Holt	Nunes	Stearns
Honda	Nunnelee	Stivers
Hoyer	Olson	Sullivan
Huelskamp	Olver	Sutton
Huizenga (MI)	Owens	Terry
Hultgren	Palazzo	Thompson (CA)
Hunter	Pallone	Thompson (MS)
Hurt	Pascrell	Thompson (PA)
Israel	Pastor (AZ)	Thornberry
Issa	Paulsen	Tiberi
Jackson Lee	Payne	Tierney
(TX)	Pearce	Tipton
Jenkins	Pelosi	Tonko
Johnson (GA)	Perlmutter	Towns
Johnson (IL)	Peters	Tsongas
Johnson (OH)	Peterson	Turner (NY)
Johnson, E. B.	Petri	Turner (OH)
Johnson, Sam	Pingree (ME)	Upton
Kaptur	Pitts	Van Hollen
Keating	Platts	Velázquez
Kelly	Polis	Visclosky
Kildee	Posey	Walberg
Kind	Price (NC)	Walden
King (IA)	Quigley	Walz (MN)
King (NY)	Rahall	Wasserman
Kinzinger (IL)	Rangel	Schultz
Kissell	Rehberg	Waters
Kline	Reichert	Watt
Kucinich	Renacci	Waxman
Lance	Reyes	Webster
Langevin	Ribble	Welch
Lankford	Richardson	West
Larsen (WA)	Rigell	Whitfield
Larson (CT)	Rivera	Wilson (FL)
Latham	Roby	Wilson (SC)
LaTourette	Roe (TN)	Wittman
Latta	Rogers (AL)	Wolf
Lee (CA)	Rogers (KY)	Womack
Levin	Rogers (MI)	Yarmuth
Lipinski	Rohrabacher	Yoder
LoBiondo	Rokita	Young (AK)
Loeback	Rooney	Young (FL)
Lofgren, Zoe	Ros-Lehtinen	Young (IN)
Long	Roskam	

NOES—37

Amash	Graves (GA)	McCarthy (CA)
Bishop (UT)	Hensarling	McClintock
Broun (GA)	Jones	Mulvaney
Buerkle	Jordan	Pence
Campbell	Kingston	Poe (TX)
Chaffetz	Labrador	Pompeo
Duncan (SC)	Lamborn	Price (GA)
Flake	Landry	Quayle
Gardner	Lummis	Reed
Gohmert	Marchant	
Goodlatte	Massie	

Sensenbrenner	Stutzman	Westmoreland
Southerland	Walsh (IL)	Woodall

NOT VOTING—16

Bachmann	Lewis (CA)	Paul
Bartlett	Lewis (GA)	Richmond
Bono Mack	Mack	Stark
Burton (IN)	McCarthy (NY)	Woolsey
Frank (MA)	McCollum	
Grijalva	Mica	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE  
The SPEAKER pro tempore (during the vote). There is 1 minute remaining.

□ 1910

Messrs. JONES, MARCHANT, DUN-CAN of South Carolina, and BISHOP of Utah changed their vote from “aye” to “no.”

So (two-thirds being in the affirmative) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. MCCOLLUM. Mr. Speaker, this evening I inadvertently missed voting on rollcall votes 655, 656, and 657.

I intended to vote “no” on H.R. 6726.

I intended to vote “yes” on the Senate Amendment to H.R. 443.

I intended to vote “yes” on the Senate Amendment to H.R. 4212.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, January 1, 2013.

Hon. JOHN A. BOEHNER,  
*The Speaker, House of Representatives, Wash- ington, DC.*

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on January 1, 2013 at 6:17 p.m.:

That the Senate passed without amend- ment H.R. 4365.

That the Senate agreed to without amend- ment H. Con. Res. 147.

With best wishes, I am

Sincerely,

KAREN L. HAAS.

RECESS

The SPEAKER pro tempore. Pursu- ant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 15 min- utes p.m.), the House stood in recess.

□ 2039

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. QUAYLE) at 8 o'clock and 39 minutes p.m.

AMERICAN TAXPAYER RELIEF ACT OF 2012

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 112-741) on the resolution (H. Res. 844) providing for consideration of the bill (H.R. 8) to extend certain tax relief provisions enacted in 2001 and 2003, and to provide for expedited consideration of a bill providing for com- prehensive tax reform, and for other purposes, which was referred to the House Calendar and ordered to be printed.

Mr. DREIER. Mr. Speaker, by direc- tion of the Committee on Rules, I call up House Resolution 844 and ask for its immediate consideration.

The Clerk read the resolution, as fol- lows:

H. RES. 844

*Resolved*, That upon the adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 8) to extend certain tax relief provisions enacted in 2001 and 2003, and to provide for expedited consid- eration of a bill providing for comprehensive tax reform, and for other purposes, with the Senate amendments thereto, and to consider in the House, without intervention of any point of order, a single motion offered by the chair of the Committee on Ways and Means or his designee that the House concur in the Senate amendments. The Senate amend- ments and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to its adoption without inter- vening motion or demand for division of the question.

The SPEAKER pro tempore. The gen- tleman from California is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, I am happy to yield the customary 30 min- utes to my very good friend from Roch- ester, New York, the distinguished ranking member of the Committee on Rules, Ms. SLAUGHTER, pending which I yield myself such time as I may con- sume. All time that I will be yielding will be for debate purposes only.

(Mr. DREIER asked and was given permission to revise and extend his re- marks.)

Mr. DREIER. Mr. Speaker, the meas- ure before us and the process that brought us here has been the source of a great deal of understandable con- sternation. Virtually no one believes that what we have before us tonight is a long-term solution to this problem, and most have bemoaned the fact that we have stretched the far reaches of our deadline to actually get here.

Now, I'm privileged to be in my fourth decade as a Member of this body. And it's true, I don't believe that in those decades I've ever actually spent New Year's Eve and/or New Year's Day in this building, but work- ing up to a deadline is hardly unprece- dented in this institution.

As we all know, H.R. 8, we are con- curring in the Senate amendment with this rule, but H.R. 8 passed last August 1, went over to the other body, and it

passed by a ratio of 256–171 last August 1. And it went over there and we've been waiting, so it's now come back to us. It is before us, and I will say that we are addressing this right up to the deadline.

But I can remember, as I know colleagues of mine on both sides of the aisle can recall, there have been many deadlines that have approached, and it's a fact of life when you have deadlines.

I can recall very well, in school I had a great international relations professor in college, and at the beginning of the class he would give us these geographic spots around the world. Back then, we didn't have Google and we had to spend time finding these very, very obscure spots. And almost every time, when did we do it? Just as we were approaching that deadline. And Professor Rood understood that extraordinarily well, and he laughed as we were struggling at the end to do that.

Similarly, this notion of approaching a deadline and trying to deal with an issue is something that happens in this institution, and this is another example where that's the case.

The issues that we are attempting to address tonight with this vote are as important as they are challenging. The range of ideas that have been proposed as solutions are as disparate as they are numerous. This body, like our Nation, has been deeply divided over how to proceed.

Under these circumstances, an agreement has been extraordinarily elusive. We all know that. The bill before us is not the grand bargain that I, and I think most of my colleagues, had hoped that we would have been able to achieve. But what we're doing this evening, Mr. Speaker, is a very essential bridge to what I hope will be a comprehensive, long-term solution.

Mr. Speaker, it will bring us back from the edge of the fiscal cliff. And I know, just hours ago, at midnight, we did, technically, go over that bridge, but we are working hard to pull ourselves back from that cliff. We went over the cliff and we're pulling ourselves back, and we are ensuring that taxes are not increased on 99 percent of our fellow Americans.

I know that I'm not alone when I say that I had high hopes for a package of sweeping tax reform, and something that I think has to be acknowledged, and I'm very saddened that it's not included in here, but entitlement reform. We all know, and you know very well, Mr. Speaker, that entitlement reform is the only way that we are going to successfully get our arms around this massive 16—now I guess it's \$16.25 trillion national debt that is there. As Willie Sutton said, he robbed banks because that's where the money is. We know that entitlement reform is going to be essential if we are going to be able to get our fiscal house in order, and I'm saddened that this is not part of it.

We have repeatedly passed out of the House of Representatives meaningful,

meaningful reform in a number of these areas. It's truly unfortunate that our friends in the other body have not engaged, thus far, in these efforts. But, Mr. Speaker, the legislation that is before us, which again, as we all know, passed at 2 o'clock this morning, earlier today in the Senate, will avert the economic crisis and set the stage for the very hard work that must be done in the coming weeks.

Now, Mr. Speaker Pro Tem, you and I won't be here for that work to take place, but I know that you share my view that our colleagues have a unique opportunity, as the 113th Congress begins its work at noon on Thursday, to take on this challenge. And I'm one who actually believes that we have a unique opportunity because of the fact that there is divided government, because we have a President of one party who regularly talks about the need for this kind of reform—and I congratulate him for that—and we have a House of Representatives, the people's House, the body that, under article I, section 7 of the U.S. Constitution, has the responsibility of dealing with tax issues, that this body is of the other party, our party, Mr. Speaker.

In light of that, I think that, since there is a consensus on the need to tackle these issues, it can be done in a bipartisan way. I hope very much that that will happen.

The way for us to take that first step is, of course, to pass this rule with what I am confident will be bipartisan support. And I appreciate the very kind words of the distinguished ranking member, my friend from Rochester, Ms. SLAUGHTER, upstairs in supporting this effort that we have. And then at the end of the day, once we go into the debate on concurring in the Senate amendment, which is what this rule will call for us to do, that we'll again have strong bipartisan support for that measure.

With that, Mr. Speaker, at this juncture, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I certainly thank my colleague for yielding me the customary 30 minutes and yield myself such time as I may consume.

Mr. Speaker, I want to begin by saying to my colleague, Mr. DREIER, we've served together here for many years on the Rules Committee. I think that his knowledge of both the Rules Committee and its functions and the rules of the House are unsurpassed, and I think he will be very greatly missed.

□ 2050

I want to wish him the very best in his new endeavors in the rest of his life. Nothing but happiness and joy. And thank you. I feel I've learned a great deal from you, DAVID. Thank you for that.

Mr. Speaker, the legislation before me, as my colleague said, is no great victory. It's only a partial answer to a much larger problem, and it sets our Nation up for another fiscal showdown

in mere months. As we vote, let every Member of this Chamber reflect on the dysfunctional legislative process and the irresponsible leadership that brought us here today, and the need for the majority to come back to the bargaining table in good faith as our work continues. And I share Mr. DREIER's hope that from now on we will put this all behind us and that this next term will be a bipartisan term.

Let history show that the fiscal cliff and the dire economic consequences that would come with it were the deliberate creation of this House. Because of hyperpartisan actions taken by the majority, the body has pushed our Nation closer to a self-created economic recession and the greatest displacement of workers that the Nation has known since 1929.

The idea behind the fiscal cliff was that the potential for a self-inflicted wound would force Congress to address the growing deficit and debt. Yet from the beginning, the plan was flawed. Over the last 10 years, our deficit has ballooned because of the cost of two wars and massive unpaid-for tax cuts. Yet discussion over the cost of war—conflicts that have cost the lives of thousands of Americans and forever changed the face of American families—has been almost nonexistent. At the same time, the majority's desire to protect tax cuts for millionaires and billionaires quickly hardened into intransigence and has led us to where we are today. Just a week ago today, it looked as though Congress was close to a solution, until the House majority walked away.

Instead of seizing an historic opportunity for compromise, the majority introduced a so-called "Plan B," which quickly morphed into Plan C before being scrapped altogether and leaving us with almost no time to avert the fiscal cliff. By making tax cuts for millionaires and billionaires their biggest priority, the majority not only endangered our economy but they led the House through a legislative process that violated any sense of regular order and transparency. Indeed, as my colleagues and I sat in the Rules Committee last week, the legislation we were considering was changing by the minute, leaving us to guess at what would actually be included in any bill that required our vote.

Sadly, such dysfunctional governing comes as little surprise. For the past 2 years, the majority has led with a toxic combination of extremism and hyperpartisanship that has resulted in the 112th Congress being the least productive in history. During the summer of 2011, the majority threw our Nation into crisis when they took our economy hostage and threatened to default on our Nation's debt. This dangerous and irresponsible approach rattled investors around the world and led to the first-ever downgrade of our Nation's credit. In addition, over the last 2 years, the majority has voted more than 33 times to repeal the historic Affordable Care Act, despite knowing full

well that the repeal votes would never be signed into law because the Senate would not do that bill. In so doing, they took up valuable time from other legislative priorities. And CBS News reports that these votes consistently trying to repeal health care, Mr. Speaker, cost the American taxpayer almost \$50 million.

For over a year and a half, this type of irresponsible and unproductive governing failed to provide any solutions to the American people. And coming out of the November elections, our mandate was clear. The American people demanded an end to the political theater and the dangerous legislative games. They demanded that we finally get to work and solve the looming fiscal cliff in a balanced, responsible, and bipartisan way.

In the middle of last July, all of the ranking committee members in the House of Representatives sent a letter to the Speaker asking that we begin in July to find a solution to the fiscal cliff and sequestration. We called for a bipartisan approach and something we could get finished before the August recess so that we could spare the American people and most other people in the world and financial markets the worry that we have put them through. We got our answer tonight.

So, unfortunately, today, what we are doing here does not give the American people a solution worthy of their full approval—and I'm sure we don't have it. The legislation before us fails to seriously address the deficit and debt, protects too many wealthy Americans, and sets the Nation up for another round of high-stakes negotiations. However, what we do have before us is a product that can avert the worst of the fiscal cliff and begin the process of balancing the budget and returning fairness, we hope, to the Tax Code.

Under today's legislation, millions of Americans will be spared from a tax increase, and valuable tax extensions for middle-class families and students will remain in place. In addition, today's legislation extends unemployment insurance for millions of Americans struggling to find work.

In closing, this legislation is far from perfect, and the process that has led us here is an utter disgrace. Yet in this time of crisis we must act first and foremost to try to protect the American economy. And today's legislation will do that. In the coming weeks, we must continue the hard work of creating a fair Tax Code and ensuring we reduce our deficit in a balanced, responsible, and bipartisan way. And as we do, I urge my fellow Members to avoid brinksmanship and partisan games and to come to the table in good faith on behalf of all the people who sent us here and put their faith in us.

I reserve the balance of my time.

Mr. DREIER. I yield myself such time as I may consume to first express my appreciation to my friend from Rochester for her very generous and kind remarks and to, secondly, say

that I would like to associate myself not necessarily with those kind remarks but I would like to associate myself with some of what she said. I, obviously, can't associate myself with all of those remarks, as you know, Mr. Speaker. But I will say that as we look at our quest for a bipartisan solution for this problem, I think that we have, with the action that we're about to take here, taken a very important first step.

I'm reminded of the fact that the author of the U.S. Constitution, James Madison, famously described the process of lawmaking as an ugly, messy, difficult process. That's by design, Mr. Speaker. And it's by design because if we look back at our Framers, they were fleeing the tyranny of King George. Why? Because that maniac was making unilateral decisions that played a role in ruining the lives of his fellow countrymen. So the Framers came forward and, in structuring our government with the three branches, they wanted to ensure that no individual got too much power. And when it comes to lawmaking, putting into place this great compromise, the Connecticut Compromise, it established a bicameral legislative structure.

And so I was talking one time, Mr. Speaker, with the first woman—now there are two—but the first woman to serve as a president of any of the 54 countries on the continent of Africa. She gave a brilliant speech for a joint session of Congress. She's the President of Liberia, Ellen Johnson Sirleaf. And I was talking to her about the legislative process. I was sitting in Monrovia, Liberia, and I said to her, James Madison, by design, said that this is to be an ugly, messy, difficult process. And I'll never forget, Mr. Speaker, how President Ellen Johnson Sirleaf looked to me and said, DAVID, you've forgotten one thing. Yes, it is an ugly, messy, difficult process. But you have to add the fact that it works.

And as difficult as it has been to get to this point, we need to realize that it's an ugly, messy, difficult process. While this is a very small step, it's a first step in our quest for tax reform and entitlement reform which will get us back on a path towards economic growth and the kind of prosperity that we want and that the American people deserve. And it will create a greater degree of certainty. We all know that uncertainty is the enemy of prosperity. So making permanent these tax cuts for 99 percent of the American people is a very important step in our quest to ensure that there is that degree of certainty.

□ 2100

So, Mr. Speaker, I will say again that I do associate myself with some of the things that my friend from Rochester said, and I do, again, appreciate her very kind remarks.

With that, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 2 minutes to the gen-

tleman from Colorado (Mr. POLIS), a member of the Committee on Rules.

Mr. POLIS. I want to again begin by acknowledging the long service of our chair in the House. This could very well be the last time we have the opportunity to debate here on the House floor, and I certainly wish him well.

I also want to express my gratitude to the great patriotism of my colleagues, both Democratic and Republican, and particularly those in their lame-duck period who have chosen to stay around and work right up to the final hour of their contract with the American people—in many cases without an office, in many cases without a home. We see them roaming the halls here of the Capitol. I personally, regardless of how they come down on this particular issue, applaud their patriotism in fulfilling the will of their voters for the 112th Congress.

What we have before us, and I think Members on both sides agree, certainly has some good aspects and some aspects that need to be approved. The question is on what side is there more weight. I think it's important to talk about what this bill does and what it doesn't do.

First, briefly, what it doesn't do. My own Senator from Colorado, MICHAEL BENNET, was one of the small group of Senators who voted against this because he, like myself, is an advocate of a comprehensive budget solution: restoring fiscal integrity to our country along the parameters of what the supercommittee attempted but failed to accomplish, along the parameters of what the Bowles-Simpson Commission, the Gang of Eight have attempted to accomplish, which we know could only be accomplished in a bipartisan manner but is so important to the future of our country to balance the budget and restore the fiscal integrity.

This bill is not that bill. However, what this bill does is it ensures that the American people will not have the largest tax increase in the history of our country tomorrow: \$2,000 a year out of the pocket of families making \$80,000 a year; almost \$4,000 a year out of the pocket of families making \$150,000 a year.

What does that mean to families? It might be the money that helps them stay above water on their mortgage. It might be the money that allows their child to attend college.

Beyond the ramifications at the family level, there's the aggregate effect across our economy. When families don't have that money, they're not able to spend that money to buy products, buy products that need to be produced, have jobs in America and create jobs.

I think we need to make sure that we don't raise taxes on the American people. The best way to do that is by supporting this bill. Anybody opposing this bill is supporting the largest tax increase in the history of the country.

I call upon my colleagues, Democratic and Republican, to remove this

tax burden from the middle class and ensure that taxes don't go up tomorrow. I encourage my colleagues to support the rule and the bill.

Mr. DREIER. Mr. Speaker, I'd inquire of my friend how many speakers she has remaining on her side.

Ms. SLAUGHTER. I believe I have three, Mr. Speaker.

Mr. DREIER. Three speakers. Well, I anxiously look forward to their remarks.

With that, I reserve the balance of my time.

Ms. SLAUGHTER. I am pleased to yield 1 minute to the gentlewoman from Texas (Ms. JACKSON LEE).

Ms. JACKSON LEE of Texas. I'll add my appreciation to the service of Mr. DREIER as well.

And ask the question: Why are we here? I know why I'm here—to protect working Americans, the vulnerable and middle class. The reason why we're in this position is because at the end of the Clinton administration we had \$5 trillion in surplus, and it went out the window with Bush tax cuts and wars that we could not pay for.

So I stand here today to say that working class and the vulnerable will have their unemployment insurance and earned income tax and cuts in their taxes that they really need, but we still have work to do. I want to make sure that we restore some very serious cuts that impact on the health care of Americans.

We have work to do on the sequestration. Our fight is the same fight that Richard Trumka has with the AFL-CIO. We're here to make sure that the working Americans, the most vulnerable, do not pay for the rich getting richer. We're going to fight against Social Security cuts and Medicare cuts and Medicaid cuts.

What we have to do today is to make sure that we can go forward, but we should not do it without the understanding that there's some restoration work and there's some fight work in the sequestration. It will not be done on the backs of those who cannot pay. But we will work together as Americans to make things better. That is what I hope we will see as we go forward.

I want to thank the Senate for putting that bill forward that now we have to address.

Ms. SLAUGHTER. Mr. Speaker, when I spoke earlier, I referred to a letter that we had sent to the Speaker, and I would like to insert that in the RECORD.

JULY 25, 2012.

DEAR MR. SPEAKER AND CHAIRS OF THE COMMITTEES: As the senior Democratic Members of the Committees of the House, we call upon the Republican Leadership and the Chairs of our respective committees to begin immediate negotiations with Democrats on replacing the scheduled 2013 sequester with a balanced deficit reduction plan. We all agree that a sequester starting in January, 2013 is not in the country's best interest and is not the best way to assure responsible deficit reduction. The American people want us to

work together to avoid unnecessary economic uncertainty at this crucial time in our recovery. Failure to reach an agreement would have devastating consequences for our economy, small business and the middle class.

The looming possibility of a January, 2013 sequester is already creating uncertainty in our economy. Working together and in good faith, Democrats and Republicans can negotiate an alternative to the defense and non-defense discretionary sequester as well as the mandatory sequester for fiscal year 2013. We are confident that we can identify revenue sources and prioritize investments in a bipartisan fashion to avoid the sequester while achieving our deficit reduction goals.

We look forward to hearing from you and sitting down to negotiate an alternative to the sequester. We strongly recommend that this bipartisan process begin before the August recess so that the American people can be reassured before September 30 that the sequester will not take effect.

Best regards,

Collin C. Peterson, Ranking Member, House Committee on Agriculture; Norman D. Dicks, Ranking Member, House Committee on Appropriations; Adam Smith, Ranking Member, House Armed Services Committee; Chris Van Hollen, Ranking Member, House Committee on the Budget; George Miller, Ranking Member, House Committee on Education & the Workforce; Henry Waxman, Ranking Member, House Energy & Commerce Committee; Linda Sánchez, Ranking Member, House Committee on Ethics; Barney Frank, Ranking Member, House Committee on Financial Services; Howard Berman, Ranking Member, House Committee on Foreign Affairs; Bennie G. Thompson, Ranking Member, House Committee on Homeland Security; Robert A. Brady, Ranking Member, House Committee on Administration; John Conyers, Ranking Member, House Committee on the Judiciary; Edward Markey, Ranking Member, House Committee on Natural Resources; Elijah Cummings, Ranking Member, House Committee on Oversight and Government Reform; Louise Slaughter, Ranking Member, House Committee on Rules; Eddie Bernice Johnson, Ranking Member, House Committee on Science, Space, & Technology; Nydia M. Velázquez, Ranking Member, House Committee on Small Business; Nick Rahall, Ranking Member, House Committee on Transportation & Infrastructure; Bob Filner, Ranking Member, House Committee on Veterans' Affairs; Sander Levin, Ranking Member, House Committee on Ways and Means; C.A. Dutch Ruppersberger, Ranking Member, Permanent Select Committee on Intelligence.

I am happy to yield 1 minute to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. I thank the ranking member for yielding.

Tonight, the American people's hopes are for this Congress to pass a bipartisan bill to meet our Nation's financial obligations to give some certainty to our financial markets and to keep our economy growing through new job creation. This is a great victory for the middle class whose taxes will not go up tomorrow.

In places like Ohio, what does it mean? It means doctors who treat Medicare patients are going to receive fair reimbursement and those seniors

won't be turned away. It means that unemployment compensation will be extended to the unemployed, who remain in places like Norwalk, Ohio, and Lima and Medina and Elyria, people who haven't gone back to work yet in manufacturing centers across States like Ohio.

This House surely should follow the lead of the Senate, which passed this bill by 89-8 last night. This is the time for the House to act. I rise in strong support of the rule and strong support of the bill. Let's do what the American people have been waiting for for months.

GENERAL LEAVE

Mr. DREIER. Mr. Speaker, I'd like to ask unanimous consent that all Members have—traditionally, I would ask for 5 legislative days in which to revise and extend their remarks on the measure before us, but since the new Congress is going to be sworn in at noon on Thursday, I ask that all the legislative days remaining in the 112th Congress be provided for Members to revise and extend their remarks on this resolution before us.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DREIER. With that, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. SCOTT).

Mr. DAVID SCOTT of Georgia. Ladies and gentlemen of the Congress and United States of America, we stand here today and we're witnessing something that there has been a great hunger among the American people for, and that is to see, finally, Democrats and Republicans working together for the good of the United States. We're going to have that today. We're going to have a bill—all may not vote for it, but I think what is important here is that this is a product of a true compromise, with Republicans and with Democrats putting the United States of America foremost.

I think we ought to have a tip of the hat to President Barack Obama, I think to Leader MCCONNELL in the Senate, and certainly to our Vice President, JOE BIDEN, and to the leadership of NANCY PELOSI, STENY HOYER, and JIM CLYBURN over on our side. I know that our Republican friends have had a tussle here, but our tip of the hat to you as well, and certainly to my friend, DAVID DREIER, who is in his ending time as chairman of the Rules Committee. Good luck, my friend.

Ms. SLAUGHTER. Mr. Speaker, I'm pleased to yield 1 minute to the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. I appreciate the moment.

This has been a very interesting couple of days, ones that I would normally have spent with friends in Memphis, drinking champagne and looking forward to the new year.

It's been an honor serving with you, Mr. DREIER. You are an outstanding

Member, as Ms. SLAUGHTER said. There are lots of people in the other aisle—Mr. COBLE behind you—fine Republicans whom I’m friends with and think the world of, but I’m just happy this day has ended the way it is, kind of a Tiny Tim world. It’s just good the way it ended up. Somehow or another, whether it be the fates or Speaker BOEHNER’s abilities to work things from magic, we’re going to end up not falling off the fiscal cliff, and I think that’s wonderful.

So I thank Ms. SLAUGHTER for the time, and I thank Speaker BOEHNER for whatever he’s done to produce what I expect will be a positive result for the American people.

Mr. DREIER. Mr. Speaker, I’ll continue to reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, if I could inform my colleague, I have no further requests for time and I’m prepared to close if he has no further speakers.

Mr. Speaker, failure to avert the fiscal cliff could lead the Nation back into an economic recession and create the largest displacement of workers in the Nation’s history. The dangers are avoidable, and it is our solemn obligation to avert the fiscal cliff and protect the American people.

□ 2110

As I said earlier, today’s legislation is far from perfect; but in this time of crisis, legislators must act. In the months to come, we will face more fiscal challenges and be asked to act again. When that time comes, I hope that we will avoid the brinksmanship that we have seen to date and come to the table in good faith. If we do, I’m confident that we can finish our work and provide solutions for a better future for America.

I yield back the balance of my time. Mr. DREIER. Mr. Speaker, with that, I yield myself the balance of the time.

Mr. Speaker, on the 29th of February of this year, I stood here in this well and announced that I was leaving Congress. And when I did that, I said that this institution is as great as it has ever been. The reason I said that is that Congress is a reflection of the people; and it means that when America is divided, Congress is divided. That doesn’t mean that we, as leaders, Mr. Speaker, can’t work to bridge this divide.

While political division is a current reality, it is not our fate. I believe that, as an institution, Congress can and must forge new consensus and restore hope and optimism for future generations. Optimism, Mr. Speaker, as you know very well, is what we, as Americans, are all about. And I’ve got to tell you, Mr. Speaker, that that optimism has been validated again and again and again. Actually, there are positive signs. While it gets very little attention, we have come together to craft solutions.

The issue that I’ve been involved in that, frankly, has been the most uni-

fyng issue around here for us has been the trade issue. A year ago, Democrats and Republicans came together and passed our long pending—they’d been pending for over half a decade—our free trade agreements with Colombia, Panama and South Korea with strong bipartisan votes. Additionally, Mr. Speaker, our very first action following November’s very, very deeply polarizing election was to join together to strengthen our hand against Russia’s outrageous actions by passing Permanent Normal Trade Relations. We did it with one of the largest bipartisan and bicameral votes that a trade bill has ever seen. Mr. Speaker, I would like to make the case that these consensus-driven solutions should be a model for the 113th Congress.

Today, we are proceeding with a critical step to avert a serious economic downturn; but this is only the beginning of the work that must be done, as we all know. Ultimately, Mr. Speaker, we must reach an agreement that combines, as I said earlier, meaningful entitlement reform with new revenues in a way that puts us back on a path towards growth and prosperity.

If we’re going to accomplish this, we must work together—Republicans and Democrats, Congress and the White House, the Federal Government and the States, the public sector and the private sector. Now, Mr. Speaker, some might say that saying those things is a cliché. But, as we all know, Members are going to have to engage in rigorous debate, and there needs to be that clash of ideas, a rigorous debate; but it needs to be done in good faith and with a spirit of compromise.

Now, I realize that some argue that “compromise” is a sign of weakness. In fact, one of the great strengths, Mr. Speaker, of our Nation’s Founders was their ability to compromise. The very structure of this institution, the United States Congress, the very structure of our institution which joins the people’s House where we’re all privileged to serve with the State-focused United States Senate was known as what? The Connecticut Compromise or the Great Compromise. That’s the very basis of our Founders. Too often, we forget that while we should never—we should never compromise our principles, we must always, Mr. Speaker, we must always be prepared to compromise in the service of our principles.

A couple of weeks ago, “The Economist” described another example of compromise, this one in what Justice Brandeis described as one of the “laboratories of democracy,” that being the State of Georgia. The conservative Republican Governor, our former House colleague, Nathan Deal, and the liberal mayor of Atlanta, Kasim Reed, are clearly at opposite ends of the political spectrum. Yet they have managed to bridge that divide through a commitment to results. Mr. Speaker, together, they have achieved significant gains for the good of Georgia.

Mr. Speaker, Congress and the White House are perfectly capable of following that same model for the good of our country. Americans may be politically divided, but they are united in their desire to see their leaders in Washington achieve results.

Now, Mr. Speaker, we know it’s far from perfect, but I hope that this bipartisan agreement can lay the foundation for continued work to address the tremendous challenges that we face as a Nation. Millions of Americans are out of work. The national debt as a percentage of gross domestic product is too high. Upheaval exists in nearly every region across the globe. Education and immigration reform must happen. The potential for a crippling cyberattack continues to be a threat. Climate change is a fact of life. And most recently, Mr. Speaker, our families are reeling from the tragedy of Newtown. They’re asking how we can prevent it from ever happening again and how we can keep guns from getting into the hands of dangerous people.

These are the great challenges to which we all must rise, for which we all must find real solutions. I look forward to continuing to do my small part as I follow the Madisonian directive and return to California as a private citizen. It’s been an incredible honor, Mr. Speaker, an incredible honor for me to serve in what I describe—even though the Senate often takes this label—as the greatest deliberative body known to man, and I consider it an amazing honor to be able to serve here.

Now, as I depart, and I hope that there is no correlation to my departure, I believe that the United States Congress can actually be better than it has ever been.

With that, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 408, nays 10, not voting 14, as follows:

[Roll No. 658]

YEAS—408

Ackerman	Becerra	Boustany
Adams	Benishke	Brady (PA)
Aderholt	Berg	Brady (TX)
Akin	Berkley	Braley (IA)
Alexander	Berman	Brooks
Altmire	Biggert	Brown (GA)
Amash	Bilbray	Brown (FL)
Amodel	Bilirakis	Buchanan
Andrews	Bishop (GA)	Bucshon
Austria	Bishop (NY)	Buerkle
Baca	Bishop (UT)	Burgess
Bachmann	Black	Butterfield
Bachus	Blackburn	Calvert
Baldwin	Boehner	Camp
Barber	Bonamici	Canseco
Barletta	Bonner	Cantor
Bartlett	Bono Mack	Capito
Barton (TX)	Boren	Capps
Bass (CA)	Boswell	Capuano

Carnahan  
Carney  
Carson (IN)  
Carter  
Cassidy  
Castor (FL)  
Chabot  
Chaffetz  
Chandler  
Chu  
Cicilline  
Clarke (MI)  
Clarke (NY)  
Cleaver  
Clyburn  
Coble  
Coffman (CO)  
Cohen  
Cole  
Conaway  
Connolly (VA)  
Cooper  
Costa  
Costello  
Courtney  
Cravaack  
Crawford  
Crenshaw  
Critz  
Crowley  
Cuellar  
Culberson  
Cummings  
Curson (MI)  
Davis (CA)  
Davis (IL)  
DeGette  
DeLauro  
DelBene  
Denham  
Dent  
DesJarlais  
Deutch  
Diaz-Balart  
Dicks  
Dingell  
Doggett  
Dold  
Donnelly (IN)  
Doyle  
Dreier  
Duffy  
Duncan (SC)  
Duncan (TN)  
Edwards  
Ellison  
Ellmers  
Emerson  
Engel  
Eshoo  
Farenthold  
Farr  
Fattah  
Fincher  
Fitzpatrick  
Flake  
Fleischmann  
Fleming  
Flores  
Forbes  
Fortenberry  
Foxo  
Frank (MA)  
Franks (AZ)  
Frelinghuysen  
Fudge  
Gallegly  
Garamendi  
Gardner  
Garrett  
Gerlach  
Gibbs  
Gibson  
Gingrey (GA)  
Gohmert  
Gonzalez  
Goodlatte  
Gosar  
Gowdy  
Granger  
Graves (GA)  
Graves (MO)  
Green, Al  
Green, Gene  
Griffin (AR)  
Griffith (VA)  
Grimm  
Guinta  
Guthrie

Gutierrez  
Hahn  
Hall  
Hanabusa  
Hanna  
Harper  
Harris  
Hartzler  
Hastings (FL)  
Hastings (WA)  
Hayworth  
Heck  
Heinrich  
Hensarling  
Herger  
Herrera Beutler  
Higgins  
Himes  
Hinchee  
Hinojosa  
Hochul  
Holden  
Holt  
Honda  
Hoyer  
Huelskamp  
HuiZENGA (MI)  
Hultgren  
Hunter  
Hurt  
Israel  
Issa  
Jackson Lee  
(TX)  
Jenkins  
Johnson (GA)  
Johnson (IL)  
Johnson (OH)  
Johnson, E. B.  
Johnson, Sam  
Jones  
Jordan  
Kaptur  
Keating  
Kelly  
Kildee  
Kind  
King (IA)  
King (NY)  
Kingston  
Kinzinger (IL)  
Kissell  
Kline  
Kucinich  
Labrador  
Lamborn  
Lance  
Landry  
Langevin  
Lankford  
Larsen (WA)  
Larson (CT)  
Latham  
LaTourette  
Latta  
Lee (CA)  
Levin  
Lipinski  
LoBiondo  
Loeb sack  
Lofgren, Zoe  
Long  
Lowe  
Lucas  
Luetkemeyer  
Lujan  
Lummis  
Lungren, Daniel  
E.  
Lynch  
Mack  
Maloney  
Manzullo  
Marchant  
Marino  
Markey  
Massie  
Matheson  
Matsui  
McCarthy (CA)  
McCarthy (NY)  
McCaul  
McClintock  
McCollum  
McGovern  
McHenry  
McIntyre  
McKeon  
McKinley

McMorris  
Rodgers  
McNerney  
Meehan  
Meeks  
Mica  
Michaud  
Miller (FL)  
Miller (MI)  
Miller (NC)  
Miller, Gary  
Miller, George  
Moore  
Mulvaney  
Murphy (CT)  
Murphy (PA)  
Myrick  
Nadler  
Napolitano  
Neal  
Neugebauer  
Noem  
Nugent  
Nunes  
Olson  
Olver  
Owens  
Palazzo  
Pallone  
Pascarell  
Pastor (AZ)  
Paulsen  
Payne  
Pearce  
Pelosi  
Pence  
Perlmutter  
Peters  
Petri  
Pingree (ME)  
Pitts  
Platts  
Poe (TX)  
Polis  
Pompeo  
Price (GA)  
Price (NC)  
Quayle  
Quigley  
Rahall  
Rangel  
Reed  
Rehberg  
Reichert  
Renacci  
Reyes  
Ribble  
Richardson  
Richardson  
Rigell  
Rivera  
Robby  
Roe (TN)  
Rogers (AL)  
Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Rokita  
Rooney  
Ros-Lehtinen  
Roskam  
Ross (AR)  
Ross (FL)  
Rothman (NJ)  
Roybal-Allard  
Royce  
Runyan  
Ruppersberger  
Rush  
Ryan (OH)  
Ryan (WI)  
Sánchez, Linda  
T.  
Sanchez, Loretta  
Sarbanes  
Scalise  
Schakowsky  
Schiff  
Schilling  
Schock  
Schradler  
Schwartz  
Schweikert  
Scott (SC)  
Scott, Austin  
Scott, David  
Sensenbrenner  
Serrano  
Sessions

Sewell  
Sherman  
Shimkus  
Shuler  
Shuster  
Simpson  
Sires  
Slaughter  
Smith (NE)  
Smith (NJ)  
Smith (TX)  
Smith (WA)  
Southerland  
Speier  
Stearns  
Stivers  
Stutzman  
Sullivan  
Sutton  
Terry

Thompson (CA)  
Thompson (MS)  
Thompson (PA)  
Thornberry  
Tiberi  
Tierney  
Tipton  
Tonko  
Townes  
Tsongas  
Turner (NY)  
Turner (OH)  
Upton  
Van Hollen  
Velázquez  
Walberg  
Walden  
Walsh (IL)  
Walz (MN)

Wasserman  
Schultz  
Waters  
Watt  
Waxman  
Webster  
Welch  
West  
Westmoreland  
Wilson (FL)  
Wilson (SC)  
Wittman  
Wolf  
Womack  
Woodall  
Yarmuth  
Yoder  
Young (AK)  
Young (FL)  
Young (IN)

Sec. 202. Extension of exclusion from gross income of discharge of qualified principal residence indebtedness.

Sec. 203. Extension of parity for exclusion from income for employer-provided mass transit and parking benefits.

Sec. 204. Extension of mortgage insurance premiums treated as qualified residence interest.

Sec. 205. Extension of deduction of State and local general sales taxes.

Sec. 206. Extension of special rule for contributions of capital gain real property made for conservation purposes.

Sec. 207. Extension of above-the-line deduction for qualified tuition and related expenses.

Sec. 208. Extension of tax-free distributions from individual retirement plans for charitable purposes.

Sec. 209. Improve and make permanent the provision authorizing the Internal Revenue Service to disclose certain return and return information to certain prison officials.

NAYS—10

Barrow  
Blumenauer  
DeFazio  
McDermott

Moran  
Peterson  
Posey  
Schmidt

Scott (VA)  
Visclosky

NOT VOTING—14

Bass (NH)  
Burton (IN)  
Campbell  
Clay  
Conyers

Grijalva  
Hirono  
Lewis (CA)  
Lewis (GA)  
Nunnelee

Paul  
Stark  
Whitfield  
Woolsey

□ 2139

Mr. McDERMOTT changed his vote from “yea” to “nay.”

Messrs. CHAFFETZ and RANGEL changed their vote from “nay” to “yea.”

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. CAMP. Mr. Speaker, pursuant to House Resolution 844, I call up the bill (H.R. 8) to extend certain tax relief provisions enacted in 2001 and 2003, and to provide for expedited consideration of a bill providing for comprehensive tax reform, and for other purposes, with the Senate amendments thereto, and I have a motion at the desk.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. WOMACK). The Clerk will designate the Senate amendments.

The text of the Senate amendments is as follows:

Senate amendments:

Strike all after the enacting clause and insert the following:

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

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

(b) *AMENDMENT OF 1986 CODE.*—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title, etc.

**TITLE I—GENERAL EXTENSIONS**

Sec. 101. Permanent extension and modification of 2001 tax relief.

Sec. 102. Permanent extension and modification of 2003 tax relief.

Sec. 103. Extension of 2009 tax relief.

Sec. 104. Permanent alternative minimum tax relief.

**TITLE II—INDIVIDUAL TAX EXTENDERS**

Sec. 201. Extension of deduction for certain expenses of elementary and secondary school teachers.

**TITLE III—BUSINESS TAX EXTENDERS**

Sec. 301. Extension and modification of research credit.

Sec. 302. Extension of temporary minimum low-income tax credit rate for non-federally subsidized new buildings.

Sec. 303. Extension of housing allowance exclusion for determining area median gross income for qualified residential rental project exempt facility bonds.

Sec. 304. Extension of Indian employment tax credit.

Sec. 305. Extension of new markets tax credit.

Sec. 306. Extension of railroad track maintenance credit.

Sec. 307. Extension of mine rescue team training credit.

Sec. 308. Extension of employer wage credit for employees who are active duty members of the uniformed services.

Sec. 309. Extension of work opportunity tax credit.

Sec. 310. Extension of qualified zone academy bonds.

Sec. 311. Extension of 15-year straight-line cost recovery for qualified leasehold improvements, qualified restaurant buildings and improvements, and qualified retail improvements.

Sec. 312. Extension of 7-year recovery period for motorsports entertainment complexes.

Sec. 313. Extension of accelerated depreciation for business property on an Indian reservation.

Sec. 314. Extension of enhanced charitable deduction for contributions of food inventory.

Sec. 315. Extension of increased expensing limitations and treatment of certain real property as section 179 property.

Sec. 316. Extension of election to expense mine safety equipment.

Sec. 317. Extension of special expensing rules for certain film and television productions.

Sec. 318. Extension of deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.

Sec. 319. Extension of modification of tax treatment of certain payments to controlling exempt organizations.

Sec. 320. Extension of treatment of certain dividends of regulated investment companies.

Sec. 321. Extension of RIC qualified investment entity treatment under FIRPTA.

- Sec. 322. Extension of subpart F exception for active financing income.
- Sec. 323. Extension of look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company rules.
- Sec. 324. Extension of temporary exclusion of 100 percent of gain on certain small business stock.
- Sec. 325. Extension of basis adjustment to stock of S corporations making charitable contributions of property.
- Sec. 326. Extension of reduction in S-corporation recognition period for built-in gains tax.
- Sec. 327. Extension of empowerment zone tax incentives.
- Sec. 328. Extension of tax-exempt financing for New York Liberty Zone.
- Sec. 329. Extension of temporary increase in limit on cover over of rum excise taxes to Puerto Rico and the Virgin Islands.
- Sec. 330. Modification and extension of American Samoa economic development credit.
- Sec. 331. Extension and modification of bonus depreciation.

**TITLE IV—ENERGY TAX EXTENDERS**

- Sec. 401. Extension of credit for energy-efficient existing homes.
- Sec. 402. Extension of credit for alternative fuel vehicle refueling property.
- Sec. 403. Extension of credit for 2- or 3-wheeled plug-in electric vehicles.
- Sec. 404. Extension and modification of cellulosic biofuel producer credit.
- Sec. 405. Extension of incentives for biodiesel and renewable diesel.
- Sec. 406. Extension of production credit for Indian coal facilities placed in service before 2009.
- Sec. 407. Extension and modification of credits with respect to facilities producing energy from certain renewable resources.
- Sec. 408. Extension of credit for energy-efficient new homes.
- Sec. 409. Extension of credit for energy-efficient appliances.
- Sec. 410. Extension and modification of special allowance for cellulosic biofuel plant property.
- Sec. 411. Extension of special rule for sales or dispositions to implement FERC or State electric restructuring policy for qualified electric utilities.
- Sec. 412. Extension of alternative fuels excise tax credits.

**TITLE V—UNEMPLOYMENT**

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

**TITLE VI—MEDICARE AND OTHER HEALTH EXTENSIONS**

**Subtitle A—Medicare Extensions**

- Sec. 601. Medicare physician payment update.
- Sec. 602. Work geographic adjustment.
- Sec. 603. Payment for outpatient therapy services.
- Sec. 604. Ambulance add-on payments.
- Sec. 605. Extension of Medicare inpatient hospital payment adjustment for low-volume hospitals.
- Sec. 606. Extension of the Medicare-dependent hospital (MDH) program.
- Sec. 607. Extension for specialized Medicare Advantage plans for special needs individuals.

- Sec. 608. Extension of Medicare reasonable cost contracts.
  - Sec. 609. Performance improvement.
  - Sec. 610. Extension of funding outreach and assistance for low-income programs.
- Subtitle B—Other Health Extensions**
- Sec. 621. Extension of the qualifying individual (QI) program.
  - Sec. 622. Extension of Transitional Medical Assistance (TMA).
  - Sec. 623. Extension of Medicaid and CHIP Express Lane option.
  - Sec. 624. Extension of family-to-family health information centers.
  - Sec. 625. Extension of Special Diabetes Program for Type 1 diabetes and for Indians.

**Subtitle C—Other Health Provisions**

- Sec. 631. IPPS documentation and coding adjustment for implementation of MS-DRGs.
- Sec. 632. Revisions to the Medicare ESRD bundled payment system to reflect findings in the GAO report.
- Sec. 633. Treatment of multiple service payment policies for therapy services.
- Sec. 634. Payment for certain radiology services furnished under the Medicare hospital outpatient department prospective payment system.
- Sec. 635. Adjustment of equipment utilization rate for advanced imaging services.
- Sec. 636. Medicare payment of competitive prices for diabetic supplies and elimination of overpayment for diabetic supplies.
- Sec. 637. Medicare payment adjustment for non-emergency ambulance transports for ESRD beneficiaries.
- Sec. 638. Removing obstacles to collection of overpayments.
- Sec. 639. Medicare advantage coding intensity adjustment.
- Sec. 640. Elimination of all funding for the Medicare Improvement Fund.
- Sec. 641. Rebasement of State DSH allotments.
- Sec. 642. Repeal of CLASS program.
- Sec. 643. Commission on Long-Term Care.
- Sec. 644. Consumer Operated and Oriented Plan program contingency fund.

**TITLE VII—EXTENSION OF AGRICULTURAL PROGRAMS**

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

**TITLE VIII—MISCELLANEOUS PROVISIONS**

- Sec. 801. Strategic delivery systems.
- Sec. 802. No cost of living adjustment in pay of members of congress.

**TITLE IX—BUDGET PROVISIONS**

**Subtitle A—Modifications of Sequestration**

- Sec. 901. Treatment of sequester.
- Sec. 902. Amounts in applicable retirement plans may be transferred to designated Roth accounts without distribution.

**Subtitle B—Budgetary Effects**

- Sec. 911. Budgetary effects.

**TITLE I—GENERAL EXTENSIONS**

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

- (a) PERMANENT EXTENSION.—
  - (1) IN GENERAL.—The Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking title IX.
  - (2) CONFORMING AMENDMENT.—The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 is amended by striking section 304.
  - (3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable, plan, or limitation years beginning after December 31,

2012, and estates of decedents dying, gifts made, or generation skipping transfers after December 31, 2012.

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

**(1) INCOME TAX RATES.—**

**(A) TREATMENT OF 25-, 28-, AND 33-PERCENT RATE BRACKETS.—**Paragraph (2) of section 1(i) is amended to read as follows:

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

“(A) by substituting ‘25%’ for ‘28%’ each place it appears (before the application of subparagraph (B)),

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

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

**(B) 35-PERCENT RATE BRACKET.—**Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

“(3) MODIFICATIONS TO INCOME TAX BRACKETS FOR HIGH-INCOME TAXPAYERS.—

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

“(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer’s taxable income in the highest rate bracket shall be 35 percent to the extent such income does not exceed an amount equal to the excess of—

“(I) the applicable threshold, over

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

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

**(B) APPLICABLE THRESHOLD.—**For purposes of this paragraph, the term ‘applicable threshold’ means—

“(i) \$450,000 in the case of subsection (a),

“(ii) \$425,000 in the case of subsection (b),

“(iii) \$400,000 in the case of subsection (c), and

“(iv) ½ the amount applicable under clause (i) (after adjustment, if any, under subparagraph (C)) in the case of subsection (d).

**(C) INFLATION ADJUSTMENT.—**For purposes of this paragraph, with respect to taxable years beginning in calendar years after 2013, each of the dollar amounts under clauses (i), (ii), and (iii) of subparagraph (B) shall be adjusted in the same manner as under paragraph (1)(C)(i), except that subsection (f)(3)(B) shall be applied by substituting ‘2012’ for ‘1992’.”.

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

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

(i) by striking subsection (b) and inserting the following:

“(b) APPLICABLE AMOUNT.—

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

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

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

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

“(D) ½ the amount applicable under subparagraph (A) (after adjustment, if any, under paragraph (2)) in the case of a married individual filing a separate return.

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

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

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, except that section 1(f)(3)(B) shall be applied by substituting ‘2012’ for ‘1992’.

If any amount after adjustment under the preceding sentence is not a multiple of \$50, such amount shall be rounded to the next lowest multiple of \$50.”, and

(ii) by striking subsections (f) and (g).

(B) PHASEOUT OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.—

(i) IN GENERAL.—Paragraph (3) of section 151(d) is amended—

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

(2) TECHNICAL CORRECTION.—Clause (i) of section 2010(c)(4)(B) is amended by striking “basic exclusion amount” and inserting “applicable exclusion amount”.

(3) EFFECTIVE DATES.—

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

(B) TECHNICAL CORRECTION.—The amendment made by paragraph (2) shall take effect as if included in the amendments made by section 303 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010.

#### SEC. 102. PERMANENT EXTENSION AND MODIFICATION OF 2003 TAX RELIEF.

(a) PERMANENT EXTENSION.—The Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking section 303.

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

(1) IN GENERAL.—Paragraph (1) of section 1(h) is amended by striking subparagraph (C), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) and by inserting after subparagraph (B) the following new subparagraphs:

“(C) 15 percent of the lesser of—

“(i) so much of the adjusted net capital gain (or, if less, taxable income) as exceeds the amount on which a tax is determined under subparagraph (B), or

“(ii) the excess of—

“(I) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 39.6 percent, over

“(II) the sum of the amounts on which a tax is determined under subparagraphs (A) and (B),

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

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

“(C) 15 percent of the lesser of—

“(i) so much of the adjusted net capital gain (or, if less, taxable excess) as exceeds the amount on which tax is determined under subparagraph (B), or

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

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

(c) CONFORMING AMENDMENTS.—

(1) The following provisions are each amended by striking “15 percent” and inserting “20 percent”:

(A) Section 531.

(B) Section 541.

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

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

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

(I) by striking “the threshold amount” in subparagraphs (A) and (B) and inserting “the applicable amount in effect under section 68(b)”.

(II) by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and

(III) by striking subparagraphs (E) and (F).

(ii) CONFORMING AMENDMENTS.—Paragraph (4) of section 151(d) is amended—

(I) by striking subparagraph (B),

(II) by redesignating clauses (i) and (ii) of subparagraph (A) as subparagraphs (A) and (B), respectively, and by indenting such subparagraphs (as so redesignated) accordingly, and

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

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

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided, the amendments made by subsections (b) and (c) shall apply to taxable years beginning after December 31, 2012.

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

#### SEC. 103. EXTENSION OF 2009 TAX RELIEF.

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

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

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of division B of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking “in 2009, 2010, 2011, and 2012” each place it appears and inserting “after 2008 and before 2018”.

(b) 5-YEAR EXTENSION OF CHILD TAX CREDIT.—Section 24(d)(4) is amended—

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

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

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

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

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

(d) PERMANENT EXTENSION OF RULE DISREGARDING REFUNDS IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Section 6409 is amended to read as follows:

“SEC. 6409. REFUNDS DISREGARDED IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.

“Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(III) by striking all that precedes “in a calendar year after 1989,” and inserting the following:

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

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2012.

(c) MODIFICATIONS OF ESTATE TAX.—

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

“Over \$500,000 but not over \$750,000.

Over \$750,000 but not over \$1,000,000.

Over \$1,000,000.”.

(2) RULE REGARDING DISREGARD OF REFUNDS.—The amendment made by subsection (d) shall apply to amounts received after December 31, 2012.

#### SEC. 104. PERMANENT ALTERNATIVE MINIMUM TAX RELIEF.

(a) 2012 EXEMPTION AMOUNTS MADE PERMANENT.—

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

(A) by striking “\$45,000” and all that follows through “2011” in subparagraph (A) and inserting “\$78,750”,

(B) by striking “\$33,750” and all that follows through “2011” in subparagraph (B) and inserting “\$50,600”, and

(C) by striking “paragraph (1)(A)” in subparagraph (C) and inserting “subparagraph (A)”.

(b) EXEMPTION AMOUNTS INDEXED FOR INFLATION.—

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

“(4) INFLATION ADJUSTMENT.—

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

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

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

“(i) each of the dollar amounts contained in subsection (b)(1)(A)(i),

“(ii) each of the dollar amounts contained in paragraph (1), and

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

“(C) ROUNDING.—Any increase determined under subparagraph (A) shall be rounded to the nearest multiple of \$100.”.

(2) CONFORMING AMENDMENTS.—

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

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

(i) by striking “or (2)” in subparagraph (A),

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

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

“(C) 50 percent of the dollar amount applicable under subparagraph (A) in the case of a taxpayer described in subparagraph (C) or (D) of paragraph (1), and

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

(c) **ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE CREDITS.**—

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

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

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

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

(2) **CONFORMING AMENDMENTS.**—

(A) **ADOPTION CREDIT.**—

(i) Section 23(b) is amended by striking paragraph (4).

(ii) Section 23(c) is amended by striking paragraphs (1) and (2) and inserting the following:

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

(iii) Section 23(c) is amended by redesignating paragraph (3) as paragraph (2).

(B) **CHILD TAX CREDIT.**—

(i) Section 24(b) is amended by striking paragraph (3).

(ii) Section 24(d)(1) is amended—

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

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

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

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

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

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

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

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

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

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

(G) **CERTAIN PLUG-IN ELECTRIC VEHICLES.**—Section 30(c)(2) is amended to read as follows:

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

(H) **ALTERNATIVE MOTOR VEHICLE CREDIT.**—Section 30B(g)(2) is amended to read as follows:

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

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

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

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

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

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

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

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

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

## TITLE II—INDIVIDUAL TAX EXTENDERS

### SEC. 201. EXTENSION OF DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

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

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

### SEC. 202. EXTENSION OF EXCLUSION FROM GROSS INCOME OF DISCHARGE OF QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.

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

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

### SEC. 203. EXTENSION OF PARITY FOR EXCLUSION FROM INCOME FOR EMPLOYER-PROVIDED MASS TRANSIT AND PARKING BENEFITS.

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

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

### SEC. 204. EXTENSION OF MORTGAGE INSURANCE PREMIUMS TREATED AS QUALIFIED RESIDENCE INTEREST.

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

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

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

(2) by striking “Rural Housing Administration” and inserting “Rural Housing Service”.

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

### SEC. 205. EXTENSION OF DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES.

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

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

### SEC. 206. EXTENSION OF SPECIAL RULE FOR CONTRIBUTIONS OF CAPITAL GAIN REAL PROPERTY MADE FOR CONSERVATION PURPOSES.

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

(b) **CONTRIBUTIONS BY CERTAIN CORPORATE FARMERS AND RANCHERS.**—Clause (iii) of section 170(b)(2)(B) is amended by striking “December 31, 2011” and inserting “December 31, 2013”.

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

### SEC. 207. EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

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

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

### SEC. 208. EXTENSION OF TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

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

(b) **EFFECTIVE DATE; SPECIAL RULE.**—

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

(2) **SPECIAL RULES.**—For purposes of subsections (a)(6), (b)(3), and (d)(8) of section 408 of the Internal Revenue Code of 1986, at the election of the taxpayer (at such time and in such manner as prescribed by the Secretary of the Treasury)—

(A) any qualified charitable distribution made after December 31, 2012, and before February 1, 2013, shall be deemed to have been made on December 31, 2012, and

(B) any portion of a distribution from an individual retirement account to the taxpayer after November 30, 2012, and before January 1, 2013, may be treated as a qualified charitable distribution to the extent that—

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

(ii) such portion is part of a distribution that would meet the requirements of section 408(d)(8) but for the fact that the distribution was not transferred directly to an organization described in section 408(d)(8)(B)(i).

### SEC. 209. IMPROVE AND MAKE PERMANENT THE PROVISION AUTHORIZING THE INTERNAL REVENUE SERVICE TO DISCLOSE CERTAIN RETURN AND RETURN INFORMATION TO CERTAIN PRISON OFFICIALS.

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

“(10) **DISCLOSURE OF CERTAIN RETURNS AND RETURN INFORMATION TO CERTAIN PRISON OFFICIALS.**—

“(A) **IN GENERAL.**—Under such procedures as the Secretary may prescribe, the Secretary may disclose to officers and employees of the Federal Bureau of Prisons and of any State agency charged with the responsibility for administration of prisons any returns or return information with respect to individuals incarcerated in Federal or State prison systems whom the Secretary has determined may have filed or facilitated the filing of a false or fraudulent return to the extent that the Secretary determines that such disclosure is necessary to permit effective Federal tax administration.

“(B) **DISCLOSURE TO CONTRACTOR-RUN PRISONS.**—Under such procedures as the Secretary may prescribe, the disclosures authorized by subparagraph (A) may be made to contractors responsible for the operation of a Federal or

State prison on behalf of such Bureau or agency.

“(C) RESTRICTIONS ON USE OF DISCLOSED INFORMATION.—Any return or return information received under this paragraph shall be used only for the purposes of and to the extent necessary in taking administrative action to prevent the filing of false and fraudulent returns, including administrative actions to address possible violations of administrative rules and regulations of the prison facility and in administrative and judicial proceedings arising from such administrative actions.

“(D) RESTRICTIONS ON REDISCLOSURE AND DISCLOSURE TO LEGAL REPRESENTATIVES.—Notwithstanding subsection (h)—

“(i) RESTRICTIONS ON REDISCLOSURE.—Except as provided in clause (ii), any officer, employee, or contractor of the Federal Bureau of Prisons or of any State agency charged with the responsibility for administration of prisons shall not disclose any information obtained under this paragraph to any person other than an officer or employee or contractor of such Bureau or agency personally and directly engaged in the administration of prison facilities on behalf of such Bureau or agency.

“(ii) DISCLOSURE TO LEGAL REPRESENTATIVES.—The returns and return information disclosed under this paragraph may be disclosed to the duly authorized legal representative of the Federal Bureau of Prisons, State agency, or contractor charged with the responsibility for administration of prisons, or of the incarcerated individual accused of filing the false or fraudulent return who is a party to an action or proceeding described in subparagraph (C), solely in preparation for, or for use in, such action or proceeding.”

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (3) of section 6103(a) is amended by inserting “subsection (k)(10),” after “subsection (e)(1)(D)(iii).”

(2) Paragraph (4) of section 6103(p) is amended—

(A) by inserting “subsection (k)(10),” before “subsection (l)(10),” in the matter preceding subparagraph (A),

(B) in subparagraph (F)(i)—

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

(ii) by inserting “subsection (k)(10) or” before “subsection (l)(10),” and

(C) by inserting “subsection (k)(10) or” before “subsection (l)(10),” both places it appears in the matter following subparagraph (F)(iii).

(3) Paragraph (2) of section 7213(a) is amended by inserting “(k)(10),” before “(l)(6).”

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

### TITLE III—BUSINESS TAX EXTENDERS

#### SEC. 301. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) EXTENSION.—

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

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

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

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

“(A) ACQUISITIONS.—

“(i) IN GENERAL.—If a person acquires the major portion of either a trade or business or a separate unit of a trade or business (hereinafter in this paragraph referred to as the ‘acquired business’) of another person (hereinafter in this paragraph referred to as the ‘predecessor’), then the amount of qualified research expenses paid

or incurred by the acquiring person during the measurement period shall be increased by the amount determined under clause (ii), and the gross receipts of the acquiring person for such period shall be increased by the amount determined under clause (iii).

“(ii) AMOUNT DETERMINED WITH RESPECT TO QUALIFIED RESEARCH EXPENSES.—The amount determined under this clause is—

“(I) for purposes of applying this section for the taxable year in which such acquisition is made, the acquisition year amount, and

“(II) for purposes of applying this section for any taxable year after the taxable year in which such acquisition is made, the qualified research expenses paid or incurred by the predecessor with respect to the acquired business during the measurement period.

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

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

“(I) the qualified research expenses paid or incurred by the predecessor with respect to the acquired business during the measurement period, and

“(II) the number of days in the period beginning on the date of the acquisition and ending on the last day of the taxable year in which the acquisition is made, divided by the number of days in the acquiring person’s taxable year.

“(v) SPECIAL RULES FOR COORDINATING TAXABLE YEARS.—In the case of an acquiring person and a predecessor whose taxable years do not begin on the same date—

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

“(II) the qualified research expenses paid or incurred by the predecessor, and the gross receipts of the predecessor, during each taxable year of the predecessor any portion of which is part of the measurement period shall be allocated equally among the days of such taxable year,

“(III) the amount of such qualified research expenses taken into account under clauses (ii) and (iv) with respect to a taxable year of the acquiring person shall be equal to the total of the expenses attributable under subclause (I) to the days occurring during such taxable year, and

“(IV) the amount of such gross receipts taken into account under clause (iii) with respect to a taxable year of the acquiring person shall be equal to the total of the gross receipts attributable under subclause (II) to the days occurring during such taxable year.

“(vi) MEASUREMENT PERIOD.—For purposes of this subparagraph, the term ‘measurement period’ means, with respect to the taxable year of the acquiring person for which the credit is determined, any period of the acquiring person preceding such taxable year which is taken into account for purposes of determining the credit for such year.”

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

“(B) DISPOSITIONS.—If the predecessor furnished to the acquiring person such information as is necessary for the application of subparagraph (A), then, for purposes of applying this section for any taxable year ending after such disposition, the amount of qualified research expenses paid or incurred by, and the gross receipts of, the predecessor during the measurement period (as defined in subparagraph (A)(vi), determined by substituting ‘predecessor’ for ‘acquiring person’ each place it appears) shall be reduced by—

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

“(I) the qualified research expenses paid or incurred by, or gross receipts of, the predecessor with respect to the acquired business during the measurement period (as so defined and so determined), and

“(II) the number of days in the period beginning on the date of acquisition (as determined for purposes of subparagraph (A)(iv)(II)) and ending on the last day of the taxable year of the predecessor in which the disposition is made, divided by the number of days in the taxable year of the predecessor, and

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

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

(1) by striking “shall be its proportionate shares of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums, giving rise to the credit” in subparagraph (A)(ii) and inserting “shall be determined on a proportionate basis to its share of the aggregate of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums, taken into account by such controlled group for purposes of this section”, and

(2) by striking “shall be its proportionate shares of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums, giving rise to the credit” in subparagraph (B)(ii) and inserting “shall be determined on a proportionate basis to its share of the aggregate of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums, taken into account by all such persons under common control for purposes of this section”.

(d) EFFECTIVE DATE.—

(1) EXTENSION.—The amendments made by subsection (a) shall apply to amounts paid or incurred after December 31, 2011.

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

#### SEC. 302. EXTENSION OF TEMPORARY MINIMUM LOW-INCOME TAX CREDIT RATE FOR NON-FEDERALLY SUBSIDIZED NEW BUILDINGS.

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

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

#### SEC. 303. EXTENSION OF HOUSING ALLOWANCE EXCLUSION FOR DETERMINING AREA MEDIAN GROSS INCOME FOR QUALIFIED RESIDENTIAL RENTAL PROJECT EXEMPT FACILITY BONDS.

(a) IN GENERAL.—Subsection (b) of section 3005 of the Housing Assistance Tax Act of 2008 is amended by striking “January 1, 2012” each place it appears and inserting “January 1, 2014”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of section 3005 of the Housing Assistance Tax Act of 2008.

#### SEC. 304. EXTENSION OF INDIAN EMPLOYMENT TAX CREDIT.

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

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

#### SEC. 305. EXTENSION OF NEW MARKETS TAX CREDIT.

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

(b) **CARRYOVER OF UNUSED LIMITATION.**—Paragraph (3) of section 45D(f) is amended by striking “2016” and inserting “2018”.

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

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

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

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

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

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

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

**SEC. 308. EXTENSION OF EMPLOYER WAGE CREDIT FOR EMPLOYEES WHO ARE ACTIVE DUTY MEMBERS OF THE UNIFORMED SERVICES.**

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

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

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

(a) **IN GENERAL.**—Subparagraph (B) of section 51(c)(4) is amended by striking “after” and all that follows and inserting “after December 31, 2013”.

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

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

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

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to obligations issued after December 31, 2011.

**SEC. 311. EXTENSION OF 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS, QUALIFIED RESTAURANT BUILDINGS AND IMPROVEMENTS, AND QUALIFIED RETAIL IMPROVEMENTS.**

(a) **IN GENERAL.**—Clauses (iv), (v), and (ix) of section 168(e)(3)(E) are each amended by striking “January 1, 2012” and inserting “January 1, 2014”.

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

**SEC. 312. EXTENSION OF 7-YEAR RECOVERY PERIOD FOR MOTORSPORTS ENTERTAINMENT COMPLEXES.**

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

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

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

(a) **IN GENERAL.**—Paragraph (8) of section 168(j) is amended by striking “December 31, 2011” and inserting “December 31, 2013”.

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

**SEC. 314. EXTENSION OF ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.**

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

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions made after December 31, 2011.

**SEC. 315. EXTENSION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.**

(a) **IN GENERAL.**—

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

(A) by striking “2010 or 2011,” in subparagraph (B) and inserting “2010, 2011, 2012, or 2013, and”,

(B) by striking subparagraph (C),

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

(D) in subparagraph (C), as so redesignated, by striking “2012” and inserting “2013”.

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

(A) by striking “2010 or 2011,” in subparagraph (B) and inserting “2010, 2011, 2012, or 2013, and”,

(B) by striking subparagraph (C),

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

(D) in subparagraph (C), as so redesignated, by striking “2012” and inserting “2013”.

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

(b) **COMPUTER SOFTWARE.**—Section 179(d)(1)(A)(ii) is amended by striking “2013” and inserting “2014”.

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

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

(1) **IN GENERAL.**—Section 179(f)(1) is amended by striking “2010 or 2011” and inserting “2010, 2011, 2012, or 2013”.

(2) **CARRYOVER LIMITATION.**—

(A) **IN GENERAL.**—Section 179(f)(4) is amended by striking “2011” each place it appears and inserting “2013”.

(B) **CONFORMING AMENDMENT.**—Subparagraph (C) of section 179(f)(4) is amended—

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

(ii) by adding at the end the following: “For the last taxable year beginning in 2013, the amount determined under subsection (b)(3)(A) for such taxable year shall be determined without regard to this paragraph.”

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

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

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

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

**SEC. 317. EXTENSION OF SPECIAL EXPENSING RULES FOR CERTAIN FILM AND TELEVISION PRODUCTIONS.**

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

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

**SEC. 318. EXTENSION OF DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.**

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

(1) by striking “first 6 taxable years” and inserting “first 8 taxable years”, and

(2) by striking “January 1, 2012” and inserting “January 1, 2014”.

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

**SEC. 319. EXTENSION OF MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.**

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

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

**SEC. 320. EXTENSION OF TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.**

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

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

**SEC. 321. EXTENSION OF RIC QUALIFIED INVESTMENT ENTITY TREATMENT UNDER FIRPTA.**

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

(b) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendment made by subsection (a) shall take effect on January 1, 2012. Notwithstanding the preceding sentence, such amendment shall not apply with respect to the withholding requirement under section 1445 of the Internal Revenue Code of 1986 for any payment made before the date of the enactment of this Act.

(2) **AMOUNTS WITHHELD ON OR BEFORE DATE OF ENACTMENT.**—In the case of a regulated investment company—

(A) which makes a distribution after December 31, 2011, and before the date of the enactment of this Act; and

(B) which would (but for the second sentence of paragraph (1)) have been required to withhold with respect to such distribution under section 1445 of such Code, such investment company shall not be liable to any person to whom such distribution was made for any amount so withheld and paid over to the Secretary of the Treasury.

**SEC. 322. EXTENSION OF SUBPART F EXCEPTION FOR ACTIVE FINANCING INCOME.**

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

(1) by striking “January 1, 2012” and inserting “January 1, 2014”, and

(2) by striking “December 31, 2011” and inserting “December 31, 2013”.

(b) **SPECIAL RULE FOR INCOME DERIVED IN THE ACTIVE CONDUCT OF BANKING, FINANCING, OR SIMILAR BUSINESSES.**—Paragraph (9) of section 954(h) is amended by striking “January 1, 2012” and inserting “January 1, 2014”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2011, and to taxable years of United States shareholders with or within which any such taxable year of such foreign corporation ends.

**SEC. 323. EXTENSION OF LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY RULES.**

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

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

**SEC. 324. EXTENSION OF TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.**

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

(1) by striking “January 1, 2012” and inserting “January 1, 2014”, and

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

(b) TECHNICAL AMENDMENTS.—

(1) SPECIAL RULE FOR 2009 AND CERTAIN PERIOD IN 2010.—Paragraph (3) of section 1202(a) is amended by adding at the end the following new flush sentence:

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

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

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

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to stock acquired after December 31, 2011.

(2) SUBSECTION (b)(1).—The amendment made by subsection (b)(1) shall take effect as if included in section 1241(a) of division B of the American Recovery and Reinvestment Act of 2009.

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

**SEC. 325. EXTENSION OF BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.**

(a) IN GENERAL.—Paragraph (2) of section 1367(a) is amended by striking “December 31, 2011” and inserting “December 31, 2013”.

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

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

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

(1) by redesignating subparagraph (C) as subparagraph (D), and

(2) by inserting after subparagraph (B) the following new subparagraph:

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

(3) by adding at the end the following new subparagraph:

“(E) INSTALLMENT SALES.—If an S corporation sells an asset and reports the income from the sale using the installment method under section 453, the treatment of all payments received shall be governed by the provisions of this paragraph applicable to the taxable year in which such sale was made.”.

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

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

**SEC. 327. EXTENSION OF EMPOWERMENT ZONE TAX INCENTIVES.**

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

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

(1) by striking “December 31, 2016” and inserting “December 31, 2018”; and

(2) by striking “2016” in the heading and inserting “2018”.

(c) TREATMENT OF CERTAIN TERMINATION DATES SPECIFIED IN NOMINATIONS.—In the case of a designation of an empowerment zone the nomination for which included a termination date which is contemporaneous with the date specified in subparagraph (A)(i) of section 1391(d)(1) of the Internal Revenue Code of 1986 (as in effect before the enactment of this Act), subparagraph (B) of such section shall not apply with respect to such designation if, after the date of the enactment of this section, the entity which made such nomination amends the nomination to provide for a new termination date in such manner as the Secretary of the Treasury (or the Secretary’s designee) may provide.

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

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

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

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

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

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

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

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

(a) MODIFICATION.—

(1) IN GENERAL.—Subsection (a) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended by striking “if such corporation” and all that follows and inserting “if—

“(1) in the case of a taxable year beginning before January 1, 2012, such corporation—

“(A) is an existing credit claimant with respect to American Samoa, and

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

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

(2) REQUIREMENTS.—Section 119 of division A of such Act is amended by adding at the end the following new subsection:

“(e) QUALIFIED PRODUCTION ACTIVITIES INCOME REQUIREMENT.—A corporation meets the requirement of this subsection if such corporation has qualified production activities income, as defined in subsection (c) of section 199 of the Internal Revenue Code of 1986, determined by substituting ‘American Samoa’ for ‘the United States’ each place it appears in paragraphs (3), (4), and (6) of such subsection (c), for the taxable year.”.

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

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

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

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

**SEC. 331. EXTENSION AND MODIFICATION OF BONUS DEPRECIATION.**

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

(1) by striking “January 1, 2014” in subparagraph (A)(iv) and inserting “January 1, 2015”, and

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

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

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

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

(2) ROUND 3 EXTENSION PROPERTY.—Paragraph (4) of section 168(k) is amended by adding at the end the following new subparagraph:

“(J) SPECIAL RULES FOR ROUND 3 EXTENSION PROPERTY.—

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

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

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

“(ii) TAXPAYERS PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, a taxpayer who made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008, or a taxpayer who made the election under subparagraph (I)(iii) for its first taxable year ending after December 31, 2010—

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

“(II) if the taxpayer does not make the election under subclause (I), in applying this paragraph to the taxpayer the bonus depreciation amount, maximum amount, and maximum increase amount shall be computed and applied to eligible qualified property which is round 3 extension property.

The amounts described in subclause (II) shall be computed separately from any amounts computed with respect to eligible qualified property which is not round 3 extension property.

“(iii) TAXPAYERS NOT PREVIOUSLY ELECTING ACCELERATION.—In the case of a taxpayer who neither made the election under subparagraph (A) for its first taxable year ending after March 31, 2008, nor made the election under subparagraph (H)(ii) for its first taxable year ending after December 31, 2008, nor made the election under subparagraph (I)(iii) for any taxable year ending after December 31, 2010—

“(I) the taxpayer may elect to have this paragraph apply to its first taxable year ending after December 31, 2012, and each subsequent taxable year, and

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

“(iv) ROUND 3 EXTENSION PROPERTY.—For purposes of this subparagraph, the term ‘round 3 extension property’ means property which is eligible qualified property solely by reason of the extension of the application of the special allowance under paragraph (1) pursuant to the amendments made by section 331(a) of the American Taxpayer Relief Act of 2012 (and the application of such extension to this paragraph pursuant to the amendment made by section 331(c)(1) of such Act).”.

(d) NORMALIZATION RULES AMENDMENT.—Clause (ii) of section 168(i)(9)(A) is amended by inserting “(respecting all elections made by the

taxpayer under this section)” after “such property”.

(e) CONFORMING AMENDMENTS.—

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

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

(3) Subparagraph (C) of section 168(n)(2) is amended by striking “January 1, 2013” and inserting “January 1, 2014”.

(4) Subparagraph (D) of section 1400L(b)(2) is amended by striking “January 1, 2013” and inserting “January 1, 2014”.

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

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

#### TITLE IV—ENERGY TAX EXTENDERS

##### SEC. 401. EXTENSION OF CREDIT FOR ENERGY-EFFICIENT EXISTING HOMES.

(a) IN GENERAL.—Paragraph (2) of section 25C(g) is amended by striking “December 31, 2011” and inserting “December 31, 2013”.

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

##### SEC. 402. EXTENSION OF CREDIT FOR ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.

(a) IN GENERAL.—Paragraph (2) of section 30C(g) is amended by striking “December 31, 2011.” and inserting “December 31, 2013”.

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

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

(a) IN GENERAL.—Section 30D is amended by adding at the end the following new subsection: “(g) CREDIT ALLOWED FOR 2- AND 3-WHEELED PLUG-IN ELECTRIC VEHICLES.—

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

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

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

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

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

“(B) \$2,500.

“(3) QUALIFIED 2- OR 3-WHEELED PLUG-IN ELECTRIC VEHICLE.—The term ‘qualified 2- or 3-wheeled plug-in electric vehicle’ means any vehicle which—

“(A) has 2 or 3 wheels,

“(B) meets the requirements of subparagraphs (A), (B), (C), (E), and (F) of subsection (d)(1) (determined by substituting ‘2.5 kilowatt hours’ for ‘4 kilowatt hours’ in subparagraph (F)(ii)),

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

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

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

(b) CONFORMING AMENDMENTS.—

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

(A) by striking “new qualified plug-in electric drive motor vehicle” and inserting “vehicle for which a credit is allowable under subsection (a)”, and

(B) by striking “allowed under subsection (a)” and inserting “allowed under such subsection”.

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

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

##### SEC. 404. EXTENSION AND MODIFICATION OF CELLULOSIC BIOFUEL PRODUCER CREDIT.

(a) EXTENSION.—

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

“(H) APPLICATION OF PARAGRAPH.—

“(i) IN GENERAL.—This paragraph shall apply with respect to qualified cellulosic biofuel production after December 31, 2008, and before January 1, 2014.

“(ii) NO CARRYOVER TO CERTAIN YEARS AFTER EXPIRATION.—If this paragraph ceases to apply for any period by reason of clause (i), rules similar to the rules of subsection (e)(2) shall apply.”.

(2) CONFORMING AMENDMENT.—Paragraph (2) of section 40(e) is amended by striking “or subsection (b)(6)(H)”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in section 15321(b) of the Heartland, Habitat, and Horticulture Act of 2008.

(b) ALGAE TREATED AS A QUALIFIED FEEDSTOCK.—

(1) IN GENERAL.—Subclause (I) of section 40(b)(6)(E)(i) is amended to read as follows:

“(I) is derived by, or from, qualified feedstocks, and”.

(2) QUALIFIED FEEDSTOCK; SPECIAL RULES FOR ALGAE.—Paragraph (6) of section 40(b) is amended by redesignating subparagraphs (F), (G), and (H), as amended by this Act, as subparagraphs (H), (I), and (J), respectively, and by inserting after subparagraph (E) the following new subparagraphs:

“(F) QUALIFIED FEEDSTOCK.—For purposes of this paragraph, the term ‘qualified feedstock’ means—

“(i) any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis, and

“(ii) any cultivated algae, cyanobacteria, or lenna.

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

“(i) such sale shall be treated as described in subparagraph (C)(i),

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

“(iii) except as provided in this subparagraph, such fuel (and any fuel derived from such fuel) shall not be taken into account under subparagraph (C) with respect to the taxpayer or any other person.”.

(3) CONFORMING AMENDMENTS.—

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

(i) by striking “cellulosic biofuel” each place it appears in the text thereof and inserting “second generation biofuel”.

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

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

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

(C) Paragraph (1) of section 4101(a) is amended by striking “cellulosic biofuel” and inserting “second generation biofuel”.

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

##### SEC. 405. EXTENSION OF INCENTIVES FOR BIODIESEL AND RENEWABLE DIESEL.

(a) CREDITS FOR BIODIESEL AND RENEWABLE DIESEL USED AS FUEL.—Subsection (g) of section 40A is amended by striking “December 31, 2011” and inserting “December 31, 2013”.

(b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIXTURES.—

(1) Paragraph (6) of section 6426(c) is amended by striking “December 31, 2011” and inserting “December 31, 2013”.

(2) Subparagraph (B) of section 6427(e)(6) is amended by striking “December 31, 2011” and inserting “December 31, 2013”.

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

##### SEC. 406. EXTENSION OF PRODUCTION CREDIT FOR INDIAN COAL FACILITIES PLACED IN SERVICE BEFORE 2009.

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

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

##### SEC. 407. EXTENSION AND MODIFICATION OF CREDITS WITH RESPECT TO FACILITIES PRODUCING ENERGY FROM CERTAIN RENEWABLE RESOURCES.

(a) PRODUCTION TAX CREDIT.—

(1) EXTENSION FOR WIND FACILITIES.—Paragraph (1) of section 45(d) is amended by striking “January 1, 2013” and inserting “January 1, 2014”.

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

(3) MODIFICATION TO DEFINITION OF QUALIFIED FACILITY.—

(A) IN GENERAL.—The following provisions of section 45(d), as amended by paragraph (1), are each amended by striking “before January 1, 2014” and inserting “the construction of which begins before January 1, 2014”:

(i) Paragraph (1).

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

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

(iv) Paragraph (6).

(v) Paragraph (7).

(vi) Paragraph (9)(B).

(vii) Paragraph (11)(B).

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

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

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

(D) GEOTHERMAL FACILITIES.—

(i) IN GENERAL.—Paragraph (4) of section 45(d) is amended by striking “and before January 1, 2014” and all that follows and inserting “and which—

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

“(B) in the case of a facility using geothermal energy, the construction of which begins before January 1, 2014.

Such term shall not include any property described in section 48(a)(3) the basis of which is

taken into account by the taxpayer for purposes of determining the energy credit under section 48.”.

(E) INCREMENTAL HYDROPOWER PRODUCTION.—Paragraph (9) of section 45(d) is amended—

(i) by redesignating subparagraphs (A) and (B), as amended by subparagraph (A), as clauses (i) and (ii), respectively, and by moving such clauses (as so redesignated) 2 ems to the right,

(ii) by striking “In the case of a facility” and inserting the following:

“(A) IN GENERAL.—In the case of a facility”,

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

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

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

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

“(C) QUALIFIED INVESTMENT CREDIT FACILITY.—For purposes of this paragraph, the term ‘qualified investment credit facility’ means any facility—

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

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

“(iii) with respect to which—

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

“(II) the taxpayer makes an irrevocable election to have this paragraph apply.”.

(c) TECHNICAL CORRECTIONS.—

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

(A) by striking “and” at the end of clause (i)(I),

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

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

“(iii) which is constructed, reconstructed, erected, or acquired by the taxpayer, and

“(iv) the original use of which commences with the taxpayer.”.

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

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) MODIFICATION TO DEFINITION OF MUNICIPAL SOLID WASTE.—The amendments made by subsection (a)(2) shall apply to electricity produced and sold after the date of the enactment of this Act, in taxable years ending after such date.

(3) TECHNICAL CORRECTIONS.—The amendments made by subsection (c) shall apply as if included in the enactment of the provisions of the American Recovery and Reinvestment Act of 2009 to which they relate.

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

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

(b) ENERGY SAVINGS REQUIREMENTS.—Clause (i) of section 45L(c)(1)(A) is amended by striking “2003 International Energy Conservation Code, as such Code (including supplements) is in ef-

fect on the date of the enactment of this section” and inserting “2006 International Energy Conservation Code, as such Code (including supplements) is in effect on January 1, 2006”.

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

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

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

(b) PROVISIONS SPECIFIED.—The provisions of section 45M(b) specified in this subsection are subparagraph (C) of paragraph (1) and subparagraph (E) of paragraph (2).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2011.

**SEC. 410. EXTENSION AND MODIFICATION OF SPECIAL ALLOWANCE FOR CELLULOSIC BIOFUEL PLANT PROPERTY.**

(a) EXTENSION.—

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

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

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

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

(2) CONFORMING AMENDMENTS.—Subsection (1) of section 168, as amended by subsection (a), is amended—

(A) by striking “cellulosic biofuel” each place it appears in the text thereof and inserting “second generation biofuel”,

(B) by striking paragraph (3) and redesignating paragraphs (4) through (8) as paragraphs (3) through (7), respectively,

(C) by striking “CELLULOSIC” in the heading of such subsection and inserting “SECOND GENERATION”, and

(D) by striking “CELLULOSIC” in the heading of paragraph (2) and inserting “SECOND GENERATION”.

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

**SEC. 411. EXTENSION OF SPECIAL RULE FOR SALES OR DISPOSITIONS TO IMPLEMENT FERC OR STATE ELECTRIC RESTRUCTURING POLICY FOR QUALIFIED ELECTRIC UTILITIES.**

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

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

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

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

(b) OUTLAY PAYMENTS FOR ALTERNATIVE FUELS.—Paragraph (6) of section 6427(e) is amended—

(1) in subparagraph (C)—

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

(B) by striking “December 31, 2011, and” and inserting “December 31, 2013”,

(2) in subparagraph (D)—

(A) by striking “or alternative fuel mixture”, and

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

(3) by adding at the end the following new subparagraph:

“(E) any alternative fuel mixture (as defined in section 6426(e)(2)) sold or used after December 31, 2011.”.

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

#### TITLE V—UNEMPLOYMENT

**SEC. 501. EXTENSION OF EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM.**

(a) EXTENSION.—Section 4007(a)(2) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by striking “January 2, 2013” and inserting “January 1, 2014”.

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

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

(2) by inserting after subparagraph (I) the following:

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

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

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

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

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

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

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

(c) EXTENSION OF MODIFICATION OF INDICATORS UNDER THE EXTENDED BENEFIT PROGRAM.—Section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note) is amended—

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

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

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Unemployment Benefits Extension Act of 2012 (Public Law 112-96).

**SEC. 503. EXTENSION OF FUNDING FOR REEMPLOYMENT SERVICES AND REEMPLOYMENT AND ELIGIBILITY ASSESSMENT ACTIVITIES.**

(a) IN GENERAL.—Section 4004(c)(2)(A) of the Supplemental Appropriations Act, 2008 (Public Law 110-252; 26 U.S.C. 3304 note) is amended by striking “through fiscal year 2013” and inserting “through fiscal year 2014”.

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

**SEC. 504. ADDITIONAL EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.**

(a) EXTENSION.—Section 2(c)(2)(D)(iii) of the Railroad Unemployment Insurance Act, as added by section 2006 of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) and as amended by section 9 of the Worker, Homeownership, and Business Assistance Act of 2009 (Public Law 111-92), section 505 of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Public Law

111–312), section 202 of the Temporary Payroll Tax Cut Continuation Act of 2011 (Public Law 112–78), and section 2124 of the Unemployment Benefits Extension Act of 2012 (Public Law 112–96), is amended—

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

(2) by striking “December 31, 2012” and inserting “December 31, 2013”.

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

(c) FUNDING FOR ADMINISTRATION.—Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Railroad Retirement Board \$250,000 for administrative expenses associated with the payment of additional extended unemployment benefits provided under section 2(c)(2)(D) of the Railroad Unemployment Insurance Act by reason of the amendments made by subsection (a), to remain available until expended.

## TITLE VI—MEDICARE AND OTHER HEALTH EXTENSIONS

### Subtitle A—Medicare Extensions

#### SEC. 601. MEDICARE PHYSICIAN PAYMENT UPDATE.

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

“(14) UPDATE FOR 2013.—

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

“(B) NO EFFECT ON COMPUTATION OF CONVERSION FACTOR FOR 2014 AND SUBSEQUENT YEARS.—The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2014 and subsequent years as if subparagraph (A) had never applied.”.

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

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

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

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

“(D) SATISFACTORY REPORTING MEASURES THROUGH PARTICIPATION IN A QUALIFIED CLINICAL DATA REGISTRY.—For 2014 and subsequent years, the Secretary shall treat an eligible professional as satisfactorily submitting data on quality measures under subparagraph (A) if, in lieu of reporting measures under subsection (k)(2)(C), the eligible professional is satisfactorily participating, as determined by the Secretary, in a qualified clinical data registry (as described in subparagraph (E)) for the year.

“(E) QUALIFIED CLINICAL DATA REGISTRY.—

“(i) IN GENERAL.—The Secretary shall establish requirements for an entity to be considered a qualified clinical data registry. Such requirements shall include a requirement that the entity provide the Secretary with such information, at such times, and in such manner, as the Secretary determines necessary to carry out this subsection.

“(ii) CONSIDERATIONS.—In establishing the requirements under clause (i), the Secretary shall consider whether an entity—

“(I) has in place mechanisms for the transparency of data elements and specifications, risk models, and measures;

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

“(III) provides timely performance reports to participants at the individual participant level; and

“(IV) supports quality improvement initiatives for participants.

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

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

“(II) measures endorsed by the entity with a contract with the Secretary under section 1890(a) may be used.

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

“(v) DETERMINATION.—The Secretary shall establish a process to determine whether or not an entity meets the requirements established under clause (i). Such process may involve one or both of the following:

“(I) A determination by the Secretary.

“(II) A designation by the Secretary of one or more independent organizations to make such determination.”.

(2) GAO STUDY AND REPORT ON INCORPORATING REGISTRY DATA INTO THE MEDICARE PROGRAM IN ORDER TO IMPROVE QUALITY AND EFFICIENCY.—

(A) STUDY.—The Comptroller General of the United States shall conduct a study on the potential of clinical data registries to improve the quality and efficiency of care in the Medicare program, including through payment system incentives. Such study shall include an analysis of the role of health information technology in facilitating clinical data registries and the use of data from such registries among private health insurers as well as other entities the Comptroller General determines appropriate.

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

#### SEC. 602. WORK GEOGRAPHIC ADJUSTMENT.

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

#### SEC. 603. PAYMENT FOR OUTPATIENT THERAPY SERVICES.

(a) EXTENSION.—Section 1833(g) of the Social Security Act (42 U.S.C. 1395l(g)) is amended—

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

(2) in paragraph (6)—

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

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

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

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

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

“(B)(i) With respect to outpatient therapy services furnished beginning on or after January 1, 2013, and before January 1, 2014, for which payment is made under section 1834(g), the Secretary shall count toward the uniform dollar limitations described in paragraphs (1) and (3) and the threshold described in paragraph (5)(C) the amount that would be payable under this part if such services were paid under section 1834(k)(1)(B) instead of being paid under section 1834(g).

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

(c) BENEFICIARY PROTECTIONS.—Section 1833(g)(5) of the Social Security Act (42 U.S.C. 1395l(g)(5)) is amended by adding at the end the following new subparagraph:

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

(d) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary of Health and Human Services may implement the provisions of, and the amendments made by, this section by program instruction or otherwise.

#### SEC. 604. AMBULANCE ADD-ON PAYMENTS.

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

(1) in the matter preceding clause (i), by striking “January 1, 2013” and inserting “January 1, 2014”; and

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

(b) AIR AMBULANCE.—Section 146(b)(1) of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110–275), as amended by sections 3105(b) and 10311(b) of the Patient Protection and Affordable Care Act (Public Law 111–148), section 106(b) of the Medicare and Medicaid Extenders Act of 2010 (Public Law 111–309), section 306(b) of the Temporary Payroll Tax Cut Continuation Act of 2011 (Public Law 112–78), and section 3007(b) of the Middle Class Tax Relief and Job Creation Act of 2012 (Public Law 112–96), is amended by striking “December 31, 2012” and inserting “June 30, 2013”.

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

(d) STUDIES OF AMBULANCE COSTS.—

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

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

(B) A study of the feasibility of obtaining cost data on a periodic basis from all ambulance providers of services and suppliers for potential use in examining the appropriateness of the Medicare add-on payments for ground ambulance services furnished under the fee schedule under section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)) and in preparing for future reform of such payment system.

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

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

(B) explore use of cost surveys and cost reports to collect appropriate cost data and the periodicity of such cost data collection;

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

(D) examine the ability to furnish such cost data by various types of ambulance providers of services and suppliers, especially by rural and super-rural providers of services and suppliers.

(3) REPORTS.—

(A) EXISTING COST REPORTS.—Not later than October 1, 2013, the Secretary shall submit a report to Congress on the study conducted under paragraph (1)(A), together with recommendations for such legislation and administrative action as the Secretary determines appropriate.

(B) OBTAINING COST DATA.—Not later than July 1, 2014, the Secretary shall submit a report

to Congress on the study conducted under paragraph (1)(B), together with recommendations for such legislation and administrative action as the Secretary determines appropriate.

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

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

(1) in subparagraph (B), in the matter preceding clause (i), by striking “2013” and inserting “2014”;

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

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

**SEC. 606. EXTENSION OF THE MEDICARE-DEPENDENT HOSPITAL (MDH) PROGRAM.**

(a) **EXTENSION OF PAYMENT METHODOLOGY.**—Section 1886(d)(5)(G) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(G)) is amended—

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

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

(b) **CONFORMING AMENDMENTS.**—

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

(A) in the matter preceding clause (i), by striking “October 1, 2012” and inserting “October 1, 2013”; and

(B) in clause (iv), by striking “through fiscal year 2012” and inserting “through fiscal year 2013”.

(2) **PERMITTING HOSPITALS TO DECLINE RECLASSIFICATION.**—Section 13501(e)(2) of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 1395ww note) is amended by striking “through fiscal year 2012” and inserting “through fiscal year 2013”.

**SEC. 607. EXTENSION FOR SPECIALIZED MEDICARE ADVANTAGE PLANS FOR SPECIAL NEEDS INDIVIDUALS.**

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

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

Section 1876(h)(5)(C)(ii) of the Social Security Act (42 U.S.C. 1395mm(h)(5)(C)(ii)) is amended, in the matter preceding subclause (I), by striking “January 1, 2013” and inserting “January 1, 2014”.

**SEC. 609. PERFORMANCE IMPROVEMENT.**

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

(1) **IN GENERAL.**—Section 1890(d) of the Social Security Act (42 U.S.C. 1395aaa(d)) is amended by striking “fiscal years 2009 through 2012” and inserting “fiscal years 2009 through 2013”.

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

(b) **PROVIDING DATA FOR PERFORMANCE IMPROVEMENT IN A TIMELY MANNER.**—

(1) **IN GENERAL.**—The Secretary of Health and Human Services (in this subsection referred to as the “Secretary”) shall develop a strategy to provide data for performance improvement in a timely manner to applicable providers under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), including with respect to the provision of the following:

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

(B) Feedback on quality data submitted by the applicable provider under the Medicare program.

(2) **CONSIDERATIONS.**—In developing the strategy under paragraph (1), the Secretary shall consider—

(A) the type of applicable provider receiving the data;

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

(C) risk adjustment methods;

(D) presentation of the data in a meaningful manner and easily understandable format;

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

(F) administrative costs involved with providing data.

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

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

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

(4) **STRATEGY UPDATE.**—

(A) **FEEDBACK FROM STAKEHOLDERS.**—The Secretary shall seek feedback from stakeholders on the initial strategy submitted under paragraph (3).

(B) **STRATEGY UPDATE.**—The Secretary shall—

(i) update the strategy described in paragraph (1) based on the feedback submitted under subparagraph (A); and

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

(I) submit such updated strategy to the relevant committees of Congress; and

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

(5) **GAO STUDY AND REPORT ON PRIVATE SECTOR INFORMATION SHARING ACTIVITIES.**—

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

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

(ii) how the Medicare program currently shares data with providers, including what data is provided and to which providers, and what divisions within the Centers for Medicare & Medicaid Services oversee those efforts;

(iii) what, if any, differences there are between the private sector and the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in terms of sharing data; and

(iv) what, if any, barriers there are for the Centers for Medicare & Medicaid Services to sharing timely data with applicable providers and recommendations to eliminate or reduce such barriers.

(B) **REPORT.**—Not later than 8 months after the date of the enactment of this Act, the Comptroller General shall submit to the relevant committees of Congress a report containing the results of the study conducted under subparagraph (A), together with recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

(6) **DEFINITIONS.**—In this subsection:

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

(i) A critical access hospital (as defined in section 1861(mm)(1) of the Social Security Act (42 U.S.C. 1395xx(mm)(1))).

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

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

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

(B) **PERFORMANCE IMPROVEMENT.**—The term “performance improvement” means improve-

ments in quality, reducing per capita costs, and other criteria the Secretary determines appropriate.

**SEC. 610. EXTENSION OF FUNDING OUTREACH AND ASSISTANCE FOR LOW-INCOME PROGRAMS.**

(a) **ADDITIONAL FUNDING FOR STATE HEALTH INSURANCE PROGRAMS.**—Subsection (a)(1)(B) of section 119 of the Medicare Improvements for Patients and Providers Act of 2008 (42 U.S.C. 1395b–3 note), as amended by section 3306 of the Patient Protection and Affordable Care Act Public Law 111–148, is amended—

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

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

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

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

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

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

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

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

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

(c) **ADDITIONAL FUNDING FOR AGING AND DISABILITY RESOURCE CENTERS.**—Subsection (c)(1)(B) of such section 119, as so amended, is amended—

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

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

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

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

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

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

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

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

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

**Subtitle B—Other Health Extensions**

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

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

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

(1) in paragraph (2)—

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

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

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

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

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

(2) in paragraph (3), in the matter preceding subparagraph (A), by striking “or (R)” and inserting “(R), or (T)”.

**SEC. 622. EXTENSION OF TRANSITIONAL MEDICAL ASSISTANCE (TMA).**

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

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

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

**SEC. 624. EXTENSION OF FAMILY-TO-FAMILY HEALTH INFORMATION CENTERS.**

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

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

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

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

**Subtitle C—Other Health Provisions**

**SEC. 631. IPPS DOCUMENTATION AND CODING ADJUSTMENT FOR IMPLEMENTATION OF MS-DRGS.**

(a) RULE OF CONSTRUCTION AND CLARIFICATION.—

(1) RULE OF CONSTRUCTION.—Nothing in the amendments made by subsection (b) shall be construed as changing the existing authority under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) to make prospective documentation and coding adjustments to the standardized amounts under such section 1886(d) to correct for changes in the coding or classification of discharges that do not reflect real changes in case mix.

(2) CLARIFICATION.—Effective on the date of the enactment of this section, except as provided in section 7(b)(1)(B)(ii) of the TMA, Abstinence Education, and QI Programs Extension Act of 2007, as added by subsection (b)(2)(A)(ii)(IV) of this section, the Secretary of Health and Human Services shall not have authority to fully recoup past overpayments related to documentation and coding changes from fiscal years 2008 and 2009.

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

(1) in the heading, by striking “LIMITATION” and all that follows through “ADJUSTMENT” and inserting “DOCUMENTATION AND CODING ADJUSTMENTS”; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in the matter before subparagraph (A)—

(I) by striking “or 2009” and inserting “, 2009, or 2010”; and

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

(ii) in subparagraph (B)—

(I) by inserting “(i)” after “(B)”; and

(II) by striking “or decrease”; and

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

(IV) by adding at the end the following:

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

(B) in paragraph (3)—

(i) in subparagraph (A), by inserting before the semicolon the following: “or affecting the Secretary’s authority under such paragraph to apply a prospective adjustment to offset aggregate additional payments related to documentation and coding improvements made with respect to discharges during fiscal year 2010”; and

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

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

(a) ADJUSTMENT TO ESRD BUNDLED PAYMENT RATE TO ACCOUNT FOR CHANGES IN THE UTILIZATION OF CERTAIN DRUGS AND BIOLOGICALS.—Section 1881(b)(14) of the Social Security Act (42

U.S.C. 1395r(b)(14)) is amended by adding at the end the following new subparagraph:

“(1) For services furnished on or after January 1, 2014, the Secretary shall, by comparing per patient utilization data from 2007 with such data from 2012, make reductions to the single payment that would otherwise apply under this paragraph for renal dialysis services to reflect the Secretary’s estimate of the change in the utilization of drugs and biologicals described in clauses (ii), (iii), and (iv) of subparagraph (B) (other than oral-only ESRD-related drugs, as such term is used in the final rule promulgated by the Secretary in the Federal Register on August 12, 2010 (75 Fed. Reg. 49030)). In making reductions under the preceding sentence, the Secretary shall take into account the most recently available data on average sales prices and changes in prices for drugs and biological reflected in the ESRD market basket percentage increase factor under subparagraph (F).”.

(b) TWO-YEAR DELAY OF IMPLEMENTATION OF ORAL-ONLY ESRD-RELATED DRUGS IN THE ESRD PROSPECTIVE PAYMENT SYSTEM; MONITORING.—

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

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

(c) ANALYSIS OF CASE MIX PAYMENT ADJUSTMENTS.—By not later than January 1, 2016, the Secretary of Health and Human Services shall—

(1) conduct an analysis of the case mix payment adjustments being used under section 1881(b)(14)(D)(i) of the Social Security Act (42 U.S.C. 1395r(b)(14)(D)(i)); and

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

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

**SEC. 633. TREATMENT OF MULTIPLE SERVICE PAYMENT POLICIES FOR THERAPY SERVICES.**

(a) SERVICES FURNISHED BY PHYSICIANS AND CERTAIN OTHER PROVIDERS.—Section 1848(b)(7) of the Social Security Act (42 U.S.C. 1395w-4(b)(7)) is amended—

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

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

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

“(7) ADJUSTMENT IN DISCOUNT FOR CERTAIN MULTIPLE THERAPY SERVICES.—In the case of therapy services furnished on or after April 1, 2013, and for which payment is made under this

subsection pursuant to the applicable fee schedule amount (as defined in paragraph (3)), instead of the 25 percent multiple procedure payment reduction specified in the final rule published by the Secretary in the Federal Register on November 29, 2010, the reduction percentage shall be 50 percent.”.

**SEC. 634. PAYMENT FOR CERTAIN RADIOLOGY SERVICES FURNISHED UNDER THE MEDICARE HOSPITAL OUTPATIENT DEPARTMENT PROSPECTIVE PAYMENT SYSTEM.**

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

“(D) SPECIAL PAYMENT RULE.—

“(i) IN GENERAL.—In the case of covered OPD services furnished on or after April 1, 2013, in a hospital described in clause (ii), if—

“(I) the payment rate that would otherwise apply under this subsection for stereotactic radiosurgery, complete course of treatment of cranial lesion(s) consisting of 1 session that is multi-source Cobalt 60 based (identified as of January 1, 2013, by HCPCS code 77371 (and any succeeding code) and reimbursed as of such date under APC 0127 (and any succeeding classification group)); exceeds

“(II) the payment rate that would otherwise apply under this subsection for linear accelerator based stereotactic radiosurgery, complete course of therapy in one session (identified as of January 1, 2013, by HCPCS code G0173 (and any succeeding code) and reimbursed as of such date under APC 0067 (and any succeeding classification group)), the payment rate for the service described in subclause (I) shall be reduced to an amount equal to the payment rate for the service described in subclause (II).

“(ii) HOSPITAL DESCRIBED.—A hospital described in this clause is a hospital that is not—

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

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

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

“(iii) NOT BUDGET NEUTRAL.—In making any budget neutrality adjustments under this subsection for 2013 (with respect to covered OPD services furnished on or after April 1, 2013, and before January 1, 2014) or a subsequent year, the Secretary shall not take into account the reduced expenditures that result from the application of this subparagraph.”.

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

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

(1) in subsection (b)(4)(C)—

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

(B) by adding at the end the following new sentence: “With respect to fee schedules established for 2014 and subsequent years, in such methodology, the Secretary shall use a 90 percent utilization rate.”; and

(2) in subsection (c)(2)(B)(v)(III), by striking “change in the utilization rate applicable to 2011, as described in” and inserting “changes in the utilization rate applicable to 2011 and 2014, as described in the first and second sentence, respectively, of”.

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

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

(1) in subparagraph (F), in the matter preceding clause (i), by striking “subparagraph (G)” and inserting “subparagraphs (G) and (H)”; and

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

**“(H) DIABETIC SUPPLIES.—**

“(i) **IN GENERAL.**—On or after the date described in clause (ii), the payment amount under this part for diabetic supplies, including testing strips, that are non-mail order items (as defined by the Secretary) shall be equal to the single payment amounts established under the national mail order competition for diabetic supplies under section 1847.

“(ii) **DATE DESCRIBED.**—The date described in this clause is the date of the implementation of the single payment amounts under the national mail order competition for diabetic supplies under section 1847.”.

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

“(22) **SPECIAL PAYMENT RULE FOR DIABETIC SUPPLIES.**—Notwithstanding the preceding provisions of this subsection, for purposes of determining the payment amount under this subsection for diabetic supplies furnished on or after the first day of the calendar quarter during 2013 that is at least 30 days after the date of the enactment of this paragraph and before the date described in paragraph (1)(H)(ii), the Secretary shall recalculate and apply the covered item update under paragraph (14) as if subparagraph (J)(i) of such paragraph was amended by striking ‘but only if furnished through mail order’.”.

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

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

“(15) **PAYMENT ADJUSTMENT FOR NON-EMERGENCY AMBULANCE TRANSPORTS FOR ESRD BENEFICIARIES.**—The fee schedule amount otherwise applicable under the preceding provisions of this subsection shall be reduced by 10 percent for ambulance services furnished on or after October 1, 2013, consisting of non-emergency basic life support services involving transport of an individual with end-stage renal disease for renal dialysis services (as described in section 1881(b)(14)(B)) furnished other than on an emergency basis by a provider of services or a renal dialysis facility.”.

**SEC. 638. REMOVING OBSTACLES TO COLLECTION OF OVERPAYMENTS.**

(a) **IN GENERAL.**—The last sentence of subsections (b) and (c) of section 1870 of the Social Security Act (42 U.S.C. 1395gg) are each amended—

(1) by striking “third year” and inserting “fifth year”; and

(2) by striking “three-year” and inserting “five-year”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

**SEC. 639. MEDICARE ADVANTAGE CODING INTENSITY ADJUSTMENT.**

Section 1853(a)(1)(C)(ii)(III) of the Social Security Act (42 U.S.C. 1395u–23(a)(1)(C)(ii)(III)) is amended—

(1) by striking “1.3 percentage points” and inserting “1.5 percentage points”; and

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

**SEC. 640. ELIMINATION OF ALL FUNDING FOR THE MEDICARE IMPROVEMENT FUND.**

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

“(A) fiscal year 2014, \$0; and

“(B) fiscal year 2015, \$0.”.

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

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

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

“(A) **FISCAL YEAR 2021.**—Only with respect to fiscal year 2021, the DSH allotment for a State, in lieu of the amount determined under paragraph (3) for the State for that year, shall be equal to the DSH allotment for the State as reduced under paragraph (7) for fiscal year 2020, increased, subject to subparagraphs (B) and (C) of paragraph (3), and paragraph (5), by the percentage change in the consumer price index for all urban consumers (all items; U.S. city average), for fiscal year 2020.

“(B) **FISCAL YEAR 2022.**—Only with respect to fiscal year 2022, the DSH allotment for a State, in lieu of the amount determined under paragraph (3) for the State for that year, shall be equal to the DSH allotment for the State for fiscal year 2021, as determined under subparagraph (A), increased, subject to subparagraphs (B) and (C) of paragraph (3), and paragraph (5), by the percentage change in the consumer price index for all urban consumers (all items; U.S. city average), for fiscal year 2021.

“(C) **SUBSEQUENT FISCAL YEARS.**—The DSH allotment for a State for fiscal years after fiscal year 2022 shall be calculated under paragraph (3) without regard to this paragraph and paragraph (7).”.

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

(a) **REPEAL.**—Title XXXII of the Public Health Service Act (42 U.S.C. 3001l et seq.; relating to the CLASS program) is repealed.

(b) **CONFORMING CHANGES.**—

(1) Title VIII of the Patient Protection and Affordable Care Act (Public Law 111–148; 124 Stat. 119, 846–847) is repealed.

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

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

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

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

(3) Paragraphs (2) and (3) of section 6021(d) of the Deficit Reduction Act of 2005 (42 U.S.C. 1396p note) are amended to read as such paragraphs were in effect on the day before the date of the enactment of section 8002(d) of the Patient Protection and Affordable Care Act (Public Law 111–148). Of the funds appropriated by paragraph (3) of such section 6021(d), as amended by the Patient Protection and Affordable Care Act, the unobligated balance is rescinded.

**SEC. 643. COMMISSION ON LONG-TERM CARE.**

(a) **ESTABLISHMENT.**—There is established a commission to be known as the Commission on Long-Term Care (referred to in this section as the “Commission”).

(b) **DUTIES.**—

(1) **IN GENERAL.**—The Commission shall develop a plan for the establishment, implementation, and financing of a comprehensive, coordinated, and high-quality system that ensures the availability of long-term services and supports for individuals in need of such services and supports, including elderly individuals, individuals with substantial cognitive or functional limitations, other individuals who require assistance to perform activities of daily living, and individuals desiring to plan for future long-term care needs.

(2) **EXISTING HEALTH CARE PROGRAMS.**—For purposes of developing the plan described in paragraph (1), the Commission shall provide recommendations for—

(A) addressing the interaction of a long-term services and support system with existing programs for long-term services and supports, including the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), and private long-term care insurance;

(B) improvements to such health care programs that are necessary for ensuring the availability of long-term services and supports; and

(C) issues related to workers who provide long-term services and supports, including—

(i) whether the number of such workers is adequate to provide long-term services and supports to individuals with long-term care needs;

(ii) workforce development necessary to deliver high-quality services to such individuals;

(iii) development of entities that have the capacity to serve as employers and fiscal agents for workers who provide long-term services and supports in the homes of such individuals; and

(iv) addressing gaps in Federal and State infrastructure that prevent delivery of high-quality long term services and supports to such individuals.

(3) **ADDITIONAL CONSIDERATIONS.**—For purposes of developing the plan described in paragraph (1), the Commission shall take into account projected demographic changes and trends in the population of the United States, as well as the potential for development of new technologies, delivery systems, or other mechanisms to improve the availability and quality of long-term services and supports.

(4) **CONSULTATION.**—For purposes of developing the plan described in paragraph (1), the Commission shall consult with the Medicare Payment Advisory Commission, the Medicaid and CHIP Payment and Access Commission, the National Council on Disability, and relevant consumer groups.

(c) **MEMBERSHIP.**—

(1) **IN GENERAL.**—The Commission shall be composed of 15 members, to be appointed not later than 30 days after the date of enactment of this Act, as follows:

(A) The President of the United States shall appoint 3 members.

(B) The majority leader of the Senate shall appoint 3 members.

(C) The minority leader of the Senate shall appoint 3 members.

(D) The Speaker of the House of Representatives shall appoint 3 members.

(E) The minority leader of the House of Representatives shall appoint 3 members.

(2) **REPRESENTATION.**—The membership of the Commission shall include individuals who—

(A) represent the interests of—

(i) consumers of long-term services and supports and related insurance products, as well as their representatives;

(ii) older adults;

(iii) individuals with cognitive or functional limitations;

(iv) family caregivers for individuals described in clause (i), (ii), or (iii);

(v) the health care workforce who directly provide long-term services and supports;

(vi) private long-term care insurance providers;

(vii) employers;

(viii) State insurance departments; and

(ix) State Medicaid agencies;

(B) have demonstrated experience in dealing with issues related to long-term services and supports, health care policy, and public and private insurance; and

(C) represent the health care interests and needs of a variety of geographic areas and demographic groups.

(3) **CHAIRMAN AND VICE-CHAIRMAN.**—The Commission shall elect a chairman and vice chairman from among its members.

(4) **VACANCIES.**—Any vacancy in the membership of the Commission shall be filled in the manner in which the original appointment was made and shall not affect the power of the remaining members to execute the duties of the Commission.

(5) **QUORUM.**—A quorum shall consist of 8 members of the Commission, except that 4 members may conduct a hearing under subsection (e)(1).

(6) **MEETINGS.**—The Commission shall meet at the call of its chairman or a majority of its members.

(7) **COMPENSATION AND REIMBURSEMENT OF EXPENSES.**—

(A) *IN GENERAL.*—To enable the Commission to exercise its powers, functions, and duties, there are authorized to be disbursed by the Senate the actual and necessary expenses of the Commission approved by the chairman and vice chairman, subject to subparagraph (B) and the rules and regulations of the Senate.

(B) *MEMBERS.*—Members of the Commission are not entitled to receive compensation for service on the Commission. Members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Commission.

(d) *STAFF AND ETHICAL STANDARDS.*—

(1) *STAFF.*—The chairman and vice chairman of the Commission may jointly appoint and fix the compensation of staff as they deem necessary, within the guidelines for employees of the Senate and following all applicable rules and employment requirements of the Senate.

(2) *ETHICAL STANDARDS.*—Members of the Commission who serve in the House of Representatives shall be governed by the ethics rules and requirements of the House. Members of the Senate who serve on the Commission and staff of the Commission shall comply with the ethics rules of the Senate.

(e) *POWERS.*—

(1) *HEARINGS AND OTHER ACTIVITIES.*—For the purpose of carrying out its duties, the Commission may hold such hearings and undertake such other activities as the Commission determines to be necessary to carry out its duties.

(2) *STUDIES BY GENERAL ACCOUNTING OFFICE.*—Upon the request of the Commission, the Comptroller General of the United States shall conduct such studies or investigations as the Commission determines to be necessary to carry out its duties.

(3) *COST ESTIMATES BY CONGRESSIONAL BUDGET OFFICE.*—Upon the request of the Commission, the Director of the Congressional Budget Office shall provide to the Commission such cost estimates as the Commission determines to be necessary to carry out its duties.

(4) *DETAIL OF FEDERAL EMPLOYEES.*—Upon the request of the Commission, the head of any Federal agency is authorized to detail, without reimbursement, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties. Any such detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(5) *TECHNICAL ASSISTANCE.*—Upon the request of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.

(6) *USE OF MAILS.*—The Commission may use the United States mails in the same manner and under the same conditions as Federal agencies.

(7) *OBTAINING INFORMATION.*—The Commission may secure directly from any Federal agency information necessary to enable it to carry out its duties, if the information may be disclosed under section 552 of title 5, United States Code. Upon request of the Chairman of the Commission, the head of such agency shall furnish such information to the Commission.

(8) *ADMINISTRATIVE SUPPORT SERVICES.*—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(f) *COMMISSION CONSIDERATION.*—

(1) *APPROVAL OF REPORT AND LEGISLATIVE LANGUAGE.*—

(A) *IN GENERAL.*—Not later than 6 months after appointment of the members of the Commission (as described in subsection (c)(1)), the Commission shall vote on a comprehensive and detailed report based on the long-term care plan described in subsection (b)(1) that contains any recommendations or proposals for legislative or administrative action as the Commission deems appropriate, including proposed legislative lan-

guage to carry out the recommendations or proposals (referred to in this section as the “Commission bill”).

(B) *APPROVAL BY MAJORITY OF MEMBERS.*—The Commission bill shall require the approval of a majority of the members of the Commission.

(2) *TRANSMISSION OF COMMISSION BILL.*—

(A) *IN GENERAL.*—If the Commission bill is approved by the Commission pursuant to paragraph (1), then not later than 10 days after such approval, the Commission shall submit the Commission bill to the President, the Vice President, the Speaker of the House of Representatives, and the majority and minority Leaders of each House on Congress.

(B) *COMMISSION BILL TO BE MADE PUBLIC.*—Upon the approval or disapproval of the Commission bill pursuant to paragraph (1), the Commission shall promptly make such proposal, and a record of the vote, available to the public.

(g) *TERMINATION.*—The Commission shall terminate 30 days after the vote described in subsection (f)(1).

(h) *CONSIDERATION OF COMMISSION RECOMMENDATIONS.*—If approved by the majority required by subsection (f)(1), the Commission bill that has been submitted pursuant to subsection (f)(2)(A) shall be introduced in the Senate (by request) on the next day on which the Senate is in session by the majority leader of the Senate or by a Member of the Senate designated by the majority leader of the Senate and shall be introduced in the House of Representatives (by request) on the next legislative day by the majority leader of the House or by a member of the House designated by the majority leader of the House.

#### **SEC. 644. CONSUMER OPERATED AND ORIENTED PLAN PROGRAM CONTINGENCY FUND.**

(a) *ESTABLISHMENT.*—The Secretary of Health and Human Services shall establish a fund to be used to provide assistance and oversight to qualified nonprofit health insurance issuers that have been awarded loans or grants under section 1322 of the Patient Protection and Affordable Care Act (42 U.S.C. 18042) prior to the date of enactment of this Act.

(b) *TRANSFER AND RESCISSION.*—

(1) *TRANSFER.*—From the unobligated balance of funds appropriated under section 1322(g) of the Patient Protection and Affordable Care Act (42 U.S.C. 18042(g)), 10 percent of such sums are hereby transferred to the fund established under subsection (a) to remain available until expended.

(2) *RESCISSION.*—Except as provided for in paragraph (1), amounts appropriated under section 1322(g) of the Patient Protection and Affordable Care Act (42 U.S.C. 18042(g)) that are unobligated as of the date of enactment of this Act are rescinded.

#### **TITLE VII—EXTENSION OF AGRICULTURAL PROGRAMS**

##### **SEC. 701. 1-YEAR EXTENSION OF AGRICULTURAL PROGRAMS.**

(a) *EXTENSION.*—Except as otherwise provided in this section and amendments made by this section and notwithstanding any other provision of law, the authorities provided by each provision of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 1651) and each amendment made by that Act (and for mandatory programs at such funding levels), as in effect on September 30, 2012, shall continue, and the Secretary of Agriculture shall carry out the authorities, until the later of—

(1) September 30, 2013; or

(2) the date specified in the provision of that Act or amendment made by that Act.

(b) *COMMODITY PROGRAMS.*—

(1) *IN GENERAL.*—The terms and conditions applicable to a covered commodity or loan commodity (as those terms are defined in section 1001 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8702)) or to peanuts, sugarcane, or sugar beets for the 2012 crop year pur-

suant to title I of that Act (7 U.S.C. 8702 et seq.) and each amendment made by that title shall be applicable to the 2013 crop year for that covered commodity, loan commodity, peanuts, sugarcane, or sugar beets.

(2) *MILK.*—

(A) *IN GENERAL.*—Notwithstanding subsection (a), the Secretary of Agriculture shall carry out the dairy product price support program under section 1501 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8771) through December 31, 2013.

(B) *MILK INCOME LOSS CONTRACT PROGRAM.*—Section 1506 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8773) is amended by striking “2012” each place it appears in subsections (c)(3), (d)(1), (d)(2), (e)(2)(A), (g), and (h)(1) and inserting “2013”.

(3) *SUSPENSION OF PERMANENT PRICE SUPPORT AUTHORITIES.*—The provisions of law specified in subsections (a) through (c) of section 1602 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8782) shall be suspended—

(A) for the 2013 crop or production year of a covered commodity (as that term is defined in section 1001 of that Act (7 U.S.C. 8702)), peanuts, sugarcane, and sugar, as appropriate; and

(B) in the case of milk, through December 31, 2013.

(c) *CONSERVATION PROGRAMS.*—

(1) *CONSERVATION RESERVE.*—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) is amended in the second sentence by striking “and 2012” and inserting “2012, and 2013”.

(2) *VOLUNTARY PUBLIC ACCESS.*—Section 1240R of the Food Security Act of 1985 (16 U.S.C. 3839b-5) is amended by striking subsection (f) and inserting the following:

“(f) *FUNDING.*—

“(1) *FISCAL YEARS 2009 THROUGH 2012.*—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section, to the maximum extent practicable, \$50,000,000 for the period of fiscal years 2009 through 2012.

“(2) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to carry out this section \$10,000,000 for fiscal year 2013.”.

(d) *SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.*—

(1) *EMPLOYMENT AND TRAINING PROGRAM.*—Section 16(h)(1)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2025(h)(1)(A)) is amended by inserting “, except that for fiscal year 2013, the amount shall be \$79,000,000” before the period at the end.

(2) *NUTRITION EDUCATION.*—Section 28(d)(1) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036a(d)(1)) is amended—

(A) in subparagraph (A), by striking “and” after the semicolon at the end; and

(B) by striking subparagraph (B) and inserting the following:

“(B) for fiscal year 2012, \$388,000,000;

“(C) for fiscal year 2013, \$285,000,000;

“(D) for fiscal year 2014, \$401,000,000;

“(E) for fiscal year 2015, \$407,000,000; and

“(F) for fiscal year 2016 and each subsequent fiscal year, the applicable amount during the preceding fiscal year, as adjusted to reflect any increases for the 12-month period ending the preceding June 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.”.

(e) *RESEARCH PROGRAMS.*—

(1) *ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.*—Section 1672B(f) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b(f)) is amended—

(A) in the heading of paragraph (1), by striking “IN GENERAL” and inserting “MANDATORY FUNDING FOR FISCAL YEARS 2009 THROUGH 2012”;

(B) in the heading of paragraph (2), by striking “ADDITIONAL FUNDING” and inserting “DISCRETIONARY FUNDING FOR FISCAL YEARS 2009 THROUGH 2012”; and

(C) by adding at the end the following:

“(3) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out this section \$25,000,000 for fiscal year 2013.”.

(2) SPECIALTY CROP RESEARCH INITIATIVE.—Section 412(h) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7632(h)) is amended—

(A) in the heading of paragraph (1), by striking “IN GENERAL” and inserting “MANDATORY FUNDING FOR FISCAL YEARS 2008 THROUGH 2012”;

(B) in the heading of paragraph (2), by inserting “FOR FISCAL YEARS 2008 THROUGH 2012” after “APPROPRIATIONS”;

(C) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(D) by inserting after paragraph (2) the following:

“(3) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out this section \$100,000,000 for fiscal year 2013.”.

(3) BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM.—Section 7405(h) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3319f(h)) is amended—

(A) in the heading of paragraph (1), by striking “IN GENERAL” and inserting “MANDATORY FUNDING FOR FISCAL YEARS 2009 THROUGH 2012”;

(B) in the heading of paragraph (2), by inserting “FOR FISCAL YEARS 2008 THROUGH 2012” after “APPROPRIATIONS”; and

(C) by adding at the end the following:

“(3) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out this section \$30,000,000 for fiscal year 2013.”.

(f) ENERGY PROGRAMS.—

(1) BIOBASED MARKETS PROGRAM.—Section 9002(h) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8102(h)) is amended in paragraph (2) by striking “2012” and inserting “2013”.

(2) BIOREFINERY ASSISTANCE.—Section 9003(h)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103(h)(2)) is amended by striking “2012” and inserting “2013”.

(3) REPOWERING ASSISTANCE.—Section 9004(d)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104(d)(2)) is amended by striking “2012” and inserting “2013”.

(4) BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.—Section 9005(g)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105(g)(2)) is amended by striking “2012” and inserting “2013”.

(5) BIODIESEL FUEL EDUCATION PROGRAM.—Section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106) is amended by striking subsection (d) and inserting the following:

“(d) FUNDING.—

“(1) FISCAL YEARS 2009 THROUGH 2012.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section \$1,000,000 for each of fiscal years 2008 through 2012.

“(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$1,000,000 for fiscal year 2013.”.

(6) RURAL ENERGY FOR AMERICA PROGRAM.—Section 9007(g)(3) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107(g)(3)) is amended by striking “2012” and inserting “2013”.

(7) BIOMASS RESEARCH AND DEVELOPMENT.—Section 9008(h)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108(h)(2)) is amended by striking “2012” and inserting “2013”.

(8) RURAL ENERGY SELF-SUFFICIENCY INITIATIVE.—Section 9009(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8109(d)) is amended by striking “2012” and inserting “2013”.

(9) 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 in paragraphs

(1)(A) and (2)(A) by striking “2012” each place it appears and inserting “2013”.

(10) BIOMASS CROP ASSISTANCE PROGRAM.—Section 9011(f) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111(f)) is amended—

(A) by striking “(f) FUNDING.—Of the funds” and inserting “(f) FUNDING.—

“(1) FISCAL YEARS 2008 THROUGH 2012.—Of the funds”; and

(B) adding at the end the following:

“(2) FISCAL YEAR 2013.—

“(A) IN GENERAL.—There is authorized to be appropriated to carry out this section \$20,000,000 for fiscal year 2013.

“(B) MULTIYEAR CONTRACTS.—For each multiyear contract entered into by the Secretary during a fiscal year under this paragraph, the Secretary shall ensure that sufficient funds are obligated from the amounts appropriated for that fiscal year to fully cover all payments required by the contract for all years of the contract.”.

(11) FOREST BIOMASS FOR ENERGY.—Section 9012(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8112(d)) is amended by striking “2012” and inserting “2013”.

(12) COMMUNITY WOOD ENERGY PROGRAM.—Section 9013(e) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(e)) is amended by striking “2012” and inserting “2013”.

(g) HORTICULTURE AND ORGANIC AGRICULTURE PROGRAMS.—

(1) FARMERS MARKET PROMOTION PROGRAM.—Section 6(e) of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005(e)) is amended—

(A) in the heading of paragraph (1), by striking “IN GENERAL” and inserting “FISCAL YEARS 2008 THROUGH 2012”;

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(C) by inserting after paragraph (1) the following:

“(2) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out this section \$10,000,000 for fiscal year 2013.”.

(D) in paragraph (3) (as so redesignated), by striking “paragraph (1)” and inserting “paragraph (1) or (2)”;

(E) in paragraph (5) (as so redesignated), by striking “paragraph (2)” and inserting “paragraph (3)”.

(2) NATIONAL CLEAN PLANT NETWORK.—Section 10202(e) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7761(e)) is amended—

(A) by striking “Of the funds” and inserting the following:

“(1) FISCAL YEARS 2009 THROUGH 2012.—Of the funds”; and

(B) by adding at the end the following:

“(2) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out the Program \$5,000,000 for fiscal year 2013.”.

(3) NATIONAL ORGANIC CERTIFICATION COST-SHARE PROGRAM.—Section 10606 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523) is amended—

(A) in subsection (a), by striking “Of funds of the Commodity Credit Corporation, the Secretary of Agriculture (acting through the Agricultural Marketing Service) shall use \$22,000,000 for fiscal year 2008, to remain available until expended, to” and inserting “The Secretary of Agriculture (acting through the Agricultural Marketing Service) shall”; and

(B) by adding at the end the following:

“(d) FUNDING.—

“(1) MANDATORY FUNDING FOR FISCAL YEARS 2008 THROUGH 2012.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section \$22,000,000 for the period of fiscal years 2008 through 2012.

“(2) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out this section \$22,000,000 for fiscal year 2013, to remain available until expended.”.

(4) ORGANIC PRODUCTION AND MARKET DATA INITIATIVES.—Section 7407(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925c(d)) is amended—

(A) in the heading of paragraph (1), by striking “IN GENERAL” and inserting “MANDATORY FUNDING THROUGH FISCAL YEAR 2012”;

(B) in the heading of paragraph (2), by striking “ADDITIONAL FUNDING” and inserting “DISCRETIONARY FUNDING FOR FISCAL YEARS 2008 THROUGH 2012”; and

(C) by adding at the end the following:

“(3) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out this section \$5,000,000, to remain available until expended.”.

(h) OUTREACH AND TECHNICAL ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS OR RANCHERS.—Section 2501(a)(4) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)(4)) is amended—

(1) in the heading of subparagraph (A), by striking “IN GENERAL” and inserting “FISCAL YEARS 2009 THROUGH 2012”;

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(3) by inserting after subparagraph (A) the following:

“(B) FISCAL YEAR 2013.—There is authorized to be appropriated to carry out this section \$20,000,000 for fiscal year 2013.”.

(4) in subparagraph (C) (as so redesignated), by striking “subparagraph (A)” and inserting “subparagraph (A) or (B)”;

(5) in subparagraph (D) (as so redesignated), by striking “subparagraph (A)” and inserting “subparagraph (A) or (B)”.

(i) EXCEPTIONS.—

(1) IN GENERAL.—Subsection (a) does not apply with respect to mandatory funding provided by programs authorized by provisions of law amended by subsections (d) through (h).

(2) CONSERVATION.—Subsection (a) does not apply with respect to the programs specified in paragraphs (3)(B), (4), (6), and (7) of section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)), relating to the conservation stewardship program, farmland protection program, environmental quality incentives program, and wildlife habitat incentives program, for which program authority was extended through fiscal year 2014 by section 716 of Public Law 112–55 (125 Stat. 582).

(3) TRADE.—Subsection (a) does not apply with respect to the following provisions of law:

(A) Section 3206 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1726c) relating to the use of Commodity Credit Corporation funds to support local and regional food aid procurement projects.

(B) Section 3107(l)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736–1(l)(1)) relating to the use of Commodity Credit Corporation funds to carry out the McGovern-Dole International Food for Education and Child Nutrition Program.

(4) SURVEY OF FOODS PURCHASED BY SCHOOL FOOD AUTHORITIES.—Subsection (a) does not apply with respect to section 4307 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1893) relating to the use of Commodity Credit Corporation funds for a survey and report regarding foods purchased by school food authorities.

(5) RURAL DEVELOPMENT.—Subsection (a) does not apply with respect to the following provisions of law:

(A) Section 379E(d)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s(d)(1)), relating to funding of the rural microentrepreneur assistance program.

(B) Section 6029 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 1955) relating to funding of pending rural development loan and grant applications.

(C) Section 231(b)(7)(A) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a(b)(7)(A)), relating to funding of value-added agricultural market development program grants.

(D) Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008(e)(6)(B)) relating to the use of Commodity Credit Corporation funds for the National Sheep Industry Improvement Center.

(6) MARKET LOSS ASSISTANCE FOR ASPARAGUS PRODUCERS.—Subsection (a) does not apply with respect to section 10404(d) of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 2112).

(7) SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.—Subsection (a) does not apply with respect to section 531 of the Federal Crop Insurance Act (7 U.S.C. 1531) and title IX of the Trade Act of 1974 (19 U.S.C. 2497 et seq.) relating to the provision of supplemental agricultural disaster assistance.

(8) PIGFORD CLAIMS.—Subsection (a) does not apply with respect to section 14012 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 2209) relating to determination on the merits of Pigford claims.

(9) HEARTLAND, HABITAT, HARVEST, AND HORTICULTURE ACT OF 2008.—Subsection (a) does not apply with respect to title XV of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246; 122 Stat. 2246), and amendments made by that title, relating to the provision of supplemental agricultural disaster assistance under title IX of the Trade Act of 1974 (19 U.S.C. 2497 et seq.), certain revenue and tax provisions, and certain trade benefits and other matters.

(j) EFFECTIVE DATE.—Except as otherwise provided in this section, this section and the amendments made by this section take effect on the earlier of—

- (1) the date of the enactment of this Act; or
- (2) September 30, 2012.

**SEC. 702. SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE.**

(a) IN GENERAL.—Section 531 of the Federal Crop Insurance Act (7 U.S.C. 1531) is amended—

- (1) in subsection (a)(5)—

(A) in the matter preceding clause (i), by striking the first “under”; and

(B) by redesignating clauses (i) through (iii) as subparagraphs (A), (B), and (C), respectively, and indenting appropriately;

- (2) in subsection (c)—

(A) in paragraph (1), by striking “use such sums as are necessary from the Trust Fund to”; and

- (B) by adding at the end the following:

“(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$80,000,000 for each of fiscal years 2012 and 2013.”;

- (3) in subsection (d)—

(A) in paragraph (2), by striking “use such sums as are necessary from the Trust Fund to”; and

- (B) by adding at the end the following:

“(7) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$400,000,000 for each of fiscal years 2012 and 2013.”;

- (4) in subsection (e)—

(A) in paragraph (1), by striking “use up to \$50,000,000 per year from the Trust Fund to”; and

- (B) by adding at the end the following:

“(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$50,000,000 for each of fiscal years 2012 and 2013.”;

- (5) in subsection (f)—

(A) in paragraph (2)(A), by striking “use such sums as are necessary from the Trust Fund to”; and

- (B) by adding at the end the following:

“(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$20,000,000 for each of fiscal years 2012 and 2013.”;

- (6) in subsection (i), by inserting “or, in the case of subsections (c) through (f), September 30, 2013” after “2011.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2012.

**TITLE VIII—MISCELLANEOUS PROVISIONS**  
**SEC. 801. STRATEGIC DELIVERY SYSTEMS.**

(a) IN GENERAL.—Paragraph 3 of section 495(c) of title 10, United States Code, as added by section 1035 of the National Defense Authorization Act for Fiscal Year 2013, is amended—

(1) by striking “that” before “the Russian Federation” and inserting “whether”; and

(2) by inserting “strategic” before “arms control obligations”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the enactment of the National Defense Authorization Act for Fiscal Year 2013.

**SEC. 802. NO COST OF LIVING ADJUSTMENT IN PAY OF MEMBERS OF CONGRESS.**

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

**TITLE IX—BUDGET PROVISIONS**

**Subtitle A—Modifications of Sequestration**

**SEC. 901. TREATMENT OF SEQUESTER.**

(a) ADJUSTMENT.—Section 251A(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in subparagraph (C), by striking “and” after the semicolon;

(2) in subparagraph (D), by striking the period and inserting “; and”; and

(3) by inserting at the end the following:

“(E) for fiscal year 2013, reducing the amount calculated under subparagraphs (A) through (D) by \$24,000,000,000.”.

(b) AFTER SESSION SEQUESTER.—Notwithstanding any other provision of law, the fiscal year 2013 spending reductions required by section 251(a)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be evaluated and implemented on March 27, 2013.

(c) POSTPONEMENT OF BUDGET CONTROL ACT SEQUESTER FOR FISCAL YEAR 2013.—Section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in paragraph (4), by striking “January 2, 2013” and inserting “March 1, 2013”; and

(2) in paragraph (7)(A), by striking “January 2, 2013” and inserting “March 1, 2013”.

(d) ADDITIONAL ADJUSTMENTS.—

(1) SECTION 251.—Paragraphs (2) and (3) of section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended to read as follows:

“(2) for fiscal year 2013—

“(A) for the security category, as defined in section 250(c)(4)(B), \$684,000,000,000 in budget authority; and

“(B) for the nonsecurity category, as defined in section 250(c)(4)(A), \$359,000,000,000 in budget authority;

“(3) for fiscal year 2014—

“(A) for the security category, \$552,000,000,000 in budget authority; and

“(B) for the nonsecurity category, \$506,000,000,000 in budget authority.”.

(e) 2013 SEQUESTER.—On March 1, 2013, the President shall order a sequestration for fiscal year 2013 pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by this section, pursuant to which, only for the purposes of the calculation in sections 251A(5)(A), 251A(6)(A), and 251A(7)(A), section 251(c)(2) shall be applied as if it read as follows:

“(2) For fiscal year 2013—

“(A) for the security category, \$544,000,000,000 in budget authority; and

“(B) for the nonsecurity category, \$499,000,000,000 in budget authority.”.

**SEC. 902. AMOUNTS IN APPLICABLE RETIREMENT PLANS MAY BE TRANSFERRED TO DESIGNATED ROTH ACCOUNTS WITHOUT DISTRIBUTION.**

(a) IN GENERAL.—Section 402A(c)(4) is amended by adding at the end the following:

“(E) SPECIAL RULE FOR CERTAIN TRANSFERS.—In the case of an applicable retirement plan which includes a qualified Roth contribution program—

“(i) the plan may allow an individual to elect to have the plan transfer any amount not otherwise distributable under the plan to a designated Roth account maintained for the benefit of the individual,

“(ii) such transfer shall be treated as a distribution to which this paragraph applies which was contributed in a qualified rollover contribution (within the meaning of section 408A(e)) to such account, and

“(iii) the plan shall not be treated as violating the provisions of section 401(k)(2)(B)(i), 403(b)(7)(A)(i), 403(b)(11), or 457(d)(1)(A), or of section 8433 of title 5, United States Code, solely by reason of such transfer.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to transfers after December 31, 2012, in taxable years ending after such date.

**Subtitle B—Budgetary Effects**

**SEC. 911. BUDGETARY EFFECTS.**

(a) PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).

Amend the title so as to read: “An Act entitled the ‘American Taxpayer Relief Act of 2012.’”.

**MOTION TO CONCUR**

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Camp moves that the House concur in the Senate amendments to H.R. 8.

The SPEAKER pro tempore. Pursuant to House Resolution 844, the motion shall be debatable for 1 hour, equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means.

The gentleman from Michigan (Mr. CAMP) and the gentleman from Michigan (Mr. LEVIN) each will control 30 minutes.

The Chair recognizes the gentleman from Michigan (Mr. CAMP).

**GENERAL LEAVE**

Mr. CAMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 8.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CAMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to urge what a colleague from Georgia called a legacy vote—making permanent the tax cuts Republicans enacted back in 2001 and 2003. I couldn't agree more, and let me say why: because we're making permanent tax policies Republicans originally crafted.

Now back then, despite having a majority in the House, a majority in the Senate, and a Republican in the White

House, those policies were only temporary. That's because Democrats refused to join Republicans in providing tax relief for working families. Well, after more than a decade of criticizing these tax cuts, Democrats are finally joining with Republicans in making these tax cuts permanent. Republicans and the American people are getting something really important—permanent tax relief.

As big as that is, and it's only the first step when it comes to taxes, this legislation settles the level of revenue Washington should bring in. Next, we need to make the Tax Code simpler and fairer for families and small businesses, and we need to pursue comprehensive and fundamental tax reform to create the jobs we need and to make American businesses and workers competitive in the global marketplace. Simply put, the Tax Code is a nightmare. It's too complex, too time-consuming, and too costly. About 60 percent of individual taxpayers have to hire others to do their tax returns because the code is too complicated. As a result, if tax compliance were an industry, it would be one of the largest in the United States and would consume 6.1 billion hours, the equivalent of more than 3 million full-time workers.

And yes, it's too costly. In 2008 alone, taxpayers spent \$163 billion complying with the individual and corporate income tax rules. Add to that the fact that the U.S. has the highest corporate tax rate in the OECD and an outdated system of taxation, and it's not too difficult to imagine why many don't view America as an attractive place to invest and hire.

Nothing about the bill we're considering tonight changes any of those realities. That's why the Ways and Means Committee will pursue comprehensive tax reform in the next Congress. So by making Republican tax cuts permanent, we're one step closer to comprehensive tax reform that will help strengthen our economy and create more and higher paychecks for American workers.

I urge my colleagues to support this bill and get us one step closer to tax reform.

I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume. This is a bipartisan bill, and I will try to keep it within that spirit to the extent possible.

As we are here today on January 1, hours away from Americans returning to work, markets reopening around the world, and all eyes focusing on whether this institution can govern, this legislation allows us to get done what we need to get done.

□ 2150

This bill is vital for our Nation's economic well-being and, I want to emphasize, for its standing as the world's most important economy. It is vital for 114 million middle class families whose tax cuts are made permanent. It's vital

for 2 million unemployed American workers who need continuation of their insurance while they continue to look for work.

It is vital for 30 million middle-income Americans who otherwise would have been hit by the alternative minimum tax. And it's vital for 25, and I emphasize this, 25 million working families and students who benefit from the Child Tax Credit, the Earned Income Tax Credit and the American Opportunity Tax Credit, which helps families pay for college.

And it's vital for physicians and millions of their patients who would have been hurt by drastic cuts in Medicare reimbursement rates. It's also vital for businesses, through an extension of important tax provisions such as the R&D credit, and also renewable energy incentives that must continue in this great country of ours, and bonus depreciation to encourage business investments.

But I want to emphasize this, somewhat in contrast to what our chairman has said: this legislation breaks the iron barrier that for far too long has prevented additional tax revenues from the very wealthiest. It raises \$620 billion in revenue by achieving the President's goal of asking the wealthiest 2 percent of Americans to pay more, while protecting 98 percent of families. That's right, that's what it does. And 97 percent—I want to emphasize this, contrary to propaganda coming from the other side, 97 percent of small businesses from any tax increase.

And, lastly—and this needs to be emphasized especially in view, Mr. Chairman, of your comments—this package is vital for future deficit reduction efforts, setting the stage for a balanced approach from here on out by delaying sequestration through 1-1 revenue to spending cuts.

Yesterday, President Obama again said he is committed to deficit reduction, but he emphasized several times, and I quote:

We've got to do this in a balanced, responsible way with additional revenues as well as spending cuts, so I urge its passage.

This bill sets the important precedent I mentioned in terms of additional revenues as well as spending cuts. The time is urgent. The time is now. We should support this legislation.

I reserve the balance of my time.

Mr. CAMP. At this time, I yield 3 minutes to the gentleman from California (Mr. ISSA), the distinguished chairman of the Oversight and Government Reform Committee.

(Mr. ISSA asked and was given permission to revise and extend his remarks.)

Mr. ISSA. Mr. Speaker, I'd like to be speaking for this bill, but I can't. In the 12 years, almost to the day, that I've served in this body, I've voted for every tax cut, every tax cut. And I remember many of my colleagues, many of them friends to my right here, who, each time we voted for them said, where is the PAYGO? Where is the pay-for?

Well, Mr. Speaker, there's \$4 trillion of new debt and deficit and there's no pay-for, and there's no anticipation of a pay-for.

In the last night, or the last 2 days, of a Congress, to say that 2 months from now a new Congress is going to do what we're not doing here today is not something I can bring myself to do.

I would like to vote for this because I do vote for lower taxes. I want Americans to have lower taxes. But the other day, in conference, one of my colleagues pointed out that if, in fact, you're spending the money, you're taxing our future generation.

We are taxing \$1.2 trillion next year. We are taxing \$1.2 trillion. We won't collect it, but we are taxing \$1.2 trillion of deficit.

The chairman of the Ways and Means Committee, Mr. CAMP, rightfully so said we're also not simplifying the Tax Code. We're not making it better or fairer. We're not getting rid of the NASCAR loophole. We're not getting rid of the electric motor scooter low-speed loophole. We're not getting rid of a whole lot of tax things that are here.

But most importantly, we're not taking things that the President himself said he would be for, like getting the calculation of chained CPI, of the consumer price index for Social Security and the Federal workforce and pensions right, which, would, in fact, reduce the deficit going forward.

So because of what we're not doing, I cannot believe that this tax cut will, in fact, be followed with a spending cut to offset any part of the \$4 trillion we're putting on the backs of future generations.

So I thank all of you who will vote for it. I cannot bring myself to vote for it tonight.

Mr. LEVIN. I yield myself 15 seconds.

We Democrats sat on Ways and Means, time after time, when Republicans passed tax cuts and never brought \$1 to the table to pay for it. They thought that that was the way to promote economic growth. How wrong they were.

It's now my privilege to yield 1 minute to a person who has the title "leader," but who has been so much more than a titular leader, who has valiantly led our efforts, and we owe to NANCY PELOSI a real debt of gratitude for our being where we are today.

With real pleasure, I yield 1 minute to our distinguished leader, the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. I thank the gentleman for yielding. I thank him for his great leadership as our ranking member on the Ways and Means Committee and for bringing the clarity to our thinking on this important subject that we are dealing with this evening.

My colleagues, many of us this morning began the day with the Vice President of the United States coming to the Democratic Caucus and speaking to us about legislation that passed the Senate last night 89-8. That is absolutely historic. It was legislation that

he helped negotiate, working with the Republican and Democratic leaders in the United States Senate.

It was a remarkable accomplishment because, as we all know, while we share the same goals, we sometimes have different paths to achieving them; and reconciling our differences was a monumental task, especially with the time growing short.

So we appreciate the leadership of the Vice President. We appreciate the leadership of the Republican and Democratic leaders in the Senate, and we thank Speaker BOEHNER for bringing this legislation to the floor.

Hopefully, we can duplicate the strong bipartisan vote that the legislation received in the United States Senate. And why is that important?

It's important because the American people told us in the election they wanted us to work together. They have their differences too. They understand disagreement. They also understand compromise, and that is what this legislation represents.

I listened attentively to the previous speaker who said he was voting for the bill for what was not in it. That's an interesting approach. We can judge all of the legislation that we vote on for what is in it or vote against it for what is not in it. But at some point you strike a balance. You balance the equities.

Where do you come out in terms of making a choice?

□ 2200

I hope we will reflect the will and heed the call of the American people to work together and follow the lead of the Senate with strong bipartisan support. What do they want us to do? What are their priorities? They want us to create jobs. They want us to grow the economy. They want us to invest in education. They want us to reduce the deficit. They want us to strengthen the middle class. And that is what this legislation does. It does so in a way that is not complete but is an important first step.

We talked much about the gloom and doom of what would happen if we went over the cliff. Well, let's talk instead about what happens if we don't go over the cliff. And I believe that we will not, seeing the vote on the rule this evening. I believe that we will heed the American people and come together with a strong vote.

By voting for this legislation and passing it in a strong way we'll increase the confidence of consumers, of the markets, of businesses, of employers to hire more. We will extend unemployment insurance to people who have lost their jobs through no fault of their own. This is very, very important not only to those individuals, but to our economy, because this is money that is spent immediately injecting demand into the economy, creating jobs.

We'll extend permanent tax relief for the middle class—more than 98 percent of the American taxpayers, more than

97 percent of America's small businesses. We will support our middle class and strengthen it by supporting the child tax credits, tax credits for higher education, the American opportunity tax credit, the earned income tax credit, and the like.

Our distinguished ranking member went through some of the provisions, but it's important to see them in light of what they mean to America's working families. By voting for this agreement, we will demonstrate that we have listened to the American people and we have heeded their call, once again, to work together in a bipartisan way.

I want to salute President Obama. He campaigned on strengthening the middle class—I think all of us probably did—and this is one way for us to fulfill that promise. I don't know any piece of legislation that I've ever voted for that did everything that I thought it should do, but this is a very, very strong first step as we go into the new year. Let us send a message to the American people that, again, while this bill doesn't accomplish all that we need to do to grow the economy, reduce the deficit, and strengthen the middle class, it is a good way for us to have a happy start to a new year by taking this first step.

I hope that as, again, you balance the equities, the pros and cons of this legislation, that you will weigh heavily in favor of the message that it sends to the kitchen tables of America about the respect we have for them in meeting their needs, meeting their challenges, honoring their aspirations. This great middle class is the backbone of our democracy. Let us all be very patriotic tonight and support our middle class and support our democracy. Vote "aye" on this strong bipartisan legislation which passed 89-8 in the United States Senate. Let's step up to the plate to do that in the House of Representatives.

I urge my colleagues to vote "aye."

Mr. CAMP. Mr. Speaker, I yield myself 45 seconds.

This is the first step. And now that we have permanently settled how much revenue the government is going to take out of the economy, we can move on to next steps. We can and will pursue comprehensive tax reform this year, in 2013, and next steps. We need to address the fundamental driver of our deficits and debt, and that is out-of-control spending.

I urge support for this bill, and I reserve the balance of my time.

Mr. LEVIN. I yield myself 15 seconds.

I just don't want the chairman's statement that this settles permanently how much revenue will be made available. The President has made clear there has to be a balanced approach, and no one should be misled into thinking otherwise, no one.

I yield 2 minutes to the distinguished gentleman from New York (Mr. RANGEL).

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. This is no profile in courage for me to be voting for this bill. It reminds me of the joke we use to have on Lennox Avenue, where someone stopped hitting you on the head with a hammer and you're supposed to say, "Thank you so much for the relief."

We created this monster. We're the ones that have said—at least the Congress has said in the majority in the House—do what you have to do but, for God's sake, don't ask the top 2 percent of the wealthiest people in this civilized country to pay their fair share. And while you're thinking about taxing people, why don't you start talking about cutting people off from unemployment compensation? Why don't you think about not providing so much for the sick and the aged? Why don't you start privatizing these things?

This was not the America that I knew when I came to the Congress. This was something that a handful of people from nowhere came here and started preaching that we had to destroy Big Government and the vulnerable who had no lobbyists, who had no one to come to, were saved by us, by responsible people who came together and said, basically, Have you lost your mind? What are you doing? How can you go home and tell the people this is what you created?

And so we paused and common sense has prevailed, and we can at least go back home and say, Not now, but they're coming again.

They have all types of words that they're using, like the debt ceiling, but all it means is that they're coming after us and they're coming after the President. They'll be talking about sequestration. What will it mean? Cutting benefits from people that need them the most.

And with all due regards to the other body for once doing what the House could not get together in doing, we never even saw how they paid for some of these things, things that we would have handled differently when we had to pay for those doctors who work very hard for the Medicare. And people say, Well, how are you paying for them? And everyone had amnesia in not knowing. Well, after it's over, they'll get paid, but this Congress will make certain that the providers of health care are not penalized for this Congress doing the right thing.

Mr. CAMP. I yield 30 seconds to the distinguished gentleman from Texas (Mr. GOHMERT).

Mr. GOHMERT. I just wanted to thank so many on the other side after all these years for finally acknowledging publicly that 98 percent of the Bush tax cuts helped the middle class.

Mr. LEVIN. I will yield to my temptation to respond, and I will now yield 2 minutes to another distinguished gentleman, a member of our committee, Mr. NEAL of Massachusetts.

Mr. NEAL. Thank you, Mr. LEVIN.

At this late hour, let me point something out and take exception to what

Chairman CAMP said at the outset of his remarks. We're here tonight because, despite what the gentleman from Texas just said as well, you can't cut taxes by \$2.3 trillion over 12 years and fight two wars.

When you heard the argument before that was so popular, "It's the people's money; it's going to promote economic growth," the most anemic economic growth America's had since Hoover became President, do you know what's the people's responsibility? Those veterans' hospitals. We have 1.7 million new veterans and 45,000 wounded. Do you know what the Republican whip said during those crucial years? Cutting taxes in a time of war is patriotic. So much for sacrifice for all of us.

When you look back into how we got to this problem—revenue at 15 percent of GDP—that's an Eisenhower figure headed toward Truman. We've argued in this town about 19 to 21 percent for the better part of 30 years. Fifteen percent of revenue with GDP, 12 years of tax cuts.

Now, this represents a reasonable step forward tonight. And I want to say with some personal satisfaction that I'm delighted with what we have finally done to put to rest the alternative minimum tax.

□ 2210

A million families in Massachusetts were threatened with alternative minimum tax. It was the responsible position tonight. But I want to give you a number. You know what these patches have cost us? \$2.2 trillion over the life of AMT. The theology that we heard that was so popular in this institution—tax cuts pay for themselves—you can't find a mainstream economist today in America that will acknowledge that problem.

This is a reasonable step forward. Vote for this measure, and let's get on to fundamental tax reform.

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. This evening, we're expected to vote on an item that has many commendable and important items. Unfortunately, too many are of short duration, much is left out, and most importantly we're losing a real opportunity for reform.

The SGR is left in a year to torment medical providers again. The AMT, I'm pleased, is patched—I appreciate the advocacy of my friend, Mr. NEAL. But, in fact, we all know that it should, at a minimum, be reformed, if not repealed.

We have a body blow to the alternative energy industry, and somehow it's given a year's reprieve, but it's not what they need or what they deserve. And because we refuse, at a moment of opportunity, to deal meaningfully with the national debt—and remember, the budget from my Republican friends, authored by my colleague, Mr. RYAN,

would have required \$6 trillion headroom in the debt ceiling.

Now, we cannot continue to have the world's largest and most expensive military by far, the lowest taxes of any of the major economies, the most expensive and inefficient health care, and continue to allow our country's infrastructure to fall apart while America ages and grows.

This proposal represents absolutely the least we could have done under these circumstances and, tragically, institutionalizes for the next Congress the madness around here of short-term frenzy around self-inflicted deadlines that have no reality to them. That drives the American public crazy, and with good reason.

Not only can we do better, I would suggest that we must do better.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman an additional 20 seconds.

Mr. BLUMENAUER. It's probably going to pass with overwhelming bipartisan support. So be it. I can only hope that, in that spirit of taking a risk on both sides of the aisle—and both parties and the administration—that the administration and the new Congress gets serious about reform and delivering services more cost-effectively in ways, ironically, that people on both sides of the aisle agree with that are absent in this proposal.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. I now yield 2 minutes to another member of the Ways and Means Committee, the gentleman from New Jersey (Mr. PASCARELL).

Mr. PASCARELL. The American people are the real winners here tonight, not anyone who navigates these halls. Let's make that clear.

We don't have a perfect bill in front of us—in fact, we've never had a perfect bill in front of us—but this is a bill which will provide much needed certainty to millions of middle class American families that their income taxes will not increase.

Since the recession in 2008, there has been a 25 percent increase in the number of families below the poverty line in my home State of New Jersey. I'm sure we'll see more as a result of the devastation of Hurricane Sandy. Lest we forget before tomorrow that we need to respond to that storm as all of us responded to the other catastrophes over the past 10 to 15 years. We should not have exceptions, particularly from those States who are donor States. If you want to get into nickels and dimes, then let's get into nickels and dimes. We've done our share and will continue to do it. We want everybody to step up to the plate.

We've been able to help families in need by extending the earned income tax credit to 563,000 New Jersey taxpayers, who will earn an average of \$2,169 more because of the program. We have also helped 460,000 New Jersey families take advantage of the child

tax credit. Many of you, regardless of which State you come from, your constituents have taken advantage of that great program. Almost 400,000 have been able to use the education tax credits.

Lest we forget what we've done on the alternative minimum tax, the chairman of the Ways and Means Committee will tell you how many times alternative minimum tax comes up, and yet we did nothing about it, pushing it patch to patch, year to year. In just one county in my district, 87 percent of the families have been affected.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman an additional 30 seconds.

Mr. PASCARELL. I ask to have a "yea" vote on this legislation so we can all be proud and be happy for a change when we wake up in the morning.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. I now yield 2 minutes to the gentleman from Pennsylvania (Ms. SCHWARTZ), our colleague-to-be on Ways and Means.

Ms. SCHWARTZ. I rise this evening in strong support of the Jobs Protection and Recession Prevention Act of 2012. By passing this bill, Congress provides economic security and certainty for middle class families.

This legislation, which passed the Senate with overwhelming bipartisan support, permanently extends tax cuts for 99 percent of American families and small businesses, it protects seniors' access to doctors, it expands affordability of college for millions of young people, it makes vital investments that build economic growth and new jobs in this country, and it averts the fiscal cliff and the harmful economic consequences that might have resulted.

As we close out this Congress, we've reached resolution on a major issue facing this Congress and our Nation: fairer tax policy for our families and our businesses.

There's more work to do. In the next Congress, my guess is that it will be just as difficult to reach bipartisan solutions, but that doesn't mean it can't be done. Tonight's vote, I hope, demonstrates that in fact it can, and it benefits American families and American businesses and America's future.

Mr. CAMP. I continue to reserve the balance of my time.

Mr. LEVIN. I now yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN. Mr. Speaker, tonight we will pass 83 provisions that remove Federal revenue, totaling \$3.9 trillion, all of it deficit financed. Now, we will add \$64 billion more this year to reducing the deficit. So if we have a \$1.3 trillion annual deficit this year, it will bring it down to \$1.24 trillion.

Now, many of us feel—certainly on this side—that the deficit doesn't matter, but it does matter because we have another deficit: a deficit in investment in the education of our children, an investment in the training and skills of

our workforce and the fiscal infrastructure of our country. We will have none of those resources to make that investment after we make this vote tonight.

The problem is we set up three more fiscal cliffs. We're going to have to deal with the debt ceiling, we're going to have to deal with the continuing resolution expiration, and we're going to have to deal with the sequester. All that's left is spending cuts.

So the only question we have to ask ourselves is, what programs do we cut and how deep do we cut them? We're going to look back on this night and regret it, notwithstanding the fact that 95 percent of us apparently will vote for it.

Mr. CAMP. Mr. Speaker, I would advise the gentleman that I am prepared to close.

Mr. LEVIN. I now yield 1 minute to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I rise today to support this bill because essentially we have two choices here: We either vote for this bill and we prevent us from going over the cliff, or we go over the cliff. That would certainly wreak havoc with the market and with everything else.

□ 2220

But it never should have come to this. We should have been negotiating and passing a balanced bill. The American people are really fed up with what they see in the dysfunctional Congress. Harry Truman back in 1948 when he was running for President campaigned against the 80th, and he called it the "do nothing" 80th Congress. That "do nothing" Congress passed three times as many bills as the 112th Congress did. And so here we are at the last minute, and we are rushing to pass this bill. It never should have happened this way.

I commend President Obama and Vice President BIDEN for protecting the middle class with this and for doing the best that they can; but, my friends and my colleagues, we are going to have to work to meet in a sensible center. We are going to have to not play these brinkmanship games. The American people don't want it.

President Obama won reelection campaigning for the middle class. This keeps those priorities, and we ought to support it.

Mr. LEVIN. I now yield 2 minutes to DANNY DAVIS, our colleague from Illinois who is soon rejoining us on Ways and Means.

Mr. DAVIS of Illinois. Mr. Speaker, I have never seen a compromise where everybody got everything that they wanted or liked everything that they got. I certainly don't like everything that I see in this bill, and I certainly didn't get everything that I wanted. But I do like the fact that senior citizens can go to the doctors because they're being paid a reasonable rate. I don't like the fact that some of the health programs in my communities in disproportionate hospitals all across the country are being cut.

I just got two phone calls a few minutes ago from two constituents, one from Oak Park, Illinois, and one from Westchester. They both did all that they could do to convince me to vote against this bill. And after listening to them, I thanked them, but then I told them, do you know that 320,000 people in our State relied upon unemployment insurance benefits last year? I don't know how I could face those individuals with no hope, no possibility, and no idea that they're going to have a check in the mail. But when I go to church on Sunday, I know that I will see people with the assurance that pretty soon an unemployment check is in the mail. And that's one of the reasons that, yes, I will vote for this bill, because it's good legislation. People need it right now—not next year, not next month, and not next week.

Mr. LEVIN. I now, with pleasure, yield 3 minutes to another member of our leadership, the gentleman from South Carolina (Mr. CLYBURN).

Mr. CLYBURN. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, it's tempting to say it's about time the House put aside extreme partisanship and work together on compromise to address the Nation's most pressing issues. But, in reality, it is far past time that we put aside extreme partisanship. Throughout the entirety of the 112th Congress, we have seen narrow political interests placed ahead of the public interest.

So here we are on New Year's night, with the clock running out on the very existence of this Congress, finally considering bipartisan legislation to provide middle class tax cuts, require the wealthiest to, once again, pay their fair share so we can grow the economy, create jobs and protect the most vulnerable in our society. It is indeed well past time we got about the people's business.

Mr. Speaker, in 2011, I served on the Biden group of both Republican and Democratic Representatives and Senators who worked with the Vice President on our Nation's fiscal issues. We made good progress in those talks until our Republican friends walked away, fearing the wrath of the Tea Party. I also served on the bipartisan Joint Select Committee on Deficit Reduction, the so-called supercommittee that spent countless hours discussing these issues in detail. It was very clear that the elements of a fair and balanced fiscal plan were achievable. But at the end of the process, the Republican leaders refused to compromise, and the supercommittee failed.

So here we are. While this is not a perfect bill, and I have serious concerns about some of the cuts it contains, it does contain the element of fairness.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman 1 additional minute.

Mr. CLYBURN. This bill protects the middle class and working people with a

more progressive Tax Code than we've had in a very long time. And this bill prevents the meat-axe approach of budget cuts that could do more severe damage to our national defense and important domestic priorities.

Mr. Speaker, I hope that the partisanship of the 112th Congress will end this week with the end of the 112th Congress, and I am hopeful that the 113th Congress can work together toward honorable compromises to get the people's business done. I urge a "yes" vote.

Mr. LEVIN. We are going to vote soon, but first we want to hear from our whip, the distinguished gentleman from Maryland, who has worked so hard on these issues for decades.

I yield 3 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentleman for his leadership, and I thank Mr. CAMP for his leadership.

There is, of course, a time for partisanship. There is a time for making our political points, and that time has been, and it will be again. That time is not tonight.

All of us have traveled throughout this country; and we have heard our constituents, our neighbors and our friends say, please, don't have us go over the cliff. They're not sure exactly what "going over the cliff" means, but they intuitively and deeply feel that it will not be good to go over that cliff. And so we come to this floor tonight with almost everyone who has spoken saying this bill is not perfect, and, of course, that observation could be applied to any and all bills that we consider in this House.

Compromise is not the art of perfection. By its very definition, a compromise contains elements that neither side likes. But it also contains pieces both sides can embrace. What we will do tonight is not only adopt a piece of legislation that will give literally tens of millions of Americans the assurance that their taxes will not be raised; millions of small businesses assurance that their taxes will not be raised; millions of people who, through no fault of their own, are struggling to find a job and trying to keep bread on their table the assurance that we will be there to help.

Tonight, we will come together and do something else. With 37½ hours left to go in the 112th Congress, we will display to all of our constituents that, yes, in the final analysis, we have the ability to come together, to act not as Republicans, not as Democrats, but as Americans, 435 of us sent here by our neighbors and friends to try to do the best we can, realizing that there are 435 points of view that sit in this Chamber, and that what we strive to do is to reconcile those differences to create consensus, for without consensus, democracy cannot work.

There will be time for partisan differences. There will be time for partisan confrontation in the days in the 113th Congress. But this night, as we

end the 112th Congress, as we have strived mightily to come to an agreement with great difficulty and realizing that all of us have very strong feelings, I severely regret that this is not a big, bold, and balanced plan.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman an additional 1 minute.

□ 2230

Mr. HOYER. We had an opportunity to reach such an agreement in a bipartisan fashion, and we will not reach a big, bold, and balanced plan without bipartisanship because the decisions we'll have to make will be too difficult not to be done in a bipartisan fashion.

This night, we take a positive step, and the people watching us, Mr. Speaker, on television tonight and reading about their Congress tomorrow are seeing that we were able to act, not perfectly, but in a bipartisan fashion to try to take a step towards fiscal responsibility, fiscal stability, and, yes, caring for those who most need our help in this country.

I urge my colleagues, as the leader of my party in this Congress urged us, to support this legislation, not as a Democrat, not as a Republican, but as an American who understands that our people believe that action is necessary. And I would urge all of us as we close this debate to do so in a way that brings us together, not drives us apart; that reaches out to the best in us, not to the partisan in us.

Mr. Speaker, it is time for this Congress to come together, address this issue, act together, and pass this bill.

Mr. CAMP. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, I think what gets lost in the 30-second sound bites on the fiscal cliff is the real cliff facing this country in the form of a massive wave of entitlement obligations.

Government accounting doesn't tell the whole story. The actual liabilities of the Federal Government, the present value of Medicare, Medicaid, and Social Security programs already exceed \$86 trillion. By 2040, our entitlement obligations will consume all of the average postwar projected tax revenue. We have to come to grips with that.

That means every dollar collected by the IRS would go to pay Social Security, Medicare, or Medicaid, without reforms. We will have to go out and borrow to pay for other spending should that happen. It is unfortunate that the President wasn't willing to engage on this front, and it is unfortunate that the Senate leader continues to deny the crisis.

On the day of new year's resolutions, let's hope Senator REID and President Obama resolve to be honest about the crisis our Nation faces with the coming wave of entitlement obligations, making these programs solvent, and reining in these trillion dollar deficits, which

every economist will tell you is unsustainable. This must be done in 2013.

Without the legislation before us today, without this bill, millions of Americans would see their tax rates go up, and that would provide a systemic shock to our already weak economy. This plan that we're about to vote on locks in a reduced tax rate for middle class families who otherwise would have seen \$3,000 in higher taxes on average. It permanently holds down the death tax, which impacts so many small businesses. It permanently protects the middle class from the alternative minimum tax, and it adjusts that for inflation.

The plan does away with a new entitlement program created in ObamaCare, and it makes permanent a 15 percent capital gains and dividends rate for income up to \$400,000 for singles, \$450,000 for married couples, and a 20 percent rate for those above. That rate would have gone to 39.6 percent for dividends. That would have been very injurious for our capital markets. That would be very injurious for economic growth if we allowed that to happen.

Tax relief has been achieved. Now is the time for the President to work with Congress to address government overspending, the underlying problem.

Mr. LEVIN. If the gentleman from Michigan is ready to close, I'll do the same and yield myself the balance of my time.

I regret the last statements. It is not correct to say that the President has not been interested in deficit reduction. That is not true. It was the Republican leadership in this House that walked away from a big package. So I think it is troublesome that you come here apparently saying you're going to vote for this bill by launching an unfair, untrue representation of what's been going on.

I want it to be very clear, because my guess is that the chairman will talk again that there has been a permanent level of revenue set by this bill. That is not correct. If that's an effort to get votes on your side, I want the record to be clear.

I'm going to close by reading from the President's statement of yesterday:

I want to make clear that any agreement we have to deal with these automatic spending cuts that are being threatened for next month, those also have to be balanced, because, remember, my principle has always been let's do things in a balanced, responsible way.

The same is true for any future deficit agreement. Obviously, we're going to have to do more to reduce our debt and our deficit. I'm willing to do more—

He already has done substantial.

—but it's going to have to be balanced. We're going to have to do it in a balanced way.

And then he talks about the need to address Medicare.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CAMP. I yield myself such time as I may consume.

We've heard some talk about what does the fiscal cliff mean, and I would say that I agree with my friend from Maryland that if we didn't address the fiscal cliff issue, every single American would see a tax increase, and it would be a big tax increase. It would be the biggest tax increase in the history of the country. That's why it's so important we're here tonight acting in a permanent way.

And I would say also to my friend from Michigan, he is correct, this is a permanent tax policy. These are permanent tax provisions we're putting in this bill that permanently sets the baseline. It permanently sets how much money the government can take out of the economy. Because of this, this is the largest tax cut in American history.

I think that's helpful, because the best way to get out of our debt and deficit is to grow our economy. We can do that through comprehensive and fundamental tax reform, and this is just the first step to getting to the ability to strengthen our economy and create the jobs we so badly need.

We've had years of anemic economic growth. We have projected anemic economic growth in 2013. It is so important that we try to create jobs and grow the economy, and we can do that through comprehensive pro-growth tax reform that lowers rates, broadens the base, and simplifies a Tax Code that is far too complex.

□ 2240

As I said in my opening statement, the Tax Code is a nightmare—and it is—and it's getting almost late enough to have a nightmare ourselves.

Let me just say that we not only need to grow the economy, but we also need to address the fundamental causes of our debts and deficits, and that's out-of-control spending—obligations that we have not got the financial wherewithal to meet. We need to strengthen those programs and make sure that they're sustainable for the long term, but we also need to address the problem that is out-of-control spending.

So this is the first step—permanent tax policy that then sets the stage for comprehensive and fundamental tax reform—and then addressing out-of-control spending. This will be several steps. This is an important one, and this is a critical one for the future of the country. I urge a "yes" vote.

I yield back the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I rise today to discuss the devastating across-the-board sequestration cuts set to take place across the entire federal government tomorrow—January 2nd. Half of those cuts would come from the Department of Defense and our national security programs.

The Department of Defense, industry, and the Congressional Defense Committees, have repeatedly and consistently warned of the consequences of letting sequestration take place. If allowed to happen, the impact to the Department of Defense would be a reduction of 8.2

percent or \$54.6 billion from the fiscal year 2013 budget. The total sequestration reduction for Defense through fiscal year 2021 amounts to roughly \$492 billion—almost half a trillion dollars.

With military pay and personnel costs exempt from the cuts, the actual cut to all other accounts increases to 9.4 percent. Even though the Department of Defense has some limited flexibility to allocate sequestration cuts in the operating accounts, a computer will cut all procurement and research accounts proportionally—which will directly impact more than 2,500 programs and projects. The impact on our national security and readiness will be severe.

Base operating budgets will be cut, negatively impacting readiness. Training could be significantly reduced, resulting in unprepared troops and higher risk to those who deploy. Civilian personnel will certainly be affected, possibly resulting in hiring freezes and unpaid furloughs. Fewer weapon systems will be bought, which starts a vicious circle of rises in unit prices for the remaining weapons. Other major weapon systems will be reduced or terminated, and current contracts may have to be terminated or renegotiated, resulting in additional costs to the government and a loss of favorable contract terms in some cases. Procurement and Depot Maintenance schedules will be severely impacted, which is enormously disruptive, especially in shipbuilding and maintenance when future deployments rely on maintaining schedules.

Earlier this year, Secretary of Defense Leon Panetta testified that the impact of sequestration on the Department of Defense alone would drive up our nation's unemployment rate by a full percent. Jobs will be lost but more importantly, infrastructure and manufacturing capabilities critical to our national security will be lost. Already prime contractors have notified their suppliers and subcontractors that programs are on hold. This has left thousands of small businesses with no choice but to close their doors and lay off workers as work orders have dried up.

Our nation's manufacturing base relies upon these workers and their special skills. We rely on these small businesses to supply critical components for important weapons systems and platforms.

Mr. Speaker, as you know, the impact of sequestration is very real and is very imminent. Just consider that if sequestration remains in place for its full nine years, our nation will be left with the smallest ground force since 1940, the smallest number of ships since 1915, and the smallest Air Force in history.

When we talk about the fiscal cliff, these across the board cuts to our defense budget will result in not only an economic fiscal cliff, but of greatest concern to me, a cliff off which our national security will fall. This will impact our readiness, our ability to defend our nation, and our ability to ensure the safety of our all volunteer force as they operate around the world.

I urge my colleagues in the House to do everything we can to ensure that sequestration does not become a stark reality tomorrow. Failing to take action will cause irreversible harm to our nation's security and violate our Constitutional responsibility to "provide for the common defense."

Mr. THORNBERRY. Mr. Speaker, it was the issue of taxes that led to me running for Con-

gress in the first place. The question of how much of your money the government forces from us is central to the relationship of the individual with government and to the freedom of the individual. And in the past several years through calls, emails, and personal meetings, I have heard from many of my constituents about the necessity of having stability in the tax code.

Making the current tax rates permanent for the vast majority of Americans, as this bill does, is a major accomplishment. No longer will the threat of major tax increases because of an expiring law hang over the heads of taxpayers. Providing tax certainty for individuals and businesses has long been needed and will allow them to plan and make decisions. Hopefully, it will help the economy grow. And finally having an answer on the death tax, although I prefer to abolish it entirely, is also critical for every farmer, rancher, and small business person in the country.

The clearest reason to vote against this bill is because of what it does not do—limit spending. Too much spending, along with low economic growth, is the reason that our debt is mounting and that our children's future is in peril. This bill is a missed opportunity to take meaningful action to deal with that problem, and I supported efforts to have significant spending cuts included in this measure. But it is not our last opportunity.

It is always possible to justify voting against a bill for what is not included in it. One must go further and ask, "What happens if this bill is defeated? Will the result be better or worse for the country?" We also have to make a judgment on what is possible with the current cast of characters that the American people have elected to office. It does no good to imagine some ideal measure that could never pass the Democratically-controlled Senate or that President Barack Obama would never sign into law. I am a conservative, and I am also a realist.

The answers to those questions lead me to conclude that it is better to approve this bill at this time, understanding that we must use the next few weeks of discussion about the debt limit to find a way to significantly reduce spending and begin to get our economic house in order. House Republicans do not have to accomplish everything in one bill, but time is running out for us to get spending under control. In coming weeks, we will need to consider every tool at our disposal to convince the White House and the Senate on the imperative of cutting spending.

Of course, there are provisions in this bill with which I disagree. For example, extending some of the tax credits from the stimulus bill and continuing to pay unemployment for an additional year discourage work and encourage further dependency on government. But they total about \$100 billion out of a \$4 trillion bill; the rest of the "cost" is due to extending tax provisions that have been in place for more than a decade.

Stepping back and looking at the whole picture, it seems clear to me that preventing a tax increase for most Americans and making all tax rates permanent is an important step for families all across the country and for the economy as a whole.

Other provisions contained in this bill are important to the people in my district. One would extend the current farm bill for the remainder of the fiscal year, allowing farmers

and their bankers to make decisions on planting. That provision also prevents the price of milk from doubling this week. Another section prevents the 27% cut in Medicare reimbursement to doctors, which would have made it very difficult for Medicare patients to find a physician to treat them.

Approving this measure is just a step. Next, we must do whatever is required to control spending, especially spending in mandatory programs that constitute nearly two-thirds of the budget. I continue to support comprehensive tax reform, which can ease the pain to taxpayers, help us be more competitive in the world, and give our economy a real boost. We do not have to do all of these things in one bill—and it would be a mistake to try—but we must do them for the sake of our country and our future.

Mr. HOLT. Mr. Speaker, as the Congress lurches from self-imposed crisis to self-imposed crisis, it is easy to understand why members of the public shake their heads in disgust at the inability of the government to do the important work of America to help Americans.

The negotiators of this deal should never have agreed to bargain under a hostage-taking deadline. Of course, for long term economic stability and growth we must have greater balance between revenue and expenditures. That means Congress should pay close attention day to day, month to month, to revenue and to spending and should bring them more into line. That should always be true, though, not just whenever someone says there is a crisis.

And say what you will, there is no good reason for a crisis now. The deadline is artificial. This "fiscal cliff" is the result of a deal agreed to in August 2011 when some congressional members who dislike government tried to prevent the U.S. from paying our debts, and the White House and Congressional leaders allowed them to hold the government hostage and then to impose automatic spending cuts and tax increases in the most thoughtless, ham-handed way. And the negotiators should never have negotiated with hostage takers, or after the debt-ceiling confrontation was past, should never have let the hostage-takers demands live on.

As I see it, the big problem with the fiscal package before us today is that it was debated and negotiated on the terms set by the hostage takers in 2011. Instead of talking about what our government needs to do put people to work, to reduce unemployment, to educate Americans, to rebuild our roads and bridges, to stimulate vibrant and innovative industry, to tend to the nourishment, the housing, the cultural well-being of all Americans—and then doing those things—Congress and Administration have spent several months neglecting all the important work in front of us—drought relief, elementary and secondary education act, violence against women act, bridge repair, better transportation, better communication, reliable mail delivery, etc. etc. and instead focusing on such things as whether the marginal tax rate should be 36 percent or 39.6 percent for income earned above \$250,000 or \$450,000.

Why should the President, why should the Democratic leadership in Congress, have agreed to negotiate with hostage takers under contrived, media-fueled deadlines. Why should the President, why should the Democratic

leadership in Congress, have accepted the inane premise of the Tea Party and the Peterson Institute that our nation is defined by its debt and that we are in effect a poor, debtor nation and that the government is helpless in the face of that debt. There is no good answer to a bad question.

The premise of the deal before us is false, and the Democratic negotiators have been trying hard to find a good outcome based on that false premise. In fact, we do have a long term problem with the debt. We should work to correct it, but also we should recognize that it is long term. Meanwhile we have some immediate problems—stubborn unemployment, a sluggish economy, crumbling infrastructure, and millions of Americans in need of housing and food. We should not allow our concern for the debt to paralyze our government, and thus prevent action on the immediate, critical problems affecting our people in the here and now. The blatant, sad irony is that dealing aggressively with those immediate problems—the very problems whose solutions are being pushed aside by the artificial, self-imposed debt crisis—also would be the best way of dealing with the long term debt problem. It would be the best way of generating the economic activity and growth necessary to put our people back to work and our debt in its place.

This deal was done in the wrong way. The postponed crisis will reappear with the debt crisis and sequestration and tax increases in March, and the President will be in a weaker, not stronger, position to deal with the crisis then. However, I do not want to make the situation worse by weakening the President's hand and weakening the economy by allowing the government so to speak to "fall off the cliff," so with great reluctance I will support this bill.

Mr. LANGEVIN. Mr. Speaker, I rise in support of H.R. 8, the American Taxpayer Relief Act of 2012. It goes without saying that this is no one's idea of a perfect bill. However, the American people are counting on Congress to act to prevent a tax increase on the middle class, just as our economy is starting to recover.

President Obama, Vice President BIDEN, and Senate Democrats and Republicans have done what the voters sent us here to do: find a balanced approach to help get our fiscal house in order. House Democrats have been ready to do our part, and I am glad that our Republican colleagues have finally allowed this legislation to come to the Floor so that we can ensure our nation does not feel the harmful effects of the fiscal cliff. It should not have taken this long, and it should not have been this hard.

While I have serious concerns about certain portions of the agreement, I am very pleased that—first and foremost—middle class families will be protected from a tax rate increase. Not only will we permanently extend middle-class tax cuts, but this deal will also extend the child tax credit and the earned income tax credit, and it permanently ensures that the Alternative Minimum Tax will not hit middle-class families.

Very importantly, this package also includes a critical extension of unemployment benefits for those still struggling to find work, and I am grateful for the efforts of Senator Jack Reed and others to ensure this provision was part of the final deal.

I have called many times in recent months for the expiration of Bush-era tax rates on in-

come over \$250,000, and I am disappointed that this agreement does not meet that goal. However, while the income threshold of \$450,000 is higher than I would have liked, it is nonetheless a major step forward that the very wealthiest Americans will begin to pay their fair share under this bill. Democrats have already agreed to over a trillion dollars in spending cuts, and it is critical that some significant revenue is finally being put on the table.

Of particular interest to Rhode Island's wind energy industry, this bill extends the Production Tax Credit and the Investment Tax Credit for renewable energy, which will mean critical jobs for our state. It also provides our doctors with another year of relief from Medicare reimbursement cuts.

One thing many of my colleagues and I made clear to House leaders was that we would not support a deal that cut Medicare or Social Security benefits for our seniors, and I am glad that they listened to us.

Overall, this agreement sets the standard for a balanced approach that demands shared sacrifice through both spending cuts and revenue increases. I have long advocated for such an approach, and I am hopeful that this will be the model for our deficit reduction efforts in coming years.

Unfortunately, this deal is no "grand bargain," and it sets up yet another potential crisis mere weeks from now by pushing off a solution to sequestration for two months, right at the same time we will need to increase the debt limit and renew government funding. No one wants to relive this fight, and I would have much preferred to resolve these perennial issues all at once.

Nonetheless, it is time to act. We have an obligation to move forward with a balanced compromise, and I believe that we have achieved that. I urge my colleagues to support this agreement, and I hope that we can begin the 113th Congress with a renewed commitment to address our nation's many complex challenges with seriousness and cooperation.

Ms. JENKINS. Mr. Speaker, as the sponsor of the bill to extend Section 45G of Title 26 in the IRS code, I rise today to clarify the impact that the extension of this provision within the text of H.R. 8 will have on short line railroads. As a Certified Public Accountant, I would like to iterate that in IRS Code section (1)(2) under 45G, it is the intent of the law that assignments of railroad track miles for purposes of calculating a railroad track maintenance tax credit for the taxable year that ended on December 31, 2012 may be completed in 2013, due to the late extension of the 45G credit in this legislation.

This belated extension should not be construed as an attempt by Congress to eliminate the ability of short line railroads to use subsection (b)(2), but rather to preserve that ability for tax year 2012.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 844, the previous question is ordered.

The question is on the motion by the gentleman from Michigan (Mr. CAMP).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEVIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on the motion to concur will be followed by a 5-minute vote on the motion to suspend the rules and pass Senate Joint Resolution 44, if ordered.

The vote was taken by electronic device, and there were—ayes 257, noes 167, not voting 8, as follows:

[Roll No. 659]

AYES—257

Ackerman	Frank (MA)	Meeks
Alexander	Frelinghuysen	Michaud
Altmire	Fudge	Miller (MI)
Andrews	Galleghy	Miller, Gary
Baca	Garamendi	Miller, George
Baldwin	Gerlach	Moore
Barber	Gibson	Murphy (CT)
Barletta	Gonzalez	Murphy (PA)
Bass (CA)	Green, Al	Nadler
Bass (NH)	Green, Gene	Napolitano
Benishek	Grijalva	Neal
Berkley	Grimm	Noem
Berman	Gutierrez	Olver
Biggert	Hahn	Owens
Billbray	Hanabusa	Pallone
Bishop (GA)	Hanna	Pascrell
Bishop (NY)	Hastings (FL)	Pastor (AZ)
Boehner	Hastings (WA)	Payne
Bonamici	Hayworth	Pelosi
Bono Mack	Heck	Perlmutter
Boren	Heinrich	Peters
Boswell	Herger	Pingree (ME)
Brady (PA)	Herrera Beutler	Pitts
Brady (TX)	Higgins	Platts
Bralley (IA)	Himes	Polis
Brown (FL)	Hinchey	Price (NC)
Buchanan	Hinojosa	Quigley
Butterfield	Hirono	Rahall
Calvert	Hochul	Rangel
Camp	Holden	Reed
Capps	Holt	Reichert
Capuano	Honda	Reyes
Carnahan	Hoyer	Ribble
Carney	Israel	Richardson
Carson (IN)	Jackson Lee	Richmond
Castor (FL)	(TX)	Rogers (KY)
Chandler	Johnson (GA)	Rogers (MI)
Chu	Johnson (IL)	Ros-Lehtinen
Ciциlline	Johnson (OH)	Ross (AR)
Clarke (MI)	Johnson, E. B.	Rothman (NJ)
Clarke (NY)	Kaptur	Royal-Allard
Clay	Keating	Royce
Cleaver	Kelly	Runyan
Clyburn	Kildee	Ruppersberger
Coble	Kind	Rush
Cohen	King (NY)	Ryan (OH)
Cole	Kinzinger (IL)	Ryan (WI)
Connolly (VA)	Kissell	Sánchez, Linda
Conyers	Kline	T.
Costa	Kucinich	Sanchez, Loretta
Costello	Lance	Sarbanes
Courtney	Langevin	Schakowsky
Crenshaw	Larsen (WA)	Schiff
Critz	Larson (CT)	Schock
Crowley	LaTourette	Schwartz
Cuellar	Latta	Scott, David
Cummings	Lee (CA)	Serrano
Curson (MI)	Levin	Sessions
Davis (CA)	Lipinski	Sewell
Davis (IL)	LoBiondo	Sherman
DeGette	Loebsack	Shimkus
DelBene	Lofgren, Zoe	Shuler
Denham	Lowey	Shuster
Dent	Lucas	Simpson
Deutch	Luetkemeyer	Sires
Diaz-Balart	Lujan	Slaughter
Dicks	Lungren, Daniel	Smith (NJ)
Dingell	E.	Smith (TX)
Doggett	Lynch	Speier
Dold	Maloney	Stivers
Donnelly (IN)	Manzullo	Sullivan
Doyle	Marino	Sutton
Dreier	Markey	Thompson (CA)
Edwards	Matsui	Thompson (MS)
Ellison	McCarthy (NY)	Thompson (PA)
Emerson	McCollum	Thornberry
Engel	McGovern	Tiberi
Eshoo	McKeon	Tierney
Farr	McMorris	Tonko
Fattah	Rodgers	Towns
Fitzpatrick	McNerney	Tsongas
Fortenberry	Meehan	Turner (NY)

Upton	Wasserman	Wilson (FL)
Van Hollen	Schultz	Womack
Velázquez	Waters	Yarmuth
Walden	Watt	Young (AK)
Walz (MN)	Waxman	Young (FL)
	Welch	

NOES—167

Adams	Gibbs	Nunnelee
Aderholt	Gingrey (GA)	Olson
Akin	Gohmert	Palazzo
Amash	Goodlatte	Paulsen
Amodei	Gosar	Pearce
Austria	Gowdy	Pence
Bachmann	Granger	Peterson
Bachus	Graves (GA)	Petri
Barrow	Griffin (AR)	Poe (TX)
Bartlett	Griffith (VA)	Pompeo
Barton (TX)	Guinta	Posey
Becerra	Guthrie	Price (GA)
Berg	Hall	Quayle
Bilirakis	Harper	Rehberg
Bishop (UT)	Harris	Renacci
Black	Hartzler	Rigell
Blackburn	Hensarling	Rivera
Blumenauer	Huelskamp	Roby
Bonner	Huizenga (MI)	Roe (TN)
Boustany	Hultgren	Rogers (AL)
Brooks	Hunter	Rohrabacher
Broun (GA)	Hurt	Rokita
Bucshon	Issa	Rooney
Burgess	Jenkins	Roskam
Campbell	Johnson, Sam	Ross (FL)
Canseco	Jones	Scalise
Cantor	Jordan	Schilling
Capito	King (IA)	Schmidt
Carter	Kingston	Schrader
Cassidy	Labrador	Schweikert
Chabot	Lamborn	Scott (SC)
Chaffetz	Landry	Scott (VA)
Coffman (CO)	Lankford	Scott, Austin
Conaway	Latham	Sensenbrenner
Cooper	Long	Smith (NE)
Cravaack	Lummis	Smith (WA)
Crawford	Mack	Southerland
Culberson	Marchant	Stearns
DeFazio	Massie	Stutzman
DeLauro	Matheson	Terry
DesJarlais	McCarthy (CA)	Tipton
Duffy	McCaul	Turner (OH)
Duncan (SC)	McClintock	Visclosky
Duncan (TN)	McDermott	Walberg
Ellmers	McHenry	Walsh (IL)
Farenthold	McIntyre	Webster
Fincher	McKinley	West
Flake	Mica	Westmoreland
Fleischmann	Miller (FL)	Whitfield
Fleming	Miller (NC)	Wilson (SC)
Flores	Moran	Wittman
Forbes	Mulvaney	Wolf
Foxx	Myrick	Woodall
Franks (AZ)	Neugebauer	Yoder
Gardner	Nugent	Young (IN)
Garrett	Nunes	

NOT VOTING—8

Buerkle	Lewis (CA)	Stark
Burton (IN)	Lewis (GA)	Woolsey
Graves (MO)	Paul	

□ 2257

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. GRAVES of Missouri. Mr. Speaker, on rollcall No. 659, I was unavoidably detained. Had I been present, I would have voted "no."

Ms. BUERKLE. Mr. Speaker, on rollcall No. 659, had I been present, I would have voted "no."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed.

STATE AND PROVINCE EMERGENCY MANAGEMENT ASSISTANCE MEMORANDUM OF UNDERSTANDING

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the joint resolution (S.J. Res. 44) granting the consent of Congress to the State and Province Emergency Management Assistance Memorandum of Understanding.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and pass the joint resolution.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

CLOTHE A HOMELESS HERO ACT

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and concurring in the Senate amendment to the bill (H.R. 6328) to amend title 49, United States Code, to direct the Assistant Secretary of Homeland Security (Transportation Security Administration) to transfer unclaimed clothing recovered at airport security checkpoints to local veterans organizations and other local charitable organizations, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. BILIRAKIS) that the House suspend the rules and concur in the Senate amendment.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

UNINTERRUPTED SCHOLARS ACT

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the bill (S. 3472) to amend the Family Educational Rights and Privacy Act of 1974 to provide improvements to such Act.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Tennessee (Mr. ROE) that the House suspend the rules and pass the bill.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FOREIGN AND ECONOMIC ESPIONAGE PENALTY ENHANCEMENT ACT OF 2012

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and concurring in the Senate amendment to the bill (H.R. 6029) to amend title 18, United States Code, to provide for increased penalties for foreign and economic espionage, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and concur in the Senate amendment.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CORRECTING AND IMPROVING THE LEAHY-SMITH AMERICA INVENTS ACT

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and concurring in the Senate amendment to the bill (H.R. 6621) to correct and improve certain provisions of the Leahy-Smith America Invents Act and title 35, United States Code.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and concur in the Senate amendment.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

INTERCOUNTRY ADOPTION UNIVERSAL ACCREDITATION ACT OF 2012

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the bill (S. 3331) to provide for universal intercountry adoption accreditation standards, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and pass the bill.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

DEPARTMENT OF STATE REWARDS PROGRAM UPDATE AND TECHNICAL CORRECTIONS ACT OF 2012

The SPEAKER pro tempore. The unfinished business is the question on