SA 3583. Mr. CARPER (for himself, Mr. CORKER, and Mrs. BOXER) submitted an amendment intended to be proposed by him to the bill H.R. 5021, supra; which was ordered to lie on the table.

SA 3584. Mr. LEE submitted an amendment intended to be proposed by him to the bill H.R. 5021, supra; which was ordered to lie on the table.

SA 3585. Mr. TOOMEY submitted an amendment intended to be proposed by him to the bill H.R. 5021, supra; which was ordered to lie on the table.

SA 3586. Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3587. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3588. Mr. TESTER (for himself, Mr. WALSH, and Mr. PRYOR) submitted an amendment intended to be proposed by him to the bill S. 2410, to authorize appropriations for fiscal year 2015 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table.

SA 3589. Mr. DURBIN (for himself, Mr. BROWN, Mr. REED, Mr. SANDERS, Ms. WARREN, and Ms. BALDWIN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3590. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3591. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3592. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3593. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3594. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3595. Mr. MORAN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3596. Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3597. Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3598. Mr. ENZI (for himself, Mr. BARRASSO, and Mr. PORTMAN) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3599. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3600. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3601. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3602. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3603. Mr. BARRASSO (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3604. Mr. BARRASSO (for himself, Mr. INHOFE, and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3605. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3606. Mr. CRUZ submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3607. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3608. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3609. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3610. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3611. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3612. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3613. Mr. WARNER (for himself and Mr. BLUNT) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table.

SA 3614. Mr. SCOTT submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3615. Mr. RUBIO submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3616. Mr. COONS (for himself and Mr. MORAN) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3617. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3618. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3619. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3620. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3621. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3622. Mr. ISAKSON submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3623. Mr. CASEY (for Mr. KIRK) proposed an amendment to the resolution S. Res. 489, supporting the goals and ideals of ''Growth Awareness Week''.

SA 3624. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3625. Mr. BOOZMAN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3582. Mr. WYDEN (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

Strike title II and insert the following:

TITLE II—REVENUE PROVISIONS

SEC. 2001. SHORT TITLE, ETC.

(a) SHORT TITLE.—This title may be cited as the ''Preserving America's Transit and Highways Act of 2014''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title 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.

Subtitle A—Extension of Trust Fund Expenditure Authority

SEC. 2011. EXTENSION OF TRUST FUND EXPENDITURE AUTHORITY.

(a) HIGHWAY TRUST FUND.—Section 9503 is amended—

(1) by striking ''before October 1, 2014,'' in subsections (b)(6)(B), (c)(1), and (e)(3), and

(2) by striking ''MAP-21'' in subsections (c)(1) and (e)(3) and inserting ''Highway and Transportation Funding Act of 2014''.

(b) SPORT FISH RESTORATION AND BOATING TRUST FUND.—Section 9504 is amended—

(1) by striking ''MAP-21'' each place it appears in subsection (b)(2) and inserting ''Highway and Transportation Funding Act of 2014'', and

(2) by striking ''before October 1, 2014,'' in subsection (d)(2).

(c) LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—Paragraph (2) of section 9508(e) is amended by striking ''before October 1, 2014,''.

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

SEC. 2012. FURTHER APPROPRIATIONS TO TRUST FUND.

Subsection (f) of section 9503 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

''(5) FURTHER APPROPRIATIONS TO TRUST FUND.—For fiscal year 2014, out of money in the Treasury not otherwise appropriated, there is hereby appropriated, in addition to any amounts under paragraph (4), to—

''(A) the Highway Account (as defined in subsection (e)(5)(B)) in the Highway Trust Fund, $7,824,000,000, and

''(B) the Mass Transit Account of the Highway Trust Fund, $2,000,000,000.''.

Subtitle B—Other Revenue Provisions

SEC. 2021. ADDITIONAL INFORMATION ON RETURNS RELATING TO MORTGAGE INTEREST.

(a) IN GENERAL.—Paragraph (2) of section 6050H(b) is amended by striking ''and'' at the end of subparagraph (C), by redesignating subparagraph (D) as subparagraph (I), and by inserting after subparagraph (C) the following new subparagraphs:

''(D) the unpaid balance with respect to such mortgage at the close of the calendar year,

''(E) the address of the property securing such mortgage,

''(F) information with respect to whether the mortgage is a refinancing that occurred in such calendar year,

''(G) the amount of real estate taxes paid from an escrow account with respect to the property securing such mortgage,

''(H) the date of the origination of such mortgage, and''.

(b) PAYEE STATEMENTS.—Subsection (d) of section 6050H is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by inserting after paragraph (2) the following new paragraph:

''(3) the information required to be included on the return under subparagraphs (D), (E), (F), (G) and (H) of subsection (b)(2).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which (determined without regard to extensions) is after December 31, 2015.

SEC. 2022. CLARIFICATION OF 6-YEAR STATUTE OF LIMITATIONS IN CASE OF OVERSTATEMENT OF BASIS.

(a) IN GENERAL.—Subparagraph (B) of section 6501(e)(1) is amended—

(1) by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) An understatement of gross income by reason of an overstatement of unrecovered cost or other basis is an omission from gross income; and'',

(2) by inserting ''(other than in the case of an overstatement of unrecovered cost or other basis)'' in clause (iii) (as so redesignated) after ''In determining the amount omitted from gross income'', and

(3) by inserting ''AMOUNT OMITTED FROM'' after ''DETERMINATION OF'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) returns filed after the date of the enactment of this Act, and

(2) returns filed on or before such date if the period specified in section 6501 of the Internal Revenue Code of 1986 (determined without regard to such amendments) for assessment of the taxes with respect to which such return relates has not expired as of such date.

SEC. 2023. ADDITIONAL TRANSFER FROM THE LEAKING UNDERGROUND STORAGE TANK TRUST FUND TO THE HIGHWAY TRUST FUND.

(a) IN GENERAL.—Subsection (c) of section 9508 is amended—

(1) in paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)'', and

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

''(3) ADDITIONAL TRANSFER TO HIGHWAY TRUST FUND.—Out of amounts in the Leaking Underground Storage Tank Trust Fund there is hereby appropriated $1,000,000,000 to be transferred under section 9503(f)(3) to the Highway Account (as defined in section 9503(e)(5)(B)) in the Highway Trust Fund.''.

(b) TRANSFER TO HIGHWAY TRUST FUND.—Paragraph (3) of section 9503(f) is amended by striking ''section 9508(c)(2).'' and inserting ''paragraphs (2) and (3) of section 9508(c).''.

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

SEC. 2024. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NATURAL GAS AND LIQUEFIED PETROLEUM GAS.

(a) LIQUEFIED PETROLEUM GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2) is amended by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) in the case of liquefied petroleum gas, 18.3 cents per energy equivalent of a gallon of gasoline, and''.

(2) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—Paragraph (2) of section 4041(a) is amended by adding at the end the following:

''(C) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—For purposes of this paragraph, the term 'energy equivalent of a gallon of gasoline' means, with respect to a liquefied petroleum gas fuel, the amount of such fuel having a Btu content of 115,400 (lower heating value).''.

(b) LIQUEFIED NATURAL GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2), as amended by subsection (a)(1), is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'' and by inserting after clause (iii) the following new clause:

''(iv) in the case of liquefied natural gas, 24.3 cents per energy equivalent of a gallon of diesel.''.

(2) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—Paragraph (2) of section 4041(a), as amended by subsection (a)(2), is amended by adding at the end the following:

''(D) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—For purposes of this paragraph, the term 'energy equivalent of a gallon of diesel' means, with respect to a liquefied natural gas fuel, the amount of such fuel having a Btu content of 128,700 (lower heating value).''.

(3) CONFORMING AMENDMENTS.—Section 4041(a)(2)(B)(iv), as redesignated by subsection (a)(1) and paragraph (1), is amended—

(A) by striking ''liquefied natural gas,'', and

(B) by striking ''peat), and'' and inserting ''peat) and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any sale or use of fuel after September 30, 2014.

SEC. 2025. CLARIFICATION OF THE NORMAL RETIREMENT AGE.

(a) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 204 of the Employee Retirement Income Security Act of 1974 is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

''(k) SPECIAL RULE FOR DETERMINING NORMAL RETIREMENT AGE FOR CERTAIN EXISTING DEFINED BENEFIT PLANS.—

''(1) IN GENERAL.—Notwithstanding section 3(24), an applicable plan shall not be treated as failing to meet any requirement of this title, or as failing to have a uniform normal retirement age for purposes of this title, solely because the plan provides for a normal retirement age described in paragraph (2).

''(2) APPLICABLE PLAN.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'applicable plan' means a defined benefit plan the terms of which, on or before June 25, 2014, provided for a normal retirement age which is the earlier of—

''(i) an age otherwise permitted under section 3(24), or

''(ii) the age at which a participant completes the number of years (not less than 30 years) of benefit accrual service specified by the plan.

A plan shall not fail to be treated as an applicable plan solely because the normal retirement age described in the preceding sentence only applied to certain participants or only applied to employees of certain employers in the case of a plan maintained by more than 1 employer.

''(B) EXPANDED APPLICATION.—Subject to subparagraph (C), if, after June 25, 2014, an applicable plan is amended to expand the application of the normal retirement age described in subparagraph (A) to additional participants or to employees of additional employers maintaining the plan, such plan shall also be treated as an applicable plan with respect to such participants or employees.

''(C) LIMITATION ON EXPANDED APPLICATION.—A defined benefit plan shall be an applicable plan only with respect to an individual who—

''(i) is a participant in the plan on or before January 1, 2017, or

''(ii) is an employee at any time on or before January 1, 2017, of any employer maintaining the plan, and who becomes a participant in such plan after such date.''.

(b) AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.—Section 411 is amended by adding at the end the following new subsection:

''(f) SPECIAL RULE FOR DETERMINING NORMAL RETIREMENT AGE FOR CERTAIN EXISTING DEFINED BENEFIT PLANS.—

''(1) IN GENERAL.—Notwithstanding subsection (a)(8), an applicable plan shall not be treated as failing to meet any requirement of this subchapter, or as failing to have a uniform normal retirement age for purposes of this subchapter, solely because the plan provides for a normal retirement age described in paragraph (2).

''(2) APPLICABLE PLAN.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'applicable plan' means a defined benefit plan the terms of which, on or before June 25, 2014, provided for a normal retirement age which is the earlier of—

''(i) an age otherwise permitted under subsection (a)(8), or

''(ii) the age at which a participant completes the number of years (not less than 30 years) of benefit accrual service specified by the plan.

A plan shall not fail to be treated as an applicable plan solely because the normal retirement age described in the preceding sentence only applied to certain participants or only applied to employees of certain employers in the case of a plan maintained by more than 1 employer.

''(B) EXPANDED APPLICATION.—Subject to subparagraph (C), if, after June 25, 2014, an applicable plan is amended to expand the application of the normal retirement age described in subparagraph (A) to additional participants or to employees of additional employers maintaining the plan, such plan shall also be treated as an applicable plan with respect to such participants or employees.

''(C) LIMITATION ON EXPANDED APPLICATION.—A defined benefit plan shall be an applicable plan only with respect to an individual who—

''(i) is a participant in the plan on or before January 1, 2017, or

''(ii) is an employee at any time on or before January 1, 2017, of any employer maintaining the plan, and who becomes a participant in such plan after such date.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to all periods before, on, and after the date of enactment of this Act.

SEC. 2026. PENALTY FOR FAILURE TO MEET DUE DILIGENCE REQUIREMENTS FOR THE CHILD TAX CREDIT.

(a) IN GENERAL.—Section 6695 is amended by adding at the end the following new subsection:

''(h) FAILURE TO BE DILIGENT IN DETERMINING ELIGIBILITY FOR CHILD TAX CREDIT.—Any person who is a tax return preparer with respect to any return or claim for refund who fails to comply with due diligence requirements imposed by the Secretary by regulations with respect to determining eligibility for, or the amount of, the credit allowable by section 24 shall pay a penalty of $500 for each such failure.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

SEC. 2027. FUNDING STABILIZATION.

(a) FUNDING STABILIZATION UNDER THE INTERNAL REVENUE CODE OF 1986.—The table in subclause (II) of section 430(h)(2)(C)(iv) is amended to read as follows:

''If the calendar year is:	The applicable minimum percentage is:	The applicable maximum percentage is:
2012, 2013, 2014, or 2015	90%	110%
2016	85%	115%
2017	80%	120%
2018	75%	125%
After 2018	70%	130%''.

(b) FUNDING STABILIZATION UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—The table in subclause (II) of section 303(h)(2)(C)(iv) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(h)(2)(C)(iv)) is amended to read as follows:

''If the calendar year is:	The applicable minimum percentage is:	The applicable maximum percentage is:
2012, 2013, 2014, or 2015	90%	110%
2016	85%	115%
2017	80%	120%
2018	75%	125%
After 2018	70%	130%''.

(2) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 101(f)(2)(D) of such Act (29 U.S.C. 1021(f)(2)(D)) is amended—

(i) in clause (i) by inserting ''and Preserving America's Transit and Highways Act of 2014'' after ''MAP-21'' both places it appears, and

(ii) in clause (ii) by striking ''2015'' and inserting ''2018''.

(B) STATEMENTS.—The Secretary of Labor shall modify the statements required under subclauses (I) and (II) of section 101(f)(2)(D)(i) of such Act to conform to the amendments made by this section.

(c) STABILIZATION NOT TO APPLY FOR PURPOSES OF CERTAIN ACCELERATED BENEFIT DISTRIBUTION RULES.—

(1) INTERNAL REVENUE CODE OF 1986.—The second sentence of paragraph (2) of section 436(d) is amended by striking ''of such plan'' and inserting ''of such plan (determined by not taking into account any adjustment of segment rates under section 430(h)(2)(C)(iv))''.

(2) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—The second sentence of subparagraph (B) of section 206(g)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(g)(3)(B)) is amended by striking ''of such plan'' and inserting ''of such plan (determined by not taking into account any adjustment of segment rates under section 303(h)(2)(C)(iv))''.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to plan years beginning after December 31, 2014.

(B) COLLECTIVELY BARGAINED PLANS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements, the amendments made by this subsection shall apply to plan years beginning after December 31, 2015.

(4) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(A) IN GENERAL.—If this paragraph applies to any amendment to any plan or annuity contract, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subparagraph (B)(ii).

(B) AMENDMENTS TO WHICH PARAGRAPH APPLIES.—

(i) IN GENERAL.—This paragraph shall apply to any amendment to any plan or annuity contract which is made—

(I) pursuant to the amendments made by this subsection, or pursuant to any regulation issued by the Secretary of the Treasury or the Secretary of Labor under any provision as so amended, and

(II) on or before the last day of the first plan year beginning on or after January 1, 2016, or such later date as the Secretary of the Treasury may prescribe.

(ii) CONDITIONS.—This subsection shall not apply to any amendment unless, during the period—

(I) beginning on the date that the amendments made by this subsection or the regulation described in clause (i)(I) takes effect (or in the case of a plan or contract amendment not required by such amendments or such regulation, the effective date specified by the plan), and

(II) ending on the date described in clause (i)(II) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and such plan or contract amendment applies retroactively for such period.

(C) ANTI-CUTBACK RELIEF.—A plan shall not be treated as failing to meet the requirements of section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U. S. C. 1054(g)) and section 411(d)(6) of the Internal Revenue Code of 1986 solely by reason of a plan amendment to which this paragraph applies.

(d) MODIFICATION OF FUNDING TARGET DETERMINATION PERIODS.—

(1) INTERNAL REVENUE CODE OF 1986.—Clause (i) of section 430(h)(2)(B) is amended by striking ''the first day of the plan year'' and inserting ''the valuation date for the plan year''.

(2) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Clause (i) of section 303(h)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(h)(2)(B)(i)) is amended by striking ''the first day of the plan year'' and inserting ''the valuation date for the plan year''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (d) shall apply with respect to plan years beginning after December 31, 2012.

(2) ELECTIONS.—A plan sponsor may elect not to have the amendments made by subsections (a), (b), and (d) apply to any plan year beginning before January 1, 2014, either (as specified in the election)—

(A) for all purposes for which such amendments apply, or

(B) solely for purposes of determining the adjusted funding target attainment percentage under sections 436 of the Internal Revenue Code of 1986 and 206(g) of the Employee Retirement Income Security Act of 1974 for such plan year.

A plan shall not be treated as failing to meet the requirements of section 204(g) of such Act (29 U. S. C. 1054(g)) and section 411(d)(6) of such Code solely by reason of an election under this paragraph.

SEC. 2028. MERCHANDISE PROCESSING FEES.

(a) RATE INCREASE.—For the period beginning on July 1, 2021, and ending on September 30, 2024, section 13031(a)(9) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)) shall be applied and administered by substituting ''0.3464'' for ''0.21'' each place it appears.

(b) EXTENSION.—Section 13031(j)(3)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(A)) is amended by striking ''September 30, 2023'' and inserting ''January 7, 2024''.

SEC. 2029. 100 PERCENT CONTINUOUS LEVY ON PAYMENT TO MEDICARE PROVIDERS AND SUPPLIERS.

(a) IN GENERAL.—Paragraph (3) of section 6331(h) is amended by striking the period at the end and inserting '', or to a Medicare provider or supplier under title XVIII of the Social Security Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made on or after the date which is 6 months after the date of the enactment of this Act.

SEC. 2030. MODIFICATION OF TAX EXEMPTION REQUIREMENTS FOR MUTUAL DITCH OR IRRIGATION COMPANIES.

(a) IN GENERAL.—Paragraph (12) of section 501(c) is amended by adding at the end the following new subparagraph:

''(I) TREATMENT OF MUTUAL DITCH IRRIGATION COMPANIES.—

''(i) IN GENERAL.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, subparagraph (A) shall be applied without taking into account any income received or accrued—

''(I) from the sale, lease, or exchange of fee or other interests in real property, including interests in water,

''(II) from the sale or exchange of stock in a mutual ditch or irrigation company (or in a like organization to a mutual ditch or irrigation company) or contract rights for the delivery or use of water, or

''(III) from the investment of proceeds from sales, leases, or exchanges under subclauses (I) and (II),

except that any income received under subclause (I), (II), or (III) which is distributed or expended for expenses (other than for operations, maintenance, and capital improvements) of the mutual ditch or irrigation company or of the like organization to a mutual ditch or irrigation company (as the case may be) shall be treated as nonmember income in the year in which it is distributed or expended. For purposes of the preceding sentence, expenses (other than for operations, maintenance, and capital improvements) include expenses for the construction of conveyances designed to deliver water outside of the system of the mutual ditch or irrigation company or of the like organization.

''(ii) TREATMENT OF ORGANIZATIONAL GOVERNANCE.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, where State law provides that such a company or organization may be organized in a manner that permits voting on a basis which is pro rata to share ownership on corporate governance matters, subparagraph (A) shall be applied without taking into account whether its member shareholders have one vote on corporate governance matters per share held in the corporation. Nothing in this clause shall be construed to create any inference about the requirements of this subsection for companies or organizations not included in this clause.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 2031. SENSE OF THE SENATE RELATING TO THE NEED FOR LONG-TERM TRANSPORTATION FUNDING BILL.

(a) FINDINGS.—The Senate finds the following:

(1) The Highway Trust Fund is projected to become insolvent before the end of fiscal year 2014.

(2) The user-fee principle upon which the Highway Trust Fund was established is eroding as demonstrated by the fact that since 2008 Congress has transferred $54,000,000,000 from the general fund to the Highway Trust Fund.

(3) The gas tax and diesel tax, which are the primary funding mechanisms for the Highway Trust Fund, have not been increased since 1993 and are not indexed for inflation.

(4) Highway Trust Fund revenues have not kept pace with the infrastructure needs of the United States, in significant part due to a decline in miles driven, a decline in the purchasing power of highway excise taxes, and increased fuel efficiency.

(5) In 2013, according to the World Economic Forum Report on Global Competitiveness, the United States was ranked 25th globally in overall infrastructure quality.

(6) Short-term surface transportation extensions increase costs of transportation projects, limit the ability of State and local governments to plan infrastructure improvement, and ultimately have resulted in the degradation of infrastructure of the United States.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) any long-term transportation reauthorization bill should at a minimum fund infrastructure spending levels established in Senate authorizing legislation through fiscal year 2020; and

(2) the Committee on Finance of the Senate and other relevant committees of jurisdiction should work diligently to produce long-term surface transportation reauthorization legislation expeditiously.

Subtitle C—Budgetary Provisions

SEC. 2041. UNUSED EARMARKS.

(a) DEFINITIONS.—In this section—

(1) the term ''earmark'' means—

(A) a congressionally directed spending item, as defined in rule XLIV of the Standing Rules of the Senate; and

(B) a congressional earmark, as defined in rule XXI of the Rules of the House of Representatives; and

(2) the term ''unused DOT earmark'' means an earmark of funds for the Department of Transportation for a Federal-aid highway or highway safety construction program provided in an Act other than an appropriation Act for which—

(A) funds were first made available for any fiscal year before fiscal year 2005;

(B) as of September 30, 2014, more than 90 percent of the dollar amount of the earmark of funds remains available for obligation; and

(C) no amounts from the earmark of funds were expended during fiscal year 2013 or 2014.

(b) RESCISSION OF UNUSED DOT EARMARKS.—

(1) IN GENERAL.—Except as provided in paragraph (2), effective on September 30, 2014, all unobligated amounts made available under an unused DOT earmark are rescinded.

(2) EXCEPTIONS.—

(A) DELAY BY SECRETARY.—

(i) IN GENERAL.—The Secretary of Transportation may delay the rescission of amounts made available under an unused DOT earmark under paragraph (1) if the Secretary determines that an additional obligation of amounts from the earmark of funds is likely to occur during fiscal year 2015.

(ii) EARMARK FUNDS NOT USED.—For an unused DOT earmark for which the Secretary of Transportation delayed rescission under clause (i), if no amounts from the earmark of funds are obligated during fiscal year 2015, effective on October 1, 2015, all unobligated amounts made available under the unused DOT earmark are rescinded.

(B) WRITTEN REQUEST BY RECIPIENTS.—Amounts made available under an unused DOT earmark shall not be rescinded under paragraph (1) if, before September 30, 2014, the recipient of the unused DOT earmark notifies the Secretary of Transportation in writing that—

(i) the project to be carried out using the unused DOT earmark is a priority project for the recipient; and

(ii) the recipient intends to spend the amounts made available for the project to be carried out using the unused DOT earmark.

(c) DOT EARMARK IDENTIFICATION AND REPORT.—

(1) IDENTIFICATION.—The Secretary of Transportation shall identify and submit to the Director of the Office of Management and Budget an annual report regarding every Federal-aid highway or highway safety construction program of the Department of Transportation for which—

(A) amounts are made available under an earmark provided in an Act other than an appropriation Act; and

(B) as of the end of a fiscal year, unobligated balances remain available.

(2) ANNUAL REPORT.—The Director of the Office of Management and Budget shall submit to Congress and publically post on the website of the Office of Management and Budget an annual report that includes a listing and accounting for earmarks for a Federal-aid highway or highway safety construction program of the Department of Transportation provided in an Act other than an appropriation Act for which unobligated balances remain available, which shall include, for each earmark—

(A) the amount of funds made available under the original earmark;

(B) the amount of the unobligated balances that remain available;

(C) the fiscal year through which the funds are made available, if applicable; and

(D) recommendations and justifications for whether the earmark should be rescinded or retained in the next fiscal year.

SEC. 2042. TREATMENT FOR PAYGO PURPOSES.

(a) PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by 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 (2 U.S.C. 933(d)).

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).

SA 3583. Mr. CARPER (for himself, Mr. CORKER, and Mrs. BOXER) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Highway and Transportation Funding Act of 2014''.

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

SEC. 2. DEFINITIONS.

In this Act and the amendments made by this Act:

(1) MAP-21.—The term ''MAP-21'' means the Moving Ahead for Progress in the 21st Century Act (Public Law 112–141; 126 Stat. 405).

(2) PART-YEAR EXTENSION PERIOD.—The term ''Part-Year Extension Period'' means the period beginning on October 1, 2014, and ending on the Part-Year Funding Date.

(3) PART-YEAR FUNDING DATE.—The term ''Part-Year Funding Date'' means December 19, 2014.

(4) PART-YEAR RATIO.—The term ''Part-Year Ratio'' means the ratio calculated by dividing—

(A) the number of days included in the period beginning on October 1, 2014, and ending on the Part-Year Funding Date; by

(B) 365.

(5) SAFETEA-LU.—The term ''SAFETEA-LU'' means the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1144).

TITLE I—SURFACE TRANSPORTATION PROGRAM EXTENSION

Subtitle A—Federal-aid Highways

SEC. 1001. EXTENSION OF FEDERAL-AID HIGHWAY PROGRAMS.

(a) IN GENERAL.—Except as otherwise provided in this subtitle, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under divisions A and E of MAP-21 (Public Law 112–141), the SAFETEA-LU Technical Corrections Act of 2008 (Public Law 110–244), titles I, V, and VI of SAFETEA-LU (Public Law 109–59), titles I and V of the Transportation Equity Act for the 21st Century (Public Law 105–178), the National Highway System Designation Act of 1995 (Public Law 104–59), titles I and VI of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240), and title 23, United States Code (excluding chapter 4 of that title), that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the Part-Year Extension Period a sum equal to—

(1) the total amount authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for programs, projects, and activities for fiscal year 2014 under divisions A and E of MAP-21 and title 23, United States Code (excluding chapter 4 of that title); multiplied by

(2) the Part-Year Ratio.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Except as otherwise expressly provided in this title, funds authorized to be appropriated under subsection (b) for the Part-Year Extension Period shall be distributed, administered, limited, and made available for obligation in the same manner and in the same amounts (as calculated using the Part-Year Ratio) as the funds authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under—

(A) MAP-21 (Public Law 112–141);

(B) the SAFETEA-LU Technical Corrections Act of 2008 (Public Law 110–244);

(C) SAFETEA-LU (Public Law 109–59);

(D) the Transportation Equity Act for the 21st Century (Public Law 105–178);

(E) the National Highway System Designation Act of 1995 (Public Law 104–59);

(F) the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240); and

(G) title 23, United States Code (excluding chapter 4 of that title).

(2) CONTRACT AUTHORITY.—Funds authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) under this section shall be—

(A) available for obligation and shall be administered in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code; and

(B) for the Part-Year Extension Period, except as provided in paragraph (3)(B), subject to the limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year 2015 in paragraph (3)(A) or an Act making appropriations for fiscal year 2015 or a portion of that fiscal year.

(3) OBLIGATION CEILING.—

(A) IN GENERAL.—In the absence of an Act making appropriations for fiscal year 2015 or a portion of that fiscal year—

(i) the annual limitation on obligations for Federal-aid highway and highway safety construction programs for fiscal year 2015 shall be equal to that of fiscal year 2014; and

(ii) the limitation on obligations shall be distributed and funding shall be exempt from the limitation on obligations in the same manner as for fiscal year 2014

(B) APPLICATION DURING PART-YEAR EXTENSION PERIOD.—

(i) LIMITATION ON OBLIGATIONS.—During the Part-Year Extension Period, obligations subject to the limitation described in paragraph (2)(B) shall not exceed—

(I) the annual limitation on obligations imposed under that paragraph; multiplied by

(II) the Part-Year Ratio.

(ii) EXEMPT NHPP FUNDS.—During the Part-Year Extension Period, the amount of funds under section 119 of title 23, United States Code, that is exempt from the limitation on obligations imposed under paragraph (2)(B) shall be—

(I) $639,000,000; multiplied by

(II) the Part-Year Ratio.

(C) CALCULATIONS FOR DISTRIBUTION OF OBLIGATION LIMITATION.—The Secretary of Transportation shall, as necessary for purposes of making the calculations for the distribution of any obligation limitation during the Part-Year Extension Period—

(i) annualize the amount of contract authority provided under this Act for Federal-aid highways and highway safety construction programs; and

(ii) multiply the resulting distribution of obligation limitation by either the Part-Year Ratio or the pro rata for the period of an Act making appropriations for a portion of fiscal year 2015, whichever is applicable.

Subtitle B—Extension of Highway Safety Programs

SEC. 1101. EXTENSION OF NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION HIGHWAY SAFETY PROGRAMS.

(a) IN GENERAL.—Except as otherwise provided in this section, requirements, authorities, conditions, and other provisions authorized under subtitle A of title I of division C of MAP-21 (Public Law 112–141), section 2009 of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59), and chapter 4 of title 23, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the Part-Year Extension Period a sum equal to—

(1) the total amount authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for programs, projects, and activities for fiscal year 2014 under subtitle A of title I of division C of MAP-21 (Public Law 112–141), section 2009 of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59), and chapter 4 of title 23, United States Code; multiplied by

(2) the Part-Year Ratio.

(c) USE OF FUNDS.—Funds authorized to appropriated or made available for obligation under the authority of this section shall be distributed, administered, and made available for obligation in the same manner and at the same rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects and activities under—

(1) subtitle A of title I of division C of MAP-21 (Public Law 112–141);

(2) section 2009 of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59); and

(3) chapter 4 of title 23, United States Code.

(d) CONTRACT AUTHORITY.—Section 31101(c) of MAP-21 (126 Stat. 733) is amended by striking ''fiscal years 2013 and 2014'' and inserting ''fiscal years 2013, 2014, and 2015''.

(e) LAW ENFORCEMENT CAMPAIGNS.—Section 2009(a) of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59) is amended by striking ''fiscal years 2013 and 2014'' each place it appears and inserting ''fiscal years 2013, 2014, and 2015''.

SEC. 1102. EXTENSION OF FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION PROGRAMS.

(a) EXTENSION OF PROGRAMS.—Except as otherwise provided in this section, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under title II of division C of MAP-21 (Public Law 112–141), title IV of SAFETEA-LU (Public Law 109–59), and part B of subtitle VI of title 49, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for the period beginning October 1, 2014, and ending on the Part-Year Funding Date, a sum equal to—

(1) the total amount authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for programs, projects, and activities for fiscal year 2014 under title II of division C of MAP-21 (Public Law 112–141), title IV of SAFETEA-LU (Public Law 109–59), and part B of subtitle VI of title 49, United States Code; multiplied by

(2) the Part-Year Ratio.

(c) CONTRACT AUTHORITY.—Funds authorized to be appropriated under this section shall be available for obligation and shall be administered in the same manner as if the funds were authorized by section 4101 of SAFETEA-LU (Public Law 109–59) and amendments made by that section, as amended by section 32603 of MAP-21 (Public Law 112–141), or authorized by section 31104 of title 49, United States Code.

(d) USE OF FUNDS.—Funds authorized to be appropriated or made available for obligation and expended under the authority of this section shall be distributed, administered, limited, and made available for obligation in the same manner and at the same

rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under—

(1) title II of division C of MAP-21 (Public Law 112–141);

(2) title IV of SAFETEA-LU (Public Law 109–59); and

(3) part B of subtitle VI of title 49, United States Code.

SEC. 1103. DINGELL-JOHNSON SPORT FISH RESTORATION ACT.

Section 4 of the Dingell-Johnson Sport Fish Restoration Act (16 U.S.C. 777c) is amended—

(1) in subsection (a) in the matter preceding paragraph (1) by striking ''2014'' and inserting ''2015''; and

(2) in subsection (b)(1)(A) in the first sentence by striking ''2014'' and inserting ''2015''.

Subtitle C—Public Transportation Programs

SEC. 1201. PUBLIC TRANSPORTATION PROGRAMS CONTINUATION.

(a) EXTENSION FOR PUBLIC TRANSPORTATION PROGRAMS.—Except as otherwise provided in this section, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under division B of MAP-21 (Public Law 112–141) and chapter 53 of title 49, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) MASS TRANSIT ACCOUNT.—There shall be available from the Mass Transit Account of the Highway Trust Fund for the Part-Year Extension Period, a sum equal to—

(A) the total amount authorized to be appropriated out of the Mass Transit Account of the Highway Trust Fund for programs, projects, and activities for fiscal year 2014 authorized under division B of MAP-21 (Public Law 112–141) and under chapter 53 of title 49, United States Code; multiplied by

(B) the Part-Year Ratio.

(2) GENERAL FUND.—There is authorized to be appropriated from the general fund of the Treasury for the period beginning October 1, 2014, and ending on the Part-Year Funding Date, a sum equal to—

(A) the total amount authorized to be appropriated from the general fund of the Treasury for programs, projects, and activities for fiscal year 2014 under division B of MAP–21 (Public Law 112–141) and under chapter 53 of title 49, United States Code; multiplied by

(B) the Part-Year Ratio.

(c) CONTRACT AUTHORITY.—Funds made available under this section from the Mass Transit Account of the Highway Trust Fund shall be available for obligation in the same manner as set forth in section 5338(j)(1) of title 49, United States Code.

(d) USE OF FUNDS.—Funds authorized to appropriated or made available for obligation and expended under the authority of this section shall be distributed, administered, limited, and made available for obligation in the same manner and at the same rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under division B of MAP–21 (Public Law 112–141) and chapter 53 of title 49, United States Code.

(e) DISTRIBUTION OF FUNDS UNDER DIVISION B OF MAP-21.—Funds authorized to be appropriated or made available for programs continued under this section shall be distributed to those programs in the same proportion as funds were allocated for those programs for fiscal year 2014.

Subtitle D—Hazardous Materials

SEC. 1301. EXTENSION OF HAZARDOUS MATERIALS PROGRAMS.

(a) EXTENSION OF PROGRAMS.—Except as otherwise provided in this section, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under title III of division C of MAP–21 (Public Law 112–141) and chapter 51 of title 49, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated from the general fund of the Treasury and the Hazardous Materials Emergency Preparedness Fund established under section 5116(i) of title 49, United States Code, for the period beginning October 1, 2014, and ending on the Part-Year Funding Date, an amount equal to—

(1) the total amount authorized to be appropriated from the general fund of the Treasury and the Hazardous Materials Emergency Preparedness Fund for programs, projects, and activities for fiscal year 2014 under title III of division C of MAP-21 (Public Law 112–141) and chapter 51 of title 49, United States Code; multiplied by

(2) the Part-Year Ratio.

(c) USE OF FUNDS.—Funds authorized to be appropriated or made available for obligation and expended under the authority of this section shall be distributed, administered, limited, and made available for obligation in the same manner and at the same rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under title III of division C of MAP–21 (Public Law 112–141) and chapter 51 of title 49, United States Code.

TITLE II—REVENUE PROVISIONS

SEC. 2001. EXTENSION OF HIGHWAY TRUST FUND EXPENDITURE AUTHORITY.

(a) HIGHWAY TRUST FUND.—Section 9503 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''October 1, 2014'' in subsections (b)(6)(B), (c)(1), and (e)(3) and inserting ''December 20, 2014'', and

(2) by striking ''MAP–21'' in subsections (c)(1) and (e)(3) and inserting ''Highway and Transportation Funding Act of 2014''.

(b) SPORT FISH RESTORATION AND BOATING TRUST FUND.—Section 9504 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''MAP–21'' each place it appears in subsection (b)(2) and inserting ''Highway and Transportation Funding Act of 2014'', and

(2) by striking ''October 1, 2014'' in subsection (d)(2) and inserting ''December 20, 2014''.

(c) LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—Paragraph (2) of section 9508(e) of the Internal Revenue Code of 1986 is amended by striking ''October 1, 2014'' and inserting ''December 20, 2014''.

SEC. 2002. FUNDING OF HIGHWAY TRUST FUND.

(a) IN GENERAL.—Subsection (f) of section 9503 of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (7) and by inserting after paragraph (4) the following new paragraphs:

''(A) $5,633,000,000 to the Highway Account (as defined in subsection (e)(5)(B)) in the Highway Trust Fund; and

''(B) $1,500,000,000 to the Mass Transit Account in the Highway Trust Fund.

''(6) ADDITIONAL INCREASE IN FUND BALANCE.—There is hereby transferred to the Highway Account (as defined in subsection (e)(5)(B)) in the Highway Trust Fund amounts appropriated from the Leaking Underground Storage Tank Trust Fund under section 9508(c)(3).''.

(b) APPROPRIATION FROM LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—

(1) IN GENERAL.—Subsection (c) of section 9508 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(3) ADDITIONAL TRANSFER TO HIGHWAY TRUST FUND.—Out of amounts in the Leaking Underground Storage Tank Trust Fund there is hereby appropriated $1,000,000,000 to be transferred under section 9503(f)(6) to the Highway Account (as defined in section 9503(e)(5)(B)) in the Highway Trust Fund.''.

(2) CONFORMING AMENDMENT.—Section 9508(c)(1) of the Internal Revenue Code of 1986 is amended by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)''.

SEC. 2003. ADDITIONAL INFORMATION ON RETURNS RELATING TO MORTGAGE INTEREST.

(a) IN GENERAL.—Paragraph (2) of section 6050H(b) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of subparagraph (C), by redesignating subparagraph (D) as subparagraph (I), and by inserting after subparagraph (C) the following new subparagraphs:

''(D) the unpaid balance with respect to such mortgage at the close of the calendar year,

''(E) the address of the property securing such mortgage,

''(F) information with respect to whether the mortgage is a refinancing that occurred in such calendar year,

''(G) the amount of real estate taxes paid from an escrow account with respect to the property securing such mortgage,

''(H) the date of the origination of such mortgage, and''.

(b) PAYEE STATEMENTS.—Subsection (d) of section 6050H of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by inserting after paragraph (2) the following new paragraph:

''(3) the information required to be included on the return under subparagraphs (D), (E), (F), (G) and (H) of subsection (b)(2).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which (determined without regard to extensions) is after December 31, 2015.

SEC. 2004. PENALTY FOR FAILURE TO MEET DUE DILIGENCE REQUIREMENTS FOR THE CHILD TAX CREDIT.

(a) IN GENERAL.—Section 6695 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(h) FAILURE TO BE DILIGENT IN DETERMINING ELIGIBILITY FOR CHILD TAX CREDIT.—Any person who is a tax return preparer with respect to any return or claim for refund who fails to comply with due diligence requirements imposed by the Secretary by regulations with respect to determining eligibility for, or the amount of, the credit allowable by section 24 shall pay a penalty of $500 for each such failure.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

SEC. 2005. CLARIFICATION OF 6-YEAR STATUTE OF LIMITATIONS IN CASE OF OVERSTATEMENT OF BASIS.

(a) IN GENERAL.—Subparagraph (B) of section 6501(e)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) An understatement of gross income by reason of an overstatement of unrecovered cost or other basis is an omission from gross income; and'',

(2) by inserting ''(other than in the case of an overstatement of unrecovered cost or other basis)'' in clause (iii) (as so redesignated) after ''In determining the amount omitted from gross income'', and

(3) by inserting ''AMOUNT OMITTED FROM'' after ''DETERMINATION OF'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) returns filed after the date of the enactment of this Act, and

(2) returns filed on or before such date if the period specified in section 6501 of the Internal Revenue Code of 1986 (determined without regard to such amendments) for assessment of the taxes with respect to which such return relates has not expired as of such date.

SEC. 2006. 100 PERCENT CONTINUOUS LEVY ON PAYMENT TO MEDICARE PROVIDERS AND SUPPLIERS.

(a) IN GENERAL.—Paragraph (3) of section 6331(h) of the Internal Revenue Code of 1986 is amended by striking the period at the end and inserting '', or to a Medicare provider or supplier under title XVIII of the Social Security Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made on or after the date which is 6 months after the date of the enactment of this Act.

SEC. 2007. MODIFICATION OF TAX EXEMPTION REQUIREMENTS FOR MUTUAL DITCH OR IRRIGATION COMPANIES.

(a) IN GENERAL.—Paragraph (12) of section 501(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(I) TREATMENT OF MUTUAL DITCH IRRIGATION COMPANIES.—

''(i) IN GENERAL.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, subparagraph (A) shall be applied without taking into account any income received or accrued—

''(I) from the sale, lease, or exchange of fee or other interests in real property, including interests in water,

''(II) from the sale or exchange of stock in a mutual ditch or irrigation company (or in a like organization to a mutual ditch or irrigation company) or contract rights for the delivery or use of water, or

''(III) from the investment of proceeds from sales, leases, or exchanges under subclauses (I) and (II),

except that any income received under subclause (I), (II), or (III) which is distributed or expended for expenses (other than for operations, maintenance, and capital improvements) of the mutual ditch or irrigation company or of the like organization to a mutual ditch or irrigation company (as the case may be) shall be treated as nonmember income in the year in which it is distributed or expended. For purposes of the preceding sentence, expenses (other than for operations, maintenance, and capital improvements) include expenses for the construction of conveyances designed to deliver water outside of the system of the mutual ditch or irrigation company or of the like organization.

''(ii) TREATMENT OF ORGANIZATIONAL GOVERNANCE.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, where State law provides that such a company or organization may be organized in a manner that permits voting on a basis which is pro rata to share ownership on corporate governance matters, subparagraph (A) shall be applied without taking into account whether its member shareholders have one vote on corporate governance matters per share held in the corporation. Nothing in this clause shall be construed to create any inference about the requirements of this subsection for companies or organizations not included in this clause.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 2008. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NATURAL GAS AND LIQUEFIED PETROLEUM GAS.

(a) LIQUEFIED PETROLEUM GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) in the case of liquefied petroleum gas, 18.3 cents per energy equivalent of a gallon of gasoline, and''.

(2) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—Paragraph (2) of section 4041(a) of such Code is amended by adding at the end the following:

''(C) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—For purposes of this paragraph, the term 'energy equivalent of a gallon of gasoline' means, with respect to a liquefied petroleum gas fuel, the amount of such fuel having a Btu content of 115,400 (lower heating value).''.

(b) LIQUEFIED NATURAL GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2) of the Internal Revenue Code of 1986, as amended by subsection (a)(1), is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'' and by inserting after clause (iii) the following new clause:

''(iv) in the case of liquefied natural gas, 24.3 cents per energy equivalent of a gallon of diesel.''.

(2) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—Paragraph (2) of section 4041(a) of such Code, as amended by subsection (a)(2), is amended by adding at the end the following:

''(D) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—For purposes of this paragraph, the term 'energy equivalent of a gallon of diesel' means, with respect to a liquefied natural gas fuel, the amount of such fuel having a Btu content of 128,700 (lower heating value).''.

(3) CONFORMING AMENDMENTS.—Section 4041(a)(2)(B)(iv) of the Internal Revenue Code of 1986, as redesignated by subsection (a)(1) and paragraph (1), is amended—

(A) by striking ''liquefied natural gas,'', and

(B) by striking ''peat), and'' and inserting ''peat) and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any sale or use of fuel after September 30, 2014.

SEC. 2009. EXTENSION OF CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended—

(1) in subparagraph (A), by striking ''September 30, 2023'' and inserting ''January 7, 2024'', and

(2) in subparagraph (B)(i), by striking ''September 30, 2023'' and inserting ''January 7, 2024''.

TITLE III—BUDGETARY PROVISIONS

SEC. 301. TREATMENT FOR PAYGO PURPOSES.

(a) PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by 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 (2 U.S.C. 933(d)).

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).

SA 3584. Mr. LEE submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE _____—TRANSPORTATION EMPOWERMENT

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Transportation Empowerment Act''.

SEC. ___02. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the objective of the Federal highway program has been to facilitate the construction of a modern freeway system that promotes efficient interstate commerce by connecting all States;

(2) the objective described in paragraph (1) has been attained, and the Interstate System connecting all States is near completion;

(3) each State has the responsibility of providing an efficient transportation network for the residents of the State;

(4) each State has the means to build and operate a network of transportation systems, including highways, that best serves the needs of the State;

(5) each State is best capable of determining the needs of the State and acting on those needs;

(6) the Federal role in highway transportation has, over time, usurped the role of the States by taxing motor fuels used in the States and then distributing the proceeds to the States based on the perceptions of the Federal Government on what is best for the States;

(7) the Federal Government has used the Federal motor fuels tax revenues to force all States to take actions that are not necessarily appropriate for individual States;

(8) the Federal distribution, review, and enforcement process wastes billions of dollars on unproductive activities;

(9) Federal mandates that apply uniformly to all 50 States, regardless of the different circumstances of the States, cause the States to waste billions of hard-earned tax dollars on projects, programs, and activities that the States would not otherwise undertake; and

(10) Congress has expressed a strong interest in reducing the role of the Federal Government by allowing each State to manage its own affairs.

(b) PURPOSES.—The purposes of this title are—

(1) to return to the individual States maximum discretionary authority and fiscal responsibility for all elements of the national surface transportation systems that are not within the direct purview of the Federal Government;

(2) to preserve Federal responsibility for the Dwight D. Eisenhower National System of Interstate and Defense Highways;

(3) to preserve the responsibility of the Department of Transportation for—

(A) design, construction, and preservation of transportation facilities on Federal public land;

(B) national programs of transportation research and development and transportation safety; and

(C) emergency assistance to the States in response to natural disasters;

(4) to eliminate to the maximum extent practicable Federal obstacles to the ability of each State to apply innovative solutions to the financing, design, construction, operation, and preservation of Federal and State transportation facilities; and

(5) with respect to transportation activities carried out by States, local governments, and the private sector, to encourage—

(A) competition among States, local governments, and the private sector; and

(B) innovation, energy efficiency, private sector participation, and productivity.

SEC. ___03. FUNDING LIMITATION.

Notwithstanding any other provision of law, if the Secretary of Transportation determines for any of fiscal years 2016 through 2020 that the aggregate amount required to carry out transportation programs and projects under this title and amendments made by this title exceeds the estimated aggregate amount in the Highway Trust Fund available for those programs and projects for the fiscal year, each amount made available for that program or project shall be reduced by the pro rata percentage required to reduce the aggregate amount required to carry out those programs and projects to an amount equal to that available for those programs and projects in the Highway Trust Fund for the fiscal year.

SEC. ___04. FUNDING FOR CORE HIGHWAY PROGRAMS.

(a) IN GENERAL.—

(1) AUTHORIZATION OF APPROPRIATIONS.—The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(A) FEDERAL-AID HIGHWAY PROGRAM.—For the national highway performance program under section 119 of title 23, United States Code, the surface transportation program under section 133 of that title, the metropolitan transportation planning program under section 134 of that title, the highway safety improvement program under section 148 of that title, and the congestion mitigation and air quality improvement program under section 149 of that title—

(i) $37,592,576,000 for fiscal year 2016;

(ii) $19,720,696,000 for fiscal year 2017;

(iii) $13,147,130,000 for fiscal year 2018;

(iv) $10,271,196,000 for fiscal year 2019; and

(v) $7,600,685,000 for fiscal year 2020.

(B) EMERGENCY RELIEF.—For emergency relief under section 125 of title 23, United States Code, $100,000,000 for each of fiscal years 2016 through 2020.

(C) FEDERAL LANDS PROGRAMS.—

(i) FEDERAL LANDS TRANSPORTATION PROGRAM.—For the Federal lands transportation program under section 203 of title 23, United States Code, $300,000,000 for each of fiscal years 2016 through 2020, of which $240,000,000 of the amount made available for each fiscal year shall be the amount for the National Park Service and $30,000,000 of the amount made available for each fiscal year shall be the amount for the United States Fish and Wildlife Service.

(ii) FEDERAL LANDS ACCESS PROGRAM.—For the Federal lands access program under section 204 of title 23, United States Code, $250,000,000 for each of fiscal years 2016 through 2020.

(D) ADMINISTRATIVE EXPENSES.—Section 104(a) of title 23, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to be made available to the Secretary for administrative expenses of the Federal Highway Administration—

''(A) $437,600,000 for fiscal year 2016;

''(B) $229,565,000 for fiscal year 2017;

''(C) $153,043,000 for fiscal year 2018;

''(D) $119,565,000 for fiscal year 2019; and

''(E) $88,478,000 for fiscal year 2020.''.

(2) TRANSFERABILITY OF FUNDS.—Section 104 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

''(f) TRANSFERABILITY OF FUNDS.—

''(1) IN GENERAL.—To the extent that a State determines that funds made available under this title to the State for a purpose are in excess of the needs of the State for that purpose, the State may transfer the excess funds to, and use the excess funds for, any surface transportation (including mass transit and rail) purpose in the State.

''(2) ENFORCEMENT.—If the Secretary determines that a State has transferred funds under paragraph (1) to a purpose that is not a surface transportation purpose as described in paragraph (1), the amount of the improperly transferred funds shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year that begins after the date of the determination.''.

(3) FEDERAL-AID SYSTEM.—

(A) IN GENERAL.—Section 103(a) of title 23, United States Code, is amended by striking ''the National Highway System, which includes''.

(B) CONFORMING AMENDMENTS.—Chapter 1 of title 23, United States Code, is amended—

(i) in section 103 by striking the section designation and heading and inserting the following:

''§ 103. Federal-aid system'';

and

(ii) in the analysis by striking the item relating to section 103 and inserting the following:

''103. Federal-aid system.''.

(4) CALCULATION OF STATE AMOUNTS.—Section 104(c)(2) of title 23, United States Code, is amended—

(A) in the paragraph heading by striking ''FOR FISCAL YEAR 2014'' and inserting ''SUBSEQUENT FISCAL YEARS''; and

(B) in subparagraph (A) by striking ''fiscal year 2014'' and inserting ''fiscal year 2016 and each subsequent fiscal year''.

(5) NATIONAL BRIDGE AND TUNNEL INVENTORY AND INSPECTION STANDARDS.—

(A) IN GENERAL.—Section 144 of title 23, United States Code, is amended—

(i) in subsection (e)(1) by inserting ''on the Federal-aid system'' after ''any bridge''; and

(ii) in subsection (f)(1) by inserting ''on the Federal-aid system'' after ''construct any bridge''.

(B) REPEAL OF HISTORIC BRIDGES PROVISIONS.—Section 144(g) of title 23, United States Code, is repealed.

(6) REPEAL OF TRANSPORTATION ALTERNATIVES PROGRAM.—The following provisions are repealed:

(A) Section 213 of title 23, United States Code.

(B) The item relating to section 213 in the analysis for chapter 1 of title 23, United States Code.

(7) NATIONAL DEFENSE HIGHWAYS.—Section 311 of title 23, United States Code, is amended—

(A) in the first sentence, by striking ''under subsection (a) of section 104 of this title'' and inserting ''to carry out this section''; and

(B) by striking the second sentence.

(8) FEDERALIZATION AND DEFEDERALIZATION OF PROJECTS.—Notwithstanding any other provision of law, beginning on October 1, 2015—

(A) a highway construction or improvement project shall not be considered to be a Federal highway construction or improvement project unless and until a State expends Federal funds for the construction portion of the project;

(B) a highway construction or improvement project shall not be considered to be a Federal highway construction or improvement project solely by reason of the expenditure of Federal funds by a State before the construction phase of the project to pay expenses relating to the project, including for any environmental document or design work required for the project; and

(C)(i) a State may, after having used Federal funds to pay all or a portion of the costs of a highway construction or improvement project, reimburse the Federal Government in an amount equal to the amount of Federal funds so expended; and

(ii) after completion of a reimbursement described in clause (i), a highway construction or improvement project described in that clause shall no longer be considered to be a Federal highway construction or improvement project.

(9) REPORTING REQUIREMENTS.—No reporting requirement, other than a reporting requirement in effect as of the date of enactment of this Act, shall apply on or after October 1, 2016, to the use of Federal funds for highway projects by a public-private partnership.

(b) EXPENDITURES FROM HIGHWAY TRUST FUND.—

(1) EXPENDITURES FOR CORE PROGRAMS.—Section 9503(c) of the Internal Revenue Code of 1986 is amended—

(A) in paragraph (1)—

(i) by striking ''October 1, 2014'' and inserting ''October 1, 2021''; and

(ii) by striking ''MAP–21'' and inserting ''Transportation Empowerment Act'';

(B) in paragraphs (3)(A)(i), (4)(A), and (5), by striking ''October 1, 2016'' each place it appears and inserting ''October 1, 2023''; and

(C) in paragraph (2), by striking ''July 1, 2017'' and inserting ''July 1, 2024''.

(2) AMOUNTS AVAILABLE FOR CORE PROGRAM EXPENDITURES.—Section 9503 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(g) CORE PROGRAMS FINANCING RATE.—

''(1) IN GENERAL.—Except as provided in paragraph (2)—

''(A) in the case of gasoline and special motor fuels the tax rate of which is the rate specified in section 4081(a)(2)(A)(i), the core programs financing rate is—

''(i) after September 30, 2015, and before October 1, 2016, 18.3 cents per gallon,

''(ii) after September 30, 2016, and before October 1, 2017, 9.6 cents per gallon,

''(iii) after September 30, 2017, and before October 1, 2018, 6.4 cents per gallon,

''(iv) after September 30, 2018, and before October 1, 2019, 5.0 cents per gallon, and

''(v) after September 30, 2019, 3.7 cents per gallon, and

''(B) in the case of kerosene, diesel fuel, and special motor fuels the tax rate of which is the rate specified in section 4081(a)(2)(A)(iii), the core programs financing rate is—

''(i) after September 30, 2015, and before October 1, 2016, 24.3 cents per gallon,

''(ii) after September 30, 2016, and before October 1, 2017, 12.7 cents per gallon,

''(iii) after September 30, 2017, and before October 1, 2018, 8.5 cents per gallon,

''(iv) after September 30, 2018, and before October 1, 2019, 6.6 cents per gallon, and

''(v) after September 30, 2019 5.0 cents per gallon.

''(2) APPLICATION OF RATE.—In the case of fuels used as described in paragraphs (3)(C), (4)(B), and (5) of subsection (c), the core programs financing rate is zero.''.

(c) TERMINATION OF MASS TRANSIT ACCOUNT.—Section 9503(e)(2) of the Internal Revenue Code of 1986 is amended—

(1) in the first sentence, by inserting '', and before October 1, 2015'' after ''March 31, 1983''; and

(2) by adding at the end the following:

''(6) TRANSFER TO HIGHWAY ACCOUNT.—On October 1, 2016, the Secretary shall transfer all amounts in the Mass Transit Account to the Highway Account.''.

(d) EFFECTIVE DATE.—The amendments and repeals made by this section take effect on October 1, 2015.

SEC. ____05. FUNDING FOR HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) to carry out section 503(b) of title 23, United States Code, $115,000,000 for each of fiscal years 2016 through 2020.

(b) APPLICABILITY OF TITLE 23, UNITED STATES CODE.—Funds authorized to be appropriated by subsection (a) shall—

(1) be available for obligation in the same manner as if those funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project or activity carried out using those funds shall be 80 percent, unless otherwise expressly provided by this title (including the amendments by this title) or otherwise determined by the Secretary; and

(2) remain available until expended and not be transferable.

SEC. ____06. RETURN OF EXCESS TAX RECEIPTS TO STATES.

(a) IN GENERAL.—Section 9503(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(6) RETURN OF EXCESS TAX RECEIPTS TO STATES FOR SURFACE TRANSPORTATION PURPOSES.—

''(A) IN GENERAL.—On the first day of each of fiscal years 2017, 2018, 2019, and 2020, the Secretary, in consultation with the Secretary of Transportation, shall—

''(i) determine the excess (if any) of—

''(I) the amounts appropriated in such fiscal year to the Highway Trust Fund under subsection (b) which are attributable to the taxes described in paragraphs (1) and (2) thereof (after the application of paragraph (4) thereof) over the sum of—

''(II) the amounts so appropriated which are equivalent to—

''(aa) such amounts attributable to the core programs financing rate for such year, plus

''(bb) the taxes described in paragraphs (3)(C), (4)(B), and (5) of subsection (c), and

''(ii) allocate the amount determined under clause (i) among the States (as defined in section 101(a) of title 23, United States Code) for surface transportation (including mass transit and rail) purposes so that—

''(I) the percentage of that amount allocated to each State, is equal to

''(II) the percentage of the amount determined under clause (i)(I) paid into the Highway Trust Fund in the latest fiscal year for which such data are available which is attributable to highway users in the State.

''(B) ENFORCEMENT.—If the Secretary determines that a State has used amounts under subparagraph (A) for a purpose which is not a surface transportation purpose as described in subparagraph (A), the improperly used amounts shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year which begins after the date of the determination.''.

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on October 1, 2015.

SEC. ____07. REDUCTION IN TAXES ON GASOLINE, DIESEL FUEL, KEROSENE, AND SPECIAL FUELS FUNDING HIGHWAY TRUST FUND.

(a) REDUCTION IN TAX RATE.—

(1) IN GENERAL.—Section 4081(a)(2)(A) of the Internal Revenue Code of 1986 is amended—

(A) in clause (i), by striking ''18.3 cents'' and inserting ''3.7 cents''; and

(B) in clause (iii), by striking ''24.3 cents'' and inserting ''5.0 cents''.

(2) CONFORMING AMENDMENTS.—

(A) Section 4081(a)(2)(D) of such Code is amended—

(i) by striking ''19.7 cents'' and inserting ''4.1 cents'', and

(ii) by striking ''24.3 cents'' and inserting ''5.0 cents''.

(B) Section 6427(b)(2)(A) of such Code is amended by striking ''7.4 cents'' and inserting ''1.5 cents''.

(b) ADDITIONAL CONFORMING AMENDMENTS.—

(1) Section 4041(a)(1)(C)(iii)(I) of the Internal Revenue Code of 1986 is amended by striking ''7.3 cents per gallon (4.3 cents per gallon after September 30, 2016)'' and inserting ''1.4 cents per gallon (zero after September 30, 2022)''.

(2) Section 4041(a)(2)(B)(ii) of such Code is amended by striking ''24.3 cents'' and inserting ''5.0 cents''.

(3) Section 4041(a)(3)(A) of such Code is amended by striking ''18.3 cents'' and inserting ''3.7 cents''.

(4) Section 4041(m)(1) of such Code is amended—

(A) in subparagraph (A), by striking ''2016'' and inserting ''2022,'';

(B) in subparagraph (A)(i), by striking ''9.15 cents'' and inserting ''1.8 cents'';

(C) in subparagraph (A)(ii), by striking ''11.3 cents'' and inserting ''2.3 cents''; and

(D) by striking subparagraph (B) and inserting the following:

''(B) zero after September 30, 2022.''.

(5) Section 4081(d)(1) of such Code is amended by striking ''4.3 cents per gallon after September 30, 2016'' and inserting ''zero after September 30, 2022''.

(6) Section 9503(b) of such Code is amended—

(A) in paragraphs (1) and (2), by striking ''October 1, 2016'' both places it appears and inserting ''October 1, 2022'';

(B) in the heading of paragraph (2), by striking ''OCTOBER 1, 2016'' and inserting ''OCTOBER 1, 2022'';

(C) in paragraph (2), by striking ''after September 30, 2016, and before July 1, 2017'' and inserting ''after September 30, 2021, and before July 1, 2023''; and

(D) in paragraph (6)(B), by striking ''October 1, 2014'' and inserting ''October 1, 2020''.

(c) FLOOR STOCK REFUNDS.—

(1) IN GENERAL.—If—

(A) before October 1, 2020, tax has been imposed under section 4081 of the Internal Revenue Code of 1986 on any liquid; and

(B) on such date such liquid is held by a dealer and has not been used and is intended for sale;

there shall be credited or refunded (without interest) to the person who paid such tax (in this subsection referred to as the ''taxpayer'') an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on such date.

(2) TIME FOR FILING CLAIMS.—No credit or refund shall be allowed or made under this subsection unless—

(A) claim therefor is filed with the Secretary of the Treasury before April 1, 2021; and

(B) in any case where liquid is held by a dealer (other than the taxpayer) on October 1, 2020—

(i) the dealer submits a request for refund or credit to the taxpayer before January 1, 2021; and

(ii) the taxpayer has repaid or agreed to repay the amount so claimed to such dealer or has obtained the written consent of such dealer to the allowance of the credit or the making of the refund.

(3) EXCEPTION FOR FUEL HELD IN RETAIL STOCKS.—No credit or refund shall be allowed under this subsection with respect to any liquid in retail stocks held at the place where intended to be sold at retail.

(4) DEFINITIONS.—For purposes of this subsection, the terms ''dealer'' and ''held by a dealer'' have the respective meanings given to such terms by section 6412 of such Code; except that the term ''dealer'' includes a producer.

(5) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 and sections 6206 and 6675 of such Code shall apply for purposes of this subsection.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to fuel removed after September 30, 2020.

(2) CERTAIN CONFORMING AMENDMENTS.—The amendments made by subsections (b)(4) and (b)(6) shall apply to fuel removed after September 30, 2017.

SEC. ____08. REPORT TO CONGRESS.

Not later than 180 days after the date of enactment of this Act, after consultation with the appropriate committees of Congress, the Secretary of Transportation shall submit a report to Congress describing such technical and conforming amendments to titles 23 and 49, United States Code, and such technical and conforming amendments to other laws, as are necessary to bring those titles and other laws into conformity with the policy embodied in this title and the amendments made by this title.

SEC. ____09. EFFECTIVE DATE CONTINGENT ON CERTIFICATION OF DEFICIT NEUTRALITY.

(a) PURPOSE.—The purpose of this section is to ensure that—

(1) this title will become effective only if the Director of the Office of Management and Budget certifies that this title is deficit neutral;

(2) discretionary spending limits are reduced to capture the savings realized in devolving transportation functions to the State level pursuant to this title; and

(3) the tax reduction made by this title is not scored under pay-as-you-go and does not inadvertently trigger a sequestration.

(b) EFFECTIVE DATE CONTINGENCY.—Notwithstanding any other provision of this title, this title and the amendments made by this title shall take effect only if—

(1) the Director of the Office of Management and Budget (referred to in this section as the ''Director'') submits the report as required in subsection (c); and

(2) the report contains a certification by the Director that, based on the required estimates, the reduction in discretionary outlays resulting from the reduction in contract authority is at least as great as the reduction in revenues for each fiscal year through fiscal year 2021.

(c) OMB ESTIMATES AND REPORT.—

(1) REQUIREMENTS.—Not later than 5 calendar days after the date of enactment of this Act, the Director shall—

(A) estimate the net change in revenues resulting from this title for each fiscal year through fiscal year 2020;

(B) estimate the net change in discretionary outlays resulting from the reduction in contract authority under this title for each fiscal year through fiscal year 2020;

(C) determine, based on those estimates, whether the reduction in discretionary outlays is at least as great as the reduction in revenues for each fiscal year through fiscal year 2021; and

(D) submit to Congress a report setting forth the estimates and determination.

(2) APPLICABLE ASSUMPTIONS AND GUIDELINES.—

(A) REVENUE ESTIMATES.—The revenue estimates required under paragraph (1)(A) shall be predicated on the same economic and technical assumptions and score keeping guidelines that would be used for estimates made pursuant to section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).

(B) OUTLAY ESTIMATES.—The outlay estimates required under paragraph (1)(B) shall be determined by comparing the level of discretionary outlays resulting from this title with the corresponding level of discretionary outlays projected in the baseline under section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907).

(d) CONFORMING ADJUSTMENT TO DISCRETIONARY SPENDING LIMITS.—On compliance with the requirements specified in subsection (b), the Director shall adjust the adjusted discretionary spending limits for each fiscal year through fiscal year 2019 under section 601(a)(2) of the Congressional Budget Act of 1974 (2 U.S.C. 665(a)(2)) by the estimated reductions in discretionary outlays under subsection (c)(1)(B).

(e) PAYGO INTERACTION.—On compliance with the requirements specified in subsection (b), no changes in revenues estimated to result from the enactment of this Act shall be counted for the purposes of section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).

SA 3585. Mr. TOOMEY submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title I, add the following:

SEC. 10___. EMERGENCY EXEMPTIONS.

Any road, highway, railway, bridge, or transit facility that is damaged by an emergency that is declared by the Governor of the State and concurred in by the Secretary of Homeland Security or declared as an emergency by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and that is in operation or under construction on the date on which the emergency occurs—

(1) may be reconstructed in the same location with the same capacity, dimensions, and design as before the emergency; and

(2) shall be exempt from any environmental reviews, approvals, licensing, and permit requirements under—

(A) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(B) sections 402 and 404 of the Federal Water Pollution Control Act (33 U.S.C. 1342, 1344);

(C) the National Historic Preservation Act (16 U.S.C. 470 et seq.);

(D) the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.);

(E) the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.);

(F) the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.);

(G) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), except when the reconstruction occurs in designated critical habitat for threatened and endangered species;

(H) Executive Order 11990 (42 U.S.C. 4321 note; relating to the protection of wetland); and

(I) any Federal law (including regulations) requiring no net loss of wetland.

SA 3586. Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. HEALTH INSURANCE COVERAGE FOR CERTAIN CONGRESSIONAL STAFF AND MEMBERS OF THE EXECUTIVE BRANCH.

Section 1312(d)(3)(D) of the Patient Protection and Affordable Care Act (42 U.S.C. 18032(d)(3)(D)) is amended—

(1) by striking the subparagraph heading and inserting the following:

''(D) MEMBERS OF CONGRESS, CONGRESSIONAL STAFF, AND POLITICAL APPOINTEES IN THE EXCHANGE.—'';

(2) in clause (i), in the matter preceding subclause (I)—

(A) by striking ''and congressional staff with'' and inserting '', congressional staff, the President, the Vice President, and political appointees with''; and

(B) by striking ''or congressional staff shall'' and inserting '', congressional staff, the President, the Vice President, or a political appointee shall'';

(3) in clause (ii)—

(A) in subclause (II), by inserting after ''Congress,'' the following: ''of a committee of Congress, or of a leadership office of Congress,''; and

(B) by adding at the end the following:

''(III) POLITICAL APPOINTEE.—In this subparagraph, the term 'political appointee' means any individual who—

''(aa) is employed in a position described under sections 5312 through 5316 of title 5, United States Code, (relating to the Executive Schedule);

''(bb) is a limited term appointee, limited emergency appointee, or noncareer appointee in the Senior Executive Service, as defined under paragraphs (5), (6), and (7), respectively, of section 3132(a) of title 5, United States Code;

''(cc) is employed in a position in the executive branch of the Government of a confidential or policy-determining character under schedule C of subpart C of part 213 of title 5 of the Code of Federal Regulations; or

''(dd) is employed in or under the Executive Office of the President in a position that is excluded from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character.''; and

(4) by adding at the end the following:

''(iii) GOVERNMENT CONTRIBUTION.—No Government contribution under section 8906 of title 5, United States Code, shall be provided on behalf of an individual who is a Member of Congress, a congressional staff member, the President, the Vice President, or a political appointees for coverage under this paragraph.

''(iv) LIMITATION ON AMOUNT OF TAX CREDIT OR COST-SHARING.—An individual enrolling in health insurance coverage pursuant to this paragraph shall not be eligible to receive a tax credit under section 36B of the Internal Revenue Code of 1986 or reduced cost sharing under section 1402 of this Act in an amount that exceeds the total amount for which a similarly situated individual (who is not so enrolled) would be entitled to receive under such sections.

''(v) LIMITATION ON DISCRETION FOR DESIGNATION OF STAFF.—Notwithstanding any other provision of law, a Member of Congress shall not have discretion in determinations with respect to which employees employed by the office of such Member are eligible to enroll for coverage through an Exchange.''.

SA 3587. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Foreign Earnings Reinvestment Act''.

SEC. 2. ALLOWANCE OF TEMPORARY DIVIDENDS RECEIVED DEDUCTION FOR DIVIDENDS RECEIVED FROM A CONTROLLED FOREIGN CORPORATION.

(a) APPLICABILITY OF PROVISION.—

(1) IN GENERAL.—Subsection (f) of section 965 of the Internal Revenue Code of 1986 is amended to read as follows:

''(f) ELECTION; ELECTION YEAR.—

''(1) IN GENERAL.—The taxpayer may elect to apply this section to—

''(A) the taxpayer's last taxable year which begins before the date of the enactment of the Foreign Earnings Reinvestment Act, or

''(B) the taxpayer's first taxable year which begins during the 1-year period beginning on such date.

Such election may be made for a taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.

''(C) ELECTION YEAR.—For purposes of this section, the term 'election year' means the taxable year—

''(i) which begins after the date that is one year before the date of the enactment of the Foreign Earnings Reinvestment Act, and

''(ii) to which the taxpayer elects under paragraph (1) to apply this section.''.

(2) CONFORMING AMENDMENTS.—

(A) EXTRAORDINARY DIVIDENDS.—Section 965(b)(2) of such Code is amended—

(i) by striking ''June 30, 2003'' and inserting ''June 30, 2014'', and

(ii) by adding at the end the following new sentence: ''The amounts described in clauses (i), (ii), and (iii) shall not include any amounts which were taken into account in determining the deduction under subsection (a) for any prior taxable year.''.

(B) DETERMINATIONS RELATING TO RELATED PARTY INDEBTEDNESS.—Section 965(b)(3)(B) of such Code is amended by striking ''October 3, 2004'' and inserting ''June 30, 2014''.

(C) DETERMINATIONS RELATING TO BASE PERIOD.—Section 965(c)(2) of such Code is amended by striking ''June 30, 2003'' and inserting ''June 30, 2014''.

(b) DEDUCTION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.—

(1) IN GENERAL.—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled

foreign corporations of the United States shareholder.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 965(c) of such Code, as amended by subsection (a), is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5), as paragraphs (1), (2), (3), and (4), respectively.

(B) Paragraph (4) of section 965(c) of such Code, as redesignated by subparagraph (A), is amended to read as follows:

''(4) CONTROLLED GROUPS.—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.''.

(c) AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Paragraph (1) of section 965(a) of the Internal Revenue Code of 1986 is amended by striking ''85 percent'' and inserting ''75 percent''.

(2) BONUS DEDUCTION IN SUBSEQUENT TAXABLE YEAR FOR INCREASING JOBS.—Section 965 of such Code is amended by adding at the end the following new subsection:

''(g) BONUS DEDUCTION.—

''(1) IN GENERAL.—In the case of any taxpayer who makes an election to apply this section, there shall be allowed as a deduction for the first taxable year following the election year an amount equal to the applicable percentage of the cash dividends which are taken into account under subsection (a) with respect to such taxpayer for the election year.

''(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is the amount which bears the same ratio (not greater than 1) to 10 percent as—

''(A) the excess (if any) of—

''(i) the qualified payroll of the taxpayer for the calendar year which begins with or within the first taxable year following the election year, over

''(ii) the qualified payroll of the taxpayer for calendar year 2013, bears to

''(B) 10 percent of the qualified payroll of the taxpayer for calendar year 2013.

''(3) QUALIFIED PAYROLL.—For purposes of this paragraph:

''(A) IN GENERAL.—The term 'qualified payroll' means, with respect to a taxpayer for any calendar year, the aggregate wages (as defined in section 3121(a)) paid by the corporation during such calendar year.

''(B) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—

''(i) ACQUISITIONS.—If, after December 31, 2012, and before the close of the first taxable year following the election year, a taxpayer acquires the trade or business of a predecessor, then the qualified payroll of such taxpayer for any calendar year shall be increased by so much of the qualified payroll of the predecessor for such calendar year as was attributable to the trade or business acquired by the taxpayer.

''(ii) DISPOSITIONS.—If, after December 31, 2012, and before the close of the first taxable year following the election year, a taxpayer disposes of a trade or business, then—

''(I) the qualified payroll of such taxpayer for calendar year 2013 shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer, and

''(II) if the disposition occurs after the beginning of the first taxable year following the election year, the qualified payroll of such taxpayer for the calendar year which begins with or within such taxable year shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer.

''(C) SPECIAL RULE.—For purposes of determining qualified payroll for any calendar year after calendar year 2014, such term shall not include wages paid to any individual if such individual received compensation from the taxpayer for services performed—

''(i) after the date of the enactment of this paragraph, and

''(ii) at a time when such individual was not an employee of the taxpayer.''.

(3) REDUCTION FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—Paragraph (4) of section 965(b) of such Code is amended to read as follows:

''(4) REDUCTION IN BENEFITS FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—

''(A) IN GENERAL.—If, during the period consisting of the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1) and the succeeding 23 calendar months, the taxpayer does not maintain an average employment level at least equal to the taxpayer's prior average employment, an additional amount equal to $75,000 multiplied by the number of employees by which the taxpayer's average employment level during such period falls below the prior average employment (but not exceeding the aggregate amount allowed as a deduction pursuant to subsection (a)(1)) shall be taken into income by the taxpayer during the taxable year that includes the final day of such period.

''(B) AVERAGE EMPLOYMENT LEVEL.—For purposes of this paragraph, the taxpayer's average employment level for a period shall be the average number of full-time United States employees of the taxpayer, measured at the end of each month during the period.

''(C) PRIOR AVERAGE EMPLOYMENT.—For purposes of this paragraph, the taxpayer's 'prior average employment' shall be the average number of full-time United States employees of the taxpayer during the period consisting of the 24 calendar months immediately preceding the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1).

''(D) FULL-TIME UNITED STATES EMPLOYEE.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'full-time United States employee' means an individual who provides services in the United States as a full-time employee, based on the employer's standards and practices; except that regardless of the employer's classification of the employee, an employee whose normal schedule is 40 hours or more per week is considered a full-time employee.

''(ii) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—Such term does not include—

''(I) any individual who was an employee, on the date of acquisition, of any trade or business acquired by the taxpayer during the 24-month period referred to in subparagraph (A), and

''(II) any individual who was an employee of any trade or business disposed of by the taxpayer during the 24-month period referred to in subparagraph (A) or the 24-month period referred to in subparagraph (C).

''(E) AGGREGATION RULES.—In determining the taxpayer's average employment level and prior average employment, all domestic members of a controlled group shall be treated as a single taxpayer.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SA 3588. Mr. TESTER (for himself, Mr. WALSH, and Mr. PRYOR) submitted an amendment intended to be proposed by him to the bill S. 2410, to authorize appropriations for fiscal year 2015 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title I, add the following:

SEC. 141. AUTHORIZATION OF MODERNIZATION PROGRAMS FOR C-130 AIRCRAFT.

The Air Force may use programs in addition to the avionics modernization program for C-130 aircraft to modernize such aircraft.

SA 3589. Mr. DURBIN (for himself, Mr. BROWN, Mr. REED, Mr. SANDERS, Ms. WARREN, and Ms. BALDWIN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. _. PATRIOT EMPLOYER TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new section:

''SEC. 45T. PATRIOT EMPLOYER TAX CREDIT.

''(a) DETERMINATION OF AMOUNT.—

''(1) IN GENERAL.—For purposes of section 38, the Patriot employer credit determined under this section with respect to any taxpayer who is a Patriot employer for any taxable year shall be equal to 10 percent of the qualified wages paid or incurred by the Patriot employer.

''(2) LIMITATION.—The amount of qualified wages which may be taken into account under paragraph (1) with respect to any employee for any taxable year shall not exceed $15,000.

''(b) PATRIOT EMPLOYER.—

''(1) IN GENERAL.—For purposes of subsection (a), the term 'Patriot employer' means, with respect to any taxable year, any taxpayer—

''(A) which—

''(i) maintains its headquarters in the United States if the taxpayer (or any predecessor) has ever been headquartered in the United States, and

''(ii) is not (and no predecessor of which is) an expatriated entity (as defined in section 7874(a)(2)) for the taxable year or any preceding taxable year ending after March 4, 2003,

''(B) with respect to which no assessable payment has been imposed under section 4980H with respect to any month occurring during the taxable year, and

''(C) in the case of—

''(i) a taxpayer which employs an average of more than 50 employees on business days during the taxable year, which—

''(I) provides compensation for at least 90 percent of its employees for services provided by such employees during the taxable year at an hourly rate (or equivalent thereof) not less than an amount equal to 150 percent of the Federal poverty level for a family of three for the calendar year in which the taxable year begins divided by 2,080,

''(II) meets the retirement plan requirements of subsection (c) with respect to at least 90 percent of its employees providing services during the taxable year who are not highly compensated employees, and

''(III) meets the additional requirements of subparagraphs (A) and (B) of paragraph (2), or

''(ii) any other taxpayer, which meets the requirements of either subclause (I) or (II) of clause (i) for the taxable year.

''(2) ADDITIONAL REQUIREMENTS FOR LARGE EMPLOYERS.—

''(A) UNITED STATES EMPLOYMENT.—The requirements of this subparagraph are met for any taxable year if—

''(i) in any case in which the taxpayer increases the number of employees performing substantially all of their services for the taxable year outside the United States, the taxpayer either—

''(I) increases the number of employees performing substantially all of their services inside the United States by an amount not less than the increase in such number for employees outside the United States, or

''(II) has a percentage increase in such employees inside the United States which is not less than the percentage increase in such employees outside the United States,

''(ii) in any case in which the taxpayer decreases the number of employees performing substantially all of their services for the taxable year inside the United States, the taxpayer either—

''(I) decreases the number of employees performing substantially all of their services outside the United States by an amount not less than the decrease in such number for employees inside the United States, or

''(II) has a percentage decrease in employees outside the United States which is not less than the percentage decrease in such employees inside the United States, and

''(iii) there is not a decrease in the number of employees performing substantially all of their services for the taxable year inside the United States by reason of the taxpayer contracting out such services to persons who are not employees of the taxpayer.

''(B) TREATMENT OF INDIVIDUALS IN THE UNIFORMED SERVICES AND THE DISABLED.—The requirements of this subparagraph are met for any taxable year if—

''(i) the taxpayer provides differential wage payments (as defined in section 3401(h)(2)) to each employee described in section 3401(h)(2)(A) for any period during the taxable year in an amount not less than the difference between the wages which would have been received from the employer during such period and the amount of pay and allowances which the employee receives for service in the uniformed services during such period, and

''(ii) the taxpayer has in place at all times during the taxable year a written policy for the recruitment of employees who have served in the uniformed services or who are disabled.

''(3) SPECIAL RULES FOR APPLYING THE MINIMUM WAGE AND RETIREMENT PLAN REQUIREMENTS.—

''(A) MINIMUM WAGE.—In determining whether the minimum wage requirements of paragraph (1)(C)(i)(I) are met with respect to 90 percent of a taxpayer's employees for any taxable year—

''(i) a taxpayer may elect to exclude from such determination apprentices or learners that an employer may exclude under the regulations under section 14(a) of the Fair Labor Standards Act of 1938, and

''(ii) if a taxpayer meets the requirements of paragraph (2)(B)(i) with respect to providing differential wage payments to any employee for any period (without regard to whether such requirements apply to the taxpayer), the hourly rate (or equivalent thereof) for such payments shall be determined on the basis of the wages which would have been paid by the employer during such period if the employee had not been providing service in the uniformed services.

''(B) RETIREMENT PLAN.—In determining whether the retirement plan requirements of paragraph (1)(C)(i)(II) are met with respect to 90 percent of a taxpayer's employees for any taxable year, a taxpayer may elect to exclude from such determination—

''(i) employees not meeting the age or service requirements under section 410(a)(1) (or such lower age or service requirements as the employer provides), and

''(ii) employees described in section 410(b)(3).

''(c) RETIREMENT PLAN REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met for any taxable year with respect to an employee of the taxpayer who is not a highly compensated employee if the employee is eligible to participate in 1 or more applicable eligible retirement plans maintained by the employer for a plan year ending with or within the taxable year.

''(2) APPLICABLE ELIGIBLE RETIREMENT PLAN.—For purposes of this subsection, the term 'applicable eligible retirement plan' means an eligible retirement plan which, with respect to the plan year described in paragraph (1), is either—

''(A) a defined contribution plan which—

''(i) requires the employer to make nonelective contributions of at least 5 percent of the compensation of the employee, or

''(ii) both—

''(I) includes an eligible automatic contribution arrangement (as defined in section 414(w)(3)) under which the uniform percentage described in section 414(w)(3)(B) is at least 5 percent, and

''(II) requires the employer to make matching contributions of 100 percent of the elective deferrals (as defined in section 414(u)(2)(C)) of the employee to the extent such deferrals do not exceed the percentage specified by the plan (not less than 5 percent) of the employee's compensation, or

''(B) a defined benefit plan—

''(i) with respect to which the accrued benefit of the employee derived from employer contributions, when expressed as an annual retirement benefit, is not less than the product of—

''(I) the lesser of 2 percent multiplied by the employee's years of service (determined under the rules of paragraphs (4), (5), and (6) of section 411(a)) with the employer or 20 percent, multiplied by

''(II) the employee's final average pay, or

''(ii) which is an applicable defined benefit plan (as defined in section 411(a)(13)(B))—

''(I) which meets the interest credit requirements of section 411(b)(5)(B)(i) with respect to the plan year, and

''(II) under which the employee receives a pay credit for the plan year which is not less than 5 percent of compensation.

''(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

''(A) ELIGIBLE RETIREMENT PLAN.—The term 'eligible retirement plan' has the meaning given such term by section 402(c)(8)(B), except that in the case of an account or annuity described in clause (i) or (ii) thereof, such term shall only include an account or annuity which is a simplified employee pension (as defined in section 408(k)).

''(B) FINAL AVERAGE PAY.—For purposes of paragraph (2)(B)(i)(II), final average pay shall be determined using the period of consecutive years (not exceeding 5) during which the employee had the greatest compensation from the taxpayer.

''(C) ALTERNATIVE PLAN DESIGNS.—The Secretary may prescribe regulations for a taxpayer to meet the requirements of this subsection through a combination of defined contribution plans or defined benefit plans described in paragraph (1) or through a combination of both such types of plans.

''(D) PLANS MUST MEET REQUIREMENTS WITHOUT TAKING INTO ACCOUNT SOCIAL SECURITY AND SIMILAR CONTRIBUTIONS AND BENEFITS.—A rule similar to the rule of section 416(e) shall apply.

''(d) QUALIFIED WAGES AND COMPENSATION.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified wages' means wages (as defined in section 51(c), determined without regard to paragraph (4) thereof) paid or incurred by the Patriot employer during the taxable year to employees—

''(A) who perform substantially all of their services for such Patriot employer inside the United States, and

''(B) with respect to whom—

''(i) in the case of a Patriot employer which employs an average of more than 50 employees on business days during the taxable year, the requirements of subclauses (I) and (II) of subsection (b)(1)(C)(i) are met, and

''(ii) in the case of any other Patriot employer, the requirements of either subclause (I) or (II) of subsection (b)(1)(C)(i) are met.

''(2) SPECIAL RULES FOR AGRICULTURAL LABOR AND RAILWAY LABOR.—Rules similar to the rules of section 51(h) shall apply.

''(3) COMPENSATION.—For purposes of subsections (b)(1)(C)(i)(I) and (c), the term 'compensation' has the same meaning as qualified wages, except that section 51(c)(2) shall be disregarded in determining the amount of such wages.

''(e) AGGREGATION RULES.—For purposes of this section—

''(1) IN GENERAL.—All persons treated as a single employer under subsection (a) or (b) of section 52 shall be treated as a single taxpayer.

''(2) SPECIAL RULES FOR CERTAIN REQUIREMENTS.—For purposes of applying paragraphs (1)(A) and (2)(A) of subsection (b)—

''(A) the determination under subsections (a) and (b) of section 52 for purposes of paragraph (1) shall be made without regard to section 1563(b)(2)(C) (relating to exclusion of foreign corporations), and

''(B) if any person treated as a single taxpayer under this subsection (after application of subparagraph (A)), or any predecessor of such person, was an expatriated entity (as defined in section 7874(a)(2)) for any taxable year ending after March 4, 2003, then all persons treated as a single taxpayer with such person shall be treated as expatriated entities.

''(f) ELECTION TO HAVE CREDIT NOT APPLY.—

''(1) IN GENERAL.—A taxpayer may elect to have this section not apply for any taxable year.

''(2) TIME FOR MAKING ELECTION.—An election under paragraph (1) for any taxable year may be made (or revoked) at any time before the expiration of the 3-year period beginning on the last date prescribed by law for filing the return for such taxable year (determined without regard to extensions).

''(3) MANNER OF MAKING ELECTION.—An election under paragraph (1) (or revocation thereof) shall be made in such manner as the Secretary may by regulations prescribe.''.

(b) ALLOWANCE AS GENERAL BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986, as amended by this Act, is amended by striking ''plus'' at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting '', plus'', and by adding at the end the following:

''(38) in the case of a Patriot employer (as defined in section 45T(b)) for any taxable year, the Patriot employer credit determined under section 45T(a).''.

(c) DENIAL OF DOUBLE BENEFIT.—Subsection (a) of section 280C of the Internal Revenue Code of 1986 is amended by inserting ''45T(a),'' after ''45P(a)''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new item:

''Sec. 45T. Patriot employer tax credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.

SEC. _. DEFER DEDUCTION OF INTEREST EXPENSE RELATED TO DEFERRED INCOME.

(a) IN GENERAL.—Section 163 of the Internal Revenue Code of 1986 (relating to deductions for interest expense) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) DEFERRAL OF DEDUCTION FOR INTEREST EXPENSE RELATED TO DEFERRED INCOME.—

''(1) GENERAL RULE.—The amount of foreign-related interest expense of any taxpayer allowed as a deduction under this chapter for any taxable year shall not exceed an amount equal to the applicable percentage of the sum of—

''(A) the taxpayer's foreign-related interest expense for the taxable year, plus

''(B) the taxpayer's deferred foreign-related interest expense.

For purposes of the paragraph, the applicable percentage is the percentage equal to the current inclusion ratio.

''(2) TREATMENT OF DEFERRED DEDUCTIONS.—If, for any taxable year, the amount of the limitation determined under paragraph (1) exceeds the taxpayer's foreign-related interest expense for the taxable year, there shall be allowed as a deduction for the taxable year an amount equal to the lesser of—

''(A) such excess, or

''(B) the taxpayer's deferred foreign-related interest expense.

''(3) DEFINITIONS AND SPECIAL RULE.—For purposes of this subsection—

''(A) FOREIGN-RELATED INTEREST EXPENSE.—The term 'foreign-related interest expense' means, with respect to any taxpayer for any taxable year, the amount which bears the same ratio to the amount of interest expense for such taxable year allocated and apportioned under sections 861, 864(e), and 864(f) to income from sources outside the United States as—

''(i) the value of all stock held by the taxpayer in all section 902 corporations with respect to which the taxpayer meets the ownership requirements of subsection (a) or (b) of section 902, bears to

''(ii) the value of all assets of the taxpayer which generate gross income from sources outside the United States.

''(B) DEFERRED FOREIGN-RELATED INTEREST EXPENSE.—The term 'deferred foreign-related interest expense' means the excess, if any, of the aggregate foreign-related interest expense for all prior taxable years beginning after December 31, 2014, over the aggregate amount allowed as a deduction under paragraphs (1) and (2) for all such prior taxable years.

''(C) VALUE OF ASSETS.—Except as otherwise provided by the Secretary, for purposes of subparagraph (A)(ii), the value of any asset shall be the amount with respect to such asset determined for purposes of allocating and apportioning interest expense under sections 861, 864(e), and 864(f).

''(D) CURRENT INCLUSION RATIO.—The term 'current inclusion ratio' means, with respect to any domestic corporation which meets the ownership requirements of subsection (a) or (b) of section 902 with respect to one or more section 902 corporations for any taxable year, the ratio (expressed as a percentage) of—

''(i) the sum of all dividends received by the domestic corporation from all such section 902 corporations during the taxable year plus amounts includible in gross income under section 951(a) from all such section 902 corporations, in each case computed without regard to section 78, divided by

''(ii) the aggregate amount of post-1986 undistributed earnings.

''(E) AGGREGATE AMOUNT OF POST-1986 UNDISTRIBUTED EARNINGS.—The term 'aggregate amount of post-1986 undistributed earnings' means, with respect to any domestic corporation which meets the ownership requirements of subsection (a) or (b) of section 902 with respect to one or more section 902 corporations, the domestic corporation's pro rata share of the post-1986 undistributed earnings (as defined in section 902(c)(1)) of all such section 902 corporations.

''(F) FOREIGN CURRENCY CONVERSION.—For purposes of determining the current inclusion ratio, and except as otherwise provided by the Secretary, the aggregate amount of post-1986 undistributed earnings for the taxable year shall be determined by translating each section 902 corporation's post-1986 undistributed earnings into dollars using the average exchange rate for such year.

''(G) SECTION 902 CORPORATION.—The term 'section 902 corporation' has the meaning given to such term by section 909(d)(5).

''(4) TREATMENT OF AFFILIATED GROUPS.—The current inclusion ratio of each member of an affiliated group (as defined in section 864(e)(5)(A)) shall be determined as if all members of such group were a single corporation.

''(5) APPLICATION TO SEPARATE CATEGORIES OF INCOME.—This subsection shall be applied separately with respect to the categories of income specified in section 904(d)(1).

''(6) REGULATIONS.—The Secretary may prescribe such regulations or other guidance as is necessary or appropriate to carry out the purposes of this subsection, including regulations or other guidance providing—

''(A) for the proper application of this subsection with respect to changes in ownership of a section 902 corporation,

''(B) that certain corporations that otherwise would not be members of the affiliated group will be treated as members of the affiliated group for purposes of this subsection,

''(C) for the proper application of this subsection with respect to the taxpayer's share of a deficit in earnings and profits of a section 902 corporation,

''(D) for appropriate adjustments to the determination of the value of stock in any section 902 corporation for purposes of this subsection or to the foreign-related interest expense to account for income that is subject to tax under section 882(a)(1), and

''(E) for the proper application of this subsection with respect to interest expense that is directly allocable to income with respect to certain assets.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.

SA 3590. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—LYON COUNTY ECONOMIC DEVELOPMENT

SEC. 201. LAND CONVEYANCE TO YERINGTON, NEVADA.

(a) DEFINITIONS.—In this section:

(1) CITY.—The term ''City'' means the city of Yerington, Nevada.

(2) FEDERAL LAND.—The term ''Federal land'' means the land located in Lyon County and Mineral County, Nevada, that is identified on the map as ''City of Yerington Sustainable Development Conveyance Lands''.

(3) MAP.—The term ''map'' means the map entitled ''Yerington Land Conveyance'' and dated December 19, 2012.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(b) CONVEYANCES OF LAND TO CITY OF YERINGTON, NEVADA.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, subject to valid existing rights and to such terms and conditions as the Secretary determines to be necessary and notwithstanding the land use planning requirements of sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), the Secretary shall convey to the City, subject to the agreement of the City, all right, title, and interest of the United States in and to the Federal land identified on the map.

(2) APPRAISAL TO DETERMINE FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the Federal land to be conveyed—

(A) in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

(B) based on an appraisal that is conducted in accordance with—

(i) the Uniform Appraisal Standards for Federal Land Acquisition; and

(ii) the Uniform Standards of Professional Appraisal Practice.

(3) AVAILABILITY OF MAP.—The map shall be on file and available for public inspection in the appropriate offices of the Bureau of Land Management.

(4) APPLICABLE LAW.—Beginning on the date on which the Federal land is conveyed to the City, the development of and conduct of activities on the Federal land shall be subject to all applicable Federal laws (including regulations).

(5) COSTS.—As a condition of the conveyance of the Federal land under paragraph (1), the City shall pay—

(A) an amount equal to the appraised value determined in accordance with paragraph (2); and

(B) all costs related to the conveyance, including all surveys, appraisals, and other administrative costs associated with the conveyance of the Federal land to the City under paragraph (1).

SEC. 202. WOVOKA WILDERNESS.

(a) FINDINGS.—Congress finds that—

(1) the area designated as the Wovoka Wilderness by this section contains unique and spectacular natural resources, including—

(A) priceless habitat for numerous species of plants and wildlife;

(B) thousands of acres of land that remain in a natural state; and

(C) habitat important to the continued survival of the population of the greater sage grouse of western Nevada and eastern California (referred to in this section as the ''Bi-State population of greater sage-grouse'');

(2) continued preservation of those areas would benefit the County and all of the United States by—

(A) ensuring the conservation of ecologically diverse habitat;

(B) protecting prehistoric cultural resources;

(C) conserving primitive recreational resources;

(D) protecting air and water quality; and

(E) protecting and strengthening the Bi-State population of greater sage-grouse; and

(3) the Secretary of Agriculture should collaborate with the Lyon County Commission and the local community on wildfire and forest management planning and implementation with the goal of preventing catastrophic wildfire and resource damage.

(b) DEFINITIONS.—In this section:

(1) COUNTY.—The term ''County'' means Lyon County, Nevada.

(2) MAP.—The term ''map'' means the map entitled ''Wovoka Wilderness Area'' and dated December 18, 2012.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(4) STATE.—The term ''State'' means the State of Nevada.

(5) WILDERNESS.—The term ''Wilderness'' means the Wovoka Wilderness designated by subsection (c)(1).

(c) ADDITIONS TO NATIONAL WILDERNESS PRESERVATION SYSTEM.—

(1) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), the Federal land managed by the Forest Service, as generally depicted on the Map, is designated as wilderness and as a component of the National Wilderness Preservation System, to be known as the ''Wovoka Wilderness''.

(2) BOUNDARY.—The boundary of any portion of the Wilderness that is bordered by a road shall be 150 feet from the centerline of the road.

(3) MAP AND LEGAL DESCRIPTION.—

(A) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall prepare a map and legal description of the Wilderness.

(B) EFFECT.—The map and legal description prepared under subparagraph (A) shall have the same force and effect as if included in this section, except that the Secretary may correct any clerical and typographical errors in the map or legal description.

(C) AVAILABILITY.—Each map and legal description prepared under subparagraph (A) shall be on file and available for public inspection in the appropriate offices of the Forest Service.

(4) WITHDRAWAL.—Subject to valid existing rights, the Wilderness is withdrawn from—

(A) all forms of entry, appropriation, or disposal under the public land laws;

(B) location, entry, and patent under the mining laws; and

(C) disposition under all laws relating to mineral and geothermal leasing or mineral materials.

(d) ADMINISTRATION.—

(1) MANAGEMENT.—Subject to valid existing rights, the Wilderness shall be administered by the Secretary in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), except that any reference in that Act to the effective date shall be considered to be a reference to the date of enactment of this Act.

(2) LIVESTOCK.—The grazing of livestock in the Wilderness, if established before the date of enactment of this Act, shall be allowed to continue, subject to such reasonable regulations, policies, and practices as the Secretary considers to be necessary, in accordance with—

(A) section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)); and

(B) the guidelines set forth in Appendix A of the report of the Committee on Interior and Insular Affairs of the House of Representatives accompanying H.R. 2570 of the 101st Congress (House Report 101–405).

(3) INCORPORATION OF ACQUIRED LAND AND INTERESTS.—Any land or interest in land within the boundary of the Wilderness that is acquired by the United States after the date of enactment of this Act shall be added to and administered as part of the Wilderness.

(4) ADJACENT MANAGEMENT.—

(A) IN GENERAL.—Congress does not intend for the designation of the Wilderness to create a protective perimeter or buffer zone around the Wilderness.

(B) NONWILDERNESS ACTIVITIES.—The fact that nonwilderness activities or uses can be seen or heard from areas within the Wilderness shall not preclude the conduct of the activities or uses outside the boundary of the Wilderness.

(5) OVERFLIGHTS.—

(A) MILITARY OVERFLIGHTS.—Nothing in this title restricts or precludes—

(i) low-level overflights of military aircraft over the Wilderness, including military overflights that can been seen or heard within the Wilderness;

(ii) flight testing and evaluation; or

(iii) the designation or creation of new units of special airspace, or the establishment of military flight training routes, over the Wilderness.

(B) EXISTING AIRSTRIPS.—Nothing in this title restricts or precludes low-level overflights by aircraft originating from airstrips in existence on the date of enactment of this Act that are located within 5 miles of the proposed boundary of the Wilderness.

(6) WILDFIRE, INSECT, AND DISEASE MANAGEMENT.—In accordance with section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)), the Secretary may take any measures in the Wilderness that the Secretary determines to be necessary for the control of fire, insects, and diseases, including, as the Secretary determines to be appropriate, the coordination of the activities with a State or local agency.

(7) WATER RIGHTS.—

(A) FINDINGS.—Congress finds that—

(i) the Wilderness is located—

(I) in the semiarid region of the Great Basin; and

(II) at the headwaters of the streams and rivers on land with respect to which there are few—

(aa) actual or proposed water resource facilities located upstream; and

(bb) opportunities for diversion, storage, or other uses of water occurring outside the land that would adversely affect the wilderness values of the land;

(ii) the Wilderness is generally not suitable for use or development of new water resource facilities; and

(iii) because of the unique nature of the Wilderness, it is possible to provide for proper management and protection of the wilderness and other values of land in ways different from those used in other laws.

(B) PURPOSE.—The purpose of this paragraph is to protect the wilderness values of the Wilderness by means other than a federally reserved water right.

(C) STATUTORY CONSTRUCTION.—Nothing in this paragraph—

(i) constitutes an express or implied reservation by the United States of any water or water rights with respect to the Wilderness;

(ii) affects any water rights in the State (including any water rights held by the United States) in existence on the date of enactment of this Act;

(iii) establishes a precedent with regard to any future wilderness designations;

(iv) affects the interpretation of, or any designation made under, any other Act; or

(v) limits, alters, modifies, or amends any interstate compact or equitable apportionment decree that apportions water among and between the State and other States.

(D) NEVADA WATER LAW.—The Secretary shall follow the procedural and substantive requirements of State law in order to obtain and hold any water rights not in existence on the date of enactment of this Act with respect to the Wilderness.

(E) NEW PROJECTS.—

(i) DEFINITION OF WATER RESOURCE FACILITY.—

(I) IN GENERAL.—In this subparagraph, the term ''water resource facility'' means irrigation and pumping facilities, reservoirs, water conservation works, aqueducts, canals, ditches, pipelines, wells, hydropower projects, transmission and other ancillary facilities, and other water diversion, storage, and carriage structures.

(II) EXCLUSION.—In this subparagraph, the term ''water resource facility'' does not include wildlife guzzlers.

(ii) RESTRICTION ON NEW WATER RESOURCE FACILITIES.—

(I) IN GENERAL.—Except as otherwise provided in this section, on or after the date of enactment of this Act, no officer, employee, or agent of the United States shall fund, assist, authorize, or issue a license or permit for the development of any new water resource facility within the Wilderness, any portion of which is located in the County.

(II) EXCEPTION.—If a permittee within the Bald Mountain grazing allotment submits an application for the development of water resources for the purpose of livestock watering by the date that is 10 years after the date of enactment of this Act, the Secretary shall issue a water development permit within the non-wilderness boundaries of the Bald Mountain grazing allotment for the purposes of carrying out activities under paragraph (2).

(8) NONWILDERNESS ROADS.—Nothing in this title prevents the Secretary from implementing or amending a final travel management plan.

(e) WILDLIFE MANAGEMENT.—

(1) IN GENERAL.—In accordance with section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this section affects or diminishes the jurisdiction of the State with respect to fish and wildlife management, including the regulation of hunting, fishing, and trapping, in the Wilderness.

(2) MANAGEMENT ACTIVITIES.—In furtherance of the purposes and principles of the Wilderness Act (16 U.S.C. 1131 et seq.), the Secretary may conduct any management activities in the Wilderness that are necessary to maintain or restore fish and wildlife populations and the habitats to support the populations, if the activities are carried out—

(A) consistent with relevant wilderness management plans; and

(B) in accordance with—

(i) the Wilderness Act (16 U.S.C. 1131 et seq.); and

(ii) appropriate policies, such as those set forth in Appendix B of the report of the Committee on Interior and Insular Affairs of the House of Representatives accompanying H.R. 2570 of the 101st Congress (House Report 101–405), including the occasional and temporary use of motorized vehicles and aircraft, if the use, as determined by the Secretary, would promote healthy, viable, and more naturally distributed wildlife populations that would enhance wilderness values with the minimal impact necessary to reasonably accomplish those tasks.

(3) EXISTING ACTIVITIES.—Consistent with section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)) and in accordance with appropriate policies such as those set forth in Appendix B of House Report 101–405, the State may continue to use aircraft, including helicopters, to survey, capture, transplant, monitor, and provide water for wildlife populations in the Wilderness.

(4) HUNTING, FISHING, AND TRAPPING.—

(A) IN GENERAL.—The Secretary may designate areas in which, and establish periods during which, for reasons of public safety, administration, or compliance with applicable laws, no hunting, fishing, or trapping will be permitted in the Wilderness.

(B) CONSULTATION.—Except in emergencies, the Secretary shall consult with the appropriate State agency and notify the public before making any designation under paragraph (1).

(5) AGREEMENT.—The State, including a designee of the State, may conduct wildlife management activities in the Wilderness—

(A) in accordance with the terms and conditions specified in the cooperative agreement between the Secretary and the State entitled ''Memorandum of Understanding: Intermountain Region USDA Forest Service and the Nevada Department of Wildlife State of Nevada'' and signed by the designee of the State on February 6, 1984, and by the designee of the Secretary on January 24, 1984, including any amendments, appendices, or additions to the agreement agreed to by the Secretary and the State or a designee; and

(B) subject to all applicable laws (including regulations).

(f) WILDLIFE WATER DEVELOPMENT PROJECTS.—Subject to subsection (d), the Secretary shall authorize structures and facilities, including existing structures and facilities, for wildlife water development projects (including guzzlers) in the Wilderness if—

(1) the structures and facilities will, as determined by the Secretary, enhance wilderness values by promoting healthy, viable, and more naturally distributed wildlife populations; and

(2) the visual impacts of the structures and facilities on the Wilderness can reasonably be minimized.

SEC. 203. WITHDRAWAL.

(a) DEFINITION OF WITHDRAWAL AREA.—In this section, the term ''Withdrawal Area'' means the land administered by the Forest Service and identified as ''Withdrawal Area'' on the map described in section 202(b)(2).

(b) WITHDRAWAL.—Subject to valid existing rights, all Federal land within the Withdrawal Area is withdrawn from all forms of—

(1) entry, appropriation, or disposal under the public land laws;

(2) location, entry, and patent under the mining laws; and

(3) operation of the mineral laws, geothermal leasing laws, and mineral materials laws.

(c) MOTORIZED AND MECHANICAL VEHICLES.—

(1) IN GENERAL.—Subject to paragraph (2), use of motorized and mechanical vehicles in the Withdrawal Area shall be permitted only on roads and trails designated for the use of those vehicles, unless the use of those vehicles is needed—

(A) for administrative purposes; or

(B) to respond to an emergency.

(2) EXCEPTION.—Paragraph (1) does not apply to aircraft (including helicopters).

SEC. 204. NATIVE AMERICAN CULTURAL AND RELIGIOUS USES.

Nothing in this title alters or diminishes the treaty rights of any Indian tribe.

SA 3591. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. _____. REVIEW OF CERTAIN FEDERAL REGISTER NOTICES.

If, by the date that is 45 days after the date on which a State Bureau of Land Management office has submitted a Federal Register notice to the Washington, DC, office of the Bureau of Land Management for Department of the Interior review, the review has not been completed—

(1) the notice shall consider to be approved; and

(2) the State Bureau of Land Management office shall immediately forward the notice to the Federal Register for publication.

SA 3592. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

On page 13, after line 3, add the following:

SEC. 4. EMERGENCY FUEL REDUCTION.

(a) PURPOSES.—The purposes of this section are—

(1) to expedite wildfire prevention projects to reduce the chances of wildfire on certain high-risk Federal land adjacent to communities, private property, and critical infrastructure;

(2) to improve forest and wildland health; and

(3) to promote the recovery of threatened and endangered species, or other species under consideration for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), including sage-grouse, whose habitat is negatively impacted by wildland fire.

(b) EXPEDITED REVIEW OF PROJECTS ON FEDERAL LAND.—Section 104 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6514) is amended—

(1) by redesignating subsections (e) through (h) as subsections (f) through (i), respectively;

(2) in subsection (c)(1)(C)(i), by striking ''subsection (f)'' and inserting ''subsection (g)''; and

(3) by inserting after subsection (d) the following:

''(e) CATEGORICAL EXCLUSION OF CERTAIN PROJECTS.—

''(1) DEFINITION OF ADJACENT FEDERAL LAND.—In this subsection, the term 'adjacent Federal land' means an area of Federal land—

''(A) that, while not located in the wildland-urban interface, is located within not more than 5 miles of non-Federal land; and

''(B) on which the Secretary determines that conditions, such as the risk of wildfire, an insect or disease epidemic, or the presence of invasive species, pose a risk to the adjacent non-Federal land.

''(2) CATEGORICAL EXCLUSION OF CERTAIN PROJECTS.—

''(A) IN GENERAL.—An authorized hazardous fuel reduction project shall be categorically excluded from the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) if the project—

''(i) involves the removal of insect-infected trees, dead or dying trees, trees presenting a threat to public safety or electrical reliability, or the removal of other hazardous fuels within 500 feet of utility or communications infrastructure, a municipal water supply system, campground, roadside, heritage site, recreation site, school, or other infrastructure;

''(ii) is intended to treat 10,000 acres or less of public land or National Forest System land that—

''(I) contains threatened and endangered species habitat; or

''(II) provides conservation benefits to species that are not listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533) but are a State- listed species, a special concern species, or candidates for a listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

''(iii) is proposed to be conducted on adjacent Federal land or is recommended in a community wildfire protection plan if—

''(I) the Secretary determines that the project is consistent with the applicable resource management plan; and

''(II) the decision to categorically exclude the project is made in accordance with applicable extraordinary circumstances procedures established pursuant to section 1508.4 of title 40, Code of Federal Regulations (or a successor regulation).

''(B) CONSULTATION.—In determining whether an area contains trees or other hazardous fuels described in clause (i), the Secretary shall consult with any utility or other entity that manages the area.

''(C) PRIORITY FOR CERTAIN PROJECTS.—In providing categorical exclusions under subparagraph (A), the Secretary shall give priority to authorized hazardous fuel reduction projects and other projects recommended in a community wildfire protection plan.

''(D) EXCLUSIONS.—National Forest System land or public land eligible for treatment under this subsection shall not include land—

''(i) that is a component of the National Wilderness Preservation System;

''(ii) on which the removal of vegetation is specifically prohibited by Federal law; or

''(iii) that is within a National Monument as of the date of the enactment of the Bring Jobs Home Act.''.

SA 3593. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE II—PUBLIC LAND RENEWABLE ENERGY DEVELOPMENT

Subtitle A—Geothermal Energy

SEC. 201. EXTENSION OF FUNDING FOR IMPLEMENTATION OF ENERGY POLICY ACT OF 2005.

(a) IN GENERAL.—Section 234(a) of the Energy Policy Act of 2005 (42 U.S.C. 15873(a)) is amended by striking ''in the first 5 fiscal years beginning after the date of enactment of this Act'' and inserting ''through fiscal year 2020''.

(b) AUTHORIZATION.—Section 234(b) of the Energy Policy Act of 2005 (42 U.S.C. 15873(b)) is amended—

(1) by striking ''Amounts'' and inserting the following:

''(1) IN GENERAL.—Amounts''; and

(2) by adding at the end the following:

''(2) AUTHORIZATION.—Effective for fiscal year [2015] and each fiscal year thereafter, amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, subject to appropriation and without fiscal year limitation, to implement the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) and this Act.''.

SEC. 202. CATEGORICAL EXCLUSION FOR GEOTHERMAL DRILLING.

Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall establish a new categorical exclusion under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for geothermal drilling activities on any National Forest System land or public land (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)) that were reviewed under the programmatic environmental impact statement relating to the authorization of geothermal leasing completed in October 2008.

Subtitle B—Development of Wind and Solar Energy on Certain Federal Land

SEC. 211. DEFINITIONS.

In this subtitle:

(1) COVERED LAND.—The term ''covered land'' means land that is—

(A)(i) public land administered by the Secretary; or

(ii) National Forest System land administered by the Secretary of Agriculture; and

(B) not excluded from the development of solar or wind energy under—

(i) a final land use plan established under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(ii) a final land and resource management plan established under the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.); or

(iii) other Federal law.

(2) FUND.—The term ''Fund'' means the Renewable Energy Resource Conservation Fund established by section 214(b)(1).

(3) PILOT PROGRAM.—The term ''pilot program'' means the wind and solar leasing pilot program established under section 212(a)(1).

(4) PUBLIC LAND.—The term ''public land'' has the meaning given the term ''public lands'' in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702).

(5) SECRETARIES.—The term ''Secretaries'' means—

(A) in the case of public land administered by the Secretary, the Secretary; and

(B) in the case of National Forest System land administered by the Secretary of Agriculture, the Secretary of Agriculture.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 212. DEVELOPMENT OF SOLAR AND WIND ENERGY ON COVERED LAND.

(a) PILOT PROGRAM.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretaries each shall establish a wind and solar leasing pilot program under which the Secretaries shall conduct lease sales of certain sites located on covered land for purposes of carrying out wind and solar energy projects.

(2) SELECTION OF SITES.—

(A) IN GENERAL.—Not later than 90 days after the date the pilot program is established under paragraph (1), the Secretaries shall each select from covered land—

(i) 1 site for the development of a solar energy project; and

(ii) 1 site for the development of a wind energy project.

(B) SITE SELECTION.—In selecting sites under subparagraph (A), the Secretaries shall—

(i) give a preference to sites that the Secretaries determine—

(I) are likely to attract a high level of wind and solar energy industry interest;

(II) have a comparatively low value for resources, other than wind and solar energy; and

(III) would serve as models for the expansion of the pilot program to other locations, if the program is expanded under subsection (c);

(ii) take into consideration the value of the multiple resources of the covered land on which the sites are located; and

(iii) not select any site for which a right-of-way or special use permit for site testing or construction has been issued under—

(I) title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761 et seq.); or

(II) the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.).

(3) LEASE SALES.—

(A) IN GENERAL.—Except as provided in paragraph (4)(B)(i), not later than 180 days after the date on which sites are selected under paragraph (2), the Secretaries shall offer each site for competitive leasing to bidders that the Secretaries determine to be qualified under subparagraph (C) under such terms and conditions as are required by the Secretaries.

(B) BIDDING SYSTEMS.—

(i) IN GENERAL.—In offering the sites for lease, the Secretaries may vary the bidding system selected by the Secretaries, including—

(I) cash bonus bids with a requirement for payment of the royalty established under this subtitle;

(II) variable royalty bids based on a percentage of the gross proceeds from the sale of electricity produced from the lease, except that the royalty shall not be less than the royalty required under this subtitle, together with a fixed cash bonus; or

(III) such other bidding system as the Secretaries determine will ensure a fair return to the public, consistent with the royalty established under this subtitle.

(ii) ROUND.—The Secretaries shall limit bidding to 1 round in any lease sale.

(C) BIDDER QUALIFICATIONS.—Before conducting a lease sale under this section, the Secretaries shall—

(i) establish qualifications for bidders that ensure the bidders—

(I) are able to expeditiously develop a wind or solar energy project on the site for lease;

(II) possess—

(aa) the financial resources necessary to complete a project;

(bb) knowledge of the technology needed to complete a project; and

(cc) such other qualifications as the Secretaries determine to be necessary; and

(III) meet eligibility requirements that are substantially similar to the eligibility requirements for leasing that apply under the first section of the Mineral Leasing Act (30 U.S.C. 181); and

(ii) using the requirements established under clause (i), determine whether a person is qualified to be a bidder on a site offered for lease under this subsection.

(D) CREDIT FOR BID PREPARATION EXPENDITURES.—If more than 1 bid is submitted with respect to a site offered for lease under this subsection on the date of the lease sale, the Secretaries shall give credit to each person who submitted a bid with respect to the site for expenditures the person incurred in the preparation of the bid.

(4) LEASE TERMS.—

(A) IN GENERAL.—The Secretaries may establish such lease terms and conditions with respect to any site offered for lease under this subsection as the Secretaries consider appropriate, including the duration of the lease.

(B) DATA COLLECTION.—As part of the pilot program, the Secretaries shall—

(i) offer on a noncompetitive basis a short-term lease with respect to at least 1 site for data collection; and

(ii) on the expiration of the short-term lease described in clause (i), offer on a competitive basis a long-term lease, giving credit toward the bonus bid to the holder of the short-term lease for any qualified expenditures to collect data or to develop the site during the short-term lease.

(5) REVENUES.—Subject to section 213, the Secretaries may collect bonus bids, royalties, fees, or other payments (except rental payments) with respect to sites offered for lease under this subsection.

(6) REPORT.—Not later than 90 days after the date on which the Secretaries conduct the final lease sale under this subsection, the Secretaries shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Natural Resources and the Committee on Agriculture of the House of Representatives a report that describes the results of the pilot program, including—

(A) the level of competitive interest;

(B) a summary of bids and revenues received; and

(C) any other factors that may have impacted the lease sale process.

(7) OTHER LAWS.—

(A) COMPLIANCE WITH LAND MANAGEMENT AND ENVIRONMENTAL LAWS.—In offering sites for lease under this subsection, the Secretary concerned shall comply with—

(i) all Federal laws applicable to public land or National Forest System land;

(ii) applicable Federal and State environmental laws; and

(iii) any other relevant laws.

(B) APPLICABILITY TO WIND AND SOLAR ENERGY PROJECTS UNDER OTHER FEDERAL LAW.—Nothing in this subsection prohibits the Secretaries from issuing rights-of-way or special use permits with respect to wind and solar energy projects in compliance with other Federal laws (including regulations) in effect on the date of enactment of this Act.

(8) ENFORCEMENT OF FEDERAL LAND POLICY MANAGEMENT.—

(A) IN GENERAL.—Sections 302(c) and 303 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732(c), 1733) shall apply to activities conducted on sites on covered land offered for lease under this subsection.

(B) EFFECT ON ENFORCEMENT AUTHORITY UNDER OTHER FEDERAL LAW.—Nothing in this subsection reduces or limits the enforcement authority vested in the Secretaries or the Attorney General on covered land under any other Federal law.

(b) TEMPORARY EXTENSION OF PILOT PROGRAM.—Until the date on which final regulations are promulgated under subsection (c)(4), the Secretaries—

(1) shall continue to carry out the pilot program on the sites offered for lease under subsection (a); and

(2) as the Secretaries determine to be necessary, may extend any lease issued under subsection (a) under the same terms and conditions applicable to the lease on the date of the lease sale.

(c) EXPANSION OF PILOT PROGRAM TO ALL COVERED LAND.—

(1) JOINT DETERMINATION REQUIRED; EXPANSION.—The Secretaries shall—

(A) not later than 5 years after the date of enactment of this Act, jointly determine whether to expand the pilot program to all covered land, including sites with respect to which leases were issued under subsection (a); and

(B) if the Secretaries determine to expand the pilot program under subparagraph (A), expand the pilot program.

(2) CONSIDERATION; CONSULTATION.—In making a determination under paragraph (1)(A), the Secretaries shall—

(A) take into consideration the results of the pilot program;

(B) consult with—

(i) the heads of Federal agencies and relevant State agencies (including State fish and wildlife agencies);

(ii) interested States, Indian tribes, and local governments;

(iii) representatives of the solar and wind energy industries;

(iv) representatives of the environment, conservation, and outdoor sporting communities; and

(v) the public; and

(C) consider whether the expansion of the pilot program—

(i) provides an effective means of developing wind or solar energy; and

(ii) is in the public interest.

(3) REPORT ON JOINT DETERMINATION.—Not later than 60 days after the date on which the Secretaries make a determination under paragraph (1)(A) to expand the pilot program, the Secretaries jointly shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and

the Committee on Natural Resources and the Committee on Agriculture of the House of Representatives a report describing the basis and findings for the determination.

(4) REGULATIONS TO IMPLEMENT EXPANSION.—Not later than 1 year after making a determination to expand the pilot program under paragraph (1)(A), the Secretaries jointly shall promulgate final regulations to implement this subtitle.

(5) APPLICABILITY OF PROVISIONS OF PILOT PROGRAM TO EXPANDED PROGRAM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), paragraphs (3), (7), and (8) of subsection (a) shall apply to covered land offered for lease under this subsection in the same manner as those paragraphs apply to sites offered for lease under subsection (a).

(B) COMPETITIVE LEASING NOT REQUIRED UNDER CERTAIN CIRCUMSTANCES.—The requirement under subsection (a)(3) that a lease be sold on a competitive basis shall not apply to a lease issued under this subsection if the Secretary or the Secretary of Agriculture, as applicable, determines that—

(i) no competitive interest exists for the covered land offered for lease;

(ii) the public interest would not be served by the competitive issuance of a lease with respect to the covered land; or

(iii) the lease is for a purpose described in paragraph (7)(A)(ii).

(6) PAYMENTS.—

(A) IN GENERAL.—Subject to section 213, the Secretaries jointly shall establish fees, bonuses, or other payments (except rental payments) to ensure a fair return to the United States for any lease issued under this subsection.

(B) BONUS BIDS.—The Secretary concerned may grant credit toward any bonus bid for a qualified expenditure by the holder of a lease described in paragraph (7)(A)(ii) in any competitive lease sale held for a long-term lease of the covered land that is the subject of the lease described in that paragraph.

(7) LEASE DURATION, ADMINISTRATION, AND READJUSTMENT.—

(A) DURATION.—

(i) IN GENERAL.—Except as provided in clause (ii), a lease issued under this subsection shall be for—

(I) an initial term of 30 years; and

(II) any additional period after the initial 25-year term during which electricity is being produced annually in commercial quantities from the lease.

(ii) DATA COLLECTION LEASES.—In the case of a lease issued under this subsection for the placement and operation of a meteorological or data collection facility or for the development or demonstration of a new wind or solar technology, the lease shall have a term of not more than 5 years.

(B) ADMINISTRATION.—The Secretaries jointly shall establish terms and conditions for the issuance, transfer, renewal, suspension, and cancellation of a lease issued under this subsection.

(C) READJUSTMENT PROVISION REQUIRED.—Each lease issued under this subsection shall provide for readjustment in accordance with subparagraph (A).

(8) SURFACE-DISTURBING ACTIVITIES.—The Secretaries jointly shall promulgate regulations regarding surface-disturbing activities conducted under any lease issued under this subsection, including any reclamation and other actions necessary to conserve and offset impacts to surface resources.

(9) SECURITY.—

(A) IN GENERAL.—The Secretaries shall require that the holder of a lease issued under this subsection shall—

(i) furnish a surety bond or other form of security, as prescribed by the Secretaries;

(ii) provide for the reclamation and restoration of the covered land that is the subject of the lease; and

(iii) comply with such other requirements as the Secretaries consider to be necessary to protect the interests of the public and the United States.

(B) PERIODIC REVIEW.—Not less frequently than once every 5 years, the Secretaries shall conduct a review of the adequacy of a surety bond or other form of security provided by the holder of a lease issued under this subsection.

SEC. 213. ROYALTIES.

(a) IN GENERAL.—The Secretaries shall—

(1) require as a term and condition of any lease issued under section 212, the payment of a royalty; and

(2) pursuant to a joint rulemaking, establish those royalties as a percentage of the gross proceeds from the sale of electricity produced on covered land that is the subject of the lease at a rate that—

(A) encourages production of solar or wind energy;

(B) ensures a fair return to the public comparable to the return that would be obtained on State or private land; and

(C) encourages the maximum energy generation while disturbing the least quantity of covered land and other natural resources, including water.

(b) FACTOR FOR CONSIDERATION.—In establishing the royalties under subsection (a), the Secretaries shall take into consideration the relative capacity factors of wind and solar energy projects.

(c) EXCLUSIVE PAYMENT ON SALE OF ELECTRICITY.—The royalty under subsection (a) shall be the only rent, royalty, or similar payment to the Federal Government required with respect to the sale of electricity produced under a lease issued under section 212.

(d) ROYALTY RELIEF.—The Secretaries may reduce the royalty rate established under subsection (a) if the holder of a lease issued under this subtitle demonstrates to the satisfaction of the Secretaries by clear and convincing evidence that—

(1) collection of the full royalty would unreasonably burden energy generation on covered land that is the subject of the lease; and

(2) the royalty reduction is in the public interest.

(e) ENFORCEMENT.—

(1) AUDITING SYSTEM.—The Secretaries jointly shall establish a comprehensive inspection, collection, fiscal, and production accounting and auditing system—

(A) to accurately determine royalties, interest, fines, penalties, fees, deposits, and other payments owed under this subtitle; and

(B) to collect and account for the payments in a timely manner.

(2) APPLICABILITY OF FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT.—The Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.) (including the civil and criminal enforcement provisions of that Act) shall apply to leases issued under this subtitle with respect to wind and solar energy projects in the same manner as that Act applies to oil and gas leases.

(f) REPORT ON ROYALTIES.—Not later than 5 years after the date of enactment of this Act and not less frequently than once every 5 years thereafter, the Secretary, in consultation with the Secretary of Agriculture, shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Natural Resources and the Committee on Agriculture of the House of Representatives a report that includes a review of the collections and impacts of the royalties and fees collected under this subtitle, including—

(1) the total revenues received (expressed by category) on an annual basis as royalties from wind, solar, and geothermal development and production, specified by energy source, on covered land;

(2) whether the revenues received for the development of wind, solar, and geothermal development are comparable to the revenues received for similar development on State or private land;

(3) any impact on the development of wind, solar, or geothermal development and production on covered land as a result of the royalties; and

(4) any recommendations with respect to changes in Federal law (including regulations) relating to the amount or method of collection (including auditing, compliance, and enforcement) of the royalties.

(g) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretaries jointly shall promulgate final regulations to carry out this section.

SEC. 214. DISPOSITION OF ROYALTY REVENUES.

(a) ALLOCATION OF REVENUE.—Effective beginning on the date of enactment of this Act, all amounts collected by the Secretaries as royalties or bonuses under subsection (a)(5) or (c)(6) of section 212 shall be distributed as follows:

(1) 25 percent shall be paid by the Secretary of the Treasury to States within the boundaries of which the royalties or bonuses are derived, to be allocated among those States based on the percentage of covered land from which the royalties or bonuses are derived in each State.

(2) 25 percent shall be paid by the Secretary of the Treasury to the counties within the boundaries of which the royalties or bonuses are derived, to be allocated among those counties based on the percentage of covered land from which the royalties or bonuses are derived in each county.

(3) 25 percent shall be deposited in the Fund.

(4) For the 15-year period beginning on the date of enactment of this Act, 15 percent shall be paid by the Secretary of the Treasury directly to the State offices of the Bureau of Land Management and the regional office of the Forest Service with jurisdiction over the areas from which the royalties or bonuses are derived for purposes of reducing the number of renewable energy permits that have not been processed before the date of enactment of this Act, to be allocated among those offices based on the percentage of covered land from which the royalties or bonuses are derived in each State.

(5) The remainder shall be deposited into the general fund of the Treasury for purposes of reducing the annual Federal budget deficit.

(b) RENEWABLE ENERGY RESOURCE CONSERVATION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund, to be known as the ''Renewable Energy Resource Conservation Fund'', to be administered by the Secretary, in consultation with the Secretary of Agriculture, for use in regions impacted by the development of wind or solar energy on public land.

(2) USE OF FUNDS.—The Secretary shall use amounts in the Fund to carry out activities and make payments to State agencies, Federal agencies, or other interested persons in regions described in paragraph (1) for—

(A) protecting and restoring important fish and wildlife habitat in the regions, including corridors, water resources, and other sensitive land; and

(B) ensuring and improving access to Federal land and water in the regions for hunting, fishing, and other forms of outdoor

recreation in a manner consistent with the conservation of fish and wildlife habitat.

(3) AVAILABILITY OF AMOUNTS.—Amounts in the Fund shall be available for expenditure, in accordance with this subsection, without further appropriation and without fiscal year limitation.

(4) INVESTMENT.—

(A) IN GENERAL.—Amounts deposited in the Fund shall earn interest in an amount determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities.

(B) USE.—Any interest earned under subparagraph (A) may be expended in accordance with this subsection.

(5) MITIGATION REQUIREMENTS.—The expenditure of amounts under this subsection shall be separate and distinct from any mitigation requirement imposed pursuant to any law, regulation, or term or condition of any lease, right-of-way, or other authorization.

(c) ALLOCATION FOR PERMITTING AFTER EXPIRATION OF 15-YEAR PERIOD.—

(1) CERTIFICATION BY SECRETARY.—At the end of the 15-year period described in paragraph (4) of subsection (a), the Secretary shall certify whether the State offices referred to in that paragraph have adequately reduced the renewable energy permitting backlog referred to in that paragraph.

(2) ALLOCATION AFTER CERTIFICATION.—If the Secretary certifies under paragraph (1) that—

(A) the State offices referred to in that paragraph have not adequately reduced the backlog referred to in that paragraph—

(i) the 15-year period described in subsection (a)(4) shall be extended by an additional 15-year period; and

(ii) payments shall continue to be made during that period as described in subsection (a)(4); or

(B) the State offices referred to in that paragraph have adequately reduced the backlog, of the amount otherwise required to be paid under subsection (a)(4)—

(i) ⅔ shall be added to the amount deposited in the Fund; and

(ii) ⅓ shall be deposited into the general fund of the Treasury for purposes of reducing the annual Federal budget deficit.

(d) PAYMENTS TO STATES AND COUNTIES.—

(1) IN GENERAL.—The amounts paid to States and counties under this section shall be used in a manner that is consistent with section 35 of the Mineral Leasing Act (30 U.S.C. 191).

(2) IMPACTS.—Not less than 35 percent of the amounts paid to a State under this section for each fiscal year shall be used for the purposes described in subsection (b)(2) .

(3) ADDITION TO PILT PAYMENTS.—A payment to a county under this section shall be in addition to a payment received in lieu of taxes under chapter 69 of title 31, United States Code.

SEC. 215. STUDY AND REPORT ON MITIGATION BANKING.

(a) STUDY.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretaries shall carry out a study to determine the feasibility of carrying out a mitigation banking program on Federal land administered by the Secretaries for purposes of fully offsetting the impacts of wind or solar energy on that Federal land.

(2) CONTENTS.—The study under paragraph (1) shall—

(A) identify areas in which—

(i) privately owned land is not available to fully offset the impacts of wind or solar energy development on Federal land administered by the Secretaries; or

(ii) mitigation investments on that Federal land are likely to provide greater conservation value for the impacts of wind or solar energy development on the Federal land; and

(B) examine—

(i) the effectiveness of laws (including regulations) and policies in effect on the date of enactment of this Act in facilitating the development and effective operation of mitigation banks;

(ii) the advantages and disadvantages of using mitigation banks on Federal land administered by the Secretaries to mitigate impacts to natural resources on private, State, and tribal land; and

(iii) any changes in Federal law (including regulations) or policy necessary to advance development of a Federal mitigation banking program.

(b) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this Act, the Secretaries jointly shall submit to Congress a report that includes—

(1) the recommendations of the Secretaries relating to—

(A) the most effective system for Federal land administered by the Secretaries to meet the goals of facilitating the development of a mitigation banking program on Federal land administered by the Secretaries; and

(B) any change to Federal law (including regulations) or policy necessary to address more effectively the siting, development, and management of mitigation banking programs on that Federal land to mitigate impacts to natural resources on private, State, and tribal land; and

(2) a description of any administrative action to be taken by the Secretaries in response to the recommendations.

(c) AVAILABILITY TO THE PUBLIC.—Not later than 30 days after the date on which the report is submitted to Congress under subsection (b), the Secretaries shall make the report available to the public.

SEC. 216. RENEWABLE ENERGY POTENTIAL AT MILITARY INSTALLATIONS.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of Defense, in consultation with the Secretary, shall conduct, and prepare for States that have not completed a comparable analysis a report describing the results of, a study that—

(1) identifies locations on land withdrawn from the public domain and reserved for military purposes that—

(A) exhibit a high potential for solar, wind, geothermal, or other renewable energy production;

(B) are disturbed or otherwise have comparatively low value for other resources; and

(C) could be developed for renewable energy production in a manner consistent with all present and reasonably foreseeable military training and operational missions and research, development, testing, and evaluation requirements; and

(2) describes the administration of public land withdrawn for military purposes for the development of commercial-scale renewable energy projects, including the legal authorities governing authorization for that use.

(b) ENVIRONMENTAL IMPACT ANALYSIS.—The Secretary of Defense, in consultation with the Secretary, shall prepare and publish in the Federal Register a notice of intent to prepare an environmental impact analysis document to support a program to develop renewable energy on withdrawn military land identified in the study under subsection (a) as suitable for the production.

(c) SUBMISSION TO CONGRESS.—On completion of the report under subsection (a), the Secretary and the Secretary of Defense jointly shall submit the report to—

(1) the Committee on Armed Services of the Senate;

(2) the Committee on Energy and Natural Resources of the Senate;

(3) the Committee on Armed Services of the House Representatives; and

(4) the Committee on Natural Resources of the House of Representatives.

SA 3594. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

SEC. ___. RELIEF FOR ENERGY CONSUMERS.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) COVERED ENERGY-RELATED RULE.—The term ''covered energy-related rule'' means a rule of the Environmental Protection Agency that—

(A)(i) regulates any aspect of the production, supply, distribution, or use of energy; or

(ii) provides for the regulation described in clause (i) by States or other governmental entities; and

(B) is estimated by the Administrator or the Director of the Office of Management and Budget to impose direct costs and indirect costs, in the aggregate, of more than $1,000,000,000.

(3) DIRECT COSTS.—The term ''direct costs'' has the meaning given the term in chapter 8 of the document of the Environmental Protection Agency entitled ''Guidelines for Preparing Economic Analyses'' and dated December 17, 2010.

(4) INDIRECT COSTS.—The term ''indirect costs'' has the meaning given the term in chapter 8 of the document of the Environmental Protection Agency entitled ''Guidelines for Preparing Economic Analyses'' and dated December 17, 2010.

(5) RULE.—The term ''rule'' has the meaning given the term in section 551 of title 5, United States Code.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(b) PROHIBITION AGAINST FINALIZING CERTAIN ENERGY-RELATED RULES THAT WILL CAUSE SIGNIFICANT ADVERSE EFFECTS TO THE ECONOMY.—Notwithstanding any other provision of law, the Administrator shall not promulgate as final any covered energy-related rule if the Secretary determines under subsection (c)(4) that the covered energy-related rule will result in significant adverse effects to the economy.

(c) REPORTS AND DETERMINATIONS PRIOR TO PROMULGATING AS FINAL CERTAIN ENERGY-RELATED RULES.—

(1) IN GENERAL.—Before promulgating as final any covered energy-related rule, the Administrator shall carry out the activities described in paragraphs (3) and (4).

(2) REPORT TO CONGRESS.—For each covered energy-related rule, the Administrator shall submit to Congress and Secretary a report containing—

(A) a copy of the covered energy-related rule;

(B) a concise general statement relating to the covered energy-related rule;

(C) an estimate of the total costs of the covered energy-related rule, including the direct costs and indirect costs of the covered energy-related rule;

(D) an estimate of—

(i) the total benefits of the covered energy-related rule; and

(ii) when those benefits are expected to be realized;

(E) a description of the modeling, the assumptions, and the limitations due to uncertainty, speculation, or lack of information

associated with the estimates under subparagraph (D);

(F) an estimate of the increases in energy prices, including potential increases in gasoline or electricity prices for consumers, that may result from implementation or enforcement of the covered energy-related rule; and

(G) a detailed description of the employment effects, including potential job losses and shifts in employment, that may result from implementation or enforcement of the covered energy-related rule.

(3) INITIAL DETERMINATION ON INCREASES AND IMPACTS.—The Secretary, in consultation with the Federal Energy Regulatory Commission and the Administrator of the Energy Information Administration, shall prepare an independent analysis to determine whether the covered energy-related rule will cause—

(A) any increase in energy prices for consumers, including low-income households, small businesses, and manufacturers;

(B) any impact on fuel diversity of the electricity generation portfolio of the United States or on national, regional, or local electric reliability;

(C) any adverse effect on energy supply, distribution, or use due to the economic or technical infeasibility of implementing the covered energy-related rule; or

(D) any other adverse effect on energy supply, distribution, or use (including a shortfall in supply and increased use of foreign supplies).

(4) SUBSEQUENT DETERMINATION ON ADVERSE EFFECTS TO THE ECONOMY.—If the Secretary determines, under paragraph (3), that the covered energy-related rule will result in an increase, impact, or effect described in that subsection, the Secretary, in consultation with the Administrator, the Secretary of Commerce, the Secretary of Labor, and the Administrator of the Small Business Administration, shall—

(A) determine whether the covered energy-related rule will result in significant adverse effects to the economy, taking into consideration—

(i) the costs and benefits of the covered energy-related rule and limitations in calculating those costs and benefits due to uncertainty, speculation, or lack of information; and

(ii) the positive and negative impacts of the covered energy-related rule on economic indicators, including those related to gross domestic product, unemployment, wages, consumer prices, and business and manufacturing activity; and

(B) publish the results of that determination in the Federal Register.

SA 3595. Mr. MORAN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

SEC. 4. SUPPORTING NEW BUSINESSES.

(a) SHORT TITLE.—This section may be cited as the ''Startup Act 3.0''.

(b) FINDINGS.—Congress makes the following findings:

(1) Achieving economic recovery will require the formation and growth of new companies.

(2) Between 1980 and 2005, companies less than 5 years old accounted for nearly all net job creation in the United States.

(3) New firms in the United States create an average of 3,000,000 jobs per year.

(4) To get Americans back to work, entrepreneurs must be free to innovate, create new companies, and hire employees.

(c) CONDITIONAL PERMANENT RESIDENT STATUS FOR IMMIGRANTS WITH AN ADVANCED DEGREE IN A STEM FIELD.—

(1) IN GENERAL.—Chapter 2 of title II of the Immigration and Nationality Act (8 U.S.C. 1181 et seq.) is amended by inserting after section 216A the following:

''SEC. 216B. CONDITIONAL PERMANENT RESIDENT STATUS FOR ALIENS WITH AN ADVANCED DEGREE IN A STEM FIELD.

''(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary of Homeland Security may adjust the status of not more than 50,000 aliens who have earned a master's degree or a doctorate degree at an institution of higher education in a STEM field to that of an alien conditionally admitted for permanent residence and authorize each alien granted such adjustment of status to remain in the United States—

''(1) for up to 1 year after the expiration of the alien's student visa under section 101(a)(15)(F)(i) if the alien is diligently searching for an opportunity to become actively engaged in a STEM field; and

''(2) indefinitely if the alien remains actively engaged in a STEM field.

''(b) APPLICATION FOR CONDITIONAL PERMANENT RESIDENT STATUS.—Every alien applying for a conditional permanent resident status under this section shall submit an application to the Secretary of Homeland Security before the expiration of the alien's student visa in such form and manner as the Secretary shall prescribe by regulation.

''(c) INELIGIBILITY FOR FEDERAL GOVERNMENT ASSISTANCE.—An alien granted conditional permanent resident status under this section shall not be eligible, while in such status, for—

''(1) any unemployment compensation (as defined in section 85(b) of the Internal Revenue Code of 1986); or

''(2) any Federal means-tested public benefit (as that term is used in section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613)).

''(d) EFFECT ON NATURALIZATION RESIDENCY REQUIREMENT.—An alien granted conditional permanent resident status under this section shall be deemed to have been lawfully admitted for permanent residence for purposes of meeting the 5-year residency requirement set forth in section 316(a)(1).

''(e) REMOVAL OF CONDITION.—The Secretary of Homeland Security shall remove the conditional basis of an alien's conditional permanent resident status under this section on the date that is 5 years after the date such status was granted if the alien maintained his or her eligibility for such status during the entire 5-year period.

''(f) DEFINITIONS.—In this section:

''(1) ACTIVELY ENGAGED IN A STEM FIELD.—The term 'actively engaged in a STEM field'—

''(A) means—

''(i) gainfully employed in a for-profit business or nonprofit organization in the United States in a STEM field;

''(ii) teaching 1 or more STEM field courses at an institution of higher education; or

''(iii) employed by a Federal, State, or local government entity; and

''(B) includes any period of up to 6 months during which the alien does not meet the requirement under subparagraph (A) if such period was immediately preceded by a 1-year period during which the alien met the requirement under subparagraph (A).

''(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

''(3) STEM FIELD.—The term 'STEM field' means any field of study or occupation included on the most recent STEM-Designated Degree Program List published in the Federal Register by the Department of Homeland Security (as described in section 214.2(f)(11)(i)(C)(2) of title 8, Code of Federal Regulations).''.

(2) CLERICAL AMENDMENT.—The table of contents in the first section of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by inserting after the item relating to section 216A the following:

''Sec. 216B. Conditional permanent resident status for aliens with an advanced degree in a STEM field.''.

(d) GOVERNMENT ACCOUNTABILITY OFFICE STUDY.—

(1) DEFINITIONS.—In this subsection, the terms ''institution of higher education'' and ''STEM field'' have the meanings given such terms in section 216B(f) of the Immigration and Nationality Act, as added by subsection (c).

(2) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the alien college graduates granted immigrant status under section 216B of the Immigration and Nationality Act, as added by subsection (c).

(3) CONTENTS.—The report required under paragraph (2) shall include—

(A) the number of aliens described in paragraph (2) who have earned a master's degree, broken down by the number of such degrees in science, technology, engineering, and mathematics;

(B) the number of aliens described in paragraph (2) who have earned a doctorate degree, broken down by the number of such degrees in science, technology, engineering, and mathematics;

(C) the number of aliens described in paragraph (2) who have founded a business in the United States in a STEM field;

(D) the number of aliens described in paragraph (2) who are employed in the United States in a STEM field, broken down by employment sector (for profit, nonprofit, or government); and

(E) the number of aliens described in paragraph (2) who are employed by an institution of higher education.

(e) IMMIGRANT ENTREPRENEURS.—

(1) QUALIFIED ALIEN ENTREPRENEURS.—

(A) ADMISSION AS IMMIGRANTS.—Chapter 1 of title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.) is amended by adding at the end the following:

''SEC. 210A. QUALIFIED ALIEN ENTREPRENEURS.

''(a) ADMISSION AS IMMIGRANTS.—The Secretary of Homeland Security, in accordance with the provisions of this section and section 216B, may issue a conditional immigrant visa to not more than 75,000 qualified alien entrepreneurs.

''(b) APPLICATION FOR CONDITIONAL PERMANENT RESIDENT STATUS.—Every alien applying for a conditional immigrant visa under this section shall submit an application to the Secretary of Homeland Security in such form and manner as the Secretary shall prescribe by regulation.

''(c) REVOCATION.—If, during the 4-year period beginning on the date that an alien is granted a visa under this section, the Secretary of Homeland Security determines that such alien is no longer a qualified alien entrepreneur, the Secretary shall—

''(1) revoke such visa; and

''(2) notify the alien that the alien—

''(A) may voluntarily depart from the United States in accordance to section 240B; or

''(B) will be subject to removal proceedings under section 240 if the alien does not depart from the United States not later than 6 months after receiving such notification.

''(d) REMOVAL OF CONDITIONAL BASIS.—The Secretary of Homeland Security shall remove the conditional basis of the status of an alien issued an immigrant visa under this section on that date that is 4 years after the date on which such visa was issued if such visa was not revoked pursuant to subsection (c).

''(e) DEFINITIONS.—In this section:

''(1) FULL-TIME EMPLOYEE.—The term 'full-time employee' means a United States citizen or legal permanent resident who is paid by the new business entity registered by a qualified alien entrepreneur at a rate that is comparable to the median income of employees in the region.

''(2) QUALIFIED ALIEN ENTREPRENEUR.—The term 'qualified alien entrepreneur' means an alien who—

''(A) at the time the alien applies for an immigrant visa under this section—

''(i) is lawfully present in the United States; and

''(ii)(I) holds a nonimmigrant visa pursuant to section 101(a)(15)(H)(i)(b); or

''(II) holds a nonimmigrant visa pursuant to section 101(a)(15)(F)(i);

''(B) during the 1-year period beginning on the date the alien is granted a visa under this section—

''(i) registers at least 1 new business entity in a State;

''(ii) employs, at such business entity in the United States, at least 2 full-time employees who are not relatives of the alien; and

''(iii) invests, or raises capital investment of, not less than $100,000 in such business entity; and

''(C) during the 3-year period beginning on the last day of the 1-year period described in paragraph (2), employs, at such business entity in the United States, an average of at least 5 full-time employees who are not relatives of the alien.''.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by adding after the item relating to section 210 the following:

''Sec. 210A. Qualified alien entrepreneurs.''.

(2) CONDITIONAL PERMANENT RESIDENT STATUS.—Section 216A of the Immigration and Nationality Act (8 U.S.C. 1186b) is amended—

(A) by striking ''Attorney General'' each place such term appears and inserting ''Secretary of Homeland Security'';

(B) in subsection (b)(1)(C), by striking ''203(b)(5),'' and inserting ''203(b)(5) or 210A, as appropriate,'';

(C) in subsection (c)(1), by striking ''alien entrepreneur must'' each place such term appears and inserting ''alien entrepreneur shall'';

(D) in subsection (d)(1)(B), by striking the period at the end and inserting ''or 210A, as appropriate.''; and

(E) in subsection (f)(1), by striking the period at the end and inserting ''or 210A.''.

(f) GOVERNMENT ACCOUNTABILITY OFFICE STUDY.—

(1) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the qualified alien entrepreneurs granted immigrant status under section 210A of the Immigration and Nationality Act, as added by subsection (e).

(2) CONTENTS.—The report described in paragraph (1) shall include information regarding—

(A) the number of qualified alien entrepreneurs who have received immigrant status under section 210A of the Immigration and Nationality Act, listed by country of origin;

(B) the localities in which such qualified alien entrepreneurs have initially settled;

(C) whether such qualified alien entrepreneurs generally remain in the localities in which they initially settle;

(D) the types of commercial enterprises that such qualified alien entrepreneurs have established; and

(E) the types and number of jobs created by such qualified alien entrepreneurs.

(g) ELIMINATION OF THE PER-COUNTRY NUMERICAL LIMITATION FOR EMPLOYMENT-BASED VISAS.—

(1) IN GENERAL.—Section 202(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1152(a)(2)) is amended—

(A) in the paragraph heading, by striking ''AND EMPLOYMENT-BASED'';

(B) by striking ''(3), (4), and (5),'' and inserting ''(3) and (4),'';

(C) by striking ''subsections (a) and (b) of section 203'' and inserting ''section 203(a)'';

(D) by striking ''7'' and inserting ''15''; and

(E) by striking ''such subsections'' and inserting ''such section''.

(2) CONFORMING AMENDMENTS.—Section 202 of the Immigration and Nationality Act (8 U.S.C. 1152) is amended—

(A) in subsection (a)—

(i) in paragraph (3), by striking ''both subsections (a) and (b) of section 203'' and inserting ''section 203(a)''; and

(ii) by striking paragraph (5); and

(B) by amending subsection (e) to read as follows:

''(e) SPECIAL RULES FOR COUNTRIES AT CEILING.—If it is determined that the total number of immigrant visas made available under section 203(a) to natives of any single foreign state or dependent area will exceed the numerical limitation specified in subsection (a)(2) in any fiscal year, in determining the allotment of immigrant visa numbers to natives under section 203(a), visa numbers with respect to natives of that state or area shall be allocated (to the extent practicable and otherwise consistent with this section and section 203) in a manner so that, except as provided in subsection (a)(4), the proportion of the visa numbers made available under each of paragraphs (1) through (4) of section 203(a) is equal to the ratio of the total number of visas made available under the respective paragraph to the total number of visas made available under section 203(a).''.

(3) COUNTRY-SPECIFIC OFFSET.—Section 2 of the Chinese Student Protection Act of 1992 (8 U.S.C. 1255 note) is amended—

(A) in subsection (a), by striking ''subsection (e))'' and inserting ''subsection (d))''; and

(B) by striking subsection (d) and redesignating subsection (e) as subsection (d).

(h) TRANSITION RULES FOR EMPLOYMENT-BASED IMMIGRANTS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (4), and notwithstanding title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.), the following rules shall apply:

(A) For fiscal year 2014, 15 percent of the immigrant visas made available under each of paragraphs (2) and (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) shall be allotted to immigrants who are natives of a foreign state or dependent area that was not 1 of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2012 under such paragraphs.

(B) For fiscal year 2015, 10 percent of the immigrant visas made available under each of such paragraphs shall be allotted to immigrants who are natives of a foreign state or dependent area that was not 1 of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2013 under such paragraphs.

(C) For fiscal year 2016, 10 percent of the immigrant visas made available under each of such paragraphs shall be allotted to immigrants who are natives of a foreign state or dependent area that was not 1 of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2014 under such paragraphs.

(2) PER-COUNTRY LEVELS.—

(A) RESERVED VISAS.—With respect to the visas reserved under each of subparagraphs (A) through (C) of paragraph (1), the number of such visas made available to natives of any single foreign state or dependent area in the appropriate fiscal year may not exceed 25 percent (in the case of a single foreign state) or 2 percent (in the case of a dependent area) of the total number of such visas.

(B) UNRESERVED VISAS.—With respect to the immigrant visas made available under each of paragraphs (2) and (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) and not reserved under paragraph (1), for each of fiscal years 2013, 2014, and 2015, not more than 85 percent shall be allotted to immigrants who are natives of any single foreign state.

(3) SPECIAL RULE TO PREVENT UNUSED VISAS.—If, with respect to fiscal year 2014, 2015, or 2016, the operation of paragraphs (1) and (2) would prevent the total number of immigrant visas made available under paragraph (2) or (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) from being issued, such visas may be issued during the remainder of such fiscal year without regard to paragraphs (1) and (2).

(4) RULES FOR CHARGEABILITY.—Section 202(b) of the Immigration and Nationality Act (8 U.S.C. 1152(b)) shall apply in determining the foreign state to which an alien is chargeable for purposes of this subsection.

(i) CAPITAL GAINS TAX EXEMPTION FOR STARTUP COMPANIES.—

(1) PERMANENT FULL EXCLUSION.—

(A) IN GENERAL.—Section 1202(a) of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) EXCLUSION.—In the case of a taxpayer other than a corporation, gross income shall not include 100 percent of any gain from the sale or exchange of qualified small business stock held for more than 5 years.''.

(B) CONFORMING AMENDMENTS.—

(i) The heading for section 1202 of such Code is amended by striking ''**PARTIAL**''.

(ii) The item relating to section 1202 in the table of sections for part I of subchapter P of chapter 1 of such Code is amended by striking ''Partial exclusion'' and inserting ''Exclusion''.

(iii) Section 1223(13) of such Code is amended by striking ''1202(a)(2),''.

(2) REPEAL OF MINIMUM TAX PREFERENCE.—

(A) IN GENERAL.—Section 57(a) of the Internal Revenue Code of 1986 is amended by striking paragraph (7).

(B) TECHNICAL AMENDMENT.—Section 53(d)(1)(B)(ii)(II) of such Code is amended by striking '', (5), and (7)'' and inserting ''and (5)''.

(3) REPEAL OF 28 PERCENT CAPITAL GAINS RATE ON QUALIFIED SMALL BUSINESS STOCK.—

(A) IN GENERAL.—Section 1(h)(4)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

''(A) collectibles gain, over''.

(B) CONFORMING AMENDMENTS.—

(i) Section 1(h) of such Code is amended—

(I) by striking paragraph (7); and

(II) by redesignating paragraphs (8), (9), (10), (11), (12), and (13) as paragraphs (7), (8), (9), (10), (11), and (12), respectively.

(ii) Sections 163(d)(4)(B), 854(b)(5), 857(c)(2)(D) of such Code are each amended by striking ''section 1(h)(11)(B)'' and inserting ''section 1(h)(10)(B)''.

(iii) The following sections of such Code are each amended by striking ''section 1(h)(11)'' and inserting ''section 1(h)(10)'':

(I) Section 301(f)(4).

(II) Section 306(a)(1)(D).

(III) Section 584(c).

(IV) Section 702(a)(5).

(V) Section 854(a).

(VI) Section 854(b)(2).

(iv) The heading of section 857(c)(2) of such Code is amended by striking ''1(h)(11)'' and inserting ''1(h)(10)''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to stock acquired after the date of the enactment of this Act.

(j) RESEARCH CREDIT FOR STARTUP COMPANIES.—

(1) IN GENERAL.—

(A) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(i) TREATMENT OF CREDIT TO QUALIFIED SMALL BUSINESSES.—

''(1) IN GENERAL.—At the election of a qualified small business, the payroll tax credit portion of the credit determined under subsection (a) shall be treated as a credit allowed under section 3111(f) (and not under this section).

''(2) PAYROLL TAX CREDIT PORTION.—For purposes of this subsection, the payroll tax credit portion of the credit determined under subsection (a) for any taxable year is so much of such credit as does not exceed $250,000.

''(3) QUALIFIED SMALL BUSINESS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified small business' means, with respect to any taxable year—

''(i) a corporation, partnership, or S corporation if—

''(I) the gross receipts (as determined under subsection (c)(7)) of such entity for the taxable year is less than $5,000,000, and

''(II) such entity did not have gross receipts (as so determined) for any period preceding the 5-taxable-year period ending with such taxable year, and

''(ii) any person not described in subparagraph (A) if clauses (i) and (ii) of subparagraph (A) applied to such person, determined—

''(I) by substituting 'person' for 'entity' each place it appears, and

''(II) in the case of an individual, by only taking into account the aggregate gross receipts received by such individual in carrying on trades or businesses of such individual.

''(B) LIMITATION.—Such term shall not include an organization which is exempt from taxation under section 501.

''(4) ELECTION.—

''(A) IN GENERAL.—In the case of a partnership or S corporation, an election under this subsection shall be made at the entity level.

''(B) REVOCATION.—An election under this subsection may not be revoked without the consent of the Secretary.

''(C) LIMITATION.—A taxpayer may not make an election under this subsection if such taxpayer has made an election under this subsection for 5 or more preceding taxable years.

''(5) AGGREGATION RULES.—For purposes of determining the $250,000 limitation under paragraph (2) and determining gross receipts under paragraph (3), all members of the same controlled group of corporations (within the meaning of section 267(f)) and all persons under common control (within the meaning of section 52(b) but determined by treating an interest of more than 50 percent as a controlling interest) shall be treated as 1 person.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

''(A) regulations to prevent the avoidance of the purposes of paragraph (3) through the use of successor companies or other means,

''(B) regulations to minimize compliance and recordkeeping burdens under this subsection for start-up companies, and

''(C) regulations for recapturing the benefit of credits determined under section 3111(f) in cases where there is a subsequent adjustment to the payroll tax credit portion of the credit determined under subsection (a), including requiring amended returns in the cases where there is such an adjustment.''.

(B) CONFORMING AMENDMENT.—Section 280C(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(5) TREATMENT OF QUALIFIED SMALL BUSINESS CREDIT.—For purposes of determining the amount of any credit under section 41(a) under this subsection, any election under section 41(i) shall be disregarded.''.

(2) CREDIT ALLOWED AGAINST FICA TAXES.—

(A) IN GENERAL.—Section 3111 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(f) CREDIT FOR RESEARCH EXPENDITURES OF QUALIFIED SMALL BUSINESSES.—

''(1) IN GENERAL.—In the case of a qualified small business which has made an election under section 41(i), there shall be allowed as a credit against the tax imposed by subsection (a) on wages paid with respect to the employment of all employees of the qualified small business for days in an applicable calendar quarter an amount equal to the payroll tax credit portion of the research credit determined under section 41(a).

''(2) CARRYOVER OF UNUSED CREDIT.—In any case in which the payroll tax credit portion of the research credit determined under section 41(a) exceeds the tax imposed under subsection (a) for an applicable calendar quarter—

''(A) the succeeding calendar quarter shall be treated as an applicable calendar quarter, and

''(B) the amount of credit allowed under paragraph (1) shall be reduced by the amount of credit allowed under such paragraph for all preceding applicable calendar quarters.

''(3) ALLOCATION OF CREDIT FOR CONTROLLED GROUPS, ETC.—In determining the amount of the credit under this subsection—

''(A) all persons treated as a single taxpayer under section 41 shall be treated as a single taxpayer under this section, and

''(B) the credit (if any) allowable by this section to each such member shall be its proportionate share of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums, giving rise to the credit allowable under section 41.

''(4) DEFINITIONS.—For purposes of this subsection—

''(A) APPLICABLE CALENDAR QUARTER.—The term 'applicable calendar quarter' means—

''(i) the first calendar quarter following the date on which the qualified small business files a return under section 6012 for the taxable year for which the payroll tax credit portion of the research credit under section 41(a) is determined, and

''(ii) any succeeding calendar quarter treated as an applicable calendar quarter under paragraph (2)(A).

''For purposes of determining the date on which a return is filed, rules similar to the rules of section 6513 shall apply.

''(B) OTHER TERMS.—Any term used in this subsection which is also used in section 41 shall have the meaning given such term under section 41.''.

(B) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the amendments made by paragraph (1). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

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

(k) ACCELERATED COMMERCIALIZATION OF TAXPAYER-FUNDED RESEARCH.—

(1) DEFINITIONS.—In this subsection:

(A) COUNCIL.—The term ''Council'' means the Advisory Council on Innovation and Entrepreneurship of the Department of Commerce established pursuant to section 25(c) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3720(c)).

(B) EXTRAMURAL BUDGET.—The term ''extramural budget'' means the sum of the total obligations minus amounts obligated for such activities by employees of the agency in or through Government-owned, Government-operated facilities, except that for the Department of Energy it shall not include amounts obligated for atomic energy defense programs solely for weapons activities or for naval reactor programs, and except that for the Agency for International Development it shall not include amounts obligated solely for general institutional support of international research centers or for grants to foreign countries.

(C) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(D) RESEARCH OR RESEARCH AND DEVELOPMENT.—The term ''research'' or ''research and development'' means any activity that is—

(i) a systematic, intensive study directed toward greater knowledge or understanding of the subject studied;

(ii) a systematic study directed specifically toward applying new knowledge to meet a recognized need; or

(iii) a systematic application of knowledge toward the production of useful materials, devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements.

(E) SECRETARY.—The term ''Secretary'' means the Secretary of Commerce.

(2) GRANT PROGRAM AUTHORIZED.—

(A) IN GENERAL.—Each Federal agency that has an extramural budget for research or research and development that is in excess of $100,000,000 for each of the fiscal years 2015 through 2019, shall transfer 0.15 percent of such extramural budget for each of such fiscal years to the Secretary to enable the Secretary to carry out a grant program in accordance with this paragraph.

(B) GRANTS.—

(i) AWARDING OF GRANTS.—

(I) IN GENERAL.—From amounts transferred under subparagraph (A), the Secretary shall use the criteria developed by the Council to award grants to institutions of higher education, including consortia of institutions of higher education, for initiatives to improve commercialization and transfer of technology.

(II) REQUEST FOR PROPOSALS.—Not later than 30 days after the Council submits the

recommendations for criteria to the Secretary under paragraph (3)(B)(i), and annually thereafter for each fiscal year for which the grant program is authorized, the Secretary shall release a request for proposals.

(III) APPLICATIONS.—Each institution of higher education that desires to receive a grant under this paragraph shall submit an application to the Secretary not later than 90 days after the Secretary releases the request for proposals under subclause (II).

(IV) COUNCIL REVIEW.—

(aa) IN GENERAL.—The Secretary shall submit each application received under subclause (III) to the Council for Council review.

(bb) RECOMMENDATIONS.—The Council shall review each application received under item (aa) and submit recommendations for grant awards to the Secretary, including funding recommendations for each proposal.

(cc) PUBLIC RELEASE.—The Council shall publicly release any recommendations made under item (bb).

(dd) CONSIDERATION OF RECOMMENDATIONS.—In awarding grants under this paragraph, the Secretary shall take into consideration the recommendations of the Council under item (bb)).

(ii) COMMERCIALIZATION CAPACITY BUILDING GRANTS.—

(I) IN GENERAL.—The Secretary shall award grants to support institutions of higher education pursuing specific innovative initiatives to improve an institution's capacity to commercialize faculty research that can be widely adopted if the research yields measurable results.

(II) CONTENT OF PROPOSALS.—Grants shall be awarded under this clause to proposals demonstrating the capacity for accelerated commercialization, proof-of-concept proficiency, and translating scientific discoveries and cutting-edge inventions into technological innovations and new companies. Grant funds shall be expended to support innovative approaches to achieving these goals that can be replicated by other institutions of higher education if the innovative approaches are successful.

(iii) COMMERCIALIZATION ACCELERATOR GRANTS.—The Secretary shall award grants to support institutions of higher education pursuing initiatives that allow faculty to directly commercialize research in an effort to accelerate research breakthroughs. The Secretary shall prioritize those initiatives that have a management structure that encourages collaboration between other institutions of higher education or other entities with demonstrated proficiency in creating and growing new companies based on verifiable metrics.

(C) ASSESSMENT OF SUCCESS.—Grants awarded under this paragraph shall use criteria for assessing the success of programs through the establishment of benchmarks.

(D) TERMINATION.—The Secretary shall have the authority to terminate grant funding to an institution of higher education in accordance with the process and performance metrics recommended by the Council.

(E) LIMITATIONS.—

(i) PROJECT MANAGEMENT COSTS.—A grant recipient may use not more than 10 percent of grant funds awarded under this paragraph for the purpose of funding project management costs of the grant program.

(ii) SUPPLEMENT, NOT SUPPLANT.—An institution of higher education that receives a grant under this paragraph shall use the grant funds to supplement, and not supplant, non-Federal funds that would, in the absence of such grant funds, be made available for activities described in this subsection.

(F) UNSPENT FUNDS.—Any funds transferred to the Secretary under subparagraph (A) for a fiscal year that are not expended by the end of such fiscal year may be expended in any subsequent fiscal year through fiscal year 2019. Any funds transferred under subparagraph (A) that are remaining at the end of the grant program's authorization under this subsection shall be transferred to the Treasury for deficit reduction.

(3) COUNCIL.—

(A) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Council shall convene and develop recommendations for criteria in awarding grants to institutions of higher education under paragraph (2).

(B) SUBMISSION TO SECRETARY OF COMMERCE AND PUBLIC RELEASE.—The Council shall—

(i) submit the recommendations described in subparagraph (A) to the Secretary; and

(ii) release the recommendations to the public.

(C) MAJORITY VOTE.—The recommendations submitted by the Council under subparagraph (A) shall be determined by a majority vote of Council members.

(D) PERFORMANCE METRICS.—The Council shall develop and provide to the Secretary recommendations on performance metrics to be used to evaluate grants awarded under paragraph (2).

(E) EVALUATION.—

(i) IN GENERAL.—Not later than 180 days before the date on which the grant program authorized under paragraph (2) expires, the Council shall conduct an evaluation of the effect that the grant program is having on accelerating the commercialization of faculty research.

(ii) INCLUSIONS.—The evaluation shall include—

(I) the recommendation of the Council as to whether the grant program should be continued or terminated;

(II) quantitative data related to the effect, if any, that the grant program has had on faculty research commercialization; and

(III) a description of lessons learned in administering the grant program, and how those lessons could be applied to future efforts to accelerate commercialization of faculty research.

(iii) AVAILABILITY.—Upon completion of the evaluation, the evaluation shall be made available on a public website and submitted to Congress. The Secretary shall notify all institutions of higher education when the evaluation is published and how it can be accessed.

(4) CONSTRUCTION.—Nothing in this subsection may be construed to alter, modify, or amend any provision of chapter 18 of title 35, United States Code (commonly known as the ''Bayh-Dole Act'').

(l) ECONOMIC IMPACT OF SIGNIFICANT FEDERAL AGENCY RULES.—Section 553 of title 5, United States Code, is amended by adding at the end the following:

''(f) REQUIRED REVIEW BEFORE ISSUANCE OF SIGNIFICANT RULES.—

''(1) IN GENERAL.—Before issuing a notice of proposed rulemaking in the Federal Register regarding the issuance of a proposed significant rule, the head of the Federal agency or independent regulatory agency seeking to issue the rule shall complete a review, to the extent permitted by law, that—

''(A) analyzes the problem that the proposed rule intends to address, including—

''(i) the specific market failure, such as externalities, market power, or lack of information, that justifies such rule; or

''(ii) any other specific problem, such as the failures of public institutions, that justifies such rule;

''(B) analyzes the expected impact of the proposed rule on the ability of new businesses to form and expand;

''(C) identifies the expected impact of the proposed rule on State, local, and tribal governments, including the availability of resources—

''(i) to carry out the mandates imposed by the rule on such government entities; and

''(ii) to minimize the burdens that uniquely or significantly affect such governmental entities, consistent with achieving regulatory objectives;

''(D) identifies any conflicting or duplicative regulations;

''(E) determines—

''(i) if existing laws or regulations created, or contributed to, the problem that the new rule is intended to correct; and

''(ii) if the laws or regulations referred to in clause (i) should be modified to more effectively achieve the intended goal of the rule; and

''(F) includes the cost-benefit analysis described in paragraph (2).

''(2) COST-BENEFIT ANALYSIS.—A cost-benefit analysis described in this paragraph shall include—

''(A)(i) an assessment, including the underlying analysis, of benefits anticipated from the proposed rule, such as—

''(I) promoting the efficient functioning of the economy and private markets;

''(II) enhancing health and safety;

''(III) protecting the natural environment; and

''(IV) eliminating or reducing discrimination or bias; and

''(ii) the quantification of the benefits described in clause (i), to the extent feasible;

''(B)(i) an assessment, including the underlying analysis, of costs anticipated from the proposed rule, such as—

''(I) the direct costs to the Federal Government to administer the rule;

''(II) the direct costs to businesses and others to comply with the rule; and

''(III) any adverse effects on the efficient functioning of the economy, private markets (including productivity, employment, and competitiveness), health, safety, and the natural environment; and

''(ii) the quantification of the costs described in clause (i), to the extent feasible;

''(C)(i) an assessment, including the underlying analysis, of costs and benefits of potentially effective and reasonably feasible alternatives to the proposed rule, which have been identified by the agency or by the public, including taking reasonably viable nonregulatory actions; and

''(ii) an explanation of why the proposed rule is preferable to the alternatives identified under clause (i).

''(3) REPORT.—Before issuing a notice of proposed rulemaking in the Federal Register regarding the issuance of a proposed significant rule, the head of the Federal agency or independent regulatory agency seeking to issue the rule shall—

''(A) submit the results of the review conducted under paragraph (1) to the appropriate congressional committees; and

''(B) post the results of the review conducted under paragraph (1) on a publicly available website.

''(4) JUDICIAL REVIEW.—Any determinations made, or other actions taken, by an agency or independent regulatory agency under this subsection shall not be subject to judicial review.

''(5) DEFINED TERM.—In this subsection the term 'significant rule' means a rule that is likely to—

''(A) have an annual effect on the economy of $100,000,000 or more;

''(B) adversely affect, in a material way, the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; or

''(C) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency.''.

(m) BIENNIAL STATE STARTUP BUSINESS REPORT.—

(1) DATA COLLECTION.—The Secretary of Commerce shall regularly compile information from each of the 50 States and the District of Columbia on State or District laws that affect the formation and growth of new businesses within the State or District.

(2) REPORT.—Not later than 18 months after the date of the enactment of this Act, and every 2 years thereafter, the Secretary, using data compiled under paragraph (1), shall prepare a report that—

(A) analyzes the economic effect of State and District laws that either encourage or inhibit business formation and growth; and

(B) ranks the States and the District based on the effectiveness with which their laws foster new business creation and economic growth.

(3) DISTRIBUTION.—The Secretary shall—

(A) submit each report prepared under paragraph (1) to Congress; and

(B) make each report available to the public on the website of the Department of Commerce.

(4) INCLUSION OF LARGE METROPOLITAN AREAS.—Not later than 90 days after the submission of the first report under this subsection, the Secretary of Commerce shall submit a study to Congress on the feasibility and advisability of including, in future reports, information about the effect of local laws and ordinances on the formation and growth of new businesses in large metropolitan areas within the United States.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(n) NEW BUSINESS FORMATION REPORT.—

(1) IN GENERAL.—The Secretary of Commerce shall regularly compile quantitative and qualitative information on businesses in the United States that are not more than 1 year old.

(2) DATA COLLECTION.—The Secretary shall—

(A) regularly compile information from the Bureau of the Census' business register on new business formation in the United States; and

(B) conduct quarterly surveys of business owners who start a business during the 1-year period ending on the date on which such survey is conducted to gather qualitative information about the factors that influenced their decision to start the business.

(3) RANDOM SAMPLING.—In conducting surveys under paragraph (2)(B), the Secretary may use random sampling to identify a group of business owners who are representative of all the business owners described in paragraph (2)(B).

(4) BENEFITS.—The Secretary shall inform business owners selected to participate in a survey conducted under this subsection of the benefits they would receive from participating in the survey.

(5) VOLUNTARY PARTICIPATION.—Business owners selected to participate in a survey conducted under this subsection may decline to participate without penalty.

(6) REPORT.—Not later than 18 months after the date of the enactment of this Act, and every 3 months thereafter, the Secretary shall use the data compiled under paragraph (2) to prepare a report that—

(A) lists the aggregate number of new businesses formed in the United States;

(B) lists the aggregate number of persons employed by new businesses formed in the United States;

(C) analyzes the payroll of new businesses formed in the United States;

(D) summarizes the data collected under paragraph (2); and

(E) identifies the most effective means by which government officials can encourage the formation and growth of new businesses in the United States.

(7) DISTRIBUTION.—The Secretary shall—

(A) submit each report prepared under paragraph (6) to Congress; and

(B) make each report available to the public on the website of the Department of Commerce.

(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(o) RESCISSION OF UNSPENT FEDERAL FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, of all available unobligated funds for fiscal year 2014, the amount necessary to carry out this section and the amendments made by this section in appropriated discretionary funds are hereby rescinded.

(2) IMPLEMENTATION.—

(A) DETERMINATION.—The Director of the Office of Management and Budget shall determine and identify from which appropriation accounts the rescission under paragraph (1) shall apply and the amount of such rescission that shall apply to each such account.

(B) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Secretary of the Treasury and Congress of the accounts and amounts determined and identified for rescission under subparagraph (A).

SA 3596. Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, insert the following:

SEC. 4. EXPENSING CERTAIN DEPRECIABLE BUSINESS ASSETS FOR SMALL BUSINESS.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 is amended by striking ''shall not exceed—'' and all that follows and inserting ''shall not exceed $500,000.''.

(2) REDUCTION IN LIMITATION.—Paragraph (2) of section 179(b) of such Code is amended by striking ''exceeds—'' and all that follows and inserting ''exceeds $2,000,000.''.

(b) COMPUTER SOFTWARE.—Clause (ii) of section 179(d)(1)(A) of the Internal Revenue Code of 1986 is amended by striking '', to which section 167 applies, and which is placed in service in a taxable year beginning after 2002 and before 2014'' and inserting ''and to which section 167 applies''.

(c) ELECTION.—Paragraph (2) of section 179(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''may not be revoked'' and all that follows through ''and before 2014'', and

(2) by striking ''IRREVOCABLE'' in the heading thereof.

(d) AIR CONDITIONING AND HEATING UNITS.—Paragraph (1) of section 179(d) of the Internal Revenue Code of 1986 is amended by striking ''and shall not include air conditioning or heating units''.

(e) QUALIFIED REAL PROPERTY.—Subsection (f) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''beginning in 2010, 2011, 2012, or 2013'' in paragraph (1), and

(2) by striking paragraphs (3) and (4).

(f) INFLATION ADJUSTMENT.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2014, the dollar amounts in paragraphs (1) and (2) 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(c)(2)(A) for such calendar year, determined by substituting 'calendar year 2013' for 'calendar year 2012' in clause (ii) thereof.

''(B) ROUNDING.—The amount of any increase under subparagraph (A) shall be rounded to the nearest multiple of $10,000.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SA 3597. Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. AUTHORITY TO OFFER ADDITIONAL PLAN OPTIONS.

(a) CATASTROPHIC PLANS.—Notwithstanding title I of the Patient Protection and Affordable Care Act (Public Law 111–148), a catastrophic plan as described in section 1302(e) of such Act shall be deemed to be a qualified health plan (including for purposes of receiving tax credits under section 36B of the Internal Revenue Code of 1986 and cost-sharing assistance under section 1402 of the Patient Protection and Affordable Care Act), except that for purposes of enrollment in such plans, the provisions of paragraph (2) of such section 1302(e) shall not apply.

(b) INDIVIDUAL MANDATE.—Coverage under a catastrophic plan under subsection (a) shall be deemed to be minimum essential coverage for purposes of section 5000A of the Internal Revenue Code of 1986.

SA 3598. Mr. ENZI (for himself, Mr. BARRASSO, and Mr. PORTMAN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. RESTRICTIONS ON APPLICATION OF EMPLOYER HEALTH INSURANCE MANDATE.

(a) EXCEPTION FOR SMALL BUSINESS CONCERNS.—Section 4980H(c)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(F) EXCEPTION FOR SMALL BUSINESS CONCERNS.—The term 'applicable large employer' shall not include any employer which is a small business concern (within the meaning of section 3 of the Small Business Act).''.

(b) DEFINITION OF FULL-TIME EMPLOYEE.—Section 4980H(c) of such Code is amended—

(1) in paragraph (2)(E), by striking ''by 120'' and inserting ''by 174'', and

(2) in paragraph (4)(A), by striking ''30 hours'' and inserting ''40 hours''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

SA 3599. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE __—TAX RETURN DUE DATE SIMPLIFICATION AND MODERNIZATION

SEC. __01. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This title may be cited as the ''Tax Return Due Date Simplification and Modernization Act of 2014''.

(b) REFERENCE.—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.

SEC. __02. NEW DUE DATE FOR PARTNERSHIP FORM 1065, S CORPORATION FORM 1120S, AND C CORPORATION FORM 1120.

(a) PARTNERSHIPS.—

(1) IN GENERAL.—Section 6072 is amended by adding at the end the following new subsection:

''(f) RETURNS OF PARTNERSHIPS.—Returns of partnerships under section 6031 made on the basis of the calendar year shall be filed on or before the 15th day of March following the close of the calendar year, and such returns made on the basis of a fiscal year shall be filed on or before the 15th day of the third month following the close of the fiscal year.''.

(2) CONFORMING AMENDMENT.—Section 6072(a) is amended by striking ''6017, or 6031'' and inserting ''or 6017''.

(b) S CORPORATIONS.—

(1) IN GENERAL.—So much of subsection (b) of 6072 as precedes the second sentence thereof is amended to read as follows:

''(b) RETURNS OF CERTAIN CORPORATIONS.—Returns of S corporations under sections 6012 and 6037 made on the basis of the calendar year shall be filed on or before the 31st day of March following the close of the calendar year, and such returns made on the basis of a fiscal year shall be filed on or before the last day of the third month following the close of the fiscal year.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1362(b) is amended—

(i) by striking ''15th'' each place it appears and inserting ''last'',

(ii) by striking ''2½'' each place it appears and inserting ''3'', and

(iii) by striking ''2 months and 15 days'' in paragraph (4) and inserting ''3 months''.

(B) Section 1362(d)(1)(C)(i) is amended by striking ''15th'' and inserting ''last''.

(C) Section 1362(d)(1)(C)(ii) is amended by striking ''such 15th day'' and inserting ''the last day of the 3d month thereof''.

(c) CONFORMING AMENDMENTS RELATING TO C CORPORATIONS.—

(1) Section 170(a)(2)(B) is amended by striking ''third month'' and inserting ''4th month''.

(2) Section 563 is amended by striking ''third month'' each place it appears and inserting ''4th month''.

(3) Section 1354(d)(1)(B)(i) is amended by striking ''3d month'' and inserting ''4th month''.

(4) Subsection (a) and (c) of section 6167 are each amended by striking ''third month'' and inserting ''4th month''.

(5) Section 6425(a)(1) is amended by striking ''third month'' and inserting ''4th month''.

(6) Subsections (b)(2)(A), (g)(3), and (h)(1) of section 6655 are each amended by striking ''3rd month'' and inserting ''4th month''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to returns for taxable years beginning after December 31, 2014.

SEC. __03. MODIFICATION OF DUE DATES BY REGULATION.

In the case of returns for taxable years beginning after December 31, 2014, the Secretary of the Treasury or the Secretary's delegate shall modify appropriate regulations to provide as follows:

(1) The maximum extension for the returns of partnerships filing Form 1065 shall be a 6-month period beginning on the due date for filing the return (without regard to any extensions).

(2) The maximum extension for the returns of trusts and estates filing Form 1041 shall be a 5½-month period beginning on the due date for filing the return (without regard to any extensions).

(3) The maximum extension for the returns of employee benefit plans filing Form 5500 shall be an automatic 3½-month period beginning on the due date for filing the return (without regard to any extensions).

(4) The maximum extension for the Forms 990 (series) returns of organizations exempt from income tax shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(5) The maximum extension for the returns of organizations exempt from income tax that are required to file Form 4720 returns of excise taxes shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(6) The maximum extension for the returns of trusts required to file Form 5227 shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(7) The maximum extension for the returns of Black Lung Benefit Trusts required to file Form 6069 returns of excise taxes shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(8) The maximum extension for a taxpayer required to file Form 8870 shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(9) The due date of Form 3520–A, Annual Information Return of a Foreign Trust with a United States Owner, shall be the 15th day of the 4th month after the close of the trust's taxable year, and the maximum extension shall be a 6-month period beginning on such day.

(10) The due date of Form TD F 90–22.1 (relating to Report of Foreign Bank and Financial Accounts) shall be April 15 with a maximum extension for a 6-month period ending on October 15, and with provision for an extension under rules similar to the rules of 26 C.F.R. 1.6081–5. For any taxpayer required to file such form for the first time, the Secretary of the Treasury may waive any penalty for failure to timely request or file an extension.

(11) Taxpayers filing Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, shall be allowed to extend the time for filing such form separately from the income tax return of the taxpayer, for an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

SEC. __04. CORPORATIONS PERMITTED STATUTORY AUTOMATIC 6-MONTH EXTENSION OF INCOME TAX RETURNS.

(a) IN GENERAL.—Section 6081(b) is amended by striking ''3 months'' and inserting ''6 months''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns for taxable years beginning after December 31, 2014.

SA 3600. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''United States Job Creation and International Tax Reform Act of 2014''.

(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 of this Act is as follows:

TITLE I—PARTICIPATION EXEMPTION SYSTEM FOR TAXATION OF FOREIGN INCOME

SEC. 101. DEDUCTION FOR DIVIDENDS RECEIVED BY DOMESTIC CORPORATIONS FROM CERTAIN FOREIGN CORPORATIONS.

(a) ALLOWANCE OF DEDUCTION.—Part VIII of subchapter B of chapter 1 is amended by inserting after section 245 the following new section:

''SEC. 245A. DIVIDENDS RECEIVED BY DOMESTIC CORPORATIONS FROM CERTAIN FOREIGN CORPORATIONS.

''(a) IN GENERAL.—In the case of any dividend received from a controlled foreign corporation by a domestic corporation which is a United States shareholder with respect to such controlled foreign corporation, there

shall be allowed as a deduction an amount equal to 95 percent of the qualified foreign-source portion of the dividend.

''(b) TREATMENT OF ELECTING NONCONTROLLED SECTION 902 CORPORATIONS AS CONTROLLED FOREIGN CORPORATIONS.—

''(1) IN GENERAL.—If a domestic corporation elects the application of this subsection for any noncontrolled section 902 corporation with respect to the domestic corporation, then, for purposes of this title—

''(A) the noncontrolled section 902 corporation shall be treated as a controlled foreign corporation with respect to the domestic corporation, and

''(B) the domestic corporation shall be treated as a United States shareholder with respect to the noncontrolled section 902 corporation.

''(2) ELECTION.—

''(A) TIME OF ELECTION.—Any election under this subsection with respect to any noncontrolled section 902 corporation shall be made not later than the due date for filing the return of tax for the first taxable year of the taxpayer with respect to which the foreign corporation is a noncontrolled section 902 corporation with respect to the taxpayer (or, if later, the first taxable year of the taxpayer for which this section is in effect).

''(B) REVOCATION OF ELECTION.—Any election under this subsection, once made, may be revoked only with the consent of the Secretary.

''(C) CONTROLLED GROUPS.—If a domestic corporation making an election under this subsection with respect to any noncontrolled section 902 corporation is a member of a controlled group of corporations (within the meaning of section 1563(a), except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears therein), then, except as otherwise provided by the Secretary, such election shall apply to all members of such group.

''(c) QUALIFIED FOREIGN-SOURCE PORTION OF DIVIDENDS.—For purposes of this section—

''(1) QUALIFIED FOREIGN-SOURCE PORTION.—

''(A) IN GENERAL.—The qualified foreign-source portion of any dividend is an amount which bears the same ratio to such dividend as—

''(i) the post-2014 undistributed qualified foreign earnings, bears to

''(ii) the total post-2014 undistributed earnings.

''(B) POST-2014 UNDISTRIBUTED EARNINGS.—The term 'post-2014 undistributed earnings' means the amount of the earnings and profits of a controlled foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2014—

''(i) as of the close of the taxable year of the controlled foreign corporation in which the dividend is distributed, and

''(ii) without diminution by reason of dividends distributed during such taxable years.

''(C) POST-2014 UNDISTRIBUTED QUALIFIED FOREIGN EARNINGS.—The term 'post-2014 undistributed qualified foreign earnings' means the portion of the post-2014 undistributed earnings which is attributable to income other than—

''(i) income described in section 245(a)(5)(A), or

''(ii) dividends described in section 245(a)(5)(B).

''(2) ORDERING RULE FOR DISTRIBUTIONS OF EARNINGS AND PROFITS.—Distributions shall be treated as first made out of earnings and profits of a controlled foreign corporation which are not post-2014 undistributed earnings and then out of post-2014 undistributed earnings.

''(d) DISALLOWANCE OF FOREIGN TAX CREDIT, ETC.—

''(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the qualified foreign-source portion of any dividend.

''(2) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(3) COORDINATION WITH SECTION 78.—Section 78 shall not apply to any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(4) TREATMENT OF NONDEDUCTIBLE PORTION IN APPLYING FOREIGN TAX CREDIT LIMIT.—For purposes of applying the limitation under section 904(a), the remaining 5 percent of the qualified foreign-source portion of any dividend with respect to which a deduction is not allowable to the domestic corporation under subsection (a) shall be treated as income from sources within the United States.

''(e) SPECIAL RULES FOR HYBRID DIVIDENDS.—

''(1) IN GENERAL.—Subsection (a) shall not apply to any dividend received by a United States shareholder from a controlled foreign corporation if the dividend is a hybrid dividend.

''(2) HYBRID DIVIDENDS OF TIERED CONTROLLED FOREIGN CORPORATIONS.—If a controlled foreign corporation with respect to which a domestic corporation is a United States shareholder receives a hybrid dividend from any other controlled foreign corporation with respect to which such domestic corporation is also a United States shareholder, then, notwithstanding any other provision of this title—

''(A) the hybrid dividend shall be treated for purposes of section 951(a)(1)(A) as subpart F income of the receiving controlled foreign corporation for the taxable year of the controlled foreign corporation in which the dividend was received, and

''(B) the United States shareholder shall include in gross income an amount equal to the shareholder's pro rata share (determined in the same manner as under section 951(a)(2)) of the subpart F income described in subparagraph (A).

''(3) DENIAL OF FOREIGN TAX CREDIT, ETC.—The rules of subsection (d) shall apply to any hybrid dividend received by, or any amount included under paragraph (2) in the gross income of, a United States shareholder, except that, for purposes of applying subsection (d)(4), all of such dividend or amount shall be treated as income from sources within the United States.

''(4) HYBRID DIVIDEND.—The term 'hybrid dividend' means an amount received from a controlled foreign corporation—

''(A) which is treated as a dividend for purposes of this title, and

''(B) for which the controlled foreign corporation received a deduction (or similar tax benefit) under the laws of the country in which the controlled foreign corporation was created or organized.

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

''(1) UNITED STATES SHAREHOLDER.—The term 'United States shareholder' has the meaning given such term in section 951(b).

''(2) CONTROLLED FOREIGN CORPORATION.—The term 'controlled foreign corporation' has the meaning given such term in section 957(a).

''(3) NONCONTROLLED SECTION 902 CORPORATION.—The term 'noncontrolled section 902 corporation' has the meaning given such term in section 904(d)(2)(E)(i).

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.''.

(b) APPLICATION OF HOLDING PERIOD REQUIREMENT.—Subsection (c) of section 246 is amended—

(1) by striking ''or 245'' in paragraph (1) and inserting ''245, or 245A'', and

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

''(5) SPECIAL RULES FOR QUALIFIED FOREIGN-SOURCE PORTION OF DIVIDENDS RECEIVED FROM CONTROLLED FOREIGN CORPORATIONS.—

''(A) 1-YEAR HOLDING PERIOD REQUIREMENT.—For purposes of section 245A—

''(i) paragraph (1)(A) shall be applied—

''(I) by substituting '365 days' for '45 days' each place it appears, and

''(II) by substituting '731-day period' for '91-day period', and

''(ii) paragraph (2) shall not apply.

''(B) STATUS MUST BE MAINTAINED DURING HOLDING PERIOD.—For purposes of section 245A, the holding period requirement of this subsection shall be treated as met only if—

''(i) the controlled foreign corporation referred to in section 245A(a) is a controlled foreign corporation at all times during such period, and

''(ii) the taxpayer is a United States shareholder (as defined in section 951) with respect to such controlled foreign corporation at all times during such period.

''(C) SPECIAL RULES FOR ELECTING NONCONTROLLED SECTION 902 CORPORATIONS.—In the case of an election under section 245A(b) to treat a noncontrolled section 902 corporation as a controlled foreign corporation, the requirements of subparagraph (B) shall be treated as met for any continuous period ending on the day before the effective date of the election for which the taxpayer met the ownership requirements of section 904(d)(2)(E) with respect to such corporation.''.

(c) APPLICATION OF RULES GENERALLY APPLICABLE TO DEDUCTIONS FOR DIVIDENDS RECEIVED.—

(1) TREATMENT OF DIVIDENDS FROM TAX-EXEMPT CORPORATIONS.—Paragraph (1) of section 246(a) is amended by striking ''and 245'' and inserting ''245, and 245A''.

(2) ASSETS GENERATING TAX-EXEMPT PORTION OF DIVIDEND NOT TAKEN INTO ACCOUNT IN ALLOCATING AND APPORTIONING DEDUCTIBLE EXPENSES.—Paragraph (3) of section 864(e) is amended by striking ''or 245(a)'' and inserting '', 245(a), or 245A''.

(3) COORDINATION WITH SECTION 1059.—Subparagraph (B) of section 1059(b)(2) is amended by striking ''or 245'' and inserting ''245, or 245A''.

(d) CONFORMING AMENDMENTS.—

(1) Clause (vi) of section 56(g)(4)(C) is amended by inserting ''245A or'' before ''965''.

(2) Subsection (b) of section 951 is amended—

(A) by striking ''subpart'' and inserting ''title'', and

(B) by adding at the end the following: ''Such term shall include, with respect to any entity treated as a controlled foreign corporation under section 245A(b), any domestic corporation treated as a United States shareholder with respect to such entity under such section.''.

(3) Subsection (a) of section 957 is amended—

(A) by striking ''subpart'' in the matter preceding paragraph (1) and inserting ''title'', and

(B) by adding at the end the following: ''Such term shall include any entity treated as a controlled foreign corporation under section 245A(b).''.

(4) The table of sections for part VIII of subchapter B of chapter 1 is amended by inserting after the item relating to section 245 the following new item:

''Sec. 245A. Dividends received by domestic corporations from certain foreign corporations.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 102. APPLICATION OF DIVIDENDS RECEIVED DEDUCTION TO CERTAIN SALES AND EXCHANGES OF STOCK.

(a) SALES BY UNITED STATES PERSONS OF STOCK IN CFC.—Section 1248 is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—

''(1) IN GENERAL.—In the case of the sale or exchange by a domestic corporation of stock in a foreign corporation held for 1 year or more, any amount received by the domestic corporation which is treated as a dividend by reason of this section shall be treated as a dividend for purposes of applying section 245A.

''(2) LOSSES DISALLOWED.—If a domestic corporation—

''(A) sells or exchanges stock in a foreign corporation in a taxable year of the domestic corporation with or within which a taxable year of the foreign corporation beginning after December 31, 2014, ends, and

''(B) met the ownership requirements of subsection (a)(2) with respect to such stock, no deduction shall be allowed to the domestic corporation with respect to any loss from the sale or exchange.''.

(b) SALE BY A CFC OF A LOWER TIER CFC.—Section 964(e) is amended by adding at the end the following new paragraph:

''(4) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—

''(A) IN GENERAL.—If, for any taxable year of a controlled foreign corporation beginning after December 31, 2014, any amount is treated as a dividend under paragraph (1) by reason of a sale or exchange by the controlled foreign corporation of stock in another foreign corporation held for 1 year or more, then, notwithstanding any other provision of this title—

''(i) the qualified foreign-source portion of such dividend shall be treated for purposes of section 951(a)(1)(A) as subpart F income of the selling controlled foreign corporation for such taxable year,

''(ii) a United States shareholder with respect to the selling controlled foreign corporation shall include in gross income for the taxable year of the shareholder with or within which such taxable year of the controlled foreign corporation ends an amount equal to the shareholder's pro rata share (determined in the same manner as under section 951(a)(2)) of the amount treated as subpart F income under clause (i), and

''(iii) the deduction under section 245A(a) shall be allowable to the United States shareholder with respect to the subpart F income included in gross income under clause (ii) in the same manner as if such subpart F income were a dividend received by the shareholder from the selling controlled foreign corporation.

''(B) EFFECT OF LOSS ON EARNINGS AND PROFITS.—For purposes of this title, in the case of a sale or exchange by a controlled foreign corporation of stock in another foreign corporation in a taxable year of the selling controlled foreign corporation beginning after December 31, 2014, to which this paragraph would apply if gain were recognized, the earnings and profits of the selling controlled foreign corporation shall not be reduced by reason of any loss from such sale or exchange.

''(C) QUALIFIED FOREIGN-SOURCE PORTION.—For purposes of this paragraph, the qualified foreign-source portion of any amount treated as a dividend under paragraph (1) shall be determined in the same manner as under section 245A(c).''.

SEC. 103. DEDUCTION FOR FOREIGN INTANGIBLE INCOME DERIVED FROM TRADE OR BUSINESS WITHIN THE UNITED STATES.

(a) IN GENERAL.—Part VIII of subchapter B of chapter 1 is amended by adding at the end the following new section:

''SEC. 250. FOREIGN INTANGIBLE INCOME DERIVED FROM TRADE OR BUSINESS WITHIN THE UNITED STATES.

''(a) IN GENERAL.—In the case of a domestic corporation, there shall be allowed as a deduction an amount equal to 50 percent of the qualified foreign intangible income of such domestic corporation for the taxable year.

''(b) QUALIFIED FOREIGN INTANGIBLE INCOME.—

''(1) IN GENERAL.—The term 'qualified foreign intangible income' means, with respect to any domestic corporation, foreign intangible income which is derived by the domestic corporation from the active conduct of a trade or business within the United States with respect to the intangible property giving rise to the income.

''(2) REQUIREMENTS RELATING TO TRADE OR BUSINESS WITHIN THE UNITED STATES.—For purposes of this section, foreign intangible income shall be treated as derived by a domestic corporation from the active conduct of a trade or business within the United States only if—

''(A) the domestic corporation developed, created, or produced within the United States the intangible property giving rise to the income, or

''(B) in any case in which the domestic corporation acquired such intangible property, the domestic corporation added substantial value to the property through the active conduct of such trade or business within the United States.

''(c) FOREIGN INTANGIBLE INCOME.—For purposes of this section—

''(1) IN GENERAL.—The term 'foreign intangible income' means any intangible income which is derived in connection with—

''(A) property which is sold, leased, licensed, or otherwise disposed of for use, consumption, or disposition outside the United States, or

''(B) services provided with respect to persons or property located outside the United States.

''(2) EXCEPTIONS FOR CERTAIN INCOME.—The following amounts shall not be taken into account in computing foreign intangible income:

''(A) Any amount treated as received by the domestic corporation under section 367(d)(2) with respect to any intangible property.

''(B) Any payment under a cost-sharing arrangement entered into under section 482.

''(C) Any amount received from a controlled foreign corporation with respect to which the domestic corporation is a United States shareholder to the extent such amount is attributable or properly allocable to income which is—

''(i) effectively connected with the conduct of a trade or business within the United States and subject to tax under this chapter, or

''(ii) subpart F income.

For purposes of clause (ii), amounts not otherwise treated as subpart F income shall be so treated if the amount creates (or increases) a deficit which under section 952(c) may reduce the subpart F income of the payor or any other controlled foreign corporation.

''(3) INTANGIBLE INCOME.—The term 'intangible income' means gross income from—

''(A) the sale, lease, license, or other disposition of property in which intangible property is used directly or indirectly, or

''(B) the provision of services related to intangible property or in connection with property in which intangible property is used directly or indirectly,

to the extent that such gross income is properly attributable to such intangible property.

''(4) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—The gross income of a domestic corporation taken into account under this subsection shall be reduced, under regulations prescribed by the Secretary, so as to take into account deductions properly allocable to such income.

''(5) INTANGIBLE PROPERTY.—The term 'intangible property' has the meaning given such term by section 936(h)(3)(B).

''(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.''.

(b) CONFORMING AMENDMENT.—The table of sections for part VIII of subchapter B of chapter 1 is amended by adding at the end the following new item:

''Sec. 250. Foreign intangible income derived from trade or business within the United States.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of domestic corporations beginning after December 31, 2014.

SEC. 104. TREATMENT OF DEFERRED FOREIGN INCOME UPON TRANSITION TO PARTICIPATION EXEMPTION SYSTEM OF TAXATION.

(a) IN GENERAL.—Section 965 is amended to read as follows:

''SEC. 965. TREATMENT OF DEFERRED FOREIGN INCOME UPON TRANSITION TO PARTICIPATION EXEMPTION SYSTEM OF TAXATION.

''(a) DEDUCTION ALLOWED.—In the case of a domestic corporation which elects the application of this section to any controlled foreign corporation with respect to which it is a United States shareholder, there shall be allowed as a deduction for the taxable year of the United States shareholder with or within which the first taxable year of the controlled foreign corporation beginning after December 31, 2014, ends an amount equal to 70 percent of the amount determined under subsection (b) for the taxable year.

''(b) ELIGIBLE AMOUNT.—For purposes of subsection (a)—

''(1) IN GENERAL.—The amount determined under this subsection for a United States shareholder with respect to any controlled foreign corporation for the taxable year of the shareholder described in subsection (a) is the lesser of—

''(A) the shareholder's pro rata share of the earnings and profits of the controlled foreign corporation described in section 959(c)(3) as of the close of the taxable year preceding the first taxable year of the controlled foreign corporation beginning after December 31, 2014, or

''(B) an amount equal to the sum of—

''(i) the dividends received by the shareholder during such taxable year from the controlled foreign corporation which are attributable to the earnings and profits described in subparagraph (A), plus

''(ii) the increase in subpart F income required to be included in gross income of the shareholder for the taxable year by reason of the election under paragraph (2).

''(2) ELECTION OF DEEMED SUBPART F INCLUSION.—A United States shareholder may

elect for purposes of paragraph (1)(B)(ii) to treat all (or any portion) of the shareholder's pro rata share of the earnings and profits of a controlled foreign corporation described in paragraph (1)(A) as subpart F income includible in the gross income of the shareholder for the taxable year of the shareholder described in subsection (a).

''(3) ORDERING RULE.—For purposes of paragraph (1)(B)(i), distributions shall be treated as first made out of earnings and profits of a controlled foreign corporation described in paragraph (1)(A).

''(4) DIVIDEND.—The term 'dividend' shall not include amounts includible in gross income as a dividend under section 78.

''(c) DISALLOWANCE OF FOREIGN TAX CREDIT, ETC.—In the case of a domestic corporation making an election under subsection (a) with respect to any controlled foreign corporation—

''(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the earnings and profits taken into account in determining the amount under subsection (b).

''(2) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(3) COORDINATION WITH SECTION 78.—Section 78 shall not apply to any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(4) TREATMENT OF NONDEDUCTIBLE PORTION IN APPLYING FOREIGN TAX CREDIT LIMIT.—For purposes of applying the limitation under section 904(a), the remaining 30 percent of the amount determined under subsection (b) with respect to which a deduction is not allowable under subsection (a) shall be treated as income from sources within the United States.

''(d) ELECTION TO PAY LIABILITY FOR DEEMED SUBPART F INCOME IN INSTALLMENTS.—

''(1) IN GENERAL.—In the case of a United States shareholder with respect to 1 or more controlled foreign corporations to which elections under subsections (a) and (b)(2) apply, such United States shareholder may elect to pay the net tax liability determined with respect to its deemed subpart F inclusions with respect to such corporations under subsection (b)(2) for the taxable year described in subsection (a) in 2 or more (but not exceeding 8) equal installments.

''(2) DATE FOR PAYMENT OF INSTALLMENTS.—If an election is made under paragraph (1), the first installment shall be paid on the due date (determined without regard to any extension of time for filing the return) for the return of tax for the taxable year for which the election was made and each succeeding installment shall be paid on the due date (as so determined) for the return of tax for the taxable year following the taxable year with respect to which the preceding installment was made.

''(3) ACCELERATION OF PAYMENT.—If there is an addition to tax for failure to pay timely assessed with respect to any installment required under this subsection, a liquidation or sale of substantially all the assets of the taxpayer (including in a title 11 or similar case), a cessation of business by the taxpayer, or any similar circumstance, then the unpaid portion of all remaining installments shall be due on the date of such event (or in the case of a title 11 or similar case, the day before the petition is filed).

''(4) PRORATION OF DEFICIENCY TO INSTALLMENTS.—If an election is made under paragraph (1) to pay the net tax liability described in paragraph (1) in installments and a deficiency has been assessed which increases such net tax liability, the increase shall be prorated to the installments payable under paragraph (1). The part of the increase so prorated to any installment the date for payment of which has not arrived shall be collected at the same time as, and as a part of, such installment. The part of the increase so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary. This subsection shall not apply if the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax.

''(5) TIME FOR PAYMENT OF INTEREST.—Interest payable under section 6601 on the unpaid portion of any amount of tax the time for payment of which as been extended under this subsection shall be paid annually at the same time as, and as part of, each installment payment of such tax. In the case of a deficiency to which paragraph (4) applies, interest with respect to such deficiency which is assigned under the preceding sentence to any installment the date for payment of which has arrived on or before the date of the assessment of the deficiency, shall be paid upon notice and demand from the Secretary.

''(6) NET TAX LIABILITY FOR DEEMED SUBPART F INCLUSIONS.—For purposes of this subsection—

''(A) IN GENERAL.—The net tax liability described in paragraph (1) with respect to any United States shareholder for any taxable year is the excess (if any) of—

''(i) such taxpayer's net income tax for the taxable year, over

''(ii) such taxpayer's net income tax for such taxable year determined as if the elections under subsection (b)(2) with respect to 1 or more controlled foreign corporations had not been made.

''(B) NET INCOME TAX.—The term 'net income tax' means the net income tax (as defined in section 38(c)(1)) reduced by the credit allowed under section 38.

''(e) SPECIAL RULES.—For purposes of this section—

''(1) ELECTIONS.—Any election under subsection (a), (b)(2), or (d)(1) shall be made not later than the due date (including extensions) for the return of tax for the taxable year for which made and shall be made in such manner as the Secretary may provide.

''(2) SECTION NOT TO APPLY TO NONCONTROLLED SECTION 902 CORPORATIONS TREATED AS CFCS.—No election may be made under subsection (a) with respect to a controlled foreign corporation which was a noncontrolled section 902 corporation which a United States shareholder elected under section 245A(b) to treat as a controlled foreign corporation.

''(3) PRO RATA SHARE.—A shareholder's pro rata share of any earnings and profits shall be determined in the same manner as under section 951(a)(2).''.

(b) CONFORMING AMENDMENTS.—

(1) Clause (vi) of section 56(g)(4)(C), as amended by this Act, is amended—

(A) by striking ''965'' and inserting ''965(b)'', and

(B) by inserting ''AND INCLUSIONS'' after ''CERTAIN DISTRIBUTIONS'' in the heading thereof.

(2) Paragraph (2) of section 6601(b) is amended—

(A) by striking ''section 6156(a)'' in the matter preceding subparagraph (A) and inserting ''section 965(d)(1) or 6156(a)'', and

(B) by striking ''section 6156(b)'' in subparagraph (A) and inserting ''section 965(d)(2) or 6156(b), as the case may be''.

(3) The table of section for subpart F of part III of subchapter N of chapter 1 is amended by striking the item relating to section 965 and inserting the following:

''Sec. 965. Treatment of deferred foreign income upon transition to participation exemption system of taxation.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

TITLE II—OTHER INTERNATIONAL TAX REFORMS

Subtitle A—Modifications of Subpart F

SEC. 201. TREATMENT OF LOW-TAXED FOREIGN INCOME AS SUBPART F INCOME.

(a) IN GENERAL.—Subsection (a) of section 952 is amended by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively, and by inserting after paragraph (2) the following new paragraph:

''(3) low-taxed income (as defined under subsection (e)),''.

(b) LOW-TAXED INCOME.—Section 952 is amended by adding at the end the following new subsection:

''(e) LOW-TAXED INCOME.—

''(1) IN GENERAL.—For purposes of subsection (a), except as provided in paragraph (2), the term 'low-taxed income' means, with respect to any taxable year of a controlled foreign corporation, the entire gross income of the controlled foreign corporation unless the taxpayer establishes to the satisfaction of the Secretary that such income was subject to an effective rate of income tax (determined under rules similar to the rules of section 954(b)(4)) imposed by a foreign country in excess of one-half of the highest rate of tax under section 11(b) for taxable years of United States corporations beginning in the same calendar year as the taxable year of the controlled foreign corporation begins.

''(2) EXCEPTION FOR QUALIFIED BUSINESS INCOME.—For purposes of paragraph (1), qualified business income—

''(A) shall be taken into account in determining the effective rate of income tax at which the entire gross income of the controlled foreign corporation is taxed, but

''(B) the amount of gross income treated as low-taxed income under paragraph (1) shall be reduced by the amount of the qualified business income.

''(3) QUALIFIED BUSINESS INCOME.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified business income' means, with respect to any controlled foreign corporation, income derived by the controlled foreign corporation in a foreign country but only if—

''(i) such income is attributable to the active conduct of a trade or business of such corporation in such foreign country,

''(ii) the corporation maintains an office or fixed place of business in such foreign country, and

''(iii) officers and employees of the corporation physically located at such office or place of business in such foreign country conducted (or significantly contributed to the conduct of) activities within the foreign country which are substantial in relation to the activities necessary for the active conduct of the trade or business to which such income is attributable.

''(B) EXCEPTION FOR INTANGIBLE INCOME.—For purposes of subparagraph (A), qualified business income of a controlled foreign corporation shall not include intangible income (as defined in section 250(c)(3)).

''(4) DETERMINATION OF EFFECTIVE RATE OF FOREIGN INCOME TAX AND QUALIFIED BUSINESS INCOME.—

''(A) COUNTRY-BY-COUNTRY DETERMINATION.—For purposes of determining the effective rate of income tax imposed by any foreign country under paragraph (1) and qualified business income under paragraph (3), each such paragraph shall be applied separately with respect to—

''(i) each foreign country in which a controlled foreign corporation conducts any trade or business, and

''(ii) the entire gross income and qualified business income derived with respect to such foreign country.

''(B) TREATMENT OF LOSSES.—For purposes of determining the effective rate of income tax imposed by any foreign country under paragraph (1)—

''(i) such effective rate shall be determined without regard to any losses carried to the relevant taxable year, and

''(ii) to the extent the income of the controlled foreign corporation reduces losses in the relevant taxable year, such effective rate shall be treated as being the effective rate which would have been imposed on such income without regard to such losses.

''(5) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—The gross income of a controlled foreign corporation taken into account under this subsection shall be reduced, under regulations prescribed by the Secretary, so as to take into account deductions (including taxes) properly allocable to such income.''.

(c) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 952 is amended—

(A) by striking ''paragraph (4)'' in the next to last sentence and inserting ''paragraph (5)'', and

(B) by striking ''paragraph (5)'' in the last sentence and inserting ''paragraph (6)''.

(2) Subsection (d) of section 952 is amended by striking ''subsection (a)(5)'' and inserting ''subsection (a)(6)''.

(3) Paragraphs (1) and (2) of section 999(c) are each amended by striking ''section 952(a)(3)'' and inserting ''section 952(a)(4)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 202. PERMANENT EXTENSION OF LOOK-THRU RULE FOR CONTROLLED FOREIGN CORPORATIONS.

(a) IN GENERAL.—Section 954(c)(6)(C) is amended by striking ''and before January 1, 2014,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2013, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 203. PERMANENT EXTENSION OF EXCEPTIONS FOR ACTIVE FINANCING INCOME.

(a) EXCEPTION FROM INSURANCE INCOME.—Section 953(e)(10) is amended—

(1) by striking ''and before January 1, 2014,'', and

(2) by striking the last sentence.

(b) EXCEPTION FROM FOREIGN PERSONAL HOLDING COMPANY INCOME.—Section 954(h)(9) is amended by striking ''and before January 1, 2014,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2013, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 204. FOREIGN BASE COMPANY INCOME NOT TO INCLUDE SALES OR SERVICES INCOME.

(a) REPEAL.—Paragraphs (2) and (3) of section 954(a) are repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 954(d) is amended by adding at the end the following new paragraph:

''(5) TERMINATION.—This subsection shall not apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.''.

(2) Section 954(e) is amended by adding at the end the following new paragraph:

''(3) TERMINATION.—This subsection shall not apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

Subtitle B—Modifications Related to Foreign Tax Credit

SEC. 211. MODIFICATION OF APPLICATION OF SECTIONS 902 AND 960 WITH RESPECT TO POST-2014 EARNINGS.

(a) SECTION 902 NOT TO APPLY TO DIVIDENDS FROM POST-2014 EARNINGS.—Section 902 is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

''(d) SECTION NOT TO APPLY TO DIVIDENDS FROM POST-2014 EARNINGS.—

''(1) IN GENERAL.—This section shall not apply to the portion of any dividend paid by a foreign corporation to the extent such portion is made out of earnings and profits of the foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2014.

''(2) COORDINATION WITH DISTRIBUTIONS FROM PRE-2015 EARNINGS AND PROFITS.—For purposes of this section—

''(A) ORDERING RULE.—Any distribution in a taxable year beginning after December 31, 2014, shall be treated as first made out of earnings and profits of the foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning before January 1, 2015.

''(B) POST-1986 UNDISTRIBUTED EARNINGS.—Post-1986 undistributed earnings shall not include earnings and profits described in paragraph (1).''.

(b) DETERMINATION OF SECTION 960 CREDIT ON CURRENT YEAR BASIS.—Section 960 is amended by adding at the end the following new subsection:

''(d) DEEMED PAID CREDIT FOR SUBPART F INCLUSIONS ATTRIBUTABLE TO POST-2014 EARNINGS.—

''(1) IN GENERAL.—For purposes of this subpart, if there is included in the gross income of a domestic corporation any amount under section 951(a)—

''(A) with respect to any controlled foreign corporation with respect to which such domestic corporation is a United States shareholder, and

''(B) which is attributable to the earnings and profits of the controlled foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2014,

then subsections (a), (b), and (c) shall not apply and such domestic corporation shall be deemed to have paid so much of such foreign corporation's foreign income taxes as are properly attributable to the amount so included.

''(2) FOREIGN INCOME TAXES.—For purposes of this subsection, the term 'foreign income taxes' means any income, war profits, or excess profits taxes paid or accrued by the controlled foreign corporation to any foreign country or possession of the United States.

''(3) REGULATIONS.—The Secretary shall provide such regulations as may be necessary or appropriate to carry out the provisions of this subsection.''.

SEC. 212. SEPARATE FOREIGN TAX CREDIT BASKET FOR FOREIGN INTANGIBLE INCOME.

(a) IN GENERAL.—Paragraph (1) of section 904(d) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following:

''(C) foreign intangible income (as defined in paragraph (2)(J)).''.

(b) FOREIGN INTANGIBLE INCOME.—

(1) IN GENERAL.—Section 904(d)(2) is amended by redesignating subparagraphs (J) and (K) as subparagraphs (K) and (L) and by inserting after subparagraph (I) the following:

''(J) FOREIGN INTANGIBLE INCOME.—For purposes of this section—

''(i) IN GENERAL.—The term 'foreign intangible income' has the meaning given such term by section 250(c).

''(ii) COORDINATION.—Passive category income and general category income shall not include foreign intangible income.''.

(2) GENERAL CATEGORY INCOME.—Section 904(d)(2)(A)(ii) is amended by inserting ''or foreign intangible income'' after ''passive category income''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.

(2) TRANSITIONAL RULE.—For purposes of section 904(d)(1) of the Internal Revenue Code of 1986 (as amended by this Act)—

(A) taxes carried from any taxable year beginning before January 1, 2015, to any taxable year beginning on or after such date, with respect to any item of income, shall be treated as described in the subparagraph of such section 904(d)(1) in which such income would be described without regard to the amendments made by this section, and

(B) any carryback of taxes with respect to foreign intangible income from a taxable year beginning on or after January 1, 2015, to a taxable year beginning before such date shall be allocated to the general income category.

SEC. 213. INVENTORY PROPERTY SALES SOURCE RULE EXCEPTIONS NOT TO APPLY FOR FOREIGN TAX CREDIT LIMITATION.

(a) IN GENERAL.—Section 904 is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

''(l) INVENTORY PROPERTY SALES SOURCE RULE EXCEPTIONS NOT TO APPLY.—Any amount which would be treated as derived from sources without the United States by reason of the application of section 862(a)(6) or 863(b)(2) for any taxable year shall be treated as derived from sources within the United States for purposes of this section.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

Subtitle C—Allocation of Interest on Worldwide Basis

SEC. 221. ACCELERATION OF ELECTION TO ALLOCATE INTEREST ON A WORLDWIDE BASIS.

Section 864(f)(6) is amended by striking ''December 31, 2020'' and inserting ''December 31, 2014''.

SA 3601. Mr. ALEXANDER submitted an amendment intended to be proposed

by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ___—IMPACT OF ACA

SEC. __01. SHORT TITLE.

This title may be cited as the ''Certify It Act of 2014''.

SEC. __02. STUDY ON IMPACT ON SMALL BUSINESS JOBS.

(a) STUDY AND REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and December 1 for each of the 4 consecutive years thereafter, the Comptroller General of the United States, shall conduct a study on the impact of the Affordable Care Act on small businesses, including—

(A) the impact of any increased health insurance costs resulting from the provisions of such Act on economic indicators (including jobs lost, hours worked per employee, and any resulting loss of wages); and

(B) the impact of section 4980H of the Internal Revenue Code of 1986 (relating to shared responsibility for employers regarding health coverage) on economic indicators, including any jobs lost.

(2) REPORT.—The Comptroller General of the United States, using data from the Office of the Actuary, Centers for Medicare & Medicaid Services, under section __03 and economic indicators data from other Federal agencies, shall submit to the appropriate committees of Congress a report on the study conducted under paragraph (1).

(b) APPROPRIATE COMMITTEES OF CONGRESS.—For purposes of this section, the term ''appropriate committees of Congress'' means the Committee on Ways and Means, the Committee on Education and Labor, the Committee on Energy and Commerce, and the Small Business Committee of the House of Representatives and the Committee on Finance, the Committee on Health, Education, Labor and Pensions, and the Small Business and Entrepreneurship Committee of the Senate.

(c) DEFINITIONS.—For purposes of this title:

(1) AFFORDABLE CARE ACT.—The term ''Affordable Care Act'' means the Patient Protection and Affordable Care Act (Public Law 111–148) and title I and subtitle B of title II of the Health Care and Education Reconciliation Act of 2010 (Public law 111–152).

(2) SMALL BUSINESS.—The term ''small business'' means an employer with 250 or fewer employees.

SEC. __03. STUDY ON IMPACT ON SMALL BUSINESS HEALTH INSURANCE.

(a) STUDY AND REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, and December 1 for each of the 4 consecutive years thereafter, the Office of the Actuary, Centers for Medicare & Medicaid Services, shall conduct a study on the impact of the Affordable Care Act on small group health insurance costs, including—

(A) the impact of requirements and benefits pursuant to such Act on the small group health insurance market, including community rating requirements, minimum actuarial value requirements, requirements to provide for essential health benefits described in section 1302(b) of the Patient Protection and Affordable Care Act (42 U.S.C. 18022(b)), requirements related to cost-sharing, the prohibition on annual and lifetime limits on benefits under section 2711 of the Public Health Service Act (42 U.S.C. 300gg–11), prohibitions on cost-sharing requirements for preventive services, and the extension of dependent coverage under section 2714 of the Public Health Service Act (42 U.S.C. 300gg–14); and

(B) the impact of new taxes and fees on the small group health insurance market costs, including the fee imposed under section 9010 of the Patient Protection and Affordable Care Act (relating to imposition of annual fee on health insurance providers), the transitional reinsurance program contributions, the fees imposed under subchapter B of chapter 34 of the Internal Revenue Code of 1986 (relating to the Patient Centered Outcome Research Institute fees), and Exchange assessments or user fees.

(2) REPORT.—The Office of the Actuary, Centers for Medicare & Medicaid Services, in consultation with the Comptroller General for purposes of verifying the methodology, assumptions, validity, and reasonableness of the data used by the Actuary, shall submit to the appropriate committees of Congress a report on the study conducted under paragraph (1).

(b) APPROPRIATE COMMITTEES OF CONGRESS.—For purposes of this section, the term ''appropriate committees of Congress'' means the Committee on Ways and Means, the Committee on Education and Labor, the Committee on Energy and Commerce, and the Small Business Committee of the House of Representatives and the Committee on Finance, the Committee on Health, Education, Labor and Pensions, and the Small Business and Entrepreneurship Committee of the Senate.

SEC. __04. ONE-YEAR DELAY FOR EMPLOYER MANDATE IN CASE OF NEGATIVE IMPACT ON SMALL BUSINESS.

(a) IN GENERAL.—If the Comptroller General of the United States or the Office of the Actuary, Centers for Medicare & Medicaid Services, determines in any report submitted under section __02 or __03 that the Affordable Care Act has caused net employment loss amongst small businesses or caused small group health insurance costs to rise, section 4980H of the Internal Revenue Code of 1986 shall not apply for months beginning during the 1-year period beginning on the date of the submission of such report.

(b) FAILURE TO SUBMIT.—If the Comptroller General of the United States or the Office of the Actuary, Centers for Medicare & Medicaid Services, fails to submit a report in accordance with the timelines specified in this title, section 4980H of the Internal Revenue Code of 1986 shall not apply the following calendar year.

SA 3602. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE II—SAVING COAL JOBS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Saving Coal Jobs Act of 2014''.

Subtitle A—Prohibition on Energy Tax

SEC. 211. PROHIBITION ON ENERGY TAX.

(a) FINDINGS; PURPOSES.—

(1) FINDINGS.—Congress finds that—

(A) on June 25, 2013, President Obama issued a Presidential memorandum directing the Administrator of the Environmental Protection Agency to issue regulations relating to power sector carbon pollution standards for existing coal fired power plants;

(B) the issuance of that memorandum circumvents Congress and the will of the people of the United States;

(C) any action to control emissions of greenhouse gases from existing coal fired power plants in the United States by mandating a national energy tax would devastate major sectors of the economy, cost thousands of jobs, and increase energy costs for low-income households, small businesses, and seniors on fixed income;

(D) joblessness increases the likelihood of hospital visits, illnesses, and premature deaths;

(E) according to testimony on June 15, 2011, before the Committee on Environment and Public Works of the Senate by Dr. Harvey Brenner of Johns Hopkins University, ''The unemployment rate is well established as a risk factor for elevated illness and mortality rates in epidemiological studies performed since the early 1980s. In addition to influences on mental disorder, suicide and alcohol abuse and alcoholism, unemployment is also an important risk factor in cardiovascular disease and overall decreases in life expectancy.'';

(F) according to the National Center for Health Statistics, ''children in poor families were four times as likely to be in fair or poor health as children that were not poor'';

(G) any major decision that would cost the economy of the United States millions of dollars and lead to serious negative health effects for the people of the United States should be debated and explicitly authorized by Congress, not approved by a Presidential memorandum or regulations; and

(H) any policy adopted by Congress should make United States energy as clean as practicable, as quickly as practicable, without increasing the cost of energy for struggling families, seniors, low-income households, and small businesses.

(2) PURPOSES.—The purposes of this section are—

(A) to ensure that—

(i) a national energy tax is not imposed on the economy of the United States; and

(ii) struggling families, seniors, low-income households, and small businesses do not experience skyrocketing electricity bills and joblessness;

(B) to protect the people of the United States, particularly families, seniors, and children, from the serious negative health effects of joblessness;

(C) to allow sufficient time for Congress to develop and authorize an appropriate mechanism to address the energy needs of the United States and the potential challenges posed by severe weather; and

(D) to restore the legislative process and congressional authority over the energy policy of the United States.

(b) PRESIDENTIAL MEMORANDUM.—Notwithstanding any other provision of law, the head of a Federal agency shall not promulgate any regulation relating to power sector carbon pollution standards or any substantially similar regulation on or after June 25, 2013, unless that regulation is explicitly authorized by an Act of Congress.

Subtitle B—Permits

SEC. 221. NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM.

(a) APPLICABILITY OF GUIDANCE.—Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) is amended by adding at the end the following:

''(s) APPLICABILITY OF GUIDANCE.—

''(1) DEFINITIONS.—In this subsection:

''(A) GUIDANCE.—

''(i) IN GENERAL.—The term 'guidance' means draft, interim, or final guidance issued by the Administrator.

''(ii) INCLUSIONS.—The term 'guidance' includes—

''(I) the comprehensive guidance issued by the Administrator and dated April 1, 2010;

''(II) the proposed guidance entitled 'Draft Guidance on Identifying Waters Protected by the Clean Water Act' and dated April 28, 2011;

''(III) the final guidance proposed by the Administrator and dated July 21, 2011; and

''(IV) any other document or paper issued by the Administrator through any process other than the notice and comment rulemaking process.

''(B) NEW PERMIT.—The term 'new permit' means a permit covering discharges from a structure—

''(i) that is issued under this section by a permitting authority; and

''(ii) for which an application is—

''(I) pending as of the date of enactment of this subsection; or

''(II) filed on or after the date of enactment of this subsection.

''(C) PERMITTING AUTHORITY.—The term 'permitting authority' means—

''(i) the Administrator; or

''(ii) a State, acting pursuant to a State program that is equivalent to the program under this section and approved by the Administrator.

''(2) PERMITS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, in making a determination whether to approve a new permit or a renewed permit, the permitting authority—

''(i) shall base the determination only on compliance with regulations issued by the Administrator or the permitting authority; and

''(ii) shall not base the determination on the extent of adherence of the applicant for the new permit or renewed permit to guidance.

''(B) NEW PERMITS.—If the permitting authority does not approve or deny an application for a new permit by the date that is 270 days after the date of receipt of the application for the new permit, the applicant may operate as if the application were approved in accordance with Federal law for the period of time for which a permit from the same industry would be approved.

''(C) SUBSTANTIAL COMPLETENESS.—In determining whether an application for a new permit or a renewed permit received under this paragraph is substantially complete, the permitting authority shall use standards for determining substantial completeness of similar permits for similar facilities submitted in fiscal year 2007.''.

(b) STATE PERMIT PROGRAMS.—

(1) IN GENERAL.—Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) is amended by striking subsection (b) and inserting the following:

''(b) STATE PERMIT PROGRAMS.—

''(1) IN GENERAL.—At any time after the promulgation of the guidelines required by section 304(a)(2), the Governor of each State desiring to administer a permit program for discharges into navigable waters within the jurisdiction of the State may submit to the Administrator—

''(A) a full and complete description of the program the State proposes to establish and administer under State law or under an interstate compact; and

''(B) a statement from the attorney general (or the attorney for those State water pollution control agencies that have independent legal counsel), or from the chief legal officer in the case of an interstate agency, that the laws of the State, or the interstate compact, as applicable, provide adequate authority to carry out the described program.

''(2) APPROVAL.—The Administrator shall approve each program for which a description is submitted under paragraph (1) unless the Administrator determines that adequate authority does not exist—

''(A) to issue permits that—

''(i) apply, and ensure compliance with, any applicable requirements of sections 301, 302, 306, 307, and 403;

''(ii) are for fixed terms not exceeding 5 years;

''(iii) can be terminated or modified for cause, including—

''(I) a violation of any condition of the permit;

''(II) obtaining a permit by misrepresentation or failure to disclose fully all relevant facts; and

''(III) a change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge; and

''(iv) control the disposal of pollutants into wells;

''(B)(i) to issue permits that apply, and ensure compliance with, all applicable requirements of section 308; or

''(ii) to inspect, monitor, enter, and require reports to at least the same extent as required in section 308;

''(C) to ensure that the public, and any other State the waters of which may be affected, receives notice of each application for a permit and an opportunity for a public hearing before a ruling on each application;

''(D) to ensure that the Administrator receives notice and a copy of each application for a permit;

''(E) to ensure that any State (other than the permitting State), whose waters may be affected by the issuance of a permit may submit written recommendations to the permitting State and the Administrator with respect to any permit application and, if any part of the written recommendations are not accepted by the permitting State, that the permitting State will notify the affected State and the Administrator in writing of the failure of the State to accept the recommendations, including the reasons for not accepting the recommendations;

''(F) to ensure that no permit will be issued if, in the judgment of the Secretary of the Army (acting through the Chief of Engineers), after consultation with the Secretary of the department in which the Coast Guard is operating, anchorage and navigation of any of the navigable waters would be substantially impaired by the issuance of the permit;

''(G) to abate violations of the permit or the permit program, including civil and criminal penalties and other means of enforcement;

''(H) to ensure that any permit for a discharge from a publicly owned treatment works includes conditions to require the identification in terms of character and volume of pollutants of any significant source introducing pollutants subject to pretreatment standards under section 307(b) into the treatment works and a program to ensure compliance with those pretreatment standards by each source, in addition to adequate notice, which shall include information on the quality and quantity of effluent to be introduced into the treatment works and any anticipated impact of the change in the quantity or quality of effluent to be discharged from the publicly owned treatment works, to the permitting agency of—

''(i) new introductions into the treatment works of pollutants from any source that would be a new source (as defined in section 306(a)) if the source were discharging pollutants;

''(ii) new introductions of pollutants into the treatment works from a source that would be subject to section 301 if the source were discharging those pollutants; or

''(iii) a substantial change in volume or character of pollutants being introduced into the treatment works by a source introducing pollutants into the treatment works at the time of issuance of the permit; and

''(I) to ensure that any industrial user of any publicly owned treatment works will comply with sections 204(b), 307, and 308.

''(3) ADMINISTRATION.—Notwithstanding paragraph (2), the Administrator may not disapprove or withdraw approval of a program under this subsection on the basis of the following:

''(A) The failure of the program to incorporate or comply with guidance (as defined in subsection (s)(1)).

''(B) The implementation of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).''.

(2) CONFORMING AMENDMENTS.—

(A) Section 309 of the Federal Water Pollution Control Act (33 U.S.C. 1319) is amended—

(i) in subsection (c)—

(I) in paragraph (1)(A), by striking ''402(b)(8)'' and inserting ''402(b)(2)(H)''; and

(II) in paragraph (2)(A), by striking ''402(b)(8)'' and inserting ''402(b)(2)(H)''; and

(ii) in subsection (d), in the first sentence, by striking ''402(b)(8)'' and inserting ''402(b)(2)(H)''.

(B) Section 402(m) of the Federal Water Pollution Control Act (33 U.S.C. 1342(m)) is amended in the first sentence by striking ''subsection (b)(8) of this section'' and inserting ''subsection (b)(2)(H)''.

(c) SUSPENSION OF FEDERAL PROGRAM.—Section 402(c) of the Federal Water Pollution Control Act (33 U.S.C. 1342(c)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following:

''(4) LIMITATION ON DISAPPROVAL.—Notwithstanding paragraphs (1) through (3), the Administrator may not disapprove or withdraw approval of a State program under subsection (b) on the basis of the failure of the following:

''(A) The failure of the program to incorporate or comply with guidance (as defined in subsection (s)(1)).

''(B) The implementation of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).''.

(d) NOTIFICATION OF ADMINISTRATOR.—Section 402(d)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1342(d)(2)) is amended—

(1) by striking ''(2)'' and all that follows through the end of the first sentence and inserting the following:

''(2) OBJECTION BY ADMINISTRATOR.—

''(A) IN GENERAL.—Subject to subparagraph (C), no permit shall issue if—

''(i) not later than 90 days after the date on which the Administrator receives notification under subsection (b)(2)(E), the Administrator objects in writing to the issuance of the permit; or

''(ii) not later than 90 days after the date on which the proposed permit of the State is transmitted to the Administrator, the Administrator objects in writing to the issuance of the permit as being outside the guidelines and requirements of this Act.'';

(2) in the second sentence, by striking ''Whenever the Administrator'' and inserting the following:

''(B) REQUIREMENTS.—If the Administrator''; and

(3) by adding at the end the following:

''(C) EXCEPTION.—The Administrator shall not object to or deny the issuance of a permit by a State under subsection (b) or (s) based on the following:

''(i) Guidance, as that term is defined in subsection (s)(1).

''(ii) The interpretation of the Administrator of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).''.

SEC. 222. PERMITS FOR DREDGED OR FILL MATERIAL.

(a) IN GENERAL.—Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended—

(1) by striking the section heading and all that follows through ''SEC. 404. (a) The Secretary may issue'' and inserting the following:

''SEC. 404. PERMITS FOR DREDGED OR FILL MATERIAL.

''(a) PERMITS.—

''(1) IN GENERAL.—The Secretary may issue''; and

(2) in subsection (a), by adding at the end the following:

''(2) DEADLINE FOR APPROVAL.—

''(A) PERMIT APPLICATIONS.—

''(i) IN GENERAL.—Except as provided in clause (ii), if an environmental assessment or environmental impact statement, as appropriate, is required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Secretary shall—

''(I) begin the process not later than 90 days after the date on which the Secretary receives a permit application; and

''(II) approve or deny an application for a permit under this subsection not later than the latter of—

''(aa) if an agency carries out an environmental assessment that leads to a finding of no significant impact, the date on which the finding of no significant impact is issued; or

''(bb) if an agency carries out an environmental assessment that leads to a record of decision, 15 days after the date on which the record of decision on an environmental impact statement is issued.

''(ii) PROCESSES.—Notwithstanding clause (i), regardless of whether the Secretary has commenced an environmental assessment or environmental impact statement by the date described in clause (i)(I), the following deadlines shall apply:

''(I) An environmental assessment carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be completed not later than 1 year after the deadline for commencing the permit process under clause (i)(I).

''(II) An environmental impact statement carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be completed not later than 2 years after the deadline for commencing the permit process under clause (i)(I).

''(B) FAILURE TO ACT.—If the Secretary fails to act by the deadline specified in clause (i) or (ii) of subparagraph (A)—

''(i) the application, and the permit requested in the application, shall be considered to be approved;

''(ii) the Secretary shall issue a permit to the applicant; and

''(iii) the permit shall not be subject to judicial review.''.

(b) STATE PERMITTING PROGRAMS.—Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended by striking subsection (c) and inserting the following:

''(c) AUTHORITY OF ADMINISTRATOR.—

''(1) IN GENERAL.—Subject to paragraphs (2) through (4), until the Secretary has issued a permit under this section, the Administrator is authorized to prohibit the specification (including the withdrawal of specification) of any defined area as a disposal site, and deny or restrict the use of any defined area for specification (including the withdrawal of specification) as a disposal site, if the Administrator determines, after notice and opportunity for public hearings, that the discharge of the materials into the area will have an unacceptable adverse effect on municipal water supplies, shellfish beds or fishery areas (including spawning and breeding areas), wildlife, or recreational areas.

''(2) CONSULTATION.—Before making a determination under paragraph (1), the Administrator shall consult with the Secretary.

''(3) FINDINGS.—The Administrator shall set forth in writing and make public the findings of the Administrator and the reasons of the Administrator for making any determination under this subsection.

''(4) AUTHORITY OF STATE PERMITTING PROGRAMS.—This subsection shall not apply to any permit if the State in which the discharge originates or will originate does not concur with the determination of the Administrator that the discharge will result in an unacceptable adverse effect as described in paragraph (1).''.

(c) STATE PROGRAMS.—Section 404(g)(1) of the Federal Water Pollution Control Act (33 U.S.C. 1344(g)(1)) is amended in the first sentence by striking ''for the discharge'' and inserting ''for all or part of the discharges''.

SEC. 223. IMPACTS OF ENVIRONMENTAL PROTECTION AGENCY REGULATORY ACTIVITY ON EMPLOYMENT AND ECONOMIC ACTIVITY.

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) COVERED ACTION.—The term ''covered action'' means any of the following actions taken by the Administrator under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.):

(A) Issuing a regulation, policy statement, guidance, response to a petition, or other requirement.

(B) Implementing a new or substantially altered program.

(3) MORE THAN A DE MINIMIS NEGATIVE IMPACT.—The term ''more than a de minimis negative impact'' means the following:

(A) With respect to employment levels, a loss of more than 100 jobs, except that any offsetting job gains that result from the hypothetical creation of new jobs through new technologies or government employment may not be used in the job loss calculation.

(B) With respect to economic activity, a decrease in economic activity of more than $1,000,000 over any calendar year, except that any offsetting economic activity that results from the hypothetical creation of new economic activity through new technologies or government employment may not be used in the economic activity calculation.

(b) ANALYSIS OF IMPACTS OF ACTIONS ON EMPLOYMENT AND ECONOMIC ACTIVITY.—

(1) ANALYSIS.—Before taking a covered action, the Administrator shall analyze the impact, disaggregated by State, of the covered action on employment levels and economic activity, including estimated job losses and decreased economic activity.

(2) ECONOMIC MODELS.—

(A) IN GENERAL.—In carrying out paragraph (1), the Administrator shall use the best available economic models.

(B) ANNUAL GAO REPORT.—Not later than December 31st of each year, the Comptroller General of the United States shall submit to Congress a report on the economic models used by the Administrator to carry out this subsection.

(3) AVAILABILITY OF INFORMATION.—With respect to any covered action, the Administrator shall—

(A) post the analysis under paragraph (1) as a link on the main page of the public Internet Web site of the Environmental Protection Agency; and

(B) request that the Governor of any State experiencing more than a de minimis negative impact post the analysis in the Capitol of the State.

(c) PUBLIC HEARINGS.—

(1) IN GENERAL.—If the Administrator concludes under subsection (b)(1) that a covered action will have more than a de minimis negative impact on employment levels or economic activity in a State, the Administrator shall hold a public hearing in each such State at least 30 days prior to the effective date of the covered action.

(2) TIME, LOCATION, AND SELECTION.—

(A) IN GENERAL.—A public hearing required under paragraph (1) shall be held at a convenient time and location for impacted residents.

(B) PRIORITY.—In selecting a location for such a public hearing, the Administrator shall give priority to locations in the State that will experience the greatest number of job losses.

(d) NOTIFICATION.—If the Administrator concludes under subsection (b)(1) that a covered action will have more than a de minimis negative impact on employment levels or economic activity in any State, the Administrator shall give notice of such impact to the congressional delegation, Governor, and legislature of the State at least 45 days before the effective date of the covered action.

SEC. 224. IDENTIFICATION OF WATERS PROTECTED BY THE CLEAN WATER ACT.

(a) IN GENERAL.—The Secretary of the Army and the Administrator of the Environmental Protection Agency may not—

(1) finalize, adopt, implement, administer, or enforce the proposed guidance described in the notice of availability and request for comments entitled ''EPA and Army Corps of Engineers Guidance Regarding Identification of Waters Protected by the Clean Water Act'' (EPA–HQ–OW–2011–0409) (76 Fed. Reg. 24479 (May 2, 2011)); and

(2) use the guidance described in paragraph (1), any successor document, or any substantially similar guidance made publicly available on or after December 3, 2008, as the basis for any decision regarding the scope of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or any rulemaking.

(b) RULES.—The use of the guidance described in subsection (a)(1), or any successor document or substantially similar guidance made publicly available on or after December 3, 2008, as the basis for any rule shall be grounds for vacating the rule.

SEC. 225. LIMITATIONS ON AUTHORITY TO MODIFY STATE WATER QUALITY STANDARDS.

(a) STATE WATER QUALITY STANDARDS.—Section 303(c)(4) of the Federal Water Pollution Control Act (33 U.S.C. 1313(c)(4)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(2) by striking ''(4) The'' and inserting the following:

''(4) PROMULGATION OF REVISED OR NEW STANDARDS.—

''(A) IN GENERAL.—The'';

(3) by striking ''The Administrator shall promulgate'' and inserting the following:

''(B) DEADLINE.—The Administrator shall promulgate;'' and

(4) by adding at the end the following:

''(C) STATE WATER QUALITY STANDARDS.—Notwithstanding any other provision of this paragraph, the Administrator may not promulgate a revised or new standard for a pollutant in any case in which the State has submitted to the Administrator and the Administrator has approved a water quality standard for that pollutant, unless the State concurs with the determination of the Administrator that the revised or new standard is necessary to meet the requirements of this Act.''.

(b) FEDERAL LICENSES AND PERMITS.—Section 401(a) of the Federal Water Pollution Control Act (33 U.S.C. 1341(a)) is amended by adding at the end the following:

''(7) STATE OR INTERSTATE AGENCY DETERMINATION.—With respect to any discharge, if a State or interstate agency having jurisdiction over the navigable waters at the point at which the discharge originates or will originate determines under paragraph (1) that the discharge will comply with the applicable provisions of sections 301, 302, 303, 306, and 307, the Administrator may not take any action to supersede the determination.''.

SEC. 226. STATE AUTHORITY TO IDENTIFY WATERS WITHIN BOUNDARIES OF THE STATE.

Section 303(d) of the Federal Water Pollution Control Act (33 U.S.C. 1313(d)) is amended by striking paragraph (2) and inserting the following:

''(2) STATE AUTHORITY TO IDENTIFY WATERS WITHIN BOUNDARIES OF THE STATE.—

''(A) IN GENERAL.—Each State shall submit to the Administrator from time to time, with the first such submission not later than 180 days after the date of publication of the first identification of pollutants under section 304(a)(2)(D), the waters identified and the loads established under subparagraphs (A), (B), (C), and (D) of paragraph (1).

''(B) APPROVAL OR DISAPPROVAL BY ADMINISTRATOR.—

''(i) IN GENERAL.—Not later than 30 days after the date of submission, the Administrator shall approve the State identification and load or announce the disagreement of the Administrator with the State identification and load.

''(ii) APPROVAL.—If the Administrator approves the identification and load submitted by the State under this subsection, the State shall incorporate the identification and load into the current plan of the State under subsection (e).

''(iii) DISAPPROVAL.—If the Administrator announces the disagreement of the Administrator with the identification and load submitted by the State under this subsection. the Administrator shall submit, not later than 30 days after the date that the Administrator announces the disagreement of the Administrator with the submission of the State, to the State the written recommendation of the Administrator of those additional waters that the Administrator identifies and such loads for such waters as the Administrator believes are necessary to implement the water quality standards applicable to the waters.

''(C) ACTION BY STATE.—Not later than 30 days after receipt of the recommendation of the Administrator, the State shall—

''(i) disregard the recommendation of the Administrator in full and incorporate its own identification and load into the current plan of the State under subsection (e);

''(ii) accept the recommendation of the Administrator in full and incorporate its identification and load as amended by the recommendation of the Administrator into the current plan of the State under subsection (e); or

''(iii) accept the recommendation of the Administrator in part, identifying certain additional waters and certain additional loads proposed by the Administrator to be added to the State's identification and load and incorporate the State's identification and load as amended into the current plan of the State under subsection (e).

''(D) NONCOMPLIANCE BY ADMINISTRATOR.—

''(i) IN GENERAL.—If the Administrator fails to approve the State identification and load or announce the disagreement of the Administrator with the State identification and load within the time specified in this subsection—

''(I) the identification and load of the State shall be considered approved; and

''(II) the State shall incorporate the identification and load that the State submitted into the current plan of the State under subsection (e).

''(ii) RECOMMENDATIONS NOT SUBMITTED.—If the Administrator announces the disagreement of the Administrator with the identification and load of the State but fails to submit the written recommendation of the Administrator to the State within 30 days as required by subparagraph (B)(iii)—

''(I) the identification and load of the State shall be considered approved; and

''(II) the State shall incorporate the identification and load that the State submitted into the current plan of the State under subsection (e).

''(E) APPLICATION.—This section shall apply to any decision made by the Administrator under this subsection issued on or after March 1, 2013.''.

SA 3603. Mr. BARRASSO (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE II—NATURAL GAS GATHERING ENHANCEMENT

SEC. 201. SHORT TITLE.

This title may be cited as the ''Natural Gas Gathering Enhancement Act''.

SEC. 202. FINDINGS.

Congress finds that—

(1) record volumes of natural gas production in the United States as of the date of enactment of this Act are providing enormous benefits to the United States, including by—

(A) reducing the need for imports of natural gas, thereby directly reducing the trade deficit;

(B) strengthening trade ties among the United States, Canada, and Mexico;

(C) providing the opportunity for the United States to join the emerging global gas trade through the export of liquefied natural gas;

(D) creating and supporting millions of new jobs across the United States;

(E) adding billions of dollars to the gross domestic product of the United States every year;

(F) generating additional Federal, State, and local government tax revenues; and

(G) revitalizing the manufacturing sector by providing abundant and affordable feedstock;

(2) large quantities of natural gas are lost due to venting and flaring, primarily in areas where natural gas infrastructure has not been developed quickly enough, such as States with large quantities of Federal land and Indian land;

(3) permitting processes can hinder the development of natural gas infrastructure, such as pipeline lines and gathering lines on Federal land and Indian land; and

(4) additional authority for the Secretary of the Interior to approve natural gas pipelines and gathering lines on Federal land and Indian land would—

(A) assist in bringing gas to market that would otherwise be vented or flared; and

(B) significantly increase royalties collected by the Secretary of the Interior and disbursed to Federal, State, and tribal governments and individual Indians.

SEC. 203. AUTHORITY TO APPROVE NATURAL GAS PIPELINES.

Section 1 of the Act of February 15, 1901 (31 Stat. 790, chapter 372; 16 U.S.C. 79) is amended by inserting '', for natural gas pipelines'' after ''distribution of electrical power''.

SEC. 204. CERTAIN NATURAL GAS GATHERING LINES LOCATED ON FEDERAL LAND AND INDIAN LAND.

(a) IN GENERAL.—Subtitle B of title III of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 685) is amended by adding at the end the following:

''SEC. 319. CERTAIN NATURAL GAS GATHERING LINES LOCATED ON FEDERAL LAND AND INDIAN LAND.

''(a) DEFINITIONS.—In this section:

''(1) GAS GATHERING LINE AND ASSOCIATED FIELD COMPRESSION UNIT.—

''(A) IN GENERAL.—The term 'gas gathering line and associated field compression unit' means—

''(i) a pipeline that is installed to transport natural gas production associated with 1 or more wells drilled and completed to produce crude oil; and

''(ii) if necessary, a compressor to raise the pressure of that transported natural gas to higher pressures suitable to enable the gas to flow into pipelines and other facilities.

''(B) EXCLUSIONS.—The term 'gas gathering line and associated field compression unit' does not include a pipeline or compression unit that is installed to transport natural gas from a processing plant to a common carrier pipeline or facility.

''(2) FEDERAL LAND.—

''(A) IN GENERAL.—The term 'Federal land' means land the title to which is held by the United States.

''(B) EXCLUSIONS.—The term 'Federal land' does not include—

''(i) a unit of the National Park System;

''(ii) a unit of the National Wildlife Refuge System; or

''(iii) a component of the National Wilderness Preservation System.

''(3) INDIAN LAND.—The term 'Indian land' means land the title to which is held by—

''(A) the United States in trust for an Indian tribe or an individual Indian; or

''(B) an Indian tribe or an individual Indian subject to a restriction by the United States against alienation.

''(b) CERTAIN NATURAL GAS GATHERING LINES.—

''(1) IN GENERAL.—Subject to paragraph (2), the issuance of a sundry notice or right-of-way for a gas gathering line and associated field compression unit that is located on Federal land or Indian land and that services any oil well shall be considered to be an action that is categorically excluded (as defined in section 1508.4 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this Act)) for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) if the gas gathering line and associated field compression unit are—

''(A) within a field or unit for which an approved land use plan or an environmental document prepared pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) analyzed transportation of natural gas produced from 1 or more oil wells in that field or unit as a reasonably foreseeable activity; and

''(B) located adjacent to an existing disturbed area for the construction of a road or pad.

''(2) APPLICABILITY.—

''(A) FEDERAL LAND.—Paragraph (1) shall not apply to Federal land, or a portion of Federal land, for which the Governor of the State in which the Federal land is located submits to the Secretary of the Interior or the Secretary of Agriculture, as applicable, a

written request that paragraph (1) not apply to that Federal land (or portion of Federal land).

''(B) INDIAN LAND.—Paragraph (1) shall apply to Indian land, or a portion of Indian land, for which the Indian tribe with jurisdiction over the Indian land submits to the Secretary of the Interior a written request that paragraph (1) apply to that Indian land (or portion of Indian land).

''(c) EFFECT ON OTHER LAW.—Nothing in this section affects or alters any requirement—

''(1) relating to prior consent under—

''(A) section 2 of the Act of February 5, 1948 (25 U.S.C. 324); or

''(B) section 16(e) of the Act of June 18, 1934 (25 U.S.C. 476(e)) (commonly known as the 'Indian Reorganization Act'); or

''(2) under any other Federal law (including regulations) relating to tribal consent for rights-of-way across Indian land.''.

(b) ASSESSMENTS.—Title XVIII of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 1122) is amended by adding at the end the following:

''SEC. 1841. NATURAL GAS GATHERING SYSTEM ASSESSMENTS.

''(a) DEFINITION OF GAS GATHERING LINE AND ASSOCIATED FIELD COMPRESSION UNIT.—In this section, the term 'gas gathering line and associated field compression unit' has the meaning given the term in section 319.

''(b) STUDY.—Not later than 1 year after the date of enactment of the Natural Gas Gathering Enhancement Act, the Secretary of the Interior, in consultation with other appropriate Federal agencies, States, and Indian tribes, shall conduct a study to identify—

''(1) any actions that may be taken, under Federal law (including regulations), to expedite permitting for gas gathering lines and associated field compression units that are located on Federal land or Indian land, for the purpose of transporting natural gas associated with crude oil production on any land to a processing plant or a common carrier pipeline for delivery to markets; and

''(2) any proposed changes to Federal law (including regulations) to expedite permitting for gas gathering lines and associated field compression units that are located on Federal land or Indian land, for the purpose of transporting natural gas associated with crude oil production on any land to a processing plant or a common carrier pipeline for delivery to markets.

''(c) REPORT.—Not later than 180 days after the date of enactment of the Natural Gas Gathering Enhancement Act, and every 180 days thereafter, the Secretary of the Interior, in consultation with other appropriate Federal agencies, States, and Indian tribes, shall submit to Congress a report that describes—

''(1) the progress made in expediting permits for gas gathering lines and associated field compression units that are located on Federal land or Indian land, for the purpose of transporting natural gas associated with crude oil production on any land to a processing plant or a common carrier pipeline for delivery to markets; and

''(2) any issues impeding that progress.''.

(c) TECHNICAL AMENDMENTS.—

(1) Section 1(b) of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 594) is amended by adding at the end of subtitle B of title III the following:

''Sec. 319. Natural gas gathering lines located on Federal land and Indian land.''.

(2) Section 1(b) of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 594) is amended by adding at the end of title XXVIII the following:

''Sec. 1841. Natural gas gathering system assessments.''.

SEC. 205. DEADLINES FOR PERMITTING NATURAL GAS GATHERING LINES UNDER THE MINERAL LEASING ACT.

Section 28 of the Mineral Leasing Act (30 U.S.C. 185) is amended by adding at the end the following:

''(z) NATURAL GAS GATHERING LINES.—The Secretary of the Interior or other appropriate agency head shall issue a sundry notice or right-of-way for a gas gathering line and associated field compression unit (as defined in section 319(a) of the Energy Policy Act of 2005) that is located on Federal lands—

''(1) for a gas gathering line and associated field compression unit described in section 319(b) of the Energy Policy Act of 2005, not later than 30 days after the date on which the applicable agency head receives the request for issuance; and

''(2) for all other gas gathering lines and associated field compression units, not later than 60 days after the date on which the applicable agency head receives the request for issuance.''.

SEC. 206. DEADLINES FOR PERMITTING NATURAL GAS GATHERING LINES UNDER THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976.

Section 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764) is amended by adding at the end the following:

''(k) NATURAL GAS GATHERING LINES.—The Secretary concerned shall issue a sundry notice or right-of-way for a gas gathering line and associated field compression unit (as defined in section 319(a) of the Energy Policy Act of 2005) that is located on public lands—

''(1) for a gas gathering line and associated field compression unit described in section 319(b) of the Energy Policy Act of 2005, not later than 30 days after the date on which the applicable agency head receives the request for issuance; and

''(2) for all other gas gathering lines and associated field compression units, not later than 60 days after the date on which the applicable agency head receives the request for issuance.''.

SA 3604. Mr. BARRASSO (for himself, Mr. INHOFE, and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. NATURAL GAS EXPORTS.

(a) IN GENERAL.—Section 3(c) of the Natural Gas Act (15 U.S.C. 717b(c)) is amended—

(1) by striking ''(c) For purposes'' and inserting the following:

''(c) EXPEDITED APPLICATION AND APPROVAL PROCESS.—

''(1) DEFINITION OF WORLD TRADE ORGANIZATION MEMBER COUNTRY.—In this subsection, the term 'World Trade Organization member country' has the meaning given the term 'WTO member country' in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

''(2) EXPEDITED APPLICATION AND APPROVAL PROCESS.—For purposes''; and

(2) in paragraph (2) (as so designated), by striking ''nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas'' and inserting ''World Trade Organization member country''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to applications for the authorization to export natural gas under section 3 of the Natural Gas Act (15 U.S.C. 717b) that are pending on, or filed on or after, the date of enactment of this Act.

SA 3605. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. FIDUCIARY EXCLUSION.

Section 3(21)(A) of the Employee Retirement Income and Security Act of 1974 (29 U.S.C. 1002(21)(A)) is amended by inserting ''and except to the extent a person is providing an appraisal or fairness opinion with respect to qualifying employer securities (as defined in section 407(d)(5)) included in an employee stock ownership plan (as defined in section 407(d)(6)),'' after ''subparagraph (B),''.

SA 3606. Mr. CRUZ submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

DIVISION __—AMERICAN ENERGY RENAISSANCE

SEC. 2001. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the ''American Energy Renaissance Act of 2014''.

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

TITLE I—EXPANDING AMERICAN ENERGY EXPORTS

SEC. 2101. FINDING.

Congress finds that opening up energy exports will contribute to economic development, private sector job growth, and continued growth in American energy production.

SEC. 2102. NATURAL GAS EXPORTS.

(a) FINDING.—Congress finds that expanding natural gas exports will lead to increased investment and development of domestic supplies of natural gas that will contribute to job growth and economic development.

(b) NATURAL GAS EXPORTS.—Section 3(c) of the Natural Gas Act (15 U.S.C. 717b(c)) is amended—

(1) by inserting ''or any other nation not excluded by this section'' after ''trade in natural gas'';

(2) by striking ''(c) For purposes'' and inserting the following:

''(c) EXPEDITED APPLICATION AND APPROVAL PROCESS.—

''(1) IN GENERAL.—For purposes''; and

(3) by adding at the end the following:

''(2) EXCLUSIONS.—

''(A) IN GENERAL.—Any nation subject to sanctions or trade restrictions imposed by the United States is excluded from expedited approval under paragraph (1).

''(B) DESIGNATION BY PRESIDENT OR CONGRESS.—The President or Congress may designate nations that may be excluded from expedited approval under paragraph (1) for reasons of national security.

''(3) ORDER NOT REQUIRED.—No order is required under subsection (a) to authorize the export or import of any natural gas to or from Canada or Mexico.''.

SEC. 2103. CRUDE OIL EXPORTS.

(a) FINDINGS.—Congress finds that—

(1) the restrictions on crude oil exports from the 1970s are no longer necessary due to the technological advances that have increased the domestic supply of crude oil; and

(2) repealing restrictions on crude oil exports will contribute to job growth and economic development.

(b) REPEAL OF PRESIDENTIAL AUTHORITY TO RESTRICT OIL EXPORTS.—

(1) IN GENERAL.—Section 103 of the Energy Policy and Conservation Act (42 U.S.C. 6212) is repealed.

(2) CONFORMING AMENDMENTS.—

(A) Section 12 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719j) is amended—

(i) by striking ''and section 103 of the Energy Policy and Conservation Act''; and

(ii) by striking ''such Acts'' and inserting ''that Act''.

(B) The Energy Policy and Conservation Act is amended—

(i) in section 251 (42 U.S.C. 6271)—

(I) by striking subsection (d); and

(II) by redesignating subsection (e) as subsection (d); and

(ii) in section 523(a)(1) (42 U.S.C. 6393(a)(1)), by striking ''(other than section 103 thereof)''.

(c) REPEAL OF LIMITATIONS ON EXPORTS OF OIL.—

(1) IN GENERAL.—Section 28 of the Mineral Leasing Act (30 U.S.C. 185) is amended—

(A) by striking subsection (u); and

(B) by redesignating subsections (v) through (y) as subsection (u) through (x), respectively.

(2) CONFORMING AMENDMENTS.—

(A) Section 1107(c) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3167(c)) is amended by striking ''(u) through (y)'' and inserting ''(u) through (x)''.

(B) Section 23 of the Deep Water Port Act of 1974 (33 U.S.C. 1522) is repealed.

(C) Section 203(c) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652(c)) is amended in the first sentence by striking ''(w)(2), and (x))'' and inserting ''(v)(2), and (w))''.

(D) Section 509(c) of the Public Utility Regulatory Policies Act of 1978 (43 U.S.C. 2009(c)) is amended by striking ''subsection (w)(2)'' and inserting ''subsection (v)(2)''.

(d) REPEAL OF LIMITATIONS ON EXPORT OF OCS OIL OR GAS.—Section 28 of the Outer Continental Shelf Lands Act (43 U.S.C. 1354) is repealed.

(e) TERMINATION OF LIMITATION ON EXPORTATION OF CRUDE OIL.—Section 7(d) of the Export Administration Act of 1979 (50 U.S.C. App. 2406(d)) (as in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)) shall have no force or effect.

(f) CLARIFICATION OF CRUDE OIL REGULATION.—

(1) IN GENERAL.—Section 754.2 of title 15, Code of Federal Regulations (relating to crude oil) shall have no force or effect.

(2) CRUDE OIL LICENSE REQUIREMENTS.—The Bureau of Industry and Security of the Department of Commerce shall grant licenses to export to a country crude oil (as the term is defined in subsection (a) of the regulation referred to in paragraph (1)) (as in effect on the date that is 1 day before the date of enactment of this Act) unless—

(A) the country is subject to sanctions or trade restrictions imposed by the United States; or

(B) the President or Congress has designated the country as subject to exclusion for reasons of national security.

SEC. 2104. COAL EXPORTS.

(a) FINDINGS.—Congress finds that—

(1) increased international demand for coal is an opportunity to support jobs and promote economic growth in the United States; and

(2) exports of coal should not be unreasonably restricted or delayed.

(b) NEPA REVIEW FOR COAL EXPORTS.—In completing an environmental impact statement or similar analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for an approval or permit for coal export terminals, or transportation of coal to coal export terminals, the Secretary of the Army, acting through the Chief of Engineers—

(1) may only take into account domestic environmental impacts; and

(2) may not take into account any impacts resulting from the final use overseas of the exported coal.

TITLE II—IMPROVING NORTH AMERICAN ENERGY INFRASTRUCTURE

Subtitle A—North American Energy Infrastructure

SEC. 2201. FINDING.

Congress finds that the United States should establish a more efficient, transparent, and modern process for the construction, connection, operation, and maintenance of oil and natural gas pipelines and electric transmission facilities for the import and export of oil, natural gas, and electricity to and from Canada and Mexico, in pursuit of a more secure and efficient North American energy market.

SEC. 2202. DEFINITIONS.

In this title:

(1) ELECTRIC RELIABILITY ORGANIZATION.—The term ''Electric Reliability Organization'' has the meaning given the term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(2) INDEPENDENT SYSTEM OPERATOR.—The term ''Independent System Operator'' has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

(3) NATURAL GAS.—The term ''natural gas'' has the meaning given the term in section 2 of the Natural Gas Act (15 U.S.C. 717a).

(4) OIL.—The term ''oil'' means petroleum or a petroleum product.

(5) REGIONAL ENTITY.—The term ''regional entity'' has the meaning given the term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(6) REGIONAL TRANSMISSION ORGANIZATION.—The term ''Regional Transmission Organization'' has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

SEC. 2203. AUTHORIZATION OF CERTAIN ENERGY INFRASTRUCTURE PROJECTS AT THE NATIONAL BOUNDARY OF THE UNITED STATES.

(a) AUTHORIZATION.—Except as provided in subsections (d) and (e), no person may construct, connect, operate, or maintain an oil or natural gas pipeline or electric transmission facility at the national boundary of the United States for the import or export of oil, natural gas, or electricity to or from Canada or Mexico without obtaining approval of the construction, connection, operation, or maintenance under this section.

(b) APPROVAL.—

(1) REQUIREMENT.—Not later than 120 days after receiving a request for approval of construction, connection, operation, or maintenance under this section, the relevant official identified under paragraph (2), in consultation with appropriate Federal agencies, shall approve the request unless the relevant official finds that the construction, connection, operation, or maintenance harms the national security interests of the United States.

(2) RELEVANT OFFICIAL.—The relevant official referred to in paragraph (1) is—

(A) the Secretary of Commerce with respect to oil pipelines;

(B) the Federal Energy Regulatory Commission with respect to natural gas pipelines; and

(C) the Secretary of Energy with respect to electric transmission facilities.

(3) APPROVAL NOT MAJOR FEDERAL ACTION.—An approval of construction, connection, operation, or maintenance under paragraph (1) shall not be considered a major Federal action under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(4) ADDITIONAL REQUIREMENT FOR ELECTRIC TRANSMISSION FACILITIES.—In the case of a request for approval of the construction, connection, operation, or maintenance of an electric transmission facility, the Secretary of Energy shall require, as a condition of approval of the request under paragraph (1), that the electric transmission facility be constructed, connected, operated, or maintained consistent with all applicable policies and standards of—

(A) the Electric Reliability Organization and the applicable regional entity; and

(B) any Regional Transmission Organization or Independent System Operator with operational or functional control over the electric transmission facility.

(c) NO OTHER APPROVAL REQUIRED.—No Presidential permit (or similar permit) required under Executive Order 13337 (3 U.S.C. 301 note; 69 Fed. Reg. 25299 (April 30, 2004)), Executive Order 11423 (3 U.S.C. 301 note; 33 Fed. Reg. 11741 (August 16, 1968)), section 301 of title 3, United States Code, Executive Order 12038 (43 Fed. Reg. 3674 (January 26, 1978)), Executive Order 10485 (18 Fed. Reg. 5397 (September 9, 1953)), or any other Executive order shall be necessary for construction, connection, operation, or maintenance to which this section applies.

(d) EXCLUSIONS.—This section shall not apply to—

(1) any construction, connection, operation, or maintenance of an oil or natural gas pipeline or electric transmission facility at the national boundary of the United States for the import or export of oil, natural gas, or electricity to or from Canada or Mexico if—

(A) the pipeline or facility is operating at the national boundary for that import or export as of the date of enactment of this Act;

(B) a permit described in subsection (c) for the construction, connection, operation, or maintenance has been issued;

(C) approval of the construction, connection, operation, or maintenance has previously been obtained under this section; or

(D) an application for a permit described in subsection (c) for the construction, connection, operation, or maintenance is pending on the date of enactment of this Act, until the earlier of—

(i) the date on which the application is denied; and

(ii) July 1, 2015; or

(2) the construction, connection, operation, or maintenance of the Keystone XL pipeline.

(e) MODIFICATIONS TO EXISTING PROJECTS.—No approval under this section, or permit described in subsection (c), shall be required for modifications to construction, connection, operation, or maintenance described in subparagraphs (A), (B), or (C) of subsection (d)(1), including reversal of flow direction, change in ownership, volume expansion, downstream or upstream interconnection, or adjustments to maintain flow (such as a reduction or increase in the number of pump or compressor stations).

(f) EFFECT OF OTHER LAWS.—Nothing in this section affects the application of any other Federal law to a project for which approval of construction, connection, operation, or maintenance is sought under this section.

SEC. 2204. TRANSMISSION OF ELECTRIC ENERGY TO CANADA AND MEXICO.

(a) REPEAL OF REQUIREMENT TO SECURE ORDER.—Section 202 of the Federal Power Act (16 U.S.C. 824a) is amended by striking subsection (e).

(b) CONFORMING AMENDMENTS.—

(1) STATE REGULATIONS.—Section 202 of the Federal Power Act (16 U.S.C. 824a) is amended—

(A) by redesignating subsections (f) and (g) as subsection (e) and (f), respectively; and

(B) in subsection (e) (as so redesignated), by striking ''insofar as such State regulation does not conflict with the exercise of the Commission's powers under or relating to subsection 202(e)''.

(2) SEASONAL DIVERSITY ELECTRICITY EXCHANGE.—Section 602(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a–4(b)) is amended by striking ''the Commission has conducted hearings and made the findings required under section 202(e) of the Federal Power Act'' and all that follows through the period at the end and inserting ''the Secretary has conducted hearings and finds that the proposed transmission facilities would not impair the sufficiency of electric supply within the United States or would not impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of the Secretary.''.

SEC. 2205. EFFECTIVE DATE; RULEMAKING DEADLINES.

(a) EFFECTIVE DATE.—Sections 2203 and 2204, and the amendments made by those sections, shall take effect on July 1, 2015.

(b) RULEMAKING DEADLINES.—Each relevant official described in section 2203(b)(2) shall—

(1) not later than 180 days after the date of enactment of this Act, publish in the Federal Register notice of a proposed rulemaking to carry out the applicable requirements of section 2203; and

(2) not later than 1 year after the date of enactment of this Act, publish in the Federal Register a final rule to carry out the applicable requirements of section 2203.

Subtitle B—Keystone XL Permit Approval

SEC. 2211. FINDINGS.

Congress finds that—

(1) building the Keystone XL pipeline will provide jobs and economic growth to the United States; and

(2) the Keystone XL pipeline should be approved immediately.

SEC. 2212. KEYSTONE XL PERMIT APPROVAL.

(a) IN GENERAL.—Notwithstanding Executive Order 13337 (3 U.S.C. 301 note ; 69 Fed. Reg. 25299 (April 30, 2004)), Executive Order 11423 (3 U.S.C. 301 note; 33 Fed. Reg. 11741 (August 16, 1968)), section 301 of title 3, United States Code, and any other Executive order or provision of law, no presidential permit shall be required for the pipeline described in the application filed on May 4, 2012, by TransCanada Corporation to the Department of State for the northern portion of the Keystone XL pipeline from the Canadian border to the border between the States of South Dakota and Nebraska.

(b) ENVIRONMENTAL IMPACT STATEMENT.—The final environmental impact statement issued by the Secretary of State on January 31, 2014, regarding the pipeline referred to in subsection (a), shall be considered to satisfy all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) CRITICAL HABITAT.—No area necessary to construct or maintain the Keystone XL pipeline shall be considered critical habitat under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or any other provision of law.

(d) PERMITS.—Any Federal permit or authorization issued before the date of enactment of this Act for the pipeline and cross-

border facilities described in subsection (a), and the related facilities in the United States, shall remain in effect.

(e) FEDERAL JUDICIAL REVIEW.—The pipeline and cross-border facilities described in subsection (a), and the related facilities in the United States, that are approved by this section, and any permit, right-of-way, or other action taken to construct or complete the project pursuant to Federal law, shall only be subject to judicial review on direct appeal to the United States Court of Appeals for the District of Columbia Circuit.

TITLE III—OUTER CONTINENTAL SHELF LEASING

SEC. 3001. FINDING.

Congress finds that the United States has enormous potential for offshore energy development and that the people of the United States should have access to the jobs and economic benefits from developing those resources.

SEC. 3002. EXTENSION OF LEASING PROGRAM.

(a) IN GENERAL.—Subject to subsection (c), the Draft Proposed Outer Continental Shelf Oil and Gas Leasing Program 2010–2015 issued by the Secretary of the Interior (referred to in this title as the ''Secretary'') under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) shall be considered to be the final oil and gas leasing program under that section for the period of fiscal years 2014 through 2019.

(b) FINAL ENVIRONMENTAL IMPACT STATEMENT.—The Secretary is considered to have issued a final environmental impact statement for the program applicable to the period described in subsection (a) in accordance with all requirements under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(c) EXCEPTIONS.—Lease Sales 214, 232, and 239 shall not be included in the final oil and gas leasing program for the period of fiscal years 2014 through 2019.

SEC. 3003. LEASE SALES.

(a) IN GENERAL.—Except as otherwise provided in this section, not later than 180 days after the date of enactment of this Act and every 270 days thereafter, the Secretary shall conduct a lease sale in each outer Continental Shelf planning area for which the Secretary determines that there is a commercial interest in purchasing Federal oil and gas leases for production on the outer Continental Shelf.

(b) SUBSEQUENT DETERMINATIONS AND SALES.—If the Secretary determines that there is not a commercial interest in purchasing Federal oil and gas leases for production on the outer Continental Shelf in a planning area under this section, not later than 2 years after the date of the determination and every 2 years thereafter, the Secretary shall—

(1) make an additional determination on whether there is a commercial interest in purchasing Federal oil and gas leases for production on the outer Continental Shelf in the planning area; and

(2) if the Secretary determines that there is a commercial interest under paragraph (1), conduct a lease sale in the planning area.

(c) PROTECTION OF STATE INTEREST.—In developing future leasing programs, the Secretary shall give deference to affected coastal States (as the term is used in the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.)) in determining leasing areas to be included in the leasing program.

(d) PETITIONS.—If a person petitions the Secretary to conduct a lease sale for an outer Continental Shelf planning area in which the person has a commercial interest, the Secretary shall conduct a lease sale for the area in accordance with subsection (a).

SEC. 3004. APPLICATIONS FOR PERMITS TO DRILL.

Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following:

''(k) APPLICATIONS FOR PERMITS TO DRILL.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall approve or disapprove an application for a permit to drill submitted under this Act not later than 20 days after the date on which the application is submitted to the Secretary.

''(2) DISAPPROVAL.—If the Secretary disapproves an application for a permit to drill under paragraph (1), the Secretary shall—

''(A) provide to the applicant a description of the reasons for the disapproval of the application;

''(B) allow the applicant to resubmit an application during the 10-day period beginning on the date of the receipt of the description described in subparagraph (A) by the applicant; and

''(C) approve or disapprove any resubmitted application not later than 10 days after the date on which the application is submitted to the Secretary.''.

SEC. 3005. LEASE SALES FOR CERTAIN AREAS.

(a) IN GENERAL.—As soon as practicable but not later than 1 year after the date of enactment of this Act, the Secretary shall conduct Lease Sale 220 for areas offshore of the State of Virginia.

(b) COMPLIANCE WITH OTHER LAWS.—For purposes of the lease sale described in subsection (a), the environmental impact statement prepared under section 3001 shall satisfy the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) ENERGY PROJECTS IN GULF OF MEXICO.—

(1) JURISDICTION.—The United States Court of Appeals for the Fifth Circuit shall have exclusive jurisdiction over challenges to offshore energy projects and permits to drill carried out in the Gulf of Mexico.

(2) FILING DEADLINE.—Any civil action to challenge a project or permit described in paragraph (1) shall be filed not later than 60 days after the date of approval of the project or the issuance of the permit.

TITLE IV—UTILIZING AMERICA'S ONSHORE RESOURCES

SEC. 4001. FINDINGS.

Congress finds that—

(1) current policy has failed to take full advantage of the natural resources on Federal land;

(2) the States should be given the option to lead energy development on all available Federal land in a State; and

(3) the Federal Government should not inhibit energy development on Federal land.

SEC. 4002. STATE OPTION FOR ENERGY DEVELOPMENT.

Notwithstanding any other provision of this title, a State may elect to control energy development and production on available Federal land in accordance with the terms and conditions of subtitle A and the amendments made by subtitle A in lieu of being subject to the Federal system established under subtitle B and the amendments made by subtitle B.

Subtitle A—Energy Development by States

SEC. 4011. DEFINITIONS.

In this subtitle:

(1) AVAILABLE FEDERAL LAND.—The term ''available Federal land'' means any Federal land that, as of the date of enactment of this Act—

(A) is located within the boundaries of a State;

(B) is not held by the United States in trust for the benefit of a federally recognized Indian tribe;

(C) is not a unit of the National Park System;

(D) is not a unit of the National Wildlife Refuge System; and

(E) is not a congressionally designated wilderness area.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) STATE.—The term ''State'' means—

(A) a State; and

(B) the District of Columbia.

SEC. 4012. STATE PROGRAMS.

(a) IN GENERAL.—A State—

(1) may establish a program covering the leasing and permitting processes, regulatory requirements, and any other provisions by which the State would exercise the rights of the State to develop all forms of energy resources on available Federal land in the State; and

(2) as a condition of certification under section 4013(b) shall submit a declaration to the Departments of the Interior, Agriculture, and Energy that a program under paragraph (1) has been established or amended.

(b) AMENDMENT OF PROGRAMS.—A State may amend a program developed and certified under this subtitle at any time.

(c) CERTIFICATION OF AMENDED PROGRAMS.—Any program amended under subsection (b) shall be certified under section 4013(b).

SEC. 4013. LEASING, PERMITTING, AND REGULATORY PROGRAMS.

(a) SATISFACTION OF FEDERAL REQUIREMENTS.—Each program certified under this section shall be considered to satisfy all applicable requirements of Federal law (including regulations), including—

(1) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(3) the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(b) FEDERAL CERTIFICATION AND TRANSFER OF DEVELOPMENT RIGHTS.—Upon submission of a declaration by a State under section 4012(a)(2)—

(1) the program under section 4012(a)(1) shall be certified; and

(2) the State shall receive all rights from the Federal Government to develop all forms of energy resources covered by the program.

(c) ISSUANCE OF PERMITS AND LEASES.—If a State elects to issue a permit or lease for the development of any form of energy resource on any available Federal land within the borders of the State in accordance with a program certified under subsection (b), the permit or lease shall be considered to meet all applicable requirements of Federal law (including regulations).

SEC. 4014. JUDICIAL REVIEW.

Activities carried out in accordance with this subtitle shall not be subject to Federal judicial review.

SEC. 4015. ADMINISTRATIVE PROCEDURE ACT.

Activities carried out in accordance with this subtitle shall not be subject to subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the ''Administrative Procedure Act'').

Subtitle B—Onshore Oil and Gas Permit Streamlining

PART I—OIL AND GAS LEASING CERTAINTY

SEC. 4021. MINIMUM ACREAGE REQUIREMENT FOR ONSHORE LEASE SALES.

Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended—

(1) by striking ''SEC. 17. (a) All lands'' and inserting the following:

''SEC. 17. LEASE OF OIL AND GAS LAND.

''(a) AUTHORITY OF SECRETARY.—

''(1) IN GENERAL.—All land''; and

(2) in subsection (a), by adding at the end the following:

''(2) MINIMUM ACREAGE REQUIREMENT FOR ONSHORE LEASE SALES.—

''(A) IN GENERAL.—In conducting lease sales under paragraph (1)—

''(i) there shall be a presumption that nominated land should be leased; and

''(ii) the Secretary of the Interior shall offer for sale all of the nominated acreage not previously made available for lease, unless the Secretary demonstrates by clear and convincing evidence that an individual lease should not be granted.

''(B) ADMINISTRATION.—Acreage offered for lease pursuant to this paragraph—

''(i) shall not be subject to protest; and

''(ii) shall be eligible for categorical exclusions under section 390 of the Energy Policy Act of 2005 (42 U.S.C. 15942), except that the categorical exclusions shall not be subject to the test of extraordinary circumstances or any other similar regulation or policy guidance.

''(C) AVAILABILITY.—In administering this paragraph, the Secretary shall only consider leasing of Federal land that is available for leasing at the time the lease sale occurs.''.

SEC. 4022. LEASING CERTAINTY.

Section 17(a) of the Mineral Leasing Act (30 U.S.C. 226(a)) (as amended by section 4061) is amended by adding at the end the following:

''(3) LEASING CERTAINTY.—

''(A) IN GENERAL.—The Secretary of the Interior shall not withdraw any covered energy project (as defined in section 4051 of the American Energy Renaissance Act of 2014) issued under this Act without finding a violation of the terms of the lease by the lessee.

''(B) DELAY.—The Secretary shall not infringe on lease rights under leases issued under this Act by indefinitely delaying issuance of project approvals, drilling and seismic permits, and rights-of-way for activities under the lease.

''(C) AVAILABILITY FOR LEASE.—Not later than 18 months after an area is designated as open under the applicable land use plan, the Secretary shall make available nominated areas for lease using the criteria established under section 2.

''(D) LAST PAYMENT.—

''(i) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall issue all leases sold not later than 60 days after the last payment is made.

''(ii) CANCELLATION.—The Secretary shall not cancel or withdraw any lease parcel after a competitive lease sale has occurred and a winning bidder has submitted the last payment for the parcel.

''(E) PROTESTS.—

''(i) IN GENERAL.—Not later than the end of the 60-day period beginning on the date a lease sale is held under this Act, the Secretary shall adjudicate any lease protests filed following a lease sale.

''(ii) UNSETTLED PROTEST.—If, after the 60-day period described in clause (i) any protest is left unsettled—

''(I) the protest shall be considered automatically denied; and

''(II) the appeal rights of the protestor shall begin.

''(F) ADDITIONAL LEASE STIPULATIONS.—No additional lease stipulation may be added after the parcel is sold without consultation and agreement of the lessee, unless the Secretary considers the stipulation as an emergency action to conserve the resources of the United States.''.

SEC. 4023. LEASING CONSISTENCY.

A Federal land manager shall follow existing resource management plans and continue to actively lease in areas designated as open when resource management plans are being amended or revised, until such time as a new record of decision is signed.

SEC. 4024. REDUCE REDUNDANT POLICIES.

Bureau of Land Management Instruction Memorandum 2010–117 shall have no force or effect.

SEC. 4025. STREAMLINED CONGRESSIONAL NOTIFICATION.

Section 31(e) of the Mineral Leasing Act (30 U.S.C. 188(e)) is amended in the first sentence of the matter following paragraph (4) by striking ''at least thirty days in advance of the reinstatement'' and inserting ''in an annual report''.

PART II—APPLICATION FOR PERMITS TO DRILL PROCESS REFORM

SEC. 4031. PERMIT TO DRILL APPLICATION TIMELINE.

Section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) is amended by striking paragraph (2) and inserting the following:

''(2) APPLICATIONS FOR PERMITS TO DRILL REFORM AND PROCESS.—

''(A) IN GENERAL.—Not later than the end of the 30-day period beginning on the date an application for a permit to drill is received by the Secretary, the Secretary shall decide whether to issue the permit.

''(B) EXTENSION.—

''(i) IN GENERAL.—The Secretary may extend the period described in subparagraph (A) for up to 2 periods of 15 days each, if the Secretary has given written notice of the delay to the applicant.

''(ii) NOTICE.—The notice shall—

''(I) be in the form of a letter from the Secretary or a designee of the Secretary; and

''(II) include—

''(aa) the names and titles of the persons processing the application;

''(bb) the specific reasons for the delay; and

''(cc) a specific date a final decision on the application is expected.

''(C) NOTICE OF REASONS FOR DENIAL.—If the application is denied, the Secretary shall provide the applicant—

''(i) a written statement that provides clear and comprehensive reasons why the application was not accepted and detailed information concerning any deficiencies; and

''(ii) an opportunity to remedy any deficiencies.

''(D) APPLICATION DEEMED APPROVED.—

''(i) IN GENERAL.—Except as provided in clause (ii), if the Secretary has not made a decision on the application by the end of the 60-day period beginning on the date the application is received by the Secretary, the application shall be considered approved.

''(ii) EXCEPTIONS.—Clause (i) shall not apply in cases in which existing reviews under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) are incomplete.

''(E) DENIAL OF PERMIT.—If the Secretary decides not to issue a permit to drill under this paragraph, the Secretary shall—

''(i) provide to the applicant a description of the reasons for the denial of the permit;

''(ii) allow the applicant to resubmit an application for a permit to drill during the 10-day period beginning on the date the applicant receives the description of the denial from the Secretary; and

''(iii) issue or deny any resubmitted application not later than 10 days after the date the application is submitted to the Secretary.

''(F) FEE.—

''(i) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall collect a single $6,500 permit processing fee per application from each applicant at the time the final decision is made whether to issue a permit under subparagraph (A).

''(ii) RESUBMITTED APPLICATION.—The fee required under clause (i) shall not apply to any resubmitted application.

''(iii) TREATMENT OF PERMIT PROCESSING FEE.—Subject to appropriation, of all fees collected under this paragraph for each fiscal year, 50 percent shall be—

''(I) transferred to the field office at which the fees are collected; and

''(II) used to process protests, leases, and permits under this Act.''.

SEC. 4032. ADMINISTRATIVE PROTEST DOCUMENTATION REFORM.

Section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) (as amended by section 4031) is amended by adding at the end the following:

''(4) PROTEST FEE.—

''(A) IN GENERAL.—The Secretary shall collect a $5,000 documentation fee to accompany each administrative protest for a lease, right-of-way, or application for a permit to drill.

''(B) TREATMENT OF FEES.—Subject to appropriation, of all fees collected under this paragraph for each fiscal year, 50 percent shall—

''(i) remain in the field office at which the fees are collected; and

''(ii) be used to process protests.''.

SEC. 4033. IMPROVED FEDERAL ENERGY PERMIT COORDINATION.

(a) DEFINITIONS.—In this section:

(1) ENERGY PROJECT.—The term ''energy project'' includes any oil, natural gas, coal, or other energy project, as defined by the Secretary.

(2) PROJECT.—The term ''Project'' means the Federal Permit Streamlining Project established under subsection (b).

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(b) ESTABLISHMENT.—The Secretary shall establish a Federal Permit Streamlining Project in each Bureau of Land Management field office with responsibility for permitting energy projects on Federal land.

(c) MEMORANDUM OF UNDERSTANDING.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall enter into a memorandum of understanding for purposes of carrying out this section with—

(A) the Secretary of Agriculture;

(B) the Administrator of the Environmental Protection Agency; and

(C) the Chief of Engineers.

(2) STATE PARTICIPATION.—The Secretary may request that the Governor of any State with energy projects on Federal land to be a signatory to the memorandum of understanding.

(d) DESIGNATION OF QUALIFIED STAFF.—

(1) IN GENERAL.—Not later than 30 days after the date of the signing of the memorandum of understanding under subsection (c), each Federal signatory party shall, if appropriate, assign to each Bureau of Land Management field office an employee who has expertise in the regulatory issues relating to the office in which the employee is employed, including, as applicable, particular expertise in—

(A) the consultations and the preparation of biological opinions under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536);

(B) permits under section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344);

(C) regulatory matters under the Clean Air Act (42 U.S.C. 7401 et seq.);

(D) planning under the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.); and

(E) the preparation of analyses under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) DUTIES.—Each employee assigned under paragraph (1) shall—

(A) not later than 90 days after the date of assignment, report to the Bureau of Land Management Field Managers in the office to which the employee is assigned;

(B) be responsible for all issues relating to the energy projects that arise under the authorities of the home agency of the employee; and

(C) participate as part of the team of personnel working on proposed energy projects, planning, and environmental analyses on Federal land.

(e) ADDITIONAL PERSONNEL.—The Secretary shall assign to each Bureau of Land Management field office described in subsection (b) any additional personnel that are necessary to ensure the effective approval and implementation of energy projects administered by the Bureau of Land Management field office, including inspection and enforcement relating to energy development on Federal land, in accordance with the multiple use mandate of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(f) FUNDING.—Funding for the additional personnel shall come from the Department of the Interior reforms under paragraph (2) of section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) (as amended by section 4031 and section 4032).

(g) SAVINGS PROVISION.—Nothing in this section affects—

(1) the operation of any Federal or State law; or

(2) any delegation of authority made by the head of a Federal agency any employee of which is participating in the Project.

SEC. 4034. ADMINISTRATION.

Notwithstanding any other provision of law, the Secretary of the Interior shall not require a finding of extraordinary circumstances in administering section 390 of the Energy Policy Act of 2005 (42 U.S.C. 15942).

PART III—OIL SHALE

SEC. 4041. EFFECTIVENESS OF OIL SHALE REGULATIONS, AMENDMENTS TO RESOURCE MANAGEMENT PLANS, AND RECORD OF DECISION.

(a) REGULATIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of law (including regulations), the final regulations regarding oil shale management published by the Bureau of Land Management on November 18, 2008 (73 Fed. Reg. 69414) shall be considered to satisfy all legal and procedural requirements under any law, including—

(A) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(B) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) IMPLEMENTATION.—The Secretary of the Interior shall implement the regulations described in paragraph (1) (including the oil shale leasing program authorized by the regulations) without any other administrative action necessary.

(b) AMENDMENTS TO RESOURCE MANAGEMENT PLANS AND RECORD OF DECISION.—

(1) IN GENERAL.—Notwithstanding any other provision of law (including regulations) to the contrary, the Approved Resource Management Plan Amendments/Record of Decision for Oil Shale and Tar Sands Resources to Address Land Use Allocations in Colorado, Utah, and Wyoming and the Final Programmatic Environmental Impact Statement of the Bureau of Land Management, as in effect on November 17, 2008, shall be considered to satisfy all legal and procedural requirements under any law, including—

(A) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(B) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) IMPLEMENTATION.—The Secretary of the Interior shall implement the oil shale leasing program authorized by the regulations described in paragraph (1) in those areas covered by the resource management plans covered by the amendments, and covered by the record of decision, described in paragraph (1) without any other administrative action necessary.

SEC. 4042. OIL SHALE LEASING.

(a) ADDITIONAL RESEARCH AND DEVELOPMENT LEASE SALES.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall hold a lease sale offering an additional 10 parcels for lease for research, development, and demonstration of oil shale resources, under the terms offered in the solicitation of bids for such leases published on January 15, 2009 (74 Fed. Reg. 2611).

(b) COMMERCIAL LEASE SALES.—

(1) IN GENERAL.—Not later than January 1, 2016, the Secretary of the Interior shall hold not less than 5 separate commercial lease sales in areas considered to have the most potential for oil shale development, as determined by the Secretary, in areas nominated through public comment.

(2) ADMINISTRATION.—Each lease sale shall be—

(A) for an area of not less than 25,000 acres; ;and

(B) in multiple lease blocs.

PART IV—NATIONAL PETROLEUM RESERVE IN ALASKA ACCESS

SEC. 4051. SENSE OF CONGRESS AND REAFFIRMING NATIONAL POLICY FOR THE NATIONAL PETROLEUM RESERVE IN ALASKA.

It is the sense of Congress that—

(1) the National Petroleum Reserve in Alaska remains explicitly designated, both in name and legal status, for purposes of providing oil and natural gas resources to the United States; and

(2) accordingly, the national policy is to actively advance oil and gas development within the Reserve by facilitating the expeditious exploration, production, and transportation of oil and natural gas from and through the Reserve.

SEC. 4052. NATIONAL PETROLEUM RESERVE IN ALASKA: LEASE SALES.

Section 107 of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a) is amended by striking subsection (a) and inserting the following

''(a) IN GENERAL.—The Secretary shall conduct an expeditious program of competitive leasing of oil and gas in the Reserve—

''(1) in accordance with this Act; and

''(2) that shall include at least 1 lease sale annually in the areas of the Reserve most likely to produce commercial quantities of oil and natural gas for each of calendar years 2014 through 2023.''.

SEC. 4053. NATIONAL PETROLEUM RESERVE IN ALASKA: PLANNING AND PERMITTING PIPELINE AND ROAD CONSTRUCTION.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior, in consultation with other appropriate Federal agencies, shall facilitate and ensure permits, in a timely and environmentally responsible manner, for all surface development activities, including for the construction of pipelines and roads, necessary—

(1) to develop and bring into production any areas within the National Petroleum Reserve in Alaska that are subject to oil and gas leases; and

(2) to transport oil and gas from and through the National Petroleum Reserve in Alaska in the most direct manner possible to existing transportation or processing infrastructure on the North Slope of Alaska.

(b) TIMELINE.—The Secretary shall ensure that any Federal permitting agency shall issue permits in accordance with the following timeline:

(1) Permits for the construction described in subsection (a) for transportation of oil and natural gas produced under existing Federal oil and gas leases with respect to which the Secretary has issued a permit to drill shall be approved not later than 60 days after the date of enactment of this Act.

(2) Permits for the construction described in subsection (a) for transportation of oil and natural gas produced under Federal oil and gas leases shall be approved not later than 180 days after the date on which a request for a permit to drill is submitted to the Secretary.

(c) PLAN.—To ensure timely future development of the National Petroleum Reserve in Alaska, not later than 270 days after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a plan for approved rights-of-way for a plan for pipeline, road, and any other surface infrastructure that may be necessary infrastructure that will ensure that all leasable tracts in the Reserve are within 25 miles of an approved road and pipeline right-of-way that can serve future development of the Reserve.

SEC. 4054. ISSUANCE OF A NEW INTEGRATED ACTIVITY PLAN AND ENVIRONMENTAL IMPACT STATEMENT.

(a) ISSUANCE OF NEW INTEGRATED ACTIVITY PLAN.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall issue—

(1) a new proposed integrated activity plan from among the nonadopted alternatives in the National Petroleum Reserve Alaska Integrated Activity Plan Record of Decision issued by the Secretary of the Interior and dated February 21, 2013; and

(2) an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) for issuance of oil and gas leases in the National Petroleum Reserve-Alaska to promote efficient and maximum development of oil and natural gas resources of the Reserve.

(b) NULLIFICATION OF EXISTING RECORD OF DECISION, IAP, AND EIS.—Except as provided in subsection (a), the National Petroleum Reserve-Alaska Integrated Activity Plan Record of Decision issued by the Secretary of the Interior and dated February 21, 2013, including the integrated activity plan and environmental impact statement referred to in that record of decision, shall have no force or effect.

SEC. 4055. DEPARTMENTAL ACCOUNTABILITY FOR DEVELOPMENT.

The Secretary of the Interior shall promulgate regulations not later than 180 days after the date of enactment of this Act that establish clear requirements to ensure that the Department of the Interior is supporting development of oil and gas leases in the National Petroleum Reserve-Alaska.

SEC. 4056. DEADLINES UNDER NEW PROPOSED INTEGRATED ACTIVITY PLAN.

At a minimum, the new proposed integrated activity plan issued under section 4054(a)(1) shall—

(1) require the Department of the Interior to respond within 5 business days to a person who submits an application for a permit for development of oil and natural gas leases in the National Petroleum Reserve-Alaska acknowledging receipt of the application; and

(2) establish a timeline for the processing of each application that—

(A) specifies deadlines for decisions and actions on permit applications; and

(B) provides that the period for issuing a permit after the date on which the application is submitted shall not exceed 60 days without the concurrence of the applicant.

SEC. 4057. UPDATED RESOURCE ASSESSMENT.

(a) IN GENERAL.—The Secretary of the Interior shall complete a comprehensive assessment of all technically recoverable fossil fuel resources within the National Petroleum Reserve in Alaska, including all conventional and unconventional oil and natural gas.

(b) COOPERATION AND CONSULTATION.—The assessment required by subsection (a) shall be carried out by the United States Geological Survey in cooperation and consultation with the State of Alaska and the American Association of Petroleum Geologists.

(c) TIMING.—The assessment required by subsection (a) shall be completed not later than 2 years after the date of enactment of this Act.

(d) FUNDING.—In carrying out this section, the United States Geological Survey may cooperatively use resources and funds provided by the State of Alaska.

PART V—MISCELLANEOUS PROVISIONS

SEC. 4061. SANCTIONS.

Nothing in this title authorizes the issuance of a lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.) to any person designated for the imposition of sanctions pursuant to—

(1) the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003 (22 U.S.C. 2151 note; Public Law 108–175);

(2) the Comprehensive Iran Sanctions, Accountability, and Divestiture Act of 2010 (22 U.S.C. 8501 et seq.);

(3) section 1245 of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 8513a);

(4) the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8701 et seq.);

(5) the Iran Freedom and Counter-Proliferation Act of 2012 (22 U.S.C. 8801 et seq.);

(6) the Iran Sanctions Act of 1996 (50 U.S.C. 1701 note; Public Law 104–172);

(7) Executive Order 13224 (50 U.S.C. 1701 note; relating to blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism);

(8) Executive Order 13338 (50 U.S.C. 1701 note; relating to blocking property of certain persons and prohibiting the export of certain goods to Syria);

(9) Executive Order 13622 (50 U.S.C. 1701 note; relating to authorizing additional sanctions with respect to Iran);

(10) Executive Order 13628 (50 U.S.C. 1701 note; relating to authorizing additional sanctions with respect to Iran); or

(11) Executive Order 13645 (50 U.S.C. 1701 note; relating to authorizing additional sanctions with respect to Iran).

SEC. 4062. INTERNET-BASED ONSHORE OIL AND GAS LEASE SALES.

(a) AUTHORIZATION.—Section 17(b)(1) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)) is amended—

(1) in subparagraph (A), in the third sentence, by inserting '', except as provided in subparagraph (C)'' after ''by oral bidding''; and

(2) by adding at the end the following:

''(C) INTERNET-BASED BIDDING.—

''(i) IN GENERAL.—In order to diversify and expand the onshore leasing program of the United States to ensure the best return to the Federal taxpayer, reduce fraud, and secure the leasing process, the Secretary may conduct onshore lease sales through Internet-based bidding methods.

''(ii) CONCLUSION.—Each individual Internet-based lease sale shall conclude not later than 7 days after the date on which the sale begins.''.

(b) REPORT.—Not later than 90 days after the date on which the tenth Internet-based lease sale conducted under the amendment made by subsection (a) concludes, the Secretary of the Interior shall analyze the first 10 Internet-based lease sales and report to Congress the findings of the analysis, including—

(1) estimates on increases or decreases in Internet-based lease sales, compared to sales conducted by oral bidding, in—

(A) the number of bidders;

(B) the average amount of bid;

(C) the highest amount bid; and

(D) the lowest bid;

(2) an estimate on the total cost or savings to the Department of the Interior as a result of Internet-based lease sales, compared to sales conducted by oral bidding; and

(3) an evaluation of the demonstrated or expected effectiveness of different structures for lease sales which may provide an opportunity to better—

(A) maximize bidder participation;

(B) ensure the highest return to the Federal taxpayers;

(C) minimize opportunities for fraud or collusion; and

(D) ensure the security and integrity of the leasing process.

PART VI—JUDICIAL REVIEW

SEC. 4071. DEFINITIONS.

In this part:

(1) COVERED CIVIL ACTION.—The term ''covered civil action'' means a civil action containing a claim under section 702 of title 5, United States Code, regarding agency action (as defined for the purposes of that section) affecting a covered energy project on Federal land.

(2) COVERED ENERGY PROJECT.—

(A) IN GENERAL.—The term ''covered energy project'' means—

(i) the leasing of Federal land for the exploration, development, production, processing, or transmission of oil, natural gas, wind, or any other source of energy; and

(ii) any action under the lease.

(B) EXCLUSION.—The term ''covered energy project'' does not include any dispute between the parties to a lease regarding the obligations under the lease, including any alleged breach of the lease.

SEC. 4072. EXCLUSIVE VENUE FOR CERTAIN CIVIL ACTIONS RELATING TO COVERED ENERGY PROJECTS.

Venue for any covered civil action shall lie in the United States district court in which the covered energy project or lease exists or is proposed.

SEC. 4073. TIMELY FILING.

To ensure timely redress by the courts, a covered civil action shall be filed not later than the end of the 90-day period beginning on the date of the final Federal agency action to which the covered civil action relates.

SEC. 4074. EXPEDITION IN HEARING AND DETERMINING THE ACTION.

The court shall endeavor to hear and determine any covered civil action as expeditiously as practicable.

SEC. 4075. LIMITATION ON INJUNCTION AND PROSPECTIVE RELIEF.

(a) IN GENERAL.—In a covered civil action, a court shall not grant or approve any prospective relief unless the court finds that the relief—

(1) is narrowly drawn;

(2) extends no further than necessary to correct the violation of a legal requirement; and

(3) is the least intrusive means necessary to correct the violation.

(b) DURATION.—

(1) IN GENERAL.—A court shall limit the duration of preliminary injunctions to halt covered energy projects to not more than 60 days, unless the court finds clear reasons to extend the injunction.

(2) ADMINISTRATION.—In the case of an extension, the extension shall—

(A) only be in 30-day increments; and

(B) require action by the court to renew the injunction.

SEC. 4076. LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.

(a) IN GENERAL.—Sections 504 of title 5 and 2412 of title 28, United States Code (commonly known as the ''Equal Access to Justice Act''), shall not apply to a covered civil action.

(b) COURT COSTS.—A party to a covered civil action shall not receive payment from the Federal Government for the attorneys' fees, expenses, or other court costs incurred by the party.

SEC. 4077. LEGAL STANDING.

A challenger that files an appeal with the Department of the Interior Board of Land Appeals shall meet the same standing requirements as a challenger before a United States district court.

TITLE V—ADDITIONAL ONSHORE RESOURCES

Subtitle A—Leasing Program for Land Within Coastal Plain

SEC. 5001. FINDING.

Congress finds that development of energy reserves under the Coastal Plain of Alaska, performed in an environmentally responsible manner, will contribute to job growth and economic development.

SEC. 5002. DEFINITIONS.

In this subtitle:

(1) COASTAL PLAIN.—The term ''Coastal Plain'' means the area described in appendix I to part 37 of title 50, Code of Federal Regulations.

(2) PEER REVIEWED.—The term ''peer reviewed'' means reviewed—

(A) by individuals chosen by the National Academy of Sciences with no contractual relationship with, or those who have no application for a grant or other funding pending with, the Federal agency with leasing jurisdiction; or

(B) if individuals described in subparagraph (A) are not available, by the top individuals in the specified biological fields, as determined by the National Academy of Sciences.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 5003. LEASING PROGRAM FOR LAND ON THE COASTAL PLAIN.

(a) IN GENERAL.—The Secretary shall—

(1) establish and implement, in accordance with this subtitle and acting through the Director of the Bureau of Land Management in consultation with the Director of the United States Fish and Wildlife Service, a competitive oil and gas leasing program that will result in the exploration, development, and production of the oil and gas resources of the Coastal Plain; and

(2) administer the provisions of this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that ensure the oil and gas exploration, development, and production activities on the Coastal Plain do not result in any significant adverse effect on fish and wildlife, the habitat of fish and wildlife, subsistence resources, or the environment, including, in furtherance of this goal, by requiring the application of the best commercially available technology for oil

and gas exploration, development, and production to all exploration, development, and production operations under this subtitle in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased.

(b) REPEAL OF EXISTING RESTRICTION.—

(1) REPEAL.—Section 1003 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3143) is repealed.

(2) CONFORMING AMENDMENT.—The table of contents contained in section 1 of that Act (16 U.S.C. 3101 note) is amended by striking the item relating to section 1003.

(c) COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.—

(1) COMPATIBILITY.—For purposes of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), the oil and gas leasing program and activities authorized by this section on the Coastal Plain are deemed to be compatible with the purposes for which the Arctic National Wildlife Refuge was established, and no further findings or decisions are required to implement this determination.

(2) ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.—The document of the Department of the Interior entitled ''Final Legislative Environmental Impact Statement'' and dated April 1987 relating to the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the requirements under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) that apply with respect to prelease activities under this subtitle, including actions authorized to be taken by the Secretary to develop and promulgate regulations for the establishment of a leasing program authorized by this subtitle before the conduct of the first lease sale.

(3) COMPLIANCE WITH NEPA FOR OTHER ACTIONS.—

(A) IN GENERAL.—Prior to conducting the first lease sale under this subtitle, the Secretary shall prepare an environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the actions authorized by this subtitle not covered by paragraph (2).

(B) NONLEASING ALTERNATIVES NOT REQUIRED.—Notwithstanding any other provision of law, in preparing the environmental impact statement under subparagraph (A), the Secretary—

(i) shall—

(I) only identify a preferred action for leasing and a single leasing alternative; and

(II) analyze the environmental effects and potential mitigation measures for those 2 alternatives; and

(ii) is not required—

(I) to identify nonleasing alternative courses of action; or

(II) to analyze the environmental effects of nonleasing alternative courses of action.

(C) DEADLINE.—The identification under subparagraph (B)(i)(I) for the first lease sale conducted under this subtitle shall be completed not later than 18 months after the date of enactment of this Act.

(D) PUBLIC COMMENT.—The Secretary shall only consider public comments that—

(i) specifically address the preferred action of the Secretary; and

(ii) are filed not later than 20 days after the date on which the environmental analysis is published.

(E) COMPLIANCE.—Notwithstanding any other provision of law, compliance with this paragraph is deemed to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this subtitle.

(d) RELATIONSHIP TO STATE AND LOCAL AUTHORITY.—Nothing in this subtitle expands or limits State or local regulatory authority.

(e) SPECIAL AREAS.—

(1) IN GENERAL.—The Secretary, after consultation with the State of Alaska, the city of Kaktovik and the North Slope Borough of the State of Alaska, may designate not more than 45,000 acres of the Coastal Plain as a ''Special Area'' if the Secretary determines that the area is of such unique character and interest so as to require special management and regulatory protection.

(2) SADLEROCHIT SPRING AREA.—The Secretary shall designate the Sadlerochit Spring area, consisting of approximately 4,000 acres, as a Special Area.

(3) MANAGEMENT.—Each Special Area shall be managed to protect and preserve the unique and diverse character of the area, including the fish, wildlife, and subsistence resource values of the area.

(4) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.—

(A) IN GENERAL.—The Secretary may exclude any Special Area from leasing.

(B) NO SURFACE OCCUPANCY.—If the Secretary leases a Special Area, or any part of a Special Area, for oil and gas exploration, development, production, or related activities, there shall be no surface occupancy of the land comprising the Special Area.

(5) DIRECTIONAL DRILLING.—Notwithstanding the other provisions of this subsection, the Secretary may lease all or a portion of a Special Area under terms that permit the use of horizontal drilling technology from sites on leases tracts located outside the Special Area.

(f) LIMITATION ON CLOSED AREAS.—The authority of the Secretary to close land on the Coastal Plain to oil and gas leasing, exploration, development, or production shall be limited to the authority provided under this subtitle.

(g) REGULATIONS.—

(1) IN GENERAL.—Not later than 15 months after the date of enactment of this Act, the Secretary shall promulgate regulations necessary to carry out this subtitle, including regulations relating to protection of fish and wildlife, the habitat of fish and wildlife, subsistence resources, and environment of the Coastal Plain.

(2) REVISION OF REGULATIONS.—The Secretary shall, through a rulemaking conducted in accordance with section 553 of title 5, United States Code, periodically review and, if appropriate, revise the regulations promulgated under paragraph (1) to reflect a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

SEC. 5004. LEASE SALES.

(a) IN GENERAL.—In accordance with the requirements of this subtitle, the Secretary may lease land under this subtitle to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation and not later than 180 days after the date of enactment of this Act, establish procedures for—

(1) receipt and consideration of sealed nominations for any area of the Coastal Plain for inclusion in, or exclusion from, a lease sale;

(2) the holding of lease sales after the nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALE BIDS.—Lease sales under this subtitle may be conducted through an Internet leasing program, if the Secretary determines that the Internet leasing program will result in savings to the taxpayer, an increase in the number of bidders participating, and higher returns than oral bidding or a sealed bidding system.

(d) SALE ACREAGES AND SCHEDULE.—The Secretary shall—

(1) offer for lease under this subtitle—

(A) those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received under subsection (b)(1); and

(B)(i) not fewer than 50,000 acres by not later than 22 months after the date of the enactment of this Act; and

(ii) not fewer than an additional 50,000 acres at 6-, 12-, and 18-month intervals following the initial offering under subclause (i);

(2) conduct 4 additional lease sales under the same terms and schedule as the last lease sale under paragraph (1)(B)(ii) not later than 2 years after the date of that sale, if sufficient interest in leasing exists to warrant, in the judgment of the Secretary, the conduct of the sales; and

(3) evaluate the bids in each lease sale under this subsection and issue leases resulting from the sales not later than 90 days after the date on which the sale is completed.

SEC. 5005. GRANT OF LEASES BY THE SECRETARY.

(a) IN GENERAL.—The Secretary may grant to the highest responsible qualified bidder in a lease sale conducted under section 5004 any land to be leased on the Coastal Plain upon payment by the bidder of any bonus as may be accepted by the Secretary.

(b) SUBSEQUENT TRANSFERS.—No lease issued under this subtitle may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary after the Secretary consults with, and gives due consideration to the views of, the Attorney General.

SEC. 5006. LEASE TERMS AND CONDITIONS.

An oil or gas lease issued under this subtitle shall—

(1) provide for the payment of a royalty of not less than 12.5 percent in amount or value of the production removed or sold under the lease, as determined by the Secretary under the regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures;

(3) require that the lessee of land on the Coastal Plain shall be fully responsible and liable for the reclamation of land on the Coastal Plain and any other Federal land that is adversely affected in connection with exploration, development, production, or transportation activities conducted under the lease and on the Coastal Plain by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for land required to be reclaimed under

this subtitle shall be, as nearly as practicable, a condition capable of supporting the uses which the land was capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as certified by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, the habitat of fish and wildlife, subsistence resources, and the environment as required under section 5003(a)(2);

(7) provide that the lessee, agents of the lessee, and contractors of the lessee use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native corporations from throughout the State; and

(8) contain such other provisions as the Secretary determines necessary to ensure compliance with this subtitle and the regulations issued pursuant to this subtitle.

SEC. 5007. COASTAL PLAIN ENVIRONMENTAL PROTECTION.

(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—The Secretary shall, consistent with the requirements of section 5003, administer this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(1) ensure the oil and gas exploration, development, and production activities on the Coastal Plain shall not result in any significant adverse effect on fish and wildlife, the habitat of fish and wildlife, or the environment;

(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 10,000 acres on the Coastal Plain for each 100,000 acres of area leased.

(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—With respect to any proposed drilling and related activities, the Secretary shall require that—

(1) a site-specific analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, the habitat of fish and wildlife, subsistence resources, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Prior to implementing the leasing program authorized by this subtitle, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken on the Coastal Plain under this subtitle are conducted in a manner consistent with the purposes and environmental requirements of this subtitle.

(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this subtitle shall require compliance with all applicable provisions of Federal and State environmental law and compliance with the following:

(1) Standards at least as effective as the safety and environmental mitigation measures set forth in items 1 through 29 at pages 167 through 169 of the document of the Department of the Interior entitled ''Final Legislative Environmental Impact Statement'' and dated April 1987 relating to the Coastal Plain.

(2) Seasonal limitations on exploration, development, and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

(3) That exploration activities, except for surface geological studies—

(A) be limited to the period between approximately November 1 and May 1 each year; and

(B) be supported, if necessary, by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods, except that exploration activities may occur at other times if the Secretary finds that the exploration will have no significant adverse effect on the fish and wildlife, the habitat of fish and wildlife, and the environment of the Coastal Plain.

(4) Design safety and construction standards for all pipelines and any access and service roads, that minimize, to the maximum extent practicable, adverse effects on—

(A) the passage of migratory species such as caribou; and

(B) the flow of surface water by requiring the use of culverts, bridges, and other structural devices.

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

(6) Stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this subtitle, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment upon completion of oil and gas production operations, except that the Secretary may exempt from the requirements of this paragraph those facilities, structures, or equipment that the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and that are donated to the United States for that purpose.

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

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

(9) Consolidation of facility siting.

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

(11) Avoidance, to the extent practicable, of springs, streams, and river systems, the protection of natural surface drainage patterns, wetlands, and riparian habitats, and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling.

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

(13) Treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including an annual waste management report, a hazardous materials tracking system, and a prohibition on chlorinated solvents, in accordance with applicable Federal and State environmental law (including regulations).

(14) Fuel storage and oil spill contingency planning.

(15) Research, monitoring, and reporting requirements.

(16) Field crew environmental briefings.

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

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

(19) Appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited.

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

(21) All other protective environmental stipulations, restrictions, terms, and conditions determined necessary by the Secretary.

(e) CONSIDERATIONS.—In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider—

(1) the stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement;

(2) the environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 to 37.33 of title 50, Code of Federal Regulations; and

(3) the land use stipulations for exploratory drilling on the KIC–ASRC private land that are set forth in appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States.

(f) FACILITY CONSOLIDATION PLANNING.—

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

(2) OBJECTIVES.—The plan shall have the following objectives:

(A) Avoiding unnecessary duplication of facilities and activities.

(B) Encouraging consolidation of common facilities and activities.

(C) Locating or confining facilities and activities to areas that will minimize impact on fish and wildlife, the habitat of fish and wildlife, and the environment.

(D) Using existing facilities wherever practicable.

(E) Enhancing compatibility between wildlife values and development activities.

(g) ACCESS TO PUBLIC LAND.—The Secretary shall—

(1) manage public land in the Coastal Plain subject to section 811 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3121); and

(2) ensure that local residents shall have reasonable access to public land in the Coastal Plain for traditional uses.

SEC. 5008. EXPEDITED JUDICIAL REVIEW.

(a) FILING OF COMPLAINT.—

(1) DEADLINE.—Subject to paragraph (2), any complaint seeking judicial review of—

(A) any provision of this subtitle shall be filed by not later than 1 year after the date of enactment of this Act; or

(B) any action of the Secretary under this subtitle shall be filed—

(i) except as provided in clause (ii), during the 90-day period beginning on the date on which the action is challenged; or

(ii) in the case of a complaint based solely on grounds arising after the period described

in clause (i), not later than 90 days after the date on which the complainant knew or reasonably should have known of the grounds for the complaint.

(2) VENUE.—Any complaint seeking judicial review of any provision of this subtitle or any action of the Secretary under this subtitle may be filed only in the United States Court of Appeals for the District of Columbia.

(3) LIMITATION ON SCOPE OF CERTAIN REVIEW.—

(A) IN GENERAL.—Judicial review of a decision by the Secretary to conduct a lease sale under this subtitle, including an environmental analysis, shall be—

(i) limited to whether the Secretary has complied with this subtitle; and

(ii) based on the administrative record of that decision.

(B) PRESUMPTION.—The identification by the Secretary of a preferred course of action to enable leasing to proceed and the analysis by the Secretary of environmental effects under this subtitle is presumed to be correct unless shown otherwise by clear and convincing evidence.

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

(c) LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.—

(1) IN GENERAL.—Sections 504 of title 5 and 2412 of title 28, United States Code (commonly known as the ''Equal Access to Justice Act''), shall not apply to any action under this subtitle.

(2) COURT COSTS.—A party to any action under this subtitle shall not receive payment from the Federal Government for the attorneys' fees, expenses, or other court costs incurred by the party.

SEC. 5009. TREATMENT OF REVENUES.

Notwithstanding any other provision of law, 90 percent of the amount of bonus, rental, and royalty revenues from Federal oil and gas leasing and operations authorized under this subtitle shall be deposited in the Treasury.

SEC. 5010. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.

(a) IN GENERAL.—The Secretary shall issue rights-of-way and easements across the Coastal Plain for the transportation of oil and gas produced under leases under this subtitle—

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

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

(b) TERMS AND CONDITIONS.—The Secretary shall include in any right-of-way or easement issued under subsection (a) such terms and conditions as may be necessary to ensure that transportation of oil and gas does not result in a significant adverse effect on the fish and wildlife, the habitat of fish and wildlife, subsistence resources, or the environment of the Coastal Plain, including requirements that facilities be sited or designed so as to avoid unnecessary duplication of roads and pipelines.

(c) REGULATIONS.—The Secretary shall include in regulations promulgated under section 5003(g) provisions granting rights-of-way and easements described in subsection (a).

SEC. 5011. CONVEYANCE.

In order to maximize Federal revenues by removing clouds on titles to land and clarifying land ownership patterns on the Coastal Plain, and notwithstanding section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), the Secretary shall convey—

(1) to the Kaktovik Inupiat Corporation, the surface estate of the land described in paragraph 1 of Public Land Order 6959, to the extent necessary to fulfill the entitlement of the Kaktovik Inupiat Corporation under sections 12 and 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611, 1613) in accordance with the terms and conditions of the Agreement between the Department of the Interior, the United States Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation dated January 22, 1993; and

(2) to the Arctic Slope Regional Corporation the remaining subsurface estate to which the Arctic Slope Regional Corporation is entitled pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

Subtitle B—Native American Energy

SEC. 5021. FINDINGS.

Congress finds that—

(1) the Federal Government has unreasonably interfered with the efforts of Indian tribes to develop energy resources on tribal land; and

(2) Indian tribes should have the opportunity to gain the benefits of the jobs, investment, and economic development to be gained from energy development.

SEC. 5022. APPRAISALS.

(a) AMENDMENT.—Title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3501 et seq.) is amended by adding at the end the following:

''SEC. 2607. APPRAISAL REFORMS.

''(a) OPTIONS TO INDIAN TRIBES.—With respect to a transaction involving Indian land or the trust assets of an Indian tribe that requires the approval of the Secretary, any appraisal or other estimates of value relating to fair market value required to be conducted under applicable law, regulation, or policy may be completed by—

''(1) the Secretary;

''(2) the affected Indian tribe; or

''(3) a certified, third-party appraiser pursuant to a contract with the Indian tribe.

''(b) TIME LIMIT ON SECRETARIAL REVIEW AND ACTION.—Not later than 30 days after the date on which the Secretary receives an appraisal conducted by or for an Indian tribe pursuant to paragraphs (2) or (3) of subsection (a), the Secretary shall—

''(1) review the appraisal; and

''(2) provide to the Indian tribe a written notice of approval or disapproval of the appraisal.

''(c) FAILURE OF SECRETARY TO APPROVE OR DISAPPROVE.—If the Secretary has failed to approve or disapprove any appraisal by the date that is 60 days after the date on which the appraisal is received, the appraisal shall be deemed approved.

''(d) OPTION OF INDIAN TRIBES TO WAIVE APPRAISAL.—An Indian tribe may waive the requirements of subsection (a) if the Indian tribe provides to the Secretary a written resolution, statement, or other unambiguous indication of tribal intent to waive the requirements that—

''(1) is duly approved by the governing body of the Indian tribe; and

''(2) includes an express waiver by the Indian tribe of any claims for damages the Indian tribe might have against the United States as a result of the waiver.

''(e) REGULATIONS.—The Secretary shall promulgate regulations to implement this section, including standards the Secretary shall use for approving or disapproving an appraisal under subsection (b).''.

(b) CONFORMING AMENDMENT.—The table of contents of the Energy Policy Act of 1992 (42 U.S.C. 13201 note) is amended by adding at the end of the items relating to title XXVI the following:

''Sec. 2607. Appraisal reforms.''.

SEC. 5023. STANDARDIZATION.

As soon as practicable after the date of enactment of this Act, the Secretary of the Interior shall implement procedures to ensure that each agency within the Department of the Interior that is involved in the review, approval, and oversight of oil and gas activities on Indian land shall use a uniform system of reference numbers and tracking systems for oil and gas wells.

SEC. 5024. ENVIRONMENTAL REVIEWS OF MAJOR FEDERAL ACTIONS ON INDIAN LAND.

Section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) is amended—

(1) in the matter preceding paragraph (1) by inserting ''(a) IN GENERAL.—'' before ''The Congress authorizes''; and

(2) by adding at the end the following:

''(b) REVIEW OF MAJOR FEDERAL ACTIONS ON INDIAN LAND.—

''(1) DEFINITIONS OF INDIAN LAND AND INDIAN TRIBE.—In this subsection, the terms 'Indian land' and 'Indian tribe' have the meaning given those terms in section 2601 of the Energy Policy Act of 1992 (25 U.S.C. 3501).

''(2) IN GENERAL.—For any major Federal action on Indian land of an Indian tribe requiring the preparation of a statement under subsection (a)(2)(C), the statement shall only be available for review and comment by—

''(A) the members of the Indian tribe; and

''(B) any other individual residing within the affected area.

''(3) REGULATIONS.—The Chairman of the Council on Environmental Quality, in consultation with Indian tribes, shall develop regulations to implement this section, including descriptions of affected areas for specific major Federal actions.''.

SEC. 5025. JUDICIAL REVIEW.

(a) DEFINITIONS.—In this section:

(1) AGENCY ACTION.—The term ''agency action'' has the meaning given the term in section 551 of title 5, United States Code.

(2) ENERGY RELATED ACTION.—The term ''energy-related action'' means a civil action that—

(A) is filed on or after the date of enactment of this Act; and

(B) seeks judicial review of a final agency action relating to the issuance of a permit, license, or other form of agency permission allowing—

(i) any person or entity to conduct on Indian Land activities involving the exploration, development, production, or transportation of oil, gas, coal, shale gas, oil shale, geothermal resources, wind or solar resources, underground coal gasification, biomass, or the generation of electricity; or

(ii) any Indian Tribe, or any organization of 2 or more entities, not less than 1 of which is an Indian tribe, to conduct activities involving the exploration, development, production, or transportation of oil, gas, coal, shale gas, oil shale, geothermal resources, wind or solar resources, underground coal gasification, biomass, or the generation of electricity, regardless of where such activities are undertaken.

(3) INDIAN LAND.—

(A) IN GENERAL.—The term ''Indian land'' has the meaning given the term in section 2601 of the Energy Policy Act of 1992 (25 U.S.C. 3501).

(B) INCLUSION.—The term ''Indian land'' includes land owned by a Native Corporation (as that term is defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)) under that Act (43 U.S.C. 1601 et seq.).

(4) ULTIMATELY PREVAIL.—

(A) IN GENERAL.—The term ''ultimately prevail'' means, in a final enforceable judgment that the court rules in the party's favor on at least 1 civil claim that is an underlying rationale for the preliminary injunction, administrative stay, or other relief requested by the party.

(B) EXCLUSION.—The term ''ultimately prevail'' does not include circumstances in which the final agency action is modified or amended by the issuing agency unless the modification or amendment is required pursuant to a final enforceable judgment of the court or a court-ordered consent decree.

(b) TIME FOR FILING COMPLAINT.—

(1) IN GENERAL.—Any energy related action shall be filed not later than the end of the 60-day period beginning on the date of the action or decision by a Federal official that constitutes the covered energy project concerned.

(2) PROHIBITION.—Any energy related action that is not filed within the time period described in paragraph (1) shall be barred.

(c) DISTRICT COURT VENUE AND DEADLINE.—An energy related action—

(1) may only be brought in the United States District Court for the District of Columbia; and

(2) shall be resolved as expeditiously as possible, and in any event not more than 180 days after the energy related action is filed.

(d) APPELLATE REVIEW.—An interlocutory order or final judgment, decree or order of the district court in an energy related action—

(1) may be appealed to the United States Court of Appeals for the District of Columbia Circuit; and

(2) if the court described in paragraph (1) undertakes the review, the court shall resolve the review as expeditiously as possible, and in any event by not later than 180 days after the interlocutory order or final judgment, decree or order of the district court was issued.

(e) LIMITATION ON CERTAIN PAYMENTS.—Notwithstanding section 1304 of title 31, United States Code, no award may be made under section 504 of title 5, United States Code, or under section 2412 of title 28, United States Code, and no amounts may be obligated or expended from the Claims and Judgment Fund of the United States Treasury to pay any fees or other expenses under such sections, to any person or party in an energy related action.

(f) LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.—

(1) IN GENERAL.—Sections 504 of title 5 and 2412 of title 28, United States Code (commonly known as the ''Equal Access to Justice Act''), shall not apply to an energy related action.

(2) COURT COSTS.—A party to a covered civil action shall not receive payment from the Federal Government for the attorneys' fees, expenses, or other court costs incurred by the party.

SEC. 5026. TRIBAL RESOURCE MANAGEMENT PLANS.

Unless otherwise explicitly exempted by Federal law enacted after the date of enactment of this Act, any activity conducted or resources harvested or produced pursuant to a tribal resource management plan or an integrated resource management plan approved by the Secretary of the Interior under the National Indian Forest Resources Management Act (25 U.S.C. 3101 et seq.) or the American Indian Agricultural Resource Management Act (25 U.S.C. 3701 et seq.), shall be considered a sustainable management practice for purposes of any Federal standard, benefit, or requirement that requires a demonstration of such sustainability.

SEC. 5027. LEASES OF RESTRICTED LANDS FOR THE NAVAJO NATION.

Subsection (e)(1) of the first section of the Act of August 9, 1955 (25 U.S.C. 415) (commonly known as the ''Long-Term Leasing Act''), is amended—

(1) by striking '', except a lease for'' and inserting '', including leases for'';

(2) in subparagraph (A), by striking ''25 years, except'' and all that follows through ''; and'' and inserting ''99 years;'';

(3) in subparagraph (B), by striking the period and inserting ''; and''; and

(4) by adding at the end the following:

''(C) in the case of a lease for the exploration, development, or extraction of mineral resources, including geothermal resources, 25 years, except that the lease may include an option to renew for 1 additional term not to exceed 25 years.''.

SEC. 5028. NONAPPLICABILITY OF CERTAIN RULES.

No rule promulgated by the Secretary of the Interior regarding hydraulic fracturing used in the development or production of oil or gas resources shall affect any land held in trust or restricted status for the benefit of Indians except with the express consent of the beneficiary on behalf of which the land is held in trust or restricted status.

Subtitle C—Additional Regulatory Provisions

PART I—STATE AUTHORITY OVER HYDRAULIC FRACTURING

SEC. 5031. FINDING.

Congress finds that given variations in geology, land use, and population, the States are best placed to regulate the process of hydraulic fracturing occurring on any land within the boundaries of the individual State.

SEC. 5032. STATE AUTHORITY.

(a) DEFINITION OF FEDERAL LAND.—In this section, the term ''Federal land'' means—

(1) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702));

(2) National Forest System land;

(3) land under the jurisdiction of the Bureau of Reclamation; and

(4) land under the jurisdiction of the Corps of Engineers.

(b) STATE AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a State shall have the sole authority to promulgate or enforce any regulation, guidance, or permit requirement regarding the treatment of a well by the application of fluids under pressure to which propping agents may be added for the expressly designed purpose of initiating or propagating fractures in a target geologic formation in order to enhance production of oil, natural gas, or geothermal production activities on or under any land within the boundaries of the State.

(2) FEDERAL LAND.—Notwithstanding any other provision of law, the treatment of a well by the application of fluids under pressure to which propping agents may be added for the expressly designed purpose of initiating or propagating fractures in a target geologic formation in order to enhance production of oil, natural gas, or geothermal production activities on Federal land shall be subject to the law of the State in which the land is located.

PART II—MISCELLANEOUS PROVISIONS

SEC. 5041. ENVIRONMENTAL LEGAL FEES.

Section 504 of title 5, United States Code, is amended by adding at the end the following:

''(g) ENVIRONMENTAL LEGAL FEES.—Notwithstanding section 1304 of title 31, no award may be made under this section and no amounts may be obligated or expended from the Claims and Judgment Fund of the Treasury to pay any legal fees of a nongovernmental organization related to an action that (with respect to the United States)—

''(1) prevents, terminates, or reduces access to or the production of—

''(A) energy;

''(B) a mineral resource;

''(C) water by agricultural producers;

''(D) a resource by commercial or recreational fishermen; or

''(E) grazing or timber production on Federal land;

''(2) diminishes the private property value of a property owner; or

''(3) eliminates or prevents 1 or more jobs.''.

SEC. 5042. MASTER LEASING PLANS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior, acting through the Bureau of Land Management, shall not establish a master leasing plan as part of any guidance issued by the Secretary.

(b) EXISTING MASTER LEASING PLANS.—Instruction Memorandum No. 2010–117 and any other master leasing plan described in subsection (a) issued on or before the date of enactment of this Act shall have no force or effect.

TITLE VI—IMPROVING AMERICA'S DOMESTIC REFINING CAPACITY

Subtitle A—Refinery Permitting Reform

SEC. 6001. FINDING.

Congress finds that the domestic refining industry is an important source of jobs and economic growth and whose growth should not be limited by an excessively drawn out permitting and approval process.

SEC. 6002. DEFINITIONS.

In this subtitle:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) EXPANSION.—The term ''expansion'' means a physical change that results in an increase in the capacity of a refinery.

(3) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(4) PERMIT.—The term ''permit'' means any permit, license, approval, variance, or other form of authorization that a refiner is required to obtain—

(A) under any Federal law; or

(B) from a State or tribal government agency delegated authority by the Federal Government, or authorized under Federal law, to issue permits.

(5) REFINER.—The term ''refiner'' means a person that—

(A) owns or operates a refinery; or

(B) seeks to become an owner or operator of a refinery.

(6) REFINERY.—

(A) IN GENERAL.—The term ''refinery'' means—

(i) a facility at which crude oil is refined into transportation fuel or other petroleum products; and

(ii) a coal liquification or coal-to-liquid facility at which coal is processed into synthetic crude oil or any other fuel.

(B) INCLUSION.—The term ''refinery'' includes an expansion of a refinery.

(7) REFINERY PERMITTING AGREEMENT.—The term ''refinery permitting agreement'' means an agreement entered into between the Administrator and a State or Indian tribe under subsection (c).

(8) STATE.—The term ''State'' means—

(A) a State; and

(B) the District of Columbia.

SEC. 6003. STREAMLINING OF REFINERY PERMITTING PROCESS.

(a) IN GENERAL.—At the request of the Governor of a State or the governing body of

an Indian tribe, the Administrator shall enter into a refinery permitting agreement with the State or Indian tribe under which the process for obtaining all permits necessary for the construction and operation of a refinery shall be streamlined using a systematic, interdisciplinary multimedia approach, as provided in this section.

(b) AUTHORITY OF ADMINISTRATOR.—Under a refinery permitting agreement, the Administrator shall have the authority, as applicable and necessary—

(1) to accept from a refiner a consolidated application for all permits that the refiner is required to obtain to construct and operate a refinery;

(2) in consultation and cooperation with each Federal, State, or tribal government agency that is required to make any determination to authorize the issuance of a permit, to establish a schedule under which each agency shall—

(A) concurrently consider, to the maximum extent practicable, each determination to be made; and

(B) complete each step in the permitting process; and

(3) to issue a consolidated permit that combines all permits issued under the schedule established under paragraph (2).

(c) REFINERY PERMITTING AGREEMENTS.—Under a refinery permitting agreement, a State or governing body of an Indian tribe shall agree that—

(1) the Administrator shall have each of the authorities described in subsection (b); and

(2) the State or tribal government agency shall—

(A) in accordance with State law, make such structural and operational changes in the agencies as are necessary to enable the agencies to carry out consolidated, project-wide permit reviews concurrently and in coordination with the Environmental Protection Agency and other Federal agencies; and

(B) comply, to the maximum extent practicable, with the applicable schedule established under subsection (b)(2).

(d) DEADLINES.—

(1) NEW REFINERIES.—In the case of a consolidated permit for the construction of a new refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(A) 365 days after the date of receipt of an administratively complete application for the consolidated permit; or

(B) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 90 days after the expiration of the deadline described in subparagraph (A).

(2) EXPANSION OF EXISTING REFINERIES.—In the case of a consolidated permit for the expansion of an existing refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(A) 120 days after the date of receipt of an administratively complete application for the consolidated permit; or

(B) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 30 days after the expiration of the deadline described in subparagraph (A).

(e) FEDERAL AGENCIES.—Each Federal agency that is required to make any determination to authorize the issuance of a permit shall comply with the applicable schedule established under subsection (b)(2).

(f) JUDICIAL REVIEW.—Any civil action for review of a permit determination under a refinery permitting agreement shall be brought exclusively in the United States district court for the district in which the refinery is located or proposed to be located.

(g) EFFICIENT PERMIT REVIEW.—In order to reduce the duplication of procedures, the Administrator shall use State permitting and monitoring procedures to satisfy substantially equivalent Federal requirements under this subtitle.

(h) SEVERABILITY.—If 1 or more permits that are required for the construction or operation of a refinery are not approved on or before an applicable deadline under subsection (d), the Administrator may issue a consolidated permit that combines all other permits that the refiner is required to obtain, other than any permits that are not approved.

(i) CONSULTATION WITH LOCAL GOVERNMENTS.—The Administrator, States, and tribal governments shall consult, to the maximum extent practicable, with local governments in carrying out this section.

(j) EFFECT OF SECTION.—Nothing in this section affects—

(1) the operation or implementation of any otherwise applicable law regarding permits necessary for the construction and operation of a refinery;

(2) the authority of any unit of local government with respect to the issuance of permits; or

(3) any requirement or ordinance of a local government (such as a zoning regulation).

Subtitle B—Repeal of Renewable Fuel Standard

SEC. 6011. FINDINGS.

Congress finds that the mandates under the renewable fuel standard contained in section 211(o) of the Clean Air Act (42 U.S.C. 7545(o))—

(1) impose significant costs on American citizens and the American economy, without offering any benefit; and

(2) should be repealed.

SEC. 6012. PHASE OUT OF RENEWABLE FUEL STANDARD.

(a) IN GENERAL.—Section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking clause (ii); and

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively; and

(B) in subparagraph (B), by striking clauses (ii) through (v) and inserting the following:

''(ii) CALENDAR YEARS 2014 THROUGH 2018.—Notwithstanding clause (i), for purposes of subparagraph (A), the applicable volumes of renewable fuel for each of calendar years 2014 through 2018 shall be determined as follows:

''(I) For calendar year 2014, in accordance with the table entitled 'I-2—Proposed 2014 Volume Requirements' of the proposed rule published at pages 71732 through 71784 of volume 78 of the Federal Register (November 29, 2013).

''(II) For calendar year 2015, the applicable volumes established under subclause (I), reduced by 20 percent.

''(III) For calendar year 2016, the applicable volumes established under subclause (I), reduced by 40 percent.

''(IV) For calendar year 2017, the applicable volumes established under subclause (I), reduced by 60 percent.

''(V) For calendar year 2018, the applicable volumes established under subclause (I), reduced by 80 percent.'';

(2) in paragraph (3)—

(A) by striking ''2021'' and inserting ''2017'' each place it appears; and

(B) in subparagraph (B)(i), by inserting '', subject to the condition that the renewable fuel obligation determined for a calendar year is not more than the applicable volumes established under paragraph (2)(B)(ii)'' before the period; and

(3) by adding at the end the following:

''(13) SUNSET.—The program established under this subsection shall terminate on December 31, 2018.''.

(b) REGULATIONS.—Effective beginning on January 1, 2019, the regulations contained in subparts K and M of part 80 of title 40, Code of Federal Regulations (as in effect on that date of enactment), shall have no force or effect.

TITLE VII—STOPPING EPA OVERREACH

SEC. 7001. FINDINGS.

Congress finds that—

(1) the Environmental Protection Agency has exceeded its statutory authority by promulgating regulations that were not contemplated by Congress in the authorizing language of the statutes enacted by Congress;

(2) no Federal agency has the authority to regulate greenhouse gases under current law; and

(3) no attempt to regulate greenhouse gases should be undertaken without further Congressional action.

SEC. 7002. CLARIFICATION OF FEDERAL REGULATORY AUTHORITY TO EXCLUDE GREENHOUSE GASES FROM REGULATION UNDER THE CLEAN AIR ACT.

(a) REPEAL OF FEDERAL CLIMATE CHANGE REGULATION.—

(1) GREENHOUSE GAS REGULATION UNDER CLEAN AIR ACT.—Section 302(g) of the Clean Air Act (42 U.S.C. 7602(g)) is amended—

(A) by striking ''(g) The term'' and inserting the following:

''(g) AIR POLLUTANT.—

''(1) IN GENERAL.—The term''; and

(B) by adding at the end the following:

''(2) EXCLUSION.—The term 'air pollutant' does not include carbon dioxide, water vapor, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, or sulfur hexafluoride.''.

(2) NO REGULATION OF CLIMATE CHANGE.—Notwithstanding any other provision of law, nothing in any of the following Acts or any other law authorizes or requires the regulation of climate change or global warming:

(A) The Clean Air Act (42 U.S.C. 7401 et seq.).

(B) The Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

(C) The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(D) The Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(E) The Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(b) EFFECT ON PROPOSED RULES OF THE EPA.—In accordance with this section, the following proposed or contemplated rules (or any similar or successor rules) of the Environmental Protection Agency shall be void and have no force or effect:

(1) The proposed rule entitled ''Standards of Performance for Greenhouse Gas Emissions From New Stationary Sources: Electric Utility Generating Units'' (published at 79 Fed. Reg. 1430 (January 8, 2014)).

(2) The contemplated rules on carbon pollution for existing power plants.

(3) Any other contemplated or proposed rules proposed to be issued pursuant to the purported authority described in subsection (a)(2).

SEC. 7003. JOBS ANALYSIS FOR ALL EPA REGULATIONS.

(a) IN GENERAL.—Before proposing or finalizing any regulation, rule, or policy, the Administrator of the Environmental Protection Agency shall provide an analysis of the regulation, rule, or policy and describe the direct and indirect net and gross impact of the regulation, rule, or policy on employment in the United States.

(b) LIMITATION.—No regulation, rule, or policy described in subsection (a) shall take effect if the regulation, rule, or policy has a

negative impact on employment in the United States unless the regulation, rule, or policy is approved by Congress and signed by the President.

TITLE VIII—DEBT FREEDOM FUND

SEC. 8001. FINDINGS.

Congress finds that—

(1) the national debt being over $17,000,000,000,000 in 2014—

(A) threatens the current and future prosperity of the United States;

(B) undermines the national security interests of the United States; and

(C) imposes a burden on future generations of United States citizens; and

(2) revenue generated from the development of the natural resources in the United States should be used to reduce the national debt.

SEC. 8002. DEBT FREEDOM FUND.

Notwithstanding any other provision of law, in accordance with all revenue sharing arrangement with States in effect on the date of enactment of this Act, an amount equal to the additional amount of Federal funds generated by the programs and activities under this division (and the amendments made by this division)—

(1) shall be deposited in a special trust fund account in the Treasury, to be known as the ''Debt Freedom Fund''; and

(2) shall not be withdrawn for any purpose other than to pay down the national debt of the United States, for which purpose payments shall be made expeditiously.

SA 3607. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—REINS ACT

SECTION __01. SHORT TITLE.

This title may be cited as the ''Regulations From the Executive in Need of Scrutiny Act of 2014'' or the ''REINS Act''.

SEC. __02. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Section 1 of article I of the United States Constitution grants all legislative powers to Congress.

(2) Over time, Congress has excessively delegated its constitutional charge while failing to conduct appropriate oversight and retain accountability for the content of the laws it passes.

(3) By requiring a vote in Congress, the REINS Act will result in more carefully drafted and detailed legislation, an improved regulatory process, and a legislative branch that is truly accountable to the people of the United States for the laws imposed upon them.

(b) PURPOSE.—The purpose of this title is to increase accountability for and transparency in the Federal regulatory process.

SEC. __03. CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.

Chapter 8 of title 5, United States Code, is amended to read as follows:

''CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY RULEMAKING

''§ 801. Congressional review

''(a)(1)(A) Before a rule may take effect, the Federal agency promulgating such rule shall submit to each House of Congress and to the Comptroller General a report containing—

''(i) a copy of the rule;

''(ii) a concise general statement relating to the rule;

''(iii) a classification of the rule as a major or nonmajor rule, including an explanation of the classification specifically addressing each criteria for a major rule contained within sections 804(2)(A), 804(2)(B), and 804(2)(C);

''(iv) a list of any other related regulatory actions intended to implement the same statutory provision or regulatory objective as well as the individual and aggregate economic effects of those actions; and

''(v) the proposed effective date of the rule.

''(B) On the date of the submission of the report under subparagraph (A), the Federal agency promulgating the rule shall submit to the Comptroller General and make available to each House of Congress—

''(i) a complete copy of the cost-benefit analysis of the rule, if any;

''(ii) the actions of the agency pursuant to sections 603, 604, 605, 607, and 609 of title 5, United States Code;

''(iii) the actions of the agency pursuant to sections 1532, 1533, 1534, and 1535 of title 2, United States Code; and

''(iv) any other relevant information or requirements under any other Act and any relevant Executive orders.

''(C) Upon receipt of a report submitted under subparagraph (A), each House shall provide copies of the report to the chairman and ranking member of each standing committee with jurisdiction under the rules of the House of Representatives or the Senate to report a bill to amend the provision of law under which the rule is issued.

''(2)(A) The Comptroller General shall provide a report on each major rule to the committees of jurisdiction by the end of 15 calendar days after the submission or publication date as provided in section 802(b)(2). The report of the Comptroller General shall include an assessment of compliance by the agency with procedural steps required by paragraph (1)(B).

''(B) Federal agencies shall cooperate with the Comptroller General by providing information relevant to the Comptroller General's report under subparagraph (A).

''(3) A major rule relating to a report submitted under paragraph (1) shall take effect upon enactment of a joint resolution of approval described in section 802 or as provided for in the rule following enactment of a joint resolution of approval described in section 802, whichever is later.

''(4) A nonmajor rule shall take effect as provided by section 803 after submission to Congress under paragraph (1).

''(5) If a joint resolution of approval relating to a major rule is not enacted within the period provided in subsection (b)(2), then a joint resolution of approval relating to the same rule may not be considered under this chapter in the same Congress by either the House of Representatives or the Senate.

''(b)(1) A major rule shall not take effect unless the Congress enacts a joint resolution of approval described under section 802.

''(2) If a joint resolution described in subsection (a) is not enacted into law by the end of 70 session days or legislative days, as applicable, beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), then the rule described in that resolution shall be deemed not to be approved and such rule shall not take effect.

''(c)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a major rule may take effect for one 90-calendar-day period if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

''(2) Paragraph (1) applies to a determination made by the President by Executive order that the major rule should take effect because such rule is—

''(A) necessary because of an imminent threat to health or safety or other emergency;

''(B) necessary for the enforcement of criminal laws;

''(C) necessary for national security; or

''(D) issued pursuant to any statute implementing an international trade agreement.

''(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under section 802.

''(d)(1) In addition to the opportunity for review otherwise provided under this chapter, sections 802 and 803 shall apply, in the succeeding session of Congress, to any rule for which a report was submitted in accordance with subsection (a)(1)(A) during the period beginning on the date occurring—

''(A) in the case of the Senate, 60 session days before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session; or

''(B) in the case of the House of Representatives, 60 legislative days before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session.

''(2)(A) In applying sections 802 and 803 for purposes of such additional review, a rule described under paragraph (1) shall be treated as though—

''(i) such rule were published in the Federal Register on—

''(I) in the case of the Senate, the 15th session day after the succeeding session of Congress first convenes; or

''(II) in the case of the House of Representatives, the 15th legislative day after the succeeding session of Congress first convenes; and

''(ii) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

''(B) Nothing in this paragraph shall be construed to affect the requirement under subsection (a)(1) that a report shall be submitted to Congress before a rule can take effect.

''(3) A rule described under paragraph (1) shall take effect as otherwise provided by law (including other subsections of this section).

''§ 802. Congressional approval procedure for major rules

''(a)(1) For purposes of this section, the term 'joint resolution' means only a joint resolution addressing a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii) that—

''(A) bears no preamble;

''(B) bears the following title: 'Approving the rule submitted by _____ relating to _____.' (The blank spaces being appropriately filled in);

''(C) includes after its resolving clause only the following: 'That Congress approves the rule submitted by _____ relating to _____.' (The blank spaces being appropriately filled in); and

''(D) is introduced pursuant to paragraph (2).

''(2) After a House of Congress receives a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii), the majority leader of that House (or the designee of the majority leader) shall introduce (by request, if appropriate) a joint resolution described in paragraph (1)—

''(A) in the case of the House of Representatives, within 3 legislative days; and

''(B) in the case of the Senate, within 3 session days.

''(3) A joint resolution described in paragraph (1) shall not be subject to amendment at any stage of proceeding.

''(b) A joint resolution described in subsection (a) shall be referred in each House of Congress to the committees having jurisdiction over the provision of law under which the rule is issued.

''(c) In the Senate, if the committee or committees to which a joint resolution described in subsection (a) has been referred have not reported it at the end of 15 session days after its introduction, such committee or committees shall be automatically discharged from further consideration of the resolution and it shall be placed on the calendar. A vote on final passage of the resolution shall be taken on or before the close of the 15th session day after the resolution is reported by the committee or committees to which it was referred, or after such committee or committees have been discharged from further consideration of the resolution.

''(d)(1) In the Senate, when the committee or committees to which a joint resolution is referred have reported, or when a committee or committees are discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

''(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

''(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

''(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

''(e) In the House of Representatives, if the committee or committees to which a joint resolution described in subsection (a) has been referred has not reported it to the House at the end of 15 legislative days after its introduction, such committee or committees shall be discharged from further consideration of the joint resolution, and it shall be placed on the appropriate calendar. On the second and fourth Thursdays of each month it shall be in order at any time for the Speaker to recognize a Member who favors passage of a joint resolution that has appeared on the calendar for not fewer than 5 legislative days to call up the joint resolution for immediate consideration in the House without intervention of any point of order. When so called up, a joint resolution shall be considered as read and shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, and the previous question shall be considered as ordered to its passage without intervening motion. It shall not be in order to reconsider the vote on passage. If a vote on final passage of the joint resolution has not been taken by the third Thursday on which the Speaker may recognize a Member under this subsection, such vote shall be taken on that day.

''(f)(1) For purposes of this subsection, the term 'identical joint resolution' means a joint resolution of the first House that proposes to approve the same major rule as a joint resolution of the second House.

''(2) If the second House receives from the first House a joint resolution, the Chair shall determine whether the joint resolution is an identical joint resolution.

''(3) If the second House receives an identical joint resolution—

''(A) the identical joint resolution shall not be referred to a committee; and

''(B) the procedure in the second House shall be the same as if no joint resolution had been received from the first house, except that the vote on final passage shall be on the identical joint resolution.

''(4) This subsection shall not apply to the House of Representatives if the joint resolution received from the Senate is a revenue measure.

''(g) If either House has not taken a vote on final passage of the joint resolution by the last day of the period described in section 801(b)(2), then such vote shall be taken on that day.

''(h) This section and section 803 are enacted by Congress—

''(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in subsection (a) and superseding other rules only where explicitly so; and

''(2) with full recognition of the constitutional right of either House to change the rules (so far as they relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

''§ 803. Congressional disapproval procedure for nonmajor rules

''(a) For purposes of this section, the term 'joint resolution' means only a joint resolution introduced in the period beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress and ending 60 days thereafter (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), the matter after the resolving clause of which is as follows: 'That Congress disapproves the nonmajor rule submitted by the _____ relating to _____, and such rule shall have no force or effect.' (The blank spaces being appropriately filled in).

''(b)(1) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

''(2) For purposes of this section, the term 'submission or publication date' means the later of the date on which—

''(A) the Congress receives the report submitted under section 801(a)(1); or

''(B) the nonmajor rule is published in the Federal Register, if so published.

''(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has not reported such joint resolution (or an identical joint resolution) at the end of 15 session days after the date of introduction of the joint resolution, such committee may be discharged from further consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the calendar.

''(d)(1) In the Senate, when the committee to which a joint resolution is referred has reported, or when a committee is discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

''(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

''(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

''(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

''(e) In the Senate the procedure specified in subsection (c) or (d) shall not apply to the consideration of a joint resolution respecting a nonmajor rule—

''(1) after the expiration of the 60 session days beginning with the applicable submission or publication date, or

''(2) if the report under section 801(a)(1)(A) was submitted during the period referred to in section 801(d)(1), after the expiration of the 60 session days beginning on the 15th session day after the succeeding session of Congress first convenes.

''(f) If, before the passage by one House of a joint resolution of that House described in subsection (a), that House receives from the other House a joint resolution described in subsection (a), then the following procedures shall apply:

''(1) The joint resolution of the other House shall not be referred to a committee.

''(2) With respect to a joint resolution described in subsection (a) of the House receiving the joint resolution—

''(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

''(B) the vote on final passage shall be on the joint resolution of the other House.

''§ 804. Definitions

''For purposes of this chapter—

''(1) the term 'Federal agency' means any agency as that term is defined in section 551(1);

''(2) the term 'major rule' means any rule, including an interim final rule, that the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds has resulted in or is likely to result in—

''(A) an annual effect on the economy of $100,000,000 or more;

''(B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

''(C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets;

''(3) the term 'nonmajor rule' means any rule that is not a major rule; and

''(4) the term 'rule' has the meaning given such term in section 551, except that such term does not include—

''(A) any rule of particular applicability, including a rule that approves or prescribes for the future rates, wages, prices, services, or allowances therefore, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing;

''(B) any rule relating to agency management or personnel; or

''(C) any rule of agency organization, procedure, or practice that does not substantially affect the rights or obligations of nonagency parties.

''§ 805. Judicial review

''(a) No determination, finding, action, or omission under this chapter shall be subject to judicial review.

''(b) Notwithstanding subsection (a), a court may determine whether a Federal agency has completed the necessary requirements under this chapter for a rule to take effect.

''(c) The enactment of a joint resolution of approval under section 802 shall not—

''(1) be interpreted to serve as a grant or modification of statutory authority by Congress for the promulgation of a rule;

''(2) extinguish or affect any claim, whether substantive or procedural, against any alleged defect in a rule; and

''(3) form part of the record before the court in any judicial proceeding concerning a rule except for purposes of determining whether or not the rule is in effect.

''§ 806. Exemption for monetary policy

''Nothing in this chapter shall apply to rules that concern monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee.

''§ 807. Effective date of certain rules

''Notwithstanding section 801—

''(1) any rule that establishes, modifies, opens, closes, or conducts a regulatory program for a commercial, recreational, or subsistence activity related to hunting, fishing, or camping; or

''(2) any rule other than a major rule which an agency for good cause finds (and incorporates the finding and a brief statement of reasons therefore in the rule issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest,

shall take effect at such time as the Federal agency promulgating the rule determines.''.

SEC. __04. BUDGETARY EFFECTS OF RULES SUBJECT TO SECTION 802 OF TITLE 5, UNITED STATES CODE.

Section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907(b)(2)) is amended by adding at the end the following:

''(E) Any rules subject to the congressional approval procedure set forth in section 802 of chapter 8 of title 5, United States Code, affecting budget authority, outlays, or receipts shall be assumed to be effective unless it is not approved in accordance with such section.''.

SA 3608. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. AUDIT REFORM AND TRANSPARENCY FOR THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

(a) IN GENERAL.—Notwithstanding section 714 of title 31, United States Code, or any other provision of law, an audit of the Board of Governors of the Federal Reserve System and the Federal reserve banks under subsection (b) of such section 714 shall be completed within 12 months of the date of enactment of this Act.

(b) REPORT.—

(1) IN GENERAL.—A report on the audit required under subsection (a) shall be submitted by the Comptroller General to the Congress before the end of the 90-day period beginning on the date on which such audit is completed and made available to the Speaker of the House, the majority and minority leaders of the House of Representatives, the majority and minority leaders of the Senate, the Chairman and Ranking Member of the committee and each subcommittee of jurisdiction in the House of Representatives and the Senate, and any other Member of Congress who requests it.

(2) CONTENTS.—The report under paragraph (1) shall include a detailed description of the findings and conclusion of the Comptroller General with respect to the audit that is the subject of the report, together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(c) REPEAL OF CERTAIN LIMITATIONS.—Subsection (b) of section 714 of title 31, United States Code, is amended by striking all after ''in writing.''.

(d) TECHNICAL AND CONFORMING AMENDMENT.—Section 714 of title 31, United States Code, is amended by striking subsection (f).

SEC. _____. AUDIT OF LOAN FILE REVIEWS REQUIRED BY ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct an audit of the review of loan files of homeowners in foreclosure in 2009 or 2010, required as part of the enforcement actions taken by the Board of Governors of the Federal Reserve System against supervised financial institutions.

(b) CONTENT OF AUDIT.—The audit carried out pursuant to subsection (a) shall consider, at a minimum—

(1) the guidance given by the Board of Governors of the Federal Reserve System to independent consultants retained by the supervised financial institutions regarding the procedures to be followed in conducting the file reviews;

(2) the factors considered by independent consultants when evaluating loan files;

(3) the results obtained by the independent consultants pursuant to those reviews;

(4) the determinations made by the independent consultants regarding the nature and extent of financial injury sustained by each homeowner as well as the level and type of remediation offered to each homeowner; and

(5) the specific measures taken by the independent consultants to verify, confirm, or rebut the assertions and representations made by supervised financial institutions regarding the contents of loan files and the extent of financial injury to homeowners.

(c) REPORT.—Not later than the end of the 6-month period beginning on the date of the enactment of this Act, the Comptroller General shall issue a report to the Congress containing all findings and determinations made in carrying out the audit required under subsection (a).

SA 3609. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. NATIONAL RIGHT-TO-WORK.

(a) AMENDMENTS TO THE NATIONAL LABOR RELATIONS ACT.—

(1) RIGHTS OF EMPLOYEES.—Section 7 of the National Labor Relations Act (29 U.S.C. 157) is amended by striking ''except to'' and all that follows through ''authorized in section 8(a)(3)''.

(2) UNFAIR LABOR PRACTICES.—Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended—

(A) in subsection (a)(3), by striking '': Provided, That'' and all that follows through ''retaining membership'';

(B) in subsection (b)—

(i) in paragraph (2), by striking ''or to discriminate'' and all that follows through ''retaining membership''; and

(ii) in paragraph (5), by striking ''covered by an agreement authorized under subsection (a)(3) of this section''; and

(C) in subsection (f), by striking clause (2) and redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

(b) AMENDMENT TO THE RAILWAY LABOR ACT.—Section 2 of the Railway Labor Act (45 U.S.C. 152) is amended by striking paragraph Eleven.

SA 3610. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. PROTECTING SMALL BUSINESS JOBS.

Section 558 of title 5, United States Code, is amended by adding at the end the following:

''(d) Before any enforcement action is taken on a sanction on a business for a violation of a rule or pursuant to an adjudication, and subject to subsection (e) and (f), an agency shall—

''(1) not later than 10 business days after the date on which the agency determines that the sanction may be imposed on the business, provide notice to the business that, if the business is a small business, the small business may be subject to a sanction at the end of the grace period described in paragraph (3);

''(2) delay any further action relating to the sanction until the end of the 15-calendar day period beginning on the date on which

the agency provides notice under paragraph (1);

''(3) for a small business—

''(A) delay any further action relating to the sanction until not earlier than the end of the 6-month period beginning on the date on which the agency provides notice under paragraph (1); and

''(B) upon application by the small business demonstrating reasonable efforts made in good faith to remedy the violation or other conduct giving rise to the sanction, extending the period under subparagraph (A) by 3 months;

''(4) after the end of the period described in paragraph (3), redetermine whether, as of the day after the end of the period, the small business would still be subject to the sanction; and

''(5) if the agency determines under paragraph (4) that the small business would not be subject to the sanction, waive the sanction.

''(e) If an agency provides notice described in subsection (d)(1) to a business on or after the date that is 11 business days after the date on which the agency determines that a sanction may be imposed on the business—

''(1) if the agency determines that the same sanction may have been imposed on the business 10 business days before the date of the notice, the agency shall take further action in accordance with subsection (d); and

''(2) if the agency determines that the same sanction could not have been imposed on the business 10 business days before the date of the notice, the agency shall waive the sanction and take no further action relating to imposition of the sanction.

''(f) The period during which further action is delayed under subsection (d)—

''(1) shall apply to a business only 1 time in relation to any single rule;

''(2) until the end of such period, as determined in accordance with subsection (d), shall apply to action by the agency relating to any subsequent violation of the same rule; and

''(3) shall not apply to a violation that puts any person in imminent danger, within the meaning given that term under section 13 of the Occupational Safety and Health Act (29 U.S.C. 662).

''(g) Nothing in subsection (d) shall be construed to prevent a small business from appealing any sanction imposed in accordance with the procedures of the agency, or from seeking review under chapter 7.

''(h) Any sanction imposed by an agency on a small business for any violation of a rule or pursuant to an adjudication, absent proof of written notice of the sanction and the date on which the agency determined that a sanction may be imposed, or in violation of subsection (d)(3), shall have no force or effect.

''(i) Each Federal agency shall submit to the Ombudsman an annual report on the implementation of subsection (d), including a discussion of the deferral of action relating to and waiver of sanctions on small businesses.

''(j) The Ombudsman shall include in the annual report to Congress required under section 30(b)(2)(C) of the Small Business Act (15 U.S.C. 657(b)(2)(C)) the agency reports described by subsection (i) and a summary of the findings.

''(k) For purposes of this section—

''(1) the term 'consumer price index' means the consumer price index for all urban consumers published by the Department of Labor;

''(2) the term 'CPI adjusted gross receipts' means the amount of gross receipts, divided by the consumer price index for calendar year 2012, and multiplied by the consumer price index for the preceding calendar year, rounded to the nearest multiple of $100,000 (or, if midway between multiples of $100,000, to the next higher multiple of $100,000);

''(3) the term 'Ombudsman' has the same meaning given such term in section 30(a) of the Small Business Act (15 U.S.C. 657(a)); and

''(4) term 'small business' means any sole proprietorship, partnership, corporation, limited liability company, or other business entity, that—

''(A) had less than $10,000,000 in gross receipts in the preceding calendar year;

''(B) is considered a small-business concern (as defined under section 3(a) of the Small Business Act (15 U.S.C. 632(a));

''(C) employed fewer than 200 individuals in the preceding calendar year; or

''(D) had CPI adjusted gross receipts of less than $10,000,000 in the preceding calendar year.''.

SA 3611. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

DIVISION—ECONOMIC FREEDOM ZONES

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the ''Economic Freedom Zones Act of 2014''.

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

SEC. 2. DEFINITIONS.

In this division:

(1) CITY.—The term ''city'' means any unit of general local government that is classified as a municipality by the United States Census Bureau, or is a town or township as determined jointly by the Director of the Office of Management and Budget and the Secretary.

(2) COUNTY.—The term ''county'' means any unit of local general government that is classified as a county by the United States Census Bureau.

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means a municipality or a zip code.

(4) MUNICIPALITY.—The term ''municipality'' has the meaning given that term in section 101(40) of title 11, United States Code.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

(6) ZIP CODE.—The term ''zip code'' means any area or region associated with or covered by a United States Postal zip code of not less than 5 digits.

TITLE I—PROHIBITION OF FEDERAL GOVERNMENT BAILOUTS

SEC. 101. PROHIBITION OF FEDERAL GOVERNMENT BAILOUTS.

(a) DEFINITIONS.—In this section—

(1) the term ''credit rating'' has the meaning given that term in section 3(a)(60) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(60));

(2) the term ''credit rating agency'' has the meaning given that term in section 3(a)(61) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(61));

(3) the term ''Federal assistance'' means the use of any advances from the Federal Reserve credit facility or discount window that is not part of a program or facility with broad-based eligibility under section 13(3)(A) of the Federal Reserve Act (12 U.S.C. 343(3)(A)), Federal Deposit Insurance Corporation insurance, or guarantees for the purpose of—

(A) making a loan to, or purchasing any interest or debt obligation of, a municipality;

(B) purchasing the assets of a municipality;

(C) guaranteeing a loan or debt issuance of a municipality; or

(D) entering into an assistance arrangement, including a grant program, with an eligible entity;

(4) the term ''insolvent'' means, with respect to an eligible entity, a financial condition such that the eligible entity—

(A) has any debt that has been given a credit rating lower than a ''B'' by a nationally recognized statistical rating organization or a credit rating agency;

(B) is not paying its debts as they become due, unless such debts are the subject of a bona fide dispute; or

(C) is unable to pay its debts as they become due; and

(5) the term ''nationally recognized statistical rating organization'' has the meaning given that term in section 3(a)(62) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(62)).

(b) PROHIBITION OF FEDERAL GOVERNMENT BAILOUTS.—

(1) PROHIBITION OF FEDERAL ASSISTANCE.—Notwithstanding any other provision of law, no Federal assistance may be provided to an eligible entity (other than the assistance provided for in this division for an area that is designated as an Economic Free Zone).

(2) PROHIBITION OF FINANCIAL ASSISTANCE TO BANKRUPT OR INSOLVENT ELIGIBLE ENTITIES.—Except as provided in paragraph (1), the Federal Government may not provide financial assistance—

(A) to a municipality that is a debtor under chapter 9 of title 11, United States Code; or

(B) to a municipality that is insolvent.

TITLE II—DESIGNATION OF ECONOMIC FREEDOM ZONES (EFZ)

SEC. 201. ELIGIBILITY REQUIREMENTS FOR ECONOMIC FREEDOM ZONE STATUS.

(a) DESIGNATION OF MUNICIPALITIES AS ECONOMIC FREEDOM ZONES.—

(1) IN GENERAL.—An eligible entity that is a municipality may be designated by the

Secretary as an Economic Freedom Zone if the municipality—

(A) meets the requirements under section 109(c) of title 11, United States Code; or

(B) is at risk of insolvency, as determined under paragraph (2).

(2) AT RISK OF INSOLVENCY.—A municipality is at risk of insolvency if—

(A) an independent actuarial firm that has been engaged by the municipality and that does not have a conflict of interest with the municipality, including any previous relationship with the municipality, as determined by the Secretary—

(i) determines that the municipality is insolvent (as defined in section 101(a)(4) of title 11, United States Code); and

(ii) submits its analysis regarding the insolvency of the municipality to the Secretary; and

(B) the Secretary has reviewed and approved the determination of insolvency by the actuarial firm.

(b) DESIGNATION OF COUNTIES, CITIES, AND ZIP CODES AS ECONOMIC FREEDOM ZONES.—

(1) IN GENERAL.—An eligible entity may be designated by the Secretary as an Economic Freedom Zone if the eligible entity—

(A) is a county or city that—

(i) is located in a non-metropolitan statistical area (as defined by the Director of the Office of Management and Budget); and

(ii) meets the requirements under paragraph (2); or

(B) is a zip code that meets the requirements under paragraph (2).

(2) LOW ECONOMIC AND HIGH POVERTY AREA.—

(A) IN GENERAL.—An eligible entity shall be eligible for designation as an Economic Freedom Zone under paragraph (1) if the eligible entity is designated by the Secretary as a low economic or high poverty area under subparagraph (B).

(B) DESIGNATION AS LOW ECONOMIC AND HIGH POVERTY AREA.—The Secretary, after reviewing supporting data as determined appropriate, shall designate an eligible entity as a low economic or high poverty area if—

(i) the State or local government with jurisdiction over the eligible entity certifies that—

(I) the eligible entity is one of pervasive poverty, unemployment, and general distress;

(II) the average rate of unemployment within such eligible entity during the most recent 3-month period for which data is available is at least 1.5 times the national unemployment rate for the period involved;

(III) during the most recent 3-month period, at least 30 percent of the residents of the eligible entity have incomes below the national poverty level; or

(IV) at least 70 percent of the residents of the eligible have incomes below 80 percent of the median income of households within the jurisdiction of the local government (as determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974); and

(ii) the Secretary determines that such a designation is appropriate.

(c) REFUSAL TO GRANT STATUS.—The Secretary may refuse to designate an eligible entity as an Economic Freedom Zone if the Secretary determines that any requirement under this division, including any requirement under subsection (a)(2), has not been satisfied.

SEC. 202. APPLICATION AND DURATION OF DESIGNATION.

(a) APPLICATION.—The Secretary shall develop procedures to enable an eligible entity to submit to the Secretary an application for designation as an Economic Freedom Zone under this title.

(b) DURATION.—The designation by the Secretary of an eligible entity as a Economic Freedom Zone shall be for a period of 10 years.

TITLE III—FEDERAL TAX INCENTIVES

SEC. 301. TAX INCENTIVES RELATED TO ECONOMIC FREEDOM ZONES.

(a) IN GENERAL.—Chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subchapter:

"Subchapter Z—Economic Freedom Zones

''PART I—TAX INCENTIVES

''PART II—DEFINITIONS

"PART I—TAX INCENTIVES

"SEC. 1400V–1. ECONOMIC FREEDOM ZONE INDIVIDUAL FLAT TAX.

''(a) IN GENERAL.—In the case of any individual whose principal residence (within the meaning of section 121) is located in an Economic Freedom Zone for the taxable year, in lieu of the tax imposed by section 1, there shall be imposed a tax equal to 5 percent of the taxable income of such taxpayer. For purposes of this title, the tax imposed by the preceding sentence shall be treated as a tax imposed by section 1.

''(b) JOINT RETURNS.—In the case of a joint return under section 6013, subsection (a) shall apply so long as either spouse has a principal residence (within the meaning of section 121) in an Economic Freedom Zone for the taxable year.

''(c) ALTERNATIVE MINIMUM TAX NOT TO APPLY.—The tax imposed by section 55 shall not apply to any taxpayer to whom subsection (a) applies.

"SEC. 1400V–2. ECONOMIC FREEDOM ZONE CORPORATE FLAT TAX.

''(a) IN GENERAL.—In the case of any corporation located in an Economic Freedom Zone for the taxable year, in lieu of the tax imposed by section 11, there shall be imposed a tax equal to 5 percent of the taxable income of such corporation. For purposes of this title, the tax imposed by the preceding sentence shall be treated as a tax imposed by section 11.

''(b) LIMITATION.—Subsection (a) shall not apply to any corporation for any taxable year if the adjusted gross income of such corporation for such taxable year exceeds $500,000,000.

''(c) LOCATED.—For purposes of this section, a corporation shall be considered to be located in an Economic Freedom Zone if—

''(1) not less than 10 percent of the total gross income of such corporation is derived from the active conduct of a trade or business within an Economic Freedom Zone, or

''(2) at least 25 percent of the employees of such corporation are residents of an Economic Freedom Zone.

''(d) ALTERNATIVE MINIMUM TAX NOT TO APPLY.—The tax imposed by section 55 shall not apply to any taxpayer to whom subsection (a) applies.

"SEC. 1400V–3. ZERO PERCENT CAPITAL GAINS RATE.

''(a) EXCLUSION.—Gross income shall not include qualified capital gain from the sale or exchange of—

''(1) any Economic Freedom Zone asset held for more than 5 years,

''(2) any real property located in an Economic Freedom Zone.

''(b) ECONOMIC FREEDOM ZONE ASSET.—For purposes of this section—

''(1) IN GENERAL.—The term 'Economic Freedom Zone asset' means—

''(A) any Economic Freedom Zone business stock,

''(B) any Economic Freedom Zone partnership interest, and

''(C) any Economic Freedom Zone business property.

''(2) ECONOMIC FREEDOM ZONE BUSINESS STOCK.—

''(A) IN GENERAL.—The term 'Economic Freedom Zone business stock' means any stock in a domestic corporation if—

''(i) such stock is acquired by the taxpayer, before the date on which such corporation no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones, at its original issue (directly or through an underwriter) solely in exchange for cash,

''(ii) as of the time such stock was issued, such corporation was an Economic Freedom Zone business (or, in the case of a new corporation, such corporation was being organized for purposes of being an Economic Freedom Zone business), and

''(iii) during substantially all of the taxpayer's holding period for such stock, such corporation qualified as an Economic Freedom Zone business.

''(B) REDEMPTIONS.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this paragraph.

''(3) ECONOMIC FREEDOM ZONE PARTNERSHIP INTEREST.—The term 'Economic Freedom Zone partnership interest' means any capital or profits interest in a domestic partnership if—

''(A) such interest is acquired by the taxpayer, before the date on which such partnership no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones, from the partnership solely in exchange for cash,

''(B) as of the time such interest was acquired, such partnership was an Economic Freedom Zone business (or, in the case of a new partnership, such partnership was being organized for purposes of being an Economic Freedom Zone business), and

''(C) during substantially all of the taxpayer's holding period for such interest, such partnership qualified as an Economic Freedom Zone business.

A rule similar to the rule of paragraph (2)(B) shall apply for purposes of this paragraph.

''(4) ECONOMIC FREEDOM ZONE BUSINESS PROPERTY.—

''(A) IN GENERAL.—The term 'Economic Freedom Zone business property' means tangible property if—

''(i) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after the date on such taxpayer qualifies as an Economic Freedom Zone business and before the date on which such taxpayer no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones,

''(ii) the original use of such property in the Economic Freedom Zone commences with the taxpayer, and

''(iii) during substantially all of the taxpayer's holding period for such property, substantially all of the use of such property was in an Economic Freedom Zone business of the taxpayer.

''(B) SPECIAL RULE FOR BUILDINGS WHICH ARE SUBSTANTIALLY IMPROVED.—

''(i) IN GENERAL.—The requirements of clauses (i) and (ii) of subparagraph (A) shall be treated as met with respect to—

''(I) property which is substantially improved by the taxpayer before the date on which such taxpayer no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones, and

''(II) any land on which such property is located.

''(ii) SUBSTANTIAL IMPROVEMENT.—For purposes of clause (i), property shall be treated as substantially improved by the taxpayer only if, during any 24-month period beginning after the date on which the taxpayer qualifies as an Economic Freedom Zone business additions to basis with respect to such property in the hands of the taxpayer exceed the greater of—

''(I) an amount equal to the adjusted basis of such property at the beginning of such 24-month period in the hands of the taxpayer, or

''(II) $5,000.

''(5) TREATMENT OF ECONOMIC FREEDOM ZONE TERMINATION.—Except as otherwise provided in this subsection, the termination of the designation of the Economic Freedom Zone shall be disregarded for purposes of determining whether any property is an Economic Freedom Zone asset.

''(6) TREATMENT OF SUBSEQUENT PURCHASERS, ETC.—The term 'Economic Freedom Zone asset' includes any property which would be an Economic Freedom Zone asset but for paragraph (2)(A)(i), (3)(A), or (4)(A)(i) or (ii) in the hands of the taxpayer if such property was an Economic Freedom Zone asset in the hands of a prior holder.

''(7) 5-YEAR SAFE HARBOR.—If any property ceases to be an Economic Freedom Zone asset by reason of paragraph (2)(A)(iii), (3)(C), or (4)(A)(iii) after the 5-year period beginning on the date the taxpayer acquired such property, such property shall continue to be treated as meeting the requirements of such paragraph; except that the amount of gain to which subsection (a) applies on any sale or exchange of such property shall not exceed the amount which would be qualified capital gain had such property been sold on the date of such cessation.

''(c) ECONOMIC FREEDOM ZONE BUSINESS.—For purposes of this section, the term 'Economic Freedom Zone business' means any enterprise zone business (as defined in section 1397C), determined—

''(1) after the application of section 1400(e),

''(2) by substituting '80 percent' for '50 percent' in subsections (b)(2) and (c)(1) of section 1397C, and

''(3) by treating only areas that are Economic Freedom Zones as an empowerment zone or enterprise community.

''(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) QUALIFIED CAPITAL GAIN.—Except as otherwise provided in this subsection, the term 'qualified capital gain' means any gain recognized on the sale or exchange of—

''(A) a capital asset, or

''(B) property used in the trade or business (as defined in section 1231(b)).

''(2) CERTAIN GAIN NOT QUALIFIED.—The term 'qualified capital gain' shall not include any gain attributable to periods before the date on which the a business qualifies as an Economic Freedom Zone business or after the date that is 4 years after the date on which such business no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones.

''(3) CERTAIN GAIN NOT QUALIFIED.—The term 'qualified capital gain' shall not include any gain which would be treated as ordinary income under section 1245 or under section 1250 if section 1250 applied to all depreciation rather than the additional depreciation.

''(4) INTANGIBLES NOT INTEGRAL PART OF ECONOMIC FREEDOM ZONE BUSINESS.—In the case of gain described in subsection (a)(1), the term 'qualified capital gain' shall not include any gain which is attributable to an intangible asset which is not an integral part of an Economic Freedom Zone business.

''(5) RELATED PARTY TRANSACTIONS.—The term 'qualified capital gain' shall not include any gain attributable, directly or indirectly, in whole or in part, to a transaction with a related person. For purposes of this paragraph, persons are related to each other if such persons are described in section 267(b) or 707(b)(1).

''(e) SALES AND EXCHANGES OF INTERESTS IN PARTNERSHIPS AND S CORPORATIONS WHICH ARE ECONOMIC FREEDOM ZONE BUSINESSES.—In the case of the sale or exchange of an interest in a partnership, or of stock in an S corporation, which was an Economic Freedom Zone business during substantially all of the period the taxpayer held such interest or stock, the amount of qualified capital gain shall be determined without regard to—

''(1) any gain which is attributable to an intangible asset which is not an integral part of an Economic Freedom Zone business, and

''(2) any gain attributable to periods before the date on which the a business qualifies as an Economic Freedom Zone business or after the date that is 4 years after the date on which such business no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones.

''SEC. 1400V–4. REDUCED PAYROLL TAXES.

''(a) IN GENERAL.—

''(1) EMPLOYEES.—The rate of tax under 3101(a) (including for purposes of determining the applicable percentage under sections 3201(a) and 3211(a)(1)) shall be 4.2 percent for any remuneration received during any period in which the individual's principal residence (within the meaning of section 121) is located in an Economic Freedom Zone.

''(2) EMPLOYERS.—

''(A) IN GENERAL.—The rate of tax under section 3111(a) (including for purposes of determining the applicable percentage under sections 3221(a)) shall be 4.2 percent with respect to remuneration paid for qualified services during any period in which the employer is located in an Economic Freedom Zone.

''(B) QUALIFIED SERVICES.—For purposes of this section, the term 'qualified services' means services performed—

''(i) in a trade or business of a qualified employer, or

''(ii) in the case of a qualified employer exempt from tax under section 501(a) of the Internal Revenue Code of 1986, in furtherance of the activities related to the purpose or function constituting the basis of the employer's exemption under section 501 of such Code.

''(C) LOCATION OF EMPLOYER.—For purposes of this paragraph, the location of an employer shall be determined in the same manner as under section 1400V—2(c).

''(3) SELF-EMPLOYED INDIVIDUALS.—The rate of tax under section 1401(a) shall be 8.40 percent any taxable year in which such individual was located (determined under section 1400V—2(c) as if such individual were a corporation) in an Economic Freedom Zone.

''(b) TRANSFERS OF FUNDS.—-

''(1) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

''(2) TRANSFERS TO SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—There are hereby appropriated to the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(a)) amounts equal to the reduction in revenues to the Treasury by reason of the application of paragraphs (1) and (2) of subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Account had such amendments not been enacted.

''(3) COORDINATION WITH OTHER FEDERAL LAWS.—For purposes of applying any provision of Federal law other than the provisions of the Internal Revenue Code of 1986, the rate of tax in effect under section 3101(a) shall be determined without regard to the reduction in such rate under this section.

''SEC. 1400V–5. INCREASE IN EXPENSING UNDER SECTION 179.

''(a) IN GENERAL.—In the case of an Economic Freedom Zone business, for purposes of section 179—

''(1) the limitation under section 179(b)(1) shall be increased by the lesser of—

''(A) 200 percent of the amount in effect under such section (determined without regard to this section), or

''(B) the cost of section 179 property which is Economic Freedom Zone business property placed in service during the taxable year, and

''(2) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is Economic Freedom Zone business property shall be 50 percent of the cost thereof.

''(b) ECONOMIC FREEDOM ZONE BUSINESS PROPERTY.—For purposes of this section, the term 'Economic Freedom Zone business property' has the meaning given such term under section 1400V—3(b)(4), except that for purposes of subparagraph (A)(ii) thereof, if property is sold and leased back by the taxpayer within 3 months after the date such property was originally placed in service, such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback

''(c) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified zone property which ceases to be used in an empowerment zone by an enterprise zone business.

''PART II—DEFINITIONS

''Sec. 1400V–6. Economic Freedom Zone.

''SEC. 1400V–6. ECONOMIC FREEDOM ZONE.

''For purposes of this subchapter, the term 'Economic Freedom Zone' means any area which is an Economic Freedom Zone under title II of the Economic Freedom Zone Act.''.

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 of such Code is amended by inserting after the item relating to subchapter Y the following new item:

''SUBCHAPTER Z—ECONOMIC FREEDOM ZONES''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

TITLE IV—FEDERAL REGULATORY REDUCTIONS

SEC. 401. SUSPENSION OF CERTAIN LAWS AND REGULATIONS.

(a) ENVIRONMENTAL PROTECTION AGENCY.—For each area designated as an Economic Freedom Zone under this Act, the Administrator of the Environmental Protection Agency shall not enforce, with respect to that Economic Freedom Zone, and the Economic Freedom Zone shall be exempt from compliance with—

(1) part D of the Clean Air Act (42 U.S.C. 7501 et seq.) (including any regulations promulgated under that part);

(2) section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342);

(3) sections 139, 168, 169, 326, and 327 of title 23, United States Code;

(4) section 304 of title 49, United States Code; and

(5) sections 1315 through 1320 of Public Law 112–141 (126 Stat. 549).

(b) DEPARTMENT OF THE INTERIOR.—

(1) WILD AND SCENIC RIVERS.—For each area designated as an Economic Freedom Zone under this Act, the Secretary of the Interior shall not enforce, with respect to that Economic Freedom Zone, and the Economic Freedom Zone shall be exempt from compliance with the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.).

(2) NATIONAL HERITAGE AREAS.—For the period beginning on the date of enactment of this Act and ending on the date on which an area is removed from designation as an Economic Freedom Zone, any National Heritage Area located within that Economic Freedom Zone shall not be considered to be a National Heritage Area and any applicable Federal law (including regulations) relating to that National Heritage Area shall not apply.

TITLE V—EDUCATIONAL ENHANCEMENTS

SEC. 501. EDUCATIONAL OPPORTUNITY TAX CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 25D the following new section:

''SEC. 25E. CREDIT FOR QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.

''(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses of an eligible student.

''(b) LIMITATION.—The amount taken into account under subsection (a) with respect to any student for any taxable year shall not exceed $5,000.

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

''(1) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—The term 'qualified elementary and secondary education expenses' has the meaning given such term under section 530(b)(3).

''(2) ELIGIBLE STUDENT.—The term 'eligible student' means any student who—

''(A) is enrolled in, or attends, any public, private, or religious school (as defined in section 530(b)(3)(B)), and

''(B) whose principal residence (within the meaning of section 123) is located in an Economic Freedom Zone.

''(3) ECONOMIC FREEDOM ZONE.—The term 'Economic Freedom Zone' means any area which is an Economic Freedom Zone under title II of the Economic Freedom Zone Act.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25D the following new item:

''Sec. 25E. Credit for qualified elementary and secondary education expenses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures made in taxable years beginning after the date of the enactment of this Act.

SEC. 502. SCHOOL CHOICE THROUGH PORTABILITY.

(a) IN GENERAL.—Subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) is amended by adding at the end the following:

''SEC. 1128. SCHOOL CHOICE THROUGH PORTABILITY.

''(a) AUTHORIZATION.—

''(1) IN GENERAL.—Notwithstanding sections 1124, 1124A, and 1125 and any other provision of law, and to the extent permitted under State law, a State educational agency may allocate grant funds under this subpart among the local educational agencies in the State based on the formula described in paragraph (2).

''(2) FORMULA.—A State educational agency may allocate grant funds under this subpart for a fiscal year among the local educational agencies in the State in proportion to the number of eligible children enrolled in public schools served by the local educational agency and enrolled in State-accredited private schools within the local educational agency's geographic jurisdiction, for the most recent fiscal year for which satisfactory data are available, compared to the number of such children in all such local educational agencies for that fiscal year.

''(b) ELIGIBLE CHILD.—

''(1) IN GENERAL.—In this section, the term 'eligible child' means a child—

''(A) from a family with an income below the poverty level, on the basis of the most recent satisfactory data published by the Department of Commerce; and

''(B) who resides in an Economic Freedom Zone as designated under title II of the Economic Freedom Zones Act of 2014.

''(2) CRITERIA OF POVERTY.—In determining the families with incomes below the poverty level for the purposes of paragraph (2), a State educational agency shall use the criteria of poverty used by the Census Bureau in compiling the most recent decennial census.

''(3) IDENTIFICATION OF ELIGIBLE CHILDREN.—On an annual basis, on a date to be determined by the State educational agency, each local educational agency that receives grant funding in accordance with subsection (a) shall inform the State educational agency of the number of eligible children enrolled in public schools served by the local educational agency and enrolled in State-accredited private schools within the local educational agency's geographic jurisdiction.

''(c) DISTRIBUTION TO SCHOOLS.—Each local educational agency that receives grant funding under subsection (a) shall distribute such funds to the public schools served by the local educational agency and State-accredited private schools with the local educational agency's geographic jurisdiction—

''(1) based on the number of eligible children enrolled in such schools; and

''(2) in the manner that would, in the absence of such Federal funds, supplement the funds made available from the non-Federal resources for the education of pupils participating in programs under this part, and not to supplant such funds.''.

(b) TABLE OF CONTENTS.—The table of contents in section 2 of the Elementary and Secondary Education Act of 1965 is amended by inserting after the item relating to section 1127 the following:

''Sec. 1128. School choice through portability.''.

SEC. 503. SPECIAL ECONOMIC FREEDOM ZONE VISAS.

(a) DEFINITIONS.—In this section:

(1) ABANDONED; DILAPIDATED.—The terms ''abandoned'' and ''dilapidated'' shall be defined by the States in accordance with the provisions of this Act.

(2) FULL-TIME EMPLOYMENT.—The term ''full-time employment'' means employment in a position that requires at least 35 hours of service per week at any time, regardless of who fills the position.

(b) PURPOSE.—The purpose of this section is to facilitate increased investment and enhanced human capital in Economic Freedom Zones through the issuance of special regional visas.

(c) AUTHORIZATION.—The Secretary of Homeland Security, in collaboration with the Secretary of Labor, may issue Special Economic Freedom Zone Visas, in a number determined by the Governor of each State, in consultation with local officials in regions designated by the Secretary of Treasury as Economic Freedom Zones, to authorize qualified aliens to enter the United States for the purpose of—

(1) engaging in a new commercial enterprise (including a limited partnership)—

(A) in which such alien has invested, or is actively in the process of investing, capital in an amount not less than the amount specified in subsection (d); and

(B) which will benefit the region designated as an Economic Freedom Zone by creating full-time employment of not fewer than 5 United States citizens, aliens lawfully admitted for permanent residence, or other immigrants lawfully authorized to be employed in the United States (excluding the alien and the alien's immediate family);

(2) engaging in the purchase and renovation of dilapidated or abandoned properties or residences (as determined by State and local officials) in which such alien has invested, or is actively in the process of investing, in the ownership of such properties or residences; or

(3) residing and working in an Economic Freedom Zone.

(d) EFFECTIVE PERIOD.—A visa issued to an alien under this section shall expire on the later of—

(1) the date on which the relevant Economic Freedom Zone loses such designation; or

(2) the date that is 5 years after the date on which such visa was issued to such alien.

(e) CAPITAL AND EDUCATIONAL REQUIREMENTS.—

(1) NEW COMMERCIAL ENTERPRISES.—Except as otherwise provided under this section, the minimum amount of capital required to comply with subsection (c)(1)(A) shall be $50,000.

(2) RENOVATION OF DILAPIDATED OR ABANDONED PROPERTIES.—An alien is not in compliance with subsection (c)(2) unless the alien—

(A) purchases a dilapidated or abandoned property in an Economic Freedom Zone; and

(B) not later than 18 months after such purchase, invests not less than $25,000 to rebuild, rehabilitate, or repurpose the property.

(3) VERIFICATION.—A visa issued under subsection (c) shall not remain in effect for more than 2 years unless the Secretary of Homeland Security has verified that the alien has complied with the requirements described in subsection (c).

(4) EDUCATION AND SKILL REQUIREMENTS.—An alien is not in compliance with subsection (c)(3) unless the alien possesses—

(A) a bachelor's degree (or its equivalent) or an advanced degree;

(B) a degree or specialty certification that—

(i) is required for the job the alien will be performing; and

(ii) is specific to an industry or job that is so complex or unique that it can be performed only by an individual with the specialty certification;

(C)(i) the knowledge required to perform the duties of the job the alien will be performing; and

(ii) the nature of the specific duties is so specialized and complex that such knowledge is usually associated with attainment of a bachelor's or higher degree; or

(D) a skill or talent that would benefit the Economic Freedom Zone.

(f) ADDITIONAL PROVISIONS.—

(1) GEOGRAPHIC LIMITATION.—An alien who has been issued a visa under this section is not permitted to live or work outside of an Economic Freedom Zone.

(2) RESCISSION.—A visa issued under this section shall be rescinded if the visa holder resides or works outside of an Economic Freedom Zone or otherwise fails to comply with the provisions of this section.

(3) OTHER VISAS.—An alien who has been issued a visa under this section may apply for any other visa for which the alien is eligible in order to pursue employment outside of an Economic Freedom Zone.

(g) ADJUSTMENT OF STATUS.—The Secretary of Homeland Security may adjust the status of an alien who has been issued a visa under this section to that of an alien lawfully admitted for permanent residence, without numerical limitation, if the alien—

(1) has fully complied with the requirements set forth in this section for at least 5 years;

(2) submits a completed application to the Secretary; and

(3) is not inadmissible to the United States based on any of the factors set forth in section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)).

SEC. 504. ECONOMIC FREEDOM ZONE EDUCATIONAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Part VIII of subchapter F of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

"SEC. 530A. ECONOMIC FREEDOM ZONE EDUCATIONAL SAVINGS ACCOUNTS.

''(a) IN GENERAL.—Except as provided in this section, an Economic Freedom Zone educational savings account shall be treated for purposes of this title in the same manner as a Coverdell education savings account.

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

''(1) ECONOMIC FREEDOM ZONE EDUCATIONAL SAVINGS ACCOUNT.—The term 'Economic Freedom Zone educational savings account' means a trust created or organized in the United States exclusively for the purpose of paying the qualified education expenses (as defined in section 530(b)(2)) of an individual who is the designated beneficiary of the trust (and designated as an Economic Freedom Zone educational saving account at the time created or organized) and who is a qualified individual at the time such trust is established, but only if the written governing instrument creating the trust meets the following requirements:

''(A) No contribution will be accepted—

''(i) unless it is in cash,

''(ii) after the date on which such beneficiary attains age 25, or

''(iii) except in the case of rollover contributions, if such contribution would result in aggregate contributions for the taxable year exceeding $10,000.

''(B) No contribution shall be accepted at any time in which the designated beneficiary is not a qualified individual.

''(C) The trust meets the requirements of subparagraphs (B), (C), (D), and (E) of section 530(b)(1).

The age limitations in subparagraphs (A)(ii), subparagraph (E) of section 530(b)(1), and paragraphs (5) and (6) of section 530(d), shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).

''(2) QUALIFIED INDIVIDUAL.—The term 'qualified individual' means any individual whose principal residence (within the meaning of section 121) is located in an Economic Freedom Zone (as defined in section 1400V—6).

''(c) DEDUCTION FOR CONTRIBUTIONS.—

''(1) IN GENERAL.—There shall be allowed as a deduction under part VII of subchapter B of this chapter an amount equal to the aggregate amount of contributions made by the taxpayer to any Economic Freedom Zone educational savings account during the taxable year .

''(2) LIMITATION.—The amount of the deduction allowed under paragraph (1) for any taxpayer for any taxable year shall not exceed $40,000.

''(3) NO DEDUCTION FOR ROLLOVER CONTRIBUTIONS.—No deduction shall be allowed under paragraph (1) for any rollover contribution described in section 530(d)(5).

''(d) OTHER RULES.—

''(1) NO INCOME LIMIT.—In the case of an Economic Freedom Zone educational savings account, subsection (c) of section 530 shall not apply.

''(2) CHANGE IN BENEFICIARIES.—Notwithstanding paragraph (6) of section 530(b), a change in the beneficiary of an Economic Freedom Zone education savings account shall be treated as a distribution unless the new beneficiary is a qualified individual.''.

(b) CLERICAL AMENDMENT.—The table of sections for part VIII of subchapter F of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 530A. Economic Freedom Zone educational savings accounts.''.

TITLE VI—COMMUNITY ASSISTANCE AND REBUILDING

SEC. 601. NONAPPLICATION OF DAVIS-BACON.

The wage rate requirements of subchapter IV of chapter 31 of title 40, United States Code (commonly referred to as the ''Davis-Bacon Act''), shall not apply with respect to any area designated as an Economic Freedom Zone under this Act.

SEC. 602. ECONOMIC FREEDOM ZONE CHARITABLE TAX CREDIT.

(a) IN GENERAL.—Section 170 of the Internal Revenue Code of 1986 is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(o) ELECTION TO TREAT CONTRIBUTIONS FOR ECONOMIC FREEDOM ZONE CHARITIES AS A CREDIT.—

''(1) IN GENERAL.—In the case of an individual, at the election of the taxpayer, so much of the deduction allowed under subsection (a) (determined without regard to this subsection) which is attributable to Economic Freedom Zone charitable contributions—

''(A) shall be allowed as a credit against the tax imposed by this chapter for the taxable year, and

''(B) shall not be allowed as a deduction for such taxable year under subsection (a).

Any amount allowable as a credit under this subsection shall be treated as a credit allowed under subpart A of part IV of subchapter A for purposes of this title.

''(2) AMOUNT ATTRIBUTABLE TO ECONOMIC FREEDOM ZONE CHARITABLE CONTRIBUTIONS.—For purposes of paragraph (1)—

''(A) IN GENERAL.—In any case in which the total charitable contributions of a taxpayer for a taxable year exceed the contribution base, the amount of Economic Freedom Zone charitable contributions taken into account under paragraph (1) shall be the amount which bears the same ratio to the total charitable contributions made by the taxpayer during such taxable year as the amount of the deduction allowed under subsection (a) (determined without regard to this subsection and after application of subsection (b)) bears to the total charitable contributions made by the taxpayer for such taxable year.

''(B) CARRYOVERS.—In the case of any contribution carried from a preceding taxable year under subsection (d), such amount shall be treated as attributable to an Economic Freedom Zone charitable contribution in the amount that bears the same ratio to the total amount carried from preceding taxable years under subsection (d) as the amount of Economic Freedom Zone charitable contributions not allowed as a deduction under subsection (a) (other than by reason of this subsection) for the preceding 5 taxable year bears to total amount carried from preceding taxable years under subsection (d).

''(3) ECONOMIC FREEDOM ZONE CHARITABLE CONTRIBUTION.—The term 'Economic Freedom Zone charitable contribution' means any contribution to a corporation, trust, or community chest fund, or foundation described in subsection (c)(2), but only if—

''(A) such entity is created or organized exclusively for—

''(i) religious purposes,

''(ii) educational purposes, or

''(iii) any of the following charitable purposes: providing educational scholarships, providing shelters for homeless individuals, or setting up or maintaining food banks,

''(B) the primary mission of such entity is serving individuals in an Economic Freedom Zone,

''(C) the entity maintains accountability to residents of such Economic Freedom Zone through their representation on any governing board of the entity or any advisory board to the entity, and

''(D) the entity is certified by the Secretary for purposes of this subsection.

Such term shall not include any contribution made to an entity described in the preceding sentence after the date in which the designation of the Economic Freedom Zone serviced by such entity lapses.

''(4) ECONOMIC FREEDOM ZONE.—The term 'Economic Freedom Zone' means any area which is an Economic Freedom Zone under title II of the Economic Freedom Zone Act.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

TITLE VII—STATE AND COMMUNITY POLICY RECOMMENDATIONS

SEC. 701. SENSE OF THE SENATE CONCERNING POLICY RECOMMENDATIONS.

It is the sense of the Senate that State and local governments should review and adopt the following policy recommendations:

(1) PENSION REFORM.—State and local governments should—

(A) implement reforms to address any fiscal shortfall in public pension funding, including utilizing accrual accounting methods, such as those reforms undertaken by the private sector pension funds; and

(B) restructure and renegotiate any public pension fund that is deemed to be insolvent or underfunded, including adopting defined contribution retirement systems.

(2) TAXES.—State and local governments should reduce jurisdictional tax rates below the national average in order to help facilitate capital investment and economic growth, particularly in combination with the provisions of this division.

(3) EDUCATION.—State and local governments should adopt school choice options to provide children and parents more educational choices, particularly in impoverished areas.

(4) COMMUNITIES.—State and local governments should adopt right-to-work laws to allow more competitiveness and more flexibility for businesses to expand.

(5) REGULATIONS.—State and local governments should streamline the regulatory burden on families and businesses, including

streamlining the opportunities for occupational licensing.

(6) ABANDONED STRUCTURES.—State and local governments should consider the following options to reduce or fix areas with abandoned properties or residences:

(A) In the case of foreclosures, tax notifications should be sent to both the lien holder (if different than the homeowner) and the homeowner.

(B) Where State constitutions permit, property tax abatement or credits should be provided for individuals who purchase or invest in abandoned or dilapidated properties.

(C) Non-profit or charity demolition entities should be permitted or encouraged to help remove abandoned properties.

(D) Government or municipality fees and penalties should be limited, and be proportional to the outstanding tax amount and the ability to pay.

(E) The sale of tax liens to third parties should be reviewed, and where available, should prohibit the selling of tax liens below a certain threshold (for example the prohibition of the sale of tax liens to third parties under $1,000).

SA 3612. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, add the following new title:

TITLE II—CERTAIN PROVISIONS MADE PERMANENT

SEC. 201. PERMANENT EXTENSION AND MODIFICATION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 is amended by striking ''shall not exceed—'' and all that follows and inserting ''shall not exceed $500,000.''.

(2) REDUCTION IN LIMITATION.—Paragraph (2) of section 179(b) of such Code is amended by striking ''exceeds—'' and all that follows and inserting ''exceeds $2,000,000.''.

(b) COMPUTER SOFTWARE.—Clause (ii) of section 179(d)(1)(A) of the Internal Revenue Code of 1986 is amended by striking '', to which section 167 applies, and which is placed in service in a taxable year beginning after 2002 and before 2014'' and inserting ''and to which section 167 applies''.

(c) ELECTION.—Paragraph (2) of section 179(c) of such Code is amended—

(1) by striking ''may not be revoked'' and all that follows through ''and before 2014'', and

(2) by striking ''IRREVOCABLE'' in the heading thereof.

(d) AIR CONDITIONING AND HEATING UNITS.—The last sentence of section 179(d)(1) of such Code is amended by striking ''and shall not include air conditioning or heating units''.

(e) QUALIFIED REAL PROPERTY.—Subsection (f) of section 179 of such Code is amended—

(1) by striking ''beginning in 2010, 2011, 2012, or 2013'' in paragraph (1), and

(2) by striking paragraphs (3) and (4).

(f) ADJUSTMENT FOR INFLATION.—Subsection (b) of section 179 of such Code is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2013, the dollar amounts in paragraphs (1) and (2) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2012' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—

''(i) DOLLAR LIMITATION.—If the amount in paragraph (1) as increased under subparagraph (A) of this paragraph is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(ii) PHASEOUT AMOUNT.—If the amount in paragraph (2) as increased under subparagraph (A) of this paragraph is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 202. BONUS DEPRECIATION MODIFIED AND MADE PERMANENT.

(a) MADE PERMANENT; INCLUSION OF QUALIFIED RETAIL IMPROVEMENT PROPERTY.—Section 168(k)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

''(2) QUALIFIED PROPERTY.—For purposes of this subsection—

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

''(i)(I) to which this section applies which has a recovery period of 20 years or less,

''(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

''(III) which is water utility property,

''(IV) which is qualified leasehold improvement property, or

''(V) which is qualified retail improvement property, and

''(ii) the original use of which commences with the taxpayer.

''(B) EXCEPTION FOR ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

''(i) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

''(ii) after application of section 280F(b) (relating to listed property with limited business use).

''(C) SPECIAL RULES.—

''(i) SALE-LEASEBACKS.—For purposes of clause (ii) and subparagraph (A)(ii), if property is—

''(I) originally placed in service by a person, and

''(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

''(ii) SYNDICATION.—For purposes of subparagraph (A)(ii), if—

''(I) property is originally placed in service by the lessor of such property,

''(II) such property is sold by such lessor or any subsequent purchaser within 3 months after the date such property was originally placed in service (or, in the case of multiple units of property subject to the same lease, within 3 months after the date the final unit is placed in service, so long as the period between the time the first unit is placed in service and the time the last unit is placed in service does not exceed 12 months), and

''(III) the user of such property after the last sale during such 3-month period remains the same as when such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date of such last sale.

''(D) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

''(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $8,000.

''(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

''(iii) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2014, the $8,000 amount in clause (i) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the automobile price inflation adjustment determined under section 280F(d)(7)(B)(i) for the calendar year in which such taxable year begins by substituting '2013' for '1987' in subclause (II) thereof.

If any increase under the preceding sentence is not a multiple of $100, such increase shall be rounded to the nearest multiple of $100.

''(E) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—For purposes of determining alternative minimum taxable income under section 55, the deduction under section 167 for qualified property shall be determined without regard to any adjustment under section 56.''.

(b) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—Section 168(k)(4) of such Code is amended to read as follows:

''(4) ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

''(A) IN GENERAL.—If a corporation elects to have this paragraph apply for any taxable year—

''(i) paragraphs (1)(A), (2)(D)(i), and (5)(A)(i) shall not apply for such taxable year,

''(ii) the applicable depreciation method used under this section with respect to any qualified property shall be the straight line method, and

''(iii) the limitation imposed by section 53(c) for such taxable year shall be increased by the bonus depreciation amount which is determined for such taxable year under subparagraph (B).

''(B) BONUS DEPRECIATION AMOUNT.—For purposes of this paragraph—

''(i) IN GENERAL.—The bonus depreciation amount for any taxable year is an amount equal to 20 percent of the excess (if any) of—

''(I) the aggregate amount of depreciation which would be allowed under this section for qualified property placed in service by the taxpayer during such taxable year if paragraph (1) applied to all such property, over

''(II) the aggregate amount of depreciation which would be allowed under this section for qualified property placed in service by the taxpayer during such taxable year if paragraph (1) did not apply to any such property.

The aggregate amounts determined under subclauses (I) and (II) shall be determined without regard to any election made under subsection (b)(2)(D), (b)(3)(D), or (g)(7) and without regard to subparagraph (A)(ii).

''(ii) LIMITATION.—The bonus depreciation amount for any taxable year shall not exceed the lesser of—

''(I) 50 percent of the minimum tax credit under section 53(b) for the first taxable year ending after December 31, 2013, or

''(II) the minimum tax credit under section 53(b) for such taxable year determined by taking into account only the adjusted net minimum tax for taxable years ending before January 1, 2014 (determined by treating credits as allowed on a first-in, first-out basis).

''(iii) AGGREGATION RULE.—All corporations which are treated as a single employer under section 52(a) shall be treated—

''(I) as 1 taxpayer for purposes of this paragraph, and

''(II) as having elected the application of this paragraph if any such corporation so elects.

''(C) CREDIT REFUNDABLE.—For purposes of section 6401(b), the aggregate increase in the credits allowable under part IV of subchapter A for any taxable year resulting from the application of this paragraph shall be treated as allowed under subpart C of such part (and not any other subpart).

''(D) OTHER RULES.—

''(i) ELECTION.—Any election under this paragraph may be revoked only with the consent of the Secretary.

''(ii) PARTNERSHIPS WITH ELECTING PARTNERS.—In the case of a corporation which is a partner in a partnership and which makes an election under subparagraph (A) for the taxable year, for purposes of determining such corporation's distributive share of partnership items under section 702 for such taxable year—

''(I) paragraphs (1)(A), (2)(D)(i), and (5)(A)(i) shall not apply, and

''(II) the applicable depreciation method used under this section with respect to any qualified property shall be the straight line method.

''(iii) CERTAIN PARTNERSHIPS.—In the case of a partnership in which more than 50 percent of the capital and profits interests are owned (directly or indirectly) at all times during the taxable year by 1 corporation (or by corporations treated as 1 taxpayer under subparagraph (B)(iii)), each partner shall compute its bonus depreciation amount under clause (i) of subparagraph (B) by taking into account its distributive share of the amounts determined by the partnership under subclauses (I) and (II) of such clause for the taxable year of the partnership ending with or within the taxable year of the partner.''.

(c) SPECIAL RULES FOR TREES AND VINES BEARING FRUITS AND NUTS.—Section 168(k) of such Code is amended—

(1) by striking paragraph (5), and

(2) by inserting after paragraph (4) the following new paragraph:

''(5) SPECIAL RULES FOR TREES AND VINES BEARING FRUITS AND NUTS.—

''(A) IN GENERAL.—In the case of any tree or vine bearing fruits or nuts which is planted, or is grafted to a plant that has already been planted, by the taxpayer in the ordinary course of the taxpayer's farming business (as defined in section 263A(e)(4))—

''(i) a depreciation deduction equal to 50 percent of the adjusted basis of such tree or vine shall be allowed under section 167(a) for the taxable year in which such tree or vine is so planted or grafted, and

''(ii) the adjusted basis of such tree or vine shall be reduced by the amount of such deduction.

''(B) ELECTION OUT.—If a taxpayer makes an election under this subparagraph for any taxable year, this paragraph shall not apply to any tree or vine planted or grafted during such taxable year. An election under this subparagraph may be revoked only with the consent of the Secretary.

''(C) ADDITIONAL DEPRECIATION MAY BE CLAIMED ONLY ONCE.—If this paragraph applies to any tree or vine, such tree or vine shall not be treated as qualified property in the taxable year in which placed in service.

''(D) COORDINATION WITH ELECTION TO ACCELERATE AMT CREDITS.—If a corporation makes an election under paragraph (4) for any taxable year, the amount under paragraph (4)(B)(i)(I) for such taxable year shall be increased by the amount determined under subparagraph (A)(i) for such taxable year.

''(E) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—Rules similar to the rules of paragraph (2)(E) shall apply for purposes of this paragraph.''.

(d) CONFORMING AMENDMENTS.—

(1) Section 168(e)(8) of such Code is amended by striking subparagraph (D).

(2) Section 168(k) of such Code is amended by adding at the end the following new paragraph:

''(6) ELECTION OUT.—If a taxpayer makes an election under this paragraph with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service (or, in the case of paragraph (5), planted or grafted) during such taxable year. An election under this paragraph may be revoked only with the consent of the Secretary.''.

(3) Section 168(l)(5) of such Code is amended by striking ''section 168(k)(2)(G)'' and inserting ''section 168(k)(2)(E)''.

(4) Section 263A(c) of such Code is amended by adding at the end the following new paragraph:

''(7) COORDINATION WITH SECTION 168(k)(5).—This section shall not apply to any amount allowable as a deduction by reason of section 168(k)(5) (relating to special rules for trees and vines bearing fruits and nuts).''.

(5) Section 460(c)(6)(B) of such Code is amended by striking ''which—'' and all that follows and inserting ''which has a recovery period of 7 years or less.''.

(6) Section 168(k) of such Code is amended by striking ''ACQUIRED AFTER DECEMBER 31, 2007, AND BEFORE JANUARY 1, 2014'' in the heading thereof.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to property placed in service after December 31, 2013.

(2) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

(A) IN GENERAL.—The amendment made by subsection (b) (other than so much of such amendment as relates to section 168(k)(4)(D)(iii) of such Code, as added by such amendment) shall apply to taxable years ending after December 31, 2013.

(B) TRANSITIONAL RULE.—In the case of a taxable year beginning before January 1, 2014, and ending after December 31, 2013, the bonus depreciation amount determined under section 168(k)(4) of such Code for such year shall be the sum of—

(i) such amount determined without regard to the amendments made by this section and—

(I) by taking into account only property placed in service before January 1, 2014, and

(II) by multiplying the limitation under section 168(k)(4)(C)(ii) of such Code (determined without regard to the amendments made by this section) by a fraction the numerator of which is the number of days in the taxable year before January 1, 2014, and the denominator of which is the number of days in the taxable year, and

(ii) such amount determined after taking into account the amendments made by this section and—

(I) by taking into account only property placed in service after December 31, 2013, and

(II) by multiplying the limitation under section 168(k)(4)(B)(ii) of such Code (as amended by this section) by a fraction the numerator of which is the number of days in the taxable year after December 31, 2013, and the denominator of which is the number of days in the taxable year.

(3) SPECIAL RULES FOR CERTAIN TREES AND VINES.—The amendment made by subsection (c)(2) shall apply to trees and vines planted or grafted after December 31, 2013.

SEC. 203. PERMANENT EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—Subsection (a) of section 41 of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) GENERAL RULE.—For purposes of section 38, the research credit determined under this section for the taxable year shall be an amount equal to 20 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.''.

(b) SPECIAL RULES AND TERMINATION OF BASE AMOUNT CALCULATION.—

(1) IN GENERAL.—Subsection (c) of section 41 of such Code is amended to read as follows:

''(c) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

''(1) TAXPAYERS TO WHICH SUBSECTION APPLIES.—The credit under this section shall be determined under this subsection, and not under subsection (a), if, in any one of the 3 taxable years preceding the taxable year for which the credit is being determined, the taxpayer has no qualified research expenses.

''(2) CREDIT RATE.—The credit determined under this subsection shall be equal to 10 percent of the qualified research expenses for the taxable year.''.

(2) CONSISTENT TREATMENT OF EXPENSES.—Subsection (b) of section 41 of such Code is amended by adding at the end the following new paragraph:

''(5) CONSISTENT TREATMENT OF EXPENSES REQUIRED.—

''(A) IN GENERAL.—Notwithstanding whether the period for filing a claim for credit or refund has expired for any taxable year in the 3-taxable-year period taken into account under subsection (a), the qualified research expenses taken into account for such year shall be determined on a basis consistent with the determination of qualified research expenses for the credit year.

''(B) PREVENTION OF DISTORTIONS.—The Secretary may prescribe regulations to prevent distortions in calculating a taxpayer's qualified research expenses caused by a change in accounting methods used by such taxpayer between the credit year and a year in such 3-taxable-year period.''.

(c) INCLUSION OF QUALIFIED RESEARCH EXPENSES OF AN ACQUIRED PERSON.—

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

''(A) ACQUISITIONS.—

''(i) IN GENERAL.—If a person acquires the major portion of a trade or business of another person (hereinafter in this paragraph referred to as the 'predecessor') or the major portion of a separate unit of a trade or business of a predecessor, then the amount of qualified research expenses paid or incurred by the acquiring person during the 3 taxable years preceding the taxable year in which the credit under this section is determined shall be increased by—

''(I) for purposes of applying this section for the taxable year in which such acquisition is made, the amount determined under clause (ii), and

''(II) for purposes of applying this section for any taxable year after the taxable year in which such acquisition is made, so much of the qualified research expenses paid or incurred by the predecessor with respect to the acquired trade or business during the portion of the measurement period that is part of the 3-taxable-year period preceding the taxable

year for which the credit is determined as is attributable to the portion of such trade or business or separate unit acquired by such person.

''(ii) AMOUNT DETERMINED.—The amount determined under this clause is the amount equal to the product of—

''(I) so much of the qualified research expenses paid or incurred by the predecessor with respect to the acquired trade or business during the 3 taxable years before the taxable year in which the acquisition is made as is attributable to the portion of such trade or business or separate unit acquired by the acquiring person, and

''(II) the number of months 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 12.

''(iii) 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 (i) and (ii) shall refer to the appropriate taxable year of the acquiring person,

''(II) the qualified research expenses paid or incurred by 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 months of such taxable year, and

''(III) the amount of such qualified research expenses taken into account under clauses (i) and (ii) with respect to a taxable year of the acquiring person shall be equal to the total of the expenses attributable under subclause (II) to the months occurring during such taxable year.

''(iv) MEASUREMENT PERIOD.—For purposes of this subparagraph, the term 'measurement period' means the taxable year of the acquiring person in which the acquisition is made and the 3 taxable years of the acquiring person preceding such taxable year.''.

(2) EXPENSES OF A PREDECESSOR.—Subparagraph (B) of section 41(f)(3) of such Code 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 the predecessor during the 3 taxable years preceding such taxable year shall be reduced—

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

''(I) the amount of qualified research expenses paid or incurred during such 3 taxable years with respect to the acquired business, and

''(II) the number of days in the period beginning on the date of acquisition (as determined for purposes of subparagraph (A)(ii)(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).''.

(d) AGGREGATION OF EXPENDITURES.—Paragraph (1) of section 41(f) of such Code, as amended by the American Taxpayer Relief Act of 2012, is amended—

(1) by striking ''of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums,'' in subparagraph (A)(ii) and inserting ''qualified research expenses'', and

(2) by striking ''of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums,'' in subparagraph (B)(ii) and inserting ''qualified research expenses''.

(e) PERMANENT EXTENSION.—

(1) Section 41 of such Code is amended by striking subsection (h).

(2) Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

(f) CONFORMING AMENDMENTS.—

(1) TERMINATION OF BASIC RESEARCH PAYMENT CALCULATION.—Section 41 of such Code is amended—

(A) by striking subsection (e),

(B) by redesignating subsection (g) as subsection (e), and

(C) by relocating subsection (e), as so redesignated, immediately after subsection (d).

(2) SPECIAL RULES.—

(A) Paragraph (4) of section 41(f) of such Code is amended by striking ''and gross receipts''.

(B) Subsection (f) of section 41 of such Code is amended by striking paragraph (6).

(3) CROSS-REFERENCES.—

(A) Paragraph (2) of section 45C(c) of such Code is amended by striking ''base period research expenses'' and inserting ''average qualified research expenses''.

(B) Subparagraph (A) of section 54(l)(3) of such Code is amended by striking ''section 41(g)'' and inserting ''section 41(e)''.

(C) Clause (i) of section 170(e)(4)(B) of such Code is amended to read as follows:

''(i) the contribution is to a qualified organization,''.

(D) Paragraph (4) of section 170(e) of such Code is amended by adding at the end the following new subparagraph:

''(E) QUALIFIED ORGANIZATION.—For purposes of this paragraph, the term 'qualified organization' means—

''(i) any educational organization which—

''(I) is an institution of higher education (within the meaning of section 3304(f)), and

''(II) is described in subsection (b)(1)(A)(ii), or

''(ii) any organization not described in clause (i) which—

''(I) is described in section 501(c)(3) and is exempt from tax under section 501(a),

''(II) is organized and operated primarily to conduct scientific research, and

''(III) is not a private foundation.''.

(E) Section 280C of such Code is amended—

(i) by striking ''or basic research expenses (as defined in section 41(e)(2))'' in subsection (c)(1),

(ii) by striking ''section 41(a)(1)'' in subsection (c)(2)(A) and inserting ''section 41(a)'', and

(iii) by striking ''or basic research expenses'' in subsection (c)(2)(B).

(F) Clause (i) of section 1400N(l)(7)(B) of such Code is amended by striking ''section 41(g)'' and inserting ''section 41(e)''.

(g) TECHNICAL CORRECTIONS.—Section 409 of such Code is amended—

(1) by inserting '', as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (b)(1)(A),

(2) by inserting '', as in effect before the enactment of the Tax Reform Act of 1984'' after ''relating to the employee stock ownership credit'' in subsection (b)(4),

(3) by inserting ''(as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (i)(1)(A),

(4) by inserting ''(as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (m), and

(5) by inserting ''(as so in effect)'' after ''section 48(n)(1)'' in subsection (m).

(h) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to credits determined for taxable years beginning after December 31, 2013.

(2) PERMANENT EXTENSION.—The amendments made by subsection (e) shall apply to amounts paid or incurred after December 31, 2013.

(3) TECHNICAL CORRECTIONS.—The amendments made by subsection (g) shall take effect on the date of the enactment of this Act.

SEC. 204. PERMANENT FULL EXCLUSION APPLICABLE TO QUALIFIED SMALL BUSINESS STOCK.

(a) IN GENERAL.—Paragraph (4) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''and before January 1, 2014'', and

(2) by striking ''CERTAIN PERIODS IN 2010, 2011, 2012, AND 2013'' in the heading and inserting ''CERTAIN PERIODS AFTER 2009''.

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 1202 of such Code is amended by striking ''**PARTIAL**''.

(2) The item relating to section 1202 in the table of sections of such Code for part I of subchapter P of chapter 1 is amended by striking ''Partial exclusion'' and inserting ''Exclusion''.

(3) Section 1223(13) of such Code is amended by striking ''1202(a)(2),''.

(c) EFFECTIVE DATE.—The amendments made by this section apply to stock acquired after December 31, 2013.

SA 3613. Mr. WARNER (for himself and Mr. BLUNT) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE III—INFRASTRUCTURE FINANCING AUTHORITY

SEC. 301. SHORT TITLE.

(a) SHORT TITLE.—This title may be cited as the ''Building and Renewing Infrastructure for Development and Growth in Employment Act'' or the ''BRIDGE Act''.

SEC. 302. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) infrastructure has always been a vital element of the economic strength of the United States and a key indicator of the international leadership of the United States;

(2) the Erie Canal, the Hoover Dam, the railroads, and the interstate highway system are all testaments to the ingenuity of the United States and have helped propel and maintain the United States as the largest economy in the world;

(3) according to the 2013-2014 World Economic Forum's Global Competitiveness Report, the United States—

(A) ranked fifth in the world on the Global Competitiveness Index; and

(B) ranked 19th in the world in the ''Quality of overall infrastructure'' category;

(4) according to the World Bank's 2012 Logistic Performance Index, the capacity of countries to efficiently move goods and connect manufacturers and consumers with international markets is improving around the world, and the United States now ranks ninth in the world in logistics-related infrastructure behind countries from both Europe and Asia;

(5) according to a January 2009 report from the University of Massachusetts/Alliance for American Manufacturing entitled ''Employment, Productivity and Growth'', infrastructure investment is a ''highly effective engine of job creation'' such that $1,000,000,000 in new investment in infrastructure results in 18,000 total long-term jobs;

(6) according to the American Society of Civil Engineers, the current condition of the infrastructure in the United States earns a grade point average of D+, and an estimated $1,600,000,000,000 of additional investment is needed over the next 7 years to bring the infrastructure of the United States up to adequate condition;

(7) according to the National Surface Transportation Policy and Revenue Study Commission, $225,000,000,000 is needed annually from all sources for the next 50 years to upgrade the United States surface transportation system to a state of good repair and create a more advanced system;

(8) the current infrastructure financing mechanisms of the United States, both on the Federal and State level, will fail to meet current and foreseeable demands and will create large funding gaps;

(9) published reports state that there may not be enough demand for municipal bonds to maintain the same level of borrowing at the same rates, resulting in significantly decreased infrastructure investment at the State and local level;

(10) current funding mechanisms are not readily scalable and do not—

(A) serve large in-State or cross-jurisdictional infrastructure projects, projects of regional or national significance, or projects that cross sector silos;

(B) sufficiently catalyze private sector investment; or

(C) ensure the optimal return on public resources;

(11) although grant programs of the Federal Government must continue to play a central role in financing the infrastructure needs of the United States, current and foreseeable demands on existing Federal, State, and local funding for infrastructure expansion clearly exceed the resources to support those programs by margins wide enough to prompt serious concerns about the ability of the United States to sustain long-term economic development, productivity, and international competitiveness;

(12) the capital markets, including pension funds, private equity funds, mutual funds, sovereign wealth funds, and other investors, have a growing interest in infrastructure investment and represent hundreds of billions of dollars of potential investment; and

(13) the establishment of a federally owned, independent, professionally managed institution that could provide credit support to qualified infrastructure projects of regional and national significance, making transparent merit-based investment decisions based on the commercial viability of infrastructure projects, would catalyze the participation of significant private investment capital.

(b) PURPOSE.—The purpose of this title is to facilitate investment in, and the long-term financing of, economically viable eligible infrastructure projects of regional or national significance that are in the public interest in a manner that complements existing Federal, State, local, and private funding sources for these projects and introduces a merit-based system for financing those projects, in order to mobilize significant private sector investment, create long-term jobs, and ensure United States competitiveness through a self-sustaining institution that limits the need for ongoing Federal funding.

SEC. 303. DEFINITIONS.

In this title:

(1) BLIND TRUST.—The term ''blind trust'' means a trust in which the beneficiary has no knowledge of the specific holdings and no rights over how those holdings are managed by the fiduciary of the trust prior to the dissolution of the trust.

(2) BOARD OF DIRECTORS.—The term ''Board of Directors'' means the Board of Directors of IFA.

(3) CHAIRPERSON.—The term ''Chairperson'' means the Chairperson of the Board of Directors of IFA.

(4) CHIEF EXECUTIVE OFFICER.—The term ''chief executive officer'' means the chief executive officer of IFA, appointed under section 313.

(5) COST.—The term ''cost'' has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(6) DIRECT LOAN.—The term ''direct loan'' has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(7) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) an individual;

(B) a corporation;

(C) a partnership, including a public-private partnership;

(D) a joint venture;

(E) a trust;

(F) a State or any other governmental entity, including a political subdivision or any other instrumentality of a State; or

(G) a revolving fund.

(8) ELIGIBLE INFRASTRUCTURE PROJECT.—

(A) IN GENERAL.—The term ''eligible infrastructure project'' means the construction, consolidation, alteration, or repair of the following sectors:

(i) Intercity passenger or freight rail lines.

(ii) Intercity passenger rail facilities or equipment.

(iii) Intercity freight rail facilities or equipment.

(iv) Intercity passenger bus facilities or equipment.

(v) Public transportation facilities or equipment.

(vi) Highway facilities, including bridges and tunnels.

(vii) Airports.

(viii) Air traffic control systems.

(ix) Port or marine terminal facilities, including approaches to marine terminal facilities or inland port facilities.

(x) Port or marine equipment, including fixed equipment to serve approaches to marine terminals or inland ports.

(xi) Transmission or distribution pipelines.

(xii) Inland waterways.

(xiii) Intermodal facilities or equipment related to 2 or more of the sectors described in clauses (i) through (xii).

(xiv) Water treatment and solid waste disposal facilities, including drinking water facilities.

(xv) Storm water management systems.

(xvi) Dams and levees.

(xvii) Facilities or equipment for energy transmission, distribution or storage.

(B) AUTHORITY OF THE BOARD OF DIRECTORS TO MODIFY SECTORS.—The Board of Directors may make modifications, at the discretion of the Board, to any of the sectors described in subparagraph (A) by a vote of not fewer than 5 of the voting members of the Board of Directors.

(9) IFA.—The term ''IFA'' means the Infrastructure Financing Authority established under subtitle A.

(10) INVESTMENT-GRADE RATING.—The term ''investment-grade rating'' means a rating of BBB minus, Baa3, or higher assigned to an eligible infrastructure project by a ratings agency.

(11) LOAN GUARANTEE.—The term ''loan guarantee'' has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(12) PUBLIC-PRIVATE PARTNERSHIP.—The term ''public-private partnership'' means any eligible entity—

(A)(i) that is undertaking the development of all or part of an eligible infrastructure project that will have a measurable public benefit, pursuant to requirements established in 1 or more contracts between the entity and a State or an instrumentality of a State; or

(ii) the activities of which, with respect to such an eligible infrastructure project, are subject to regulation by a State or any instrumentality of a State;

(B) that owns, leases, or operates or will own, lease, or operate, the project in whole or in part; and

(C) the participants in which include not fewer than 1 nongovernmental entity with significant investment and some control over the project or entity sponsoring the project vehicle.

(13) RATING AGENCY.—The term ''rating agency'' means a credit rating agency registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))).

(14) RURAL INFRASTRUCTURE PROJECT.—The term ''rural infrastructure project''—

(A) has the same meaning given the term in section 601(15) of title 23, United States Code; and

(B) includes any eligible infrastructure project located in an area described in such section 601(15).

(15) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury or the designee of the Secretary of the Treasury.

(16) SENIOR MANAGEMENT.—The term ''senior management'' means the chief financial officer, chief risk officer, chief compliance officer, general counsel, chief lending officer, and chief operations officer of IFA, and such other officers as the Board of Directors may, by majority vote, add to senior management.

(17) SPECIAL INSPECTOR GENERAL.—The term ''Special Inspector General'' means the Special Inspector General for IFA.

(18) STATE.—The term ''State'' means—

(A) each of the several States of the United States; and

(B) the District of Columbia.

Subtitle A—Infrastructure Financing Authority

SEC. 311. ESTABLISHMENT AND GENERAL AUTHORITY OF IFA.

(a) ESTABLISHMENT OF IFA.—The Infrastructure Financing Authority is established as a wholly owned Government corporation.

(b) GENERAL AUTHORITY OF IFA.—IFA shall—

(1) provide direct loans and loan guarantees to facilitate eligible infrastructure projects that are economically viable, in the public interest, and of regional or national significance; and

(2) carry out any other activities and duties authorized under this title.

(c) INCORPORATION.—

(1) IN GENERAL.—The Board of Directors first appointed shall be deemed the incorporator of IFA, and the incorporation shall be held to have been effected from the date of the first meeting of the Board of Directors.

(2) CORPORATE OFFICE.—IFA shall—

(A) maintain an office in Washington, DC; and

(B) for purposes of venue in civil actions, be considered to be a resident of Washington, DC.

(d) RESPONSIBILITY OF THE SECRETARY.—The Secretary shall take such action as may

be necessary to assist in implementing IFA and in carrying out the purpose of this title.

(e) RULE OF CONSTRUCTION.—Chapter 91 of title 31, United States Code, does not apply to IFA, unless otherwise specifically provided in this title.

SEC. 312. VOTING MEMBERS OF THE BOARD OF DIRECTORS.

(a) VOTING MEMBERSHIP OF THE BOARD OF DIRECTORS.—

(1) IN GENERAL.—IFA shall have a Board of Directors consisting of 7 voting members appointed by the President, by and with the advice and consent of the Senate, not more than 4 of whom shall be from the same political party.

(2) CHAIRPERSON.—One of the voting members of the Board of Directors shall be designated by the President, by and with the advice and consent of the Senate, to serve as Chairperson of the Board of Directors.

(3) CONGRESSIONAL RECOMMENDATIONS.—Not later than 30 days after the date of the enactment of this Act, the majority leader of the Senate, the minority leader of the Senate, the Speaker of the House of Representatives, and the minority leader of the House of Representatives shall each submit a recommendation to the President for appointment of a member of the Board of Directors, after consultation with the appropriate committees of Congress.

(4) SPECIAL CONSIDERATION OF RURAL INTERESTS AND GEOGRAPHIC DIVERSITY.—In making an appointment under this subsection, the President shall give consideration to the geographic areas of the United States in which the members of the Board of Directors live and work, particularly to ensure that the infrastructure priorities and concerns of each region of the country, including rural areas and small communities, are represented on the Board of Directors.

(b) VOTING RIGHTS.—Each voting member of the Board of Directors shall have an equal vote in all decisions of the Board of Directors.

(c) QUALIFICATIONS OF VOTING MEMBERS.—Each voting member of the Board of Directors shall—

(1) be a citizen of the United States; and

(2) have significant demonstrated expertise in—

(A) the management and administration of a financial institution relevant to the operation of IFA; or

(B) the financing, development, or operation of infrastructure projects, including in the evaluation and selection of eligible infrastructure projects based on the purposes, goals, and objectives of this title.

(d) TERMS.—

(1) IN GENERAL.—Except as otherwise provided in this title, each voting member of the Board of Directors shall be appointed for a term of 5 years.

(2) INITIAL STAGGERED TERMS.—Of the voting members first appointed to the Board of Directors—

(A) the initial Chairperson and 3 of the other voting member shall each be appointed for a term of 5 years; and

(B) the remaining 3 voting members shall each be appointed for a term of 2 years.

(3) DATE OF INITIAL NOMINATIONS.—The initial nominations for the appointment of all voting members of the Board of Directors shall be made not later than 60 days after the date of the enactment of this Act.

(4) BEGINNING OF TERM.—The term of each of the initial voting members appointed under this section shall commence immediately upon the date of appointment, except that, for purposes of calculating the term limits specified in this subsection, the initial terms shall each be construed as beginning on January 22 of the year following the date of the initial appointment.

(5) VACANCIES.—

(A) IN GENERAL.—A vacancy in the position of a voting member of the Board of Directors shall be filled by the President, by and with the advice and consent of the Senate.

(B) TERM.—A member appointed to fill a vacancy on the Board of Directors occurring before the expiration of the term for which the predecessor was appointed shall be appointed only for the remainder of that term.

(e) MEETINGS.—

(1) OPEN TO THE PUBLIC; NOTICE.—Except as provided in paragraph (3), all meetings of the Board of Directors shall be—

(A) open to the public; and

(B) preceded by reasonable public notice.

(2) FREQUENCY.—The Board of Directors shall meet—

(A) not later than 60 days after the date on which all members of the Board of Directors are first appointed;

(B) at least quarterly after the date described in subparagraph (A); and

(C) at the call of the Chairperson or 3 voting members of the Board of Directors.

(3) EXCEPTION FOR CLOSED MEETINGS.—

(A) IN GENERAL.—The voting members of the Board of Directors may, by majority vote, close a meeting to the public if, during the meeting to be closed, there is likely to be disclosed proprietary or sensitive information regarding an eligible infrastructure project under consideration for assistance under this title.

(B) AVAILABILITY OF MINUTES.—The Board of Directors shall prepare minutes of any meeting that is closed to the public, which minutes shall be made available as soon as practicable, but not later than 1 year after the date of the closed meeting, with any necessary redactions to protect any proprietary or sensitive information.

(4) QUORUM.—For purposes of meetings of the Board of Directors, 5 voting members of the Board of Directors shall constitute a quorum.

(f) COMPENSATION OF MEMBERS.—Each voting member of the Board of Directors shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level III of the Executive Schedule under section 5314 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Board of Directors.

(g) CONFLICTS OF INTEREST.—A voting member of the Board of Directors may not participate in any review or decision affecting an eligible infrastructure project under consideration for assistance under this title, if the member has or is affiliated with an entity who has a financial interest in that project.

SEC. 313. CHIEF EXECUTIVE OFFICER OF IFA.

(a) IN GENERAL.—The chief executive officer shall—

(1) be a nonvoting member of the Board of Directors;

(2) be responsible for all activities of IFA; and

(3) support the Board of Directors in accordance with this title and as the Board of Directors determines to be necessary.

(b) APPOINTMENT AND TENURE OF THE CHIEF EXECUTIVE OFFICER.—

(1) IN GENERAL.—The President shall appoint the chief executive officer, by and with the advice and consent of the Senate.

(2) TERM.—The chief executive officer shall be appointed for a term of 6 years.

(3) VACANCIES.—

(A) IN GENERAL.—Any vacancy in the office of the chief executive officer shall be filled by the President, by and with the advice and consent of the Senate.

(B) TERM.—The person appointed to fill a vacancy in the chief executive officer position that occurs before the expiration of the term for which the predecessor was appointed shall be appointed only for the remainder of that term.

(c) QUALIFICATIONS.—The chief executive officer—

(1) shall have significant expertise in management and administration of a financial institution, or significant expertise in the financing and development of infrastructure projects; and

(2) may not—

(A) hold any other public office;

(B) have any financial interest in an eligible infrastructure project then being considered by the Board of Directors, unless that interest is placed in a blind trust; or

(C) have any financial interest in an investment institution or its affiliates or any other entity seeking or likely to seek financial assistance for any eligible infrastructure project from IFA, unless any such interest is placed in a blind trust for the tenure of the service of the chief executive officer plus 2 additional years.

(d) RESPONSIBILITIES.—The chief executive officer shall have such executive functions, powers, and duties as may be prescribed under this title, the bylaws of IFA, or the Board of Directors, including—

(1) responsibility for the development and implementation of the strategy of IFA, including—

(A) the development and submission to the Board of Directors of the annual business plans and budget;

(B) the development and submission to the Board of Directors of a long-term strategic plan; and

(C) the development, revision, and submission to the Board of Directors of internal policies; and

(2) responsibility for the management and oversight of the daily activities, decisions, operations, and personnel of IFA.

(e) COMPENSATION.—

(1) IN GENERAL.—Any compensation assessment or recommendation by the chief executive officer under this section shall be without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code.

(2) CONSIDERATIONS.—The compensation assessment or recommendation required under this subsection shall take into account merit principles, where applicable, as well as the education, experience, level of responsibility, geographic differences, and retention and recruitment needs in determining compensation of personnel.

SEC. 314. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

The Board of Directors shall—

(1) as soon as practicable after the date on which all members are appointed, approve or disapprove senior management appointed by the chief executive officer;

(2) not later than 180 days after the date on which all members are appointed—

(A) develop and approve the bylaws of IFA, including bylaws for the regulation of the affairs and conduct of the business of IFA, consistent with the purpose, goals, objectives, and policies set forth in this title;

(B) establish subcommittees, including an audit committee that is composed solely of members of the Board of Directors, other than the chief executive officer;

(C) develop and approve, in consultation with senior management, a conflict-of-interest policy for the Board of Directors and for senior management;

(D) approve or disapprove internal policies that the chief executive officer shall submit to the Board of Directors, including—

(i) policies regarding the loan application and approval process, including application procedures and project approval processes;

(ii) operational guidelines; and

(E) approve or disapprove a 1-year business plan and budget for IFA;

(3) ensure that IFA is at all times operated in a manner that is consistent with this title, by—

(A) monitoring and assessing the effectiveness of IFA in achieving its strategic goals;

(B) reviewing and approving internal policies, annual business plans, annual budgets, and long-term strategies submitted by the chief executive officer;

(C) reviewing and approving annual reports submitted by the chief executive officer;

(D) engaging 1 or more external auditors, as set forth in this title; and

(E) reviewing and approving all changes to the organization of senior management;

(4) appoint and fix, by a vote of not less than 5 of the 7 voting members of the Board of Directors, and without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code, the compensation and adjustments to compensation of all IFA personnel, provided that in appointing and fixing any compensation or adjustments to compensation under this paragraph, the Board shall—

(A) consult with, and seek to maintain comparability with, other comparable Federal personnel, as the Board of Directors may determine to be appropriate;

(B) consult with the Office of Personnel Management; and

(C) carry out those duties consistent with merit principles, where applicable, as well as the education, experience, level of responsibility, geographic differences, comparability to private sector positions, and retention and recruitment needs in determining compensation of personnel;

(5) serve as the primary liaison for IFA in interactions with Congress, the Secretary of Transportation and other Executive Branch officials, and State and local governments, and to represent the interests of IFA in those interactions and others;

(6) approve by a vote of not less than 5 of the 7 voting members of the Board of Directors any changes to the bylaws or internal policies of IFA;

(7) have the authority and responsibility—

(A) to oversee entering into and carrying out such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out this title;

(B) to approve of the acquisition, lease, pledge, exchange, and disposal of real and personal property by IFA and otherwise approve the exercise by IFA of all of the usual incidents of ownership of property, to the extent that the exercise of those powers is appropriate to and consistent with the purposes of IFA;

(C) to determine the character of, and the necessity for, the obligations and expenditures of IFA, and the manner in which the obligations and expenditures will be incurred, allowed, and paid, subject to this title and other Federal law specifically applicable to wholly owned Federal corporations;

(D) to execute, in accordance with applicable bylaws and regulations, appropriate instruments;

(E) to approve other forms of credit enhancement that IFA may provide to eligible projects, as long as the forms of credit enhancements are consistent with the purposes of this title and the terms set forth in subtitle B;

(F) to exercise all other lawful powers which are necessary or appropriate to carry out, and are consistent with, the purposes of IFA;

(G) to sue or be sued in the corporate capacity of IFA in any court of competent jurisdiction;

(H) to indemnify the members of the Board of Directors and officers of IFA for any liabilities arising out of the actions of the members and officers in that capacity, in accordance with, and subject to the limitations contained in this title;

(I) to review all financial assistance packages to all eligible infrastructure projects, as submitted by the chief executive officer and to approve, postpone, or deny the same by majority vote;

(J) to review all restructuring proposals submitted by the chief executive officer, including assignation, pledging, or disposal of the interest of IFA in a project, including payment or income from any interest owned or held by IFA, and to approve, postpone, or deny the same by majority vote;

(K) to enter into binding commitments, as specified in approved financial assistance packages;

(L) to determine whether—

(i) to obtain a lien on the assets of an eligible entity that receives assistance under this title; and

(ii) to subordinate a lien under clause (i) to any other lien securing project obligations; and

(M) to ensure a measurable public benefit in the selection of eligible infrastructure projects and to provide for reasonable public input in the selection of such projects;

(8) delegate to the chief executive officer those duties that the Board of Directors determines to be appropriate, to better carry out the powers and purposes of the Board of Directors under this section; and

(9) to approve a maximum aggregate amount of principal exposure of IFA at any given time.

SEC. 315. SENIOR MANAGEMENT.

(a) IN GENERAL.—Senior management shall support the chief executive officer in the discharge of the responsibilities of the chief executive officer.

(b) APPOINTMENT OF SENIOR MANAGEMENT.—The chief executive officer shall appoint such senior managers as are necessary to carry out the purposes of IFA, as approved by a majority vote of the voting members of the Board of Directors, including a chief compliance officer, general counsel, chief operating officer, chief lending officer, and other positions as determined to be appropriate by the chief executive officer and Board of Directors.

(c) TERM.—Each member of senior management shall serve at the pleasure of the chief executive officer and the Board of Directors.

(d) REMOVAL OF SENIOR MANAGEMENT.—Any member of senior management may be removed—

(1) by a majority of the voting members of the Board of Directors at the request of the chief executive officer; or

(2) by a vote of not fewer than 5 voting members of the Board of Directors.

(e) SENIOR MANAGEMENT.—

(1) IN GENERAL.—Each member of senior management shall report directly to the chief executive officer, other than the chief risk officer, who shall report directly to the Board of Directors.

(2) CHIEF RISK OFFICER.—The chief risk officer shall be responsible for all functions of IFA relating to—

(A) the creation of financial, credit, and operational risk management guidelines and policies;

(B) the establishment of guidelines to ensure diversification of lending activities by region, infrastructure project type, and project size;

(C) the creation of conforming standards for infrastructure finance agreements;

(D) the monitoring of the financial, credit, and operational exposure of IFA; and

(E) risk management and mitigation actions, including by reporting those actions, or recommendations of actions to be taken, directly to the Board of Directors.

(f) CONFLICTS OF INTEREST.—No individual appointed to senior management may—

(1) hold any other public office;

(2) have any financial interest in an eligible infrastructure project then being considered by the Board of Directors, unless that interest is placed in a blind trust; or

(3) have any financial interest in an investment institution or its affiliates, IFA or its affiliates, or other entity then seeking or likely to seek financial assistance for any eligible infrastructure project from IFA, unless any such interest is placed in a blind trust during the term of service of that individual in a senior management position, and for a period of 2 years thereafter.

SEC. 316. OFFICE OF TECHNICAL AND RURAL ASSISTANCE.

(a) IN GENERAL.—The chief executive officer shall create and manage within IFA an office, to be known as the ''Office of Technical and Rural Assistance''.

(b) DUTIES.—The Office of Technical and Rural Assistance shall—

(1) in consultation with the Secretary, the Secretary of Transportation, and the heads of other relevant Federal agencies, as determined by the chief executive officer, provide technical assistance to State and local governments and parties in public-private partnerships in the development and financing of eligible infrastructure projects, including rural infrastructure projects;

(2) assist the entities described in paragraph (1) with coordinating loan and loan guarantee programs available through Federal agencies, including the Department of Transportation and other Federal agencies as appropriate; and

(3) work with the entities described in paragraph (1) to identify and develop a pipeline of projects suitable for financing through innovative project financing and performance based project delivery, including those projects with the potential for financing through IFA.

SEC. 317. SPECIAL INSPECTOR GENERAL FOR IFA.

(a) IN GENERAL.—

(1) INITIAL PERIOD.—For the 5-year period beginning on the date of the enactment of this Act, the Inspector General of the Department of Treasury shall serve as the Special Inspector General for IFA in addition to the existing duties of the Inspector General of the Department of Treasury.

(2) OFFICE OF THE SPECIAL INSPECTOR GENERAL.—Effective beginning on the day that is 5 years after the date of the enactment of this Act, there is established the Office of the Special Inspector General for IFA.

(b) APPOINTMENT OF INSPECTOR GENERAL; REMOVAL.—

(1) HEAD OF OFFICE.—The head of the Office of the Special Inspector General for IFA shall be the Special Inspector General for IFA, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) BASIS OF APPOINTMENT.—The appointment of the Special Inspector General shall be made on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(3) TIMING OF NOMINATION.—The nomination of an individual as Special Inspector General shall be made as soon as practicable after the date of the enactment of this Act.

(4) REMOVAL.—The Special Inspector General shall be removable from office in accordance with the provisions of section 3(b) of the Inspector General Act of 1978 (5 U.S.C. App.).

(5) RULE OF CONSTRUCTION.—For purposes of section 7324 of title 5, United States Code, the Special Inspector General shall not be considered an employee who determines policies to be pursued by the United States in the nationwide administration of Federal law.

(6) RATE OF PAY.—The annual rate of basic pay of the Special Inspector General shall be the annual rate of basic pay for an Inspector General under section 3(e) of the Inspector General Act of 1978 (5 U.S.C. App.).

(c) DUTIES.—The Special Inspector General shall—

(1) conduct, supervise, and coordinate audits and investigations of the business activities of IFA;

(2) establish, maintain, and oversee such systems, procedures, and controls as the Special Inspector General considers appropriate to discharge the duty under paragraph (1); and

(3) carry out any other duties and responsibilities of inspectors general under the Inspector General Act of 1978 (5 U.S.C. App.).

(d) POWERS AND AUTHORITIES.—

(1) IN GENERAL.—In carrying out the duties specified in subsection (c), the Special Inspector General shall have the authorities set forth in section 6 of the Inspector General Act of 1978 (5 U.S.C. App.).

(2) ADDITIONAL AUTHORITY.—The Special Inspector General shall carry out the duties specified in subsection (c)(1) in accordance with section 4(b)(1) of the Inspector General Act of 1978 (5 U.S.C. App.).

(e) PERSONNEL, FACILITIES, AND OTHER RESOURCES.—

(1) ADDITIONAL OFFICERS.—

(A) IN GENERAL.—The Special Inspector General may select, appoint, and employ such officers and employees as may be necessary for carrying out the duties of the Special Inspector General, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(B) EMPLOYMENT AND COMPENSATION.—The Special Inspector General may exercise the authorities under subsections (b) through (i) of section 3161 of title 5, United States Code (without regard to subsection (a) of that section).

(2) RETENTION OF SERVICES.—The Special Inspector General may obtain services as authorized under section 3109 of title 5, United States Code, at daily rates not to exceed the equivalent rate prescribed for grade GS–15 of the General Schedule by section 5332 of such title.

(3) ABILITY TO CONTRACT FOR AUDITS, STUDIES, AND OTHER SERVICES.—The Special Inspector General may enter into contracts and other arrangements for audits, studies, analyses, and other services with public agencies and with private persons, and make such payments as may be necessary to carry out the duties of the Special Inspector General.

(4) REQUEST FOR INFORMATION.—

(A) IN GENERAL.—Upon request of the Special Inspector General for information or assistance from any department, agency, or other entity of the Federal Government, the head of that entity shall, insofar as is practicable and not in contravention of any existing law, furnish the information or assistance to the Special Inspector General or an authorized designee.

(B) REFUSAL TO COMPLY.—If information or assistance requested by the Special Inspector General is, in the judgment of the Special Inspector General, unreasonably refused or not provided, the Special Inspector General shall report the circumstances to the Secretary, without delay.

(f) REPORTS.—

(1) ANNUAL REPORT.—Not later than 1 year after the date on which the Special Inspector General is confirmed, and every calendar year thereafter, the Special Inspector General shall submit a report to the President and to appropriate committees of Congress that summarizes the activities of the Special Inspector General during the 1-year period ending on the date of that report.

(2) PUBLIC DISCLOSURES.—Nothing in this subsection may be construed to authorize the public disclosure of information that is—

(A) specifically prohibited from disclosure by any other provision of law;

(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

(C) a part of an ongoing criminal investigation.

SEC. 318. OTHER PERSONNEL.

(a) APPOINTMENT, REMOVAL, AND DEFINITION OF DUTIES.—Except as otherwise provided in the IFA bylaws, the chief executive officer, in consultation with the Board of Directors, shall appoint, remove, and define the duties of such qualified personnel as are necessary to carry out the powers, duties, and purpose of IFA, other than senior management, who shall be appointed in accordance with section 315.

(b) COORDINATION IN IDENTIFYING QUALIFICATIONS AND EXPERTISE.—In appointing qualified personnel under subsection (a), the chief executive officer shall coordinate with, and seek assistance from, the Secretary of Transportation in identifying the appropriate qualifications and expertise in infrastructure project finance.

SEC. 319. COMPLIANCE.

The provision of assistance by IFA under this title does not supersede any provision of State law or regulation otherwise applicable to an eligible infrastructure project.

Subtitle B—Terms and Limitations on Direct Loans and Loan Guarantees

SEC. 321. ELIGIBILITY CRITERIA FOR ASSISTANCE FROM IFA AND TERMS AND LIMITATIONS OF LOANS.

(a) PUBLIC BENEFIT REQUIRED.—

(1) IN GENERAL.—Any project the use or purpose of which is private and for which no public benefit is created, as determined by the Board of Directors, shall not be eligible for financial assistance from IFA under this title.

(2) CRITERIA.—Financial assistance under this title shall only be made available if the applicant for assistance has demonstrated to the satisfaction of the Board of Directors that—

(A) the eligible infrastructure project for which assistance is being sought—

(i) is not for the refinancing of an existing infrastructure project; and

(ii) meets—

(I) any pertinent requirements set forth in this title;

(II) any criteria established by the Board of Directors or chief executive officer in accordance with this title; and

(III) the definition of an eligible infrastructure project; and

(B) for projects involving public-private partnerships, the project has received contributed capital or commitments for contributed capital equal to not less than 10 percent of the total cost of the eligible infrastructure project for which assistance is being sought, if such contributed capital includes—

(i) equity;

(ii) deeply subordinate loans or other credit and debt instruments, which shall be junior to any IFA assistance provided for the project;

(iii) appropriated funds or grants from governmental sources other than the Federal Government; or

(iv) irrevocable private contributions of funds, grants, property (including rights-of way), and other assets that directly reduce or offset project costs.

(b) CONSIDERATIONS.—The criteria established by the Board of Directors under this title shall provide adequate consideration of—

(1) the economic, financial, technical, environmental, and public benefits and costs of each eligible infrastructure project under consideration for financial assistance under this title, prioritizing eligible infrastructure projects that—

(A) demonstrate a clear and measurable public benefit;

(B) offer value for money to taxpayers;

(C) contribute to regional or national economic growth;

(D) lead to long-term job creation; and

(E) mitigate environmental concerns;

(2) the means by which development of the eligible infrastructure project under consideration is being financed, including—

(A) the terms, conditions, and structure of the proposed financing;

(B) the creditworthiness and standing of the project sponsors, providers of equity, and cofinanciers;

(C) the financial assumptions and projections on which the eligible infrastructure project is based; and

(D) whether there is sufficient State or municipal political support for the successful completion of the eligible infrastructure project;

(3) the likelihood that the provision of assistance by IFA will cause the development to proceed more promptly and with lower costs for financing than would be the case without IFA assistance;

(4) the extent to which the provision of assistance by IFA maximizes the level of private investment in the eligible infrastructure project or supports a public-private partnership, while providing a significant public benefit;

(5) the extent to which the provision of assistance by IFA can mobilize the participation of other financing partners in the eligible infrastructure project;

(6) the technical and operational viability of the eligible infrastructure project;

(7) the proportion of financial assistance from IFA;

(8) the geographical location of the project, prioritizing geographical diversity of projects funded by IFA;

(9) the size of the project and the impact of the project on the resources of IFA; and

(10) the infrastructure sector of the project, prioritizing projects from more than 1 sector funded by IFA.

(c) APPLICATION.—

(1) IN GENERAL.—Any eligible entity seeking assistance from IFA under this title for an eligible infrastructure project shall submit an application to IFA at such time, in such manner, and containing such information as the Board of Directors or the chief executive officer may require.

(2) REVIEW OF APPLICATIONS.—

(A) IN GENERAL.—IFA shall review applications for assistance under this title on an ongoing basis.

(B) PREPARATION.—The chief executive officer, in cooperation with the senior management, shall prepare eligible infrastructure projects for review and approval by the Board of Directors.

(3) DEDICATED REVENUE SOURCES.—The Federal credit instrument shall be repayable, in whole or in part, from tolls, user fees, or other dedicated revenue sources derived from

users or beneficiaries that also secure the eligible infrastructure project obligations.

(d) ELIGIBLE INFRASTRUCTURE PROJECT COSTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), to be eligible for assistance under this title, an eligible infrastructure project shall have project costs that are reasonably anticipated to equal or exceed $50,000,000.

(2) RURAL INFRASTRUCTURE PROJECTS.—To be eligible for assistance under this title a rural infrastructure project shall have project costs that are reasonably anticipated to equal or exceed $10,000,000.

(e) LOAN ELIGIBILITY AND MAXIMUM AMOUNTS.—

(1) IN GENERAL.—The amount of a direct loan or loan guarantee under this title shall not exceed the lesser of—

(A) 49 percent of the reasonably anticipated eligible infrastructure project costs; and

(B) the amount of the senior project obligations, if the direct loan or loan guarantee does not receive an investment grade rating.

(2) MAXIMUM ANNUAL LOAN AND LOAN GUARANTEE VOLUME.—The aggregate amount of direct loans and loan guarantees made by IFA shall not exceed—

(A) during the first 2 fiscal years of the operations of IFA, $10,000,000,000 per year;

(B) during fiscal years 3 through 9 of the operations of IFA, $20,000,000,000 per year; and

(C) during any fiscal year thereafter, $50,000,000,000.

SEC. 322. LOAN TERMS AND REPAYMENT.

(a) IN GENERAL.—A direct loan or loan guarantee under this title with respect to an eligible infrastructure project shall be on such terms, subject to such conditions, and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the chief executive officer determines appropriate.

(b) TERMS.—A direct loan or loan guarantee under this title—

(1) shall—

(A) be payable, in whole or in part, from tolls, user fees, or other dedicated revenue sources derived from users or beneficiaries; and

(B) include a rate covenant, coverage requirement, or similar security feature supporting the project obligations; and

(2) may be secured by a lien—

(A) on the assets of the obligor, including revenues described in paragraph (1); and

(B) which may be subordinated to any other lien securing project obligations.

(c) BASE INTEREST RATE.—The base interest rate on a direct loan under this title shall be not less than the yield on Treasury obligations of a similar maturity to the maturity of the direct loan on the date of execution of the loan agreement.

(d) RISK ASSESSMENT.—Before entering into an agreement for assistance under this title, the chief executive officer, in consultation with the Director of the Office of Management and Budget and each rating agency providing a preliminary rating opinion letter under this section, shall determine an appropriate Federal credit subsidy amount for each direct loan and loan guarantee, taking into account that preliminary rating opinion letter and any comparable market rates available for such a loan or loan guarantee.

(e) CREDIT FEE.—

(1) IN GENERAL.—With respect to each agreement for assistance under this title, the chief executive officer shall charge a credit fee to the recipient of that assistance to pay for, over time, all or a portion of the Federal credit subsidy determined under subsection (d), with the remainder paid by the account established for IFA.

(2) DIRECT LOANS.—In the case of a direct loan, the credit fee described in paragraph (1) shall be in addition to the base interest rate established under subsection (c).

(f) MATURITY DATE.—The final maturity date of a direct loan or loan guaranteed by IFA under this title shall be not later than 35 years after the date of substantial completion of the eligible infrastructure project, as determined by the chief executive officer.

(g) PRELIMINARY RATING OPINION LETTER.—

(1) IN GENERAL.—The chief executive officer shall require each applicant for assistance under this title to provide a preliminary rating opinion letter from at least 1 rating agency, indicating that the senior obligations of the eligible infrastructure project, which may be the Federal credit instrument, have the potential to achieve an investment-grade rating.

(2) RURAL INFRASTRUCTURE PROJECTS.—With respect to a rural infrastructure project, a rating agency opinion letter described in paragraph (1) shall not be required, except that the loan or loan guarantee shall receive an internal rating score, using methods similar to the rating agencies generated by IFA, measuring the proposed direct loan or loan guarantee against comparable direct loans or loan guarantees of similar credit quality in a similar sector.

(h) INVESTMENT-GRADE RATING REQUIREMENT.—

(1) LOANS AND LOAN GUARANTEES.—The execution of a direct loan or loan guarantee under this title shall be contingent on the senior obligations of the eligible infrastructure project receiving an investment-grade rating.

(2) RATING OF IFA OVERALL PORTFOLIO.—The average rating of the overall portfolio of IFA shall be not less than investment grade after 5 years of operation.

(i) TERMS AND REPAYMENT OF DIRECT LOANS.—

(1) SCHEDULE.—The chief executive officer shall establish a repayment schedule for each direct loan under this title, based on the projected cash flow from eligible infrastructure project revenues and other repayment sources.

(2) COMMENCEMENT.—Scheduled loan repayments of principal or interest on a direct loan under this title shall commence not later than 5 years after the date of substantial completion of the eligible infrastructure project, as determined by the chief executive officer.

(3) DEFERRED PAYMENTS OF DIRECT LOANS.—

(A) AUTHORIZATION.—If, at any time after the date of substantial completion of an eligible infrastructure project assisted under this title, the eligible infrastructure project is unable to generate sufficient revenues to pay the scheduled loan repayments of principal and interest on the direct loan under this title, the chief executive officer may allow the obligor to add unpaid principal and interest to the outstanding balance of the direct loan, if the result would benefit the taxpayer.

(B) INTEREST.—Any payment deferred under subparagraph (A) shall—

(i) continue to accrue interest, in accordance with the terms of the obligation, until fully repaid; and

(ii) be scheduled to be amortized over the remaining term of the loan.

(C) CRITERIA.—

(i) IN GENERAL.—Any payment deferral under subparagraph (A) shall be contingent on the eligible infrastructure project meeting criteria established by the Board of Directors.

(ii) REPAYMENT STANDARDS.—The criteria established under clause (i) shall include standards for reasonable assurance of repayment.

(4) PREPAYMENT OF DIRECT LOANS.—

(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the eligible infrastructure project obligations and direct loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations under this title may be applied annually to prepay the direct loan, without penalty.

(B) USE OF PROCEEDS OF REFINANCING.—A direct loan under this title may be prepaid at any time, without penalty, from the proceeds of refinancing from non-Federal funding sources.

(j) LOAN GUARANTEES.—The terms of a loan guaranteed by IFA under this title shall be consistent with the terms set forth in this section for a direct loan, except that the rate on the guaranteed loan and any payment, prepayment, or refinancing features shall be negotiated between the obligor and the lender (as defined in section 601(a) of title 23, United States Code) with the consent of the chief executive officer.

(k) COMPLIANCE WITH FCRA.—

(1) IN GENERAL.—Except as provided in paragraph (2), direct loans and loan guarantees authorized under this title shall be subject to the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) EXCEPTION.—Section 504(b) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c(b)) shall not apply to a loan or loan guarantee under this title.

(l) POLICY OF CONGRESS.—It is the policy of Congress that IFA shall only make a direct loan or loan guarantee under this title if IFA determines that IFA is reasonably expected to recover the full amount of the direct loan or loan guarantee.

SEC. 323. COMPLIANCE AND ENFORCEMENT.

(a) CREDIT AGREEMENT.—Notwithstanding any other provision of law, each eligible entity that receives assistance under this title shall enter into a credit agreement that requires such entity to comply with all applicable policies and procedures of IFA, in addition to all other provisions of the loan agreement.

(b) APPLICABILITY OF FEDERAL LAWS.—Each eligible entity that receives assistance under this title shall provide written assurance, in such form and manner and containing such terms as are to be prescribed by IFA, that the eligible infrastructure project will be performed in compliance with the requirements of all Federal laws that would otherwise apply to similar projects to which the United States is a party, or financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant, or annual contribution.

(c) IFA AUTHORITY ON NONCOMPLIANCE.—In any case in which an eligible entity that receives assistance under this title is materially out of compliance with the loan agreement, or any applicable policy or procedure of IFA, the Board of Directors may take action—

(1) to cancel unused loan amounts; or

(2) to accelerate the repayment terms of any outstanding obligation.

SEC. 324. AUDITS; REPORTS TO THE PRESIDENT AND CONGRESS.

(a) ACCOUNTING.—The books of account of IFA shall be—

(1) maintained in accordance with generally accepted accounting principles; and

(2) subject to an annual audit by independent public accountants of nationally recognized standing appointed by the Board of Directors.

(b) REPORTS.—

(1) BOARD OF DIRECTORS.—Not later than 90 days after the last day of each fiscal year, the Board of Directors shall submit to the President and Congress a complete and detailed report with respect to the preceding fiscal year, setting forth—

(A) a summary of the operations of IFA for that fiscal year;

(B) a schedule of the obligations of IFA and capital securities outstanding at the end of that fiscal year, with a statement of the amounts issued and redeemed or paid during that fiscal year;

(C) the status of eligible infrastructure projects receiving funding or other assistance under this title during that fiscal year, including—

(i) all nonperforming loans; and

(ii) disclosure of all entities with a development, ownership, or operational interest in those eligible infrastructure projects;

(D) a description of the successes and challenges encountered in lending to rural communities, including the role of the Office of Technical and Rural Assistance established under this title; and

(E) an assessment of the risks of the portfolio of IFA, which shall be prepared by an independent source.

(2) GAO EVALUATION.—Not later than 5 years after the date of the enactment of this Act, the Comptroller General of the United States shall conduct an evaluation of, and submit a report to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives on the activities of IFA for the fiscal years covered by the report that includes—

(A) an assessment of the impact and benefits of each funded eligible infrastructure project, including a review of how effectively each eligible infrastructure project accomplished the goals prioritized by the eligible infrastructure project criteria of IFA; and

(B) an evaluation of the effectiveness of, and challenges facing, loan programs at the Department of Transportation and Department of Energy, and an analysis of the advisability of consolidating those programs within IFA.

(3) GAO STUDY AND REPORT.—Not later than 10 years after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and submit a report to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives on the status of actions taken to make IFA a self-sustaining entity, including providing recommendations for such legislative or administrative actions as the Comptroller General considers necessary for IFA to achieve self-sustaining status or to promote a greater likelihood of achieving such status.

(c) BOOKS AND RECORDS.—

(1) IN GENERAL.—IFA shall maintain adequate books and records to support the financial transactions of IFA, with a description of financial transactions and eligible infrastructure projects receiving funding, and the amount of funding for each project maintained on a publically accessible database.

(2) AUDITS BY THE SECRETARY AND GAO.—The books and records of IFA shall at all times be open to inspection by the Secretary, the Special Inspector General, and the Comptroller General of the United States.

SEC. 325. EFFECT ON OTHER LAWS.

Nothing in this title affects or alters the responsibility of an eligible entity that receives assistance under this title to comply with applicable Federal and State laws (including regulations) relating to an eligible infrastructure project.

Subtitle C—Funding of IFA

SEC. 331. FEES.

The chief executive officer shall establish fees with respect to loans and loan guarantees under this title that—

(1) are sufficient to cover all the administrative costs to the Federal Government for the operations of IFA;

(2) may be in the form of an application or transaction fee, or interest rate adjustment; and

(3) may be based on the risk premium associated with the loan or loan guarantee, taking into consideration—

(A) the price of Treasury obligations of a similar maturity;

(B) prevailing market conditions;

(C) the ability of the eligible infrastructure project to support the loan or loan guarantee; and

(D) the total amount of the loan or loan guarantee.

SEC. 332. SELF-SUFFICIENCY OF IFA.

The chief executive officer shall, to the extent practicable, take actions consistent with this title to make IFA a self-sustaining entity, with administrative costs and Federal credit subsidy costs fully funded by fees and risk premiums on loans and loan guarantees.

SEC. 333. FUNDING.

(a) IN GENERAL.—There is authorized to be appropriated to IFA to make direct loans and loan guarantees under this title $10,000,000,000—

(1) which shall remain available until expended;

(2) of which not more than $25,000,000 may be used for the administrative costs of IFA for each of the fiscal years 2014 and 2015; and

(3) of which not more than $50,000,000 may be used for the administrative costs of IFA for fiscal year 2016.

(b) INTEREST.—The amounts made available to IFA under this title shall be placed in interest-bearing accounts.

(c) RURAL INFRASTRUCTURE PROJECTS.—Of the amounts made available to IFA under this title, not less than 5 percent shall be used to offset subsidy costs associated with rural infrastructure projects.

SEC. 334. CONTRACT AUTHORITY.

Notwithstanding any other provision of law, approval by the Board of Directors of a Federal credit instrument that uses funds made available under this title shall impose upon the United States a contractual obligation to fund the Federal credit investment.

SEC. 335. LIMITATION ON AUTHORITY.

IFA shall not have the authority to issue debt in its own name.

Subtitle D—Budgetary Effects

SEC. 341. BUDGETARY EFFECTS.

The budgetary effects of this title, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this title, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SA 3614. Mr. SCOTT submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—SOUTHERN ENERGY ACCESS JOBS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Southern Energy Access Jobs Act'' or the ''SEA Jobs Act''.

SEC. 202. DEFINITIONS.

In this title:

(1) DIRECTOR.—The term ''Director'' means the Director of the Bureau of Ocean Energy Management.

(2) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

(3) QUALIFIED REVENUES.—The term ''qualified revenues'' means all bonus bids, rentals and royalties (and other sums) due and payable to the United States from all leases entered into after the date of enactment of this Act that covers an area in the South Atlantic planning area.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(5) SOUTH ATLANTIC PLANNING AREA.—The term ''South Atlantic planning area'' means the area of the outer Continental Shelf (as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331)) that is located between the northern lateral seaward administrative boundary of the Commonwealth of Virginia and the southernmost lateral seaward administrative boundary of the State of Georgia.

(6) STATE.—The term ''State'' means any of the following States:

(A) Georgia.

(B) North Carolina.

(C) South Carolina.

(D) Virginia.

(7) WORKFORCE INVESTMENT BOARD.—The term ''workforce investment board'' means a State or local workforce investment board established under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.).

SEC. 203. ENHANCING STATE RIGHTS.

(a) IN GENERAL.—The Secretary shall promulgate regulations that establish management of the surface occupancy of each portion of the South Atlantic planning area for the applicable coastline of a State for any lease sale authorized under this title to the effect that—

(1) the applicable State shall have sole authority to restrict or allow surface facilities above the waterline for the purpose of production of oil or gas resources in any area that is within 12 nautical miles seaward from the coastline of the State;

(2) unless permanent surface occupancy is authorized by a State, only sub-surface production facilities may be installed in areas that are located between the point that is 12 nautical miles from seaward from the coastline of the State and the point that is 20 nautical miles seaward from the coastline of the State;

(3) new offshore production facilities are encouraged and the impacts on coastal vistas are minimized, to the maximum extent practical; and

(4) onshore facilities that facilitate the development and production of the oil and gas resources of the South Atlantic planning area within 12 nautical miles seaward of the coastline of a State are allowed.

(b) TEMPORARY ACTIVITIES NOT AFFECTED.—Nothing in the regulations described in subsection (a) shall restrict, or give the States authority to restrict, temporary surface activities related to operations associated with outer Continental Shelf oil and gas leases.

SEC. 204. REINSTATEMENT OF VIRGINIA LEASE SALE 220.

Not later than 2 years after the date of enactment of this Act, the Secretary shall conduct Lease Sale 220 (as described in the notice of intent to prepare an environmental impact statement dated November 13, 2008 (73 Fed. Reg. 67201)).

SEC. 205. SOUTH CAROLINA LEASE SALE.

(a) IN GENERAL.—Notwithstanding the exclusion of the South Atlantic planning area in the outer Continental Shelf leasing program for fiscal years 2012–2017 prepared under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344), the Secretary shall conduct a lease sale not later than 2 years after the date of enactment of this Act in areas off the coast of the State of South Carolina—

(1) determined by the Secretary to have the most geologically promising hydrocarbon resources; and

(2) that constitute not less than 25 percent of the leasable area located within the offshore administrative boundaries of the State of South Carolina depicted in the notice entitled ''Federal Outer Continental Shelf (OCS) Administrative Boundaries Extending from the Submerged Lands Act Boundary seaward to the Limit of the United States Outer Continental Shelf'', published January 3, 2006 (71 Fed. Reg. 127).

(b) ENVIRONMENTAL IMPACT STATEMENT.—The Secretary shall complete a multisale environmental impact statement for the lease sales conducted under subsection (a) and section 204.

SEC. 206. SOUTH ATLANTIC PLANNING AREA LEASE SALES.

(a) IN GENERAL.—The Secretary shall conduct 3 lease sales in the South Atlantic planning area before June 30, 2017, in areas—

(1) to be determined by the Secretary based on—

(A) analysis by the Bureau of Ocean Energy Management; and

(B) industry nomination; and

(2) determined by the Secretary to contain the most hydrocarbon resource potential.

(b) 2017–2022 LEASING PROGRAM.—The Secretary shall—

(1) include the South Atlantic planning area in the outer Continental Shelf leasing program for fiscal years 2017–2022 prepared under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344); and

(2) conduct 1 lease sale in the South Atlantic planning area during each year of the program, for a total of 5 lease sales.

SEC. 207. BALANCING OF MILITARY AND ENERGY PRODUCTION GOALS.

(a) IN GENERAL.—In recognition that the outer Continental Shelf oil and gas leasing program and the domestic energy resources produced under the program are integral to national security, the Secretary and the Secretary of Defense shall work jointly in implementing lease sales under this title—

(1) to preserve the ability of the Armed Forces of the United States to maintain an optimum state of readiness through their continued use of the outer Continental Shelf; and

(2) to allow effective exploration, development, and production of the oil, gas, and renewable energy resources of the United States.

(b) PROHIBITION ON CONFLICTS WITH MILITARY OPERATIONS.—No person may engage in any exploration, development, or production of oil or natural gas on the outer Continental Shelf under a lease issued under this title that would conflict with any military operation, as determined in accordance with—

(1) the agreement entitled ''Memorandum of Agreement between the Department of Defense and the Department of the Interior on Mutual Concerns on the Outer Continental Shelf'' signed July 20, 1983; and

(2) any revision or replacement for the agreement described in paragraph (1) that is agreed to by the Secretary of Defense and the Secretary after that date but before the date of issuance of the lease under which the exploration, development, or production is conducted.

SEC. 208. REVENUE SHARING AND DEFICIT REDUCTION.

Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338), each fiscal year the Secretary shall deposit—

(1) 37.5 percent of the qualified revenues in a special account in the Treasury, from which the Secretary shall allocate amounts in accordance with section 209;

(2) 2.5 percent of the qualified revenues in the fund established by section 210(b)(1), from which the Secretary shall allocate amounts in accordance with that section;

(3) 10 percent of the qualified revenues dedicated towards deficit reduction; and

(4) 50 percent of the qualified revenues in the general fund of the Treasury.

SEC. 209. ALLOCATION TO STATES.

(a) IN GENERAL.—Of the qualified revenues deposited in the account under section 208(1), 37.5 percent shall be distributed to each State—

(1) using the formula established under subsection (b); and

(2) in amounts that are inversely proportional to the respective distances between the point on the coastline of each State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(b) FORMULA.—The formula used to make the calculation under subsection (a) shall be—

(1) established by the Secretary by regulation; and

(2) modeled after the final rule entitled ''Allocation and Disbursement of Royalties, Rentals, and Bonuses—Oil and Gas, Offshore'', dated December 23, 2008 (73 Fed. Reg. 78622).

(c) MINIMUM ALLOCATION.—Each State shall be entitled to an amount equal to not less than 10 percent of the qualified revenues allocated under subsection (a).

(d) USE OF FUNDS.—A State receiving amounts under this section may use the amounts in accordance with State law.

SEC. 210. VETERANS JOBS GRANT PROGRAM AUTHORIZED.

(a) ESTABLISHMENT OF FUND.—

(1) IN GENERAL.—There is established in the Treasury of the United States a fund, to be known as the ''Oil and Gas Production Veterans Workforce Training Fund'' (referred to in this section as the ''Fund''), consisting of such amounts as are transferred to the Fund under section 208(2).

(2) ADMINISTRATION.—The Fund shall be administered by the Secretary to fund the grants authorized by subsection (b).

(b) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary, acting through the Director, shall award grants on a competitive basis to eligible institutions of higher education and workforce investment boards to establish and fund oil and gas exploration, development, and production workforce training programs.

(2) ELIGIBILITY.—To be eligible to receive a grant under this section, an institution of higher education or workforce investment board shall—

(A) establish or expand and administer an oil and gas exploration, development, and production workforce training program; and

(B) in granting admission to applicants to the program, give priority to veterans of the Armed Forces of the United States.

(3) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(4) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not more than 0.5 percent of the amounts made available to carry out this section may be used to pay for the administrative expenses of the programs described in paragraph (1).

SEC. 211. ENHANCING GEOLOGICAL AND GEOPHYSICAL EDUCATION FOR AMERICA'S ENERGY FUTURE.

(a) IN GENERAL.—The Secretary, acting through the Director, shall partner with institutions of higher education selected under subsection (c) to facilitate the practical study of geological and geophysical sciences of areas on the Atlantic Outer Continental Shelf and elsewhere on the Continental Shelf of the United States.

(b) FOCUS.—Activities conducted by institutions of higher education under this section shall focus all geological and geophysical scientific research on obtaining a better understanding of hydrocarbon potential in the South Atlantic Planning Area while fostering the study of the geological and geophysical sciences at institutions of higher education in the United States.

(c) SELECTION OF INSTITUTIONS.—

(1) NOMINATION.—Not later than 180 days after the date of enactment of this Act, the Governor of each State may nominate for participation in a partnership—

(A) 1 institution of higher education located in the State; and

(B) 1 institution of higher education that is a historically Black college or university, as defined in section 631(a) of the Higher Education Act of 1965 (20 U.S.C. 1132(a)) located in the State.

(2) PREFERENCE.—In making nominations under paragraph (1), each Governor shall give preference to those institutions of higher education that demonstrate a vigorous rate of admissions of veterans of the Armed Forces of the United States and meet the criteria described in paragraph (3).

(3) SELECTION.—The Director shall select as a partner any institution of higher education nominated under paragraph (1) that the Director determines demonstrates excellence in 1 or more of the following criteria:

(A) Geophysical sciences curriculum.

(B) Engineering curriculum.

(C) Information technology or other technical studies related to seismic research, including data processing.

(d) RESEARCH AUTHORITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), an institution of higher education selected under subsection (c)(3) may conduct research under this section upon the expiration of the 30-day period beginning on the date the institution of higher education submits notice of the research to the South Atlantic Regional Director of the Bureau of Ocean Energy Management.

(2) PERMIT REQUIRED.—An institution of higher education may not under this section conduct research that uses solid or liquid explosives except as authorized by a permit issued by the Director.

(e) DATA.—

(1) IN GENERAL.—Geological and geophysical activities conducted under this section—

(A) shall be considered scientific research and data produced by the activities;

(B) shall not be used or shared for commercial purposes;

(C) shall not be produced for proprietary use or sale; and

(D) shall be made available by the Director to the public.

(2) SUBMISSION OF DATA TO BOEM.—Not later than 60 days after completion of initial analysis of data collected under this section by an institution of higher education selected under subsection (c)(3), the institution of higher education shall share with the Bureau of Ocean Energy Management any data collected that is requested by the Bureau of Ocean Energy Management.

(3) FEES.—The Director may not charge any fee for the provision of data produced in research under this section, other than a data reprocessing fee to pay the cost of duplicating the data.

(f) REPORT.—Not less frequently than once every 180 days, the Director shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report on the data derived from partnerships under this section.

SEC. 212. ATLANTIC REGIONAL OFFICE.

Not later than the last day of the outer Continental Shelf leasing program for fiscal years 2012–2017 prepared under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344), the Director shall establish an Atlantic regional office in an area that is—

(1) included in the outer Continental Shelf leasing program for fiscal years 2017–2022 prepared under section 18 of that Act; and

(2) determined by the Director to have the most potential resource development.

SA 3615. Mr. RUBIO submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—NATIONAL REGULATORY BUDGET ACT

SEC. __01. SHORT TITLE.

This title may be cited as the ''National Regulatory Budget Act of 2014''.

SEC. __02. ESTABLISHMENT OF THE OFFICE OF REGULATORY ANALYSIS.

(a) IN GENERAL.—Part I of title 5, United States Code, is amended by inserting after chapter 6 the following:

''CHAPTER 6A—NATIONAL REGULATORY BUDGET AND OFFICE OF REGULATORY ANALYSIS

''§ 613. Definitions

''In this chapter—

''(1) the term 'aggregate costs', with respect to a covered Federal rule, means the sum of—

''(A) the direct costs of the covered Federal rule; and

''(B) the regulatory costs of the covered Federal rule;

''(2) the term 'covered Federal rule' means—

''(A) a rule (as defined in section 551);

''(B) an information collection requirement given a control number by the Office of Management and Budget; or

''(C) guidance or a directive that—

''(i) is not described in subparagraph (A) or (B);

''(ii)(I) is mandatory in its application to regulated entities; or

''(II) represents a statement of agency position that regulated entities would reasonably construe as reflecting the enforcement or litigation position of the agency; and

''(iii) imposes not less than $25,000,000 in annual costs on regulated entities;

''(3) the term 'direct costs' means—

''(A) expenditures made by an Executive branch agency that relate to the promulgation, administration, or enforcement of a covered Federal rule; or

''(B) costs incurred by an Executive branch agency, a Government corporation, the United States Postal Service, or any other instrumentality of the Federal Government because of a covered Federal rule;

''(4) the term 'Director' means the Director of the Office of Regulatory Analysis established under section 614(b);

''(5) the term 'Executive branch agency' means—

''(A) an Executive department (as defined in section 101); and

''(B) an independent establishment (as defined in section 104);

''(6) the term 'regulated entity' means—

''(A) a for-profit private sector entity (including an individual who is in business as a sole proprietor);

''(B) a not-for-profit private sector entity; or

''(C) a State or local government; and

''(7) the term 'regulatory costs' means all costs incurred by a regulated entity because of covered Federal rules.

''§ 614. Office of Regulatory Analysis; establishment; powers

''(a) ESTABLISHMENT.—There is established in the executive branch an independent establishment to be known as the 'Office of Regulatory Analysis'.

''(b) DIRECTOR.—

''(1) ESTABLISHMENT OF POSITION.—There shall be at the head of the Office of Regulatory Analysis a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

''(2) TERM.—

''(A) IN GENERAL.—The term of office of the Director shall—

''(i) be 4 years; and

''(ii) expire on the last day of February following each Presidential election.

''(B) APPOINTMENTS PRIOR TO EXPIRATION OF TERM.—Subject to subparagraph (C), an individual appointed as Director to fill a vacancy prior to the expiration of a term shall serve only for the unexpired portion of the term.

''(C) SERVICE UNTIL APPOINTMENT OF SUCCESSOR.—An individual serving as Director at the expiration of a term may continue to serve until a successor is appointed.

''(3) POWERS.—

''(A) APPOINTMENT OF DEPUTY DIRECTORS, OFFICERS, AND EMPLOYEES.—

''(i) IN GENERAL.—The Director may appoint Deputy Directors, officers, and employees, including attorneys, in accordance with chapter 51 and subchapter III of chapter 53.

''(ii) TERM OF DEPUTY DIRECTORS.—A Deputy Director shall serve until the expiration of the term of office of the Director who appointed the Deputy Director (and until a successor to that Director is appointed), unless sooner removed by the Director.

''(B) CONTRACTING.—

''(i) IN GENERAL.—The Director may contract for financial and administrative services (including those related to budget and accounting, financial reporting, personnel, and procurement) with the General Services Administration, or such other Federal agency as the Director determines appropriate, for which payment shall be made in advance, or by reimbursement, from funds of the Office of Regulatory Analysis in such amounts as may be agreed upon by the Director and the head of the Federal agency providing the services.

''(ii) SUBJECT TO APPROPRIATIONS.—Contract authority under clause (i) shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Office of Regulatory Analysis for each fiscal year such sums as may be necessary to enable the Office of Regulatory Analysis to carry out its duties and functions.

''§ 615. Functions of Office of Regulatory Analysis; Executive branch agency compliance

''(a) ANNUAL REPORT REQUIRED.—

''(1) IN GENERAL.—Not later than January 30 of each year, the Director shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Small Business of the House of Representatives a Report on National Regulatory Costs (referred to in this section as the 'Report') that includes the information specified under paragraph (2).

''(2) CONTENTS.—Each Report shall include—

''(A) an estimate, for the fiscal year during which the Report is submitted and for the preceding fiscal year, of—

''(i) the regulatory costs imposed by each Executive branch agency on regulated entities;

''(ii) the aggregate costs imposed by each Executive branch agency;

''(iii) the aggregate costs imposed by all Executive branch agencies combined;

''(iv) the direct costs incurred by the Federal Government because of covered Federal rules issued by each Executive branch agency;

''(v) the sum of the costs described in clauses (iii) and (iv);

''(vi) the regulatory costs imposed by each Executive branch agency on small businesses, small organizations, and small governmental jurisdictions (as those terms are defined in section 601); and

''(vii) the sum of the costs described in clause (vi);

''(B) an analysis of any major changes in estimation methodology used by the Office of Regulatory Analysis since the previous annual report;

''(C) an analysis of any major estimate changes caused by improved or inadequate data since the previous annual report;

''(D) recommendations, both general and specific, regarding—

''(i) how regulations may be streamlined, simplified, and modernized;

''(ii) regulations that should be repealed; and

''(iii) how the Federal Government may reduce the costs of regulations without diminishing the effectiveness of regulations; and

''(E) any other information that the Director determines may be of assistance to Congress in determining the National Regulatory Budget required under section 617.

''(b) REGULATORY ANALYSIS OF NEW RULES.—

''(1) REQUIREMENT.—The Director shall publish in the Federal Register and on the website of the Office of Regulatory Analysis a regulatory analysis of each proposed covered Federal rule issued by an Executive

branch agency, and each proposed withdrawal or modification of a covered Federal rule by an Executive branch agency, that—

''(A) imposes costs on a regulated entity; or

''(B) reduces costs imposed on a regulated entity.

''(2) CONTENTS.—Each regulatory analysis published under paragraph (1) shall include—

''(A) an estimate of the change in regulatory cost of each proposed covered Federal rule (or proposed withdrawal or modification of a covered Federal rule); and

''(B) any other information or recommendation that the Director may choose to provide.

''(3) TIMING OF REGULATORY ANALYSIS.—

''(A) INITIAL REGULATORY ANALYSIS.—Not later than 60 days after the date on which the Director receives a copy of a proposed covered Federal rule from the head of an Executive branch agency under paragraph (4), the Director shall publish an initial regulatory analysis.

''(B) REVISED REGULATORY ANALYSIS.—The Director may publish a revised regulatory analysis at any time.

''(4) NOTICE TO DIRECTOR OF PROPOSED COVERED FEDERAL RULE.—The head of an Executive branch agency shall provide a copy of each proposed covered Federal rule to the Director in a manner prescribed by the Director.

''(c) EFFECTIVE DATES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a covered Federal rule may not take effect earlier than 75 days after the date on which the head of the Executive branch agency proposing the covered Federal rule submits a copy of the proposed covered Federal rule to the Director in the manner prescribed by the Director under subsection (b)(4).

''(2) EXCEPTION.—If the head of the Executive branch agency proposing a covered Federal rule determines that the public health or safety or national security requires that the covered Federal rule be promulgated earlier than the date specified under paragraph (1), the head of the Executive branch agency may promulgate the covered Federal rule without regard to paragraph (1).

''§ 616. Public disclosure of estimate methodology and data; privacy

''(a) PRIVACY.—The Director shall comply with all relevant privacy laws, including—

''(1) the Confidential Information Protection and Statistical Efficiency Act of 2002 (44 U.S.C. 3501 note);

''(2) section 9 of title 13; and

''(3) section 6103 of the Internal Revenue Code of 1986.

''(b) DISCLOSURE.—

''(1) IN GENERAL.—To the maximum extent permitted by law, the Director shall disclose, by publication in the Federal Register and on the website of the Office of Regulatory Analysis, the methodology and data used to generate the estimates in the Report on National Regulatory Costs required under section 615.

''(2) GOAL OF DISCLOSURE.—In disclosing the methodology and data under paragraph (1), the Director shall seek to provide sufficient information so that outside researchers may replicate the results contained in the Report on National Regulatory Costs.

''§ 617. National Regulatory Budget; timeline

''(a) DEFINITION.—In this section—

''(1) the term 'annual overall regulatory cost cap' means the maximum amount of regulatory costs that all Executive branch agencies combined may impose in a fiscal year;

''(2) the term 'annual agency regulatory cost cap' means the maximum amount of regulatory costs that an Executive branch agency may impose in a fiscal year; and

''(3) the term 'National Regulatory Budget' means an Act of Congress that establishes, for a fiscal year—

''(A) the annual overall regulatory cost cap; and

''(B) an annual agency regulatory cost cap for each Executive branch agency.

''(b) COMMITTEE DEADLINES.—

''(1) REFERRAL.—Not later than March 31 of each year—

''(A) the Committee on Small Business and Entrepreneurship of the Senate shall refer to the Committee on Homeland Security and Governmental Affairs of the Senate a bill that sets forth a National Regulatory Budget for the fiscal year beginning on October 1 of that year; and

''(B) the Committee on Small Business of the House of Representatives shall refer to the Committee on Oversight and Government Reform of the House of Representatives a bill that sets forth a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(2) REPORTING.—Not later than May 31 of each year—

''(A) the Committee on Homeland Security and Governmental Affairs of the Senate shall report a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year; and

''(B) the Committee on Oversight and Government Reform of the House of Representatives shall report a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(c) PASSAGE.—Not later than July 31 of each year, the House of Representatives and the Senate shall each pass a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(d) PRESENTMENT.—Not later than September 15 of each year, Congress shall pass and present to the President a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(e) DEFAULT BUDGET.—

''(1) IN GENERAL.—If a National Regulatory Budget is not enacted with respect to a fiscal year, the most recently enacted National Regulatory Budget shall apply to that fiscal year.

''(2) DEFAULT INITIAL BUDGET.—

''(A) CALCULATION.—If a National Regulatory Budget is not enacted with respect to a fiscal year, and no National Regulatory Budget has previously been enacted—

''(i) the annual agency regulatory cost cap for an Executive branch agency for the fiscal year shall be equal to the amount of regulatory costs imposed by that Executive branch agency on regulated entities during the preceding fiscal year, as estimated by the Director in the annual report submitted to Congress under section 615(a); and

''(ii) the annual overall regulatory cost cap for the fiscal year shall be equal to the sum of the amounts described in clause (i).

''(B) EFFECT.—For purposes of section 619, an annual agency regulatory cost cap described in subparagraph (A) that applies to a fiscal year shall have the same effect as if the annual agency regulatory cost cap were part of a National Regulatory Budget applicable to that fiscal year.

''(f) INITIAL BUDGET.—The first National Regulatory Budget shall be with respect to fiscal year 2016.

''§ 618. Executive branch agency cooperation mandatory; information sharing

''(a) EXECUTIVE BRANCH AGENCY COOPERATION MANDATORY.—Not later than 45 days after the date on which the Director requests any information from an Executive branch agency, the Executive branch agency shall provide the Director with the information.

''(b) MEMORANDA OF UNDERSTANDING REGARDING CONFIDENTIALITY.—

''(1) IN GENERAL.—An Executive branch agency may require the Director to enter into a memorandum of understanding regarding the confidentiality of information provided by the Executive branch agency to the Director under subsection (a) as a condition precedent to providing any requested information.

''(2) DEGREE OF CONFIDENTIALITY OR DATA PROTECTION.—An Executive branch agency may not require a greater degree of confidentiality or data protection from the Director in a memorandum of understanding entered into under paragraph (1) than the Executive branch agency itself must adhere to.

''(3) SCOPE.—A memorandum of understanding entered into by the Director and an Executive branch agency under paragraph (1) shall—

''(A) be general in scope; and

''(B) govern all pending and future requests made to the Executive branch agency by the Director.

''(c) SANCTIONS FOR NON-COOPERATION.—

''(1) IN GENERAL.—The appropriations of an Executive branch agency for a fiscal year shall be reduced by one-half of 1 percent if, during that fiscal year, the Director finds that—

''(A) the Executive branch agency has failed to timely provide information that the Director requested under subsection (a);

''(B) the Director has provided notice of the failure described in subparagraph (A) to the Executive branch agency;

''(C) the Executive branch agency has failed to cure the failure described in subparagraph (A) within 30 days of being notified under subparagraph (B); and

''(D) the information that the Director requested under subsection (a)—

''(i) is in the possession of the Executive branch agency; or

''(ii) may reasonably be developed by the Executive branch agency.

''(2) SEQUESTRATION.—The Office of Management and Budget, in consultation with the Office of Federal Financial Management and Financial Management Service, shall enforce a reduction in appropriations under paragraph (1) by sequestering the appropriate amount of funds and returning the funds to the Treasury.

''(3) APPEALS.—

''(A) IN GENERAL.—The Director of the Office of Management and Budget may reduce the amount of, or except as provided in subparagraph (B), waive, a sanction imposed under paragraph (1) if the Director of the Office of Management and Budget finds that—

''(i) the sanction is unwarranted;

''(ii) the sanction is disproportionate to the gravity of the failure;

''(iii) the failure has been cured; or

''(iv) providing the requested information would adversely affect national security.

''(B) NO WAIVER FOR HISTORICALLY NON-COMPLIANT AGENCIES.—The Director of the Office of Management and Budget may not waive a sanction imposed on an Executive branch agency under paragraph (1) if the Executive branch agency has a history of non-compliance with requests for information by the Director of the Office of Regulatory Analysis under subsection (a).

''(d) NATIONAL SECURITY.—The Director may not require an Executive branch agency to provide information under subsection (a) that would adversely affect national security.

''§ 619. Enforcement

''(a) EXCEEDING ANNUAL AGENCY REGULATORY COST CAP.—An Executive branch

agency that exceeds the annual agency regulatory cost cap imposed by the National Regulatory Budget for a fiscal year may not promulgate a new covered Federal rule that increases regulatory costs until the Executive branch agency no longer exceeds the annual agency regulatory cost cap imposed by the applicable National Regulatory Budget.

''(b) DETERMINATION OF DIRECTOR.—

''(1) IN GENERAL.—An Executive branch agency may not promulgate a covered Federal rule unless the Director determines, in conducting the regulatory analysis of the covered Federal rule under section 615(b)(3)(A) that, after the Executive branch agency promulgates the covered Federal rule, the Executive branch agency will not exceed the annual agency regulatory cost cap for that Executive branch agency.

''(2) TIMING.—The Director shall make a determination under paragraph (1) with respect to a proposed covered Federal rule not later than 60 days after the Director receives a copy of the proposed covered Federal rule under section 615(b)(4).

''(c) EFFECT OF VIOLATION OF THIS SECTION.—

''(1) NO FORCE OR EFFECT.—A covered Federal rule that is promulgated in violation of this section shall have no force or effect.

''(2) JUDICIAL ENFORCEMENT.—Any party may bring an action in a district court of the United States to declare that a covered Federal rule has no force or effect because the covered Federal rule was promulgated in violation of this section.

''§ 620. Regulatory Analysis Advisory Board

''(a) ESTABLISHMENT OF BOARD.—In accordance with the Federal Advisory Committee Act (5 U.S.C. App.), the Director shall—

''(1) establish a Regulatory Analysis Advisory Board; and

''(2) appoint not fewer than 9 and not more than 15 individuals as members of the Regulatory Analysis Advisory Board.

''(b) QUALIFICATIONS.—The Director shall appoint individuals with technical and practical expertise in economics, law, accounting, science, management, and other areas that will aid the Director in preparing the annual Report on National Regulatory Costs required under section 615.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TABLE OF CHAPTERS.—The table of chapters for part I of title 5, United States Code, is amended by inserting after the item relating to chapter 6 the following:

''6A. National Regulatory Budget and Office of Regulatory Analysis 613''.

(2) INTERNAL REVENUE CODE OF 1986.—Section 6103(j) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(7) OFFICE OF REGULATORY ANALYSIS.—Upon written request by the Director of the Office of Regulatory Analysis established under section 614 of title 5, United States Code, the Secretary shall furnish to officers and employees of the Office of Regulatory Analysis return information for the purpose of, but only to the extent necessary for, an analysis of regulatory costs.''.

SEC. _03. REPORT ON DUPLICATIVE PERSONNEL; REPORT ON REGULATORY ANALYSIS.

(a) REPORT ON DUPLICATIVE PERSONNEL.—Not later than December 31, 2014, the Director shall submit to Congress a report determining positions in the Federal Government that are—

(1) duplicative of the work performed by the Office of Regulatory Analysis established under section 614 of title 5, United States Code; or

(2) otherwise rendered cost ineffective by the work of the Office of Regulatory Analysis.

(b) REPORT ON REGULATORY ANALYSIS.—

(1) REPORT REQUIRED.—Not later than June 30, 2015, the Director shall provide to Congress a report analyzing the practice with respect to, and the effectiveness of—

(A) chapter 6 of title 5, United States Code (commonly known as the ''Regulatory Flexibility Act'');

(B) the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note);

(C) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'');

(D) each Executive order that mandates economic analysis of Federal regulations; and

(E) Office of Management and Budget circulars, directives, and memoranda that mandate the economic analysis of Federal regulation.

(2) RECOMMENDATIONS.—The report under paragraph (1) shall include recommendations about how Federal regulatory analysis may be improved.

SEC. _04. ADMINISTRATIVE PROCEDURE.

(a) DEFINITION OF ''RULE''.—Section 551(4) of title 5, United States Code, is amended by inserting after ''requirements of an agency'' the following: '', whether or not the agency statement amends the Code of Federal Regulations and including, without limitation, a statement described by the agency as a regulation, rule, directive, or guidance,''.

(b) NOTICE OF PROPOSED RULEMAKING.—Section 553(b) of title 5, United States Code, is amended, following the flush text, in subparagraph (A) by striking ''interpretative rules, general statements of policy, or''.

SA 3616. Mr. COONS (for himself and Mr. MORAN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. EXTENSION OF PUBLICLY TRADED PARTNERSHIP OWNERSHIP STRUCTURE TO ENERGY POWER GENERATION PROJECTS, TRANSPORTATION FUELS, AND RELATED ENERGY ACTIVITIES.

(a) IN GENERAL.—Subparagraph (E) of section 7704(d)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''income and gains derived from the exploration'' and inserting ''income and gains derived from the following:

''(i) MINERALS, NATURAL RESOURCES, ETC.—The exploration'',

(2) by inserting ''or'' before ''industrial source'',

(3) by inserting a period after ''carbon dioxide'', and

(4) by striking '', or the transportation or storage'' and all that follows and inserting the following:

''(ii) RENEWABLE ENERGY.—The generation of electric power exclusively utilizing any resource described in section 45(c)(1) or energy property described in section 48 (determined without regard to any termination date), or in the case of a facility described in paragraph (3) or (7) of section 45(d) (determined without regard to any placed in service date or date by which construction of the facility is required to begin), the accepting or processing of such resource.

''(iii) ELECTRICITY STORAGE DEVICES.—The receipt and sale of electric power that has been stored in a device directly connected to the grid.

''(iv) COMBINED HEAT AND POWER.—The generation, storage, or distribution of thermal energy exclusively utilizing property described in section 48(c)(3) (determined without regard to subparagraphs (B) and (D) thereof and without regard to any placed in service date).

''(v) RENEWABLE THERMAL ENERGY.—The generation, storage, or distribution of thermal energy exclusively using any resource described in section 45(c)(1) or energy property described in clause (i) or (iii) of section 48(a)(3)(A).

''(vi) WASTE HEAT TO POWER.—The use of recoverable waste energy, as defined in section 371(5) of the Energy Policy and Conservation Act (42 U.S.C. 6341(5)) (as in effect on the date of the enactment of the Bring Jobs Home Act).

''(vii) RENEWABLE FUEL INFRASTRUCTURE.—The storage or transportation of any fuel described in subsection (b), (c), (d), or (e) of section 6426.

''(viii) RENEWABLE FUELS.—The production, storage, or transportation of any renewable fuel described in section 211(o)(1)(J) of the Clean Air Act (42 U.S.C. 7545(o)(1)(J)) (as in effect on the date of the enactment of the Bring Jobs Home Act) or section 40A(d)(1).

''(ix) RENEWABLE CHEMICALS.—The production, storage, or transportation of any renewable chemical (as defined in paragraph (6)).

''(x) ENERGY EFFICIENT BUILDINGS.—The audit and installation through contract or other agreement of any energy efficient building property described in section 179D(c)(1).

''(xi) GASIFICATION WITH SEQUESTRATION.—The production of any product from a project that meets the requirements of subparagraphs (A) and (B) of section 48B(c)(1) and that separates and sequesters in secure geological storage (as determined under section 45Q(d)(2)) at least 75 percent of such project's total qualified carbon dioxide (as defined in section 45Q(b)).

''(xii) CARBON CAPTURE AND SEQUESTRATION.—The generation or storage of electric power produced from any facility which is a qualified facility described in section 45Q(c) and which disposes of any captured qualified carbon dioxide (as defined in section 45Q(b)) in secure geological storage (as determined under section 45Q(d)(2)).''.

(b) RENEWABLE CHEMICAL.—Section 7704(d) of such Code is amended by adding at the end the following new paragraph:

''(6) RENEWABLE CHEMICAL.—The term 'renewable chemical' means a monomer, polymer, plastic, formulated product, or chemical substance produced from renewable biomass (as defined in section 9001(12) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101(12)), as in effect on the date of the enactment of the Bring Jobs Home Act).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, in taxable years ending after such date.

SA 3617. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE II—ELIMINATING IMPROPER AND ABUSIVE IRS AUDITS

SEC. 201. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the ''Eliminating Improper and Abusive IRS Audits Act of 2014''.

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

TITLE II—ELIMINATING IMPROPER AND ABUSIVE IRS AUDITS

SEC. 202. CIVIL DAMAGES ALLOWED FOR RECKLESS OR INTENTIONAL DISREGARD OF INTERNAL REVENUE LAWS.

(a) INCREASE IN AMOUNT OF DAMAGES.—Section 7433(b) of the Internal Revenue Code of 1986 is amended by striking ''$1,000,000 ($100,000, in the case of negligence)'' and inserting ''$3,000,000 ($300,000, in the case of negligence)''.

(b) EXTENSION OF TIME TO BRING ACTION.—Section 7433(d)(3) of the Internal Revenue Code of 1986 is amended by striking ''2 years'' and inserting ''5 years''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions of employees of the Internal Revenue Service after the date of the enactment of this Act.

SEC. 203. MODIFICATIONS RELATING TO CERTAIN OFFENSES BY OFFICERS AND EMPLOYEES IN CONNECTION WITH REVENUE LAWS.

(a) INCREASE IN PENALTY.—Section 7214 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''$10,000'' in subsection (a) and inserting ''$25,000'', and

(2) by striking ''$5,000'' in subsection (b) and inserting ''$10,000''.

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

SEC. 204. MODIFICATIONS RELATING TO CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION OR DISCLOSURE OF RETURNS AND RETURN INFORMATION.

(a) INCREASE IN AMOUNT OF DAMAGES.—Subparagraph (A) of section 7431(c)(1) of the Internal Revenue Code of 1986 is amended by striking ''$1,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to inspections and disclosure occurring on and after the date of the enactment of this Act.

SEC. 205. EXTENSION OF TIME FOR CONTESTING IRS LEVY.

(a) EXTENSION OF TIME FOR RETURN OF PROPERTY SUBJECT TO LEVY.—Subsection (b) of section 6343 of the Internal Revenue Code of 1986 is amended by striking ''9 months'' and inserting ''3 years''.

(b) PERIOD OF LIMITATION ON SUITS.—Subsection (c) of section 6532 of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1) by striking ''9 months'' and inserting ''3 years'', and

(2) in paragraph (2) by striking ''9-month'' and inserting ''3-year''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) levies made after the date of the enactment of this Act, and

(2) levies made on or before such date if the 9-month period has not expired under section 6343(b) of the Internal Revenue Code of 1986 (without regard to this section) as of such date.

SEC. 206. INCREASE IN MONETARY PENALTIES FOR CERTAIN UNAUTHORIZED DISCLOSURES OF INFORMATION.

(a) IN GENERAL.—Paragraphs (1), (2), (3), and (4) of section 7213(a) of the Internal Revenue Code of 1986 are each amended by striking ''$5,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

SEC. 207. BAN ON RAISING NEW ISSUES ON APPEAL.

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 7529. PROHIBITION ON INTERNAL REVENUE SERVICE RAISING NEW ISSUES IN AN INTERNAL APPEAL.

''(a) IN GENERAL.—In reviewing an appeal of any determination initially made by the Internal Revenue Service, the Internal Revenue Service Office of Appeals may not consider or decide any issue that is not within the scope of the initial determination.

''(b) CERTAIN ISSUES DEEMED OUTSIDE OF SCOPE OF DETERMINATION.—For purposes of subsection (a), the following matters shall be considered to be not within the scope of a determination:

''(1) Any issue that was not raised in a notice of deficiency or an examiner's report which is the subject of the appeal.

''(2) Any deficiency in tax which was not included in the initial determination.

''(3) Any theory or justification for a tax deficiency which was not considered in the initial determination.

''(c) NO INFERENCE WITH RESPECT TO ISSUES RAISED BY TAXPAYERS.—Nothing in this section shall be construed to provide any limitation in addition to any limitations in effect on the date of the enactment of this section on the right of a taxpayer to raise an issue, theory, or justification on an appeal from a determination initially made by the Internal Revenue Service that was not within the scope of the initial determination.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of such Code is amended by adding at the end the following new item:

''Sec. 7529. Prohibition on Internal Revenue Service raising new issues in an internal appeal.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to matters filed or pending with the Internal Revenue Service Office of Appeals on or after the date of the enactment of this Act.

SEC. 208. LIMITATION ON ENFORCEMENT OF LIENS AGAINST PRINCIPAL RESIDENCES.

(a) IN GENERAL.—Section 7403(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''In any case'' and inserting the following:

''(1) IN GENERAL.—In any case'', and

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

''(2) LIMITATION WITH RESPECT TO PRINCIPAL RESIDENCE.—

''(A) IN GENERAL.—Paragraph (1) shall not apply to any property used as the principal residence of the taxpayer (within the meaning of section 121) unless the Secretary of the Treasury makes a written determination that—

''(i) all other property of the taxpayer, if sold, is insufficient to pay the tax or discharge the liability, and

''(ii) such action will not create an economic hardship for the taxpayer.

''(B) DELEGATION.—For purposes of this paragraph, the Secretary of the Treasury may not delegate any responsibilities under subparagraph (A) to any person other than—

''(i) the Commissioner of Internal Revenue, or

''(ii) a district director or assistant district director of the Internal Revenue Service.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to actions filed after the date of the enactment of this Act.

SEC. 209. ADDITIONAL PROVISIONS RELATING TO MANDATORY TERMINATION FOR MISCONDUCT.

(a) TERMINATION OF UNEMPLOYMENT FOR INAPPROPRIATE REVIEW OF TAX-EXEMPT STATUS.—Section 1203(b) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by striking ''and'' at the end of paragraph (9), by striking the period at the end of paragraph (10) and inserting ''; and'', and by adding at the end the following new paragraph:

''(11) in the case of any review of an application for tax-exempt status by an organization described in section 501(c) of the Internal Revenue Code of 1986, developing or using any methodology that applies disproportionate scrutiny to any applicant based on the ideology expressed in the name or purpose of the organization.''.

(b) MANDATORY UNPAID ADMINISTRATIVE LEAVE FOR MISCONDUCT.—Paragraph (1) of Section 1203(c) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by adding at the end the following new sentence: ''Notwithstanding the preceding sentence, if the Commissioner of Internal Revenue takes a personnel action other than termination for an act or omission described in subsection (b), the Commissioner shall place the employee on unpaid administrative leave for a period of not less than 30 days.''.

(c) LIMITATION ON ALTERNATIVE PUNISHMENT.—Paragraph (1) of section 1203(c) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by striking ''The Commissioner'' and inserting ''Except in the case of an act or omission described in subsection (b)(3)(A), the Commissioner''.

SEC. 210. EXTENSION OF DECLARATORY JUDGMENT PROCEDURES TO SOCIAL WELFARE ORGANIZATIONS.

(a) IN GENERAL.—Section 7428(a)(1) of the Internal Revenue Code of 1986 is amended by striking ''or'' at the end of subparagraph (C) and by adding at the end the following new subparagraph:

''(E) with respect to the initial classification or continuing classification of an organization described in section 501(c)(4) which is exempt from tax under section 501(a), or''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to pleading filed after the date of the enactment of this Act.

SEC. 211. REVIEW BY THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION.

(a) REVIEW.—Subsection (k)(1) of section 8D of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in subparagraph (C), by striking ''and'' at the end;

(2) by redesignating subparagraph (D) as subparagraph (E);

(3) by inserting after subparagraph (C) the following new subparagraph:

''(D) shall—

''(i) review any criteria employed by the Internal Revenue Service to select tax returns (including applications for recognition of tax-exempt status) for examination or audit, assessment or collection of deficiencies, criminal investigation or referral, refunds for amounts paid, or any heightened scrutiny or review in order to determine whether the criteria discriminates against taxpayers on the basis of race, religion, or political ideology; and

''(ii) consult with the Internal Revenue Service on recommended amendments to such criteria in order to eliminate any discrimination identified pursuant to the review described in clause (i); and''; and

(4) in subparagraph (E), as so redesignated, by striking ''and (C)'' and inserting ''(C), and (D)''.

(b) SEMIANNUAL REPORT.—Subsection (g) of such section is amended by adding at the end the following new paragraph:

''(3) Any semiannual report made by the Treasury Inspector General for Tax Administration that is required pursuant to section 5(a) shall include—

''(A) a statement affirming that the Treasury Inspector General for Tax Administration has reviewed the criteria described in subsection (k)(1)(D) and consulted with the Internal Revenue Service regarding such criteria; and

''(B) a description and explanation of any such criteria that was identified as discriminatory by the Treasury Inspector General for Tax Administration.''.

SA 3618. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE II—SMALL BUSINESS TAXPAYER BILL OF RIGHTS

SEC. 201. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the ''Small Business Taxpayer Bill of Rights Act of 2014''.

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

TITLE II—SMALL BUSINESS TAXPAYER BILL OF RIGHTS

SEC. 202. MODIFICATION OF STANDARDS FOR AWARDING OF COSTS AND CERTAIN FEES.

(a) SMALL BUSINESSES ELIGIBLE WITHOUT REGARD TO NET WORTH.—Subparagraph (D) of section 7430(c)(4) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting ''and'', and by adding at the end the following new clause:

''(iii) in the case of an eligible small business, the net worth limitation in clause (ii) of such section shall not apply.''.

(b) ELIGIBLE SMALL BUSINESS.—Paragraph (4) of section 7430(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(F) ELIGIBLE SMALL BUSINESS.—For purposes of subparagraph (D)(iii), the term 'eligible small business' means, with respect to any proceeding commenced in a taxable year—

''(i) a corporation the stock of which is not publicly traded,

''(ii) a partnership, or

''(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed $50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to proceedings commenced after the date of the enactment of this Act.

SEC. 203. CIVIL DAMAGES ALLOWED FOR RECKLESS OR INTENTIONAL DISREGARD OF INTERNAL REVENUE LAWS.

(a) INCREASE IN AMOUNT OF DAMAGES.—Section 7433(b) of the Internal Revenue Code of 1986 is amended by striking ''$1,000,000 ($100,000, in the case of negligence)'' and inserting ''$3,000,000 ($300,000, in the case of negligence)''.

(b) EXTENSION OF TIME TO BRING ACTION.—Section 7433(d)(3) of the Internal Revenue Code of 1986 is amended by striking ''2 years'' and inserting ''5 years''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions of employees of the Internal Revenue Service after the date of the enactment of this Act.

SEC. 204. MODIFICATIONS RELATING TO CERTAIN OFFENSES BY OFFICERS AND EMPLOYEES IN CONNECTION WITH REVENUE LAWS.

(a) INCREASE IN PENALTY.—Section 7214 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''$10,000'' in subsection (a) and inserting ''$25,000'', and

(2) by striking ''$5,000'' in subsection (b) and inserting ''$10,000''.

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

SEC. 205. MODIFICATIONS RELATING TO CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION OR DISCLOSURE OF RETURNS AND RETURN INFORMATION.

(a) INCREASE IN AMOUNT OF DAMAGES.—Subparagraph (A) of section 7431(c)(1) of the Internal Revenue Code of 1986 is amended by striking ''$1,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to inspections and disclosure occurring on and after the date of the enactment of this Act.

SEC. 206. INTEREST ABATEMENT REVIEWS.

(a) FILING PERIOD FOR INTEREST ABATEMENT CASES.—

(1) IN GENERAL.—Subsection (h) of section 6404 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''REVIEW OF DENIAL'' in the heading and inserting ''JUDICIAL REVIEW'', and

(B) by striking '' 'if such action is brought' '' and all that follows in paragraph (1) and inserting ''if such action is brought—

''(A) at any time after the earlier of—

''(i) the date of the mailing of the Secretary's final determination not to abate such interest, or

''(ii) the date which is 180 days after the date of the filing with the Secretary (in such form as the Secretary may prescribe) of a claim for abatement under this section, and

''(B) not later than the date which is 180 days after the date described in subparagraph (A)(i).''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to claims for abatement of interest filed with the Secretary after the date of the enactment of this Act.

(b) SMALL TAX CASE ELECTION FOR INTEREST ABATEMENT CASES.—

(1) IN GENERAL.—Subsection (f) of section 7463 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''and'' at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting '', and'', and

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

''(3) a petition to the Tax court under section 6404(h) in which the amount of interest abatement sought does not exceed $50,000.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to—

(A) cases pending as of the day after the date of the enactment of this Act, and

(B) cases commenced after such date of enactment.

SEC. 207. BAN ON EX PARTE DISCUSSIONS.

(a) IN GENERAL.—Notwithstanding section 1001(a)(4) of the Internal Revenue Service Restructuring and Reform Act of 1998, the Internal Revenue Service shall prohibit any ex parte communications between officers in the Internal Revenue Service Office of Appeals and other Internal Revenue Service employees with respect to any matter pending before such officers.

(b) TERMINATION OF EMPLOYMENT FOR MISCONDUCT.—Subject to subsection (c), the Commissioner of Internal Revenue shall terminate the employment of any employee of the Internal Revenue Service if there is a final administrative or judicial determination that such employee committed any act or omission prohibited under subsection (a) in the performance of the employee's official duties. Such termination shall be a removal for cause on charges of misconduct.

(c) DETERMINATION OF COMMISSIONER.—

(1) IN GENERAL.—The Commissioner of Internal Revenue may take a personnel action other than termination for an act prohibited under subsection (a).

(2) DISCRETION.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner of Internal Revenue and may not be delegated to any other officer. The Commissioner of Internal Revenue, in his sole discretion, may establish a procedure which will be used to determine whether an individual should be referred to the Commissioner of Internal Revenue for a determination by the Commissioner under paragraph (1).

(3) NO APPEAL.—Any determination of the Commissioner of Internal Revenue under this subsection may not be appealed in any administrative or judicial proceeding.

(d) TIGTA REPORTING OF TERMINATION OR MITIGATION.—Section 7803(d)(1)(E) of the Internal Revenue Code of 1986 is amended by inserting ''or section 7 of the Small Business Taxpayer Bill of Rights Act of 2014'' after ''1998''.

SEC. 208. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.

(a) IN GENERAL.—Section 7123 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(c) AVAILABILITY OF DISPUTE RESOLUTIONS.—

''(1) IN GENERAL.—The procedures prescribed under subsection (b)(1) and the pilot program established under subsection (b)(2) shall provide that a taxpayer may request mediation or arbitration in any case unless the Secretary has specifically excluded the type of issue involved in such case or the class of cases to which such case belongs as not appropriate for resolution under such subsection. The Secretary shall make any determination that excludes a type of issue or a class of cases public within 5 working days and provide an explanation for each determination.

''(2) INDEPENDENT MEDIATORS.—

''(A) IN GENERAL.—The procedures prescribed under subsection (b)(1) shall provide the taxpayer an opportunity to elect to have the mediation conducted by an independent, neutral individual not employed by the Office of Appeals.

''(B) COST AND SELECTION.—

''(i) IN GENERAL.—Any taxpayer making an election under subparagraph (A) shall be required—

''(I) to share the costs of such independent mediator equally with the Office of Appeals, and

''(II) to limit the selection of the mediator to a roster of recognized national or local neutral mediators.

''(ii) EXCEPTION.—Clause (i)(I) shall not apply to any taxpayer who is an individual or who was a small business in the preceding calendar year if such taxpayer had an adjusted gross income that did not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget, in the taxable year preceding the request.

''(iii) SMALL BUSINESS.—For purposes of clause (ii), the term 'small business' has the meaning given such term under section 41(b)(3)(D)(iii).

''(3) AVAILABILITY OF PROCESS.—The procedures prescribed under subsection (b)(1) and the pilot program established under subsection (b)(2) shall provide the opportunity to elect mediation or arbitration at the time when the case is first filed with the Office of Appeals and at any time before deliberations in the appeal commence.''.

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

SEC. 209. EXTENSION OF TIME FOR CONTESTING IRS LEVY.

(a) EXTENSION OF TIME FOR RETURN OF PROPERTY SUBJECT TO LEVY.—Subsection (b) of section 6343 of the Internal Revenue Code of 1986 is amended by striking ''9 months'' and inserting ''3 years''.

(b) PERIOD OF LIMITATION ON SUITS.—Subsection (c) of section 6532 of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1) by striking ''9 months'' and inserting ''3 years'', and

(2) in paragraph (2) by striking ''9-month'' and inserting ''3-year''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) levies made after the date of the enactment of this Act, and

(2) levies made on or before such date if the 9-month period has not expired under section 6343(b) of the Internal Revenue Code of 1986 (without regard to this section) as of such date.

SEC. 210. WAIVER OF INSTALLMENT AGREEMENT FEE.

(a) IN GENERAL.—Section 6159 of the Internal Revenue Code of 1986 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) WAIVER OF INSTALLMENT AGREEMENT FEE.—The Secretary shall waive the fees imposed on installment agreements under this section for any taxpayer with an adjusted gross income that does not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget, and who has agreed to make payments under the installment agreement by electronic payment through a debit instrument.''.

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

SEC. 211. SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION OF SPOUSAL RELIEF AND COLLECTION CASES.

(a) PETITIONS FOR SPOUSAL RELIEF.—

(1) IN GENERAL.—Subsection (e) of section 6015 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(6) SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION IN TITLE 11 CASES.—In the case of a person who is prohibited by reason of a case under title 11, United States Code, from filing a petition under paragraph (1)(A) with respect to a final determination of relief under this section, the running of the period prescribed by such paragraph for filing such a petition with respect to such final determination shall be suspended for the period during which the person is so prohibited from filing such a petition, and for 60 days thereafter.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to petitions filed under section 6015(e) of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

(b) COLLECTION PROCEEDINGS.—

(1) IN GENERAL.—Subsection (d) of section 6330 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''appeal such determination to the Tax Court'' in paragraph (1) and inserting ''petition the Tax Court for review of such determination'',

(B) by striking ''JUDICIAL REVIEW OF DETERMINATION'' in the heading of paragraph (1) and inserting ''PETITION FOR REVIEW BY TAX COURT'',

(C) by redesignating paragraph (2) as paragraph (3), and

(D) by inserting after paragraph (1) the following new paragraph:

''(2) SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION IN TITLE 11 CASES.—In the case of a person who is prohibited by reason of a case under title 11, United States Code, from filing a petition under paragraph (1) with respect to a determination under this section, the running of the period prescribed by such subsection for filing such a petition with respect to such determination shall be suspended for the period during which the person is so prohibited from filing such a petition, and for 30 days thereafter.''.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 6320 of such Code is amended by striking ''(2)(B)'' and inserting ''(3)(B)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to petitions filed under section 6330 of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

SEC. 212. VENUE FOR APPEAL OF SPOUSAL RELIEF AND COLLECTION CASES.

(a) IN GENERAL.—Paragraph (1) of section 7482(b) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''or'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F) and inserting a comma, and

(3) by inserting after subparagraph (F) the following new subparagraphs:

''(G) in the case of a petition under section 6015(e), the legal residence of the petitioner, or

''(H) in the case of a petition under section 6320 or 6330—

''(i) the legal residence of the petitioner if the petitioner is an individual, and

''(ii) the principal place of business or principal office or agency if the petitioner is an entity other than an individual.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to petitions filed after the date of enactment of this Act.

SEC. 213. INCREASE IN MONETARY PENALTIES FOR CERTAIN UNAUTHORIZED DISCLOSURES OF INFORMATION.

(a) IN GENERAL.—Paragraphs (1), (2), (3), and (4) of section 7213(a) of the Internal Revenue Code of 1986 are each amended by striking ''$5,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

SEC. 214. DE NOVO TAX COURT REVIEW OF CLAIMS FOR EQUITABLE INNOCENT SPOUSE RELIEF.

(a) IN GENERAL.—Subparagraph (A) of section 6015(e)(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following new flush sentence:

''Any review of a determination by the Secretary with respect to a claim for equitable relief under subsection (f) shall be reviewed de novo by the Tax Court.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to petitions filed or pending before the Tax Court on and after the date of the enactment of this Act.

SEC. 215. BAN ON RAISING NEW ISSUES ON APPEAL.

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

''SEC. 7529. PROHIBITION ON INTERNAL REVENUE SERVICE RAISING NEW ISSUES IN AN INTERNAL APPEAL.

''(a) IN GENERAL.—In reviewing an appeal of any determination initially made by the Internal Revenue Service, the Internal Revenue Service Office of Appeals may not consider or decide any issue that is not within the scope of the initial determination.

''(b) CERTAIN ISSUES DEEMED OUTSIDE OF SCOPE OF DETERMINATION.—For purposes of subsection (a), the following matters shall be considered to be not within the scope of a determination:

''(1) Any issue that was not raised in a notice of deficiency or an examiner's report which is the subject of the appeal.

''(2) Any deficiency in tax which was not included in the initial determination.

''(3) Any theory or justification for a tax deficiency which was not considered in the initial determination.

''(c) NO INFERENCE WITH RESPECT TO ISSUES RAISED BY TAXPAYERS.—Nothing in this section shall be construed to provide any limitation in addition to any limitations in effect on the date of the enactment of this section on the right of a taxpayer to raise an issue, theory, or justification on an appeal from a determination initially made by the Internal Revenue Service that was not within the scope of the initial determination.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of such Code is amended by adding at the end the following new item:

''Sec. 7529. Prohibition on Internal Revenue Service raising new issues in an internal appeal.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to matters filed or pending with the Internal Revenue Service Office of Appeals on or after the date of the enactment of this Act.

SA 3619. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REPEAL OF UNEARNED INCOME MEDICARE CONTRIBUTION.

(a) IN GENERAL.—Chapter 2A of the Internal Revenue Code of 1986 is repealed.

(b) CONFORMING AMENDMENT.—The table of chapters for subtitle A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to chapter 2A.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SA 3620. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. POINT OF ORDER ON LEGISLATION THAT RAISES INCOME TAX RATES ON SMALL BUSINESSES.

(a) POINT OF ORDER.—

(1) IN GENERAL.—In the Senate, it shall not be in order to consider any bill, joint resolution, amendment, motion, or conference report that includes any provision which increases Federal income tax rates.

(2) DEFINITION.—In this section, the term ''Federal income tax rates'' means any rate of tax under—

(A) subsection (a), (b), (c), (d), or (e) of section 1 of the Internal Revenue Code of 1986,

(B) section 11(b) of such Code, or

(C) section 55(b) of such Code.

(b) SUPERMAJORITY WAIVER AND APPEALS.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, dully chosen and sworn.

(2) APPEALS.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SA 3621. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. TAX EFFECT TRANSPARENCY.

(a) IN GENERAL.—Chapter 2 of title 1, United States Code, is amended by inserting after section 102 the following:

''§ 102a. Tax effect transparency

''(a) IN GENERAL.—Each Act of Congress, bill, resolution, conference report thereon, or amendment there to, that modifies Federal tax law shall contain a statement describing the general effect of the modification on Federal tax law.

''(b) FAILURE TO COMPLY.—

''(1) IN GENERAL.—A failure to comply with subsection (a) shall give rise to a point of order in either House of Congress, which may be raised by any Senator during consideration in the Senate or any Member of the House of Representatives during consideration in the House of Representatives.

''(2) NONEXCLUSIVITY.—The availability of a point of order under this section shall not affect the availability of any other point of order.

''(c) DISPOSITION OF POINT OF ORDER IN THE SENATE.—

''(1) IN GENERAL.—Any Senator may raise a point of order that any matter is not in order under subsection (a).

''(2) WAIVER.—

''(A) IN GENERAL.—Any Senator may move to waive a point of order raised under paragraph (1) by an affirmative vote of three-fifths of the Senators duly chosen and sworn.

''(B) PROCEDURES.—For a motion to waive a point of order under subparagraph (A) as to a matter—

''(i) a motion to table the point of order shall not be in order;

''(ii) all motions to waive one or more points of order under this section as to the matter shall be debatable for a total of not more than 1 hour, equally divided between the Senator raising the point of order and the Senator moving to waive the point of order or their designees; and

''(iii) a motion to waive the point of order shall not be amendable.

''(d) DISPOSITION OF POINT OF ORDER IN THE HOUSE OF REPRESENTATIVES.—

''(1) IN GENERAL.—If a Member of the House of Representatives makes a point of order under this section, the Chair shall put the question of consideration with respect to the proposition of whether any statement made under subsection (a) was adequate or, in the absence of such a statement, whether a statement is required under subsection (a).

''(2) CONSIDERATION.—For a point of order under this section made in the House of Representatives—

''(A) the question of consideration shall be debatable for 10 minutes, equally divided and controlled by the Member making the point of order and by an opponent, but shall otherwise be decided without intervening motion except one that the House of Representatives adjourn or that the Committee of the Whole rise, as the case may be;

''(B) in selecting the opponent, the Speaker of the House of Representatives should first recognize an opponent from the opposing party; and

''(C) the disposition of the question of consideration with respect to a measure shall be considered also to determine the question of consideration under this section with respect to an amendment made in order as original text.

''(e) RULEMAKING AUTHORITY.—The provisions of this section are enacted by the Congress—

''(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

''(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 1, United States Code, is amended by inserting after the item relating to section 102 the following new item:

''102a. Tax effect transparency.''.

SA 3622. Mr. ISAKSON submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REPEAL.

Section 18A of the Fair Labor Standards Act (29 U.S.C. 218a), as added by section 1511 of the Patient Protection and Affordable Care Act, is repealed.

SA 3623. Mr. CASEY (for Mr. KIRK) proposed an amendment to the resolution S. Res. 489, supporting the goals and ideals of ''Growth Awareness Week''; as follows:

In the ninth whereas clause of the preamble, strike ''providing resources'' and insert ''support''.

SA 3624. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. FEDERALISM IN MEDICAL MARIJUANA.

(a) STATE MEDICAL MARIJUANA LAWS.—Notwithstanding section 708 of the Controlled Substances Act (21 U.S.C. 903) or any other provision of law (including regulations), a State may enact and implement a law that authorizes the use, distribution, possession, or cultivation of marijuana for medical use.

(b) PROHIBITION ON CERTAIN PROSECUTIONS.—No prosecution may be commenced or maintained against any physician or patient for a violation of any Federal law (including regulations) that prohibits the conduct described in subsection (a) if the State in which the violation occurred has in effect a law described in subsection (a) before, on, or after the date on which the violation occurred, including—

(1) Alabama;
(2) Alaska;
(3) Arizona;
(4) California;
(5) Colorado;
(6) Connecticut;
(7) Delaware;
(8) the District of Columbia;
(9) Florida;
(10) Hawaii;
(11) Illinois;
(12) Iowa;
(13) Kentucky;
(14) Maine;
(15) Maryland;
(16) Massachusetts;
(17) Michigan;
(18) Minnesota;
(19) Mississippi;
(20) Missouri;
(21) Montana;
(22) Nevada;
(23) New Hampshire;
(24) New Jersey;
(25) New Mexico;
(26) Oregon;
(27) Rhode Island;

(28) South Carolina;
(29) Tennessee;
(30) Utah;
(31) Vermont;
(32) Washington; and
(33) Wisconsin.

SA 3625. Mr. BOOZMAN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE I—ACCOUNTABILITY THROUGH ELECTRONIC VERIFICATION

SEC. 11. SHORT TITLE.

This title may be cited as the ''Accountability Through Electronic Verification Act''.

SEC. 12. PERMANENT REAUTHORIZATION.

Section 401(b) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note) is amended by striking ''Unless the Congress otherwise provides, the Secretary of Homeland Security shall terminate a pilot program on September 30, 2015.''.

SEC. 13. MANDATORY USE OF E-VERIFY.

(a) FEDERAL GOVERNMENT.—Section 402(e)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by amending subparagraph (A) to read as follows:

''(A) EXECUTIVE DEPARTMENTS AND AGENCIES.—Each department and agency of the Federal Government shall participate in E-Verify by complying with the terms and conditions set forth in this section.''; and

(2) in subparagraph (B), by striking '', that conducts hiring in a State'' and all that follows and inserting ''shall participate in E-Verify by complying with the terms and conditions set forth in this section.''.

(b) FEDERAL CONTRACTORS; CRITICAL EMPLOYERS.—Section 402(e) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively; and

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

''(2) UNITED STATES CONTRACTORS.—Any person, employer, or other entity that enters into a contract with the Federal Government shall participate in E-Verify by complying with the terms and conditions set forth in this section.

''(3) DESIGNATION OF CRITICAL EMPLOYERS.—Not later than 7 days after the date of the enactment of this paragraph, the Secretary of Homeland Security shall—

''(A) conduct an assessment of employers that are critical to the homeland security or national security needs of the United States;

''(B) designate and publish a list of employers and classes of employers that are deemed to be critical pursuant to the assessment conducted under subparagraph (A); and

''(C) require that critical employers designated pursuant to subparagraph (B) participate in E-Verify by complying with the terms and conditions set forth in this section not later than 30 days after the Secretary makes such designation.''.

(c) ALL EMPLOYERS.—Section 402 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

''(f) MANDATORY PARTICIPATION IN E-VERIFY.—

''(1) IN GENERAL.—Subject to paragraphs (2) and (3), all employers in the United States shall participate in E-Verify, with respect to all employees recruited, referred, or hired by such employer on or after the date that is 1 year after the date of the enactment of this subsection.

''(2) USE OF CONTRACT LABOR.—Any employer who uses a contract, subcontract, or exchange to obtain the labor of an individual in the United States shall certify in such contract, subcontract, or exchange that the employer uses E-Verify. If such certification is not included in a contract, subcontract, or exchange, the employer shall be deemed to have violated paragraph (1).

''(3) INTERIM MANDATORY PARTICIPATION.—

''(A) IN GENERAL.—Before the date set forth in paragraph (1), the Secretary of Homeland Security shall require any employer or class of employers to participate in E-Verify, with respect to all employees recruited, referred, or hired by such employer if the Secretary has reasonable cause to believe that the employer is or has been engaged in a material violation of section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a).

''(B) NOTIFICATION.—Not later than 14 days before an employer or class of employers is required to begin participating in E-Verify pursuant to subparagraph (A), the Secretary shall provide such employer or class of employers with—

''(i) written notification of such requirement; and

''(ii) appropriate training materials to facilitate compliance with such requirement.''.

SEC. 14. CONSEQUENCES OF FAILURE TO PARTICIPATE.

(a) IN GENERAL.—Section 402(e)(5) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note), as redesignated by section 13(b)(1), is amended to read as follows:

''(5) CONSEQUENCES OF FAILURE TO PARTICIPATE.—If a person or other entity that is required to participate in E-Verify fails to comply with the requirements under this title with respect to an individual—

''(A) such failure shall be treated as a violation of section 274A(a)(1)(B) with respect to such individual; and

''(B) a rebuttable presumption is created that the person or entity has violated section 274A(a)(1)(A).''.

(b) PENALTIES.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended—

(1) in subsection (e)—

(A) in paragraph (4)—

(i) in subparagraph (A), in the matter preceding clause (i), by inserting '', subject to paragraph (10),'' after ''in an amount'';

(ii) in subparagraph (A)(i), by striking ''not less than $250 and not more than $2,000'' and inserting ''not less than $2,500 and not more than $5,000'';

(iii) in subparagraph (A)(ii), by striking ''not less than $2,000 and not more than $5,000'' and inserting ''not less than $5,000 and not more than $10,000'';

(iv) in subparagraph (A)(iii), by striking ''not less than $3,000 and not more than $10,000'' and inserting ''not less than $10,000 and not more than $25,000''; and

(v) by amending subparagraph (B) to read as follows:

''(B) may require the person or entity to take such other remedial action as is appropriate.'';

(B) in paragraph (5)—

(i) by inserting '', subject to paragraphs (10) through (12),'' after ''in an amount'';

(ii) by striking ''$100'' and inserting ''$1,000'';

(iii) by striking ''$1,000'' and inserting ''$25,000'';

(iv) by striking ''the size of the business of the employer being charged, the good faith of the employer'' and inserting ''the good faith of the employer being charged''; and

(v) by adding at the end the following: ''Failure by a person or entity to utilize the employment eligibility verification system as required by law, or providing information to the system that the person or entity knows or reasonably believes to be false, shall be treated as a violation of subsection (a)(1)(A).''; and

(C) by adding at the end the following:

''(10) EXEMPTION FROM PENALTY.—In the case of imposition of a civil penalty under paragraph (4)(A) with respect to a violation of subsection (a)(1)(A) or (a)(2) for hiring or continuation of employment or recruitment or referral by person or entity and in the case of imposition of a civil penalty under paragraph (5) for a violation of subsection (a)(1)(B) for hiring or recruitment or referral by a person or entity, the penalty otherwise imposed may be waived or reduced if the violator establishes that the violator acted in good faith.

''(11) AUTHORITY TO DEBAR EMPLOYERS FOR CERTAIN VIOLATIONS.—

''(A) IN GENERAL.—If a person or entity is determined by the Secretary of Homeland Security to be a repeat violator of paragraph (1)(A) or (2) of subsection (a), or is convicted of a crime under this section, such person or entity may be considered for debarment from the receipt of Federal contracts, grants, or cooperative agreements in accordance with the debarment standards and pursuant to the debarment procedures set forth in the Federal Acquisition Regulation.

''(B) DOES NOT HAVE CONTRACT, GRANT, AGREEMENT.—If the Secretary of Homeland Security or the Attorney General wishes to have a person or entity considered for debarment in accordance with this paragraph, and such an person or entity does not hold a Federal contract, grant or cooperative agreement, the Secretary or Attorney General shall refer the matter to the Administrator of General Services to determine whether to list the person or entity on the List of Parties Excluded from Federal Procurement, and if so, for what duration and under what scope.

''(C) HAS CONTRACT, GRANT, AGREEMENT.—If the Secretary of Homeland Security or the Attorney General wishes to have a person or entity considered for debarment in accordance with this paragraph, and such person or entity holds a Federal contract, grant or cooperative agreement, the Secretary or Attorney General shall advise all agencies or departments holding a contract, grant, or cooperative agreement with the person or entity of the Government's interest in having the person or entity considered for debarment, and after soliciting and considering the views of all such agencies and departments, the Secretary or Attorney General may waive the operation of this paragraph or refer the matter to any appropriate lead agency to determine whether to list the person or entity on the List of Parties Excluded from Federal Procurement, and if so, for what duration and under what scope.

''(D) REVIEW.—Any decision to debar a person or entity under in accordance with this paragraph shall be reviewable pursuant to part 9.4 of the Federal Acquisition Regulation.''; and

(2) in subsection (f)—

(A) by amending paragraph (1) to read as follows:

''(1) CRIMINAL PENALTY.—Any person or entity which engages in a pattern or practice of violations of subsection (a)(1) or (2) shall be fined not more than $15,000 for each unauthorized alien with respect to which such a violation occurs, imprisoned for not less

than 1 year and not more than 10 years, or both, notwithstanding the provisions of any other Federal law relating to fine levels.''; and

(B) in paragraph (2), by striking ''Attorney General'' each place it appears and inserting ''Secretary of Homeland Security''.

SEC. 15. PREEMPTION; LIABILITY.

Section 402 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note), as amended by this Act, is further amended by adding at the end the following:

''(h) LIMITATION ON STATE AUTHORITY.—

''(1) PREEMPTION.—A State or local government may not prohibit a person or other entity from verifying the employment authorization of new hires or current employees through E-Verify.

''(2) LIABILITY.—A person or other entity that participates in E-Verify may not be held liable under any Federal, State, or local law for any employment-related action taken with respect to the wrongful termination of an individual in good faith reliance on information provided through E-Verify.''.

SEC. 16. EXPANDED USE OF E-VERIFY.

Section 403(a)(3)(A) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

''(A) IN GENERAL.—

''(i) BEFORE HIRING.—The person or other entity may verify the employment eligibility of an individual through E-Verify before the individual is hired, recruited, or referred if the individual consents to such verification. If an employer receives a tentative nonconfirmation for an individual, the employer shall comply with procedures prescribed by the Secretary, including—

''(I) providing the individual employees with private, written notification of the finding and written referral instructions;

''(II) allowing the individual to contest the finding; and

''(III) not taking adverse action against the individual if the individual chooses to contest the finding.

''(ii) AFTER EMPLOYMENT OFFER.—The person or other entity shall verify the employment eligibility of an individual through E-Verify not later than 3 days after the date of the hiring, recruitment, or referral, as the case may be.

''(iii) EXISTING EMPLOYEES.—Not later than 3 years after the date of the enactment of the Accountability Through Electronic Verification Act, the Secretary shall require all employers to use E-Verify to verify the identity and employment eligibility of any individual who has not been previously verified by the employer through E-Verify.''.

SEC. 17. REVERIFICATION.

Section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following:

''(5) REVERIFICATION.—Each person or other entity participating in E-Verify shall use the E-Verify confirmation system to reverify the work authorization of any individual not later than 3 days after the date on which such individual's employment authorization is scheduled to expire (as indicated by the Secretary or the documents provided to the employer pursuant to section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b))), in accordance with the procedures set forth in this subsection and section 402.''.

SEC. 18. HOLDING EMPLOYERS ACCOUNTABLE.

(a) CONSEQUENCES OF NONCONFIRMATION.—Section 403(a)(4)(C) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

''(C) CONSEQUENCES OF NONCONFIRMATION.—

''(i) TERMINATION AND NOTIFICATION.—If the person or other entity receives a final nonconfirmation regarding an individual, the employer shall immediately—

''(I) terminate the employment, recruitment, or referral of the individual; and

''(II) submit to the Secretary any information relating to the individual that the Secretary determines would assist the Secretary in enforcing or administering United States immigration laws.

''(ii) CONSEQUENCE OF CONTINUED EMPLOYMENT.—If the person or other entity continues to employ, recruit, or refer the individual after receiving final nonconfirmation, a rebuttable presumption is created that the employer has violated section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a).''.

(b) INTERAGENCY NONCONFIRMATION REPORT.—Section 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following:

''(c) INTERAGENCY NONCONFIRMATION REPORT.—

''(1) IN GENERAL.—The Director of U.S. Citizenship and Immigration Services shall submit a weekly report to the Assistant Secretary of Immigration and Customs Enforcement that includes, for each individual who receives final nonconfirmation through E-Verify—

''(A) the name of such individual;

''(B) his or her Social Security number or alien file number;

''(C) the name and contact information for his or her current employer; and

''(D) any other critical information that the Assistant Secretary determines to be appropriate.

''(2) USE OF WEEKLY REPORT.—The Secretary of Homeland Security shall use information provided under paragraph (1) to enforce compliance of the United States immigration laws.''.

SEC. 19. INFORMATION SHARING.

The Commissioner of Social Security, the Secretary of Homeland Security, and the Secretary of the Treasury shall jointly establish a program to share information among such agencies that may or could lead to the identification of unauthorized aliens (as defined under section 274A(h)(3) of the Immigration and Nationality Act), including any no-match letter and any information in the earnings suspense file.

SEC. 20. FORM I–9 PROCESS.

Not later than 9 months after date of the enactment of this Act, the Secretary of Homeland Security shall submit a report to Congress that contains recommendations for—

(1) modifying and simplifying the process by which employers are required to complete and retain a Form I–9 for each employee pursuant to section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a); and

(2) eliminating the process described in paragraph (1).

SEC. 21. ALGORITHM.

Section 404(d) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

''(d) DESIGN AND OPERATION OF SYSTEM.—E-Verify shall be designed and operated—

''(1) to maximize its reliability and ease of use by employers;

''(2) to insulate and protect the privacy and security of the underlying information;

''(3) to maintain appropriate administrative, technical, and physical safeguards to prevent unauthorized disclosure of personal information;

''(4) to respond accurately to all inquiries made by employers on whether individuals are authorized to be employed;

''(5) to register any times when E-Verify is unable to receive inquiries;

''(6) to allow for auditing use of the system to detect fraud and identify theft;

''(7) to preserve the security of the information in all of the system by—

''(A) developing and using algorithms to detect potential identity theft, such as multiple uses of the same identifying information or documents;

''(B) developing and using algorithms to detect misuse of the system by employers and employees;

''(C) developing capabilities to detect anomalies in the use of the system that may indicate potential fraud or misuse of the system; and

''(D) auditing documents and information submitted by potential employees to employers, including authority to conduct interviews with employers and employees;

''(8) to confirm identity and work authorization through verification of records maintained by the Secretary, other Federal departments, States, the Commonwealth of the Northern Mariana Islands, or an outlying possession of the United States, as determined necessary by the Secretary, including—

''(A) records maintained by the Social Security Administration;

''(B) birth and death records maintained by vital statistics agencies of any State or other jurisdiction in the United States;

''(C) passport and visa records (including photographs) maintained by the Department of State; and

''(D) State driver's license or identity card information (including photographs) maintained by State department of motor vehicles;

''(9) to electronically confirm the issuance of the employment authorization or identity document; and

''(10) to display the digital photograph that the issuer placed on the document so that the employer can compare the photograph displayed to the photograph on the document presented by the employee or, in exceptional cases, if a photograph is not available from the issuer, to provide for a temporary alternative procedure, specified by the Secretary, for confirming the authenticity of the document.''.

SEC. 22. IDENTITY THEFT.

Section 1028 of title 18, United States Code, is amended—

(1) in subsection (a)(7), by striking ''of another person'' and inserting ''that is not his or her own''; and

(2) in subsection (b)(3)—

(A) in subparagraph (B), by striking ''or'' at the end;

(B) in subparagraph (C), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(D) to facilitate or assist in harboring or hiring unauthorized workers in violation of section 274, 274A, or 274C of the Immigration and Nationality Act (8 U.S.C. 1324, 1324a, and 1324c).''.

SEC. 23. SMALL BUSINESS DEMONSTRATION PROGRAM.

Section 403 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

''(d) SMALL BUSINESS DEMONSTRATION PROGRAM.—Not later than 9 months after the date of the enactment of the Accountability Through Electronic Verification Act, the Director of U.S. Citizenship and Immigration Services shall establish a demonstration program that assists small businesses in rural

areas or areas without internet capabilities to verify the employment eligibility of newly hired employees solely through the use of publicly accessible internet terminals.''.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Ms. LANDRIEU. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before Subcommittee on Public Lands, Forests, and Mining. The hearing will be held on Wednesday, July 30, 2014, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the following bills:

S. 1049 and H.R. 2166, to direct the Secretary of the Interior and Secretary of Agriculture to expedite access to certain Federal lands under the administrative jurisdiction of each Secretary for good Samaritan search-and-recovery missions, and for other purposes;

S. 1437, to provide for the release of the reversionary interest held by the United States in certain land conveyed in 1954 by the United States, acting through the Director of the Bureau of Land Management, to the State of Oregon for the establishment of the Hermiston Agricultural Research and Extension Center of Oregon State University in Hermiston, Oregon;

S. 1554, to direct the heads of Federal public land management agencies to prepare reports on the availability of public access and egress to Federal public land for hunting, fishing, and other recreational purposes, to amend the Land and Water Conservation Fund Act of 1965 to provide funding for recreational public access to Federal land, and for other purposes;

S. 1605, for the relief of Michael G. Faber;

S. 1640, to facilitate planning, permitting, administration, implementation, and monitoring of pinyon-juniper dominated landscape restoration projects within Lincoln County, Nevada, and for other purposes;

S. 1888 and H.R. 1241, to facilitate a land exchange involving certain National Forest System land in the Inyo National Forest, and for other purposes;

S. 2123, to authorize the exchange of certain Federal land and non-Federal land in the State of Minnesota;

S. 2616, to require the Secretary of the Interior to convey certain Federal land to Idaho County in the State of Idaho, and for other purposes;

H.R. 1684, to convey certain property to the State of Wyoming to consolidate the historic Ranch A, and for other purposes; and,

H.R. 3008, to provide for the conveyance of a small parcel of National Forest System land in Los Padres National Forest in California, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, 304 Dirksen Senate Office Building, Washington, DC 20510–6150, or by email to John Assini@energv.senate.gov.

For further information, please contact Meghan Conklin (202)-224–8046 or John Assini (202)-224–9313.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on July 23, 2014, at 9:30 a.m. in room SR–328A of the Russell Senate Office Building, to conduct a hearing entitled ''Meeting the Challenges of Feeding America's School Children.''

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 23, 2014, at 2:45 p.m. in room SR–253 of the Russell Senate Office Building to conduct a hearing entitled, ''The Cruise Passenger Protection Act (S. 1340): Improving Consumer Protections for Cruise Passengers.''

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on July 23, 2014, at 9:30 a.m., in room SD–406 of the Dirksen Senate Office Building to conduct a hearing entitled, ''Oversight Hearing: EPA's Proposed Carbon Pollution Standards for Existing Power Plants.''

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate on July 23, 2014, at 10 a.m. in room SD–430 of the Dirksen Senate Office Building.

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

COMMITTEE ON INDIAN AFFAIRS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on July 23, 2014, in room SD–628 of the Dirksen Senate Office Building, at 3:30 p.m., to conduct a hearing entitled ''Indian Gaming: The Next 25 Years.''

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

COMMITTEE ON RULES AND ADMINISTRATION

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on July 23, 2014, at 10 a.m. in room SR–301 of the Russell Senate Office Building to conduct a hearing entitled ''The DISCLOSE Act (S. 2516) and the Need for Expanded Public Disclosure of Funds Raised and Spent to Influence Federal Elections.''

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m. in room SR–253 of the Russell Senate Office Building.

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

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Small Business and Entrepreneurship be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m., in room 216 of the Hart Senate Office Building to conduct a hearing entitled, ''Empowering Women Entrepreneurs: Understanding Successes, Addressing Persistent Challenges, and Identifying New Opportunities.''

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

COMMITTEE ON VETERANS' AFFAIRS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on July 23, 2014, at 11 a.m., in room S–219 of the Capitol.

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

SELECT COMMITTEE ON INTELLIGENCE

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 23, 2014, at 2 p.m.

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

SUBCOMMITTEE ON FINANCIAL AND CONTRACTING OVERSIGHT

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Subcommittee on Financial and Contracting Oversight of the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m., to conduct a hearing entitled, ''A More Efficient and Effective Government: The National Technical Information Service.''

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

SUBCOMMITTEE ON NATIONAL PARKS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Subcommittee on National Parks be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m., in room SD–366 of the Dirksen Senate Office Building.

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